

**Quarterly and Preliminary Annual Report
to the
Pennsylvania Public Utility Commission**

**For the Period
March 1, 2014 through May 31, 2014
Program Year 5, Quarter 4**

For Pennsylvania Act 129 of 2008
Energy Efficiency and Conservation Plan

Prepared by Pennsylvania Electric Company and ADM Associates, Inc

For

Pennsylvania Electric Company
Docket No. M-2012-2334392
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Table of Contents

TABLE OF CONTENTS.....	I
ACRONYMS.....	II
1 OVERVIEW OF PORTFOLIO.....	4
1.1 SUMMARY OF ACHIEVEMENTS	5
1.2 PROGRAM UPDATES AND FINDINGS.....	7
1.3 EVALUATION UPDATES AND FINDINGS.....	10
2 SUMMARY OF ENERGY IMPACTS BY PROGRAM	11
3 SUMMARY OF DEMAND IMPACTS BY PROGRAM	13
4 SUMMARY OF FINANCES	15
4.1 PORTFOLIO LEVEL EXPENDITURES	15
4.2 PROGRAM LEVEL EXPENDITURES	16

Acronyms

C&I	Commercial and Industrial
CATI	Computer-Aided Telephone Interview
CFL	Compact Fluorescent Lamp
Phase II	Cumulative Program/Portfolio Phase II Inception to Date (Phase II Savings)
Phase II-CO	Cumulative Program/Portfolio Phase II Inception to Date including Carry Over Savings from Phase I
Phase II-Q	Phase II verified gross savings from the beginning of Phase II + PYTD reported gross savings.
Phase II-Q-CO	Phase II verified gross savings from the beginning of Phase II + verified Carry Over Savings from Phase I + PYTD reported gross savings
CSP	Conservation Service Provider or Curtailment Service Provider
CVR	Conservation Voltage Reduction
CVRf	Conservation Voltage Reduction factor
DLC	Direct Load Control
DR	Demand Response
EDC	Electric Distribution Company
EE&C	Energy Efficiency and Conservation
EM&V	Evaluation, Measurement, and Verification
GNI	Government, Non-Profit, Institutional
HVAC	Heating, Ventilating, and Air Conditioning
IQ	Incremental Quarter
kW	Kilowatt
kWh	Kilowatt-hour
LED	Light Emitting Diode
LEEP	Low-Income Energy Efficiency Program
LIURP	Low-Income Usage Reduction Program
M&V	Measurement and Verification
MW	Megawatt
MWh	Megawatt-hour
NTG	Net-to-Gross
PA PUC	Pennsylvania Public Utility Commission
PY5	Program Year 2013, from June 1, 2013 to May 31, 2014
PY6	Program Year 2014, from June 1, 2010 to May 31, 2015
PY7	Program Year 2015, from June 1, 2011 to May 31, 2016
PY8	Program Year 2016, from June 1, 2012 to May 31, 2017
PYX QX	Program Year X, Quarter X
PYTD	Program Year to Date

SEER	Seasonal Energy Efficiency Rating
SWE	Statewide Evaluator
TRC	Total Resource Cost
TRM	Technical Reference Manual

1 Overview of Portfolio

Pennsylvania Act 129 of 2008 signed on October 15, 2008, mandated energy savings and demand reduction goals for the largest electric distribution companies (EDCs) in Pennsylvania for Phase I (2008 through 2013). In 2009, each EDC submitted energy efficiency and conservation (EE&C) plans—which were approved by the Pennsylvania Public Utility Commission (PUC)—pursuant to these goals. Each EDC filed new EE&C plans with the PA PUC in late 2012 for Phase II (June 2013 through May 2016) of the Act 129 programs. These plans were subsequently approved by the PUC in early 2013.

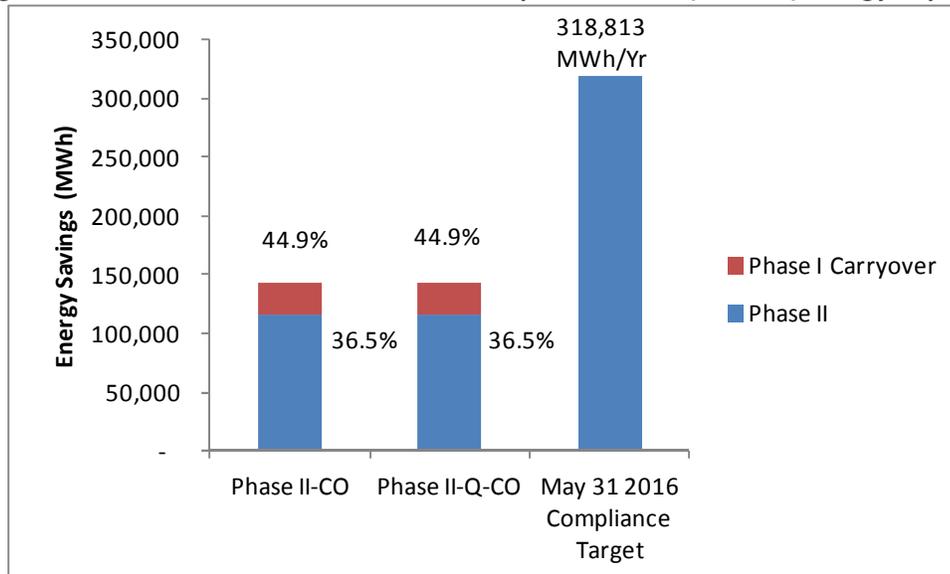
Implementation of Phase II of the Act 129 programs began on June 1, 2013. This report documents the progress and effectiveness of the Phase II EE&C accomplishments for Pennsylvania Electric Company (Penelec or Company) in the 4th quarter of Program Year 5 (PY5), defined as March 1, 2014 through May 31, 2014, as well as the cumulative accomplishments of the programs since inception of Phase II. This report documents the energy savings carried over from Phase I that will be applied towards the Company's savings compliance targets for Phase II. The Phase I carryover values as listed in this quarterly report are based on the Company's Final Phase I report to the Commission.

The Company's EM&V contractor, ADM Associates, is evaluating the programs, which includes measurement and verification of the savings. The verified savings for PY5 will be reported in the annual report, to be filed November 15, 2014.

1.1 Summary of Achievements

Penelec has achieved 36.5 percent of the May 31, 2016 energy savings compliance target, based on cumulative program inception to date (Phase II) reported gross energy savings¹, and 44.9 percent of the energy savings compliance target, based on Phase II-Q-CO² (or Phase II-CO until verified savings are available for PY5) gross energy savings achieved through PY5Q4, as shown in Figure 1-1. (Phase II-Q)³ is also shown in Figure 1-1.

Figure 1-1: Cumulative Portfolio Phase 2 Inception to Date (Phase II) Energy Impacts



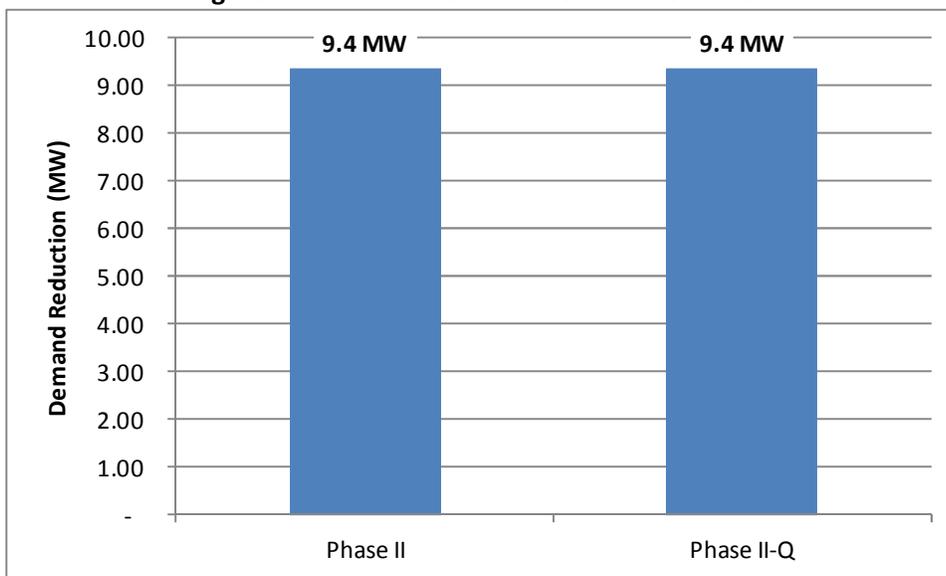
¹ Phase II Reported Gross Savings = Phase II Reported Gross Savings from the beginning of Phase II through the end of the current quarter. All savings reported as Phase II reported gross savings are computed this way.

² Phase II-Q-CO Gross Savings = Phase II verified gross savings from the beginning of Phase II including verified Carry Over Savings from Phase I + PYTD reported gross savings. The carryover portion of the Phase II-Q-CO Gross Savings listed herein is based on verified impacts reported in the Company's Final Phase I report to the Commission.

³ Phase II-Q Gross Savings = CPITD Verified Gross Savings from the beginning of Phase II + PYTD Reported Gross Savings. This excludes Phase I carry over savings. All savings reported as Phase II-Q gross savings are computed this way. Phase II Verified Gross Savings will be reported in the annual report. For the first program year of Phase II (Program Year 5), Phase II-Q Savings and CPP2ITD Savings will be the same as no savings will be verified for Phase II until November, after the end of Program Year 5.

Penelec has achieved 9.4 MW of demand reduction through PY5Q4⁴.

Figure 1-2: Phase II Portfolio Demand Reduction



There are six broad groups of measures available to the low-income sector at no cost to the customer. These groups of measures offered to the low-income sector therefore comprise 15.0% of the total measures offered. As required by the Phase II goal, this exceeds the fraction of the electric consumption of the utility’s low-income households divided by the total electricity consumption in the Penelec territory which is 10.2%.⁵ The Phase II reported gross energy savings achieved in the low-income sector is 16,591 MWh/yr⁶; this is 14.2% percent of the Phase II total portfolio reported gross energy savings. This exceeds the goal of 4.5% of the Phase II savings.

Penelec achieved 19.8% of the May 31, 2016, energy reduction compliance target for government, nonprofit and institutional sector, based on Phase II reported gross energy savings, and 53.4% of the target

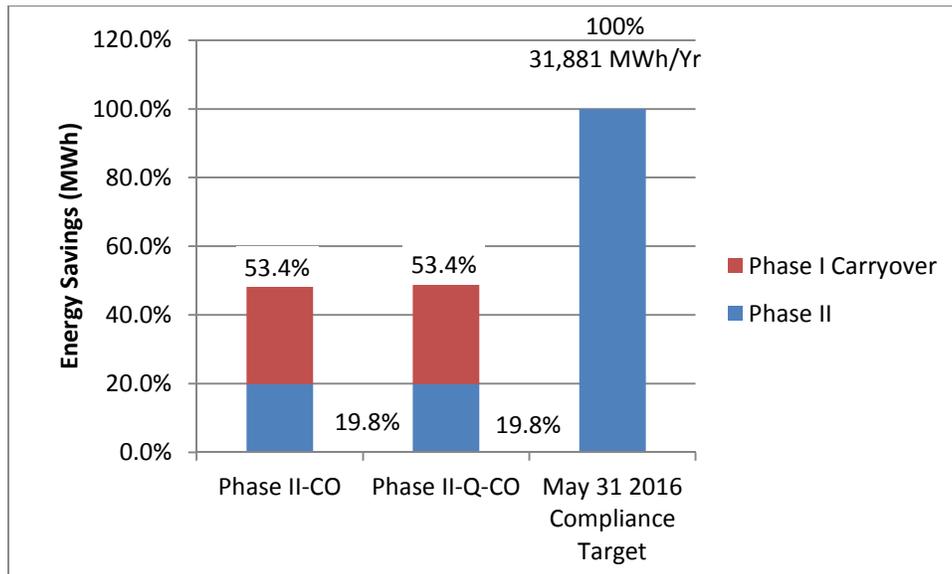
⁴ There is no compliance target for demand reduction in Phase II.

