2009 Conservation and Load Management Plan

Submitted jointly by:

The Connecticut Light and Power Company
and
The United Illuminating Company

Docket 08-10-03

October 1, 2008

Exhibit CL&P/UI 1

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CHAPTER ONE: OVERVIEW

In accordance with Connecticut General Statutes § 16-245m, The Connecticut Light and Power Company ("CL&P") and The United Illuminating Company ("UI") (together referred to as the "Companies"), submit this Conservation & Load Management ("C&LM") comprehensive plan ("Plan") for the implementation of cost-effective energy efficiency programs and market transformation initiatives during 2009.

This is the tenth C&LM Plan prepared by the Companies since passage of the State's restructuring legislation (Public Act 98-28). Since the original Plan in 2000, the Companies, the Energy Conservation Management Board ("ECMB") and the ECMB consultants have developed and provided award-winning programs that have received national recognition for quality and performance. These programs are aimed at key strategic objectives and deliver energy efficiency services to all classes of customers for a wide array of end uses.

The 2009 C&LM Plan builds upon the strengths of the past, recognizes immediate challenges, and adds program elements in anticipation of future needs. This Plan is designed to provide the largest energy and demand savings while meeting the diverse needs of Fund stakeholders, legislative mandates and Department of Public Utility Control ("Department" or "DPUC") orders. The 2009 C&LM Plan conforms to the directives of the Department in its decisions in prior dockets relating to C&LM program delivery. The 2009 C&LM Plan is based on advisement and review by the ECMB. This comprehensive plan includes programs funded through the Connecticut Energy Efficiency Fund (the "Fund"), the provisions of Public Act 05-1, *An Act Concerning Energy Independence* and also addresses mandates enacted in Public Act 07-242, *An Act Concerning Electricity and Energy Efficiency.*

The 2009 C&LM Plan will be the first plan to have the §16-245m legislated three mills of full program funding in several years. Previous C&LM plans have been affected by the General Assembly's 2003 decision to divert resources from the Fund to the state's General Fund and the subsequent decision to allow the Department to authorize bonding. The bonding was defeased on June 21, 2008, and as a result, the full three mills of funding were restored on August 20, 2008. The total amount that was restored pertains only to future dollars and not for funds diverted in previous years.

Energy Conservation Management Board

The 2009 C&LM Plan was developed with the advice and assistance of the ECMB and its consultants. This is required by the Department and Connecticut General Statutes §16-245m. To ensure maximum value to customers in response to the overwhelming demand for Fund programs, the Companies worked extensively with the ECMB, its consultants and the Department to maximize the value and efficiency of C&LM programs and services for 2009.

As required by state statute, the ECMB holds public meetings on a regular basis and receives public input. In its September 19, 2001 Final Decision in Docket No. 01-01-14, the Department adopted the ECMB's process for obtaining public comment ("Roadmap Process"). Pursuant to the Roadmap Process, the ECMB has received public comments in connection with the 2009 C&LM Plan. The ECMB solicited public involvement at the onset of the 2009 C&LM Plan development process to allow public comments to be incorporated throughout the planning process. Additionally, a standard public comments meeting was held on July 9, 2008 to allow the public the opportunity to provide input to the ECMB 2009 planning process.

Forward Capacity Market –Energy Efficiency as a Resource

New England's energy markets continue to develop and evolve, and the Companies continue to be active participants in the development of the Independent System Operator-New England's ("ISO-NE") stakeholder process to refine the markets. The new Forward Capacity Market ("FCM") allows market participants to enter their peak demand savings into the capacity market during the Transition Period and bid them into the full FCM. Market participants earn capacity payments for qualifying resources, such as distributed generation, energy efficiency, load management or load response. This is the first time in the United States that reduction in demand through energy efficiency and demand response programs was considered as electrical capacity equivalent to supply-side generation sources. Additional electrical capacity "produced" through the implementation of efficiency and load management measures becomes a resource, which can then be bid to ISO-NE on a level playing field with new generation.

The Companies have entered peak demand savings from energy efficiency and load management projects into the Transition Period FCM on behalf of the Fund. The Companies successfully bid in the first capacity auction and their submissions were accepted for the second auction scheduled for December 2008. Payments received from ISO-NE for this activity have already contributed more than $2.5 million in revenues to the Fund for additional Fund programs.

A significant component of the Qualifications Package was the creation of a Measurement and Verification Plan ("M&V Plan"). The Companies submitted M&V Plans for their respective capacity resources. The foundation for each of the Companies' M&V Plans was the Companies' Program Savings Documentation ("PSD") manual which is the source document substantiating energy and demand savings for all qualified measures for Fund programs. The PSD manual is updated annually based on new information that is made available from a variety of sources, such as evaluation studies completed in the previous year.

Integrated Resource Plan

PA 07-242, An Act Concerning Electricity and Energy Efficiency ("2007 Act") required the Companies to begin an integrated resource planning ("IRP") process. On January 1, 2008, the Companies submitted their IRP plan to the Connecticut Energy Advisory Board ("CEAB"). This IRP plan complied with the 2007 Act's mandate to include all cost-effective, energy efficiency projects as the first resource selected. If implemented by the Department, this plan would result in a significant increase in energy-efficiency projects/installations over the planning horizon. On August 1, 2008, the CEAB forwarded their modified version of the IRP plan to the Department. This modified version recommended that the Department consider higher levels of energy efficiency based on the Companies' IRP plan. The CEAB's modified version is under review by the Department in Docket 08-07-01.

Strategic Focus

The strategic focus of the Companies' Fund programs is the result of a multi-level collaborative process involving the Companies and a diverse group of stakeholders. These stakeholders include: the Department, the ECMB, Connecticut state government, consumer and business interests, national and regional environmental and energy efficiency organizations, design professionals and energy services providers.

The Companies participate in national and regional activities to develop a long-range focus for energy efficiency. The organizations include the Consortium for Energy Efficiency ("CEE"), the American Council for an Energy-Efficient Economy ("ACEEE"), Northeast Energy Efficiency Partnerships ("NEEP") and other utility and public benefit fund organizations. The activities include market baseline research, development of efficiency standards, exchange of programmatic ideas and concepts and the assessment of the need for incentives. These efforts have produced many of the energy efficiency concepts and measures upon which the programs are based.

Awards and Recognition

The Companies have developed and instituted many award-winning programs that have received national attention and praise for their quality and performance. In June 2007, the ACEEE issued its 2006 State Energy Efficiency Scorecard. The ACEEE, a non-profit organization, promotes energy efficiency as a means of furthering economic prosperity and environmental protection. The organization works closely with the U.S. Department of Energy ("DOE"), U.S. Environmental Protection Agency ("EPA") and other federal agencies as well as those in the private sector. The 2006 Scorecard ranked the 50 states on the success of their energy efficiency policies and programs. Connecticut was **ranked No. 1** in a tie ranking with California and Vermont.

The ACEEE noted that these three top-ranked states spend three times more on energy efficiency programs as the federal government and lead on a number of key policy issues. In their effort to document and recognize best practices, the ACEEE ranked each state according to the following eight policy categories:

1) Spending on Utility and Public Benefits Energy Efficiency Programs
2) Energy Efficiency Resource Standards

3) Combined Heat and Power
4) Building Energy Codes
5) Transportation Policies
6) Appliance and Equipment Efficient Standards
7) Tax Incentives
8) State Lead by Example and R&D

In addition to the No. 1 ranking, the Companies and the Fund received several specific national awards and recognition from the ACEEE for individual programs. The Energy Conscious Blueprint, Energy Opportunities and Small Business Energy Advantage programs received "Exemplary Program" recognition awards. The Process Reengineering for Increased Manufacturing Efficiency ("PRIME") and Home Energy Solutions programs received "Honorable Mention" awards for their successes. In addition, NEEP and its sponsors, including CL&P and UI, received an "Exemplary Program" award from the ACEEE for the Northeast ENERGY STAR® Lighting and Appliance Initiative. The Companies and the Fund received an Outstanding Achievement Award from the U.S. Environmental Protection Agency for the ENERGY STAR Homes Program. Chartwell recognized UI and the Small Business Program On-Bill Financing in its "Best Practices for Utilities and Energy Companies New and Case Studies on Management Practices and Technology Solutions in Retail Energy Sales, Service and Delivery."

Collaborative Stakeholder Process and Quality Control

In developing the Plan, the Companies work with each other, Department staff, the ECMB and its consultants, and other Connecticut stakeholders to determine the appropriate areas and levels of emphasis and funding to best serve Connecticut's needs. There continues to be high levels of cooperation and collaboration between the Companies to develop programmatic consistency and coordinated implementation where appropriate.

The collaborative efforts also carry beyond the strategic aspects of the programs into implementation. The Companies' partnerships actively seek the assistance and involvement of design professionals and trade-allies in implementing the programs. The design professional community is a major participant in bringing Fund programs to the new construction market and effectively achieving market penetration. Trade-ally knowledge of program benefits helps to produce many of the energy efficiency gains in existing facilities and industrial processes. Regional programs have increased market impact by leveraging the combined efforts of multiple efficiency programs. In the residential arena, partnerships with the United States Environmental Protection Agency ("EPA"), the U.S. Department of Energy ("DOE") and other efficiency programs built around the ENERGY STAR® brand have led to increased levels of market transformation, an example of which are the recent increases in washing machine and refrigerator efficiency standards. These regional efforts would have been virtually impossible without the collaborative efforts to develop efficiency standards described above.

The Companies provide high-quality administration of the Fund's programs. The Companies employ a professional staff and management who utilize technical, procedural and accounting systems to oversee and implement the programs. Through close coordination between the Companies and the ECMB consultants, programs are continually modified and improved to reflect the latest market trends. Company staff and third-party energy engineering consultants evaluate project and program energy and economic assumptions to determine cost-effectiveness, and inspect projects after implementation to assure compliance. Programs are evaluated by independent consultants to assess their effectiveness and the persistence of the energy savings. The Companies use the results of these evaluations to continually improve program offerings by reinforcing areas of success and strengthening weaknesses.

In 2008, the Companies collaborated with the Department and the ECMB in the Department's proceeding 07-10-03RE01 to examine ways in which the cost effectiveness of all Fund programs can be improved to allow increased customer participation within current budgets.

Public Act 07-242, *An Act Concerning Energy and Energy Efficiency*

The 2007 Act established several initiatives and programs designed to significantly reduce electric power supply costs caused by inadequate transmission and generation in Connecticut's power infrastructure. The 2007 Act provides C&LM incentives that are intended to encourage consumers to conserve electricity, manage their electric load and to install energy-efficient equipment.

The State Legislature also provided funding that will allow the State Treasurer to defease the rate reduction bonds beginning in June of 2008. This allowed the 2008 C&LM programs to return to operation at full funding.

There are many sections of the 2007 Act that will result in significant changes for Connecticut. In 2007, the Companies began working with the ECMB and the DPUC to implement various provisions of the 2007 Act that significantly impacted the current C&LM portfolio offerings and required modifications to the programs described in the 2008 C&LM Plan. Initiatives related to the implementation of these provisions and the status of the Companies and ECMB responses were:

- Section 3 requires the ECMB, in consultation with the Companies to establish a residential window air conditioner 'turn-in with a new purchase' program, effective January 1, 2008 to September 1, 2008
    - *Status: The Companies worked with the ECMB and ECMB consultants to develop and implement a Residential Room Air Conditioner Turn-In program in 2008. To meet mandatory cost-effectiveness requirements with responsible environmental disposal for room air conditioners, rebates for some systems were reduced. In 2008, he Companies worked with Connecticut retailers to promote and implement the program.*

- Section 14 requires the ECMB, in consultation with the Companies and the natural gas companies, to develop and estimate the cost of a comprehensive residential conservation program and report its findings to the General Assembly by February 1, 2008.
  - *Status: The ECMB established a Residential Energy Committee whose work provided the basis for development of a residential conservation program meeting legislative requirements. The Companies' Home Energy Solutions program, already in operation, provided the basis for existing homes, and the Residential New Construction program provided the foundation for new home construction opportunities . Other requirements are being developed and may draw from existing programs and discussions between the ECMB and the Connecticut Clean Energy Fund on developing a High-Performance Homes program. This program has been integrated into the ECMB's 2008 Energy Excellence Plan (Section 97 of PA 07-242) dated May 27, 2008 and was provided to the General Assembly on June 12, 2008. .*
- Section 51 requires the Companies to develop a resource procurement plan covering 3, 5 and 10-year time frames, which must satisfy resource needs first through "all available energy efficiency and demand reduction resources that are cost-effective, reliable, and feasible." The goal of the procurement plan is to meet projected requirements while minimizing costs to customers over time and maximizes consumer benefits consistent with the state's environmental goals and standards.
  - Status: The Companies, with input from the E*CMB consultants developed a comprehensive procurement plan that ensures resource needs are first met through available energy efficiency and demand reduction resources that are cost-effective, reliable and feasible. A report was completed on January 1, 2008 and was a collaborative effort by the Companies and their consultant, The Brattle Group, an independent economic consulting firm. Consistent with the comprehensive procurement plan, this report included a Demand Side Management ("DSM") focus scenario that included "all energy efficiency and demand reduction resources that are cost-effective, reliable and feasible." The CEAB submitted a follow-up report to the DPUC on August 1, 2008 and is currently under review by the DPUC in Docket No. 08-07-01.*
- Section 52 requires the Companies to implement demand side measures of the resource procurement plan "through the comprehensive (C&LM) plan" reviewed by the ECMB. The bill stipulates that all Company costs associated with the procurement plan will be recoverable in a manner determined by the DPUC.
  - Status: *This will be accomplished after acceptance of the procurement plan(s). A budget for the first year of the procurement plan is included in the 2009 C&LM Plan.*
- Section 84 mandates that the ECMB contract with an independent third party to assess Connecticut's conservation and energy efficiency potential, including conservation, demand response and load management, and report to the General Assembly by February 1, 2008.
  - Status: An independent third party was selected through a competitive bidding process and work is currently underway on *The Maximum Achievable Potential Study. The final report is expected in early November 2008.*

- Section 87 requires the DPUC, in coordination with the ECMB, to establish a plan for a statewide energy efficiency and outreach marketing campaign by December 1, 2007 and begin implementation by March 1, 2008.
    - Status: *The Companies and the ECMB provided comments on the nature and timing of a campaign. The Companies participated in discussions with the DPUC and stakeholders. The DPUC has issued a final decision and Marketing Plan under Docket No. 07-06-60. The 2008 marketing campaign was launched in phases, starting in July 2008 with the Wait 'til 8 Campaign, to avoid overextending resources of the Fund programs until adequate funds are restored/provided to adequately serve the ratepayers. The Companies continue to work with the DPUC and the ECMB to provide input on the marketing campaign elements.*
- Section 88 directed that the DPUC, in consultation with the ECMB, develop a real-time energy report for daily use by television and other media by April 1, 2008.
    - Status: *The DPUC developed a real-time energy report for daily use by television and other media, including its website www.ctenergyinfo.com.*
- Section 94 directed the ECMB to develop and file an analysis of the state's electric demand, peak electric demand and growth forecasts for electric demand and peak electric demand. The analysis was required to identify the principal drivers of electric demand and peak electric demand and their associated impact on electric costs.

    Status: *The ECMB and the Companies collaborated on the research and analysis and the ECMB prepared a report: An Analysis of Demand for Electricity in Connecticut, on October 22, 2007 which was subsequently updated on January 28, 2008. The ECMB further expanded this analysis and published a report, The Cost of Electricity: An Analysis on the Components and Drivers of Electricity Costs in Connecticut, on May 15, 2008 and subsequently presented the findings to the State Legislature on June 12, 2008.*
- Section 97 directed the Companies and ECMB to develop a comprehensive energy excellence plan and submit to the General Assembly.
    - Status: *The Companies and the ECMB created and published this plan on May 27, 2008 and submitted it to the Energy & Technology Committee.*
- Section 116 directed the Companies and ECMB to review the annual plan of the Fuel Oil Conservation Board.
    - Status: *The ECMB will review the annual plan of the Fuel Oil Conservation Board when that plan is made available.*
- Section 94 directed the ECMB, in consultation with the CCEF, to evaluate and approve enhanced demand-side management technologies that can be deployed by Connecticut Electric Efficiency Partners to reduce the Companies' customers' electric demand. .
    - *The ECMB conducted a public input session for regarding the Electric Efficiency Partners program on September 20, 2007. A report of Observations and Recommendations was submitted to the Department on December 14, 2007 in Docket 07-06-59. The ECMB published the Recommendations for Standards of Evidence and Department Review of Proposals on January 30, 2008. The ECMB also submitted*

Recommendations for Prescriptive Incentives and Criteria for Department Review of EEP Proposals for Three Eligible Technologies on March 6, 2008 in Docket 07-06-59.

- Section 42 directed the Department to conduct a contested proceeding regarding revisions to the Class III Renewables portfolio standards.
    - Status: *The Companies have been active in the Class III Renewables Docket 05-07-19RE01 docket proceedings.*

In 2009, the Companies will continue to work with the ECMB and the DPUC to fully implement these initiatives and the related provisions of the 2007 Act in such a way as to maximize the benefits available to Connecticut's consumers.

Code Changes

Proposed 2008 amendments to the State Building Code will affect construction and building renovation projects that participate in the Fund's 2009 Residential and Commercial and Industrial ("C&I") programs. These code changes are reviewed in the introductory sections for both the Residential and C&I program chapters.

Program Modifications—Residential and C&I

The 2009 Plan expands upon several significant and notable modifications implemented in 2008 for the Companies' Residential and C&I programs. These program modifications are designed in reaction to changing efficiency standards and specifications, codes, and in order to improve program focus and effectiveness. These program modifications are reviewed in the introductory sections for both the Residential and C&I program chapters.

High Efficiency and Coordination with Connecticut Clean Energy Fund

The Companies also continue to work with the Connecticut Clean Energy Fund ("CCEF") to further develop program linkages. Recent collaborative efforts have resulted in the development of customer participation protocols for CCEF projects. The CCEF's On-Site Renewable Demand Generation Program requires applicants to complete an "energy audit" to confirm that energy-efficient measures have been installed or to have participated in a Fund program within 36 months prior to submission of the CCEF incentive application. This increased coordination of energy efficiency and renewable energy efforts will lead to buildings and projects with larger reductions in energy use and peak demand. If no audit has been conducted, the site owner must conduct an energy audit performed by an experienced third-party evaluator on the subject facility, or participate in one or more of the local utilities' conservation programs funded by the Fund. Documentation of this participation must accompany the CCEF application.

In addition, CL&P continues to work with the ECMB, the CCEF, and the Connecticut Science Center and their consultants, including the National Renewable Energy Laboratory, on an integrated Clean and Efficient Energy Gallery at the Connecticut Science Center. The Clean and Efficient Energy Gallery will portray a partially built 'Energy City' detailing to visitors the energy-efficient and clean renewable technologies that can be installed in commercial and residential buildings. The Science Center and Clean and Efficient Energy Gallery are scheduled to open in May 2009.

