

**ComEd's 2008 – 2010
Energy Efficiency / Demand Response
Plan**



Year 1 – 3rd Quarter Performance Update
(June 2008 – February 2009)



Portfolio Results			
	3rd Qtr Results	1st Year Goal	Pct of Goal Achieved
Energy Saved (MWhs)	134,116	166,430	81%
Carbon Reduction (MTs)	93,993		
Portfolio Jobs	54		

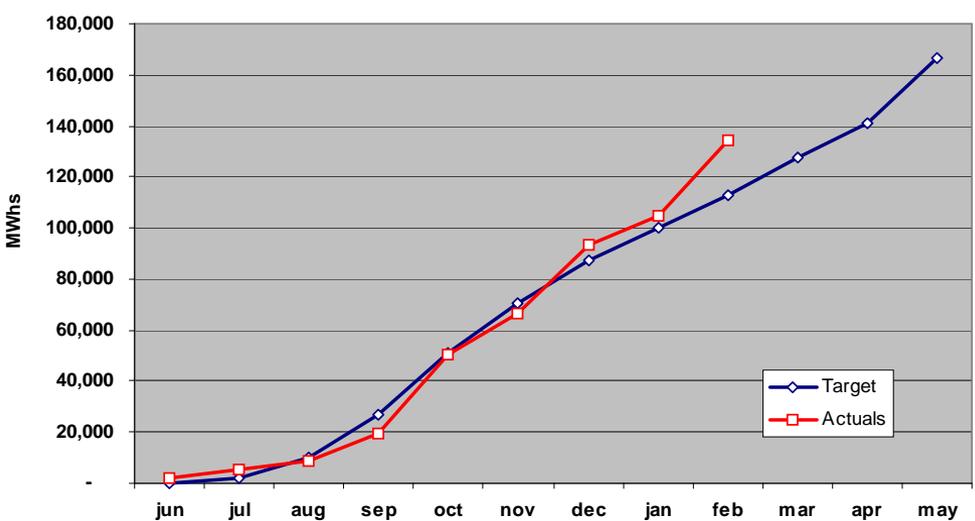
* **Portfolio Jobs** reflect actual positions by ComEd and its contractors that are part of the Rider EDA and does not attempt to capture indirect jobs in the energy efficiency industry that may result from the ComEd portfolio

ComEd Portfolio Summary

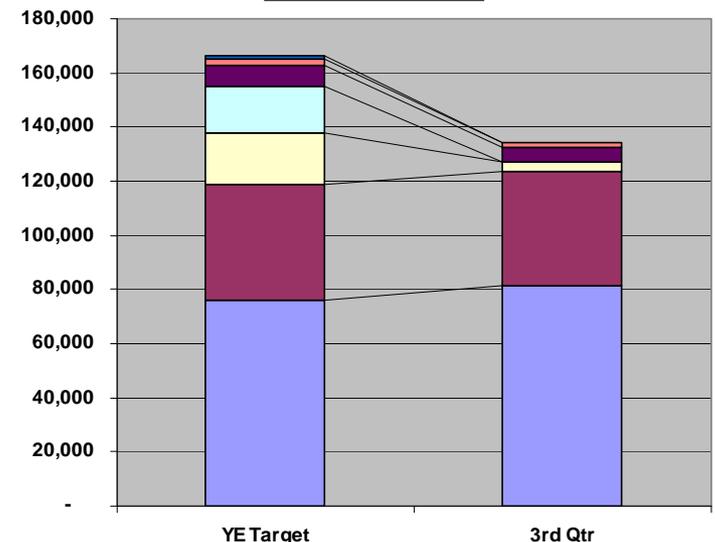
ComEd's portfolio is on-track to achieve its 1st year goal of 166,430 MWhs

- The Business Solutions program activity has been brisk; All funds are currently reserved and a customer waiting list has been filled
- The Residential Solutions programs are on-track
 - ENERGY STAR Lighting Program has sold over 2.6M CFLs
 - Appliance Recycling Program has picked up over 7,200 units
 - All-Electric Efficiency Upgrade Program has retrofitted nearly 2,450 multi-family units
- Portfolio is under budget, allowing goals to be exceeded

MWhs- Target vs. Actuals



MWh Goal Progress

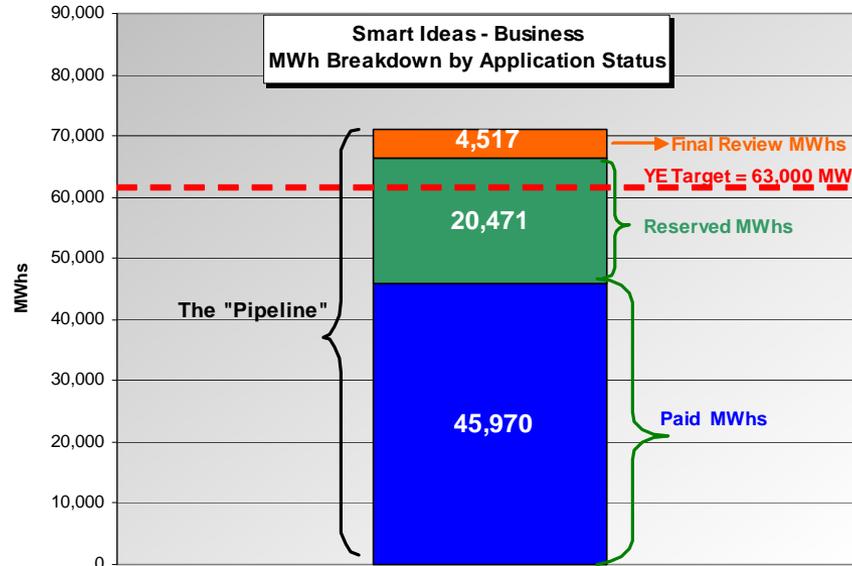
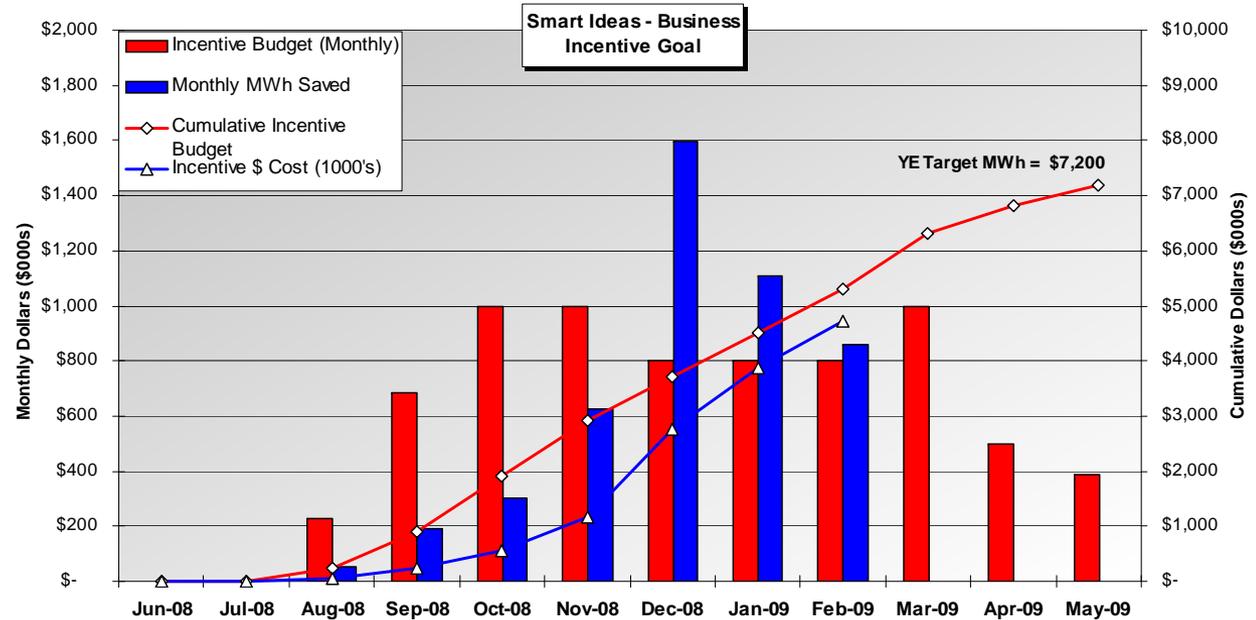


