

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



Plan Year 2 – 1st Quarter Performance Update
(June 2009 – August 2009)

The data presented in this document is based on preliminary results and is subject to revision and evaluation adjustments.

ComEd Portfolio Summary

Portfolio Results Energy Saved (MWh)						
	PY2 YTD QTR	PY2 Goal	PY2 % of Goal Achieved	PY1	PY1 Goal	PY1 % of Goal Achieved
Plan Target*	37,940	325,674	12%	204,379	166,430	123%
Statutory Goal	37,940	312,339	12%	204,379	148,842	137%

Smart Ideas for Your Home (MWh)			
	Achieved	Goal	%
All-Electric Efficiency	853	2,369	36%
Appliance Recycling	4,034	18,358	22%
Central AC Efficiency	1,521	9,029	17%
ENERGY STAR® Lighting	25,472	126,349	20%
Single Family Home **	73	537	14%
Total	31,953	156,642	20%

Smart Ideas for Your Business (MWh)			
	Achieved	Goal	%
Prescriptive/Custom	5,987	160,985	4%
Retrocommissioning	0	6,456	0%
C&I New Construction	0	596	0%
Total	5,987	168,037	4%

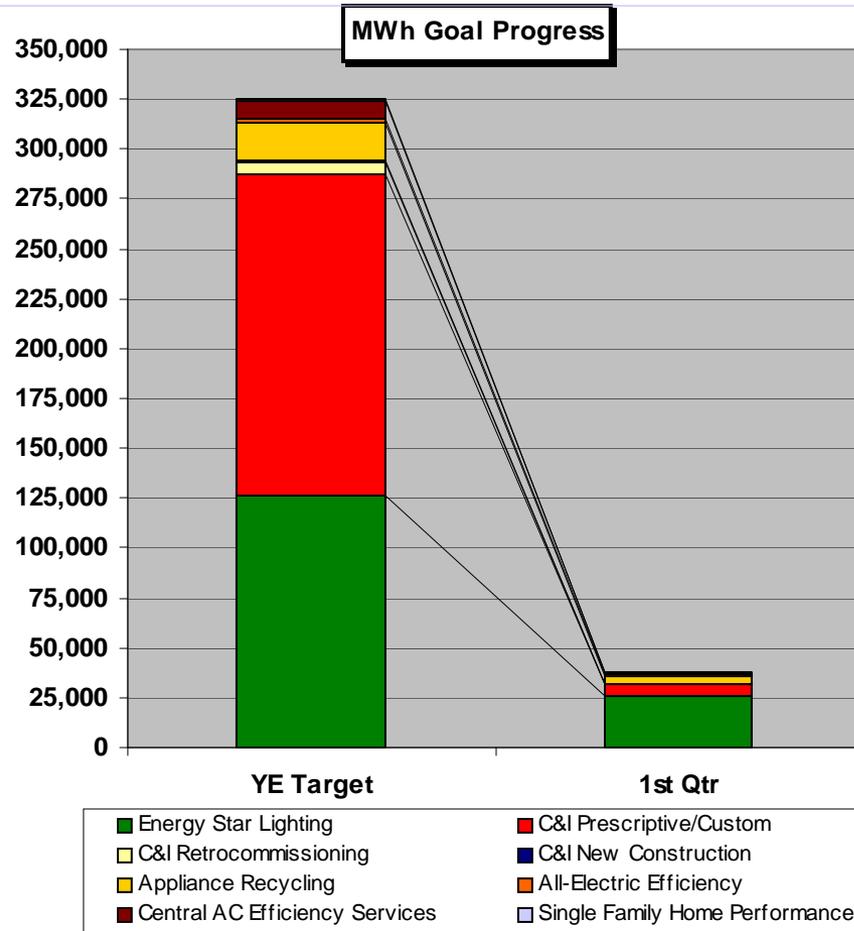
Environmental and Economical Impact		
Performance Metrics	PY2 YTD QTR Results	PY1
Carbon Reduction (MTs)	26,590	143,236
Cars removed from the road	4,871	26,238
Acres of trees planted	7,269	39,156
Number of homes powered for 1 year***	3,947	21,263
Portfolio Jobs****	79	66



* Original Plan Goal is 325,674. Residential Advanced Lighting is not being implemented in PY2 which equates to 125 MWh.
 ** MWh goal has been revised from 1,407 to 537 to account for a calculation error in the Plan.
 *** Assumes average ComEd single-family residential home with no electric space heat consumes 801 kWh monthly or 9,612 kWh annually per the filing.
 **** 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 **below target** for the Plan Year 2 goal of 325,674 MWh
 - The Business Solutions program activity has been brisk; ComEd anticipates fully reserving funds in the near future.
 - One new program was launched for Plan Year 2 – C&I New Construction
 - The Residential Solutions program activity is steady.
 - ENERGY STAR Lighting Program has sold over 1,000,000 CFLs
 - All-Electric Efficiency Upgrade Program has retrofitted nearly 1,526 multi-family units
 - Two new programs launched for Plan Year 2 – Single Family Home Performance and Central AC Efficiency Services (CACES)



NOTE – All MWhs Savings reported are “net” savings

Smart Ideas for your Business - Prescriptive/Custom

Program Overview

- The Program goal is 160,985 MWh

Results through 08/31/09

- There are 1,395 active projects totaling 170,549 MWh (106% of goal)

Completed Projects

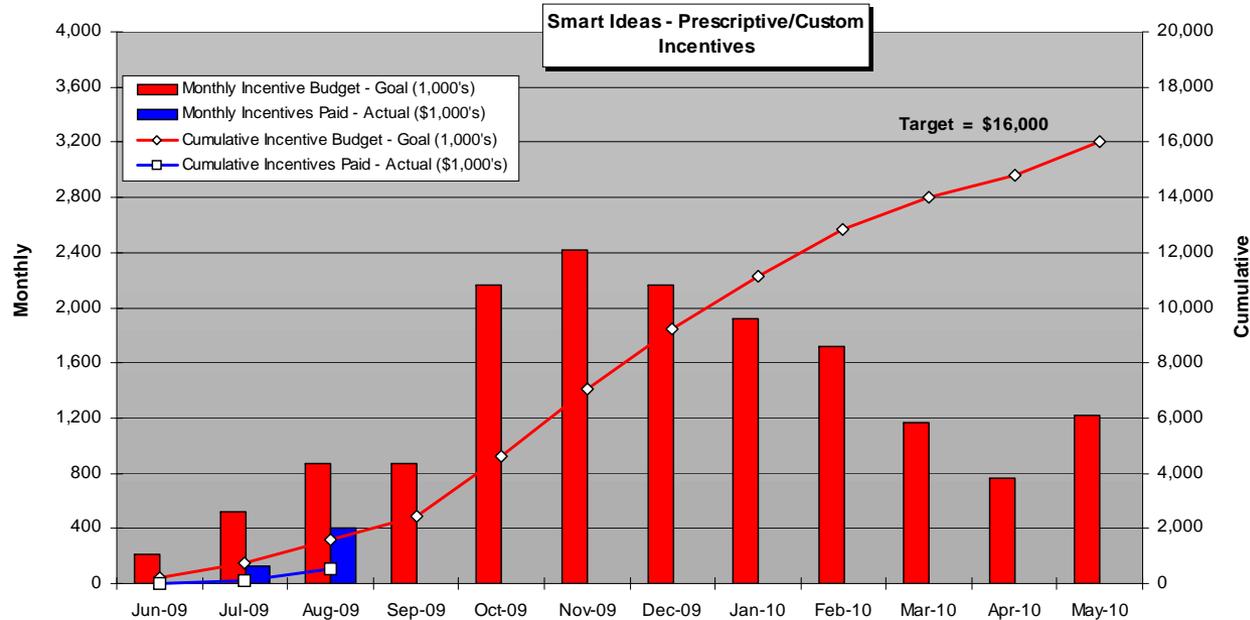
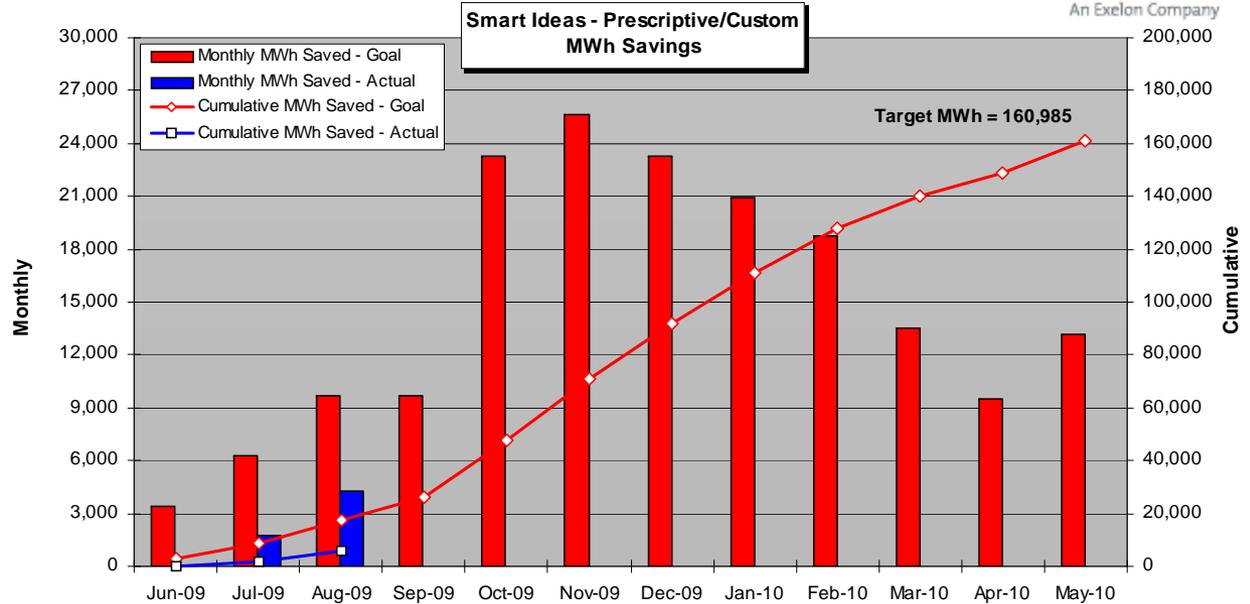
- 124 Projects
- 5,987 MWh Saved (4% of goal)
- \$533K Incentives Paid