⁵ Act 129 includes a provision requiring electric distribution companies to offer a number of energy efficiency measures to low-income households that are “proportionate to those households’ share of the total energy usage in the service territory.” 66 Pa.C.S. §2806.1(b)(i)(G). The Company’s Act 129 EE&C Plan includes hundreds of distinct measures that are consolidated into 126 archetypal measures and 39 broad measure categories. For low-income reporting purposes, five of these 39 broad measure categories are offered at no cost to the Company’s low-income residential customers.

⁶ These are preliminary estimates and are subject to change. Official results will be calculated through participant surveys. The survey instrument will be made available to SWE and other stakeholders for review.

based on Phase II-Q-CO (or Phase II-CO until verified savings are available for PY5) gross energy savings achieved through PY5Q4, as shown in Figure 1-3.

Figure 1-3: Government, Nonprofit, and Institutional Sectors⁷



1.2 Program Updates and Findings

- Appliance Turn-in:**
 Residential participation is tracking to PY6 forecasts. The company continues to market the program through bill inserts, television commercials, newspaper and internet advertisements.
- Energy Efficient Products:**
 A direct mail piece was sent during Q4. Program is tracking ahead of goal in all four PA OPCOs primarily due to POS lighting sales and the consumer electronics program.
- Home Performance:**
 New Construction: New home construction in Penelec continues to lag larger metropolitan areas. Smaller builders are being targeted to supplement the lower national presence in Penelec.

⁷ GNI results are comprised of participating customers in the Company’s Government, Non-profit, and Institutional program, as well as GNI customers participating in the Company’s Small and Large Commercial and Industrial Equipment and building programs.

Online Audit: The Company continues to send Energy Conservation Kits to customers as a result of completing an Online Audit. During Q4, over 1,700 kits were sent to Penelec customers as a result of completing an Online Audit.

Comprehensive Audit: There are no changes to the Comprehensive Audit program for Q4. Program is tracking below goal primarily due to lack of participating contractors and customer participation in those territories. Continue to recruit new contractors into program and market program to customers.

Behavior Modification: The HVAC portion of the Energy Efficient Products Program was highlighted in April reports.

Opt-in Kits: During Q4, over 13,500 Opt In Kits were shipped to customers in Penelec upon enrollment into the program.

Schools Kits: In April, the final performance of the Energized Guyz, a 25 minute performance about energy conservation, was performed for the 2013-2014 school year. Recruitment is underway to enroll schools for Fall 2014. During Q4, over 2,300 kits were sent as a result of the School Education Program in Penelec .

- **Low Income / WARM:**

WARM Extra Measures/WARM Plus: Three heat pump water heater Installations were completed in the FE service areas. Two heat pump water heater webinars for all WARM (LIURP) and WARM Plus contractors were held March 25 and 27, 2014. Also, a concentrated effort is underway to increase coordination efforts between the gas companies and all WARM and WARM Plus contractors in serving our customers.

Multi Family: Continuing to identify and assign Multi-Family units/customers for Penelec WARM Plus. During 4th quarter, 24 Penelec multi-family program customers were served.

Low Income Low Use: Distributed energy savings measures such as kitchen aerators, showerheads, furnace filter whistles, and CFLs at low income events which were held throughout the FE service areas.

Behavioral Modification Program: WARM (LIURP) marketing module was issued to targeted FE low income customers that are receiving the Home Energy Report.

- **C/I Small Energy Efficient Equipment:**

This program has been in operation since June 1, 2013; Company continues to receive and process applications under Phase II. The new CSP has updated the program website, including the on-line application forms, and has incorporated new measures that were approved under Phase II. The CSP has also developed new marketing plan and outreach strategies to customer and trade allies. The trade ally team has already reached out to many of the trade allies that were active under Phase I.

- **C/I Small Energy Efficient Buildings:**

This program has been in operation since June 1, 2013. To date, Penelec has sent 2,197 kits out to customers. The new CSP has updated the program website, including the on-line application forms, and has incorporated new measures that were approved under Phase II. The CSP has developed new marketing plan and outreach strategies to reach market actors in this market segment.

- **C/I Large Energy Efficient Equipment:**

This program has been in operation since June 1, 2013; Company continues to receive and process applications under Phase II. The new CSP has updated the program website, including the on-line application forms, and has incorporated new measures that were approved under Phase II. The CSP has also developed new marketing plan and outreach strategies to customer and trade allies. The trade ally team has already reached out to many of the trade allies that were active under Phase I.

- **C/I Large Energy Efficient Buildings:**

This program has been in operation since June 1, 2013. To date, Penelec has sent out to customers 74 kits. The new CSP has updated the program website, including the on-line application forms, and has incorporated new measures that were approved under Phase II. The CSP has developed new marketing plan and outreach strategies to reach market actors in this market segment.

- **Government & Institutional:**

This program has been in operation since June 1, 2013; Company continues to receive and process applications under Phase II. The new CSP has updated the program website, including the on-line application forms, and has incorporated new measures that were approved under Phase II. The CSP has also developed new marketing plan and outreach strategies to customer and trade allies. The trade ally team has already reached out to many of the trade allies that were active under Phase I.

1.3 Evaluation Updates and Findings

- **Appliance Turn-in**
- **Energy Efficient Products**
- **Home Performance**
- **Low Income / WARM**
- **C/I Small Energy Efficient Equipment**
- **C/I Small Energy Efficient Buildings**
- **C/I Large Energy Efficient Equipment**
- **C/I Large Energy Efficient Buildings**
- **Government & Institutional**

The PY5 EM&V plan for each program was completed in early September. ADM has communicated to the Company's implementation staff the data collection requirements and calculation procedures outlined in the 2013 PA TRM for measures offered under each program. Nonresidential lighting projects with ex ante savings above 1,000 MWh and other nonresidential projects with ex ante savings above 500 MWh are sampled with certainty and evaluated on an ongoing basis by ADM. In January 2014 ADM made the first formal data request for C/I project documentation. In addition to up-front evaluations for the larger projects, ADM has conducted approximately 20 on-site visits from the initial sample. ADM has pulled a second sample from all projects that are in the tracking and reporting system as of this writing. Upon reviewing program activity in PY5Q4, ADM has decided to increase the level of evaluation rigor associated with CFL conservation kits mailed to C/I customers⁸. As a result, ADM will meter 100 to 150 additional facilities to establish hours of use and coincidence factors for CFLs installed in the nonresidential sector.

ADM has completed a desk review of CFL wattage equivalency for the upstream CFL program. ADM found general agreement between reported and verified impacts, and some minor differences between reported and verified parameters for certain lamps have been communicated with the Company's implementation team.

To date, ADM has completed approximately 1,700 online and telephone verification surveys (across the four FirstEnergy PA EDCs) for residential programs. The surveys are expected to continue through July.

⁸ According to ADM's PY5 evaluation plan, groups of individual projects that are expected to have correlated realization rates may be promoted to "high-impact" measures, and would warrant evaluation at high level of rigor.

2 Summary of Energy Impacts by Program

A summary of the reported energy savings by program is presented in Figure 2-1 and Figure 2-2.

Figure 2-1: Phase II Reported Gross Energy Savings by Program

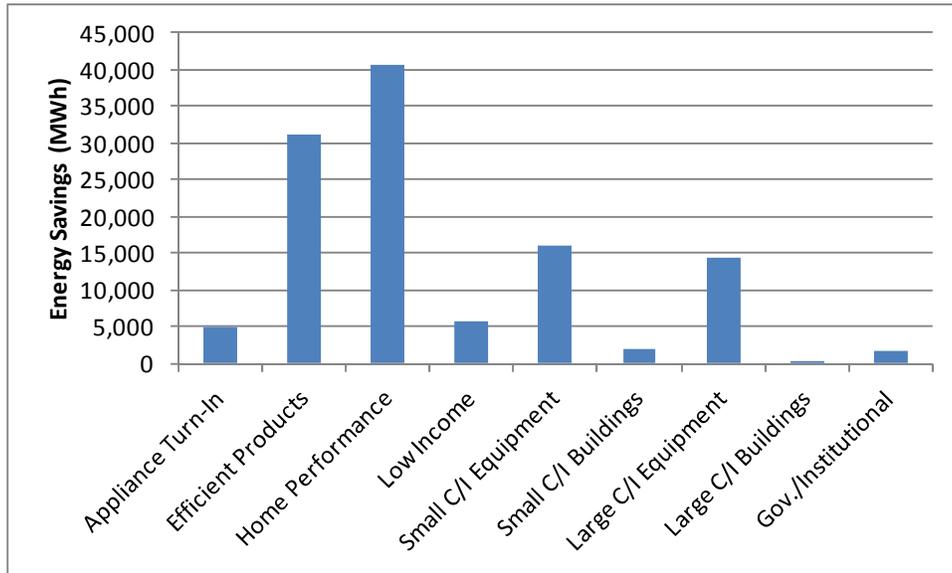
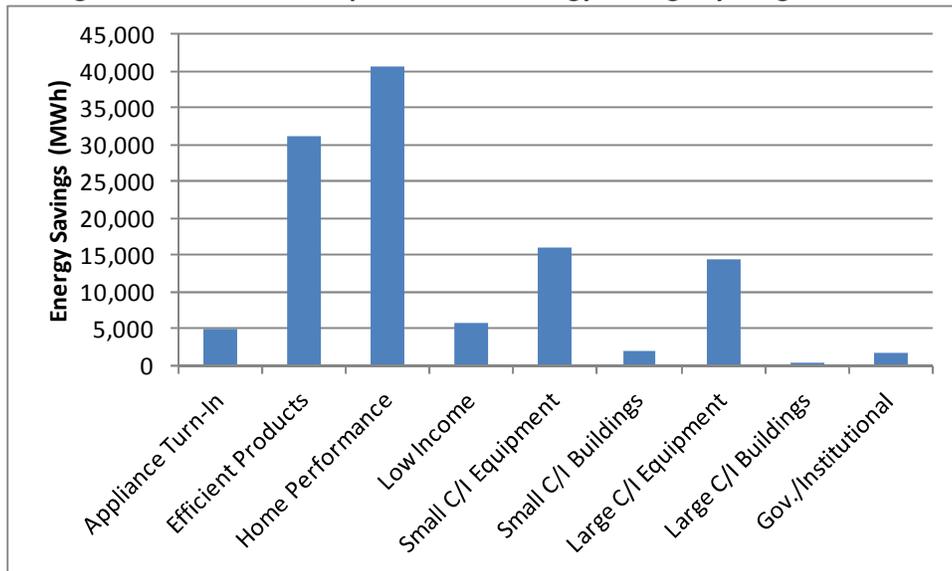


Figure 2-2: Phase II-Q Reported Gross Energy Savings by Program



A summary of energy impacts by program through PY5Q4 is presented in Table 2-1.

