

DIRECT TESTIMONY

of

SCOTT TOLSDORF

Accountant

Accounting Department  
Financial Analysis Division  
Illinois Commerce Commission

Reconciliation of revenues collected under Rider EDA with the actual costs  
associated with energy efficiency and demand response programs.

Commonwealth Edison Company

Docket No. 11-0646

January 9, 2013

**OFFICIAL FILE**  
I.C.C. DOCKET NO. 11-0646  
Staff Exhibit No. 1.0  
Witness \_\_\_\_\_  
Date 6/12/13 Reporter KW

1 **Q. Please state your name and business address.**

2 A. My name is Scott Tolsdorf. My business address is 527 East Capitol  
3 Avenue, Springfield, Illinois 62701.

4 **Q. What is your current position with the Illinois Commerce  
5 Commission ("ICC" or "Commission")?**

6 A. I am currently employed as an Accountant in the Accounting Department  
7 of the Financial Analysis Division.

8 **Q. Please describe your qualifications and background.**

9 A. I received a Bachelors of Science in Liberal Studies from Excelsior  
10 College in Albany, New York, and am nearing completion of a Master's  
11 degree in Accounting from the University of Illinois-Springfield. I am a  
12 Certified Public Accountant and joined the staff of the Commission in  
13 February 2010. Prior to the Commission, I was employed for four years  
14 as a staff accountant for a public accounting firm, and nine years in the  
15 U.S. Navy as an operator and instructor in the Naval Nuclear Power  
16 Program.

17 **Q. What are your responsibilities in this case?**

18 A. I have been assigned to this case by the Manager of the Accounting  
19 Department of the Commission. I am to review Commonwealth Edison  
20 Company's ("ComEd" or the "Company") filing, analyze the underlying  
21 data and make recommendations when appropriate.

22 **Q. What is the purpose of your testimony in this proceeding?**

23 A. The purpose of my testimony is to report the results of my review of  
24 Commonwealth Edison Company's ("ComEd" or the "Company")  
25 reconciliation of revenues collected under Rider EDA with the actual costs  
26 associated with energy efficiency and demand-response programs.

27 **Schedule and Attachment Identification**

28 **Q. Are you sponsoring any schedules with your testimony?**

29 A. Yes. I prepared the following schedules relating to the Company, which  
30 show data as of, or for the Program Year 3 (PY 3) reconciliation period:

31 Schedule 1.1 Rider EDA – Reconciliation

32 Schedule 1.2 Rider EDA – Measurement & Verification (M&V)  
33 Costs

34  
35 Schedule 1.3 Rider EDA – Incentive Compensation Costs

36 **Q. Please explain Staff Exhibit 1.0, Schedule 1.1.**

37 A. Schedule 1.1 presents the reconciliation statements proposed by the  
38 Company, Staff adjustments, and the resulting Staff position. Page 1  
39 represents a summary of Rider EDA while pages 2 through 4 are the  
40 reconciliation statements for the applicable delivery classes EDA-R  
41 (Residential), EDA-NS (Non-Residential-Small Load), and EDA-NL (Non-  
42 Residential-Large Load). The total of the Staff adjustments result in a  
43 \$2,873,580 refund for the three delivery classes as an Ordered  
44 Reconciliation Adjustment.

45 **Q. Please explain Staff Exhibit 1.0, Schedule 1.2.**

46 A. Schedule 1.2 presents my adjustment to disallow measurement and  
47 verification costs that were not subject to an internal audit as required by  
48 the Company's tariff.

49 **Measurement and Verification Costs**

50 **Q. What are the measurement and verification costs?**

51 A. According to Section 8-103 of the Public Utilities Act ("Act"), the Company  
52 is required to:

53 Provide for an annual independent evaluation of the performance of  
54 the cost-effectiveness of the utility's portfolio of measures... (220 ILCS  
55 5/8-103(f)(7))

56 The Company has contracted with Navigant Consulting Inc. to perform  
57 these annual evaluations of the performance and cost-effectiveness of the  
58 Company's portfolio of energy efficiency measures.