Reserved Projects

- 961 Projects
- 139,562 MWh Potential
- \$11.1M Potential Incentives

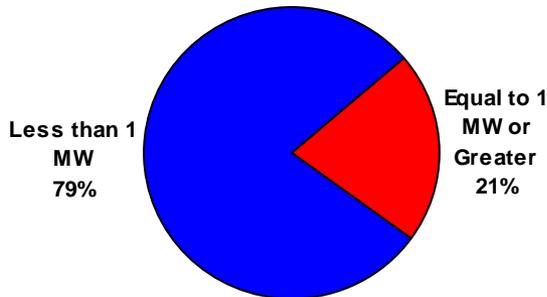
“Under Review” Projects

- 310 Projects
- 25,238 MWh Potential
- \$2.5 M Potential Incentives



Program Highlights

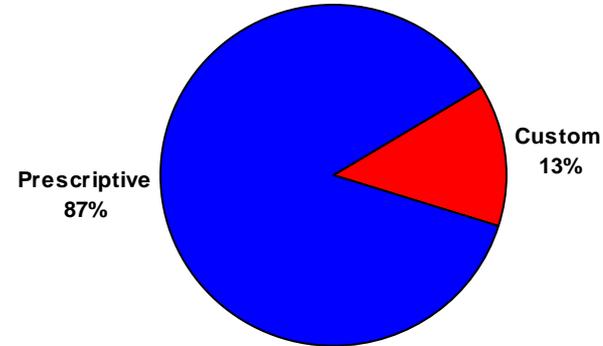
- Strong interest from the Trade Ally community
 - 400 attendees at the 3 Trade Ally Events
 - 245 Trade Allies listed on ComEd.com
- Heavy interest from multi-site accounts
 - Retail Stores
 - Restaurants
 - Grocery Stores
- Strong participation from customers <1 MW



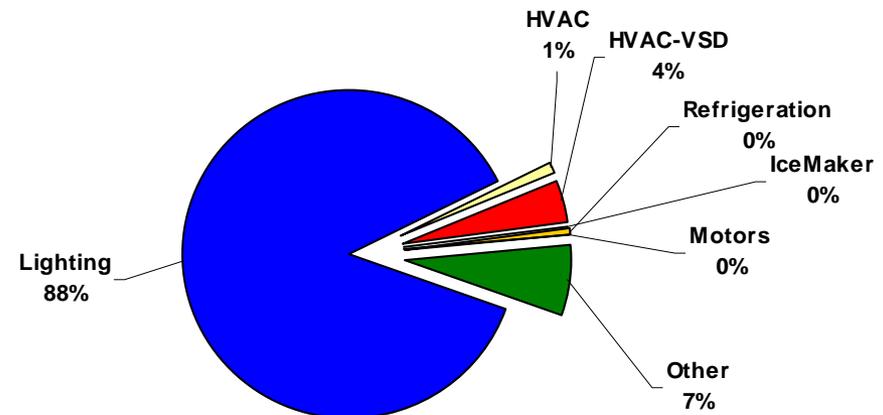
Program Challenges / Issues

- Demand for incentives exceeding program budget
- Diversifying into other technologies beyond lighting
- Providing program continuity through Program Year 1- Program Year 3

MWh Savings by Project Type



MWh Savings by Technology



Smart Ideas for your Business- Retrocommissioning (RCx)



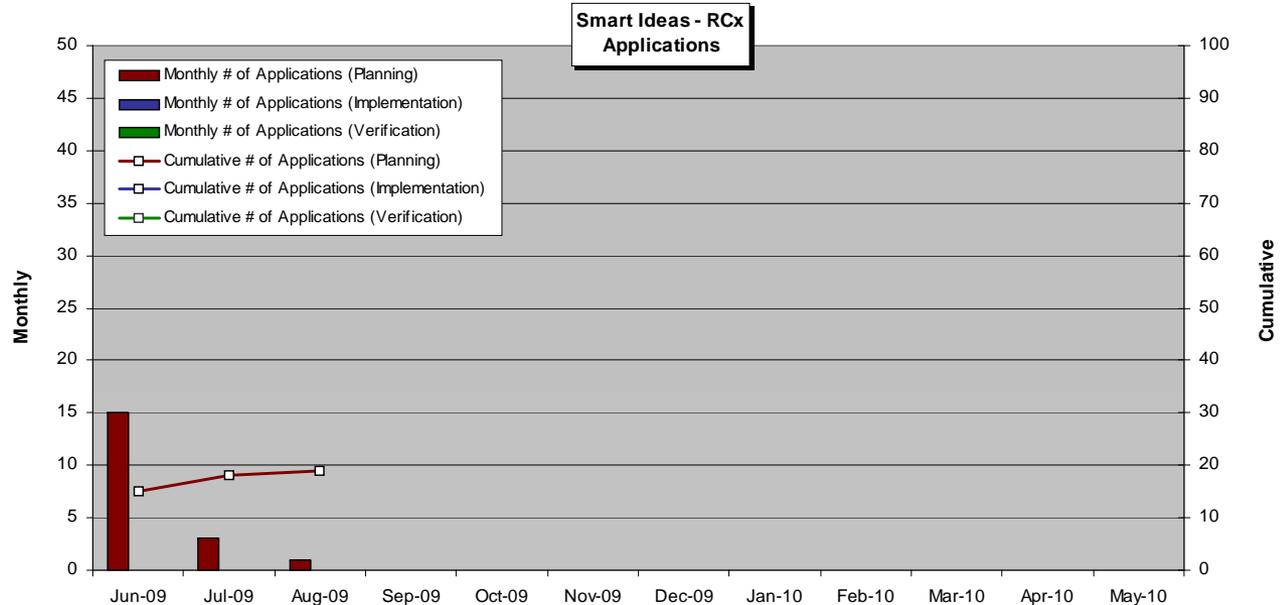
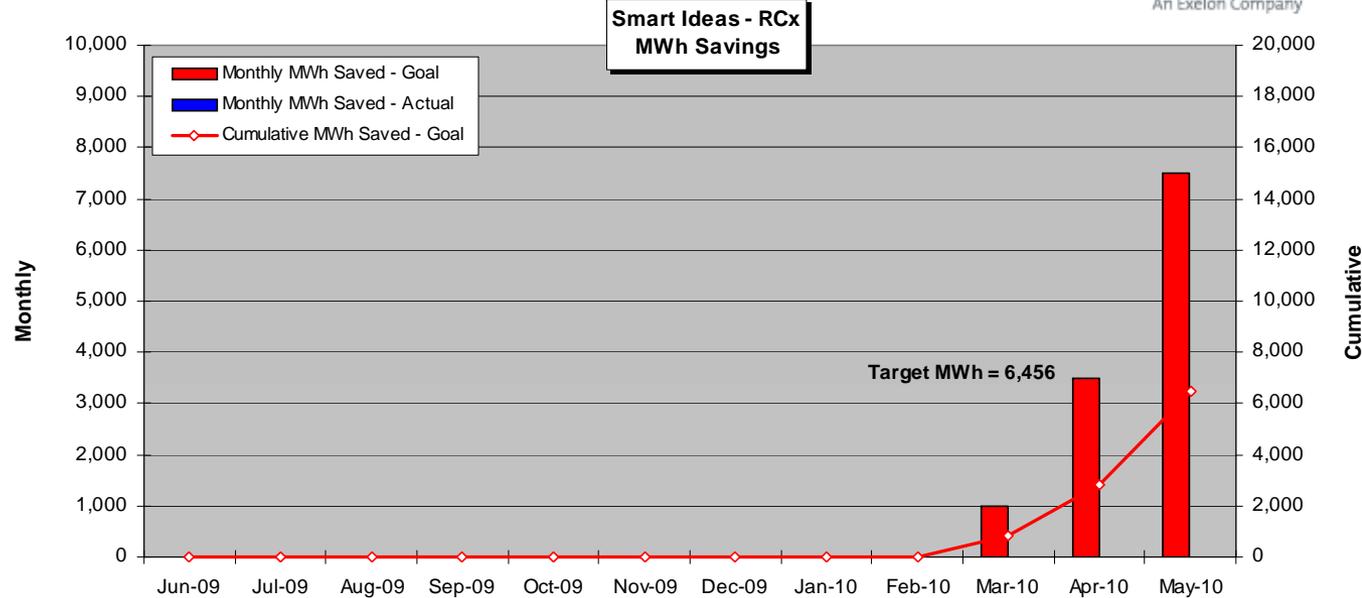
An Exelon Company

Program Overview

- The Program goal is 6,456 MWh
- Retro-commissioning Process
 - Planning Phase
 - Implementation Phase
 - Measurement & Verification

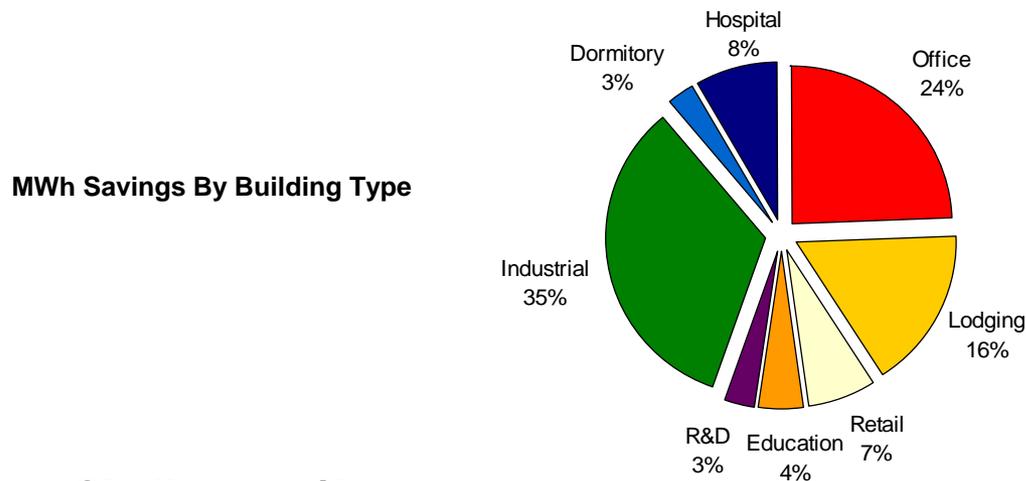
Results through 8/31/09

- 19 projects have been accepted into the program
 - Projected savings of 13,810 MWh
 - 74.7% of incentive budget allocated
- 5 projects pending
 - Potentially 1,800 MWh additional projected savings
 - Potentially 91.8% of incentive budget allocated