- Lighting
- C&I Prescriptive
- C&I Custom
- Small C&I CFL Intro kit
- App. Recycling
- All-Electric Efficiency
- C&I Retrocommissioning

Smart Ideas for your Business

Program Overview

- The Program goal is 63,000 MWh
- ComEd has a total of 392 active applications, totaling 70,958 MWh (112% of goal)
- The majority of applications have been paid. Waiting on project completion for longer lead time/more complex projects.
- **Completed Projects**
 - 281 applications
 - 45,970 MWhs saved (73% of goal)
 - \$4.7M incentives paid
- **Reserved Projects**
 - 111 applications
 - 24,988 MWh potential
 - \$2.3M potential Incentives
- **“Final Review” Projects**
 - 28 applications



Application Status

“Final Review” customer indicates project is complete and we are reviewing for final incentive payment.

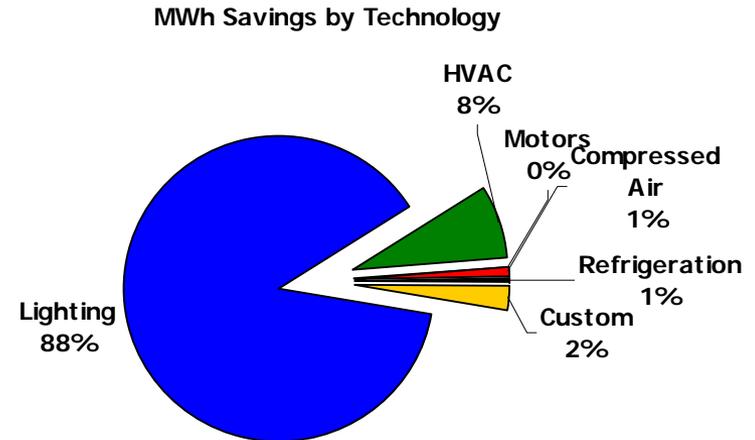
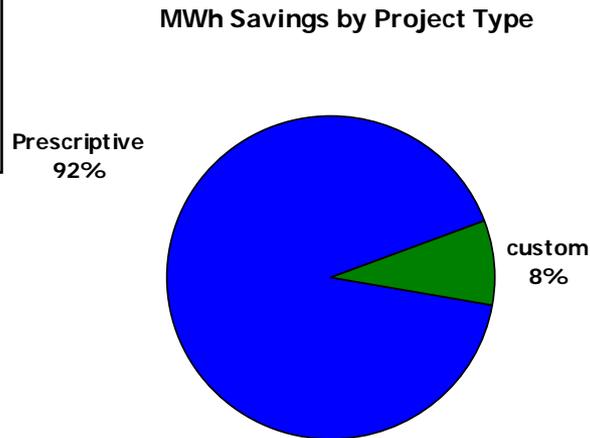
“Reserved” projects have been approved by the implementation team.

“Paid” projects have been completed by the customer and the associated incentive payment has been sent.

Program Highlights

- Prescriptive and Custom incentives have seen heavy interest and demand with over \$12.5 million in incentive requests
- To manage high demand, ComEd implemented a “Wait List” process for applications received after Sept. 9, 2008 and then closed the application process on Nov. 1, 2008. The current plan is to accept new applications for Program Year 2 on June 1, 2009.
- Lighting represents 92.6% of the kWh in active applications (88% of completed projects)
- The kWh of prescriptive applications is 92% of the total, versus 8% for custom applications

The Plan had a 70 / 30 split for prescriptive and custom. The current split is expected given a high participation rate for prescriptive projects in the early stages of implementation

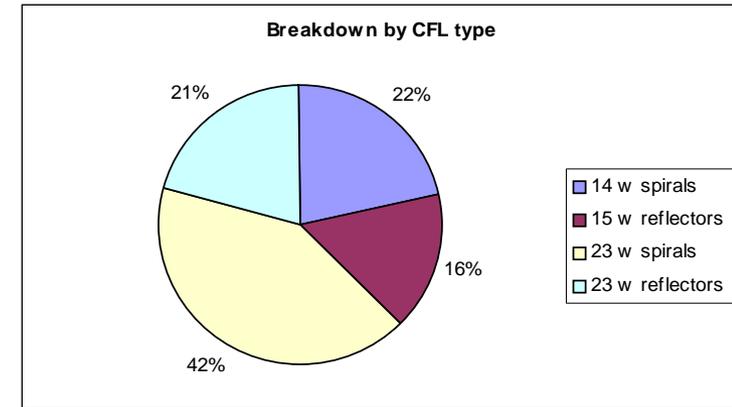


Program Challenges / Issues

- Managing transition to Program Year 2/ Closing out Program Year 1
 - Encouraging customers to complete projects in May
 - Transitioning wait list application from Program Year 1 to Program Year 2
 - Communications to customers
- Launching New Construction, Retrocommissioning, Small C&I Intro Kit