59 **Q. Does the Company's tariff require these costs to be subject to an  
60 internal audit?**

61 A. Yes. According to the Company's tariff Rider EDA,

62 Each year, on or before August 31, the Company must submit to the  
63 ICC an annual report that summarizes the operation of this rider and  
64 reconciles the revenues accrued through the application of the  
65 applicable EDA with the Incremental Costs incurred in accordance with  
66 the provisions of this rider for the previous (12) monthly billing periods  
67 ending with the May monthly billing period for such filing. ... Such  
68 annual report must include (a) a document specifying the ARF; (b)  
69 testimony regarding the reasonableness and prudence of the  
70 Company's Incremental Costs included in the reconciliation as

71 provided for in Section 8-103(f) and Section 16-111.7(f) of the Act; and  
72 (c) the results of an internal audit verified by an officer of the  
73 Company. **Such internal audit must (i) examine whether the**  
74 **Incremental Costs recovered through the EDA are associated**  
75 **with the Measures** or applicable on-bill financing programs, as  
76 appropriate, and are not recovered through other approved  
77 tariffs;... (ILL. C.C. No. 10, Original Sheet No. 248.1) (**emphasis**  
78 **added**)

79 **Q. Did the Company's annual report to the ICC include an internal audit**  
80 **report?**

81 A. Yes. The Company has included the internal audit report dated August  
82 29, 2011 as ComEd Exhibit 2.4.

83 **Q. Were the measurement and evaluation costs part of that internal**  
84 **audit?**

85 A. Only partially. The Company has recorded \$3,621,029 of measurement  
86 and evaluation costs for PY3; however, \$2,542,271 of those costs were  
87 incurred **after** the date of the internal audit report. The Company's Data  
88 Request ("DR") response ST-2.02\_Attach 3 provides a summary of the  
89 invoices received from Navigant including the dates of the individual  
90 invoices. These costs were invoiced to the Company **after** the internal  
91 audit report was completed and therefore were not subject to an internal  
92 audit as the tariff requires. These costs are not in compliance with the  
93 Company's approved tariff and should be disallowed.

94 **Incentive Compensation Costs**

95 **Q. Please explain Staff Exhibit 1.0, Schedule 1.3.**

96 A. Schedule 1.3 presents my adjustment to Rider EDA recoverable costs to  
97 disallow incentive compensation costs that are not related to Energy  
98 Efficiency ("EE").

99 **Q. Why are you proposing to disallow incentive compensation costs?**

100 A. ComEd has failed to show how the majority of its incentive compensation  
101 costs relate to EE or how its Annual Incentive Plan ("AIP") has been  
102 tailored for its EE employees as intended by the Commission in the  
103 proceeding that established the EE Plan ("Plan") for ComEd. The Order  
104 in Docket No. 10-0570 discussed incentive compensation as follows:

105 With that clarification, we turn to the incentive compensation costs that  
106 the Company seeks to recover through Rider EDA. We understand  
107 that these are incentives paid to employees that solely work on  
108 ComEd's EE programs. Staff testified, however, that the metrics  
109 for determining the incentive compensation are the same as for  
110 other ComEd employees, such as reducing the length of outages.  
111 Ideally, EE employees should have their incentive compensation  
112 based on something more tangibly related to EE.

113  
114 Thus, in ComEd's next reconciliation filing it should show how its  
115 current incentive compensation relates to EE or how it has  
116 tailored its incentive compensation for these employees. (Order,  
117 Docket No. 10-0570, p. 44) (emphasis added)

118 **Q. Has the Company created an annual incentive compensation plan**  
119 **AIP for its incremental EE employees?**

120 A. No. The AIP used to calculate awards for the incremental EE employees  
121 is the same AIP as used for all ComEd employees. According to the  
122 Company's AIP, an employee's incentive compensation payout is

123 determined by seven Key Performance Indicators ("KPI"s). In 2010 and  
124 2011, there were two cost performance KPIs and five operational KPIs.

125 **Q. Has the Company tailored its current AIP for energy efficiency**  
126 **employees?**

127 A. Not in a meaningful way. The Focused Initiatives and Environmental  
128 ("FIE") KPI is one of the five operational KPIs. Beginning in 2010, the  
129 Company expanded the FIE KPI to include environmental considerations.  
130 However, according to the Company's responses to DR ST-2.08, ST-2.09  
131 and the AIP itself, the impact of the expanded FIE KPI is 4.16% in 2010  
132 and 1.77% in 2011 of incentive compensation costs attributable to EE.