Program Highlights

- Retro-commissioning incentives have seen a small number of applications, but a large number of expected kWh savings
- Nexant, who served as the service provider during last year's pilot program, has taken on full Program Administrator responsibilities.
- There are 9 retro-commissioning service providers (RSP's) affiliated with the RCx program, and 6 have submitted projects thus far for PY2.
- All projects that have applied for participation in the program have been generated by the RSP's



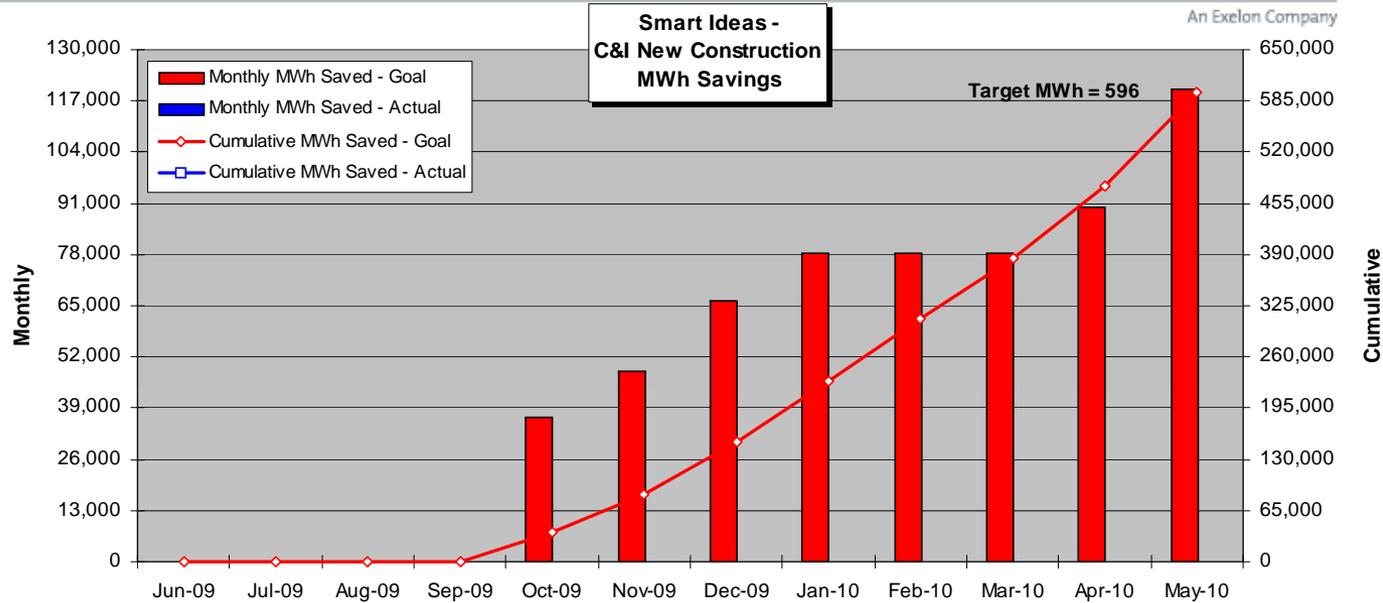
Program Challenges / Issues

- Managing consistency and uniformity across RSP's
- Staggering project kick-off and completion times to avoid all projects starting and ending at the same time
- Getting each RSP to submit a project to the program
- Developing QA/QC standards and metrics

Smart Ideas for your Business- C&I New Construction

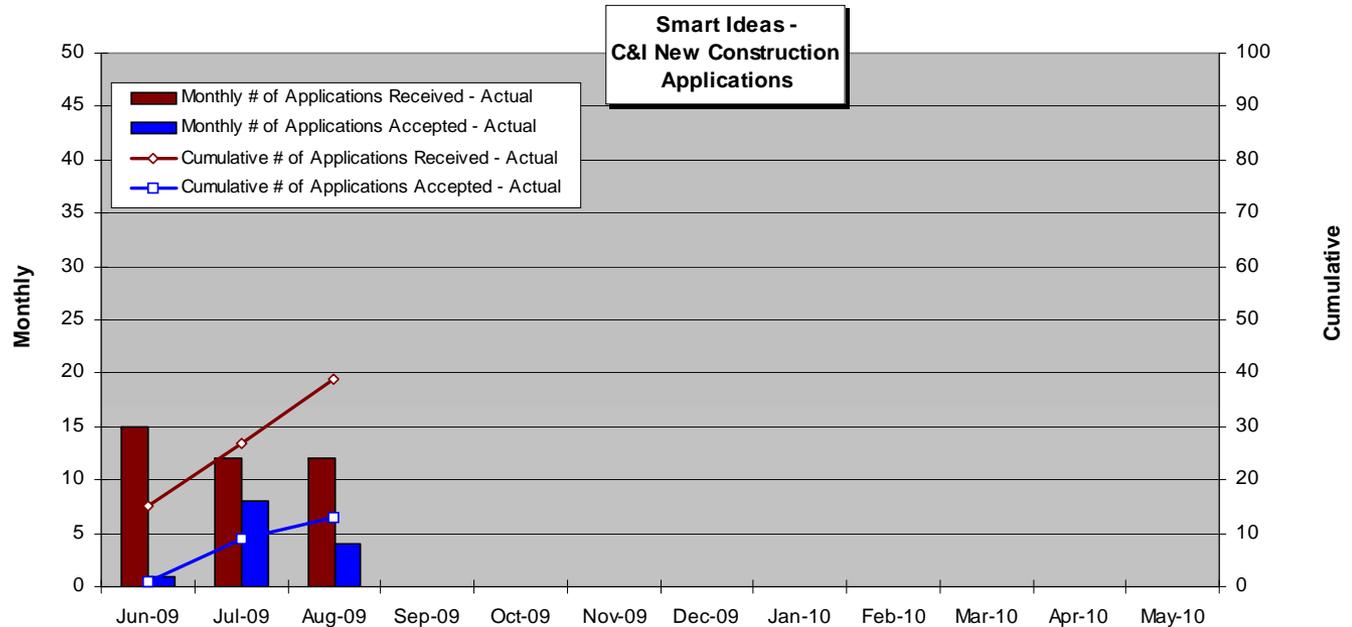
Program Overview

- The Program goal is 596 MWh
- “Two-Track” approach allows customers in various stages of design to participate.



Results through 08/31/09

- 13 applications accepted with expected savings of 372 MWh
- 56 project inquiries with 39 applications received



Program Highlights

- Diverse building use types:
 - Hospitals, Restaurants, Art Centers, Retail, Training Centers, Music Schools, Churches
- Diverse building sizes: 2,400 to 850,000 square feet
- Parallel efforts for “fast” first-year savings and development of multi-year large customer pipeline
- Training and Workshops are an integral part of this program.
 - *“Lighting and Daylighting with Efficiency”* was held on June 17, 2009 with 118 attendees
 - *“Building Systems: Commissioning & Retrocommissioning”* will be held on September 23, 2009
 - *“Energy Efficient Lighting”* is scheduled for November 3, 2009.
- 2 additional training events to be determined
- The two participation tracks are Systems and Comprehensive
 - Systems - offers measure incentives to encourage designers to meet performance criteria for improvements in lighting-power density and air-conditioning equipment. This track is designed for projects of 20,000 square feet or more, feature more limited opportunities for integrated design and are in the later stages of their design process.
 - Comprehensive - available for projects early in the design stage; offers the highest level of project assistance and financial incentives for new construction design solutions. This track is designed for projects of 50,000 square feet or more and provides greater flexibility in meeting energy performance goals through the adoption of integrated design solutions that have been analyzed through whole-building energy simulations.

Program Challenges / Issues

- Developing a New Construction track targeted to buildings less than 20,000 square feet
 - Measures are focused on lighting, sidelighting and daylighting