Synergies of Natural Gas and Electric Programs

The Companies have a long and successful history of developing, deploying and administering energy efficiency programs in Connecticut. The integration, where appropriate, of natural gas and electric programs makes it easier for customers to receive more services and benefits at a lower cost with greater convenience.

The synergies allow for a more streamlined approach to program delivery. For example, many of the same vendors can deliver services to both gas and electric customers thereby leveraging existing resources to serve more customers. Combining program delivery also provides opportunities for cross-promotion to common customers resulting in more cost-effective efforts. A partnership of the natural gas and electric utilities allows coordinated energy conservation services to be delivered and enhances the quality of the services provided. The natural gas companies have adopted the Home Energy Solutions program name for their general weatherization initiative and it is a partnership between the Companies and the natural gas companies. In addition, CL&P's limited-income Weatherization Residential Assistance Partnership ("WRAP") program uses this partnership approach between CL&P and all three natural gas companies. Similarly, the UI Helps program relies on a partnership between UI, Southern Connecticut Gas Corporation ("SCG") and Yankee Gas.

In 2008, the Companies and natural gas companies expanded their collaboration to the C&I arena. By leveraging the combined resources of the electric companies, the electric efficiency programs have successfully integrated gas efficiency measures. This diverse energy efficiency portfolio allows Fund programs to fully serve the needs of electric and natural gas C&I customers. In 2008, the marketing plan for electric energy efficiency programs included natural gas conservation components. These components were introduced to the business community through information posted on the Companies' and the natural gas companies' websites, with program links on the CEEF website www.CTEnergyInfo.com, through creation and distribution of new program literature, and through participation in trade shows and various public forum. The Companies also worked with their Account Executives and Customer Service organizations to promote gas and electric conservation programs to C&I customers. Additionally, the Companies utilized the vendor and business community to maximize tactical marketing opportunities where appropriate (i.e., Manufacturing Alliance of Connecticut, the Connecticut Business & Industry Association, the Business Council of Fairfield County, Chambers, Home Builders Association, Connecticut Heating and Cooling Contractors, Small Business Energy Advantage program vendors, etc.).

C&LM Program Incentive Structure

During 2008, the Fund programs experienced unprecedented customer demand for program services, especially for the existing C&I retrofit market. In response to the extreme budget pressures placed on Fund programs, the Department reopened its proceeding 07-10-03RE01 to examine ways in which the cost effectiveness of all Fund programs can be improved to allow increased customer participation within current budgets. The 2009 C&LM Plan contains an array of strategies, both existing and proposed, intended to address the Department's efforts to meet these goals.

Incentive Adjustments and Increased Customer Contributions

Connecticut's residential, C&I and institutional electric service customers have faced dramatic increases in energy and demand costs during the past several years. During 2007, the Companies and the ECMB recognized the implications of these rate increases on customer's energy costs and the subsequent accelerated demand on Fund program resources. The Companies made adjustments to their programs on two different occasions in an effort to realign program incentives with market demand. During Summer 2007, the Companies closed the Accelerated Chiller Retirement program. Later in November 2007, the programs adopted a broad array of incentive adjustments to: a) better manage budget resources for the Fund programs; b) respond to the rapid and dramatic changes in the investment perspectives of customers in response to cost increases; and c) subsequently ensure that customers were making appropriate contributions to their own energy efficiency investments commensurate with the changes in investment perspectives (e.g., payback periods, internal rate-of-return, etc.).

The table below provides a summary of the type and magnitude of the program incentive reductions implemented in 2007 and 2008 and that the Companies propose to continue into 2009. Most of these incentive reductions and program revisions were developed and implemented prior to the 2008 C&LM Plan docket, and long before the reopened docket. These adjustments represent very substantial changes to key program incentive levels with concomitant increases in customer contributions for all major program areas.

Incentive Adjustments for the C&I Programs

C&LM C&I Programs Major Incentive Offerings	% Incentive Reduction (2007 Plan to Present)
Energy Conscious Blueprint • Tier 1 High-Performance Lighting • Tier 2 High-Performance Lighting	 • Reduced by 50% • Reduced by 50%
Energy Opportunities • Tier 1 High-Performance Lighting • Tier 2 High-Performance Lighting • Comprehensive Incentives • Accelerated Chiller Retirement	 • Eliminated • Reduced by 50% • Suspended • Eliminated
Small Business Energy Advantage • Lighting	 • Reduced by 10-20%

• Non-Lighting Measures	• Reduced by 10-20%
Operation and Maintenance	• Reduced by 20-60%

On June 19, 2008, the DPUC's Final Decision in Docket 07-10-03 required the Companies to manage program activity within budgets approved by the Department. In order to comply with the Department's directive, CL&P made modifications to existing residential sector programs and suspended new C&I program activity for projects that would be completed by year-end 2008. In the residential sector, modifications were made to the HES and WRAP programs in an effort to continue offering the program throughout the year. HES program changes included: (1) capping the quantity of CFLs installed per home; (2) discontinuing offering an ENERGY STAR dehumidifier rebate; and (3) capping contractor payments for air sealing services. The WRAP program took similar actions and capped CL&P's cost share for Department of Social Services weatherization projects. Additionally, oil heating system replacement, repair, and tune-up projects were placed on hold, as were insulation projects for oil heating customers. WRAP also placed large multi-family lighting projects and a window replacement project on hold. Window air conditioning replacement was deferred until May 2009. Any projects that was placed on hold or deferred will be revisited for participation in the WRAP program in 2009.

Additional Incentive Adjustments Proposed for 2009

Based on the Fund programs experience for 2008, accompanying assessment of market response and investment parameters, and consultations between the Companies and the ECMB, additional adjustments to the program incentives are proposed for 2009 and summarized below:

C&I Programs

- All C&I programs: CL&P will implement incentive caps for projects.
- Energy Opportunities: Twenty percent incentive reduction for non-lighting measures.
- Small Business Energy Advantage: Further reductions in incentives (with comparable increase in financing).
- Energy Conscious Blueprint: Ongoing development of prescriptive incentives for additional common measures and refinements to existing prescriptive incentives.

Residential:

- Home Energy Solutions: Continue transition of program to a market-driven initiative.
- Residential Retail Products: Continue to reduce incentives for common CFLs and to target more specialty CFLs.
- New Residential Construction: Institute caps for overall incentives and require builders to contribute to the cost of Home Energy Ratings.

- CL&P will also implement incentive caps for large residential projects.

Financing Options and Performance Based Contracting

The Companies and the ECMB are investigating various residential and C&I financing options to be offered in 2009 through the use of outside financing entities in an effort to extend the reach of current program budgets and reduce the cost rates for Fund programs. Financing options are generally expected to be 0% or low interest rates. The Companies will offer new financing options in addition to already existing C&I financing options. Educational/training events will also be utilized to inform customers about financing opportunities and the business case for energy efficiency/load management investments.

In addition, the Companies also plan on coordinating their marketing and outreach efforts with those of performance contracting entities who are already actively offering financing services as part of their marketing and service plans. Educational/training events will also be utilized. Finally, the Companies will also review newly available performance-based contracting model templates that may be promoted to customers.

Integration of Electric, Natural Gas and (potentially) Fuel Oil Funds

The Companies have spent the past several years in integrating the electric and natural gas funds into coherent, seamless program offerings for residential and C&I customers. The Companies will also attempt to achieve similar economies if oil funds are made available and would similarly integrate fuel oil efficiency into the Fund programs. However, it should be noted that the primary benefit of multi-fuel program integration is to achieve better and expanded services and provide greater investment options/choices to customers for a given level of administrative cost rather than absolutely reduce such costs.

Market Transformation Through Codes, Standards and Changes in Market Practices

The Companies have worked closely with the ECMB during the past several years to revision the Fund programs to achieve more substantive and sustainable market change in building design, renovations/remodeling, equipment performance and specifications, operations and maintenance, facility energy management, load management and so on. The Fund programs, over their life spans, have played an essential role in creating the market, political and societal pre-conditions that facilitate code and standards improvements, by working with customers and their vendors to improve their underlying practices as they relate to energy use. The long-term market transformation strategy for Fund programs (over the term of the Procurement Plan) is to achieve fundamental market change in energy management and investment practices for the bulk of the residential, commercial, industrial and institutional markets, resulting in sustainable, continuously improving and highly cost-effective savings. However, the 2009 C&LM Plan, as part of the initial ramp-up period for the Procurement Plan, envisions significant investment of Fund monies and third party financing resources to effect this transition. The program descriptions for the Residential and C&I new construction programs provide more detail concerning this strategy.

Fuel Oil Conservation Board

The Companies and the ECMB are seeking to work collaboratively with the Fuel Oil Conservation Board ("FOCB") and the Office of Policy & Management ("OPM") to provide the best possible energy efficiency and conservation services to Connecticut consumers. The ECMB is also following legislative and regulatory directives to coordinate with the FOCB and to seek other sources of funding for fuel oil measures.

The Companies and the ECMB developed two examples of potential coordination and cost-sharing and provided the examples to OPM and the FOCB: (1) for residential fuel oil customers who could be served by the Home Energy Solutions ("HES") program, co-funded with energy audit funding from OPM for the fuel oil measures; and (2) for limited income customers who could be served by a combination of limited income weatherization programs (CL&P WRAP or UI Helps) and FOCB funding for fuel oil measures.

The ECMB also sent a memorandum to the FOCB, requesting a meeting between representatives of both boards to further explore opportunities for collaboration and coordination (note that the HES coordination example was attached at the end of this memorandum). The ECMB also authorized its consultants to provide information on Fund programs at the last two FOCB meetings in September 2008. The Companies and the ECMB expect that these efforts will result in increased collaboration and coordination between the ECMB and FOCB, though the process is ongoing.

Likewise, the Companies and the ECMB have shared information with OPM and has encouraged OPM to coordinate at least a portion of the OPM energy audit program with the HES program. The Companies and the ECMB recognize and appreciate that the OPM energy audit program will be independent of HES and will work with other contractors and delivery approaches as well as HES. The Companies and the ECMB developed the example of coordination with HES so that OPM was aware of one potential way that the two programs could be coordinated in fuel oil homes. OPM's development of the energy audit program is ongoing.

Regional Greenhouse Gas Initiative

The Regional Greenhouse Gas Initiative ("RGGI") is the first mandatory, market-based effort in the United States to reduce greenhouse gas emissions. By 2018, ten Northeastern and Mid-Atlantic states (including Connecticut) will cap and reduce carbon dioxide ("CO_2") emissions from the power sector by 10%. The participating states include: Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, and Vermont. The participating RGGI states will sell emission allowances through auctions and invest the auction proceeds to Public Benefits

Charge programs that fund energy efficiency, renewable energy and other clean energy programs and technologies.

Through laws or regulations, each state will limit emissions of CO_2 from electric power plants, creating CO_2 allowances and establishing the state's participation in CO_2 allowance auctions. Each state's laws or regulations were developed and based upon a "Model Rule" drafted jointly by the states to provide a coordinating regulatory framework. Those regulated power plants will be able to use a CO_2 allowance issued by any of the ten participating states to demonstrate compliance with an individual state's program. When aggregated in this manner, the ten individual state programs will function as a single regional compliance market for CO_2 emissions. RGGI is intended to spur innovation in the clean energy economy and create green jobs in each state.

The Department of Environmental Protection has finalized its RGGI regulations (Section 22a-174-31) which became effective July 23, 2008. A minimum of seventy-seven (77) percent shall be allocated to the Connecticut Auction Account. Not later than December 31, 2009 and December 31 of each year thereafter, at least sixty-nine and one-half (69.5) percent of proceeds from auctions, less any amount of revenue refunded pursuant to subsection (j) of this section, shall be transferred to accounts held by the Companies and overseen by the ECMB and to an account held by the Connecticut Municipal Electric Energy Cooperative ("CMEEC"). Seventy five percent of such proceeds shall be distributed to the CL&P account, eighteen and three-fourths (18.75) percent shall be distributed to the UI account and six and one-fourth (6.25) percent shall be distributed to the CMEEC account. Such proceeds shall be used to support the development of energy efficiency measures. The value of allowances sold above $5 per ton shall not be allocated to utilities for efficiency programs but shall be set aside for consumer rebates.

On September 25, 2008, the first RGGI auction ("Auction 1") was held with the sale of emission allowances to the highest bidders. A second RGGI auction is scheduled for December 17, 2008. The Fund is anticipating the receipt of around $21.4 million in Auction proceeds that are required to be made available to the Companies by December 31, 2009. These revenues were estimated at $3.50 per allowance and will provide additional funding for Fund programs administered by the Companies. On September 29, 2008, RGGI announced the Auction 1 clearing price was $3.07 per allowance and that all of the 12,565,387 allowances were sold. This auction produced $38,575,783 in proceeds that will be distributed among the six RGGI states that participated in the auction: Connecticut, Maine, Maryland, Massachusetts, Rhode Island, and Vermont.

2009 Budget Impacts

CL&P has experienced unprecedented customer demand in 2007 and 2008. This coupled with the projects currently under development and implementation of reserve accounting methodologies creates significant pressure on 2009 C&LM budgets. As previously discussed, incentive structure changes and project caps are being implemented to allow increased customer participation within existing budgets. CL&P will take appropriate actions to adhere to the approved 2009 budget.

BUDGET TABLES

Table A1
2009
CL&P/UI Proposed C&LM Budget

CL&P/UI C&LM BUDGET	2009 CL&P Proposed Base Budget	2009 UI Proposed Base Budget	2009 CL&P/UI Proposed Total
RESIDENTIAL			
Residential Retail Products*	$ 5,347,115	$ 1,703,277	$ 7,050,392
Room Air Conditioning Retirement*	$ -		$ -
Total - Consumer Products	**$ 5,347,115**	**$ 1,703,277**	**$ 7,050,392**
Residential New Construction*	$ 1,350,000	$ 404,314	$ 1,754,314
Home Energy Solutions (HVAC, Duct Sealing, Lighting)*	$ 8,824,000	$ 2,477,018	$ 11,301,018
Limited-Income (WRAP/UI Helps) *	$ 6,901,097	$ 2,267,596	$ 9,168,693
Subtotal Residential	**$ 22,422,212**	**$ 6,852,205**	**$ 29,274,417**
COMMERCIAL & INDUSTRIAL			
C&I LOST OPPORTUNITY			
Energy Conscious Blueprint*	$ 6,970,000	$ 3,342,789	$ 10,312,789
Total - Lost Opportunity	**$ 6,970,000**	**$ 3,342,789**	**$ 10,312,789**
C&I LARGE RETROFIT			
Energy Opportunities*	$ 5,300,000	$ 3,887,138	$ 9,187,138
O&M (Services, RetroCx)*	$ 1,212,714	$ 460,327	$ 1,673,041
Prime*	$ 200,000	$ 50,000	$ 250,000
Total - C&I Large Retrofit	**$ 6,712,714**	**$ 4,397,465**	**$ 11,110,179**
Small Business*	$ 5,962,380	$ 2,558,726	$ 8,521,106
Subtotal C&I	**$ 19,645,094**	**$ 10,298,980**	**$ 29,944,074**
OTHER - EDUCATION **			
SmartLiving Center® - Museum Partnerships	$ 100,000	$ 434,246	$ 534,246
EE Communities*	$ 100,000	$ 50,000	
K-8 Education*	$ 200,000	$ 382,202	$ 582,202
Science Center	$ 200,000	$ -	$ 200,000
Subtotal Education	**$ 600,000**	**$ 866,448**	**$ 1,316,448**
OTHER - PROGRAMS/REQUIREMENTS			
Institute for Sustainable Energy (ECSU)*	$ 400,000	$ 100,000	$ 500,000
Residential Loan Program*	$ 150,000	$ 25,000	$ 175,000
C&I Loan Program*	$ 200,000	$ 50,000	$ 250,000
C&LM Loan Defaults*	$ 100,000	$ 4,700	$ 104,700
Subtotal Programs/Requirements	**$ 850,000**	**$ 179,700**	**$ 1,029,700**
OTHER - LOAD MANAGEMENT			
ISO Load Response Program Support	$ 350,000	$ -	$ 350,000
Water Heater Timer Promotion	$ -		$ -
Power Factor	$ -	$ -	$ -
Subtotal Load Management	**$ 350,000**	**$ -**	**$ 350,000**
OTHER - RENEWABLES & RD&D			
Research, Development & Demonstration*	$ 150,000	$ 125,000	$ 275,000
Subtotal Renewables & RD&D	**$ 150,000**	**$ 125,000**	**$ 275,000**
OTHER - ADMINISTRATIVE & PLANNING			
Administration	$ 720,000	$ 535,000	$ 1,255,000
General Awareness "Take Charge"	$ -		$ -
Planning (UI Planning & Evaluation)	$ 480,000	$ 348,000	$ 828,000
Evaluation (UI Evaluation , Outside Services)	$ 1,000,000	$ 245,000	$ 1,245,000
Information Technology	$ 1,500,000	$ 243,000	$ 1,743,000
ECMB	$ 380,000	$ 210,000	$ 590,000
Performance Management Fee	$ 2,385,865	$ 984,667	$ 3,370,532
Admin/Planning Expenditures	**$ 6,465,865**	**$ 2,565,667**	**$ 9,031,532**
PROGRAM SUBTOTALS			
Residential	$ 23,092,212	$ 7,646,804	$ 30,739,016
C&I	$ 20,375,094	$ 10,450,529	$ 30,825,623
Other**	$ 7,015,865	$ 2,790,667	$ 9,806,532
TOTAL Note 1	**$ 50,483,171**	**$ 20,888,000**	**$ 71,371,171**

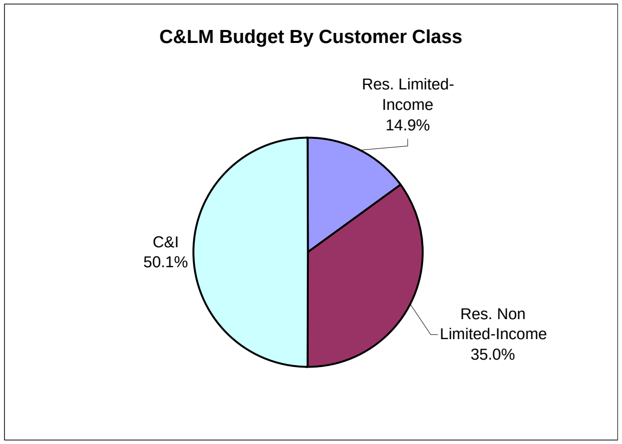
Docket 05-07-14PH01 EIA Programs	2009 CL&P	2009 UI	CL&P/UI 2009 Total
ISO Load Response Programs* Note 2	$ 7,558,907	$ 3,241,385	$ 10,800,292
Residential HVAC	$ -	$ -	$ -
Electric & Gas Efficiency	$ -	$ -	$ -
General Awareness*	$ -		$ -
Direct Load Control*	$ -		$ -
Energy Opportunities	$ -	$ -	$ -
Subtotal Docket 05-07-14PH01 EIA Programs	**$ 7,558,907**	**$ 3,241,385**	**$ 10,800,292**
TOTAL C&LM and EIA	**$ 58,042,078**	**$ 24,129,385**	**$ 82,171,463**

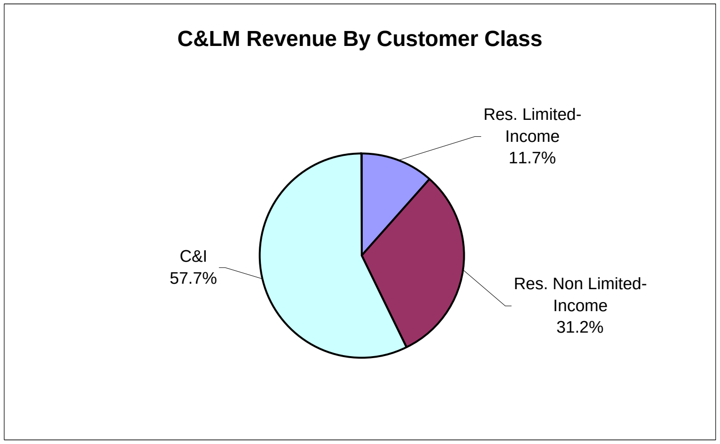
***** Joint CL&P/UI Programs.
****** OTHER -EDUCATION is primarily allocated to residential programs.