133 **Q. Is the FIE KPI related exclusively to energy efficiency?**

134 A. No. The FIE KPI is made up of thirteen equally weighted measures.  
135 According to the Company's response to Staff DR ST-2.08, in 2010 only  
136 two of the measures were related to energy efficiency and in 2011 only  
137 one of the measures was related to energy efficiency. The Company  
138 calculated the percentage of the FIE that related to energy efficiency as  
139 15.4% and 7.7% for 2010 and 2011 respectively.

140 **Q. Is the FIE KPI the only factor in determining an energy efficiency**  
141 **employees incentive compensation?**

142 A. No. As mentioned earlier there are a total of seven KPIs used in  
143 determining the incentive compensation payout. According to the

144 Company's response to Staff DR ST-2.09, when the final results were  
145 calculated, the FIE KPI accounted for 27% of an individual's AIP for 2010  
146 and 23% of an individual's AIP for 2011.

147 **Q. How did you determine the impact of energy efficiency on an energy**  
148 **efficiency employee's incentive compensation payout?**

149 A. The Company has stated that for 2010, the FIE KPI accounted for 27% of  
150 an employee's incentive compensation and that energy efficiency made  
151 up 15.4% of the FIE KPI. In other words, energy efficiency accounted for  
152 15.4% of the 27%. If 15.4% of the FIE KPI is related to energy efficiency  
153 and the FIE KPI makes up 27% of the total payout, then approximately  
154 4.16%<sup>1</sup> of the total incentive compensation payout is related to energy  
155 efficiency. Using the same logic for 2011, the percentage of an  
156 individual's incentive compensation payout related to energy efficiency is  
157 1.77%.<sup>2</sup> My adjustment disallows the portion of incentive compensation  
158 paid to energy efficiency employees which is not related to energy  
159 efficiency.

160 **Q. Has this issue been addressed previously by the Commission?**

161 A. Yes. In the Company's preceding reconciliation (PY2) for Rider EDA,  
162 Docket No. 10-0537, the Commission adopted Staff's similar adjustment

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<sup>1</sup> See Schedule 1.3, p. 2 for calculation.

<sup>2</sup> See Schedule 1.3, p. 2 for calculation.

163 to incentive compensation costs. The Final Order in that docket stated, in  
164 part:

165 Stated another way, ninety-eight percent of incentive  
166 compensation paid to incremental energy efficiency  
167 employees has nothing to do with energy efficiency. (*Id.*)

168 As a result, the effort of the incremental EE  
169 employees have very little to do with the incentive  
170 compensation which the Company seeks to recover from  
171 ratepayers through Rider EDA....Because AIP is not tailored  
172 to energy efficiency and demand response measures  
173 approved in ComEd's Energy Efficiency Plan that are  
174 ultimately implemented by ComEd for which ComEd seeks  
175 cost recovery through Rider EDA, ComEd is unable to meet  
176 the customer benefit standard set forth in past Commission  
177 orders. (ICC Docket No. 10-0537, Final Order, pp. 24-25,  
178 October 17, 2012)

179 The recovery of incentive compensation costs paid to EE employees  
180 which do not relate to energy efficiency should be disallowed.

181 **DCEO Cost Recovery**

182 **Q. Did ComEd recover any costs on behalf of the Department of**  
183 **Commerce and Economic Opportunity (DCEO) during the**  
184 **reconciliation period ended May 31, 2010?**

185 **A.** Yes. As explained by Mr. Brandt (ComEd Ex. 2.0 REV, lines 328 – 338)  
186 ComEd collected, through Rider EDA charges, all DCEO energy efficiency  
187 costs related to the Plan. Accordingly, ComEd reimbursed DCEO for  
188 incremental costs incurred by DCEO in connection with DCEO's

189 implementation of the Plan measures. For the PY3 reconciliation period  
190 ended May 31, 2011, ComEd reimbursed DCEO \$28,659,011. That  
191 amount is included in total PY 3 Revenue shown on ComEd Ex. 1.0, page  
192 4.

193 **Q. Does the Act require DCEO to report the results of its activities**  
194 **pursuant to the Plan approved in Docket No. 07-0540?**

195 A. Yes, Section 8-103(e) of the Act states, in part:

196 The Department shall report to the Commission on an annual basis  
197 regarding the costs actually incurred by the Department in the  
198 implementation of the measures. Any changes to the costs of energy  
199 efficiency measures as a result of plan modifications shall be  
200 appropriately reflected in amounts recovered by the utility and turned  
201 over to the Department. (220 ILCS 5/8-103(e))

202 The amount of costs reported by DCEO for PY3 does not reconcile to the  
203 amounts reported by ComEd. A report from DCEO for the Plan Year 3  
204 reconciliation period was not received by Staff until December 10, 2012.