Smart Ideas for your Home – ENERGY STAR® Lighting



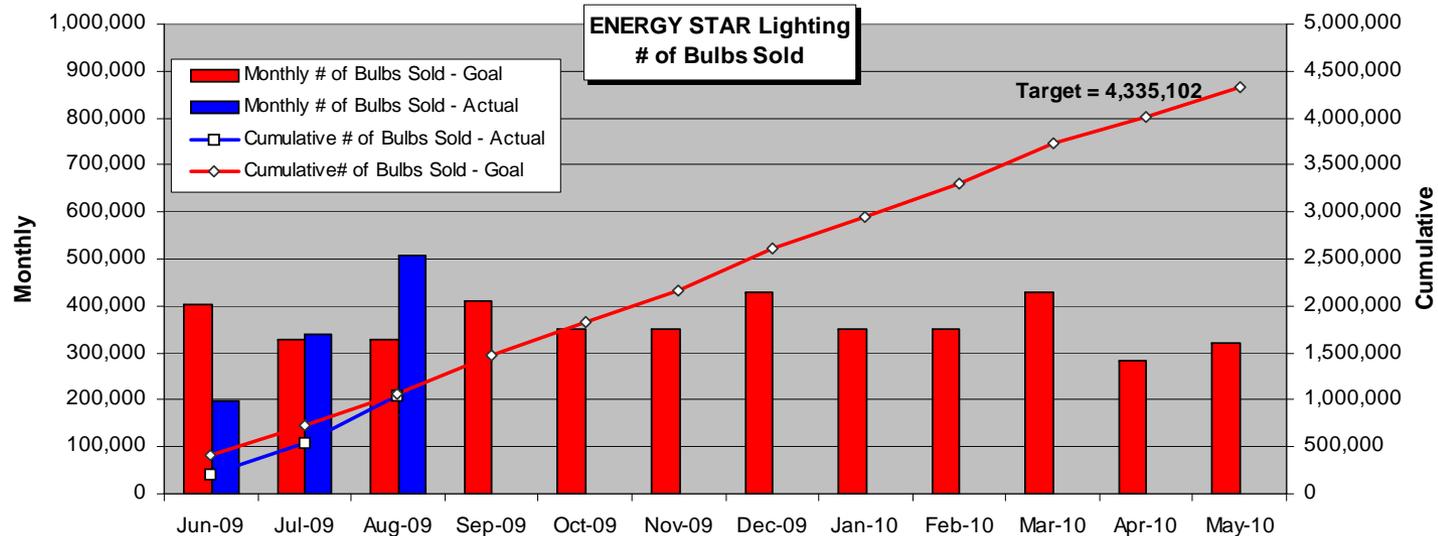
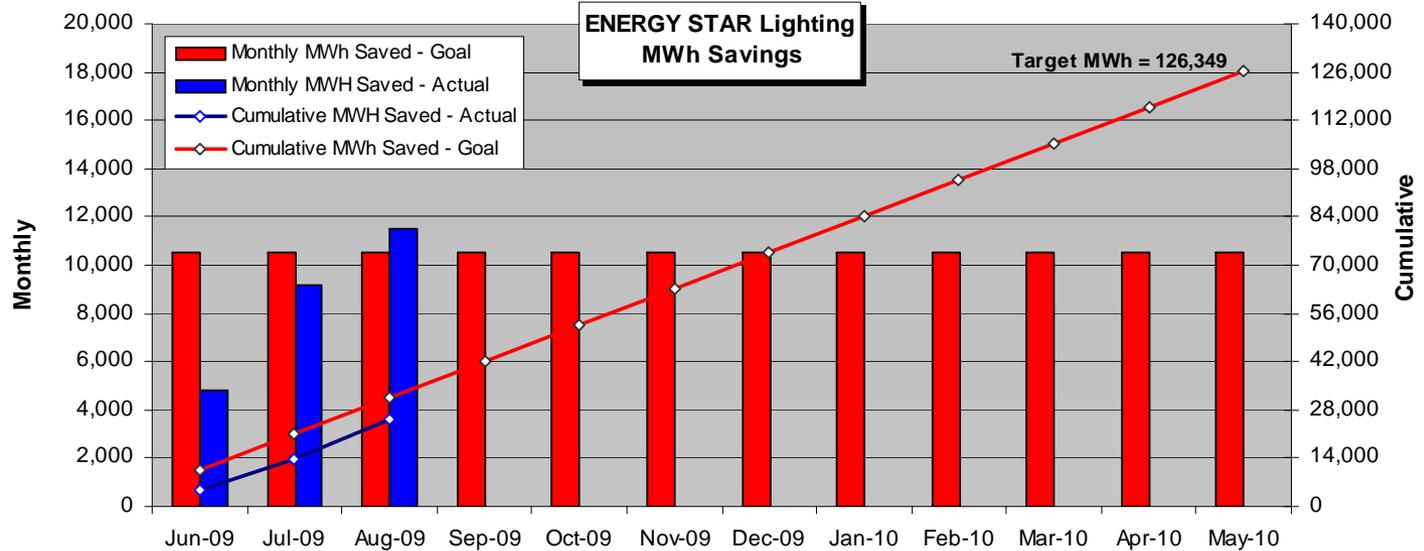
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Program Overview

- The Program goal is 126,349 MWh, totaling 4.3 million CFLs and 34,000 fixtures

Results through 08/31/09

- Energy Savings – 25,472 MWh (20% of goal)
- 1,041,341 bulbs sold (specialty & twists)
- 5,395 fixtures sold



Program Highlights

- Sold over 1,00,000 CFLs (standard & specialty)
- Sold over 5,000 fixtures (ceiling flush mounts, desk lamps, bathroom vanity, outdoor)
- Field reps serviced more than 664 retail locations
- Meijer and Wal-mart joined the program as new partners
- Field reps performed 40 demos
- Increased the incentive/bulb at Sam's Club, Menards and Costco in order to increase the rate of sale and help ensure better retail placement
- Hired an 11th field rep to better service large retail base
- Issuing Program Year 3 RFP mid-October 2009

Program Challenges/ Issues

- Decreased foot traffic at retail – sales are down 20-35% depending on the retailer
- Harder to get “good” placement at retail – competing with other products for shelf space in a bad economy
- Reduced consumer spending – customers spending less in all areas of their life as evidenced by an increase in incandescent sales (1st time in 5 yrs)
- Inconsistent pricing at retail – retailers not pricing SKUs correctly and in a timely fashion
- Fixture sales target revised – given the marketplace the target was not realistic

Smart Ideas for your Home – Appliance Recycling



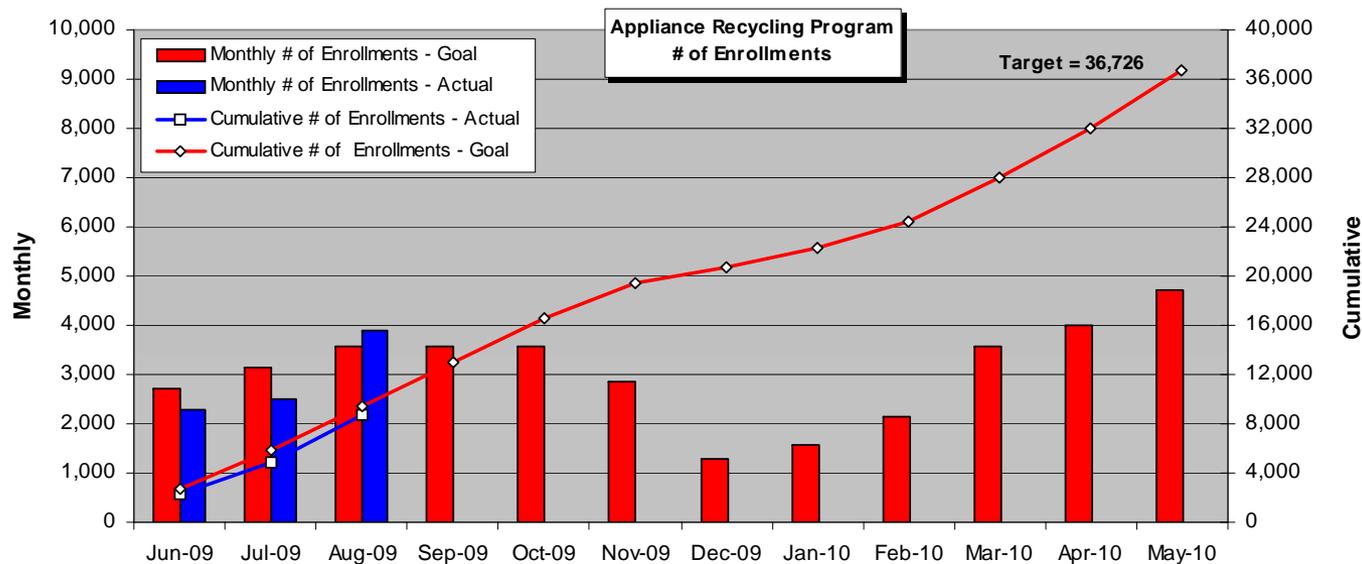
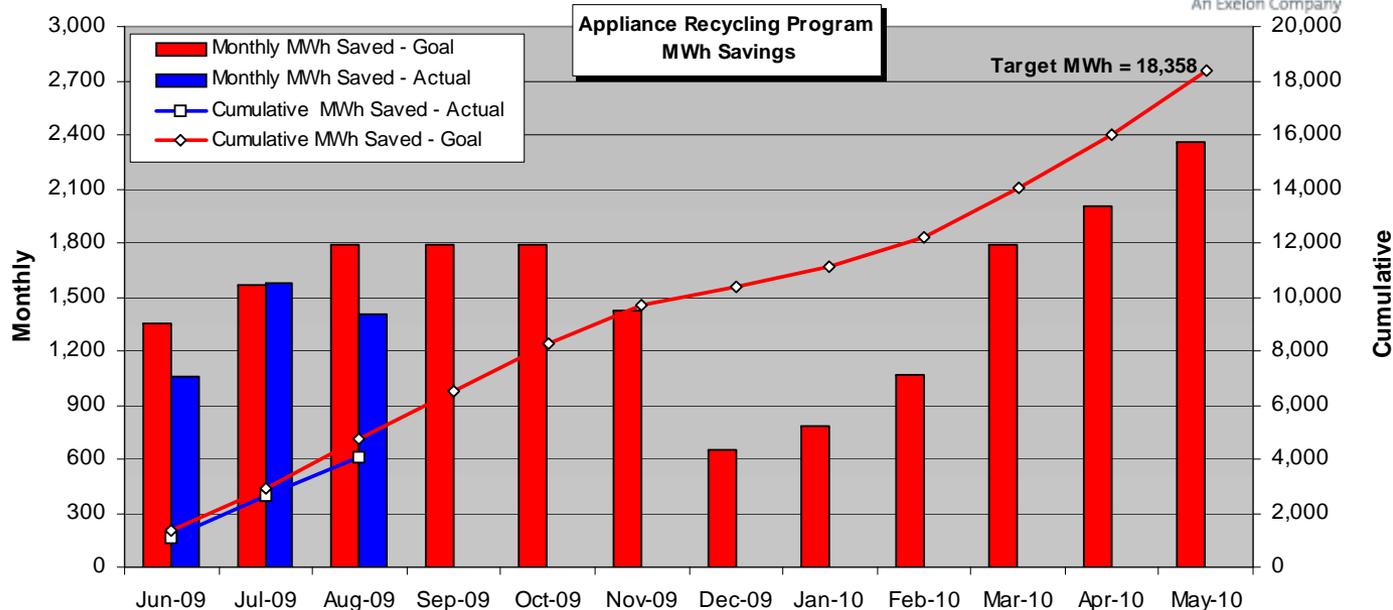
An Exelon Company