Note 1: See Table A2 for Revenue Breakdown

Note 2: Includes ISO Load Response Curtailment, ISO Load Response Emergency Generation,
2009 includes reduced Supplemental Payments ($65/kW-year; previously $80/kW-year); no 3rd Party contracts;
no supplemental payments for new customers

Statewide (CL&P and UI) 2009 C&LM Budget and Parity Analysis
Table A1 Pie Chart





Customer Class	Budget ($,000)	% of Total C&LM Budget	% of Residential & C&I Budget	% of Residential & C&I Revenue	Difference
Res. Limited-Income	$9,168,693	12.85%	14.89%	11.72%	3.17%
Res. Non Limited-Income	$21,570,323	30.22%	35.04%	31.19%	3.85%
Residential Subtotal	$30,739,016	43.07%	49.93%	42.91%	7.02%
C&I	$30,825,623	43.19%	50.07%	57.09%	-7.02%
C&I Subtotal	$30,825,623	43.19%	50.07%	57.09%	-7.02%
Residential and C&I Subtotal	$61,564,639	86.26%	100.00%	100.00%	0.00%
Other Expenditures					
Other Expenditures	$9,806,532	13.74%			
Other Expenditures Subtotal	$9,806,532	13.74%			
C&LM TOTAL	**$71,371,171**	**100.00%**			
CL&P	$50,483,171	70.73%			
UI	$20,888,000	29.27%			

Totals may vary due to rounding

Table A2
2009
CL&P/UI C&LM Revenues

CL&P/UI C&LM REVENUES	2009 Base Budget: 2009 CL&P Revenues	2009 Base Budget: 2009 UI Revenues	2009 Base Budget: 2009 CL&P/UI Total	2009 RGGI - Moderate: 2009 CL&P Revenues	2009 RGGI - Moderate: 2009 UI Revenues	2009 RGGI - Moderate: 2009 CL&P/UI Total	2009 RGGI & IRP: 2009 CL&P Revenues	2009 RGGI & IRP: 2009 UI Revenues	2009 RGGI & IRP: 2009 CL&P/UI Total
Collections (Mil Rate)	$ 70,122,000	$ 17,388,000	$ 87,510,000	$ 70,122,000	$ 17,388,000	$ 87,510,000	$ 70,122,000	$ 17,388,000	$ 87,510,000
ISO-NE Other Demand Resources (ODRs)	$ 3,300,000	$ 1,500,000	$ 4,800,000	$ 3,300,000	$ 1,500,000	$ 4,800,000	$ 3,300,000	$ 1,500,000	$ 4,800,000
Class III Renewable Energy Credits	$ 2,061,171	$ 2,000,000	$ 4,061,171	$ 2,061,171	$ 2,000,000	$ 4,061,171	$ 2,061,171	$ 2,000,000	$ 4,061,171
Borrowing from 2008 Spending - Docket No. 07-10-03	$ (15,000,000)		$ (15,000,000)	$ (15,000,000)		$ (15,000,000)	$ (15,000,000)		$ (15,000,000)
Borrowing from 2008 Spending - Docket No. 07-10-03RE01	$ (10,000,000)		$ (10,000,000)	$ (10,000,000)		$ (10,000,000)	$ (10,000,000)		$ (10,000,000)
RGGI & IRP Revenues*			$ -	$ 17,209,083	$ 4,277,000	$ 21,486,083	$ 46,666,984	$ 4,500,000	$ 51,166,984
Total - C&LM Revenues	**$ 50,483,171**	**$ 20,888,000**	**$ 71,371,171**	**$ 67,692,254**	**$ 25,165,000**	**$ 92,857,254**	**$ 97,150,155**	**$ 25,388,000**	**$ 122,538,155**

*2009 RGGI Moderate is based on $3.50 / allowance; 2009 RGGI & IRP is based on $ 5 per allowance plus IRP

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Table A

2009 CL&P Proposed C&LM Budget

CL&P C&LM BUDGET	2007 CL&P Decision Budget 6/15/07	2008 CL&P Decision Budget 09/24/08	2009 CL&P Proposed Base Budget 10/01/08	2009 (A) CL&P Proposed RGGI-Moderate 10/01/08	2009 (B) CL&P Proposed RGGI & IRP 10/01/08
RESIDENTIAL					
Residential Retail Products* Note 1	$ 5,600,000	$ 5,000,000	$ 5,347,115	$ 6,954,268	$ 9,589,899
ENERGY STAR Appliances* Note 1		$ -	$ -	$ -	$ -
Appliance Retirement*	$ -	$ -	$ -	$ -	$ -
Customer Initiated Projects*		$ -	$ -	$ -	$ -
Room Air Conditioning Retirement*	$ -	$ 1,221,375	$ -	$ -	$ -
Total - Consumer Products	**$ 5,600,000**	**$ 6,221,375**	**$ 5,347,115**	**$ 6,954,268**	**$ 9,589,899**
Residential New Construction*	$ 1,700,000	$ 1,650,000	$ 1,350,000	$ 1,800,847	$ 2,540,207
Home Energy Solutions (HVAC, Duct Sealing, Lighting)* Note 5	$ 4,900,052	$ 7,000,000	$ 8,824,000	$ 11,476,181	$ 15,825,593
Limited-Income (WRAP/UI Helps)*	$ 6,000,000	$ 7,575,094	$ 6,901,097	$ 9,005,048	$ 12,455,398
Subtotal Residential	**$ 18,200,052**	**$ 22,446,469**	**$ 22,422,212**	**$ 29,236,344**	**$ 40,411,097**
COMMERCIAL & INDUSTRIAL					
C&I LOST OPPORTUNITY					
Energy Conscious Blueprint*	$ 12,417,000	$ 17,937,225	$ 6,970,000	$ 9,537,311	$ 13,698,113
Total - Lost Opportunity	**$ 12,417,000**	**$ 17,937,225**	**$ 6,970,000**	**$ 9,537,311**	**$ 13,698,113**
C&I LARGE RETROFIT					
C&I RFP *		$ -	$ -	$ -	$ -
Energy Opportunities*	$ 10,009,000	$ 31,695,999	$ 5,300,000	$ 9,009,797	$ 14,949,958
O&M (Services, RetroCx)*	$ 3,284,000	$ 2,555,521	$ 1,212,714	$ 1,622,335	$ 2,358,284
Prime*		$ 341,450	$ 200,000	$ 332,075	$ 463,495
Express (Lighting Rebate)		$ -	$ -	$ -	$ -
Municipal Energy & Schools		$ -	$ -	$ -	$ -
State Buildings Note 2		$ -	$ -	$ -	$ -
Total - C&I Large Retrofit	**$ 13,293,000**	**$ 34,592,970**	**$ 6,712,714**	**$ 10,964,207**	**$ 17,771,737**
Small Business*	$ 3,900,000	$ 13,537,620	$ 5,962,380	$ 8,588,785	$ 12,794,209
Alternative Standard Offer (ATSO)					
Subtotal C&I	**$ 29,610,000**	**$ 66,067,815**	**$ 19,645,094**	**$ 29,090,303**	**$ 44,264,059**
OTHER - EDUCATION **					
SmartLiving Catalog		$ -	$ -	$ -	$ -
SmartLiving Center® - Museum Partnerships*	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000
EE Communities*			$ 100,000	$ 100,000	$ 150,000
K-8 Education*	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 225,000
Residential Audits-Non WRAP	$ -				
Community Based Program (SWCT)*	$ 225,000	$ -	$ -	$ -	$ -
Contingency from SLC	$ -	$ -	$ -	$ -	$ -
Science Center	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000
General Awareness Campaign		$ -	$ -	$ -	$ -
Subtotal Education	**$ 725,000**	**$ 500,000**	**$ 600,000**	**$ 600,000**	**$ 675,000**
OTHER - PROGRAMS/REQUIREMENTS					
Institute for Sustainable Energy (ECSU)*	$ 240,000	$ 320,000	$ 400,000	$ 400,000	$ 400,000
Energy Conservation Loan Fund*	$ -	$ -	$ -	$ -	$ -
Heat Pump Water Heaters (Hot Shot/WSaver)*	$ -	$ -	$ -	$ -	$ -
Billing System Conversion: On-Bill Financing	$ -	$ -	$ -	$ -	$ -
Residential Loan Program*	$ -	$ -	$ 150,000	$ 150,000	$ 300,000
C&I Loan Program*	$ -	$ -	$ 200,000	$ 200,000	$ 400,000
C&LM Loan Defaults	$ 60,000	$ 100,000	$ 100,000	$ 100,000	$ 200,000
Subtotal Programs/Requirements	**$ 300,000**	**$ 420,000**	**$ 850,000**	**$ 850,000**	**$ 1,300,000**
OTHER - LOAD MANAGEMENT					
ISO Load Response Program Note 3	$ 1,483,167	$ 480,000	$ 350,000	$ 450,000	$ 500,000
ISO Load Response Program Support					
Water Heater Timer Promotion					
Demand Reduction	$ 400,000	$ -	$ -	$ -	$ -
Power Factor	$ 150,000	$ 150,000			
Wait Until 8:00		$ -	$ -	$ -	$ -
Subtotal Load Management	**$ 2,033,167**	**$ 630,000**	**$ 350,000**	**$ 450,000**	**$ 500,000**
OTHER - RENEWABLES & RD&D					
Renewables Incentives		$ -	$ -	$ -	$ -
Research, Development & Demonstration*	$ 400,000	$ 150,000	$ 150,000	$ 150,000	$ 200,000
Subtotal Renewables & RD&D	**$ 400,000**	**$ 150,000**	**$ 150,000**	**$ 150,000**	**$ 200,000**
OTHER - ADMINISTRATIVE & PLANNING					
Administration	$ 625,000	$ 720,000	$ 720,000	$ 750,000	$ 900,000
General Awareness "Take Charge"*					
Planning Note 4	$ 488,000	$ 480,000	$ 480,000	$ 485,000	$ 700,000
Evaluation Note 4	$ 812,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,500,000
Information Technology	$ 1,500,000	$ 1,700,000	$ 1,500,000	$ 1,500,000	$ 1,700,000
ECMB	$ 250,000	$ 380,000	$ 380,000	$ 380,000	$ 400,000
Audit Note 2	$ 100,000	$ -	$ -	$ -	$ -
Conversion of Load Management Fund		$ -	$ -	$ -	$ -
Carry Over From 2005		$ -	$ -	$ -	$ -
Performance Management Fee	$ 2,680,503	$ 4,205,716	$ 2,385,865	$ 3,200,607	$ 4,599,999
Subtotal Admin/Planning Expenditures	**$ 6,455,503**	**$ 8,485,716**	**$ 6,465,865**	**$ 7,315,607**	**$ 9,799,999**
PROGRAM SUBTOTALS					
Residential	$ 18,820,052	$ 22,886,469	$ 23,092,212	$ 29,906,344	$ 41,296,097
C&I	$ 31,808,167	$ 66,857,815	$ 20,375,094	$ 29,920,303	$ 45,454,059
Other**	$ 7,095,503	$ 8,955,716	$ 7,015,865	$ 7,865,607	$ 10,399,999
TOTAL C&LM BUDGET	**$ 57,723,722**	**$ 98,700,000**	**$ 50,483,171**	**$ 67,692,254**	**$ 97,150,155**
Securitization					
Transfer to State Fund		$ -	$ -	$ -	$ -
Estimated Funds Carried Forward		$ -	$ -	$ -	$ -
TOTAL	**$ 57,723,722**	**$ 98,700,000**	**$ 50,483,171**	**$ 67,692,254**	**$ 97,150,155**
Docket 05-07-14PH01 EIA Programs					
ISO Load Response Programs* Note 3, Note 6	$ 19,335,968	$ 27,202,949	$ 7,558,907	$ 7,558,907	$ 7,558,907
Residential HVAC	$ -	$ -	$ -	$ -	$ -
Electric & Gas Efficiency	$ 895,000	$ 7,900			
General Awareness "Wait-Til-8"*	$ 240,000				
3rd Party Contracts (Load Curt. & Emer. Gen.)	$ 16,025,900				
Direct Load Control	$ -				
Subtotal Docket 05-07-14PH01 EIA Programs	**$ 20,470,968**	**$ 27,210,849**	**$ 7,558,907**	**$ 7,558,907**	**$ 7,558,907**
TOTAL C&LM and EIA	**$ 78,194,690**	**$ 125,910,849**	**$ 58,042,078**	**$ 75,251,161**	**$ 104,709,062**

***** Joint CL&P/UI Programs.

****** OTHER -EDUCATION is primarily allocated to residential programs.

Note 1: Retail Products includes Retail Lighting and ENERGY STAR Appliances.

Note 2: Audit Per Docket 05-06-05 Compliance Order No. 2.

Note 3: ISO-NE Load Response Customer payments are partially offset by ISO-NE Transition Period Payments, MW goal still remains.

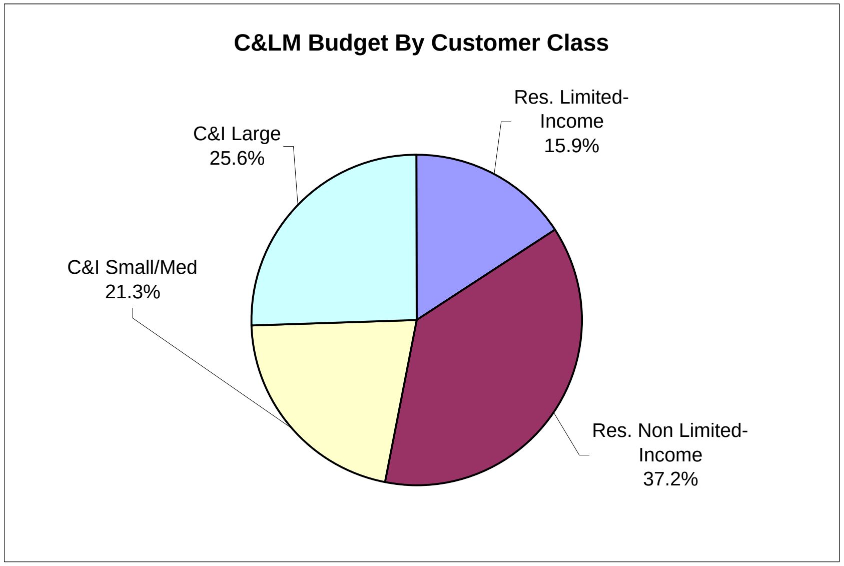
Note 4: Planning and Evaluation activities split into separate budget line items.

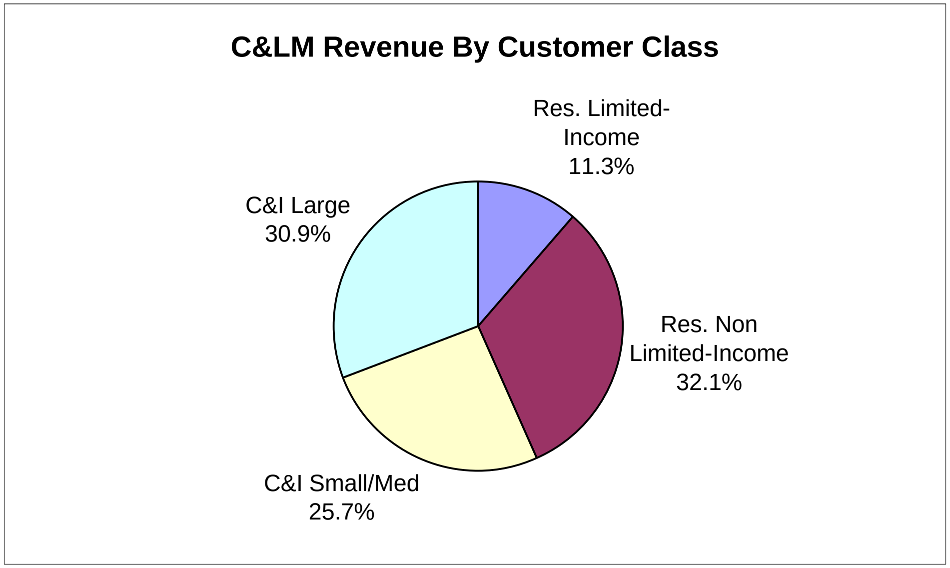
Note 5: Residential HVAC program renamed "Home Energy Solutions" and is comprised of HVAC, Duct Sealing, Lighting, Energy Conservation Loan and Residential Audits.

Note 6: Includes ISO Load Response Curtailment, ISO Load Response Emergency Generation, No Third Party, Reduced Supplemental Payments

Totals may vary due to rounding

CL&P 2009 C&LM Budget and Parity Analysis





Customer Class	Budget	% of Total C&LM Budget	% of Residential & C&I Budget	% of Residential & C&I Revenue	Difference
Res. Limited-Income	$6,901,097	13.67%	15.88%	11.46%	4.42%
Res. Non Limited-Income	$16,191,115	32.07%	37.25%	32.54%	4.71%
Residential Subtotal	$23,092,212	45.74%	53.13%	44.00%	9.13%
C&I Small/Med	$9,250,293	18.32%	21.28%	25.99%	-4.71%
C&I Large	$11,124,801	22.04%	25.59%	31.25%	-5.66%
C&I Subtotal	$20,375,094	40.36%	46.87%	56.00%	-10.37%
Residential and C&I Subtotal	$43,467,306	86.10%	100.00%	100.0%	-1.2%
Other Expenditures					
Other Expenditures	$7,015,865	13.90%			
Other Expenditures Subtotal	$7,015,865	13.90%			
C&LM TOTAL	**$50,483,171**	100.00%			

C&I Non-Gov't	
Budget	Revenue
46.87%	57.24%

(1) Municipalities and state facilities are eligible to participate in C&I Program offerings as applicable.