205 On December 11, 2012 DR ST-5.01 was sent to the Company. The  
206 Company's response to DR ST-5.01, received on January 2, 2013,  
207 necessitates additional discovery which is currently outstanding.

208 Accordingly, Staff reserves the right to file supplemental direct testimony  
209 regarding the DCEO costs, as necessary for the Plan Year 3 reconciliation  
210 period, when this DR response is received by Staff.

211 **Recommendations**

212 **Q. Please summarize your recommendations.**

213 A. Subject to potential revision in supplemental Staff testimony, I recommend  
214 that the Commission approve the Rider EDA reconciliation for PY3 as  
215 presented on ICC Staff Exhibit 1.0, Schedule 1.1. I also recommend that  
216 the Commission direct ComEd to refund the PY3 Ordered Reconciliation  
217 Amount of \$2,873,580 through the EDA calculation in its first filing  
218 following the date of the Order in this docket.

219 **Q. Does this end your prepared direct testimony?**

220 A. Yes.

Commonwealth Edison  
 Rider EDA - Reconciliation  
 Rider EDA - Summary Reconciliation  
 For the Period June 1, 2010 through May 31, 2011 (PY-3)

Line No.	Description (A)	Per Company (B)	Staff Adjustment (C)	Per Staff (B+C) (D)
<b><u>(Over)/Under Recovery from Prior Years</u></b>				
1	PY-2 Automatic Reconciliation Factor (ARF) [Docket No. 10-0537]	\$ (10,905,594)	\$ -	\$ (10,905,594)
2	PY-2 Ordered Reconciliation Factor (ORF) [Docket No. 10-0537]	-	(262,929)	(262,929)
3	(Over)/Under Recovery from Prior Periods (Line 1 + Line 2)	<u>\$ (10,905,594)</u>	<u>\$ (262,929)</u>	<u>\$ (11,168,523)</u>
<b><u>Current Year (Over)/Under Recovery</u></b>				
4	PY-3 Recoverable EDA Costs	\$104,341,731	\$ (2,873,580)	\$ 101,468,151
5	PY-3 EDA Revenue	<u>110,642,647</u>	<u>-</u>	<u>110,642,647</u>
6	(Over) /Under Recovery for PY-3 (Line 4 - Line 5)	<u>(6,300,916)</u>	<u>(2,873,580)</u>	<u>(9,174,496)</u>
7	Cumulative (Over)/Under Recovery (Line 3 + Line 6)	<u><u>\$ (17,206,510)</u></u>	<u><u>\$ (3,136,509)</u></u>	<u><u>\$ (20,343,019)</u></u>
<b><u>Disposition of Cumulative (Over)/Under Recovery</u></b>				
8	PY-2 ORF to be (Refunded)/Recovered in Future Filing	\$ -	\$ (262,929)	\$ (262,929)
9	PY-3 ARF to be (Refunded)/Recovered in PY-4	(17,206,510)	-	(17,206,510)
10	PY-3 ORF to be (Refunded)/Recovered in Future Filing	<u>-</u>	<u>(2,873,580)</u>	<u>(2,873,580)</u>
11	Cumulative (Over)/Under Recovery (Sum of Lines 8 thru 10)	<u><u>\$ (17,206,510)</u></u>	<u><u>\$ (3,136,509)</u></u>	<u><u>\$ (20,343,019)</u></u>

Sources:

Column (B): ComEd Exhibit 1.0 REV , Page 1 of 4  
 Column (C): ICC Staff Ex. 1.0, Schedule 1.2 and Schedule 1.3  
 Column (D): Per Staff [Column (B) + Column (C)]

Commonwealth Edison  
 Rider EDA - Reconciliation  
 Rider EDA-R - Reconciliation  
 For the Period June 1, 2010 through May 31, 2011 (PY-3)