Table 2-1: EDC Reported Participation and Gross Energy Savings by Program (MWh/Year)

Program	Participants			Reported Gross Impact (MWh/Year)			
	IQ	PYTD	Phase II	IQ	PYTD	Phase II	Phase II-Q
Appliance Turn-In	1,506	6,154	6,154	1,168	4,793	4,793	4,793
Energy Efficient Products	54,084	219,045	219,045	8,390	31,088	31,088	31,088
Home Performance	17,705	60,686	60,686	10,456	40,584	40,584	40,584
Low Income / WARM	684	12,355	12,355	438	5,667	5,667	5,667
C/I Small Energy Efficient Equipment	184	375	375	10,365	16,114	16,114	16,114
C/I Small Energy Efficient Buildings	0	0	0	2,070	2,070	2,070	2,070
C/I Large Energy Efficient Equipment	64	74	74	12,804	14,498	14,498	14,498
C/I Large Energy Efficient Buildings	24	24	24	74	74	74	74
Government, & Institutional	18	33	33	739	1,591	1,591	1,591
TOTAL PORTFOLIO	74,269	298,746	298,746	46,503	116,479	116,479	116,479
Carry Over Savings from Phase I ⁹							26,805
Total Phase II-Q-CO							143,284

⁹ The Phase I carryover values as listed in this quarterly report are preliminary and are based on verified impacts reported in the Company's Final Phase I report to the Commission.

3 Summary of Demand Impacts by Program

A summary of the reported demand reduction by program is presented in Figure 3-1 and Figure 3-2.

Figure 3-1: Phase II Demand Reduction by Program

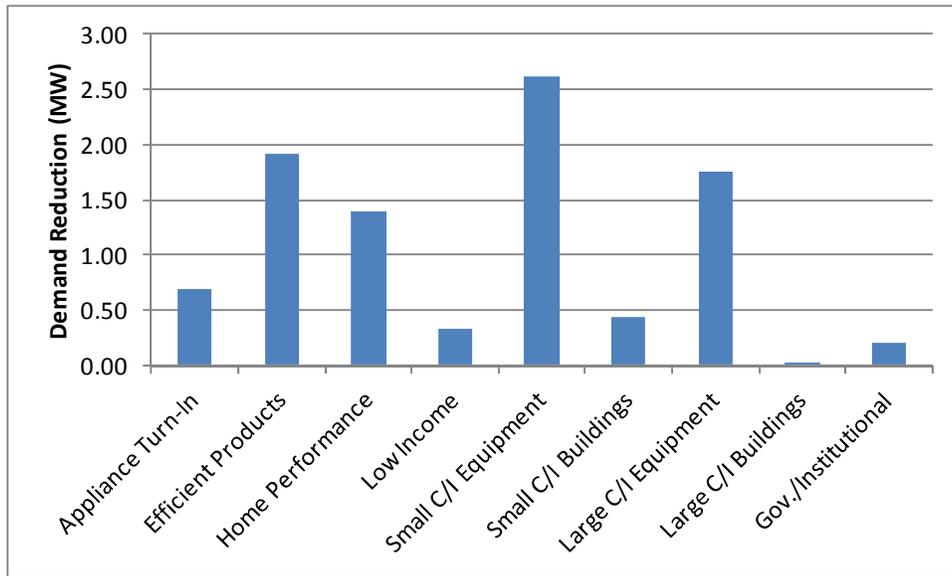
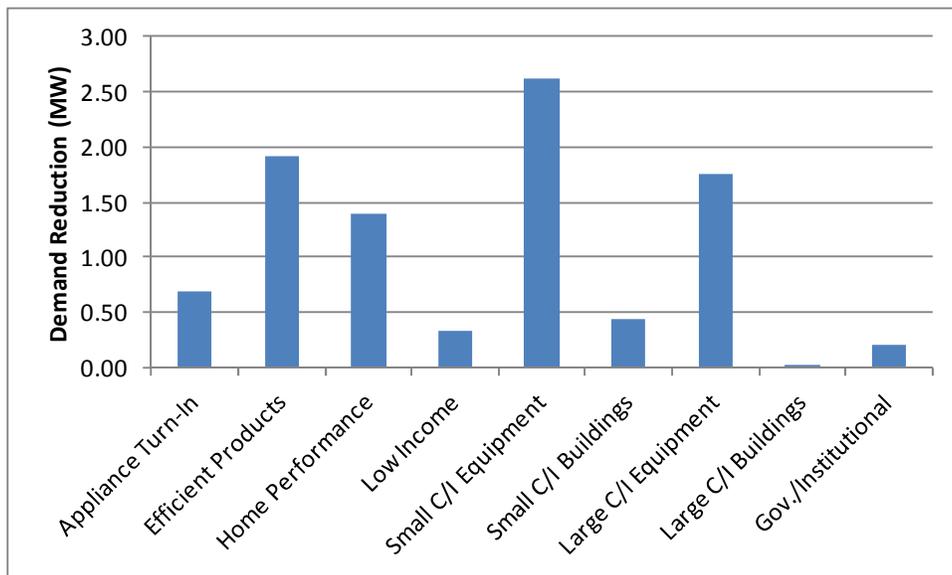


Figure 3-2: Phase II-Q Demand Reduction by Program



A summary of total demand reduction impacts by program through PY5Q4 is presented in Table 3-1.

Table 3-1: Participation and Reported Gross Demand Reduction by Program

Program	Participants			Reported Gross Impact (MW)			
	IQ	PYTD	Phase II	IQ	PYTD	Phase II	Phase II-Q
Appliance Turn-In	1,506	6,154	6,154	0.18	0.69	0.69	0.69
Energy Efficient Products	54,084	219,045	219,045	0.58	1.92	1.92	1.92
Home Performance	17,705	60,686	60,686	0.42	1.40	1.40	1.40
Low Income / WARM	684	12,355	12,355	0.03	0.32	0.32	0.32
C/I Small Energy Efficient Equipment	184	375	375	1.38	2.62	2.62	2.62
C/I Small Energy Efficient Buildings	0	0	0	0.44	0.44	0.44	0.44
C/I Large Energy Efficient Equipment	64	74	74	1.56	1.75	1.75	1.75
C/I Large Energy Efficient Buildings	24	24	24	0.02	0.02	0.02	0.02
Government, & Institutional	18	33	33	0.07	0.20	0.20	0.20
TOTAL PORTFOLIO	74,269	298,746	298,746	4.69	9.35	9.35	9.35

4 Summary of Finances

4.1 Portfolio Level Expenditures

A breakdown of the portfolio finances is presented in Table 4-1.

Table 4-1: Summary of Portfolio Finances

	Quarter 4 (\$000)	PYTD (\$000)	Phase II (\$000)
EDC Incentives to Participants	\$2,437	\$6,194	\$6,194
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$2,437	\$6,194	\$6,194
EDC Implementation Costs			
Design & Development	\$4	\$132	\$132
Administration, Management and Technical Assistance ^[1]	\$2,950	\$9,856	\$9,856
Marketing	\$220	\$840	\$840
Subtotal EDC Implementation Costs	\$3,174	\$10,828	\$10,828
EDC Evaluation Costs			
EDC Evaluation Costs	\$113	\$166	\$166
SWE Audit Costs	\$250	\$750	\$750
Total EDC Costs ^[2]	\$5,974	\$17,938	\$17,938
Participant Costs ^[3]	\$0	\$0	\$0
Total TRC Costs ^[4]			
NOTES			
<i>Per PUC direction, TRC inputs and calculations are required in the Annual Report only and should comply with the 2013 Total Resource Cost Test Order approved August 30, 2012.</i>			
<i>Costs shown above include startup expenses prior to June 1, 2013.</i>			
¹ Includes the administrative CSP (rebate processing), tracking system, general administration and clerical costs, EDC program management, CSP program management, general management oversight major accounts and technical assistance			
² Per the 2013 Total Resource Cost Test Order – Total EDC Costs, here, refer to EDC incurred expenses only. Total EDC Costs = Subtotal EDC Incentive Costs + Subtotal EDC Implementation Costs + EDC Evaluation Costs + SWE Audit Costs.			
³ Per the 2013 Total Resource Cost Test Order –Net participant costs; in PA, the costs of the end-use customer.			
⁴ Total TRC Costs = Total EDC Costs + Participant Costs			

4.2 Program Level Expenditures

Program-specific finances are shown in the following tables.

Table 4-2: Summary of Program Finances – Res Appliance Turn-In

	Quarter 4 (\$1,000)	PYTD (\$1,000)	Phase II (\$1,000)
EDC Incentives to Participants	\$80	\$329	\$329
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$80	\$329	\$329
Design & Development	\$0	\$9	\$9
Administration, Management and Technical Assistance ^[1]	\$137	\$633	\$633
Marketing	\$40	\$163	\$163
Subtotal EDC Implementation Costs	\$177	\$806	\$806
EDC Evaluation Costs	\$3	\$5	\$5
SWE Audit Costs	\$18	\$53	\$53
Total EDC Costs^[2]	\$277	\$1,192	\$1,192
Participant Costs^[3]	\$0	\$0	\$0
Total TRC Costs^[4]			

NOTES

Per PUC direction, TRC inputs and calculations are required in the Annual Report only and should comply with the 2013 Total Resource Cost Test Order approved August 30, 2012.

Costs shown above include startup expenses prior to June 1, 2013.

¹ Includes the administrative CSP (rebate processing), tracking system, general administration and clerical costs, EDC program management, CSP program management, general management oversight major accounts and technical assistance

² Per the 2013 Total Resource Cost Test Order – Total EDC Costs, here, refer to EDC incurred expenses only. Total EDC Costs = Subtotal EDC Incentive Costs + Subtotal EDC Implementation Costs + EDC Evaluation Costs + SWE Audit Costs.

³ Per the 2013 Total Resource Cost Test Order –Net participant costs; in PA, the costs of the end-use customer.

⁴ Total TRC Costs = Total EDC Costs + Participant Costs

Table 4-3: Summary of Program Finances – Res Energy Efficient Products

	Quarter 4 (\$1,000)	PYTD (\$1,000)	Phase II (\$1,000)
EDC Incentives to Participants	\$222	\$1,392	\$1,392
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$222	\$1,392	\$1,392
Design & Development	\$0	\$13	\$13
Administration, Management and Technical Assistance ^[1]	\$255	\$1,281	\$1,281
Marketing	\$29	\$78	\$78
Subtotal EDC Implementation Costs	\$284	\$1,373	\$1,373
EDC Evaluation Costs	\$13	\$16	\$16
SWE Audit Costs	\$23	\$73	\$73
Total EDC Costs^[2]	\$543	\$2,854	\$2,854
Participant Costs ^[3]	\$0	\$0	\$0
Total TRC Costs^[4]			

NOTES

Per PUC direction, TRC inputs and calculations are required in the Annual Report only and should comply with the 2013 Total Resource Cost Test Order approved August 30, 2012.

Costs shown above include startup expenses prior to June 1, 2013.

¹ Includes the administrative CSP (rebate processing), tracking system, general administration and clerical costs, EDC program management, CSP program management, general management oversight major accounts and technical assistance

² Per the 2013 Total Resource Cost Test Order – Total EDC Costs, here, refer to EDC incurred expenses only. Total EDC Costs = Subtotal EDC Incentive Costs + Subtotal EDC Implementation Costs + EDC Evaluation Costs + SWE Audit Costs.

³ Per the 2013 Total Resource Cost Test Order –Net participant costs; in PA, the costs of the end-use customer.