Program Overview

- The Program goal is 18,358 MWh, targeting 36,726 enrollments and 25,710 units

Results through 08/31/09

- Energy Savings - 4,034 MWh (22% of goal)
- Enrollments total 8,691 (24% of goal)
- August enrollments highest since 6/08 launch
- Plan Year 1 mix:
 - 69% Refrigerators
 - 27% Freezers
 - 4% Room Air Conditioners
- Plan Year 2 mix:
 - 73% Refrigerators
 - 24% Freezers
 - 3% Room Air Conditioners



Program Highlights

- Plan Year 2 goal is 225% of Plan Year 1 goal
- No momentum from Plan Year 1 as marketing efforts were slowed down in April '09 so as not to significantly over-achieve Plan Year 1 goals
- June enrollments began over 10% below forecast
- Marketing efforts re-started with a May 21 direct mail letter, June bill insert, and ads in ten area newspapers
- YTD enrollment source: 69% bill inserts, 13% friends/referrals, 13% advertising, 5% web site

Program Challenges / Issues

- Program has tested numerous marketing channels in search of the tactic that will deliver the most effective customer response to achieve enrollment goals

Smart Ideas for your Home – Multi-Family All-Electric Efficiency Upgrade **ComEd**

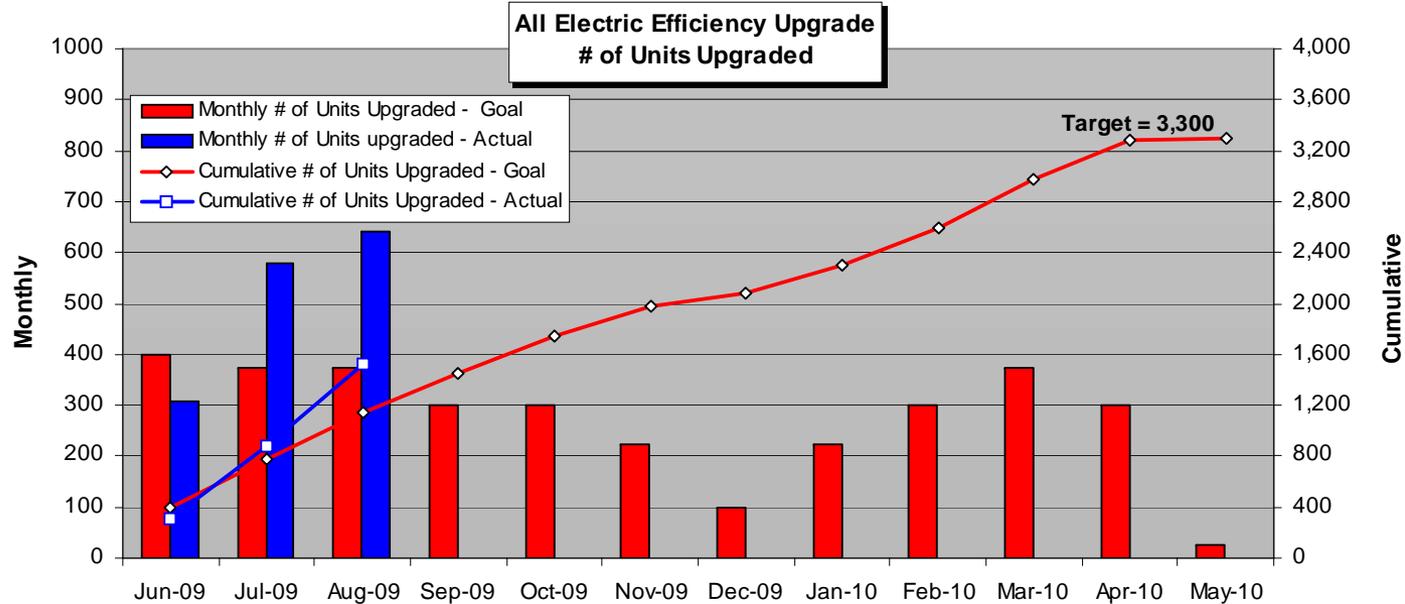
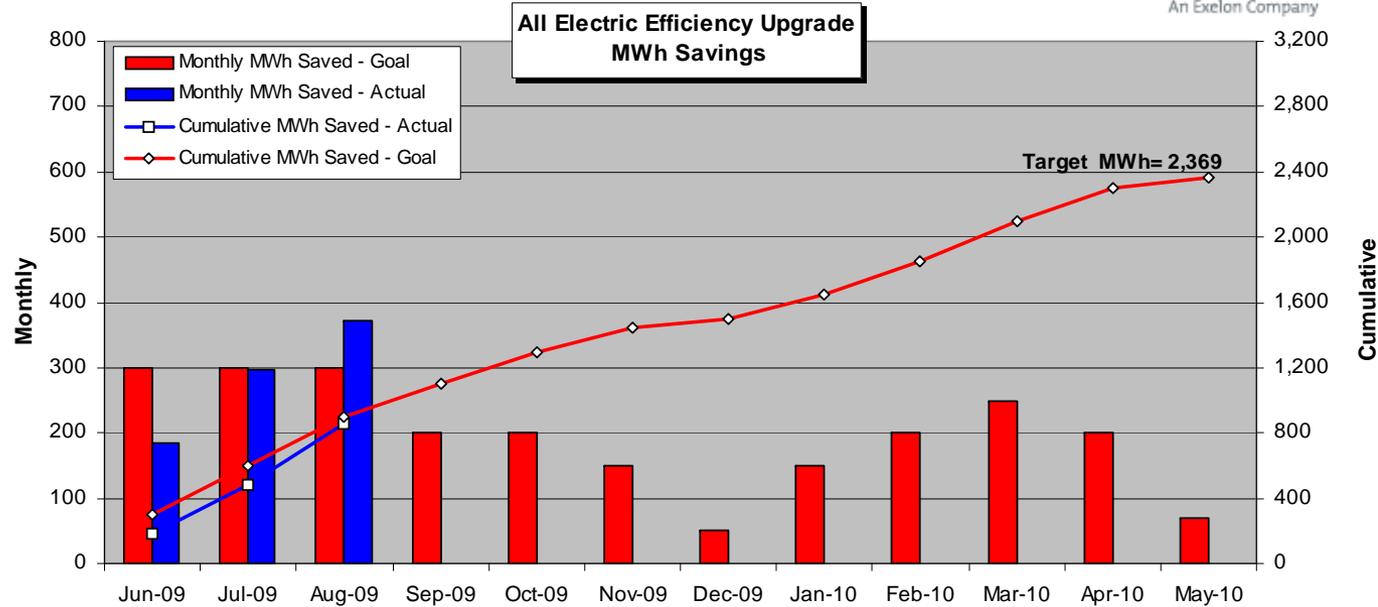
An Exelon Company

Program Overview

- The Program goal is 2,369 MWh which will require no less than 3,300 units upgraded

Results through 08/31/09

- 1,526 units upgraded (i.e., at least one energy conservation measure has been installed in each unit)
- 853 MWh saved (36% of goal)
- 1,647 units in buildings surveyed – 93% of units in these buildings have been upgraded



Program Highlights

- Early success in getting high penetration rates per building
 - Plan Year 1 year-end average 42%
 - Plan Year 2 first quarter average 93%
 - Improved marketing efforts are credited with much of this improvement
 - Penetration rates are much higher for apartments than condos
- Based on customer feedback surveys, expanded the CFL equivalent lighting selection to accommodate other light levels (40 – 60 – 75 watt equivalents now available)
- Currently transitioning the CFL bulb inventory to low-mercury bulbs (1 mg of Hg)