Line No.	Description (A)	Per Company (B)	Staff Adjustment (C)	Per Staff (B+C) (D)
<b><u>(Over)/Under Recovery from Prior Years</u></b>				
1	PY-2 Automatic Reconciliation Factor (ARF) [Docket No. 10-0537]	\$ 1,448,531	\$ -	\$ 1,448,531
2	PY-2 Ordered Reconciliation Factor (ORF) [Docket No. 10-0537]	-	(108,327)	(108,327)
3	(Over)/Under Recovery from Prior Periods (Line 1 + Line 2)	\$ 1,448,531	\$ (108,327)	\$ 1,340,204
<b><u>Current Year (Over)/Under Recovery</u></b>				
4	PY-3 Recoverable EDA Costs	\$ 37,782,300	\$ (1,065,512)	\$ 36,716,788
5	PY-3 EDA Revenue	45,504,986	-	45,504,986
6	(Over) /Under Recovery for PY-3 (Line 4 - Line 5)	(7,722,686)	(1,065,512)	(8,788,198)
7	Cumulative (Over)/Under Recovery (Line 3 + Line 6)	\$ (6,274,155)	\$ (1,173,839)	\$ (7,447,994)
<b><u>Disposition of Cumulative (Over)/Under Recovery</u></b>				
8	PY-2 ORF to be (Refunded)/Recovered in Future Filing	\$ -	\$ (108,327)	\$ (108,327)
9	PY-3 ARF to be (Refunded)/Recovered in PY-4	(6,274,155)	-	(6,274,155)
10	PY-3 ORF to be (Refunded)/Recovered in Future Filing	-	(1,065,512)	(1,065,512)
11	Cumulative (Over)/Under Recovery (Sum of Lines 8 thru 10)	\$ (6,274,155)	\$ (1,173,839)	\$ (7,447,994)

Sources:

Column (B): ComEd Exhibit 1.0 REV , Page 1 of 4  
 Column (C): ICC Staff Ex. 1.0, Schedule 1.2 and Schedule 1.3  
 Column (D): Per Staff [Column (B) + Column (C)]

Commonwealth Edison  
 Rider EDA - Reconciliation  
 Rider EDA-NS - Reconciliation  
 For the Period June 1, 2010 through May 31, 2011 (PY-3)

Line No.	Description (A)	Per Company (B)	Staff Adjustment (C)	Per Staff (B+C) (D)
<b><u>(Over)/Under Recovery from Prior Years</u></b>				
1	PY-2 Automatic Reconciliation Factor (ARF) [Docket No. 10-0537]	\$ (4,130,993)	\$ -	\$ (4,130,993)
2	PY-2 Ordered Reconciliation Factor (ORF) [Docket No. 10-0537]	-	(85,978)	(85,978)
3	(Over)/Under Recovery from Prior Periods (Line 1 + Line 2)	\$ (4,130,993)	\$ (85,978)	\$ (4,216,971)
<b><u>Current Year (Over)/Under Recovery</u></b>				
4	PY-3 Recoverable EDA Costs	\$ 38,252,850	\$ (1,028,485)	\$ 37,224,365
5	PY-3 EDA Revenue	39,966,452	-	39,966,452
6	(Over) /Under Recovery for PY-3 (Line 4 - Line 5)	(1,713,602)	(1,028,485)	(2,742,087)
7	Cumulative (Over)/Under Recovery (Line 3 + Line 6)	\$ (5,844,595)	\$ (1,114,463)	\$ (6,959,058)
<b><u>Disposition of Cumulative (Over)/Under Recovery</u></b>				
8	PY-2 ORF to be (Refunded)/Recovered in Future Filing	\$ -	\$ (85,978)	\$ (85,978)
9	PY-3 ARF to be (Refunded)/Recovered in PY-4	(5,844,595)	-	(5,844,595)
10	PY-3 ORF to be (Refunded)/Recovered in Future Filing	-	(1,028,485)	(1,028,485)
11	Cumulative (Over)/Under Recovery (Sum of Lines 8 thru 10)	\$ (5,844,595)	\$ (1,114,463)	\$ (6,959,058)

Sources:

Column (B): ComEd Exhibit 1.0 REV , Page 1 of 4  
 Column (C): ICC Staff Ex. 1.0, Schedule 1.2 and Schedule 1.3  
 Column (D): Per Staff [Column (B) + Column (C)]

Commonwealth Edison  
 Rider EDA - Reconciliation  
 Rider EDA-NL - Reconciliation  
 For the Period June 1, 2010 through May 31, 2011 (PY-3)