Small C&I Intro Kit

- Direct mail offering to small business customers for CFLs
- First mailing of 50,000 postcards generated a 25% response rate
- 43% to goal with first wave mailing
- Planning to offer catalog of additional small business efficiency measures
- Catalog expected completion date will be in early April



Retro Commissioning (RCx)

- Program provides technical and financial assistance to improve the operating performance of existing buildings.
- 2008-2009 Pilot
 - 4 Participants - Allstate Insurance, Illinois Institute of Technology, Northwestern University and Chicago History Museum
 - 1.5 MWhs identified
 - All 4 participants will complete the verification phase by May 2009

New Construction

- Program will provide design assistance and incentives for new C&I buildings built above code.
- Implementation contractor selected - Energy Center of Wisconsin (ECW)
- Kick-off meeting is April 10th
- Launch in June 2009

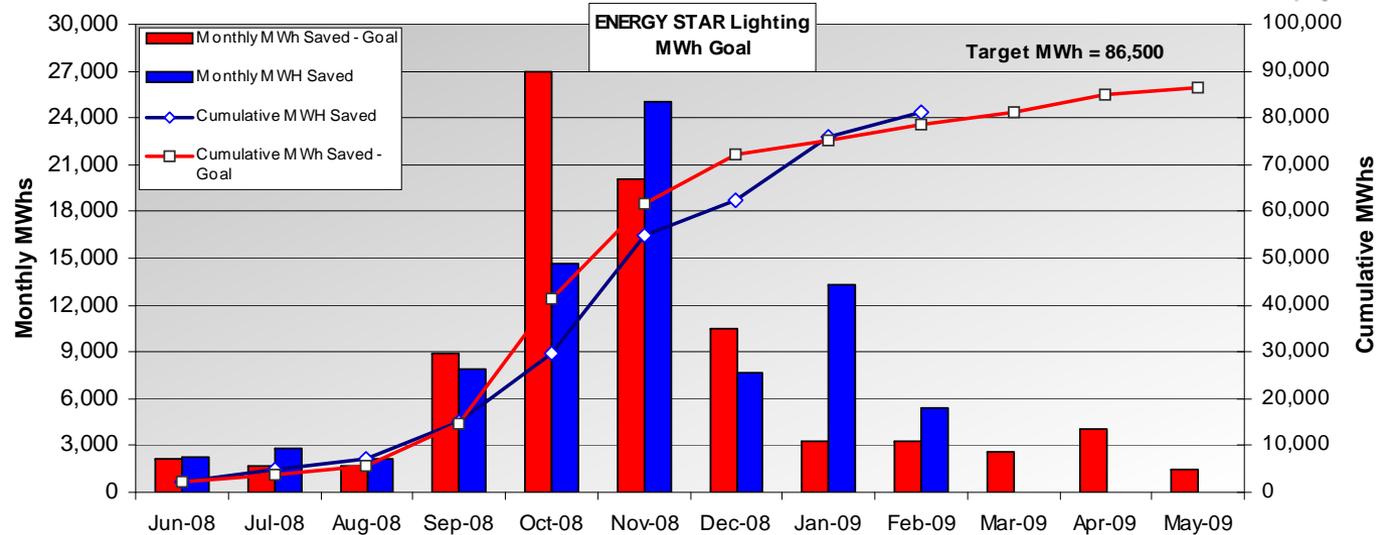
Smart Ideas for your Home – ENERGY STAR™ Lighting



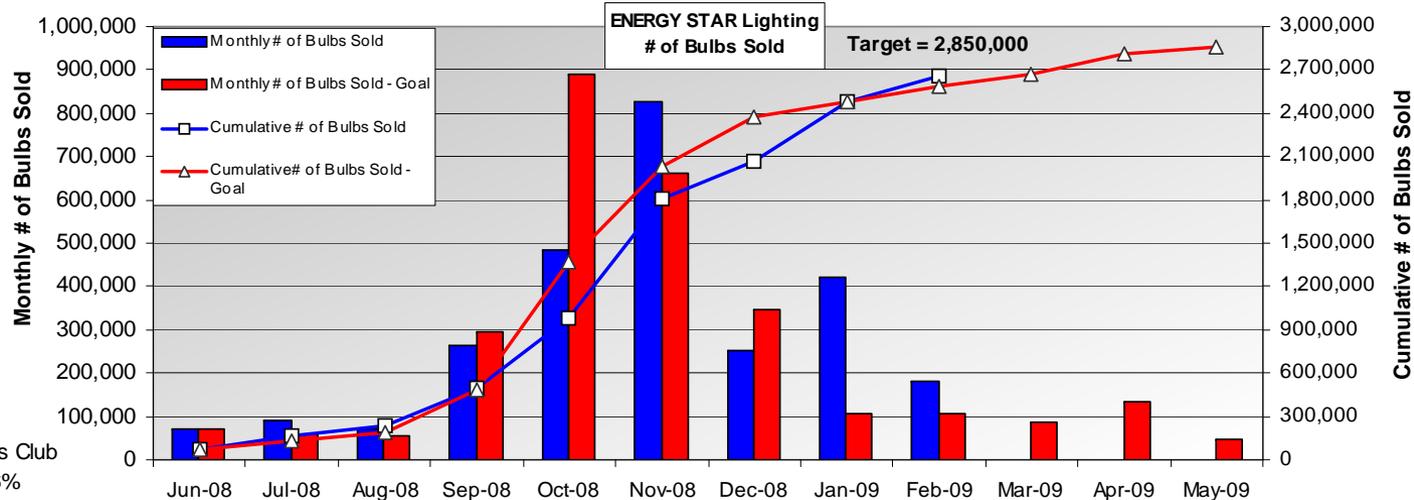
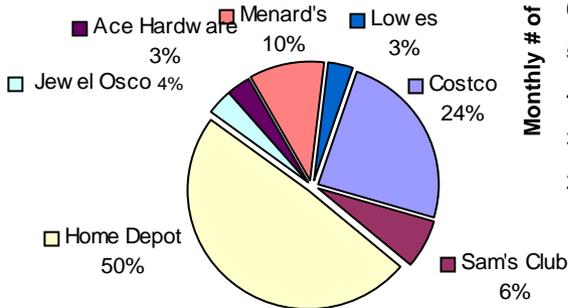
An Exelon Company