Program Challenges/Issues

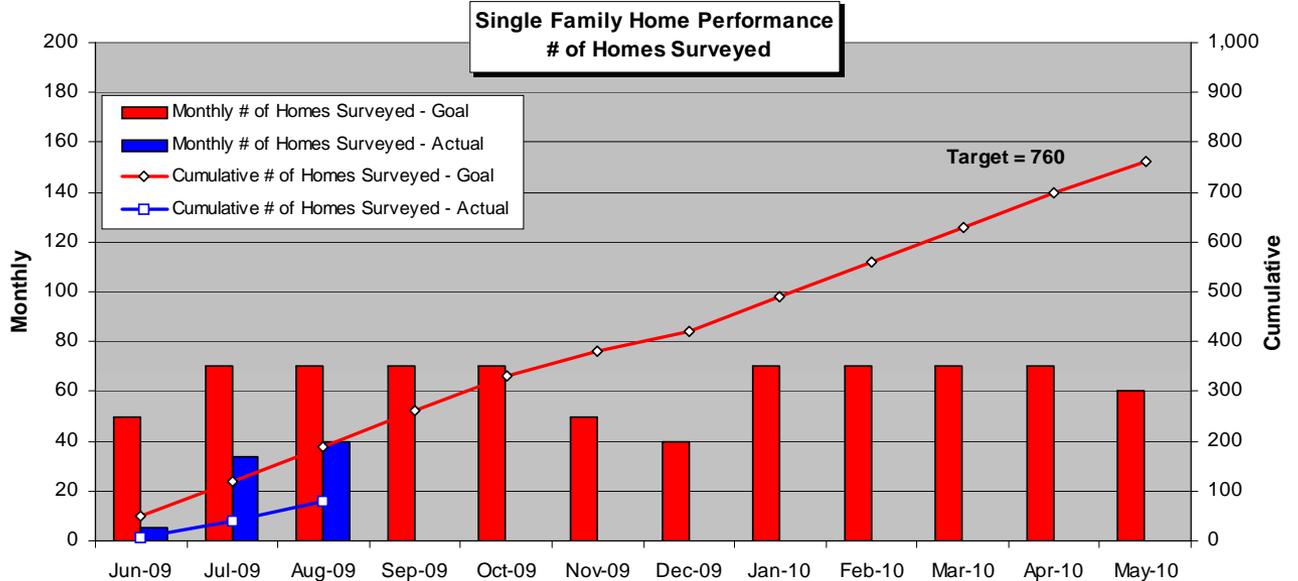
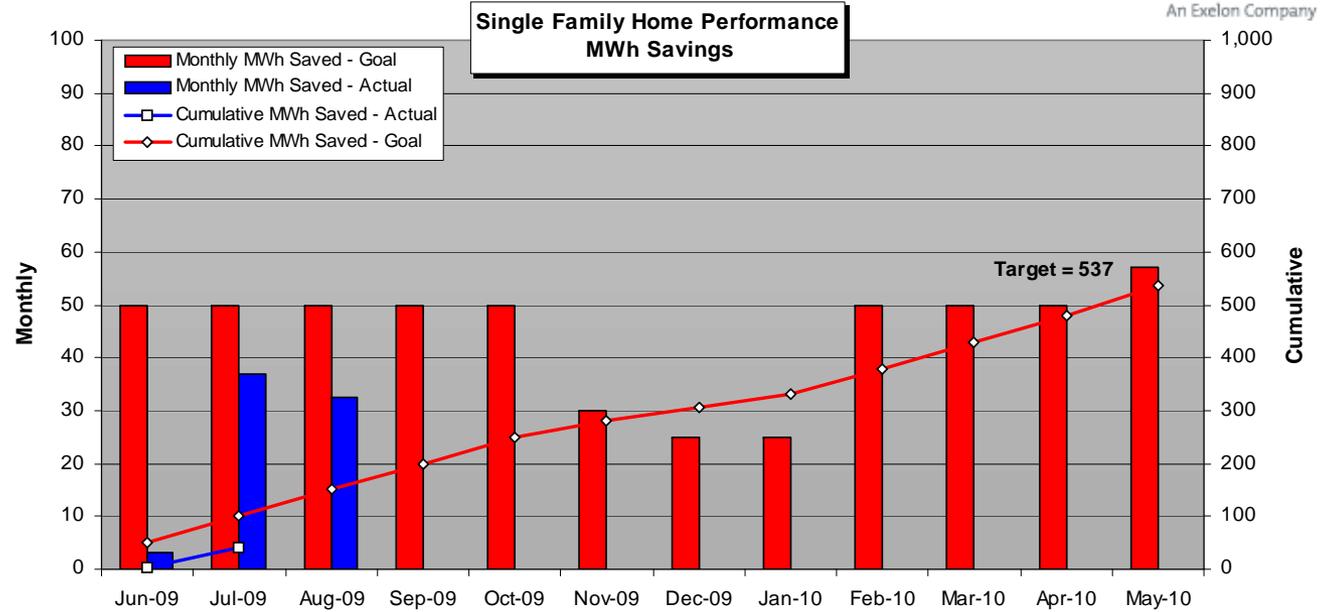
- Significant percentage of buildings listed as “all-electric” have non-electric (gas) water heating

Program Overview

- The Program goal is 537 MWh
- Approximately 600 homes will need this Tune-Up to reach the MWh goal

Results through 08/31/09

- Energy Savings – 73 MWh (14% of goal)
- 79 homes completed



Program Highlights

- Very high customer satisfaction among participating customers
- Energy savings is immediate, per direct installs

Program Challenges/Issues

- This program only justifies one full-time technician; marketing needs to be geo-centric; so scheduling for the technician's time is spent in the homes, not on the road
- Direct mail responses vary on a week-by-week basis; mail drops to potential customers vary from bi-monthly to weekly depending on the region targeted

Smart Ideas for your Home – Central AC Efficiency Services (CACES)

An Exelon Company

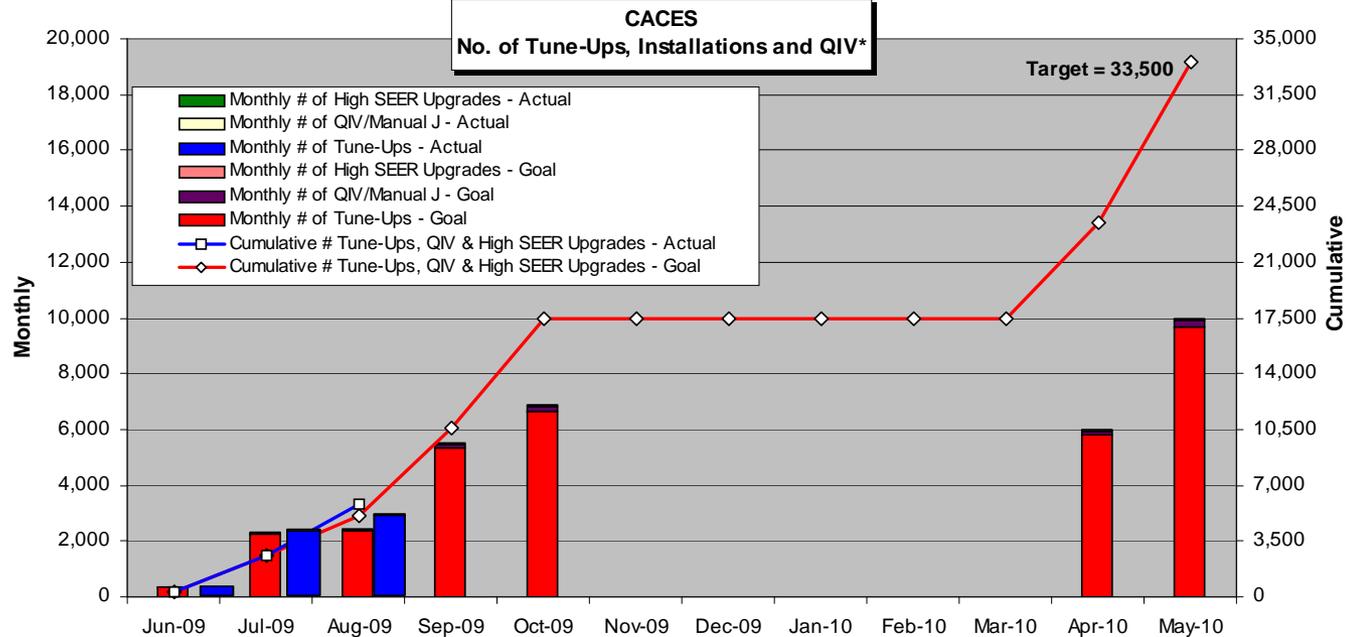
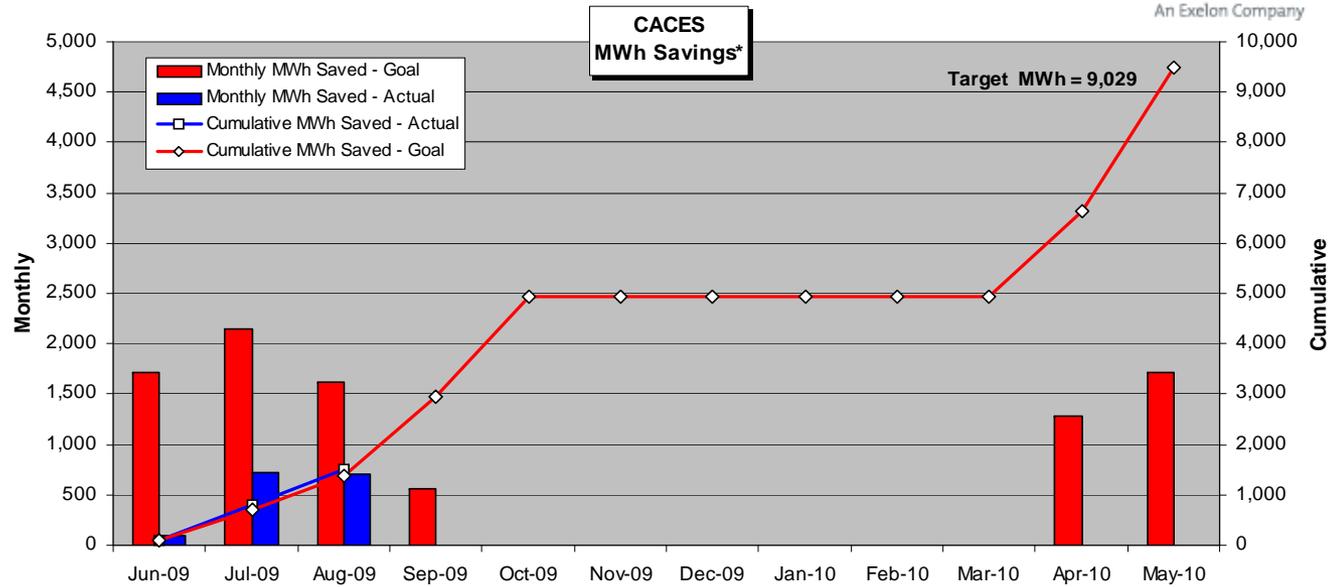
Program Overview

- The Program goal is 9,029 MWh

Results through 08/31/09

- 5,795 Tune-Up Applications have been approved, equal to 1,485 MWh savings
- 134 Quality Installation Verification Applications have been approved, equal to 36 MWh savings
- The total combined savings of 1,521 MWh represents 17% of this program's first year goal.

* Honeywell submitted additional data which resulted in a reforecast from August 2009 to May 2010. June and July 2009 reflect actual program data.



Program Highlights

- Successful recruitment of 66 contractors into program
- Broad cross section of HVAC industry represented by participating contractors – participants range in size from 1-man shops up to several of the largest regional contractors (with 25+ field technicians)
- Participating contractors have purchased /leased 138 Service Assistant Tools
- Field QC inspections of each individual Service Assistant tool linked to an incentive application are being completed prior to incentive payment for that tool.
- Training classes completed to date: 11 technical / 3 business & sales / 4 office admin workshops
- Payout of contractor incentives totaling \$503K. Represents approximately 75% recovery of initial investment by contractors.
- In addition to the >5,900 applications approved for incentive, an additional ~3,800 services were performed. A large percentage of these additional services are expected to be approved for incentive.