⁴ Total TRC Costs = Total EDC Costs + Participant Costs

Table 4-4: Summary of Program Finances – Res Home Performance

	Quarter 4 (\$1,000)	PYTD (\$1,000)	Phase II (\$1,000)
EDC Incentives to Participants	\$780	\$2,668	\$2,668
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$780	\$2,668	\$2,668
Design & Development	\$1	\$37	\$37
Administration, Management and Technical Assistance ^[1]	\$1,636	\$3,964	\$3,964
Marketing	\$60	\$384	\$384
Subtotal EDC Implementation Costs	\$1,697	\$4,385	\$4,385
EDC Evaluation Costs	\$15	\$38	\$38
SWE Audit Costs	\$69	\$207	\$207
Total EDC Costs^[2]	\$2,560	\$7,298	\$7,298
Participant Costs^[3]	\$0	\$0	\$0
Total TRC Costs^[4]			

NOTES

Per PUC direction, TRC inputs and calculations are required in the Annual Report only and should comply with the 2013 Total Resource Cost Test Order approved August 30, 2012.

Costs shown above include startup expenses prior to June 1, 2013.

¹ Includes the administrative CSP (rebate processing), tracking system, general administration and clerical costs, EDC program management, CSP program management, general management oversight major accounts and technical assistance

² Per the 2013 Total Resource Cost Test Order – Total EDC Costs, here, refer to EDC incurred expenses only. Total EDC Costs = Subtotal EDC Incentive Costs + Subtotal EDC Implementation Costs + EDC Evaluation Costs + SWE Audit Costs.

³ Per the 2013 Total Resource Cost Test Order –Net participant costs; in PA, the costs of the end-use customer.

⁴ Total TRC Costs = Total EDC Costs + Participant Costs

Table 4-5: Summary of Program Finances – Res Low Income

	Quarter 4 (\$1,000)	PYTD (\$1,000)	Phase II (\$1,000)
EDC Incentives to Participants	-\$1	-\$1	-\$1
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	-\$1	-\$1	-\$1
Design & Development	\$1	\$37	\$37
Administration, Management and Technical Assistance ^[1]	\$496	\$2,254	\$2,254
Marketing	\$0	\$16	\$16
Subtotal EDC Implementation Costs	\$498	\$2,307	\$2,307
EDC Evaluation Costs	\$20	\$32	\$32
SWE Audit Costs	\$73	\$214	\$214
Total EDC Costs^[2]	\$590	\$2,552	\$2,552
Participant Costs^[3]	\$0	\$0	\$0
Total TRC Costs^[4]			

NOTES

Per PUC direction, TRC inputs and calculations are required in the Annual Report only and should comply with the 2013 Total Resource Cost Test Order approved August 30, 2012.

Costs shown above include startup expenses prior to June 1, 2013.

¹ Includes the administrative CSP (rebate processing), tracking system, general administration and clerical costs, EDC program management, CSP program management, general management oversight major accounts and technical assistance

² Per the 2013 Total Resource Cost Test Order – Total EDC Costs, here, refer to EDC incurred expenses only. Total EDC Costs = Subtotal EDC Incentive Costs + Subtotal EDC Implementation Costs + EDC Evaluation Costs + SWE Audit Costs.

³ Per the 2013 Total Resource Cost Test Order –Net participant costs; in PA, the costs of the end-use customer.

⁴ Total TRC Costs = Total EDC Costs + Participant Costs

⁵ Negative values represent accounting adjustments from prior periods.

Table 4-6: Summary of Program Finances – Small CI Efficient Equipment

	Quarter 4 (\$1,000)	PYTD (\$1,000)	Phase II (\$1,000)
EDC Incentives to Participants	\$546	\$901	\$901
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$546	\$901	\$901
Design & Development	\$1	\$16	\$16
Administration, Management and Technical Assistance ^[1]	\$192	\$856	\$856
Marketing	\$40	\$94	\$94
Subtotal EDC Implementation Costs	\$232	\$967	\$967
EDC Evaluation Costs	\$30	\$37	\$37
SWE Audit Costs	\$31	\$93	\$93
Total EDC Costs^[2]	\$839	\$1,997	\$1,997
Participant Costs^[3]	\$0	\$0	\$0
Total TRC Costs^[4]			

NOTES

Per PUC direction, TRC inputs and calculations are required in the Annual Report only and should comply with the 2013 Total Resource Cost Test Order approved August 30, 2012.

Costs shown above include startup expenses prior to June 1, 2013.

¹ Includes the administrative CSP (rebate processing), tracking system, general administration and clerical costs, EDC program management, CSP program management, general management oversight major accounts and technical assistance

² Per the 2013 Total Resource Cost Test Order – Total EDC Costs, here, refer to EDC incurred expenses only. Total EDC Costs = Subtotal EDC Incentive Costs + Subtotal EDC Implementation Costs + EDC Evaluation Costs + SWE Audit Costs.

³ Per the 2013 Total Resource Cost Test Order –Net participant costs; in PA, the costs of the end-use customer.

⁴ Total TRC Costs = Total EDC Costs + Participant Costs

Table 4-7: Summary of Program Finances – Small C/I Efficient Buildings

	Quarter 4 (\$1,000)	PYTD (\$1,000)	Phase II (\$1,000)
EDC Incentives to Participants	\$126	\$126	\$126
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$126	\$126	\$126
Design & Development	\$0	\$7	\$7
Administration, Management and Technical Assistance ^[1]	\$34	\$200	\$200
Marketing	\$22	\$38	\$38
Subtotal EDC Implementation Costs	\$56	\$246	\$246
EDC Evaluation Costs	\$2	\$3	\$3
SWE Audit Costs	\$13	\$40	\$40
Total EDC Costs^[2]	\$198	\$415	\$415
Participant Costs^[3]	\$0	\$0	\$0
Total TRC Costs^[4]			

NOTES

Per PUC direction, TRC inputs and calculations are required in the Annual Report only and should comply with the 2013 Total Resource Cost Test Order approved August 30, 2012.

Costs shown above include startup expenses prior to June 1, 2013.

¹ Includes the administrative CSP (rebate processing), tracking system, general administration and clerical costs, EDC program management, CSP program management, general management oversight major accounts and technical assistance

² Per the 2013 Total Resource Cost Test Order – Total EDC Costs, here, refer to EDC incurred expenses only. Total EDC Costs = Subtotal EDC Incentive Costs + Subtotal EDC Implementation Costs + EDC Evaluation Costs + SWE Audit Costs.

³ Per the 2013 Total Resource Cost Test Order –Net participant costs; in PA, the costs of the end-use customer.

⁴ Total TRC Costs = Total EDC Costs + Participant Costs

Table 4-8: Summary of Program Finances – Large C/I Efficient Equipment

	Quarter 4 (\$1,000)	PYTD (\$1,000)	Phase II (\$1,000)
EDC Incentives to Participants	\$653	\$738	\$738
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$653	\$738	\$738
Design & Development	\$0	\$5	\$5
Administration, Management and Technical Assistance ^[1]	\$129	\$402	\$402
Marketing	\$22	\$52	\$52
Subtotal EDC Implementation Costs	\$152	\$460	\$460
EDC Evaluation Costs	\$19	\$23	\$23
SWE Audit Costs	\$10	\$30	\$30
Total EDC Costs^[2]	\$834	\$1,251	\$1,251
Participant Costs^[3]	\$0	\$0	\$0
Total TRC Costs^[4]			

NOTES

Per PUC direction, TRC inputs and calculations are required in the Annual Report only and should comply with the 2013 Total Resource Cost Test Order approved August 30, 2012.

Costs shown above include startup expenses prior to June 1, 2013.

¹ Includes the administrative CSP (rebate processing), tracking system, general administration and clerical costs, EDC program management, CSP program management, general management oversight major accounts and technical assistance

² Per the 2013 Total Resource Cost Test Order – Total EDC Costs, here, refer to EDC incurred expenses only. Total EDC Costs = Subtotal EDC Incentive Costs + Subtotal EDC Implementation Costs + EDC Evaluation Costs + SWE Audit Costs.

³ Per the 2013 Total Resource Cost Test Order –Net participant costs; in PA, the costs of the end-use customer.

⁴ Total TRC Costs = Total EDC Costs + Participant Costs

Table 4-9: Summary of Program Finances – Large C/I Efficient Buildings

	Quarter 4 (\$1,000)	PYTD (\$1,000)	Phase II (\$1,000)
EDC Incentives to Participants	\$4	\$4	\$4
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$4	\$4	\$4
Design & Development	\$0	\$4	\$4
Administration, Management and Technical Assistance ^[1]	\$25	\$110	\$110
Marketing	\$6	\$12	\$12
Subtotal EDC Implementation Costs	\$31	\$126	\$126
EDC Evaluation Costs	\$9	\$12	\$12
SWE Audit Costs	\$7	\$22	\$22
Total EDC Costs^[2]	\$51	\$164	\$164
Participant Costs^[3]	\$0	\$0	\$0
Total TRC Costs^[4]			

NOTES

Per PUC direction, TRC inputs and calculations are required in the Annual Report only and should comply with the 2013 Total Resource Cost Test Order approved August 30, 2012.

Costs shown above include startup expenses prior to June 1, 2013.

¹ Includes the administrative CSP (rebate processing), tracking system, general administration and clerical costs, EDC program management, CSP program management, general management oversight major accounts and technical assistance

² Per the 2013 Total Resource Cost Test Order – Total EDC Costs, here, refer to EDC incurred expenses only. Total EDC Costs = Subtotal EDC Incentive Costs + Subtotal EDC Implementation Costs + EDC Evaluation Costs + SWE Audit Costs.

³ Per the 2013 Total Resource Cost Test Order –Net participant costs; in PA, the costs of the end-use customer.

⁴ Total TRC Costs = Total EDC Costs + Participant Costs

Table 4-10: Summary of Program Finances – Government and Institutional

	Quarter 4 (\$1,000)	PYTD (\$1,000)	Phase II (\$1,000)
EDC Incentives to Participants	\$27	\$36	\$36
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$27	\$36	\$36
Design & Development	\$0	\$3	\$3
Administration, Management and Technical Assistance ^[1]	\$47	\$154	\$154
Marketing	\$1	\$2	\$2
Subtotal EDC Implementation Costs	\$48	\$159	\$159
EDC Evaluation Costs	\$1	\$1	\$1
SWE Audit Costs	\$6	\$17	\$17
Total EDC Costs^[2]	\$82	\$214	\$214
Participant Costs ^[3]	\$0	\$0	\$0
Total TRC Costs^[4]			

NOTES

Per PUC direction, TRC inputs and calculations are required in the Annual Report only and should comply with the 2013 Total Resource Cost Test Order approved August 30, 2012.

Costs shown above include startup expenses prior to June 1, 2013.

¹ Includes the administrative CSP (rebate processing), tracking system, general administration and clerical costs, EDC program management, CSP program management, general management oversight major accounts and technical assistance

² Per the 2013 Total Resource Cost Test Order – Total EDC Costs, here, refer to EDC incurred expenses only. Total EDC Costs = Subtotal EDC Incentive Costs + Subtotal EDC Implementation Costs + EDC Evaluation Costs + SWE Audit Costs.

³ Per the 2013 Total Resource Cost Test Order –Net participant costs; in PA, the costs of the end-use customer.