Totals may vary due to rounding

TABLE B
CL&P 2009 COMPARISON OF CONSERVATION PROGRAMS

COMPARISON OF CL&P CONSERVATION PROGRAMS FOR 2009

Program	Utility Costs (000)	% of Budget	Customer Costs (000)	Total Resource Costs (000)	Electric System Benefit (000)	Total Resource Benefit (000)	Electric System B/C Ratio	Total Resource B/C Ratio	Goals # of Units	Units	Annualized Savings (MWh)	Lifetime Savings (MWh)	kW Impact (Y/E)	Demand Cost $/kW	Demand Cost $/kW-yr	Cost Rate $/kwh Annualize	Utility Cost Ratio $/LT-kWh
RESIDENTIAL																	
Residential Retail Products* Note 1	$ 5,347	10.6%	$ 1,366	$ 6,713	$ 60,476	$ 85,756	11.3	12.8	2,543,370	Products	69,871	544,713	6,479	$ 825	$ 106	$ 0.077	$ 0.010
Total - Consumer Products	**$ 5,347**	**10.6%**	**$ 1,366**	**$ 6,713**	**$ 60,476**	**$ 85,756**	**11.3**	**12.8**			**69,871**	**544,713**	**6,479**	**$ 825**	**$ 106**	**$ 0.077**	**$ 0.010**
Residential New Construction*	$ 1,350	2.7%	$ 422	$ 1,772	$ 2,960	$ 6,437	2.2	3.6	752	Homes	917	22,501	563	$ 2,397	$ 98	$ 1.472	$ 0.060
Home Energy Solutions (HVAC, Duct Sealing, Lighting)* Note 2	$ 8,824	17.5%	$ 1,588	$ 10,412	$ 22,136	$ 27,201	2.5	2.6	13,279	Cust/HVAC Rebates	15,807	183,125	3,609	$ 2,445	$ 211	$ 0.558	$ 0.048
Limited-Income (WRAP/UI Helps)*	$ 6,901	13.7%	$ 259	$ 7,160	$ 12,549	$ 24,713	1.8	3.5	10,961	Customers	13,275	123,749	1,136	$ 6,076	$ 652	$ 0.520	$ 0.056
Subtotal Residential	**$ 22,422**	**44.4%**	**$ 3,634**	**$ 26,056**	**$ 98,122**	**$ 144,107**	**4.4**	**5.5**			**99,870**	**874,088**	**11,787**	**$ 1,902**	**$ 217**	**$ 0.225**	**$ 0.026**
COMMERCIAL & INDUSTRIAL																	
C&I LOST OPPORTUNITY																	
Energy Conscious Blueprint*	$ 6,970	13.8%	$ 207	$ 7,177	$ 43,617	$ 51,024	6.3	7.1	346	Customers	24,897	383,234	5,388	$ 1,294	$ 84	$ 0.280	$ 0.018
Total - Lost Opportunity	**$ 6,970**	**13.8%**	**$ 207**	**$ 7,177**	**$ 43,617**	**$ 51,024**	**6.3**	**7.1**			**24,897**	**383,234**	**5,388**	**$ 1,294**	**$ 84**	**$ 0.280**	**$ 0.018**
C&I LARGE RETRO FIT																	
Energy Opportunities*	$ 5,300	10.5%	$ 7,971	$ 13,271	$ 55,448	$ 65,300	10.5	4.9	162	Customers	37,431	529,617	5,263	$ 1,007	$ 71	$ 0.142	$ 0.010
O&M (Services, RetroCx)* Note 3	$ 1,213	2.4%	$ 1,072	$ 2,285	$ 11,813	$ 14,826	9.7	6.5	20	Customers	13,486	107,888	235	$ 5,162	$ 645	$ 0.090	$ 0.011
PRIME*	$ 200	0.4%	$ 15	$ 215	$ 993	$ 5,571	5.0	25.9	21	Customers	1,536	7,682	-			$ 0.130	$ 0.026
Large - C& I Retrofit	**$ 6,713**	**12.9%**	**$ 9,058**	**$ 15,771**	**$ 68,254**	**$ 85,697**	**10.2**	**5.4**	203	0	**52,454**	**645,187**	**5,498**	**$ 1,221**	**$ 99**	**$ 0.128**	**$ 0.010**
Small Business*	$ 5,962	11.8%	$ 10,145	$ 16,107	$ 41,270	$ 47,656	6.9	3.0	816	Customers	26,216	329,302	6,300	$ 946	$ 75	$ 0.227	$ 0.018
Subtotal C& I	**$ 19,645**	**38.5%**	**$ 19,410**	**$ 39,055**	**$ 153,141**	**$ 184,377**	**7.8**	**4.7**			**103,566**	**1,357,723**	**17,186**	**$ 1,143**	**$ 87**	**$ 0.190**	**$ 0.014**
OTHER - EDUCATION **																	
SmartLiving Center® - Museum Partnerships	$ 100	0.2%	$ -	$ 100													
EE Communities*	$ 100	0.2%	$ -	$ 100													
K-8 Education*	$ 200	0.4%	$ -	$ 200													
Science Center	$ 200	0.4%	$ -	$ 200													
Subtotal Education	**$ 600**	**1.2%**	**$ -**	**$ 600**	**$ -**												
OTHER - PROGRAMS/REQUIREMENTS																	
Institute for Sustainable Energy (ECSU)	$ 400	0.8%	$ -	$ 400													
Residential Loan Program*	$ 150	0.3%	$ -	$ 150													
C&I Loan Program*	$ 200	0.4%	$ -	$ 200													
C&LM Loan Defaults	$ 100	0.2%	$ -	$ 100													
Total Other Programs/Requirements	**$ 850**	**1.0%**	**$ -**	**$ 850**	**$ -**												

Totals may vary due to rounding

TABLE B
CL&P 2009 COMPARISON OF CONSERVATION PROGRAMS

COMPARISON OF CL&P CONSERVATION PROGRAMS FOR 2009

Program	Utility Costs (000)	% of Budget	Customer Costs (000)	Total Resource Costs (000)	Electric System Benefit (000)	Total Resource Benefit (000)	Electric System B/C Ratio	Total Resource B/C Ratio	Goals # of Units	Units	Annualized Savings (MWh)	Lifetime Savings (MWh)	kW Impact (Y/E)	Demand Cost $/kW	Demand Cost $/kW-yr	Cost Rate $/kwh Annualize	Utility Cost Ratio $/LT-kWh
OTHER - LOAD MANAGEMENT																	
ISO Load Response Program	$ 350	0.7%	$ -	$ 350	$ 568	$ 568	1.6	1.6	30	Customers	-	30	10,000	$ 35	$ 35	N/A	N/A
Power Factor	$ -	0.0%	$ -	$ -					-	0			N/A	N/A	N/A	N/A	N/A
Subtotal Load Management	**$ 350**	**0.7%**	**$ -**	**$ 350**	**$ 568**	**$ 568**	**1.6**	**1.6**			**-**	**30**	**10,000**	**$ 35**			
OTHER - RENEWABLES & RD&D																	
Research, Development & Demonstration*	$ 150	0.3%	$ -	$ 150													
Subtotal Renewables & RD&D	**$ 150**	**0.3%**	**$ -**	**$ 150**	**$ -**												
OTHER - ADMINISTRATIVE & PLANNING																	
Administration	$ 720	1.4%															
General Awareness "Take Charge"	$ -	0.0%															
Planning and Evaluation	$ 1,480	2.9%															
Information Technology	$ 1,500	3.0%															
ECMB	$ 380	0.8%															
Audit	$ -	0.0%															
Performance Management Fee	$ 2,386	4.7%															
Subtotal Admin/Planning Expenditures	**$ 6,466**	**12.8%**															
PROGRAM SUBTOTALS																	
Residential	**$ 23,092**										**99,870**	**874,088**	**11,787**				
C&I	**$ 20,375**										**103,566**	**1,357,723**	**17,186**				
Other**	**$ 7,016**										**-**	**30**	**10,000**				
TOTAL C&LM BUDGET	**$ 50,483**		**$ 23,044**	**$ 67,061**	**$ 251,831**	**$ 329,053**	**5.0**	**4.9**			**203,436**	**2,231,841**	**38,973**				

***** Joint CL&P/UI Programs.
****** OTHER -includes ISE, RD&D, Admin, Planning & Evaluation, IT, ECMB and PMF

Note 1: Beginning in 2006, Retail Lighting and ENERGY STAR Appliances were combined into one program - Residential Retail Products.
Note 2: Residential HVAC program renamed "Home Energy Solutions" and is comprised of HVAC, Duct Sealing, Lighting, Energy Conservation Loan and Residential Audits.
Note 3: O&M Services includes RetroCx budget and associated savings.

Totals may vary due to rounding

TABLE B1
CL&P 2009 COMPARISON OF PROGRAM BENEFITS

Program	Rate Impact (Program Costs less DRIPE) (000)	Electric System: Energy Benefits (000)	Electric System: Capacity Benefits (000)	Electric System: DRIPE (000)	Electric System: Electric System Benefits (000)	Non-Electric Benefits: Resource Benefits (000)	Non-Electric Benefits: Non-Resource Benefits (000)	Non-Electric Benefits: Emmissions Benefits (000)	Non-Electric Benefits: Total Non-Electric Benefits (000)	Total Benefits: Total Resource Benefits 2008 (000)
RESIDENTIAL										
Residential Retail Products* Note 1	$ (6,479)	$ 42,736	$ 5,913	$ 11,826	**$ 60,476**	$ -	$ 10,785	$ 14,495	**$ 25,280**	**$ 85,756**
Total - Consumer Products	**$ (6,479)**	**$ 42,736**	**$ 5,913**	**$ 11,826**	**$ 60,476**	**$ -**	**$ 10,785**	**$ 14,495**	**$ 25,280**	**$ 85,756**
Residential New Construction*	$ 1,050	$ 1,332	$ 1,328	$ 300	**$ 2,960**	$ 3,120	$ -	$ 357	**$ 3,477**	**$ 6,437**
Home Energy Solutions (HVAC, Duct Sealing, Lighting)* Note 2	$ 5,508	$ 12,904	$ 5,916	$ 3,316	**$ 22,136**	$ 69	$ 961	$ 4,035	**$ 5,065**	**$ 27,201**
Limited-Income (WRAP/UI Helps)*	$ 4,639	$ 9,166	$ 1,121	$ 2,262	**$ 12,549**	$ 8,209	$ 872	$ 3,083	**$ 12,164**	**$ 24,713**
Subtotal Residential	**$ 4,717**	**$ 66,138**	**$ 14,278**	**$ 17,705**	**$ 98,122**	**$ 11,399**	**$ 12,618**	**$ 21,969**	**$ 45,986**	**$ 144,107**
COMMERCIAL & INDUSTRIAL										
C&I LOST OPPORTUNITY										
Energy Conscious Blueprint*	$ 833	$ 28,014	$ 9,466	$ 6,137	**$ 43,617**	$ (890)	$ 488	$ 7,808	**$ 7,407**	**$ 51,024**
Total - Lost Opportunity	**$ 833**	**$ 28,014**	**$ 9,466**	**$ 6,137**	**$ 43,617**	**$ (890)**	**$ 488**	**$ 7,808**	**$ 7,407**	**$ 51,024**
C&I LARGE RETRO FIT										
Energy Opportunities*	$ (2,847)	$ 38,999	$ 8,302	$ 8,147	**$ 55,448**	$ (2,772)	$ 1,248	$ 11,377	**$ 9,853**	**$ 65,300**
O&M (Services, RetroCx)* Note 3	$ (1,266)	$ 9,128	$ 207	$ 2,479	**$ 11,813**	$ -	$ -	$ 3,013	**$ 3,013**	**$ 14,826**
PRIME*	$ (80)	$ 713	$ -	$ 280	**$ 993**	$ -	$ 4,332	$ 246	**$ 4,578**	**$ 5,571**
Large - C& I Retrofit	**$ (4,193)**	**$ 48,840**	**$ 8,508**	**$ 10,905**	**$ 68,254**	**$ (2,772)**	**$ 5,581**	**$ 14,635**	**$ 17,444**	**$ 85,697**
Small Business*	$ (310)	$ 25,701	$ 9,296	$ 6,272	**$ 41,270**	$ (1,903)	$ 857	$ 7,432	**$ 6,386**	**$ 47,656**
Subtotal C& I	**$ (3,669)**	**$ 102,556**	**$ 27,271**	**$ 23,314**	**$ 153,141**	**$ (5,565)**	**$ 6,926**	**$ 29,875**	**$ 31,237**	**$ 184,377**
OTHER - LOAD MANAGEMENT										
ISO Load Response Program	$ 350	$ -	$ 568	$ -	**$ 568**	$ -	$ -	$ -	**$ -**	**$ 568**
Power Factor	$ -	$ -	$ -	$ -	**$ -**	$ -	$ -	$ -	**$ -**	**$ -**
Subtotal Load Management	**$ 350**	**$ -**	**$ 568**	**$ -**	**$ 568**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 568**
TOTAL C&LM Note 4	**$ 1,398**	**$ 168,694**	**$ 42,117**	**$ 41,019**	**$ 251,831**	**$ 5,834**	**$ 19,544**	**$ 51,844**	**$ 77,222**	**$ 329,053**

***** Joint CL&P/UI Programs.

Note 1: Beginning in 2006, Retail Lighting and ENERGY STAR Appliances were combined into one program - Residential Retail Products.
Note 2: Residential HVAC program renamed "CT Home Energy Solutions" and is comprised of HVAC, Duct Sealing, Lighting, Energy Conservation Loan and Residential Audits.
Note 3: O&M Services includes RetroCx budget and associated savings.
Note 4: Total C&LM does not include Other (i.e., Educational Programs, Other Programs/Requirements, RD&D, Admin & Planning)

Totals may vary due to rounding

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Table C
CL&P 2009 C&LM Budget Details

CL&P C&LM BUDGET ($000)	CL&P Labor	Materials & Supplies	Outside Services	Contractor Labor	Incentives	Marketing	Other ***	Administrative Expenses	TOTAL
RESIDENTIAL									
Residential Retail Products*	$ 125	$ -	$ 850	$ -	$ 4,018	$ 300	$ 48	$ 6	$ 5,347
Total - Consumer Products	**$ 125**	**$ -**	**$ 850**	**$ -**	**$ 4,018**	**$ 300**	**$ 48**	**$ 6**	**$ 5,347**
Residential New Construction*	$ 134	$ 2	$ 67	$ -	$ 1,125	$ 20	$ -	$ 2	$ 1,350
Home Energy Solutions (HVAC, Duct Sealing, Lighting)*	$ 410	$ 1	$ 1,650	$ -	$ 6,638	$ 70	$ 40	$ 15	$ 8,824
Limited-Income (WRAP/UI Helps)*	$ 686	$ 20	$ 600	$ -	$ 5,557	$ 10	$ 9	$ 19	$ 6,901
Subtotal Residential	**$ 1,355**	**$ 23**	**$ 3,167**	**$ -**	**$ 17,338**	**$ 400**	**$ 97**	**$ 42**	**$ 22,422**
COMMERCIAL & INDUSTRIAL									
C & I LOST OPPORTUNITY									
Energy Conscious Blueprint*	$ 1,242	$ 8	$ 350	$ 180	$ 5,050	$ 75	$ 30	$ 35	$ 6,970
Total - Lost Opportunity	**$ 1,242**	**$ 8**	**$ 350**	**$ 180**	**$ 5,050**	**$ 75**	**$ 30**	**$ 35**	**$ 6,970**
C & I LARGE RETROFIT									
Energy Opportunities*	$ 939	$ 8	$ 180	$ 36	$ 3,977	$ 30	$ 10	$ 120	$ 5,300
O&M (Service, RetroCx)*	$ 211	$ 2	$ 200	$ 12	$ 762	$ 4	$ 11	$ 11	$ 1,213
Prime*	$ 42	$ 1	$ 148	$ -	$ -	$ 2	$ 2	$ 5	$ 200
Total - C&I Large Retrofit	**$ 1,192**	**$ 11**	**$ 528**	**$ 48**	**$ 4,739**	**$ 36**	**$ 23**	**$ 136**	**$ 6,713**
Small Business*	$ 637	$ 2	$ 45	$ -	$ 4,226	$ 50	$ 2	$ 1,000	$ 5,962
Subtotal C&I	**$ 3,071**	**$ 21**	**$ 923**	**$ 228**	**$ 14,015**	**$ 161**	**$ 55**	**$ 1,171**	**$ 19,645**
OTHER - EDUCATION **									
SmartLiving Center® - Museum Partnerships	$ 52	$ 13	$ 17	$ -	$ 1	$ 8	$ 1	$ 8	$ 100
EE Communities*	$ 41		$ 10	$ -		$ 46	$ 1	$ 2	$ 100
K-8 Education*	$ 43	$ 2	$ 143	$ -	$ -	$ 5	$ -	$ 7	$ 200
Science Center	$ -	$ -	$ 200	$ -	$ -	$ -	$ -	$ -	$ 200
Subtotal Education	**$ 137**	**$ 15**	**$ 370**	**$ -**	**$ 1**	**$ 59**	**$ 2**	**$ 17**	**$ 601**
OTHER - PROGRAMS/REQUIREMENTS									
Institute for Sustainable Energy (ECSU)*	$ -	$ -	$ -	$ -	$ -	$ -	$ 400	$ -	$ 400
Residential Loan Program*	$ -	$ -	$ 150	$ -	$ -	$ -	$ -	$ -	$ 150
C&I Loan Program*	$ -	$ -	$ 200	$ -	$ -	$ -	$ -	$ -	$ 200
C&LM Loan Defaults*	$ -	$ -	$ -	$ -	$ -	$ -	$ 100	$ -	$ 100
Subtotal Programs/Requirements	**$ -**	**$ -**	**$ 350**	**$ -**	**$ -**	**$ -**	**$ 500**	**$ -**	**$ 850**
OTHER - LOAD MANAGEMENT									
ISO Load Response Program	$ 107	$ 1	$ 82	$ -	$ 150	$ 5	$ -	$ 5	$ 350
Power Factor	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Subtotal Load Management	**$ 107**	**$ 1**	**$ 82**	**$ -**	**$ 150**	**$ 5**	**$ -**	**$ 5**	**$ 350**
OTHER - RENEWABLES & RD&D									
Research, Development & Demonstration*	$ 66	$ 1	$ 78	$ -	$ -	$ -	$ -	$ 5	$ 150
Subtotal Renewables & RD&D	**$ 66**	**$ 1**	**$ 78**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 5**	**$ 150**
OTHER - ADMINISTRATIVE & PLANNING									
Administration	$ 679	$ -	$ -	$ -	$ -	$ -	$ 13	$ 28	$ 720
General Awareness "Take Charge"*	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Planning	$ 450	$ -	$ -	$ 30	$ -	$ -	$ -	$ -	$ 480
Evaluation	$ 191	$ 1	$ 750	$ 48	$ -	$ -	$ 5	$ 5	$ 1,000
Information Technology	$ 645	$ 50	$ 505	$ -	$ -	$ -	$ -	$ 300	$ 1,500
ECMB	$ -	$ -	$ 380	$ -	$ -	$ -	$ -	$ -	$ 380
Performance Management Fee	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,386	$ -	$ 2,386
Subtotal Admin/Planning Expenditures	**$ 1,965**	**$ 51**	**$ 1,635**	**$ 78**	**$ -**	**$ -**	**$ 2,404**	**$ 333**	**$ 6,466**
PROGRAM SUBTOTALS									
Residential	$ 1,473	$ 35	$ 3,642	$ -	$ 17,339	$ 448	$ 99	$ 57	**$ 23,093**
C&I	$ 3,197	$ 25	$ 1,250	$ 228	$ 14,165	$ 177	$ 155	$ 1,178	**$ 20,375**
Other**	$ 2,031	$ 52	$ 1,713	$ 78	$ -	$ -	$ 2,804	$ 338	**$ 7,016**
TOTAL C&LM BUDGET	**$ 6,701**	**$ 112**	**$ 6,605**	**$ 306**	**$ 31,504**	**$ 625**	**$ 3,058**	**$ 1,573**	**$ 50,484**