Program Challenges/Issues

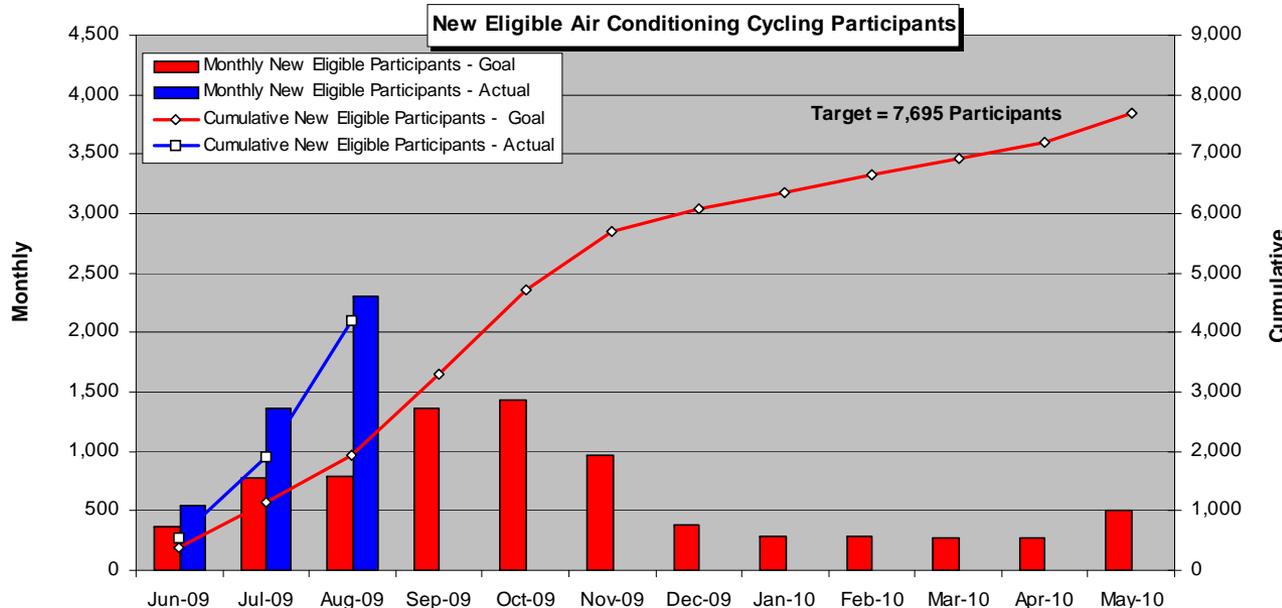
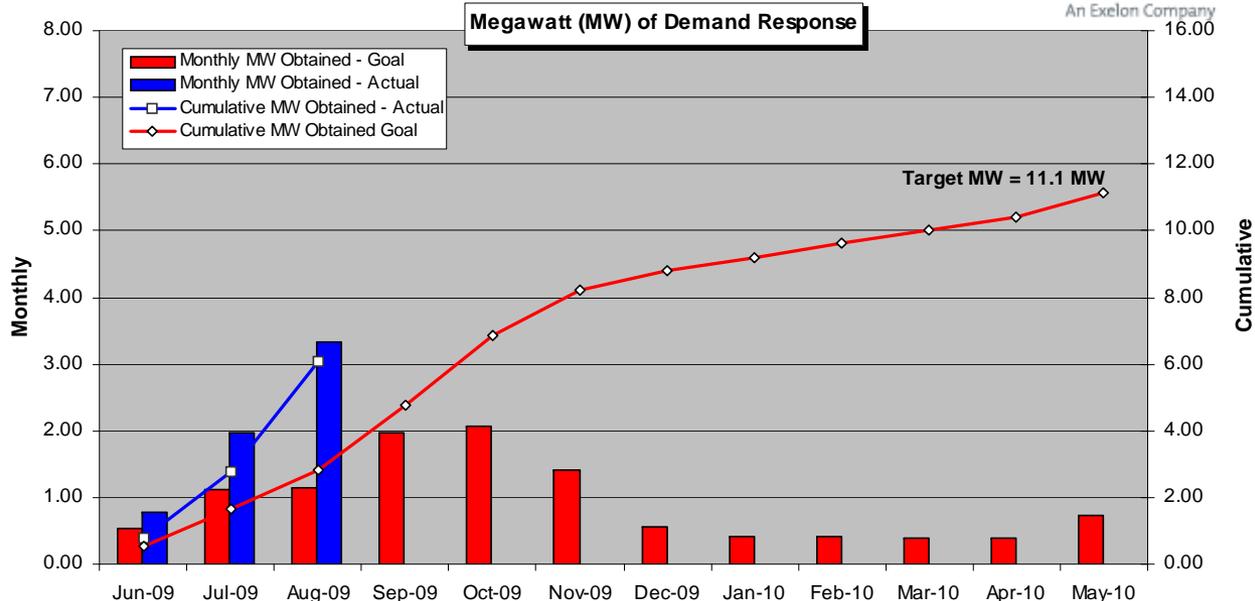
- Depressed economy along with one of the coolest summers on record have made it very challenging for contractors to sell tune-up services and new installations.
- The Service Assistant data upload process and the paperless incentive application both require a level of computer proficiency. Learning curve for these required computer skills has been fairly steep for some contractors.
- Timing of the program launch in the middle of the cooling season (after the typical spring tune-up push), was a concern for all contractors, and contributed to some declining to participate. Even participating contractors voiced concern about introducing a new process to their technicians in mid-season.

Program Overview

- AC Cycling is a residential central air conditioner direct load control initiative designed to meet the Plan's demand response requirement.
- The AC Cycling goal is 11.1 MW and 7,695 new participants.

Results through 08/31/09

- 4,203 new participants have been added to the program (54.6% of the goal).
- 6.1 MW of controllable load has been obtained.

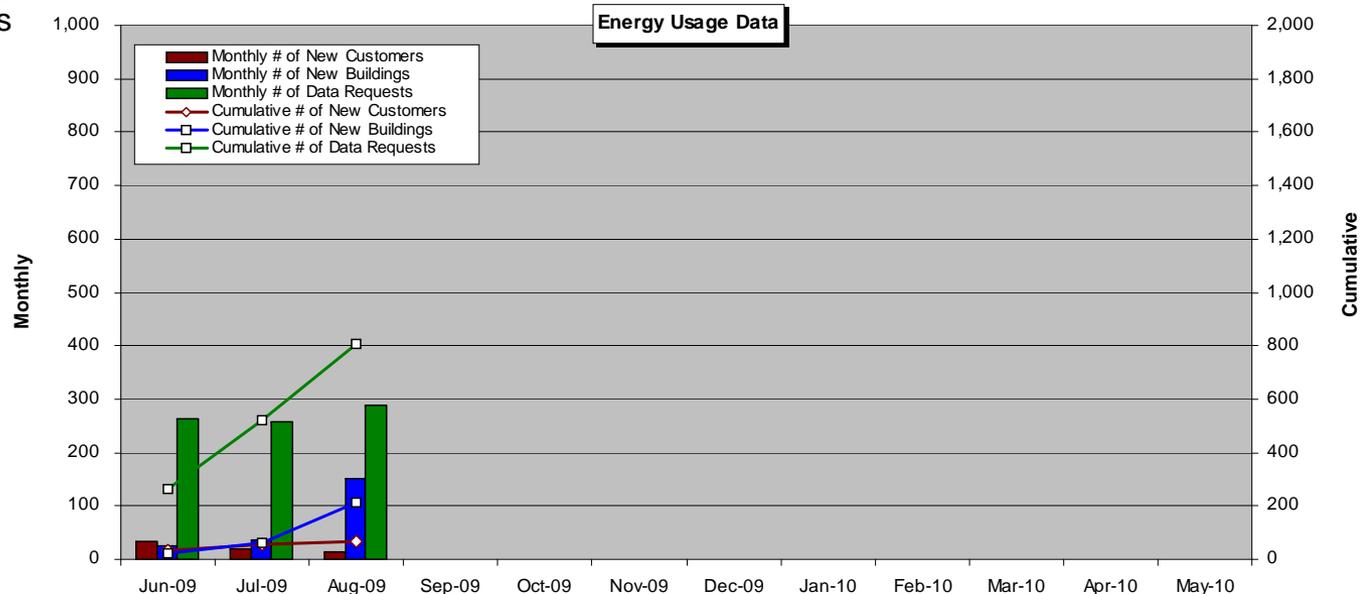
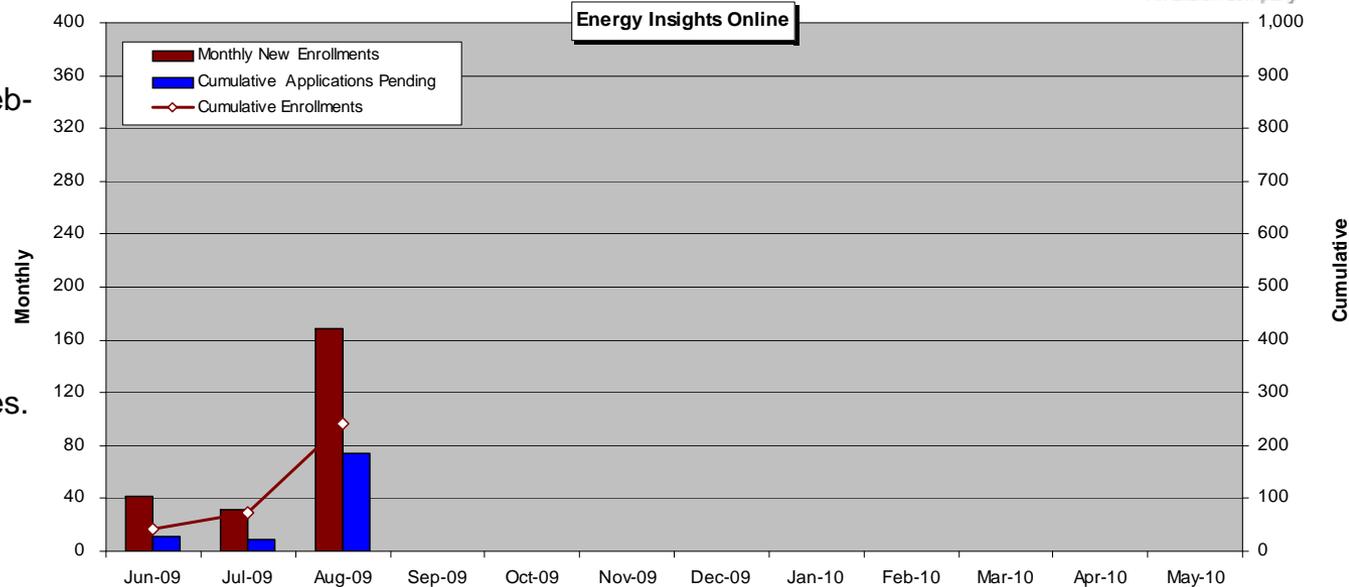


Program Overview

- **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 the customer consumes.
- **Energy Usage Data** program provides customers with an automated system to obtain aggregated whole building energy usage on a monthly basis. This information can be used by the customer as part of the Energy Star benchmarking process in conjunction with the EPA's Portfolio Manager.