⁴ Total TRC Costs = Total EDC Costs + Participant Costs

**Quarterly and Preliminary Annual Report
to the
Pennsylvania Public Utility Commission**

**For the Period
March 1, 2014 through May 31, 2014
Program Year 5, Quarter 4**

For Pennsylvania Act 129 of 2008
Energy Efficiency and Conservation Plan

Prepared by Pennsylvania Electric Company and ADM Associates, Inc

For

Pennsylvania Electric Company

Docket No. M-2012-2334392

July 15, 2014

Table of Contents

TABLE OF CONTENTS	I
ACRONYMS	II
1 OVERVIEW OF PORTFOLIO	4
1.1 SUMMARY OF ACHIEVEMENTS	5
1.2 PROGRAM UPDATES AND FINDINGS.....	7
1.3 EVALUATION UPDATES AND FINDINGS.....	10
2 SUMMARY OF ENERGY IMPACTS BY PROGRAM	11
3 SUMMARY OF DEMAND IMPACTS BY PROGRAM	13
4 SUMMARY OF FINANCES	15
4.1 PORTFOLIO LEVEL EXPENDITURES	15
4.2 PROGRAM LEVEL EXPENDITURES	16

Acronyms

C&I	Commercial and Industrial
CATI	Computer-Aided Telephone Interview
CFL	Compact Fluorescent Lamp
Phase II	Cumulative Program/Portfolio Phase II Inception to Date (Phase II Savings)
Phase II-CO	Cumulative Program/Portfolio Phase II Inception to Date including Carry Over Savings from Phase I
Phase II-Q	Phase II verified gross savings from the beginning of Phase II + PYTD reported gross savings.
Phase II-Q-CO	Phase II verified gross savings from the beginning of Phase II + verified Carry Over Savings from Phase I + PYTD reported gross savings
CSP	Conservation Service Provider or Curtailment Service Provider
CVR	Conservation Voltage Reduction
CVRf	Conservation Voltage Reduction factor
DLC	Direct Load Control
DR	Demand Response
EDC	Electric Distribution Company
EE&C	Energy Efficiency and Conservation
EM&V	Evaluation, Measurement, and Verification
GNI	Government, Non-Profit, Institutional
HVAC	Heating, Ventilating, and Air Conditioning
IQ	Incremental Quarter
kW	Kilowatt
kWh	Kilowatt-hour
LED	Light Emitting Diode
LEEP	Low-Income Energy Efficiency Program
LIURP	Low-Income Usage Reduction Program
M&V	Measurement and Verification
MW	Megawatt
MWh	Megawatt-hour
NTG	Net-to-Gross
PA PUC	Pennsylvania Public Utility Commission
PY5	Program Year 2013, from June 1, 2013 to May 31, 2014
PY6	Program Year 2014, from June 1, 2010 to May 31, 2015
PY7	Program Year 2015, from June 1, 2011 to May 31, 2016
PY8	Program Year 2016, from June 1, 2012 to May 31, 2017
PYX QX	Program Year X, Quarter X
PYTD	Program Year to Date

SEER	Seasonal Energy Efficiency Rating
SWE	Statewide Evaluator
TRC	Total Resource Cost
TRM	Technical Reference Manual

1 Overview of Portfolio

Pennsylvania Act 129 of 2008 signed on October 15, 2008, mandated energy savings and demand reduction goals for the largest electric distribution companies (EDCs) in Pennsylvania for Phase I (2008 through 2013). In 2009, each EDC submitted energy efficiency and conservation (EE&C) plans—which were approved by the Pennsylvania Public Utility Commission (PUC)—pursuant to these goals. Each EDC filed new EE&C plans with the PA PUC in late 2012 for Phase II (June 2013 through May 2016) of the Act 129 programs. These plans were subsequently approved by the PUC in early 2013.

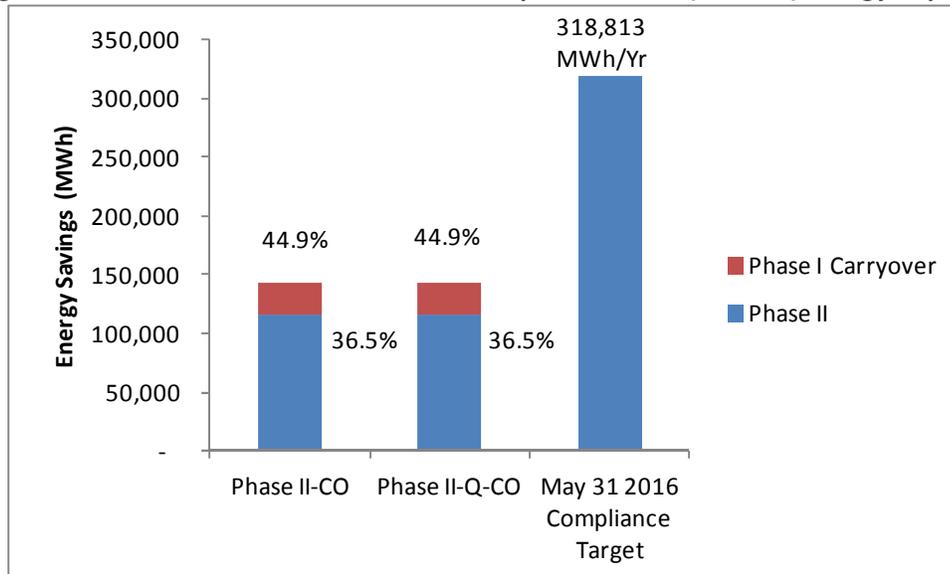
Implementation of Phase II of the Act 129 programs began on June 1, 2013. This report documents the progress and effectiveness of the Phase II EE&C accomplishments for Pennsylvania Electric Company (Penelec or Company) in the 4th quarter of Program Year 5 (PY5), defined as March 1, 2014 through May 31, 2014, as well as the cumulative accomplishments of the programs since inception of Phase II. This report documents the energy savings carried over from Phase I that will be applied towards the Company's savings compliance targets for Phase II. The Phase I carryover values as listed in this quarterly report are based on the Company's Final Phase I report to the Commission.

The Company's EM&V contractor, ADM Associates, is evaluating the programs, which includes measurement and verification of the savings. The verified savings for PY5 will be reported in the annual report, to be filed November 15, 2014.

1.1 Summary of Achievements

Penelec has achieved 36.5 percent of the May 31, 2016 energy savings compliance target, based on cumulative program inception to date (Phase II) reported gross energy savings¹, and 44.9 percent of the energy savings compliance target, based on Phase II-Q-CO² (or Phase II-CO until verified savings are available for PY5) gross energy savings achieved through PY5Q4, as shown in Figure 1-1. (Phase II-Q)³ is also shown in Figure 1-1.

Figure 1-1: Cumulative Portfolio Phase 2 Inception to Date (Phase II) Energy Impacts



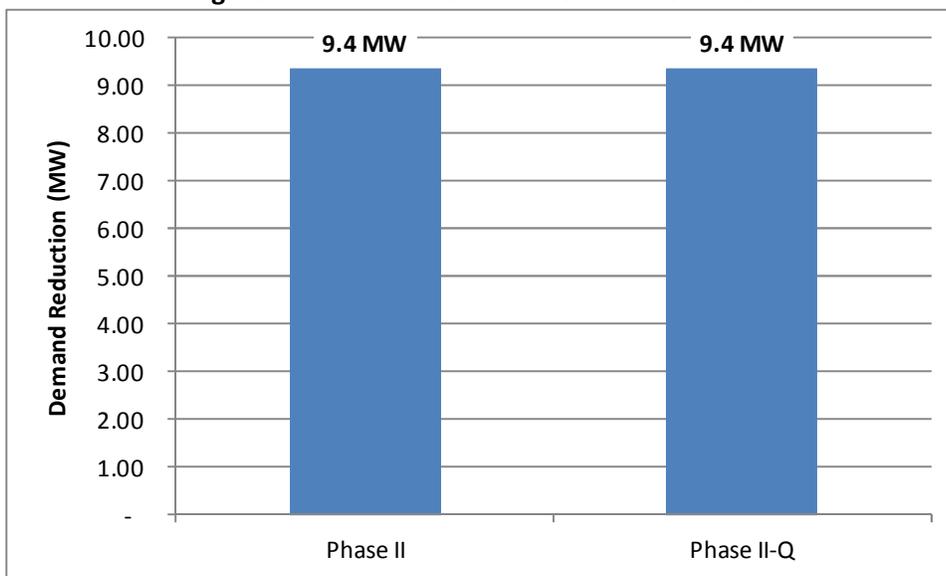
¹ Phase II Reported Gross Savings = Phase II Reported Gross Savings from the beginning of Phase II through the end of the current quarter. All savings reported as Phase II reported gross savings are computed this way.

² Phase II-Q-CO Gross Savings = Phase II verified gross savings from the beginning of Phase II including verified Carry Over Savings from Phase I + PYTD reported gross savings. The carryover portion of the Phase II-Q-CO Gross Savings listed herein is based on verified impacts reported in the Company’s Final Phase I report to the Commission.

³ Phase II-Q Gross Savings = CPITD Verified Gross Savings from the beginning of Phase II + PYTD Reported Gross Savings. This excludes Phase I carry over savings. All savings reported as Phase II-Q gross savings are computed this way. Phase II Verified Gross Savings will be reported in the annual report. For the first program year of Phase II (Program Year 5), Phase II-Q Savings and CPP2ITD Savings will be the same as no savings will be verified for Phase II until November, after the end of Program Year 5.

Penelec has achieved 9.4 MW of demand reduction through PY5Q4⁴.

Figure 1-2: Phase II Portfolio Demand Reduction



There are six broad groups of measures available to the low-income sector at no cost to the customer. These groups of measures offered to the low-income sector therefore comprise 15.0% of the total measures offered. As required by the Phase II goal, this exceeds the fraction of the electric consumption of the utility’s low-income households divided by the total electricity consumption in the Penelec territory which is 10.2%.⁵ The Phase II reported gross energy savings achieved in the low-income sector is 16,591 MWh/yr⁶; this is 14.2% percent of the Phase II total portfolio reported gross energy savings. This exceeds the goal of 4.5% of the Phase II savings.

Penelec achieved 19.8% of the May 31, 2016, energy reduction compliance target for government, nonprofit and institutional sector, based on Phase II reported gross energy savings, and 53.4% of the target

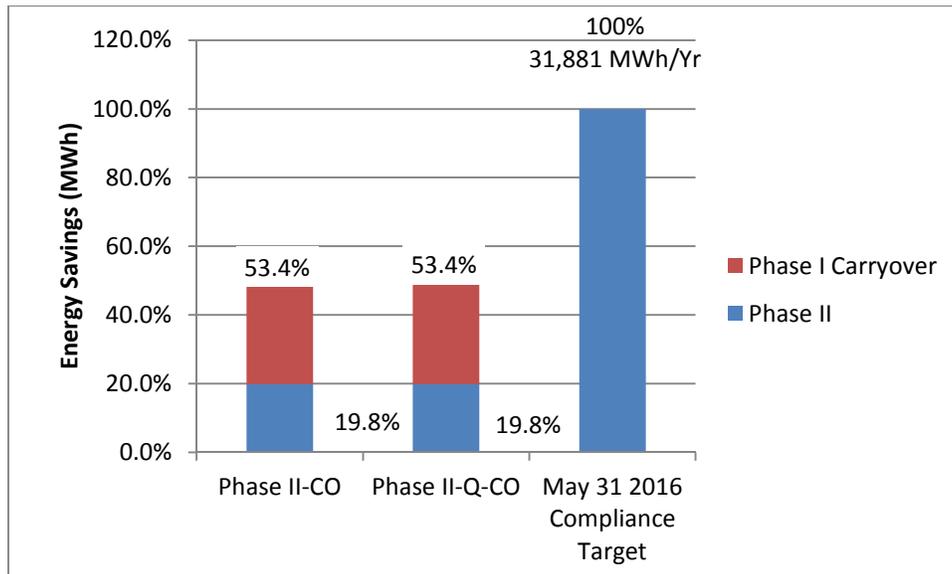
⁴ There is no compliance target for demand reduction in Phase II.