Overview

- The Program goal is 86,500 MWhs, totaling 2.85 million CFLs
- Results thru 02/28/09
 - 2,660,800 CFL bulbs sold
 - 81,240 MWhs saved (94% of year end goal)



Energy Star Lighting # of Bulbs Sold by Retailer



Program Highlights

- **Phase 1 (June – Sept 2008) was successful for several reasons –**
 - Phase 1 focused only on specialty CFLs (e.g., reflector bulbs), so the more common “twist” CFLs were not part of the offer
 - Phase 1 was only in three retailers – Costco, Sam’s Club and The Home Dept – of which 2 of the three (Costco and Sam’s Club) are membership warehouses where a membership is required; not all potential customers could make purchases at these two retailers
- **Phase II (Sept 2008 – Dec 2008) was very successful -**
 - Added 428 additional participating retailers, sold over 2M bulbs to date
- **Phase III (January 2009 to Present) has also been very successful for several reasons –**
 - Sold over 600K bulbs
 - Sold over 11K fixtures
 - Added an additional field rep for a total of 8
 - Issued an RFP for PY2 and received significant response from the industry – currently issuing Memorandum of Understanding (MOUs) to participating manufacturers/retailers with final bulb and fixture allocations

Program Challenges / Issues

- **Phase III Challenges**
 - Sustaining CFL inventory at many of the participating retailers as possible through April 2009
 - Receiving invoices in a timely fashion from the manufacturers/retailers

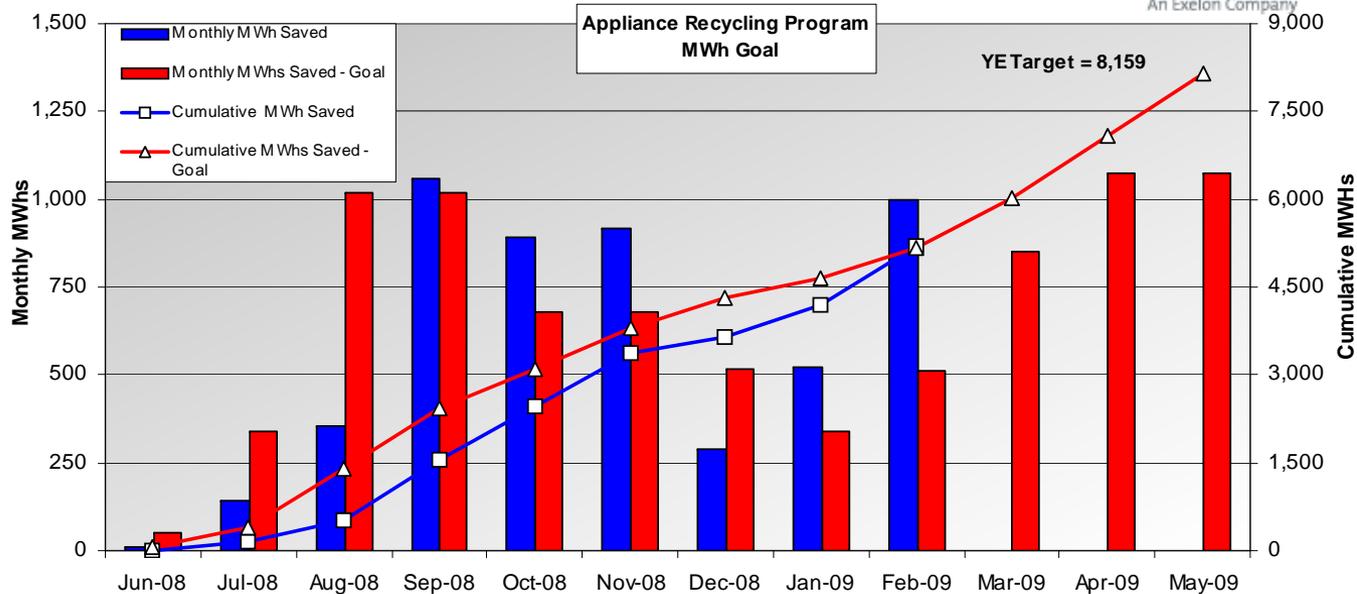
Smart Ideas for your Home – Appliance Recycling

Overview

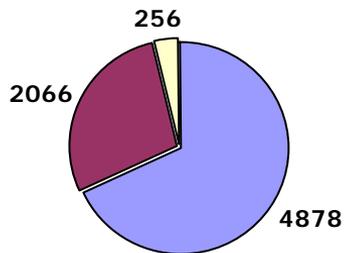
- The Program goal is 8,159 MWhs, targeting 15,198 enrollments