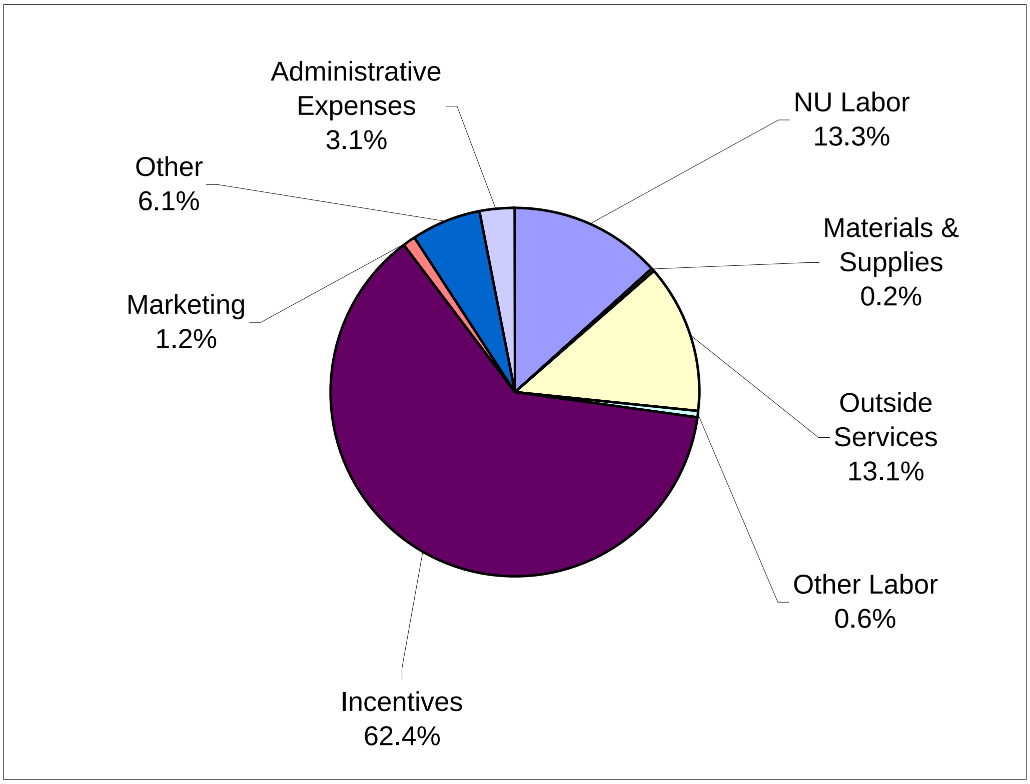
***** Joint CL&P/UI Programs.

****** OTHER -includes ISE, RD&D, Admin, Planning & Evaluation, IT, ECMB and PMF

*** Other includes Performance Management Fee, ECSU, Energy Conservation Loan Fund, Loan Defaults, Dues, Postage.

Totals may vary due to rounding

CL&P
2009 CONSERVATION & LOAD MANAGEMENT
C&LM Budget By Expense Class



Expense Classes		Budget	% of Budget
NU Labor	$	6,701	13.3%
Materials & Supplies	$	112	0.2%
Outside Services	$	6,605	13.1%
Other Labor	$	306	0.6%
Incentives	$	31,504	62.4%
Marketing	$	625	1.2%
Other	$	3,058	6.1%
Administrative Expenses	$	1,573	3.1%
	$	50,484	100.00%

Totals may vary due to rounding

Table D
CL&P Historical and Projected $ and kW

Based on Currently Available Information

	Expenditures $									Load Savings kW								
RESIDENTIAL	2001 Actual	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Goal	2009 Goal	2001 Actual	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Goal	2009 Goal
Retail Products* Note 1	8,178,824	6,955,000	3,154,881	6,001,655	6,440,269	5,626,761	5,961,939	5,335,000	5,347,115	4,620	4,249	1,604	6,400	4,832	5,160	5,678	4,866	6,479
Appliance Retirement*	-	-	-	1,446,975	2,034,265	1,188,636	-	1,552,000	-	na	na	na	1,042	1,437	443	na	1,150	na
Customer Initiated Projects	-	-	-	244,933	329,182	-	-	-	-	na	na	na	22	37	na	na	na	na
Total - Consumer Products	**8,178,824**	**6,955,000**	**3,154,881**	**7,693,563**	**8,803,716**	**6,815,397**	**5,961,939**	**6,887,000**	**5,347,115**	**4,620**	**4,249**	**1,604**	**7,465**	**6,307**	**5,602**	**5,678**	**6,016**	**6,479**
Residential New Construction* Note 2	1,951,289	1,646,000	1,115,726	767,514	1,187,496	1,688,185	1,414,189	1,261,000	1,350,000	364	818	476	268	1,885	2,225	505	885	563
Home Energy Solutions (HVAC, Duct Sealing, Lighting)* Note 3	3,932,896	3,012,000	1,462,685	1,438,871	2,029,289	4,313,563	5,467,875	8,563,000	8,824,000	794	1,380	972	2,188	2,856	3,151	2,520	4,610	3,609
Limited-Income (WRAP/UI Helps)*	5,035,856	4,716,000	3,180,815	4,590,734	4,682,547	5,298,638	7,112,363	6,839,664	6,901,097	611	740	427	652	806	1,110	1,067	1,373	1,136
Subtotal RESIDENTIAL	**19,098,865**	**16,329,000**	**8,914,107**	**14,490,682**	**16,703,048**	**18,115,783**	**19,956,365**	**23,550,664**	**22,422,212**	**6,388**	**7,188**	**3,479**	**10,574**	**11,854**	**12,089**	**9,771**	**12,884**	**11,787**
COMMERCIAL & INDUSTRIAL																		
C&I LOST OPPORTUNITY																		
Energy Conscious Blueprint * Note 4	17,107,120	15,905,000	10,410,843	14,479,658	12,468,319	9,448,615	13,084,740	10,319,845	6,970,000	16,584	17,572	10,750	21,714	10,655	8,771	9,354	6,293	5,293
Total - Lost Opportunity	**17,107,120**	**15,905,000**	**10,410,843**	**14,479,658**	**12,468,319**	**9,448,615**	**13,084,740**	**10,319,845**	**6,970,000**	**16,584**	**17,572**	**10,750**	**21,714**	**10,655**	**8,771**	**9,354**	**6,293**	**5,293**
C&I LARGE RETROFIT																		
C&I RFP *	6,320,213	4,268,000	2,049,863	4,037,727	9,176,612	-	-	-	-	6,911	3,025	642	3,260	7,355	na	na	na	na
Energy Opportunities* Note 5	1,188,615	1,052,486	766,397	777,245	1,026,898	9,081,115	22,928,130	15,220,000	5,300,000	1,450	2,204	1,286	1,426	2,431	15,295	17,675	8,493	5,766
O&M (Service, RetroCx)*	2,822,027	617,000	450,905	933,762	1,833,005	1,435,302	1,113,822	1,890,000	1,212,714	2,498	548	142	774	2,208	504	432	528	231
Prime*									200,000								-	-
Municipal Energy & Schools Note 6	4,385,010	3,663,000	2,288,449	6,718,880	4,401,007	-	-	-	-	2,947	2,941	1,219	761	1,147	na	na	na	na
Total - C&I Large Retrofit	**14,715,865**	**9,600,486**	**5,555,614**	**12,467,614**	**16,437,522**	**10,516,418**	**24,041,952**	**17,110,000**	**6,712,714**	**13,806**	**8,718**	**3,290**	**6,221**	**13,141**	**15,799**	**18,108**	**9,021**	**5,997**
Small Business*	2,437,151	2,812,000	2,167,157	3,263,609	2,710,538	7,497,147	10,204,353	7,460,000	5,962,380	2,285	2,352	2,430	3,354	2,349	8,497	9,310	5,867	5,271
Subtotal C&I	**34,260,136**	**28,317,486**	**18,133,614**	**30,210,881**	**31,616,379**	**27,462,179**	**47,331,045**	**34,889,845**	**19,645,094**	**32,675**	**28,642**	**16,470**	**31,289**	**26,145**	**33,066**	**36,772**	**21,180**	**16,561**
OTHER -EDUCATION																		
Smart Living Center	1,050,950	891,000	292,526	61,519	80,760	86,739	207,200	100,000	100,000									
Science Center					200,000	207,200	67,142	200,000	200,000									
Smart Living Catalog									-									
EESmarts* (K - 12 Education)	159,303	215,000	249,053	61,542	242,897	159,987	232,784	200,000	200,000									
EE Communities*									100,000									
Community Based Program (SWCT)*	84,377	507,000	73,081	96,251	168,371	201,382	212,080	-	-									
Subtotal Education	**1,294,630**	**1,613,000**	**614,660**	**219,313**	**692,029**	**655,308**	**719,205**	**500,000**	**600,000**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
OTHER -PROGRAMS/REQUIREMENTS																		
Institute for Sustainable Energy (ECSU)	500,000	1,200,000	950,000	716,000	404,391	242,000	240,000	240,000	400,000									
Energy Conservation Loan Fund*									-									
Residential Loan Program*									150,000									
C&I Loan Program*									200,000									
C&LM Loan Defaults	-	-	-	139,710	128,126	71,592	57,267	90,000	100,000									
Subtotal Other Programs/Requirements	**500,000**	**1,200,000**	**950,000**	**855,710**	**532,517**	**313,592**	**297,267**	**330,000**	**850,000**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
OTHER - LOAD MANAGEMENT																		
ISO Load Response Program	1,270,440	1,722,000	2,436,621	140,233	1,411,769	1,241,601	491,060	480,000	350,000	-	-	45,951	29,900	60,755	23,576	16,467	14,000	10,000
Demand Reduction	-	-	-	118,454	62,067	12,663	9,513	-	-	-	-	-	263	160	43	-	-	-
Power Factor	-	-	-	33,000	477,007	123,615	144,901	350,000	-	-	-	-	531	15,401	4,133	4,412	-	-
Wait Until 8:00	-	-	-	209,639	100,000	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal Load Management	**1,270,440**	**1,722,000**	**2,436,621**	**501,325**	**2,050,842**	**1,377,879**	**645,473**	**830,000**	**350,000**	**-**	**-**	**45,951**	**30,694**	**76,316**	**27,752**	**20,879**	**14,000**	**201,593**
OTHER - RENEWABLES & RD&D																		
Renewables Incentives	-	-	-	7,898	3,019	-	-	-	-	-	-	-	-	-				-
Research, Development & Demonstration*	5,066,146	3,943,000	1,721,585	1,117,495	625,597	(22,769)	131,220	350,000	150,000									
Subtotal Renewables & RD&D	**5,066,146**	**3,943,000**	**1,721,585**	**1,125,393**	**628,616**	**(22,769)**	**131,220**	**350,000**	**150,000**	**-**	**-**	**-**	**-**	**-**				**-**
OTHER - ADMINISTRATIVE & PLANNING																		
Administration	1,325,247	931,000	2,330,603	852,550	504,237	728,465	663,411	720,000	720,000									
General Awareness - Take Charge									-									
Planning and Evaluation	1,589,736	1,304,000	812,535	827,799	2,008,477	1,138,717	750,975	1,230,000	1,480,000									
Information Technology	1,070,723	1,278,000	307,548	701,153	811,572	1,812,738	1,656,432	1,500,000	1,500,000									
ECMB	99,128	58,000	247,321	98,984	316,021	255,176	309,122	380,000	380,000									
Audit	-	-	-	-	294,459	-	-	-	-									
Performance Management Fee	4,120,100	3,486,900	2,180,501	3,937,752	3,866,548	4,056,741	4,788,385	3,214,225	2,385,865									
General Awareness	-	-	-	-	284,419	67,020	420,292	384,000										
Admin/Planning Expenditures	**8,204,934**	**7,057,900**	**5,878,508**	**6,418,238**	**8,085,732**	**8,058,857**	**8,588,618**	**7,428,225**	**6,465,865**	**-**	**-**	**-**	**-**	**-**				**-**
PROGRAM SUB-TOTALS																		
Residential	20,166,430	17,662,400	9,455,646	14,888,079	17,405,250	18,672,027	20,578,286	23,990,664	23,092,212	6,388	7,188	3,479	10,574	11,854	12,089	9,771	12,884	11,787
C&I	35,757,641	30,319,086	20,643,357	30,673,832	33,785,174	29,010,715	48,131,070	35,869,845	20,375,094	32,675	28,642	62,421	61,983	102,462	60,818	57,652	35,180	26,561
Other Note 7	13,771,080	12,200,900	8,550,093	8,259,631	9,118,739	8,278,087	8,959,838	8,018,225	7,015,865	-	-	-	-	-	-	-	-	-
TOTAL (includes ISO Load Response)	**69,695,151**	**60,182,386**	**38,649,096**	**53,821,542**	**60,309,163**	**55,960,829**	**77,669,194**	**67,878,734**	**50,483,171**	**39,063**	**35,829**	**65,900**	**72,557**	**114,315**	**72,906**	**67,423**	**48,064**	**38,348**
TOTAL (excludes ISO Load Response)	**68,424,711**	**58,460,386**	**36,212,475**	**53,681,310**	**58,897,394**	**54,719,228**	**77,178,134**	**67,398,734**	**50,133,171**	**39,063**	**35,829**	**19,949**	**42,657**	**53,560**	**49,330**	**50,956**	**34,064**	**28,348**

Note 1: Includes Residential Lighting, Smart Living Catalog and Clothes Washers programs.
Note 2: Includes demand savings from the GEO Thermal Heat Pump and Heat Pump Water Heater programs.
Note 3: Includes demand savings from the Spectrum Heat program. In 2007, Residential HVAC program renamed "Home Energy Solutions" and is comprised of HVAC, Duct Sealing, Lighting, Energy Conservation Loan and Residential Audits
Note 4: Includes demand savings from the Custom Services program.
Note 5: Includes demand savings from the Express program.
Note 6: Includes demand savings from the State Buildings programs.
Note 7: ISO Load Management Programs Load Savings kW are included in yearly totals