Results through 08/31/09

- Energy Insights Online
 - 242 Enrolled
- Energy Usage Data
 - 69 Building Managers
 - 214 Buildings
 - 808 Data Requests



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

- 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 have been launched**
 - Community Energy Challenge Pilot Program
 - Positive Energy “Home Energy Report” Pilot Program

“Community Energy Challenge” Pilot Program

The purpose of this pilot is to determine if municipalities can leverage their own resources to deliver energy efficiency programs in a cost-effective manner; ComEd will reserve \$2.35M of PY2 incentive dollars for these municipalities.

Status:

- CEC participants are now charged with implementing the energy projects outlined in their plans. The implementation period runs parallel to ComEd’s EEDR plan year June 1, 2009 – May 31, 2010.
- ComEd is working closely with the ten municipalities that submitted plans to keep the motivated to make progress on their energy projects. ComEd has also participated in several outreach events that some of the communities have held to promote the Smart Ideas programs. More events are scheduled for this Fall.
- All communities were required to submit 1st quarter tracking reports by 9/15/09. These reports detail the progress to-date on each project, action items planned and completed, and forecast dates for future action items.
- At the end of the implementation period, participants’ plans will be re-scored based on the actual energy savings realized from their projects. The winning plan will win a \$100,000 cash award.



Positive Energy “Home Energy Report” Pilot Program

The Positive Energy pilot which will measure energy consumption savings in 50,000 residential homes through changes in behavior was launched at the end of July 2009.

Status:

- All participants have received their first reports.
- Call Center receiving on average 5 calls per day.
- No major issues with customer feedback; only 9 participants out of 50,000 (.01%) have opted out of the program to date.
- A preliminary analysis will be conducted at the three month period which will focus on measured savings for the monthly, bi-monthly and quarterly report delivery segments. The first detailed report expanding the analysis will be completed within six months and should be available within September- early October timeframe.

SAMPLE REPORT



Home electricity report

Account number: 7172708072

Report period: 07/18/09 - 08/18/09

We are pleased to provide this personalized report to you as part of a pilot program. The purpose of the report is to:

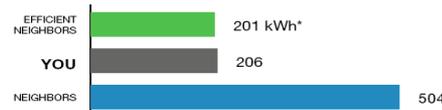
Provide information This report is an educational tool to help you understand your home's electricity use in the context of other homes.

Track progress We will help you learn about how your home's usage changes over time and where you likely have opportunities to save.

Share energy efficiency tips On the back of the report, we provide ideas for saving energy and money. You can find more tips at www.ComEd.com/energyreport

Mr. Customer

Last Month Neighbor Comparison | You used **2% more** than your efficient neighbors.



* kWh: A 100-Watt bulb burning for 10 hours uses 1 kilowatt-hour.

HOW YOU'RE DOING:

GREAT ☺☺

▶ **GOOD** ☺
MORE THAN AVERAGE

WHO ARE YOUR "NEIGHBORS"?

■ ALL NEIGHBORS

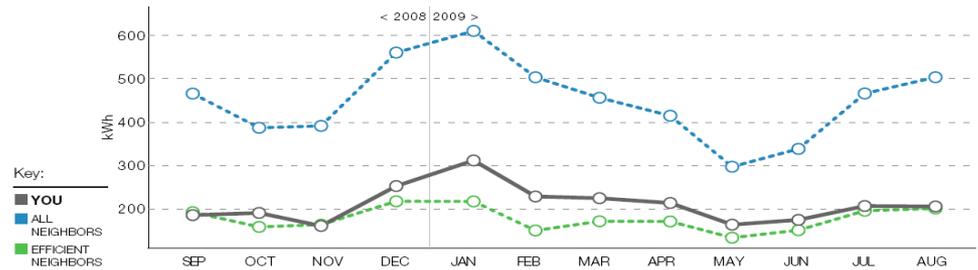
Approximately 100 occupied apartments or condos that have gas heat and are either in the same building or nearby (avg 19 miles away)

■ EFFICIENT NEIGHBORS

The most efficient 20 percent from the "All Neighbors" group

Last 12 Months Neighbor Comparison

You used **19% more** electricity than your efficient neighbors. This costs you about **\$41 extra** per year.



Personalized Action Steps

Find more ways to save

Choose efficient light bulbs

Look for the ENERGY STAR® label

TURN OVER TO LEARN MORE ➡

Evaluation Contractors (ComEd / DCEO programs)

- Evaluation of Plan Year 1 programs is continuing, with customer surveys and site visits being conducted through September.
- A draft of the evaluation report is expected from the evaluators in early November.
- Some evaluation of Plan Year 2 programs has begun; most notably the Central AC Efficiency Services (CACES) program is in the process of data logging as part of an early effort to determine the energy savings associated with this type of program in the Midwest.

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

Prescriptive

This program element will offer prescriptive incentives for common commercial and industrial efficiency measures such as improved lighting technologies, efficient commercial food service equipment, and premium efficiency motors. Incentives will be fixed and paid on a per measure basis.

Custom

This program element will offer custom incentives for more complex measures, including industrial process improvements. Any measure that would improve a customer's electric energy efficiency will be eligible provided that it is cost-effective. Incentive levels will be project-specific based on prescribed calculations. 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. The budgets and goals for the Prescriptive and Custom programs have been combined.

Program Objective

Identify and implement low cost tune-ups and adjustments that improve the efficiency of existing buildings' operating systems by returning them to intended operation or design specifications, with a focus on building controls and HVAC systems.

Program Contractor

Nexant

Program Description

This program involves an assessment of building energy operating performance and improvements to the performance through proper use of energy systems controls and installation of measures such as ventilation and lighting controls. The program underwrites a portion of Retrocommissioning studies and actual improvements based on measured improvements. Building energy benchmarking is also required.

Program Objective

Obtain kWh savings by offering the capture of energy efficiency opportunities that are available during the design and construction of new buildings, major renovations of existing buildings, and tenant build-outs in the nonresidential market.

Program Contractor

Energy Center of Wisconsin

Program Description

This program provides new construction design assistance and incentives to building designers, architects and building owners for surpassing the 2006 IECC standard for new construction practice by at least 10%.

Program Objective

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

Program Contractor

Applied Proactive Technologies, Inc. (APT)

Program Description

This program buys down the cost of compact fluorescent light bulbs (“CFL”) at the retail level. It also provides incentives for energy efficient residential fixtures such as table lamps and torchieres. Instant markdowns on ENERGY STAR® labeled CFLs (standard & specialty) and fixtures are available. Point of Purchase advertisements at retail shelves highlight available discounts. Retailers include: Ace Hardware, Best Buy, Costco, Food 4 Less, The Home Depot, Jewel-Osco, Meijer, Menards, Sam’s Club and Wal-Mart. Weekly in-store demonstrations hosted by the field reps to educate customers on the merits of ENERGY STAR® lighting and the importance of CFL recycling. ComEd has partnered with The Home Depot and participating Ace Hardware stores to offer CFL recycling.

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

This program offers incentives in the range of \$25 to \$50 to participants who turn in working, second refrigerators and freezers, as well as working room air conditioners. The old appliances are collected and recycled with the capture and destruction of ozone-depleting substances. 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 and September 2009 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

This program engages contractors in the direct installation of electricity-saving measures in the residential units of all-electric multi-family properties. Financial incentives will be paid to the contractors. 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.

Program Objective

Improve the efficiency of all-electric single family homes by offering a comprehensive package of low-cost retrofit measures, and a walk-through survey with the homeowner. This initiative provides immediate energy savings to the customer.

Program Contractor

Honeywell Utility Solutions

Program Description

This program offers incentives for a comprehensive basket of electricity-saving measures targeted to owners of all-electric homes. Customers on ComEd's electric space heat tariff receive a letter informing them of the offer. Honeywell's technician conducts a walk-through survey with the homeowner, resulting in a printed report on energy savings opportunities. Up to 10 CFLs, a low-flow showerhead, and low flow faucet aerators are installed in each home. The report also provides information about other energy savings opportunities that are eligible for incentives through ComEd's residential energy efficiency programs. Customer co-pay is \$25.

Program Objective

To obtain kWh savings by improving the operating performance of existing residential central air conditioning (A/C) units. To obtain kWh savings by promoting the proper sizing and installation of new residential central air conditioning (A/C) units.

Program Contractor

Honeywell Utility Solutions

Program Description

The programs are referred to as Residential Heating, Ventilation and Air Conditioning (“HVAC”) Diagnostics & Tune-Up and Residential New HVAC with Quality Installation in the Plan. Honeywell utilizes area HVAC equipment distributors to assist in contractor recruitment. Participating contractors are required to purchase or lease a Field Diagnostics Service Assistant and their technicians must attend ComEd provided technical training. Contractors receive incentives for each qualifying tune-up and new installation performed. Qualification standards for tune-ups and installs include the satisfaction of an A/C system efficiency threshold as measured by the Service Assistant. All field test data captured by the Service Assistant is uploaded by contractors for review by Honeywell/ComEd. Quality Control field audits are performed on a percentage of the contractor services submitted for incentive. Audits are performed using a Service Assistant to ensure consistency.