Line No.	Description (A)	Per Company (B)	Staff Adjustment (C)	Per Staff (B+C) (D)
<b><u>(Over)/Under Recovery from Prior Years</u></b>				
1	PY-2 Automatic Reconciliation Factor (ARF) [Docket No. 10-0537]	\$ (8,223,132)	\$ -	\$ (8,223,132)
2	PY-2 Ordered Reconciliation Factor (ORF) [Docket No. 10-0537]	-	(68,624)	(68,624)
3	(Over)/Under Recovery from Prior Periods (Line 1 + Line 2)	\$ (8,223,132)	\$ (68,624)	\$ (8,291,756)
<b><u>Current Year (Over)/Under Recovery</u></b>				
4	PY-3 Recoverable EDA Costs	\$ 28,306,581	\$ (779,583)	\$ 27,526,998
5	PY-3 EDA Revenue	25,171,209	-	25,171,209
6	(Over) /Under Recovery for PY-3 (Line 4 - Line 5)	3,135,372	(779,583)	2,355,789
7	Cumulative (Over)/Under Recovery (Line 3 + Line 6)	\$ (5,087,760)	\$ (848,207)	\$ (5,935,967)
<b><u>Disposition of Cumulative (Over)/Under Recovery</u></b>				
8	PY-2 ORF to be (Refunded)/Recovered in Future Filing	\$ -	\$ (68,624)	\$ (68,624)
9	PY-3 ARF to be (Refunded)/Recovered in PY-4	(5,087,760)		(5,087,760)
10	PY-3 ORF to be (Refunded)/Recovered in Future Filing	-	(779,583)	(779,583)
11	Cumulative (Over)/Under Recovery (Sum of Lines 8 thru 10)	\$ (5,087,760)	\$ (848,207)	\$ (5,935,967)

Sources:

Column (B): ComEd Exhibit 1.0 REV , Page 1 of 4  
 Column (C): ICC Staff Ex. 1.0, Schedule 1.2 and Schedule 1.3  
 Column (D): Per Staff [Column (B) + Column (C)]

**Commonwealth Edison**  
**Rider EDA - Measurement & Verification Disallowed Costs**  
**For the Period June 1, 2010 through May 31, 2011 (PY-3)**

Line No.	Description (A)	Amount (B)	Sources (C)
1	Measurement & Verification (M&V) per Staff	\$ 1,078,758	Line 2 + Line 3
2	Measurement & Verification (M&V) per Company	3,621,029	ComEd Exhibit 1.0 REV , Page 4 of 4
3	Staff Adjustment	<u>\$ (2,542,271)</u>	Schedule 1.2, p. 2, Line 3
<u>PY3 Costs Incurred per Company</u>			
4	Residential	\$ 38,692,605	ComEd Exhibit 1.0 REV , Page 1 of 4
5	Small Commercial and Industrial	37,348,044	ComEd Exhibit 1.0 REV , Page 1 of 4
6	Large Commercial and Industrial	28,309,494	ComEd Exhibit 1.0 REV , Page 1 of 4
7	Total	<u>\$ 104,350,143</u>	Sum of Lines 4-6
8	Residential percent of total	37.1%	Line 4 / Line 7
9	Small C&I percent of total	35.8%	Line 5 / Line 7
10	Large C&I percent of total	27.1%	Line 6 / Line 7
11	Disallowance Allocated to EDA-R	\$ (942,664)	Line 3 * Line 8
12	Disallowance Allocated to EDA-NS	(909,906)	Line 3 * Line 9
13	Disallowance Allocated to EDA-NL	(689,701)	Line 3 * Line 10
14	Total Staff Adjustment	<u>\$ (2,542,271)</u>	Sum of Lines 11-13

Commonwealth Edison  
 Rider EDA - M&V Disallowed Costs  
 For the Period June 1, 2010 through May 31, 2011 (PY-3)