Table D1
CL&P Historical and Projected Annual kWh and Lifetime kWh

Based on Currently Available Information

	Annual Savings kWh (000's)									Lifetime Savings kWh (000's)								
RESIDENTIAL	2001 Actual	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Goal	2009 Goal	2001 Actual	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Goal	2009 Goal
Retail Products* Note 1	54,016	41,603	12,365	70,088	59,864	64,556	71,908	52,864	69,871	730,727	523,456	138,487	653,176	453,814	495,351	515,108	426,956	544,713
Appliance Retirement*	-	-	-	4,577	7,653	3,197	-	719	na	-	-	-	22,377	37,789	15,977	-	4,655	na
Customer Initiated Projects	-	-	-	284	476	-	-	-	na	-	-	-	4,713	8,040	-	-	-	na
Total - Consumer Products	**54,016**	**41,603**	**12,365**	**74,949**	**67,993**	**67,753**	**71,908**	**53,583**	**69,871**	**730,727**	**523,456**	**138,487**	**680,267**	**499,643**	**511,329**	**515,108**	**431,612**	**544,713**
Residential New Construction* Note 2	1,159	1,653	1,052	547	2,551	3,449	1,510	1,877	917	24,147	60,409	21,782	9,114	34,399	43,764	19,431	21,012	22,501
Home Energy Solutions (HVAC, Duct Sealing, Lighting)* Note 3	7,233	5,353	576	1,343	1,862	5,324	7,868	10,581	15,807	116,287	92,890	10,791	25,460	34,238	60,493	89,643	134,312	183,125
Limited-Income (WRAP/UI Helps)*	7,491	8,642	4,971	8,554	8,757	9,604	11,163	12,667	13,275	124,899	144,198	84,526	135,997	107,224	105,089	109,864	135,002	123,749
Subtotal RESIDENTIAL	**69,900**	**57,252**	**18,964**	**85,394**	**81,163**	**86,130**	**92,449**	**78,708**	**99,870**	**996,061**	**820,953**	**255,586**	**850,837**	**675,504**	**720,674**	**734,045**	**721,937**	**874,088**
COMMERCIAL & INDUSTRIAL																		
C&I LOST OPPORTUNITY																		
Energy Conscious Blueprint * Note 4	75,507	72,372	41,942	80,147	60,129	47,925	44,217	36,220	24,458	1,339,508	1,235,501	741,610	1,344,801	1,023,516	812,823	704,845	491,531	376,476
Total - Lost Opportunity	**75,507**	**72,372**	**41,942**	**80,147**	**60,129**	**47,925**	**44,217**	**36,220**	**24,458**	**1,339,508**	**1,235,501**	**741,610**	**1,344,801**	**1,023,516**	**812,823**	**704,845**	**491,531**	**376,476**
C&I LARGE RETROFIT																		
C&I RFP *	40,444	18,394	3,447	20,606	45,530	-	-	-	na	670,581	310,940	60,381	362,541	811,018	na	na	na	na
Energy Opportunities* Note 5	6,981	9,821	5,785	5,832	11,656	94,067	103,936	44,034	41,258	109,947	123,330	96,507	99,608	156,284	1,664,677	1,466,673	627,553	583,912
O&M (Service, RetroCx)*	15,436	3,610	991	3,553	9,124	4,301	3,388	8,686	13,456	161,537	33,643	10,201	38,613	101,711	62,462	46,154	122,557	107,645
Prime*								-	1,536									7,682
Municipal Energy & Schools Note 6	14,574	11,380	6,220	4,120	15,658	-	-	-	na	190,368	175,864	98,804	69,386	269,524	na	na	na	na
Total - C&I Large Retrofit	**77,435**	**43,205**	**16,444**	**34,111**	**81,969**	**98,368**	**107,324**	**52,721**	**56,250**	**1,132,433**	**643,777**	**265,893**	**570,149**	**1,338,537**	**1,727,139**	**1,512,827**	**750,110**	**699,239**
Small Business*	11,639	11,798	13,109	19,269	13,428	32,492	37,334	25,877	21,850	188,619	192,412	221,042	328,965	233,226	561,280	468,516	334,300	274,309
Subtotal C&I	**164,581**	**127,375**	**71,494**	**133,528**	**155,525**	**178,785**	**188,875**	**114,818**	**102,557**	**2,660,560**	**2,071,691**	**1,228,545**	**2,243,914**	**2,595,279**	**3,101,242**	**2,686,189**	**1,575,941**	**1,350,025**
OTHER -EDUCATION																		
Smart Living Center																		
Science Center																		
Smart Living Catalog																		
EESmarts* (K - 12 Education)																		
EE Communities*																		
Community Based Program (SWCT)*																		
Subtotal Education	-	-	-	-	-	-	-	-	-	-	-	-	-	-				-
OTHER -PROGRAMS/REQUIREMENTS																		
Institute for Sustainable Energy (ECSU)																		
Energy Conservation Loan Fund*																		
Residential Loan Program*																		
C&I Loan Program*																		
C&LM Loan Defaults																		
Subtotal Other Programs/Requirements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OTHER - LOAD MANAGEMENT																		
ISO Load Response Program	-	-	670	-	-	-	-	-	-	-	-	6,700	-	-	-	-	-	-
Demand Reduction	-	-	-	962	130	2	-	-		-	-	-	9,623	1,886	25	-	-	
Power Factor	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-	-	
Wait Until 8:00	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-	-	
Subtotal Load Management	**-**	**-**	**670**	**962**	**130**	**2**	**-**	**-**	**-**	**-**	**-**	**6,700**	**9,623**	**1,886**	**25**	**-**	**-**	**-**
OTHER - RENEWABLES & RD&D																		
Renewables Incentives	-	-	-	-	-				-	-	-	-	-	-				-
Research, Development & Demonstration*																		
Subtotal Renewables & RD&D	-	-	-	-	-				-	-	-	-	-	-				-
OTHER - ADMINISTRATIVE & PLANNING																		
Administration																		
General Awareness - Take Charge																		
Planning and Evaluation																		
Information Technology																		
ECMB																		
Audit																		
Performance Management Fee																		
General Awareness																		
Admin/Planning Expenditures	-	-	-	-	-				-	-	-	-	-	-				-
PROGRAM SUB-TOTALS																		
Residential	69,900	57,252	18,964	85,394	81,163	86,130	92,449	78,708	99,870	996,061	820,953	255,586	850,837	675,504	720,674	734,045	721,937	874,088
C&I	164,581	127,375	72,164	134,490	155,656	178,786	188,875	114,818	102,557	2,660,560	2,071,691	1,235,245	2,253,537	2,597,165	3,101,267	2,686,189	1,575,941	1,350,025
Other Note 7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL (includes ISO Load Response)	**234,481**	**184,627**	**91,128**	**219,884**	**236,818**	**264,916**	**281,323**	**193,526**	**202,427**	**3,656,621**	**2,892,644**	**1,490,831**	**3,104,374**	**3,272,670**	**3,821,941**	**3,420,234**	**2,297,878**	**2,224,113**
TOTAL (excludes ISO Load Response)	**234,481**	**184,627**	**90,458**	**219,884**	**236,818**	**264,916**	**281,323**	**193,526**	**202,427**	**3,656,621**	**2,892,644**	**1,484,131**	**3,104,374**	**3,272,670**	**3,821,941**	**3,420,234**	**2,297,878**	**2,224,113**

Note 1: Includes Residential Lighting, Smart Living Catalog and Clothes Washers programs.
Note 2: Includes demand savings from the GEO Thermal Heat Pump and Heat Pump Water Heater programs.
Note 3: Includes demand savings from the Spectrum Heat program. In 2007, Residential HVAC program renamed "Home Energy Solutions" and is comprised of HVAC, Duct Sealing, Lighting, Energy Conservation Loan and Residential Audits.
Note 4: Includes demand savings from the Custom Services program.
Note 5: Includes demand savings from the Express program.
Note 6: Includes demand savings from the State Buildings programs.
Note 7: ISO Load Management Programs Load Savings kW are included in yearly totals

Table A
UI 2009 Proposed C&LM Budget

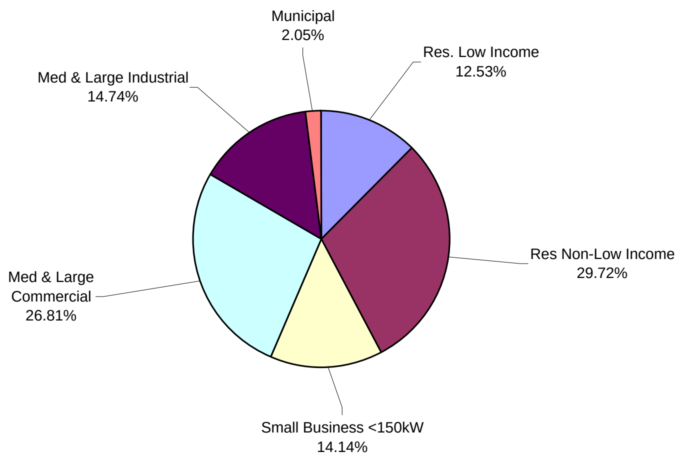
UI C&LM BUDGET	2007 UI FILED BUDGET 10/02/2006	2007 UI AMENDED BUDGET 06/15/2007	2008 UI PROPOSED BUDGET 10/01/2007	2008 UI AMENDED BUDGET 06/19/2008	2009 UI PROPOSED BASE BUDGET 10/01/2008	2009 UI PROPOSED BUDGET WITH RGGI MODERATE 10/01/2008	2009 UI PROPOSED BUDGET WITH IRP 10/01/2008
RESIDENTIAL							
Retail Products*	$ 1,250,000	$ 1,238,383	$ 1,238,383	$ 1,208,383	$ 1,703,277	$ 2,108,981	$ 2,151,477
Appliance Retirement*	$ -	$ -	$ 750,000	$ 550,000	$ -	$ -	$ -
Total - Consumer Products	**$ 1,250,000**	**$ 1,238,383**	**$ 1,988,383**	**$ 1,758,383**	**$ 1,703,277**	**$ 2,108,981**	**$ 2,151,477**
Residential New Construction*	$ 400,000	$ 396,283	$ 396,283	$ 396,283	$ 404,314	$ 500,618	$ 510,705
Home Energy Solutions*	$ 1,061,857	$ 1,011,988	$ 2,087,473	$ 1,887,473	$ 2,477,018	$ 3,067,019	$ 3,128,820
Low Income (Energy Care & WRAP) / UI Helps*	$ 1,235,381	$ 1,223,900	$ 1,558,400	$ 1,558,400	$ 2,267,596	$ 2,807,715	$ 2,864,290
Subtotal RESIDENTIAL	**$ 3,947,238**	**$ 3,870,554**	**$ 6,030,539**	**$ 5,600,539**	**$ 6,852,205**	**$ 8,484,333**	**$ 8,655,292**
COMMERCIAL & INDUSTRIAL							
C&I LOST OPPORTUNITY							
Energy Blueprint / Energy Conscious Construction *	$ 2,949,126	$ 2,921,718	$ 2,921,718	$ 2,626,718	$ 3,342,789	$ 4,139,008	$ 4,222,409
Total - Lost Opportunity	**$ 2,949,126**	**$ 2,921,718**	**$ 2,921,718**	**$ 2,626,718**	**$ 3,342,789**	**$ 4,139,008**	**$ 4,222,409**
C&I LARGE RETROFIT							
Energy Opportunities	$ 1,949,868	$ 1,931,747	$ 3,422,328	$ 3,172,328	$ 3,887,138	$ 4,813,016	$ 4,909,998
O&M (RetroCx, BOC, RFP)	$ 285,000	$ 322,351	$ 362,351	$ 322,351	$ 460,327	$ 569,972	$ 581,457
PRIME	$ -	$ -	$ -	$ -	$ 50,000	$ 50,000	$ 50,000
Total - C&I Large Retrofit	**$ 2,234,868**	**$ 2,254,098**	**$ 3,784,679**	**$ 3,494,679**	**$ 4,397,465**	**$ 5,432,988**	**$ 5,541,455**
Small Business*	$ 1,423,845	$ 1,410,612	$ 2,010,612	$ 2,010,612	$ 2,558,726	$ 3,168,189	$ 3,232,028
Subtotal C&I	**$ 6,607,839**	**$ 6,586,428**	**$ 8,717,009**	**$ 8,132,009**	**$ 10,298,980**	**$ 12,740,186**	**$ 12,995,893**
OTHER -EDUCATION							
Smart Living Center	$ 334,559	$ 334,559	$ 334,246	$ 334,246	$ 434,246	$ 434,246	$ 434,246
Community Outreach	$ -	$ -	$ -	$ -	$ 50,000	$ 50,000	$ 50,000
K - 8 Education*	$ 281,183	$ 281,183	$ 282,202	$ 282,202	$ 382,202	$ 382,202	$ 382,202
Subtotal Education	**$ 615,742**	**$ 615,742**	**$ 616,448**	**$ 616,448**	**$ 866,448**	**$ 866,448**	**$ 866,448**
OTHER -PROGRAMS/REQUIREMENTS							
Education and Outreach (ISE,Others)	$ 55,822	$ 55,822	$ 45,000	$ 80,000	$ 100,000	$ 100,000	$ 100,000
Residential Loan Program					$ 25,000	$ 25,000	$ 25,000
C&I Loan Program					$ 50,000	$ 50,000	$ 50,000
C&LM Loan Defaults	$ 4,652	$ 4,652	$ 4,700	$ 4,700	$ 4,700	$ 4,700	$ 4,700
Subtotal Programs/Requirements	**$ 60,474**	**$ 60,474**	**$ 49,700**	**$ 84,700**	**$ 179,700**	**$ 179,700**	**$ 179,700**
OTHER - LOAD MANAGEMENT							
ISO Load Response Program Support	$ 24,570	$ 24,570	$ -	$ -	$ -	$ -	$ -
Water Heater Timer Promotion	$ 100,000	$ 100,000	$ 100,000	$ -	$ -	$ -	$ -
Subtotal Load Management	**$ 124,570**	**$ 124,570**	**$ 100,000**	**$ -**	**$ -**	**$ -**	**$ -**
OTHER - RENEWABLES & RD&D							
Research, Development & Demonstration	$ 125,000	$ 125,000	$ 125,000	$ 125,000	$ 125,000	$ 125,000	$ 125,000
Subtotal Renewables & RD&D	**$ 125,000**	**$ 125,000**	**$ 125,000**	**$ 125,000**	**$ 125,000**	**$ 125,000**	**$ 125,000**
OTHER - ADMINISTRATIVE & PLANNING							
Administration	$ 353,759	$ 353,759	$ 450,000	$ 450,000	$ 535,000	$ 535,000	$ 535,000
Planning and Evaluation	$ 322,340	$ 322,340	$ 334,000	$ 334,000	$ 348,000	$ 348,000	$ 348,000
Evaluation, Outside Services	$ 211,000	$ 271,000	$ 259,000	$ 259,000	$ 245,000	$ 245,000	$ 245,000
Information Technology	$ 242,857	$ 242,857	$ 243,000	$ 243,000	$ 243,000	$ 243,000	$ 243,000
ECMB	$ 210,000	$ 210,000	$ 210,000	$ 210,000	$ 210,000	$ 210,000	$ 210,000
Audit	$ 65,000	$ -	$ -	$ -	$ -	$ -	$ -
2007 Performance Management Fee	$ 630,541	$ 633,636	$ -	$ -	$ -	$ -	$ -
2008 Performance Management Fee	$ -	$ -	$ 851,235	$ 794,235			
2009 Performance Management Fee	$ -	$ -			$ 984,667	$ 1,188,333	$ 984,667
General Awareness	$ -	$ 100,000	$ 100,000	$ -	$ -	$ -	$ -
Admin/Planning Expenditures	**$ 2,035,497**	**$ 2,133,592**	**$ 2,447,235**	**$ 2,290,235**	**$ 2,565,667**	**$ 2,769,333**	**$ 2,565,667**
PROGRAM SUB-TOTALS							
Residential	$ 4,596,068	$ 4,599,384	$ 6,760,138	$ 6,150,138	$ 7,646,804	$ 9,278,932	$ 9,449,891
C&I	$ 6,703,973	$ 6,702,562	$ 8,808,558	$ 8,203,558	$ 10,450,529	$ 12,891,735	$ 13,147,442
Other**	$ 2,216,319	$ 2,214,414	$ 2,517,235	$ 2,495,235	$ 2,790,667	$ 2,994,333	$ 2,790,667
TOTAL C&LM BUDGET	**$ 13,516,360**	**$ 13,516,360**	**$ 18,085,931**	**$ 16,848,931**	**$ 20,888,000**	**$ 25,165,000**	**$ 25,388,000**
Docket 05-07-14PH01 Programs							
Load Curtailment	$ 1,232,500	$ 1,232,500	$ 4,323,945	$ 3,785,563	$ 3,241,385	$ 3,241,385	$ 3,241,385
Direct Load Control			$ 700,000	$ -	$ -	$ -	$ -
Energy Opportunities	$ -	$ 2,041,625	$ -	$ -	$ -	$ -	$ -
Residential HVAC	$ -	$ 1,423,893	$ -	$ -	$ -	$ -	$ -
General Awareness	$ 60,000	$ 60,000	$ 60,000	$ -	$ -	$ -	$ -
Subtotal Docket 05-07-14PH01 Programs	$ 1,292,500	$ 4,758,018	$ 5,083,945	$ 3,785,563	$ 3,241,385	$ 3,241,385	$ 3,241,385
TOTAL	$ 14,808,860	$ 18,274,378	$ 23,169,876	$ 20,634,494	$ 24,129,385	$ 28,406,385	$ 28,629,385

***** Joint CL&P/UI Programs
****** OTHER -EDUCATION is primarily allocated to residential programs.

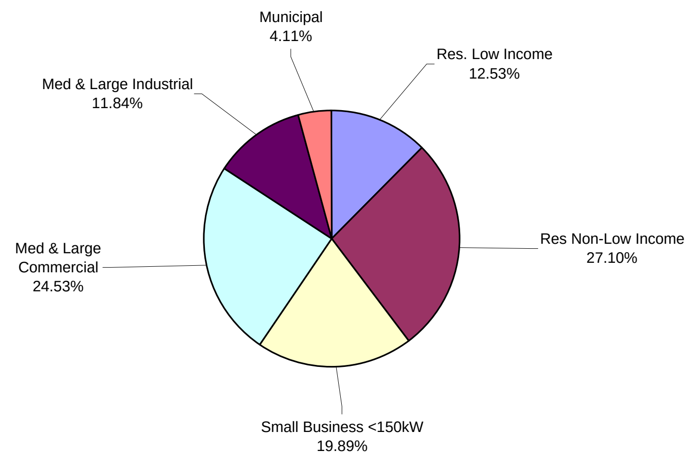
Totals may vary due to rounding

THE UNITED ILLUMINATING COMPANY
2009 CONSERVATION & LOAD MANAGEMENT BUDGET PIES
TABLE A

C&LM Budget By Customer Class



C&LM Revenue By Customer Class



Customer Class		Budget	% of Total C&LM Budget	% of Residential & C&I Budget	% of Residential & C&I Revenue	Difference
Res. Low Income	$	2,267,596	10.86%	12.53%	12.53%	0.00%
Res Non-Low Income	$	5,379,208	25.75%	29.72%	27.10%	2.62%
Residential Sub-total	$	7,646,804	36.61%	42.25%	39.63%	2.62%
Small Business <150kW	$	2,558,726	12.25%	14.14%	19.89%	-5.75%
Med & Large Commercial	$	4,852,082	23.23%	26.81%	24.53%	2.28%
Med & Large Industrial	$	2,668,221	12.77%	14.74%	11.84%	2.90%
Municipal	$	371,500	1.78%	2.05%	4.11%	-2.06%
C & I Sub-total	$	10,450,529	50.03%	57.75%	60.37%	-2.62%
Sub-total for Residential and C&I	$	18,097,333	86.64%	100.00%	100.00%	0.00%
Other Expenditures	$	2,790,667	13.36%			
Other Expenditures Sub-total	$	2,790,667	13.36%			
GRAND TOTAL *	**$**	**20,888,000**	**100%**			