Results thru 02/28/09

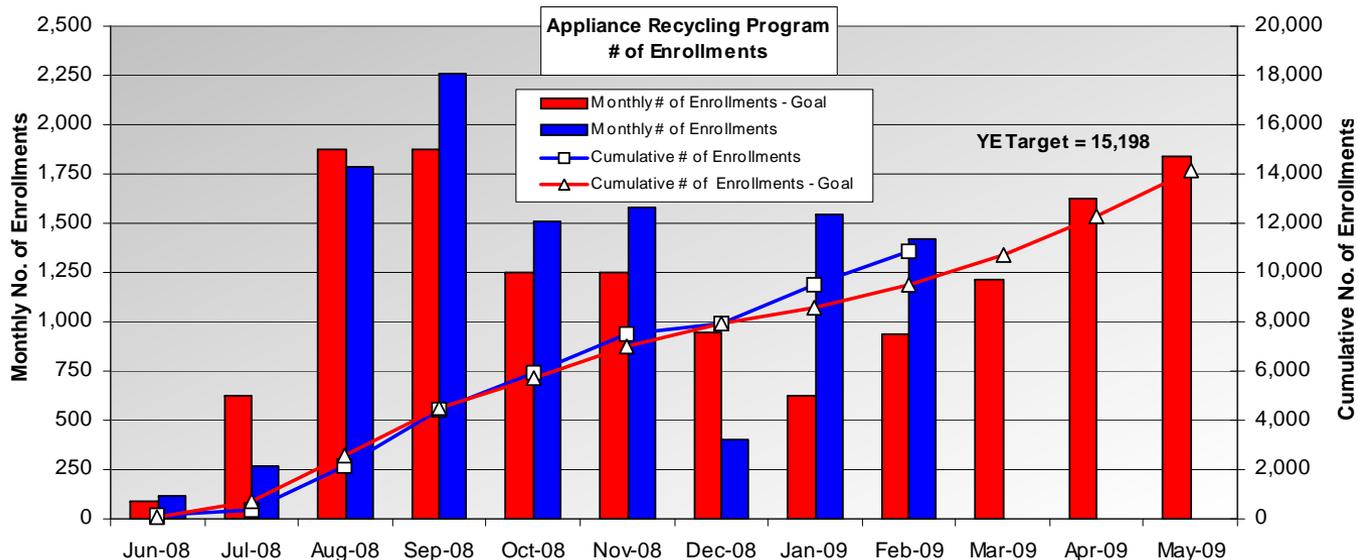
- 5,186 MWhs saved vs. 9 month target of 5,163 MWhs
- 7,200 appliances picked up
- 64% of Plan MWh goal achieved



Total # of Appliances Picked Up



- # of Refrigerators Picked Up YTD
- # of Freezers Picked Up YTD
- # of Room ACs Picked Up YTD



Program Highlights

- ComEd's ability to use bill inserts successfully has kept the program's acquisition cost per recycled unit below the Plan's estimate
- Through 02/28/09, program at 64% of goal, nearly 7,200 units
- 69% of customers say they learned about the program through the bill insert
- Program Year-end marketing campaign includes March bill inserts, April [Energy@Home](#) newsletter, and direct mail trial and black and white ad campaign in May.
- Retail pilot program with Abt Appliance has yielded only 60 refrigerators since January; slow sales of new refrigerators is considered the main cause. Continuity will be maintained in the likelihood the program is continued in Program Year 2.
- ComEd's External Affairs managers have promoted successfully to 12 communities, getting 12,000 additional bill inserts to our customers plus having program featured on some community web sites and cable channels.

Program Challenges / Issues

- Still learning best approaches beyond bill inserts to increase enrollments. Also learning about enrollment curve by month-first bill insert was Aug 2008, so all enrollments through summer 2009 are forecast absent any history.
- When the program increases 225% for the 2nd year, more aggressive and expensive marketing tactics are expected to be required.

Smart Ideas for your Home – All-Electric Efficiency Upgrade



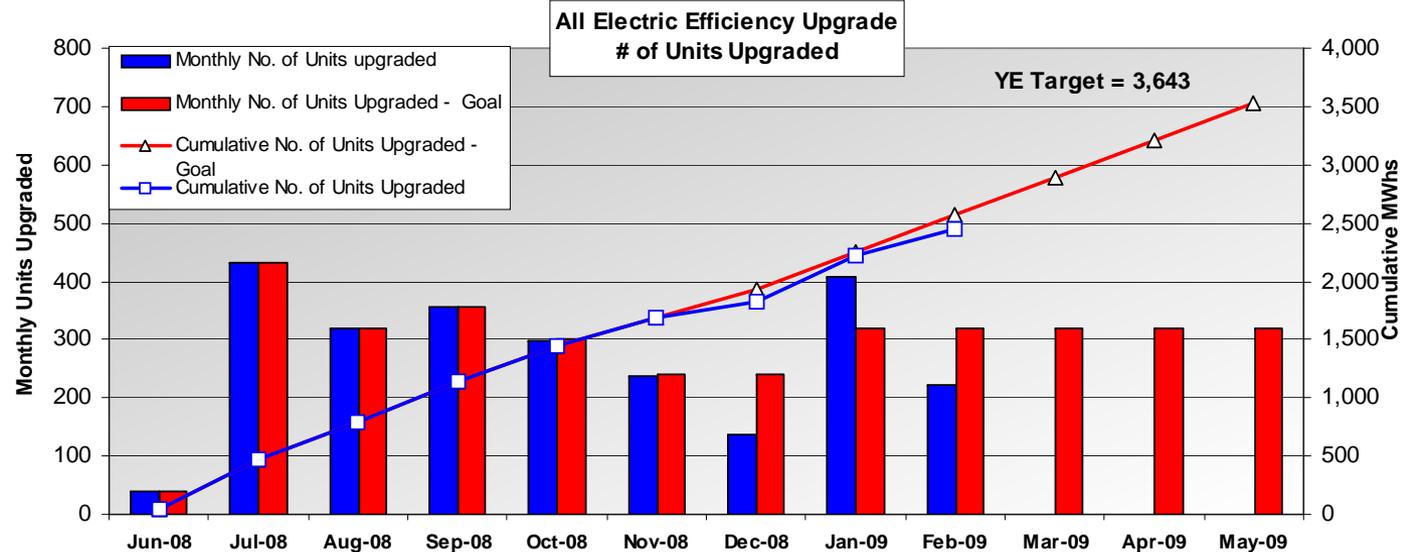
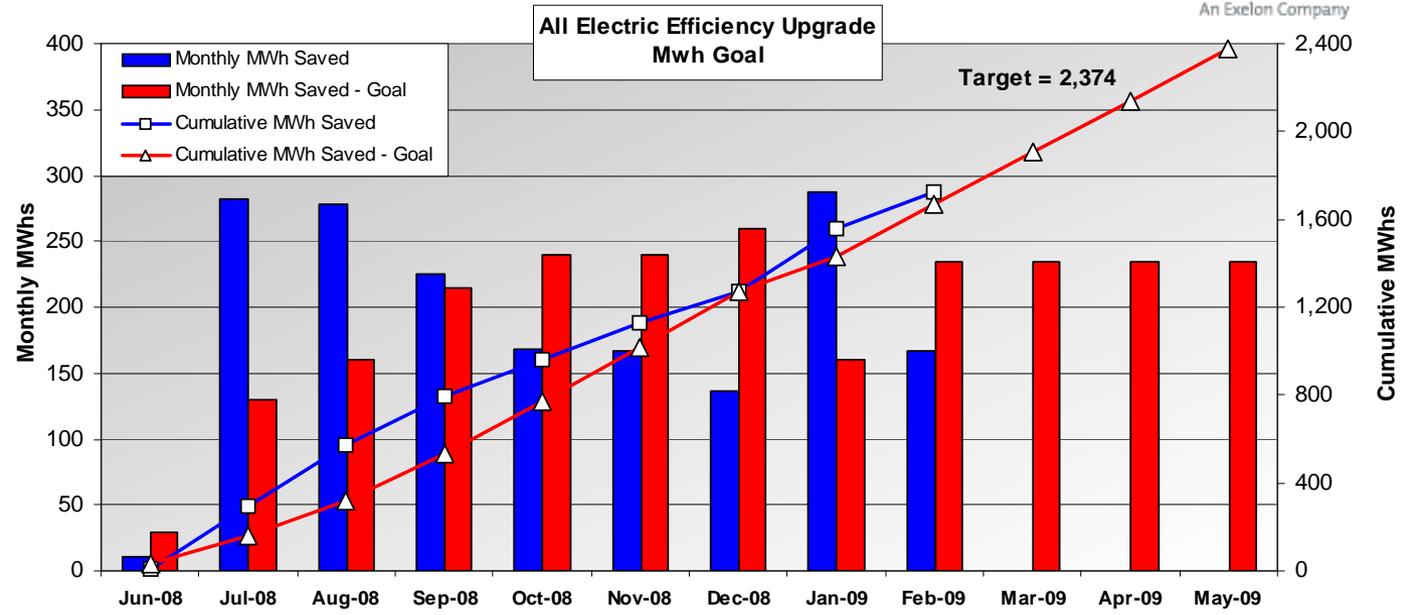
An Exelon Company

