



An Exelon Company

Updated PY10-12 Program Strawman

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Strawman Highlights

- ✓ \$970 million budget over 3 years
 - \$164 million IPA Third Party programs
 - \$471 million total EEPS
 - \$117 million DCEO
- ✓ 3.4 Terawatt-hours of first-year savings
 - Excluding DCEO
 - 34% from Residential

Strawman Highlights (cont.)

- ✓ Non-program costs = 9.0% (EEPS + IPA)
 - EM&V = 2.9%
 - Marketing = 1.8%
 - Portfolio Administration = 2.7%
 - Emerging Tech = 1.2% (3% of EEPS)

Strawman Highlights (cont.)

- ✓ Cost-effectiveness basis
 - 7.05% Discount Rate (ComEd WACC)
 - Certain quantified non-energy impacts included
 - Water Savings
 - O&M Savings
 - Carbon
 - Natural Gas
 - Exploring other NEI
 - Other emissions

Low and Moderate Income

✓ Joint programs with Peoples Gas

- Allocating budget using 60/40 gas/electric split
- Single Family retrofit = \$587k/yr
- Multi Family = \$1M/yr

✓ Joint programs with Nicor

- Not as well defined yet
- Single Family retrofit = \$587k
 - Assuming joint delivery, sized equal to Peoples SF program
- Multi Family not yet allocated
 - Awaiting feedback from Nicor

✓ Program will be funded out of EEPS budget

Third Party Programs Update

- ✓ 26 Proposals under review
 - 3 Low-income
 - 1 Moderate income
 - 3 General residential
 - 19 Small business
 - 4 public sector
- ✓ All are for 3 years
- ✓ Review is underway

Residential Programs

- ✓ Packaging programs as an integrated solution
 - Except Home Energy Reports, Elementary Education

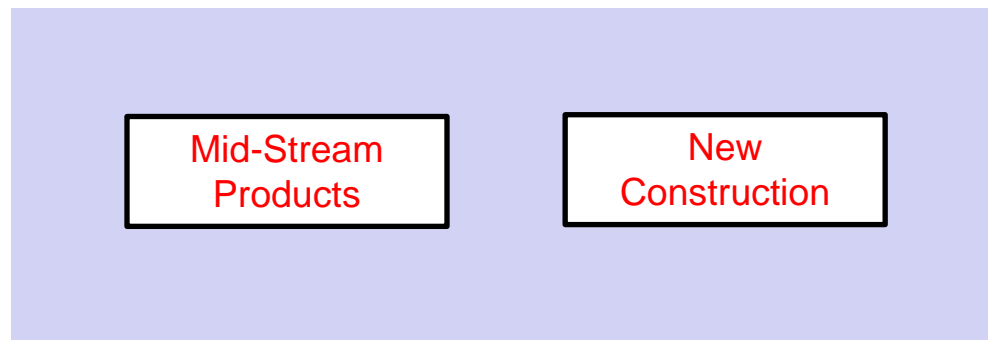
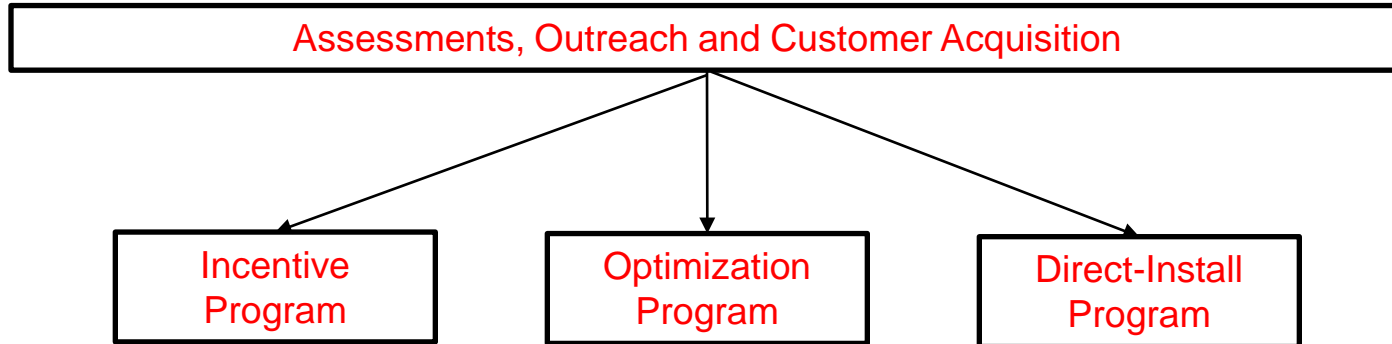


Residential Programs

- ✓ Most programs similarly sized to current scale
- ✓ HVAC, Assessment and Rebate programs increased
- ✓ Home Energy Reports savings reduced
 - Reflects newly adopted persistence methodology from TRM v5.0
- ✓ Two largest programs under IPA slate

Business Programs

Program Structure



Business Programs (cont.)

✓ New Construction

- Expanding scope to include small business
 - Provides unified structure
- Need to address TPEP proposal vis-à-vis this approach

✓ AC Tuneup

- EEPS-funded program will be for medium and large business
- IPA TPEP proposal will address small business.

Business Programs (cont.)

- ✓ Most programs sized to current scale
 - CHP implementation is part of Incentives
- ✓ Assessments added as sub-program
 - Facilitates identification and tracking of operational savings not otherwise captured
 - Still serves to “feed” other programs

Other programs

✓ LED Streetlighting

- Extension of current IPA program
- Some larger communities not IPA-eligible
 - Will include those as part of EEPS
- Utility Cost Test result is problematic
 - Proxy for IPA “Reduce cost of electric service”
 - Result is 0.70

✓ Voltage Optimization

- Not currently included in strawman
- Still discussing internally

Punchlist

- ✓ Update all avoided costs
 - Early July, after publication of 2016 AEO
 - Capacity values from May 2016 PJM auction
 - Energy values from NYMEX futures
 - Escalators from AEO
 - Historically from \$25/ton carbon side case
 - EIA may include CPP side case this year(?)
 - Reviewing avoided T&D update
 - Will likely use existing marginal loss adders

Questions?