Totals may vary due to rounding

THE UNITED ILLUMINATING COMPANY
2009 CONSERVATION & LOAD MANAGEMENT
COMPARISON OF UI CONSERVATION PROGRAMS
TABLE B

Program	2008 Amended Budget 6/19/08	Utility Costs 2009	Customer Cost 2009	Total Resource Cost 2009	Electric System Benefit 2009	Resource Benefit 2009	Electric System B/C Ratio	Total Resource B/C Ratio	Goals/# Units	Units of Measure	Annualized Savings kWh	Lifetime Savings kWh	Load Savings kW	Demand Cost $/kW	Demand Cost $/kW yr	Utility Cost Rate $/kWh Annualized	Utility Cost Rate $/kWh Lifetime
Retail Products*	$ 1,208,383	$ 1,703,277	$ 2,089,827	$ 3,793,104	$ 12,279,888	$ 15,619,596	7.21	4.12	783,483	Bulbs, Fixtures & Washers	20,769,532	102,886,487	1,968.4	$ 865	$ 175	$ 0.082	$ 0.017
TOTAL - CONSUMER PRODUCTS	**$ 1,758,383**	**$ 1,703,277**	**$ 2,089,827**	**$ 3,793,104**	**$ 12,279,888**	**$ 15,619,596**					**20,769,532**	**102,886,487**	**1,968.4**				
Residential New Construction *	$ 396,283	$ 404,314	$ 1,066,546	$ 1,470,860	$ 705,084	$ 8,076,767	1.74	5.49	154	No of Homes	469,501	6,287,006	98.2	$ 4,119	$ 308	$ 0.861	$ 0.064
Home Energy Solutions *	$ 1,887,473	$ 2,477,018	$ 3,769,327	$ 6,246,345	$ 3,899,232	$ 6,774,928	1.57	1.08	2,650	No of Homes	3,942,672	29,700,226	667.1	$ 3,713	$ 493	$ 0.628	$ 0.083
Low Income (Energy Care & WRAP)/UI Helps*	$ 1,558,400	$ 2,267,596	$ -	$ 2,267,596	$ 4,737,338	$ 9,634,012	2.09	4.25	6,250	Customers	6,367,605	43,965,504	551.5	$ 4,112	$ 596	$ 0.356	$ 0.052
SUB-TOTAL RESIDENTIAL	**$ 5,600,539**	**$ 6,852,205**	**$ 6,925,700**	**$ 13,777,905**	**$ 21,621,542**	**$ 40,105,304**					**31,549,310**	**182,839,224**	**3,285.2**				
Energy Blueprint/Energy Conscious Construction * (a)	$ 2,626,718	$ 3,342,789	$ (43,261)	$ 3,299,528	$ 18,024,501	$ 21,910,589	5.39	6.64	150	Projects	11,368,213	170,966,636	1,668.7	$ 2,003	$ 133	$ 0.294	$ 0.020
TOTAL - LOST OPPORTUNITY	**$ 2,626,718**	**$ 3,342,789**	**$ (43,261)**	**$ 3,299,528**	**$ 18,024,501**	**$ 21,910,589**					**11,368,213**	**170,966,636**	**1,668.7**				
Energy Opportunities	$ 3,172,328	$ 3,887,138	$ 6,014,080	$ 9,901,218	$ 27,148,800	$ 32,443,338	6.98	3.28	150	Projects	18,723,280	251,286,370	2,794.9	$ 1,391	$ 104	$ 0.208	$ 0.015
O&M																	
Services (BOC, Training, RetroX,PRIME) *	$ 322,351	$ 510,327		$ 510,327	$ 1,742,845	$ 2,172,903	3.42	4.26	30	Projects	2,653,000	13,265,000	75.8	$ 6,733	$ 1,347	$ 0.192	$ 0.038
TOTAL - C&I LARGE RETROFIT	**$ 3,494,679**	**$ 4,397,465**	**$ 6,014,080**	**$ 10,411,545**	**$ 28,891,645**	**$ 34,616,241**					**21,376,280**	**264,551,370**	**2,870.7**				
Small Business *	$ 2,010,612	$ 2,558,726	$ 3,609,370	$ 6,168,096	$ 14,946,715	$ 17,610,589	5.84	2.86	450	Projects	10,544,242	121,345,887	2,212.4	$ 1,157	$ 100	$ 0.243	$ 0.021
SUB-TOTAL C&I	**$ 8,132,009**	**$ 10,298,980**	**$ 9,580,189**	**$ 19,879,169**	**$ 61,862,861**	**$ 74,137,420**					**43,288,735**	**556,863,892**	**6,751.7**				
SmartLiving Center	$ 334,246	$ 434,246							12,500	Customers							
Community Outreach		$ 50,000															
K-8 Education *	$ 282,202	$ 382,202							950	Curriculum							
SUB-TOTAL EDUCATION	**$ 616,448**	**$ 866,448**															
Education and Outreach	$ 80,000	$ 100,000															
Residential Loan Program		$ 25,000															
C&I Loan Program		$ 50,000															
C&LM Loan Defaults	$ 4,700	$ 4,700															
SUB-TOTAL PROGRAMS/REQUIREMENTS	**$ 84,700**	**$ 179,700**															
Research, Development & Demonstration	$ 125,000	$ 125,000															
SUB-TOTAL RENEWABLES AND RD&D	**$ 125,000**	**$ 125,000**															
Administration	$ 450,000	$ 535,000															
Planning & Evaluation	$ 334,000	$ 348,000															
Evaluation, Outside Services	$ 259,000	$ 245,000															
Information Technology	$ 243,000	$ 243,000															
ECMB	$ 210,000	$ 210,000															
2008 Performance Management Fee	$ 794,235																
2009 Performance Management Fee	$ -	$ 984,667															
General Awareness	$ -	$ -															
SUB-TOTAL ADMIN & PLANNING	**$ 2,290,235**	**$ 2,565,667**															
PROGRAM SUB-TOTALS																	
RESIDENTIAL	**$ 6,150,138**	**$ 7,646,804**		**$ 13,777,905**	**$ 21,621,542**	**$ 40,105,304**											
COMMERCIAL & INDUSTRIAL	**$ 8,203,558**	**$ 10,450,529**		**$ 19,879,169**	**$ 61,862,861**	**$ 74,137,420**											
OTHER **	**$ 2,495,235**	**$ 2,790,667**		**$ -**	**$ -**	**$ -**											
TOTAL C&LM BUDGET Note 2	**$ 16,848,931**	**$ 20,888,000**		**$ 33,657,074**	**$ 83,484,403**	**$ 114,242,724**					**74,838,045**	**739,703,116**	**10,036.8**	**$ 2,081**	**$ 211**	**$ 0.279**	**$ 0.028**

Notes:
(a) Energy Blueprint includes Motors and Cool Choice

* Joint CL&P and UI Programs
** Other - Education is primarily allocated to Residential Programs

Totals may vary due to rounding

THE UNITED ILLUMINATING COMPANY
2009 CONSERVATION & LOAD MANAGEMENT
COMPARISON OF UI CONSERVATION PROGRAMS
INCLUDES DRIPE AND CO_2
TABLE B1

	Electric System				Non-Electric Benefits				
Program	Energy Benefits	Capacity Benefits	DRIPE	Electric System Benefits 2009	Resource Benefits	Non-Resource Benefits	Emmissions Benefits	Total Non-Electric Benefits	Total Resource Benefits 2009
Retail Products*	$ 8,238,183	$ 949,185	$ 3,092,521	$ 12,279,888	$ 48,572	$ -	$ 3,291,136	$ 3,339,708	$ 15,619,596
TOTAL - CONSUMER PRODUCTS	**$ 8,238,183**	**$ 949,185**	**$ 3,092,521**	**$ 12,279,888**	**$ 48,572**	**$ -**	**$ 3,291,136**	**$ 3,339,708**	**$ 15,619,596**
Residential New Construction *	$ 411,397	$ 197,654	$ 96,032	$ 705,084	$ 7,242,156	$ -	$ 129,527	$ 7,371,683	$ 8,076,767
Home Energy Solutions *	$ 2,229,220	$ 915,953	$ 754,059	$ 3,899,232	$ 2,062,806	$ -	$ 812,890	$ 2,875,696	$ 6,774,928
Low Income (Energy Care & WRAP)/UI Helps*	$ 3,347,203	$ 336,299	$ 1,053,835	$ 4,737,338	$ 3,643,681	$ -	$ 1,252,994	$ 4,896,675	$ 9,634,012
SUB-TOTAL RESIDENTIAL	**$ 14,226,003**	**$ 2,399,092**	**$ 4,996,447**	**$ 21,621,542**	**$ 12,997,215**	**$ -**	**$ 5,486,548**	**$ 18,483,762**	**$ 40,105,304**
Energy Blueprint/Energy Conscious Construction *	$ 12,655,247	$ 2,896,384	$ 2,472,870	$ 18,024,501	$ (214,718)	$ 393,087	$ 3,707,719	$ 3,886,088	$ 21,910,589
TOTAL - LOST OPPORTUNITY	**$ 12,655,247**	**$ 2,896,384**	**$ 2,472,870**	**$ 18,024,501**	**$ (214,718)**	**$ 393,087**	**$ 3,707,719**	**$ 3,886,088**	**$ 21,910,589**
Energy Opportunities	$ 18,823,151	$ 4,288,538	$ 4,037,112	$ 27,148,800	$ (861,576)	$ 388,556	$ 5,767,558	$ 5,294,538	$ 32,443,338
O&M									
Services (BOC, Training, RetroX) *	$ 1,223,002	$ 35,233	$ 484,609	$ 1,742,845	$ -	$ -	$ 430,058	$ 430,058	$ 2,172,903
TOTAL - C&I LARGE RETROFIT	**$ 20,046,153**	**$ 4,323,771**	**$ 4,521,721**	**$ 28,891,645**	**$ (861,576)**	**$ 388,556**	**$ 6,197,616**	**$ 5,724,596**	**$ 34,616,241**
Small Business *	$ 9,434,952	$ 3,078,719	$ 2,433,043	$ 14,946,715	$ (601,318)	$ 270,982	$ 2,994,210	$ 2,663,874	$ 17,610,589
SUB-TOTAL C&I	**$ 42,136,352**	**$ 10,298,874**	**$ 9,427,635**	**$ 61,862,861**	**$ (1,677,611)**	**$ 1,052,625**	**$ 12,899,545**	**$ 12,274,559**	**$ 74,137,420**
TOTAL C&LM BUDGET	**$ 56,362,355**	**$ 12,697,966**	**$ 14,424,082**	**$ 83,484,403**	**$ 11,319,603**	**$ 1,052,625**	**$ 18,386,092**	**$ 30,758,321**	**$ 114,242,724**

THE UNITED ILLUMINATING COMPANY
2009 CONSERVATION & LOAD MANAGEMENT
TABLE C

PROGRAM NAME	UI Labor	Materials & Supplies	Outside Services	Contractor Labor	Incentives	Marketing	Other (b)	Administrative Expenses	TOTAL
Retail Products *	$ 217,713	$ 15,130	$ 183,982	$ 69,674	$ 1,039,827	$ 139,677	$ 12,174	$ 25,100	$ 1,703,277
Appliance Retirement *	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL - CONSUMER PRODUCTS	**$ 217,713**	**$ 15,130**	**$ 183,982**	**$ 69,674**	**$ 1,039,827**	**$ 139,677**	**$ 12,174**	**$ 25,100**	**$ 1,703,277**
Residential New Construction *	$ 103,005	$ 4,000	$ 82,086	$ -	$ 177,802	$ 30,000	$ -	$ 7,421	$ 404,314
Home Energy Solutions*	$ 228,720	$ 4,759	$ 344,688	$ -	$ 1,583,953	$ 175,000	$ 127,473	$ 37,425	$ 2,502,018
Low Income (Energy Care & WRAP) / UI Helps *	$ 141,767	$ 19,274	$ 211,536	$ 45,000	$ 1,838,120	$ -	$ -	$ 11,899	$ 2,267,596
SUB-TOTAL RESIDENTIAL	**$ 691,205**	**$ 43,163**	**$ 822,292**	**$ 114,674**	**$ 4,639,702**	**$ 344,677**	**$ 139,647**	**$ 81,845**	**$ 6,877,205**
Energy Blueprint / Energy Conscious Construction * (a)	$ 519,776	$ 4,500	$ 57,000	$ 25,000	$ 2,618,013	$ 55,000	$ 20,000	$ 43,500	$ 3,342,789
TOTAL - LOST OPPORTUNITY	**$ 519,776**	**$ 4,500**	**$ 57,000**	**$ 25,000**	**$ 2,618,013**	**$ 55,000**	**$ 20,000**	**$ 43,500**	**$ 3,342,789**
Energy Opportunities	$ 522,900	$ 3,100	$ 76,000	$ 50,000	$ 3,088,188	$ 60,000	$ 3,000	$ 133,950	$ 3,937,138
O&M Services (RFP, BOC, Training, RetroX, PRIME) *	$ 43,771	$ 1,000	$ 242,000	$ -	$ 213,806	$ 4,000	$ 1,000	$ 4,750	$ 510,327
TOTAL - C&I LARGE RETROFIT	**$ 566,671**	**$ 4,100**	**$ 318,000**	**$ 50,000**	**$ 3,301,994**	**$ 64,000**	**$ 4,000**	**$ 138,700**	**$ 4,447,465**
Small Business *	$ 250,078	$ 4,000	$ 18,000	$ 20,000	$ 2,033,448	$ 32,000	$ 1,200	$ 200,000	$ 2,558,726
SUB-TOTAL C&I	**$ 1,336,525**	**$ 12,600**	**$ 393,000**	**$ 95,000**	**$ 7,953,455**	**$ 151,000**	**$ 25,200**	**$ 382,200**	**$ 10,348,980**
SmartLiving Center *	$ 54,973	$ 14,728	$ 13,285	$ 171,814	$ -	$ 15,000	$ 159,446	$ 5,000	$ 434,246
Community Outreach	$ -	$ 10,000	$ 20,000	$ -	$ -	$ 20,000	$ -	$ -	$ 50,000
K-8 Education *	$ 54,973	$ 12,000	$ 195,858	$ 39,160	$ 25,000	$ 47,411	$ -	$ 7,800	$ 382,202
SUB-TOTAL EDUCATION	**$ 109,946**	**$ 36,728**	**$ 229,143**	**$ 210,974**	**$ 25,000**	**$ 82,411**	**$ 159,446**	**$ 12,800**	**$ 866,448**
Education and Outreach	$ -	$ -	$ -	$ -	$ -	$ -	$ 100,000	$ -	$ 100,000
C&LM Loan Defaults	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,700	$ -	$ 4,700
SUB-TOTAL PROGRAMS/REQUIREMENTS	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 104,700**	**$ -**	**$ 104,700**
ISO Load Response Program	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Water Heater Timer Promotion	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
SUB-TOTAL LOAD MANAGEMENT	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Research, Development & Demonstration	$ -	$ -	$ 125,000	$ -	$ -	$ -	$ -	$ -	$ 125,000
SUB-TOTAL RENEWABLES AND RD&D	**$ -**	**$ -**	**$ 125,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 125,000**
Administration	$ 479,539	$ 2,500	$ 47,261	$ -	$ -	$ -	$ -	$ 5,700	$ 535,000
Planning & Evaluation	$ 345,696	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,304	$ 348,000
Evaluation, Outside Services	$ -	$ -	$ 245,000	$ -	$ -	$ -	$ -	$ -	$ 245,000
Information Technology	$ 44,992	$ 72,974	$ 107,208	$ 14,589	$ -	$ -	$ -	$ 3,237	$ 243,000
ECMB	$ -	$ -	$ 210,000	$ -	$ -	$ -	$ -	$ -	$ 210,000
General Awareness	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2009 Performance Management Fee	$ -	$ -	$ -	$ -	$ -	$ -	$ 984,667	$ -	$ 984,667
SUB-TOTAL ADMIN & PLANNING	**$ 870,227**	**$ 75,474**	**$ 609,469**	**$ 14,589**	**$ -**	**$ -**	**$ 984,667**	**$ 11,241**	**$ 2,565,667**
PROGRAM SUB-TOTALS									
RESIDENTIAL	$ 790,156	$ 74,945	$ 1,044,778	$ 291,285	$ 4,664,702	$ 420,088	$ 267,204	$ 93,645	$ 7,646,804
COMMERCIAL & INDUSTRIAL	$ 1,347,520	$ 17,546	$ 399,657	$ 129,363	$ 7,953,455	$ 158,000	$ 61,789	$ 383,200	$ 10,450,529
OTHER	$ 870,227	$ 75,474	$ 734,469	$ 14,589	$ -	$ -	$ 1,084,667	$ 11,241	$ 2,790,667
TOTAL C&LM BUDGET	**$ 3,007,903**	**$ 167,965**	**$ 2,178,904**	**$ 435,237**	**$ 12,618,157**	**$ 578,088**	**$ 1,413,660**	**$ 488,086**	**$ 20,888,000**

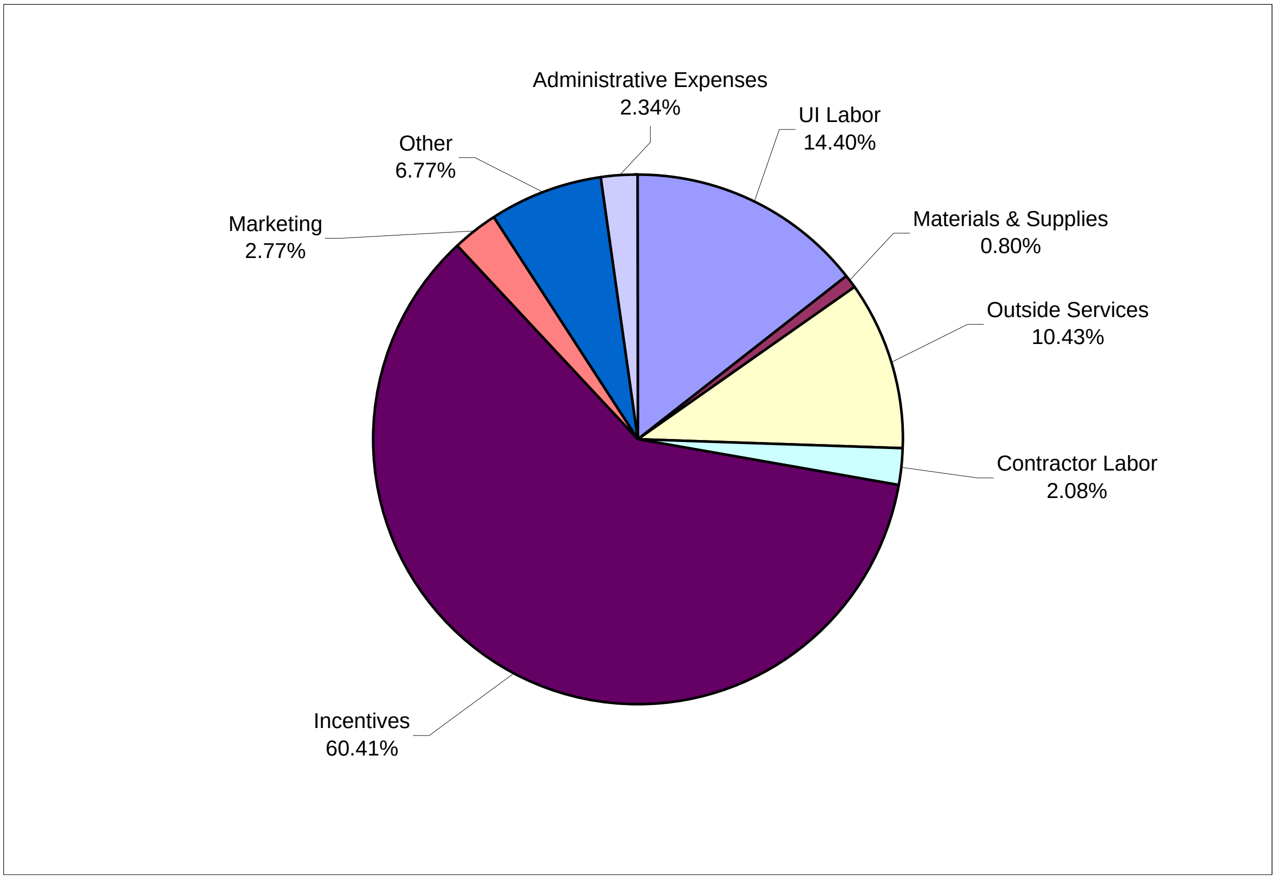
Notes:
(a) Energy Blueprint includes Motors and Cool Choice