Overview

- The Program goal is 2,374 MWh and 3,643 units upgraded

Results thru 02/28/09

- 2,450 units upgraded (67% of goal) (i.e., at least one energy conservation measure has been performed in each unit)
- 1,721 MWhs saved (72% of goal)
- Total # of units in buildings surveyed 7,203 – 34% of units in these buildings have been upgraded
- Showerheads contribute the largest share of MWh savings, followed closely by CFLs



Program Highlights

- Customer survey continues to show a very high customer satisfaction
- On track to reach Program Year 1 goal

Program Issues

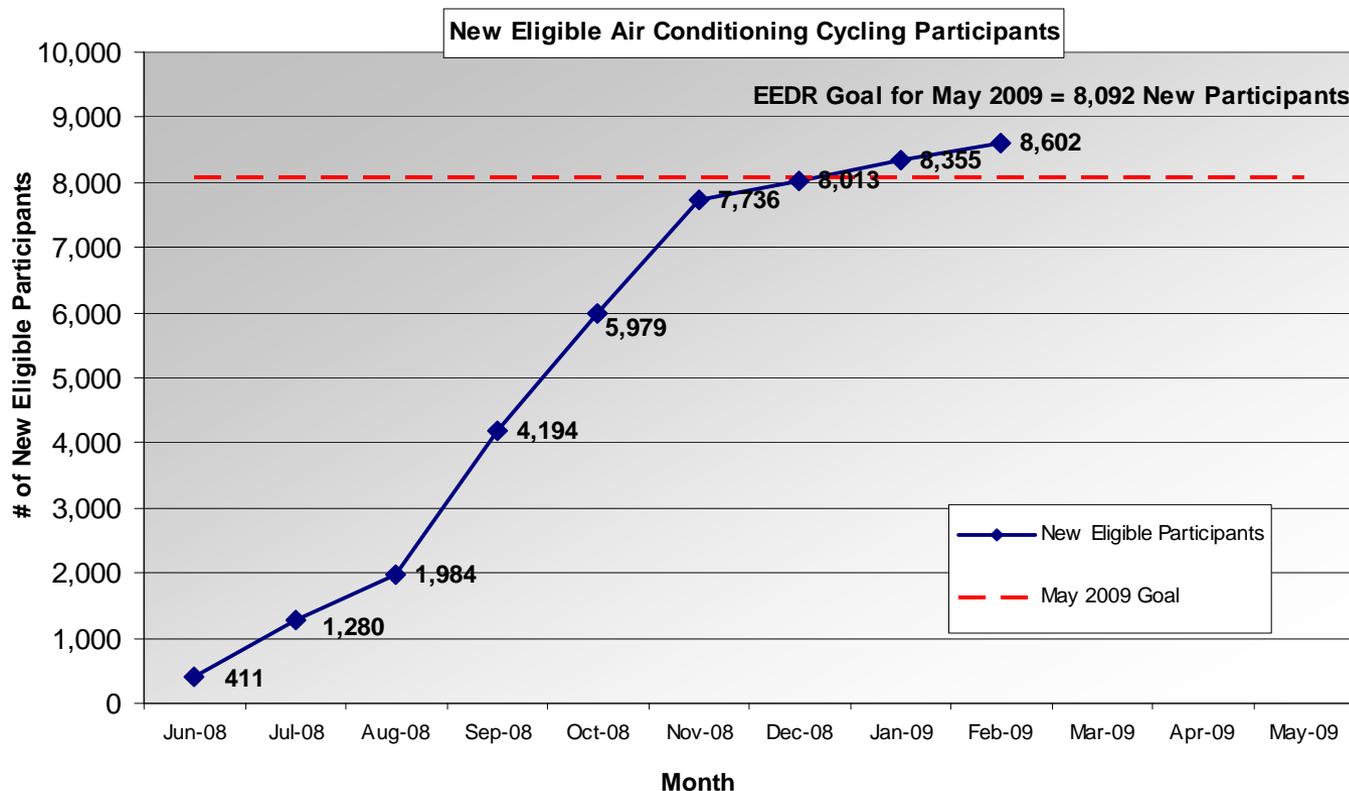
- Significant percentage of buildings listed as all-electric have non-electric water heating
- Revising marketing materials to increase number of property managers and tenants accepting offer.
 - “Free” can be as much of a detriment as an advantage in marketing program- viewed by some as ‘not worth their time” when it is free.