Invoicing from Navigant for PY3 M&V Costs

Line No.	Date (A)	Total Invoice (B)	ComEd (C)	DCEO- ComEd (D)	DCEO-Ameren (E)
1	12/31/2010	\$ 81,233.27	\$ 78,118.55	\$ 2,049.49	\$ 1,065.23
2	2/28/2011	270,209.95	228,963.53	27,140.14	14,106.28
3	3/31/2011	143,077.14	113,148.51	19,693.04	10,235.59
4	4/29/2011	122,262.53	96,014.98	17,270.89	8,976.66
5	7/8/2011	209,724.27	168,745.22	26,964.21	14,014.84
6	8/29/2011	759,990.16	635,695.94	81,785.60	42,508.62
7	9/27/2011	380,015.65	285,360.91	62,282.82	32,371.92
8	10/31/2011	818,766.87	548,680.60	177,716.77	92,369.50
9	11/29/2011	306,840.18	134,241.62	113,569.85	59,028.71
10	1/31/2012	498,571.32	312,819.49	122,224.70	63,527.13
11	4/24/2012	76,729.13	50,891.03	17,001.47	8,836.63
12		<b>\$ 3,667,420.47</b>	<b>\$ 2,652,680.38</b>	<b>\$ 667,698.98</b>	<b>\$ 347,041.11</b>
13	Total invoices not reviewed by Internal Audit (Sum of Column (B) Lines 6 - 11)				2,840,913.31
14	(Less) Ameren portion of invoices not reviewed by Internal Audit (Sum of Column (E) Lines 6 - 11)				<u>(298,642.51)</u>
15	ComEd portion of invoices not reviewed by Internal Audit (Sum of Lines 13 + 14)				<u><u>2,542,270.80</u></u>

Sources:

Lines 1-12: ComEd DR Response ST 2.02\_Attach 3, Tab: PY3 Recap

Commonwealth Edison  
 Rider EDA - Incentive Compensation Costs  
 For the Period June 1, 2010 through May 31, 2011 (PY-3)

Line No.	Description (A)	2010 (B)	2011 (C)	Sources (D)
1	EE Employees Total Incentive Compensation	\$ 309,548	\$ 386,647	ComEd DR Response ST 3.04
2	Months Included in PY3	7	5	7=June-Dec 2010; 5=Jan-May 2011
3	Incentive Compensation Attributable to PY3	\$ 180,570	\$ 161,103	(Line 1 x Line 2)/12
4	Incentive Compensation % Attributable to EE	4.16%	1.77%	Schedule 1.3, p. 2, Line 3
5	Incentive Compensation \$ Attributable to EE	\$ 7,512	\$ 2,852	Line 3 * Line 4
6	Total EE Employees Incentive Compensation Related to EE Attributable to PY3		\$ 10,363	Line 5: Column (B) + Column (C)
7	Total EE Employees Incentive Compensation Paid Attributable to PY3		341,673	Line 3: Column (B) + Column (C)
8	Total Staff Adjustment		\$ (331,309)	Line 6 - Line 7
<u>PY3 Costs Incurred per Company</u>				
9	Residential		\$ 38,692,605	ComEd Exhibit 1.0 REV , Page 1 of 4
10	Small Commercial and Industrial		37,348,044	ComEd Exhibit 1.0 REV , Page 1 of 4
11	Large Commercial and Industrial		28,309,494	ComEd Exhibit 1.0 REV , Page 1 of 4
12	Total		\$ 104,350,143	Sum of Lines 9-11
13	Residential percent of total		37.1%	Line 9 / Line 12
14	Small C&I percent of total		35.8%	Line 10 / Line 12
15	Large C&I percent of total		27.1%	Line 11 / Line 12
16	Disallowance Allocated to EDA-R		\$ (122,848)	Line 8 * Line 13
17	Disallowance Allocated to EDA-NS		(118,579)	Line 8 * Line 14
18	Disallowance Allocated to EDA-NL		(89,882)	Line 8 * Line 15
19	Total Staff Adjustment		\$ (331,309)	Sum of Lines 16-18

**Commonwealth Edison**  
**Rider EDA - Incentive Compensation Costs**  
**For the Period June 1, 2010 through May 31, 2011 (PY-3)**

<u>Line No.</u>	<u>Description</u> (A)	<u>2010</u> (B)	<u>2011</u> (C)	<u>Sources</u> (D)
1	Percentage of Focused Initiative and Environmental Index ("FIE") Attributable to Energy Efficiency ("EE")	15.4%	7.7%	ComEd DR Response ST 2.08
2	Percentage of Annual Incentive Plan ("AIP") Attributable to FIE	<u>27.0%</u>	<u>23.0%</u>	ComEd DR Response ST 2.09
3	Percentage of AIP Attributable to EE	<u>4.16%</u>	<u>1.77%</u>	Line 1 x Line 2