⁵ Act 129 includes a provision requiring electric distribution companies to offer a number of energy efficiency measures to low-income households that are “proportionate to those households’ share of the total energy usage in the service territory.” 66 Pa.C.S. §2806.1(b)(i)(G). The Company’s Act 129 EE&C Plan includes hundreds of distinct measures that are consolidated into 126 archetypal measures and 39 broad measure categories. For low-income reporting purposes, five of these 39 broad measure categories are offered at no cost to the Company’s low-income residential customers.

⁶ These are preliminary estimates and are subject to change. Official results will be calculated through participant surveys. The survey instrument will be made available to SWE and other stakeholders for review.

based on Phase II-Q-CO (or Phase II-CO until verified savings are available for PY5) gross energy savings achieved through PY5Q4, as shown in Figure 1-3.

Figure 1-3: Government, Nonprofit, and Institutional Sectors⁷



1.2 Program Updates and Findings

- Appliance Turn-in:**
 Residential participation is tracking to PY6 forecasts. The company continues to market the program through bill inserts, television commercials, newspaper and internet advertisements.
- Energy Efficient Products:**
 A direct mail piece was sent during Q4. Program is tracking ahead of goal in all four PA OPCOs primarily due to POS lighting sales and the consumer electronics program.
- Home Performance:**
 New Construction: New home construction in Penelec continues to lag larger metropolitan areas. Smaller builders are being targeted to supplement the lower national presence in Penelec.

⁷ GNI results are comprised of participating customers in the Company’s Government, Non-profit, and Institutional program, as well as GNI customers participating in the Company’s Small and Large Commercial and Industrial Equipment and building programs.

Online Audit: The Company continues to send Energy Conservation Kits to customers as a result of completing an Online Audit. During Q4, over 1,700 kits were sent to Penelec customers as a result of completing an Online Audit.

Comprehensive Audit: There are no changes to the Comprehensive Audit program for Q4. Program is tracking below goal primarily due to lack of participating contractors and customer participation in those territories. Continue to recruit new contractors into program and market program to customers.

Behavior Modification: The HVAC portion of the Energy Efficient Products Program was highlighted in April reports.

Opt-in Kits: During Q4, over 13,500 Opt In Kits were shipped to customers in Penelec upon enrollment into the program.

Schools Kits: In April, the final performance of the Energized Guyz, a 25 minute performance about energy conservation, was performed for the 2013-2014 school year. Recruitment is underway to enroll schools for Fall 2014. During Q4, over 2,300 kits were sent as a result of the School Education Program in Penelec .

- **Low Income / WARM:**

WARM Extra Measures/WARM Plus: Three heat pump water heater Installations were completed in the FE service areas. Two heat pump water heater webinars for all WARM (LIURP) and WARM Plus contractors were held March 25 and 27, 2014. Also, a concentrated effort is underway to increase coordination efforts between the gas companies and all WARM and WARM Plus contractors in serving our customers.

Multi Family: Continuing to identify and assign Multi-Family units/customers for Penelec WARM Plus. During 4th quarter, 24 Penelec multi-family program customers were served.

Low Income Low Use: Distributed energy savings measures such as kitchen aerators, showerheads, furnace filter whistles, and CFLs at low income events which were held throughout the FE service areas.

Behavioral Modification Program: WARM (LIURP) marketing module was issued to targeted FE low income customers that are receiving the Home Energy Report.

- **C/I Small Energy Efficient Equipment:**

This program has been in operation since June 1, 2013; Company continues to receive and process applications under Phase II. The new CSP has updated the program website, including the on-line application forms, and has incorporated new measures that were approved under Phase II. The CSP has also developed new marketing plan and outreach strategies to customer and trade allies. The trade ally team has already reached out to many of the trade allies that were active under Phase I.

- **C/I Small Energy Efficient Buildings:**

This program has been in operation since June 1, 2013. To date, Penelec has sent 2,197 kits out to customers. The new CSP has updated the program website, including the on-line application forms, and has incorporated new measures that were approved under Phase II. The CSP has developed new marketing plan and outreach strategies to reach market actors in this market segment.

- **C/I Large Energy Efficient Equipment:**

This program has been in operation since June 1, 2013; Company continues to receive and process applications under Phase II. The new CSP has updated the program website, including the on-line application forms, and has incorporated new measures that were approved under Phase II. The CSP has also developed new marketing plan and outreach strategies to customer and trade allies. The trade ally team has already reached out to many of the trade allies that were active under Phase I.

- **C/I Large Energy Efficient Buildings:**

This program has been in operation since June 1, 2013. To date, Penelec has sent out to customers 74 kits. The new CSP has updated the program website, including the on-line application forms, and has incorporated new measures that were approved under Phase II. The CSP has developed new marketing plan and outreach strategies to reach market actors in this market segment.

- **Government & Institutional:**

This program has been in operation since June 1, 2013; Company continues to receive and process applications under Phase II. The new CSP has updated the program website, including the on-line application forms, and has incorporated new measures that were approved under Phase II. The CSP has also developed new marketing plan and outreach strategies to customer and trade allies. The trade ally team has already reached out to many of the trade allies that were active under Phase I.

1.3 Evaluation Updates and Findings

- **Appliance Turn-in**
- **Energy Efficient Products**
- **Home Performance**
- **Low Income / WARM**
- **C/I Small Energy Efficient Equipment**
- **C/I Small Energy Efficient Buildings**
- **C/I Large Energy Efficient Equipment**
- **C/I Large Energy Efficient Buildings**
- **Government & Institutional**

The PY5 EM&V plan for each program was completed in early September. ADM has communicated to the Company's implementation staff the data collection requirements and calculation procedures outlined in the 2013 PA TRM for measures offered under each program. Nonresidential lighting projects with ex ante savings above 1,000 MWh and other nonresidential projects with ex ante savings above 500 MWh are sampled with certainty and evaluated on an ongoing basis by ADM. In January 2014 ADM made the first formal data request for C/I project documentation. In addition to up-front evaluations for the larger projects, ADM has conducted approximately 20 on-site visits from the initial sample. ADM has pulled a second sample from all projects that are in the tracking and reporting system as of this writing. Upon reviewing program activity in PY5Q4, ADM has decided to increase the level of evaluation rigor associated with CFL conservation kits mailed to C/I customers⁸. As a result, ADM will meter 100 to 150 additional facilities to establish hours of use and coincidence factors for CFLs installed in the nonresidential sector.

ADM has completed a desk review of CFL wattage equivalency for the upstream CFL program. ADM found general agreement between reported and verified impacts, and some minor differences between reported and verified parameters for certain lamps have been communicated with the Company's implementation team.

To date, ADM has completed approximately 1,700 online and telephone verification surveys (across the four FirstEnergy PA EDCs) for residential programs. The surveys are expected to continue through July.

⁸ According to ADM's PY5 evaluation plan, groups of individual projects that are expected to have correlated realization rates may be promoted to "high-impact" measures, and would warrant evaluation at high level of rigor.

2 Summary of Energy Impacts by Program

A summary of the reported energy savings by program is presented in Figure 2-1 and Figure 2-2.

Figure 2-1: Phase II Reported Gross Energy Savings by Program

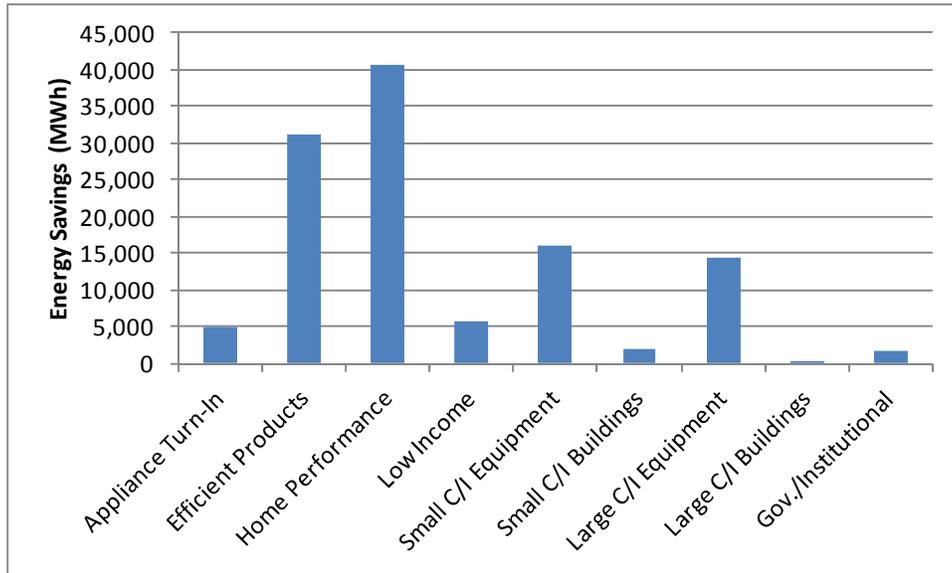
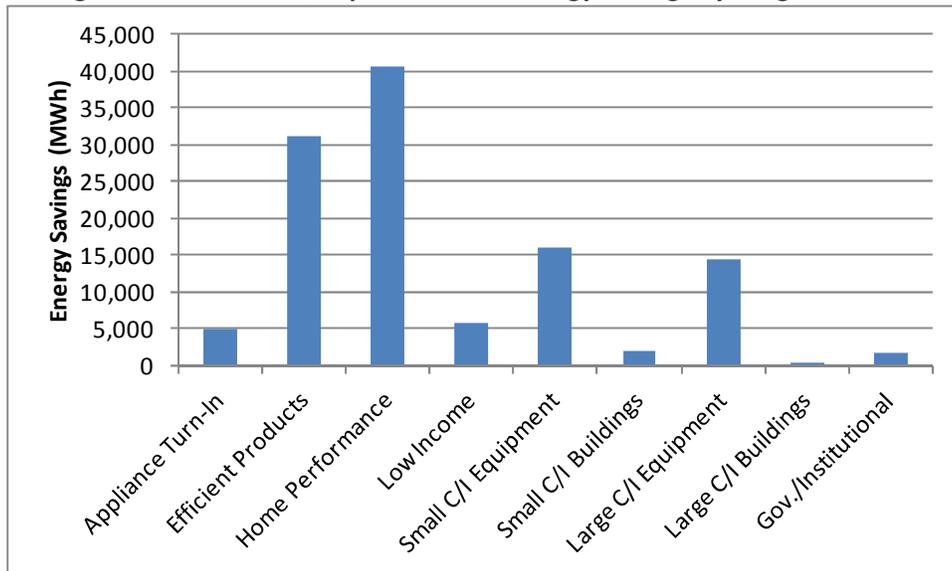


Figure 2-2: Phase II-Q Reported Gross Energy Savings by Program



A summary of energy impacts by program through PY5Q4 is presented in Table 2-1.