Overview

- The AC Cycling program is a residential central air conditioner direct load control program designed to meet the Plan's demand response requirement.
- The Program goal is 11.7 MWs and 8,092 new participants

Results thru 02/28/09

- 8,602 new participants have been added to the program *(103% of the goal)*
- 12.4 MWs of controllable load have been obtained *(105% of goal)*

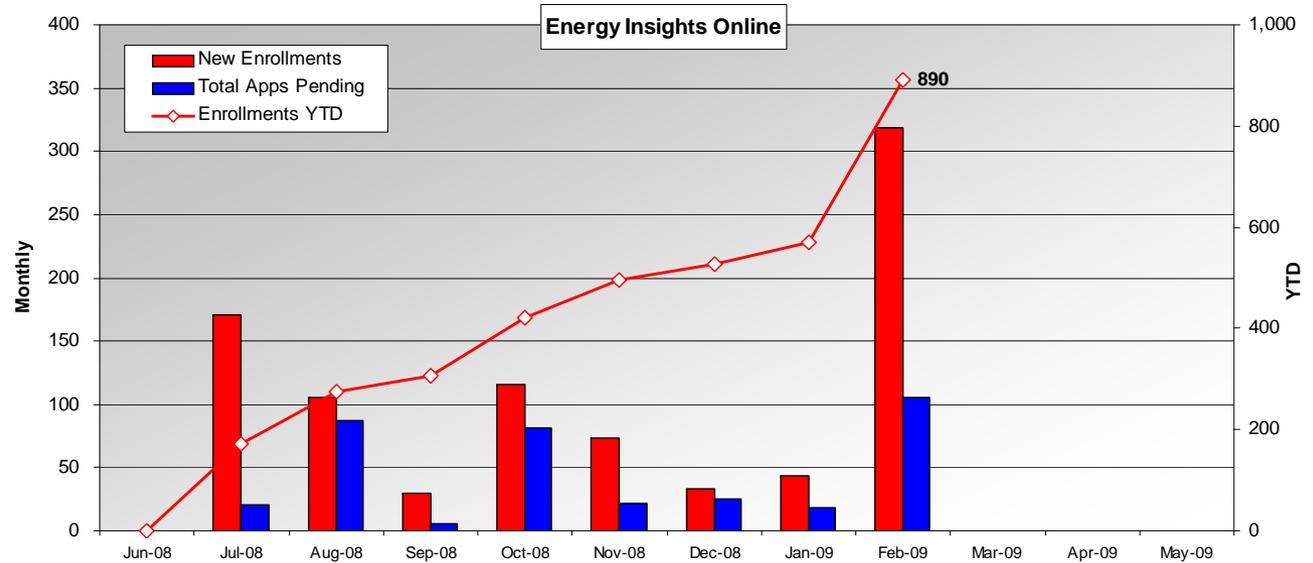


Overview

- Energy Insights Online is a Web-based energy analysis service
 - The service interprets data gathered from the customer's recording meters and converts either monthly or daily data into easy-to-understand graphs and reports that show how much electricity customers consume

Results thru 02/28/09

- The City of Chicago recently signed an Energy Data Services agreement to provide interval data for 615 meters through the Energy Insights Online web-based analysis tool. This project, involving 251 locations, is the largest in program history.



For the 3 year EE/DR Plan, ComEd has allocated approximately \$1M per year for the investigation of emerging technologies / R&D projects

- Note that the law allows up to 3% of the spending screen be allocated to these types of projects. Due to the budget constraints, ComEd does not allocate the maximum amount in any year
- Two Key Pilot Programs are being launched
 - Community Energy Challenge Pilot Program
 - Positive Energy “Home Energy Report” Pilot Program
- “Community Energy Challenge” Pilot Program
 - ComEd, working with Shaw Environmental, has developed a “contest” with 12 municipalities competing for a \$100,000 cash prize by saving energy
 - The communities are Aurora, Carol Stream, Elgin, Evanston, Highland Park, Hoffman Estates, Northbrook, Oak Park, Orland Park, Palatine, Schaumburg and Wilmette.
 - The concept is to test out community-delivered energy efficiency programs to determine if municipalities are a cost-effective means to deliver energy efficiency programs; ComEd will reserve \$2M of its EE Plan’s incentive dollars for these municipalities
 - In November, conducted a project charrette to roll-out the program concept to the communities and solicit their feedback and ideas
 - In January, a complete plan evaluation design criteria was rolled- out to municipalities
 - In February, scoping sessions were held for the municipalities.

- **Positive Energy “Home Energy Report” Pilot Program**

- ComEd, working with Positive Energy, will offer a pilot program to 50,000 residential customers where these customers will receive bi-monthly reports that illustrates their energy usage compared to their “average” neighbors and their “more energy efficient” neighbors
- The intent is to demonstrate that customers will change their behavior, resulting in less energy usage, due to being provided information about their usage and how to better manage their usage
 - This is a different approach to an energy efficiency program in that it does not directly target a technology (e.g., CFLs, HVAC), but rather targets customer’s behavior
- Current Activities
 - Finalizing internal approval to begin IT work.
 - Working the internal processes and allocating the required internal resources (i.e., IT, customer service) that will be necessary to launch this program
- Next Steps
 - Identify the 50,000 customer sample
 - Develop required data transfer protocols with Positive Energy

- **Other Emerging Technology / R&D Activities**

- E-Source Membership
- EPRI Energy Efficiency Component Membership
- Development of 3 year R&D plan

- **Evaluation Contractors (ComEd / DCEO programs)**
 - ComEd selected the evaluation team led by Summit Blue as the prime contractor
 - Subcontractors include ITRON, ODC and Michaels Engineering
 - The contract has been executed
 - The evaluation contractor team leaders have met with the Stakeholder Advisory group
 - Next Step – Draft evaluation plans have been developed and are in the process of being finalized; once complete and accepted by ComEd and the Illinois Commerce Commission, program evaluation will begin in accordance with evaluation plan timelines.