Table 2-1: EDC Reported Participation and Gross Energy Savings by Program (MWh/Year)

Program	Participants			Reported Gross Impact (MWh/Year)			
	IQ	PYTD	Phase II	IQ	PYTD	Phase II	Phase II-Q
Appliance Turn-In	1,506	6,154	6,154	1,168	4,793	4,793	4,793
Energy Efficient Products	54,084	219,045	219,045	8,390	31,088	31,088	31,088
Home Performance	17,705	60,686	60,686	10,456	40,584	40,584	40,584
Low Income / WARM	684	12,355	12,355	438	5,667	5,667	5,667
C/I Small Energy Efficient Equipment	184	375	375	10,365	16,114	16,114	16,114
C/I Small Energy Efficient Buildings	0	0	0	2,070	2,070	2,070	2,070
C/I Large Energy Efficient Equipment	64	74	74	12,804	14,498	14,498	14,498
C/I Large Energy Efficient Buildings	24	24	24	74	74	74	74
Government, & Institutional	18	33	33	739	1,591	1,591	1,591
TOTAL PORTFOLIO	74,269	298,746	298,746	46,503	116,479	116,479	116,479
Carry Over Savings from Phase I ⁹							26,805
Total Phase II-Q-CO							143,284

⁹ The Phase I carryover values as listed in this quarterly report are preliminary and are based on verified impacts reported in the Company's Final Phase I report to the Commission.

3 Summary of Demand Impacts by Program

A summary of the reported demand reduction by program is presented in Figure 3-1 and Figure 3-2.

Figure 3-1: Phase II Demand Reduction by Program

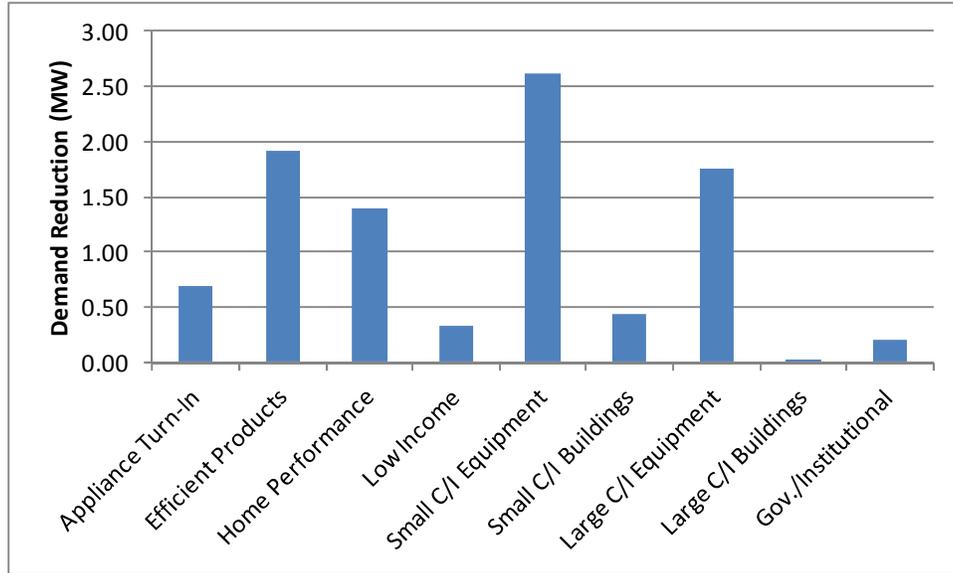
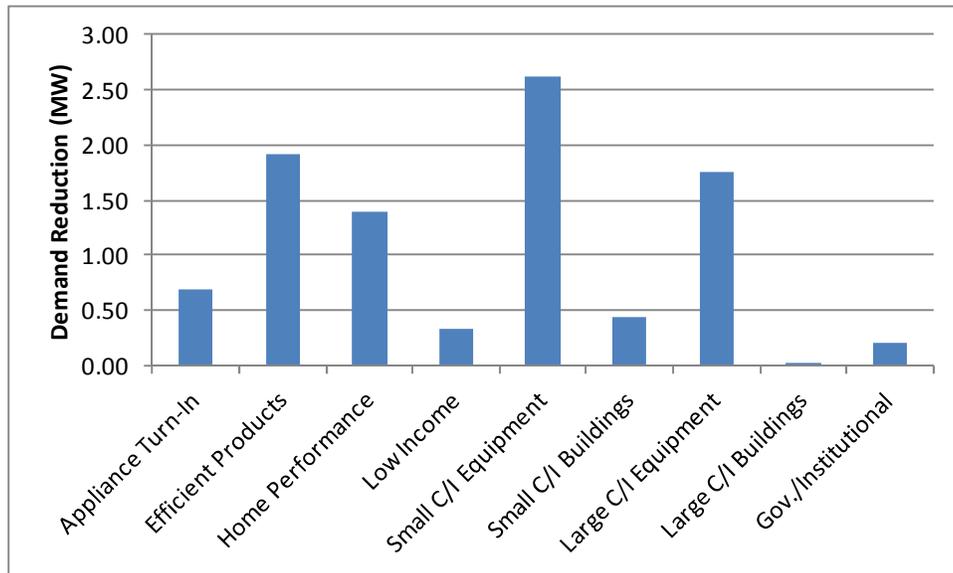


Figure 3-2: Phase II-Q Demand Reduction by Program



A summary of total demand reduction impacts by program through PY5Q4 is presented in Table 3-1.

Table 3-1: Participation and Reported Gross Demand Reduction by Program

Program	Participants			Reported Gross Impact (MW)			
	IQ	PYTD	Phase II	IQ	PYTD	Phase II	Phase II-Q
Appliance Turn-In	1,506	6,154	6,154	0.18	0.69	0.69	0.69
Energy Efficient Products	54,084	219,045	219,045	0.58	1.92	1.92	1.92
Home Performance	17,705	60,686	60,686	0.42	1.40	1.40	1.40
Low Income / WARM	684	12,355	12,355	0.03	0.32	0.32	0.32
C/I Small Energy Efficient Equipment	184	375	375	1.38	2.62	2.62	2.62
C/I Small Energy Efficient Buildings	0	0	0	0.44	0.44	0.44	0.44
C/I Large Energy Efficient Equipment	64	74	74	1.56	1.75	1.75	1.75
C/I Large Energy Efficient Buildings	24	24	24	0.02	0.02	0.02	0.02
Government, & Institutional	18	33	33	0.07	0.20	0.20	0.20
TOTAL PORTFOLIO	74,269	298,746	298,746	4.69	9.35	9.35	9.35

4 Summary of Finances

4.1 Portfolio Level Expenditures

A breakdown of the portfolio finances is presented in Table 4-1.

Table 4-1: Summary of Portfolio Finances

	Quarter 4 (\$000)	PYTD (\$000)	Phase II (\$000)
EDC Incentives to Participants	\$2,437	\$6,194	\$6,194
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$2,437	\$6,194	\$6,194
EDC Implementation Costs			
Design & Development	\$4	\$132	\$132
Administration, Management and Technical Assistance ^[1]	\$2,950	\$9,856	\$9,856
Marketing	\$220	\$840	\$840
Subtotal EDC Implementation Costs	\$3,174	\$10,828	\$10,828
EDC Evaluation Costs			
EDC Evaluation Costs	\$113	\$166	\$166
SWE Audit Costs	\$250	\$750	\$750
Total EDC Costs ^[2]	\$5,974	\$17,938	\$17,938
Participant Costs ^[3]	\$0	\$0	\$0
Total TRC Costs ^[4]			
NOTES			
<i>Per PUC direction, TRC inputs and calculations are required in the Annual Report only and should comply with the 2013 Total Resource Cost Test Order approved August 30, 2012.</i>			
<i>Costs shown above include startup expenses prior to June 1, 2013.</i>			
¹ Includes the administrative CSP (rebate processing), tracking system, general administration and clerical costs, EDC program management, CSP program management, general management oversight major accounts and technical assistance			
² Per the 2013 Total Resource Cost Test Order – Total EDC Costs, here, refer to EDC incurred expenses only. Total EDC Costs = Subtotal EDC Incentive Costs + Subtotal EDC Implementation Costs + EDC Evaluation Costs + SWE Audit Costs.			
³ Per the 2013 Total Resource Cost Test Order –Net participant costs; in PA, the costs of the end-use customer.			
⁴ Total TRC Costs = Total EDC Costs + Participant Costs			

4.2 Program Level Expenditures

Program-specific finances are shown in the following tables.

Table 4-2: Summary of Program Finances – Res Appliance Turn-In

	Quarter 4 (\$1,000)	PYTD (\$1,000)	Phase II (\$1,000)
EDC Incentives to Participants	\$80	\$329	\$329
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$80	\$329	\$329
Design & Development	\$0	\$9	\$9
Administration, Management and Technical Assistance ^[1]	\$137	\$633	\$633
Marketing	\$40	\$163	\$163
Subtotal EDC Implementation Costs	\$177	\$806	\$806
EDC Evaluation Costs	\$3	\$5	\$5
SWE Audit Costs	\$18	\$53	\$53
Total EDC Costs^[2]	\$277	\$1,192	\$1,192
Participant Costs^[3]	\$0	\$0	\$0
Total TRC Costs^[4]			

NOTES

Per PUC direction, TRC inputs and calculations are required in the Annual Report only and should comply with the 2013 Total Resource Cost Test Order approved August 30, 2012.

Costs shown above include startup expenses prior to June 1, 2013.

¹ Includes the administrative CSP (rebate processing), tracking system, general administration and clerical costs, EDC program management, CSP program management, general management oversight major accounts and technical assistance

² Per the 2013 Total Resource Cost Test Order – Total EDC Costs, here, refer to EDC incurred expenses only. Total EDC Costs = Subtotal EDC Incentive Costs + Subtotal EDC Implementation Costs + EDC Evaluation Costs + SWE Audit Costs.

³ Per the 2013 Total Resource Cost Test Order –Net participant costs; in PA, the costs of the end-use customer.

⁴ Total TRC Costs = Total EDC Costs + Participant Costs

Table 4-3: Summary of Program Finances – Res Energy Efficient Products

	Quarter 4 (\$1,000)	PYTD (\$1,000)	Phase II (\$1,000)
EDC Incentives to Participants	\$222	\$1,392	\$1,392
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$222	\$1,392	\$1,392
Design & Development	\$0	\$13	\$13
Administration, Management and Technical Assistance ^[1]	\$255	\$1,281	\$1,281
Marketing	\$29	\$78	\$78
Subtotal EDC Implementation Costs	\$284	\$1,373	\$1,373
EDC Evaluation Costs	\$13	\$16	\$16
SWE Audit Costs	\$23	\$73	\$73
Total EDC Costs^[2]	\$543	\$2,854	\$2,854
Participant Costs ^[3]	\$0	\$0	\$0
Total TRC Costs^[4]			

NOTES

Per PUC direction, TRC inputs and calculations are required in the Annual Report only and should comply with the 2013 Total Resource Cost Test Order approved August 30, 2012.

Costs shown above include startup expenses prior to June 1, 2013.

¹ Includes the administrative CSP (rebate processing), tracking system, general administration and clerical costs, EDC program management, CSP program management, general management oversight major accounts and technical assistance

² Per the 2013 Total Resource Cost Test Order – Total EDC Costs, here, refer to EDC incurred expenses only. Total EDC Costs = Subtotal EDC Incentive Costs + Subtotal EDC Implementation Costs + EDC Evaluation Costs + SWE Audit Costs.