Program Descriptions

Program Objective

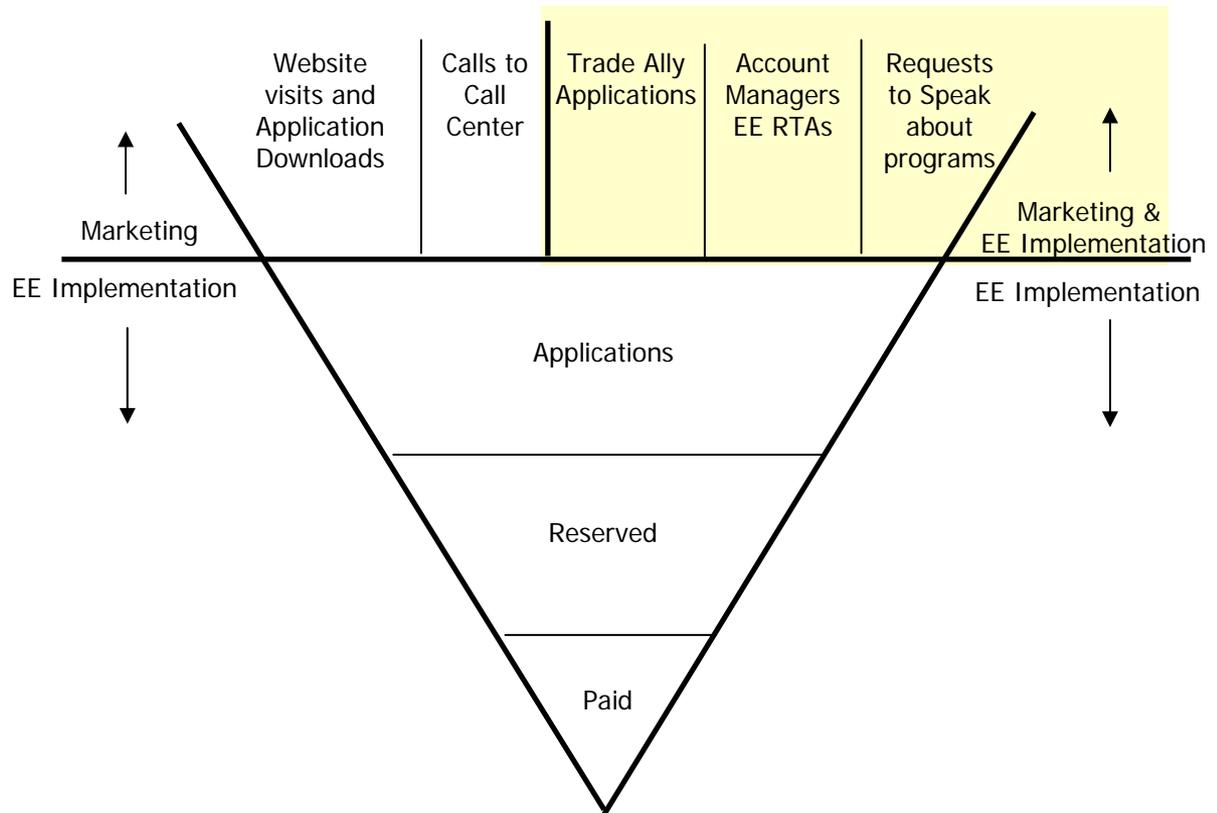
- Obtain kWh savings by offering Prescriptive and Custom incentives to motivate customers to purchase and install high efficiency equipment (e.g., lighting, hvac, refrigeration)

Program Contractor

- KEMA

Program Description

- *Smart Ideas for your Business* consists of three program elements:
 - **Prescriptive** – pre-set incentives for specific equipment
 - **Custom** – calculated incentives based on project kWh saving projections
 - **Retrocommissioning** – currently, a limited pilot program
- The program is being promoted primarily through ComEd’s account management team and the trade ally network
- Customers can obtain program information (e.g., application forms, rebate amounts) directly through their account managers, the trade allies or from the ComEd web site



Program Objective

- Obtain kWh savings by increasing the market share of ENERGY STAR CFLs sold through retail sales channels in response to reduced product costs (retail markdown)

Program Contractor

- Applied Proactive Technologies, Inc. (APT)

Program Description

- For the '08/'09 year, ComEd is implementing a 3 Phase approach –

–Phase I

- “Quick Launch Program” – ~ 4 month period (*June 17 – September 8, 2008*)
- Markdown approach on specialty bulbs (345,000 bulbs made available)
- Participating retailers – Home Depot (60 stores), Sam’s Club (19 stores), Costco (11 stores)

–Phase II

- 3 ½ month period (*September 8 – December 31, 2008*)
- Beginning in September, ComEd implemented a larger inventory of bulbs and is leveraging EPA’s “*Change the World*” campaign
- Primarily a markdown approach on specialty bulbs and standard CFL twists (1.3M CFL twists, .5M specialty twists with an introduction of hardwired fixtures)
- 519 participating retailers - Home Depot (60 stores), Sam’s Club (19 stores), Costco (12 stores), Lowe’s (19 stores), Menard’s (44 stores), Jewel-Osco (170 stores), Ace Hardware (153 stores), Tru-Value (22), Food 4 Less (12) and Do-It-Best (8).

–Phase III

- 4 month period (*January – April 2009*)
- Remaining inventory of bulbs discounted (estimated 500,000 bulbs made available)
- Goal is to focus on any shortfall from Phases I & II in the Spring; may rollover product and extend retailer Memo of Understandings (MOUs) from Fall campaign

Program Objective

- To obtain kWh savings by promoting the retirement and recycling of second refrigerators and freezers and inefficient room air conditioners of residential customers using a \$25 turn-in incentive and free pick-up

Program Contractor

- JACO Environmental

Program Description

- Program launched on June 17th with a media launch event on June 24th
- Appliance recycling facility was fully operational in Lombard, IL on July 15th
- Customers can enroll for the program by calling ComEd or through the ComEd website
- Enrollments are for a pick-up of either a secondary working refrigerator or freezer; old working room air conditioners will be picked-up at the same time, but will not be picked up independently of a refrigerator or freezer
- Primary marketing to date has been through an August bill insert in the ComEd bill

Program Objective

- To obtain kWh savings by the direct installation of no-cost energy efficiency products (e.g., CFLs, faucet aerators, low flow showerheads) to residential customers in all-electric multi-family buildings
- To conduct a common area energy survey for the building owner / landlord to identify potential energy efficiency opportunities and possibly take advantage of the *Smart Ideas for your Business* program

Program Contractor

- Honeywell Utility Solutions

Program Description

- ComEd / contractor works directly with building owners / landlords of all-electric multi-family dwellings to inform them of the program, conduct survey of common area and make the program available to the building residents
- The contractor attempts to complete all installs of the energy efficiency measures in one “sweep” of the building