³ Per the 2013 Total Resource Cost Test Order –Net participant costs; in PA, the costs of the end-use customer.

⁴ Total TRC Costs = Total EDC Costs + Participant Costs

Table 4-4: Summary of Program Finances – Res Home Performance

	Quarter 4 (\$1,000)	PYTD (\$1,000)	Phase II (\$1,000)
EDC Incentives to Participants	\$780	\$2,668	\$2,668
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$780	\$2,668	\$2,668
Design & Development	\$1	\$37	\$37
Administration, Management and Technical Assistance ^[1]	\$1,636	\$3,964	\$3,964
Marketing	\$60	\$384	\$384
Subtotal EDC Implementation Costs	\$1,697	\$4,385	\$4,385
EDC Evaluation Costs	\$15	\$38	\$38
SWE Audit Costs	\$69	\$207	\$207
Total EDC Costs^[2]	\$2,560	\$7,298	\$7,298
Participant Costs^[3]	\$0	\$0	\$0
Total TRC Costs^[4]			

NOTES

Per PUC direction, TRC inputs and calculations are required in the Annual Report only and should comply with the 2013 Total Resource Cost Test Order approved August 30, 2012.

Costs shown above include startup expenses prior to June 1, 2013.

¹ Includes the administrative CSP (rebate processing), tracking system, general administration and clerical costs, EDC program management, CSP program management, general management oversight major accounts and technical assistance

² Per the 2013 Total Resource Cost Test Order – Total EDC Costs, here, refer to EDC incurred expenses only. Total EDC Costs = Subtotal EDC Incentive Costs + Subtotal EDC Implementation Costs + EDC Evaluation Costs + SWE Audit Costs.

³ Per the 2013 Total Resource Cost Test Order –Net participant costs; in PA, the costs of the end-use customer.

⁴ Total TRC Costs = Total EDC Costs + Participant Costs

Table 4-5: Summary of Program Finances – Res Low Income

	Quarter 4 (\$1,000)	PYTD (\$1,000)	Phase II (\$1,000)
EDC Incentives to Participants	-\$1	-\$1	-\$1
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	-\$1	-\$1	-\$1
Design & Development	\$1	\$37	\$37
Administration, Management and Technical Assistance ^[1]	\$496	\$2,254	\$2,254
Marketing	\$0	\$16	\$16
Subtotal EDC Implementation Costs	\$498	\$2,307	\$2,307
EDC Evaluation Costs	\$20	\$32	\$32
SWE Audit Costs	\$73	\$214	\$214
Total EDC Costs^[2]	\$590	\$2,552	\$2,552
Participant Costs^[3]	\$0	\$0	\$0
Total TRC Costs^[4]			

NOTES

Per PUC direction, TRC inputs and calculations are required in the Annual Report only and should comply with the 2013 Total Resource Cost Test Order approved August 30, 2012.

Costs shown above include startup expenses prior to June 1, 2013.

¹ Includes the administrative CSP (rebate processing), tracking system, general administration and clerical costs, EDC program management, CSP program management, general management oversight major accounts and technical assistance

² Per the 2013 Total Resource Cost Test Order – Total EDC Costs, here, refer to EDC incurred expenses only. Total EDC Costs = Subtotal EDC Incentive Costs + Subtotal EDC Implementation Costs + EDC Evaluation Costs + SWE Audit Costs.

³ Per the 2013 Total Resource Cost Test Order –Net participant costs; in PA, the costs of the end-use customer.

⁴ Total TRC Costs = Total EDC Costs + Participant Costs

⁵ Negative values represent accounting adjustments from prior periods.

Table 4-6: Summary of Program Finances – Small CI Efficient Equipment

	Quarter 4 (\$1,000)	PYTD (\$1,000)	Phase II (\$1,000)
EDC Incentives to Participants	\$546	\$901	\$901
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$546	\$901	\$901
Design & Development	\$1	\$16	\$16
Administration, Management and Technical Assistance ^[1]	\$192	\$856	\$856
Marketing	\$40	\$94	\$94
Subtotal EDC Implementation Costs	\$232	\$967	\$967
EDC Evaluation Costs	\$30	\$37	\$37
SWE Audit Costs	\$31	\$93	\$93
Total EDC Costs^[2]	\$839	\$1,997	\$1,997
Participant Costs^[3]	\$0	\$0	\$0
Total TRC Costs^[4]			

NOTES

Per PUC direction, TRC inputs and calculations are required in the Annual Report only and should comply with the 2013 Total Resource Cost Test Order approved August 30, 2012.

Costs shown above include startup expenses prior to June 1, 2013.

¹ Includes the administrative CSP (rebate processing), tracking system, general administration and clerical costs, EDC program management, CSP program management, general management oversight major accounts and technical assistance

² Per the 2013 Total Resource Cost Test Order – Total EDC Costs, here, refer to EDC incurred expenses only. Total EDC Costs = Subtotal EDC Incentive Costs + Subtotal EDC Implementation Costs + EDC Evaluation Costs + SWE Audit Costs.

³ Per the 2013 Total Resource Cost Test Order –Net participant costs; in PA, the costs of the end-use customer.

⁴ Total TRC Costs = Total EDC Costs + Participant Costs

Table 4-7: Summary of Program Finances – Small C/I Efficient Buildings

	Quarter 4 (\$1,000)	PYTD (\$1,000)	Phase II (\$1,000)
EDC Incentives to Participants	\$126	\$126	\$126
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$126	\$126	\$126
Design & Development	\$0	\$7	\$7
Administration, Management and Technical Assistance ^[1]	\$34	\$200	\$200
Marketing	\$22	\$38	\$38
Subtotal EDC Implementation Costs	\$56	\$246	\$246
EDC Evaluation Costs	\$2	\$3	\$3
SWE Audit Costs	\$13	\$40	\$40
Total EDC Costs^[2]	\$198	\$415	\$415
Participant Costs^[3]	\$0	\$0	\$0
Total TRC Costs^[4]			

NOTES

Per PUC direction, TRC inputs and calculations are required in the Annual Report only and should comply with the 2013 Total Resource Cost Test Order approved August 30, 2012.

Costs shown above include startup expenses prior to June 1, 2013.

¹ Includes the administrative CSP (rebate processing), tracking system, general administration and clerical costs, EDC program management, CSP program management, general management oversight major accounts and technical assistance

² Per the 2013 Total Resource Cost Test Order – Total EDC Costs, here, refer to EDC incurred expenses only. Total EDC Costs = Subtotal EDC Incentive Costs + Subtotal EDC Implementation Costs + EDC Evaluation Costs + SWE Audit Costs.

³ Per the 2013 Total Resource Cost Test Order –Net participant costs; in PA, the costs of the end-use customer.

⁴ Total TRC Costs = Total EDC Costs + Participant Costs

Table 4-8: Summary of Program Finances – Large C/I Efficient Equipment

	Quarter 4 (\$1,000)	PYTD (\$1,000)	Phase II (\$1,000)
EDC Incentives to Participants	\$653	\$738	\$738
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$653	\$738	\$738
Design & Development	\$0	\$5	\$5
Administration, Management and Technical Assistance ^[1]	\$129	\$402	\$402
Marketing	\$22	\$52	\$52
Subtotal EDC Implementation Costs	\$152	\$460	\$460
EDC Evaluation Costs	\$19	\$23	\$23
SWE Audit Costs	\$10	\$30	\$30
Total EDC Costs^[2]	\$834	\$1,251	\$1,251
Participant Costs^[3]	\$0	\$0	\$0
Total TRC Costs^[4]			

NOTES

Per PUC direction, TRC inputs and calculations are required in the Annual Report only and should comply with the 2013 Total Resource Cost Test Order approved August 30, 2012.

Costs shown above include startup expenses prior to June 1, 2013.

¹ Includes the administrative CSP (rebate processing), tracking system, general administration and clerical costs, EDC program management, CSP program management, general management oversight major accounts and technical assistance

² Per the 2013 Total Resource Cost Test Order – Total EDC Costs, here, refer to EDC incurred expenses only. Total EDC Costs = Subtotal EDC Incentive Costs + Subtotal EDC Implementation Costs + EDC Evaluation Costs + SWE Audit Costs.

³ Per the 2013 Total Resource Cost Test Order –Net participant costs; in PA, the costs of the end-use customer.

⁴ Total TRC Costs = Total EDC Costs + Participant Costs

Table 4-9: Summary of Program Finances – Large C/I Efficient Buildings

	Quarter 4 (\$1,000)	PYTD (\$1,000)	Phase II (\$1,000)
EDC Incentives to Participants	\$4	\$4	\$4
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$4	\$4	\$4
Design & Development	\$0	\$4	\$4
Administration, Management and Technical Assistance ^[1]	\$25	\$110	\$110
Marketing	\$6	\$12	\$12
Subtotal EDC Implementation Costs	\$31	\$126	\$126
EDC Evaluation Costs	\$9	\$12	\$12
SWE Audit Costs	\$7	\$22	\$22
Total EDC Costs^[2]	\$51	\$164	\$164
Participant Costs^[3]	\$0	\$0	\$0
Total TRC Costs^[4]			

NOTES

Per PUC direction, TRC inputs and calculations are required in the Annual Report only and should comply with the 2013 Total Resource Cost Test Order approved August 30, 2012.

Costs shown above include startup expenses prior to June 1, 2013.

¹ Includes the administrative CSP (rebate processing), tracking system, general administration and clerical costs, EDC program management, CSP program management, general management oversight major accounts and technical assistance

² Per the 2013 Total Resource Cost Test Order – Total EDC Costs, here, refer to EDC incurred expenses only. Total EDC Costs = Subtotal EDC Incentive Costs + Subtotal EDC Implementation Costs + EDC Evaluation Costs + SWE Audit Costs.

³ Per the 2013 Total Resource Cost Test Order –Net participant costs; in PA, the costs of the end-use customer.

⁴ Total TRC Costs = Total EDC Costs + Participant Costs

Table 4-10: Summary of Program Finances – Government and Institutional

	Quarter 4 (\$1,000)	PYTD (\$1,000)	Phase II (\$1,000)
EDC Incentives to Participants	\$27	\$36	\$36
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$27	\$36	\$36
Design & Development	\$0	\$3	\$3
Administration, Management and Technical Assistance ^[1]	\$47	\$154	\$154
Marketing	\$1	\$2	\$2
Subtotal EDC Implementation Costs	\$48	\$159	\$159
EDC Evaluation Costs	\$1	\$1	\$1
SWE Audit Costs	\$6	\$17	\$17
Total EDC Costs^[2]	\$82	\$214	\$214
Participant Costs ^[3]	\$0	\$0	\$0
Total TRC Costs^[4]			

NOTES

Per PUC direction, TRC inputs and calculations are required in the Annual Report only and should comply with the 2013 Total Resource Cost Test Order approved August 30, 2012.

Costs shown above include startup expenses prior to June 1, 2013.

¹ Includes the administrative CSP (rebate processing), tracking system, general administration and clerical costs, EDC program management, CSP program management, general management oversight major accounts and technical assistance

² Per the 2013 Total Resource Cost Test Order – Total EDC Costs, here, refer to EDC incurred expenses only. Total EDC Costs = Subtotal EDC Incentive Costs + Subtotal EDC Implementation Costs + EDC Evaluation Costs + SWE Audit Costs.

³ Per the 2013 Total Resource Cost Test Order –Net participant costs; in PA, the costs of the end-use customer.

⁴ Total TRC Costs = Total EDC Costs + Participant Costs