(b) Other expenses include
- Performance Management Fee
- Smart Living Center Lease
- Smart Living Center Utilities
- ECSU
- Energy Conservation Loan Fund
- Neighborhood Housing Services
- C&LM Loan Defaults
- NEEP Participation
- Dues
- Postage
- Telephone Expense

* Joint CL&P and UI Programs

Totals may vary due to rounding

THE UNITED ILLUMINATING COMPANY
2009 CONSERVATION & LOAD MANAGEMENT
C&LM BUDGET BY EXPENSE CLASS



Expense Classes		Budget	% of Budget
UI Labor	$	3,007,903	14.40%
Materials & Supplies	$	167,965	0.80%
Outside Services	$	2,178,904	10.43%
Contractor Labor	$	435,237	2.08%
Incentives	$	12,618,157	60.41%
Marketing	$	578,088	2.77%
Other	$	1,413,660	6.77%
Administrative Expenses	$	488,086	2.34%
Total	$	20,888,000	100.00%

Totals may vary due to rounding

Table D

UI Historical and Projected kW and kWh

Load Savings kW

RESIDENTIAL	2000 Actual (Estimate)	2001 Actual (Estimate)	2002 Actual (Estimate)	2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Goal	2009 Goal	Total
Retail Products*	562	759	635	639	1,286	1,339	1,158	1,615	1,224	1,968	11,185
Appliance Retirement*	-	-	-	-	636	491	36	-	548	-	1,711
Customer Initiated Projects											
Total - Consumer Products	**562**	**759**	**635**	**639**	**1,922**	**1,830**	**1,194**	**1,615**	**1,772**	**1,968**	**12,896**
Residential New Construction*	67	62	69	25	173	212	231	290	196	98	1,422
Home Energy Solutions*	-	132	2,137	368	728	1,061	631	414	1,181	667	7,319
Low Income (Energy Care & WRAP) / UI Helps*	548	655	597	283	294	416	474	338	409	551	4,565
Subtotal RESIDENTIAL	**1,177**	**1,608**	**3,438**	**1,315**	**3,117**	**3,518**	**2,530**	**2,657**	**3,558**	**3,285**	**26,202**
COMMERCIAL & INDUSTRIAL											
C&I LOST OPPORTUNITY											
Energy Blueprint / Energy Conscious Construction *	4,440	5,134	3,761	3,815	4,180	4,367	4,685	2,622	1,975	1,669	36,647
Total - Lost Opportunity	**4,440**	**5,134**	**3,761**	**3,815**	**4,180**	**4,367**	**4,685**	**2,622**	**1,975**	**1,669**	**36,647**
C&I LARGE RETROFIT											
C&I RFP *	-	36	87	521	59	81	-	-	-	-	784
Energy Opportunities	3,724	4,799	2,467	2,191	3,180	3,850	3,345	3,993	2,661	2,795	33,004
O&M (RetroCx, BOC, RFP)	-	-	-	-	-	674	237	55	100	76	1,142
Municipal Energy & Schools	853	859	1,107	1,317	1,019	427	-	-	-	-	5,582
Total - C&I Large Retrofit	**4,577**	**5,694**	**3,661**	**4,029**	**4,258**	**5,032**	**3,582**	**4,048**	**2,761**	**2,871**	**40,512**
Small Business*	554	683	659	1,031	1,035	1,963	1,661	2,008	1,717	2,212	13,524
Subtotal C&I	**9,571**	**11,511**	**8,081**	**8,875**	**9,473**	**11,362**	**9,927**	**8,678**	**6,453**	**6,752**	**90,683**
OTHER - LOAD MANAGEMENT											
ISO Load Response Program Support ***NOTE***		10,925	10,925	14,465	3,975	2,060	3,338	2,867	-	-	
Subtotal Load Management	**-**	**10,925**	**10,925**	**14,465**	**3,975**	**2,060**	**3,338**	**-**	**-**	**-**	
PROGRAM SUB-TOTALS											
Residential	1,177	1,608	3,438	1,315	3,117	3,518	2,530	2,657	3,558	3,285	26,202
C&I	9,571	22,436	19,006	23,340	13,448	13,422	13,265	11,545	6,453	6,752	90,683
TOTAL	**10,748**	**24,044**	**22,444**	**24,655**	**16,565**	**16,940**	**15,795**	**14,202**	**10,011**	**10,037**	**116,885**

Lifetime Savings kWh (000's)

RESIDENTIAL	2000 Actual	2001 Actual	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Goal	2009 Goal	Total
Retail Products*	116,542	114,927	87,336	34,208	115,967	111,484	126,122	180,938	91,460	102,886	1,081,871
Appliance Retirement*	-	-	-	-	13,002	12,761	1,306	-	2,062	-	29,131
Customer Initiated Projects											
Total - Consumer Products	**116,542**	**114,927**	**87,336**	**34,208**	**128,969**	**124,245**	**127,428**	**180,938**	**93,523**	**102,886**	**1,111,002**
Residential New Construction*	3,753	4,338	5,044	5,940	7,412	11,240	15,812	23,327	4,950	6,287	88,103
Home Energy Solutions*	-	1,125	18,240	4,389	7,839	8,264	5,866	11,997	26,767	29,700	114,187
Low Income (Energy Care & WRAP) / UI Helps*	50,971	60,860	55,500	24,412	17,352	36,581	36,749	32,294	29,528	43,966	388,213
Subtotal RESIDENTIAL	**171,266**	**181,250**	**166,120**	**68,949**	**161,572**	**180,330**	**185,855**	**248,556**	**154,768**	**182,839**	**1,701,505**
COMMERCIAL & INDUSTRIAL											
C&I LOST OPPORTUNITY											
Energy Blueprint / Energy Conscious Construction *	331,701	383,520	280,965	164,910	336,293	343,568	191,708	224,566	179,779	170,967	2,607,976
Total - Lost Opportunity	**331,701**	**383,520**	**280,965**	**164,910**	**336,293**	**343,568**	**191,708**	**224,566**	**179,779**	**170,967**	**2,607,976**
C&I LARGE RETROFIT											
C&I RFP *	-	3,420	8,160	36,210	12,835	10,700	-	-	-	-	71,325
Energy Opportunities	280,874	383,196	190,038	178,935	278,872	409,048	310,557	291,700	221,498	251,286	2,796,005
O&M (RetroCx, BOC, RFP)	-	-	-	-	-	22,061	21,790	35,790	13,000	13,265	105,906
Municipal Energy & Schools	63,735	64,170	82,665	63,600	82,451	36,659	-	-	-	-	393,280
Total - C&I Large Retrofit	**344,609**	**450,786**	**280,863**	**278,745**	**374,158**	**478,468**	**332,347**	**327,490**	**234,498**	**264,551**	**3,366,516**
Small Business*	79,100	97,600	94,200	53,670	65,987	119,909	76,975	92,649	96,830	121,346	898,266
Subtotal C&I	**755,410**	**931,906**	**656,028**	**497,325**	**776,438**	**941,945**	**601,030**	**644,705**	**511,107**	**556,864**	**6,872,758**
OTHER - LOAD MANAGEMENT											
ISO Load Response Program Support ***NOTE***											
Subtotal Load Management	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
PROGRAM SUB-TOTALS											
Residential	171,266	181,250	166,120	68,949	161,572	180,330	185,855	248,556	154,768	182,839	1,701,505
C&I	755,410	931,906	656,028	497,325	776,438	941,945	601,030	644,705	511,107	556,864	6,872,758
TOTAL	**926,676**	**1,113,156**	**822,148**	**566,274**	**938,010**	**1,122,275**	**786,885**	**893,261**	**665,875**	**739,703**	**8,574,263**

NOTE: ISO Load Response Program Load Savings kW are included in yearly totals only, not grand totals.

CHAPTER TWO: RESIDENTIAL PROGRAMS

Residential Overview

In 2009, the Companies' Residential programs will continue to offer residential customers a variety of in-home services and rebates to help them save energy and money. The Residential programs are constantly assessed, modified and reviewed to meet building code standards, customer demands, and to ensure cost-effectiveness.

As noted in Chapter One, the Companies and the ECMB are seeking to work collaboratively with the Fuel Oil Conservation Board ("FOCB") and the Office of Policy & Management ("OPM") to provide the best possible energy efficiency and conservation services to Connecticut consumers. The ECMB is also following legislative and regulatory directives to coordinate with the FOCB and to seek other sources of funding for fuel oil measures.

Likewise, the ECMB has shared information with OPM and has encouraged OPM to coordinate at least a portion of the OPM energy audit program with the Home Energy Solutions ("HES") program. The ECMB recognizes and appreciates that the OPM energy audit program will be independent of HES and will work with other contractors and delivery approaches as well as HES. The ECMB developed the example of coordination with HES so that OPM was aware of one potential way that the two programs could be coordinated in fuel oil homes. OPM's development of the energy audit program is ongoing.

Program Modifications

The HES program is moving toward a market-based program. This will open the door for more vendor participation and increase competition among vendors to provide energy-efficient services. In addition, HES will be accepting unsolicited comprehensive projects and will analyze those for appropriate incentives. This offering will mirror other Fund program designs offered to C&I customers and may include financing for customers. This feature is currently being developed and reviewed by the Companies.

The Residential New Construction program will benefit from the additional funding from natural gas customers. This will allow the program to leverage electric-natural gas synergies that the HES program has realized.

The WRAP and UI Helps limited-income programs will offer ENERGY-STAR-qualified dehumidifiers and electric clothes washers for the first time in an effort to phase out older, inefficient models still widely in use. This area has been untapped in previous years and will result in additional savings to limited-income electric customers.

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Residential Retail Products (CL&P & UI)

Objective: The Retail Products program, a joint program of CL&P and UI, pursues the objective of continuing to build awareness, acceptance and market share of ENERGY STAR® lighting, appliances and electronics.

Target Market: The Companies will target residential customers who purchase new lighting, appliances and electronics in retail market channels while coordinating also with the residential remodeling, retrofit and new construction channels.

Program Description: For 2009, the Companies intend to continue with a multi-pronged effort for resource (savings) acquisition from lighting products while affecting market transformation. In both the lighting and appliances segments, Negotiated Cooperative Promotions ("NCPs") have proven to be a useful approach in generating increased stocking and sales at considerably lower cost than traditional coupons and rebates. Such promotions involve a partnership between the Companies and retailers/manufacturers and are structured with underlying memoranda of understanding that tie payment of incentives to the Companies' receipt of store-level sales data. Coupons and mail-in rebates will be utilized if NCPs are not brought under agreement or on a temporary campaign-oriented basis only.

In 2009, the Companies plan to continue partnering with both manufacturers and retailers to offer education and training regarding the benefits of energy-efficient products to local retail sales staff and consumers. The Companies will also continue to work collaboratively with manufacturers and retailers in the design and placement of point-of-purchase display collateral and will promote the Connecticut compact fluorescent light bulb ("CFL") tax holiday at retail outlets. The tax holiday is the result of *An Act Concerning Electricity and Energy Efficiency—HB 7432* that waived Connecticut sales tax on CFLs.

"In-store promotions" will be pursued to assist retailers in promoting the program and to educate consumers on the positive benefits and quick payback provided by energy-efficient technologies.

The Companies also plan to continue implementing retail lighting sales events. At these events, Company vendors offer lighting products for retail sale at community events, fairs, and large customer enterprises. In addition the Companies will produce a streamlined version of the SmartLiving™ Catalog with an increased emphasis on the promotion of the comprehensive SmartLivingCatalog.com website via bill messaging and inserts.

In 2009, the Companies will not offer an "everyday" in-store appliance rebate as data shows that rebates are not a cost-effective strategy. Instead the Companies will consider limited NCP promotions with retailers and manufacturers (which may or may not include customer rebates) on a case-by-case basis as a means of maintaining a market presence. Promotions will be considered for specific time periods, such as Earth Day and to coincide with manufacturer or retailer specific promotions that promote/target the highest tier efficiency within the product category.

Additionally, the Companies will continue to offer CFL fundraising opportunities to schools and non-profit organizations. The fundraising program will encourage children between grades K-12 to be energy efficient and recognize the environmental consequences of wasting energy, i.e., global warming. The fundraising program will motivate children to promote responsibility for saving energy through the sale of CFLs and stimulate general awareness utilizing instructional kick-off presentations. Through the current fundraising program, students have sold nearly 25,000 CFLs. The fundraising program is cross-promoted to teachers/schools who participate in the *eesmarts* program and professional development workshops.

Marketing Strategy: This program participates in a regional market transformation initiative coordinated by Northeast Energy Efficiency Partnerships ("NEEP"). Through this initiative, the Companies have the opportunity to participate in a regional marketing platform that includes access to custom-designed point-of-purchase materials, along with national ENERGY STAR promotional resources.

The marketing strategy for the ENERGY STAR Lighting and Appliance programs will continue to focus on building brand awareness of the unique benefits of energy-efficient products within the Companies' service territories. Specifically:

- Utilize bill inserts to promote the SmartLiving catalog.
- Increase the number of links to the on-line SmartLiving catalog from community and association sites.

- Write and place articles on the benefits of ENERGY STAR products in community and association newsletters (print and online.)
- Distribute SmartLiving catalog at events where the Companies are exhibiting such as home shows, community forums, fairs, etc.
- Participation in retail lighting sales events (see Program Description).
- Provide SmartLiving catalog at Company-sponsored public outreach events such as Utility Days.
- Identify cooperative opportunities with retailers and manufacturers to create general awareness of the ENERGY STAR brand, generate sales and extend the message into the community
- Continue to support the national and regional ENERGY STAR initiatives
- Identify and participate in cross-marketing opportunities with relevant state-wide Fund programs such as Residential New Construction, *eesmarts*, Home Energy Solutions, and the SmartLiving Center in Orange, Conn.

Incentive Strategy: As the lighting and appliance markets both evolve, the Companies plan to define specific incentive amounts or strategies for the targeted products as the market dictates. National sales data for CFLs suggests that the “common” CFL is becoming readily accepted by consumers. Therefore, the Companies will scale back incentives for common CFLs and target incentives dollars towards higher end, specialty bulbs, such as dimmables, reflectors, and higher wattage varieties. In addition, the Companies will look to increase promotion of CFLs in retail outlets where sales data has shown that sales trail those of Big Box retailers. Attention will be given to grocery and drug store chains.

However, certain expectations and assumptions have been utilized for planning purposes, including:

2009 base rebate levels are:

- $10 per interior light fixture, portable lamp, or qualifying ceiling fan with light kits.
- NCP incentives for bulbs vary by wattage and style. They range from approximately $0.75 (lower incentives will be provided per

bulb for multi-pack products traditionally found in the Big Box Retailers) for common types of CFLs and $2.00 for specialty bulbs such as dimmables, reflectors, and three-way bulbs.

Goals: Refer to standard filing requirement for program goals.

New Program Issues: Lighting NCPs will target the increased market penetration of non-standard (specialty) CFLs which may result in higher per unit rebate amounts, but at the same time should lead to improved range of product stocked at retailers and customer acceptance.

ENERGY STAR has finalized the specifications for solid state (i.e., LED lighting). The Companies will consider their inclusion into the program based on availability and performance. It is anticipated that the ENERGY STAR label will initially be limited to a small number of indoor and outdoor fixtures.

The Companies will remain active in evaluating LED lighting technology and provide incentives on qualified, quality products when they become available.

Consumer electronics load within the residential customer home continues to raise 5-10% annually. The Companies will monitor and participate in the regional and national discussions around these technologies in coordination with CEE, NEEP and the EPA to piggy back on efforts that address the efficiency of consumer electronics.

CL&P Standard Filing Requirement

Residential Retail Products (Lighting and Appliances) [a]

All dollar values are in $000

Budget Projections	2006 Actuals	2007 Actuals	Revised 2008 Budget	2008 YTD (Jul)	2008 YE Projected	2009 Budget
Labor:						
NU Labor	$ 145	$ 140	$ 118	$ 46	$ 84	$ 125
Contractor Staff	$ 2	$ 7	$ -	$ 3	$ 6	$ -
Total Labor	$ 147	$ 147	$ 118	$ 49	$ 90	$ 125
Materials & Supplies	$ 2	$ 9	$ 11	$ -	$ -	$ -
Outside Services	$ 971	$ 913	$ 1,057	$ 486	$ 878	$ 850
Incentives	$ 4,079	$ 4,438	$ 3,156	$ 2,171	$ 3,972	$ 4,018
Marketing	$ 393	$ 426	$ 631	$ 171	$ 308	$ 300
Administrative Expenses	$ 5	$ 8	$ 9	$ 3	$ 6	$ 6
Other	$ 30	$ 21	$ 18	$ 26	$ 46	$ 48
Total	$ 5,627	$ 5,962	$ 5,000	$ 2,906	$ 5,300	$ 5,347

a) In 2006, Residential Retail Lighting and Residential Appliances were combined under the umbrella of Residential Retail Products.

2009 Goals and Metrics Information

Demand Savings (kW reduction Goal)	6,479.0
Annual Energy Savings (kWh Reduction Goal)	69,870,556
Lifetime Energy Savings (kWh Reduction Goal)	544,712,761
Annual Cost Rate ($/kWh)	$ 0.077
Lifetime Cost Rate ($/kWh)	$ 0.010
Electric b/c ratio	11.31
Total Resource b/c ratio	12.78

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CL&P Standard Filing Requirement

Residential Retail Lighting

All dollar values are in $000

Budget Projections	2006 Actuals	2007 Actuals	Revised 2008 Budget	2008 YTD (Jul)	2008 YE Projected	2009 Budget	
Labor:							
NU Labor	$ 117	$ 126	$ 98	$ 46	$ 84	$ 125	
Contractor Staff	$ 2	$ 5	$ -	$ 2	$ 4	$ -	
Total Labor	$ 119	$ 131	$ 98	$ 48	$ 88	$ 125	
Materials & Supplies	$ 2	$ 8	$ 11	$ -	$ -	$ -	
Outside Services	$ 794	$ 794	$ 787	$ 457	$ 837	$ 850	a)
Incentives	$ 3,357	$ 4,051	$ 3,156	$ 2,162	$ 3,958	$ 4,018	
Marketing	$ 349	$ 400	$ 361	$ 153	$ 280	$ 300	b)
Administrative Expenses	$ 4	$ 7	$ 9	$ 3	$ 5	$ 6	
Other	$ 26	$ 16	$ 18	$ 14	$ 26	$ 48	
Total	$ 4,651	$ 5,407	$ 4,440	$ 2,837	$ 5,194	$ 5,347	

a) Vendors: Duties include retail implementation, circuit riders, sales staff training, rebate processing and fulfillment
NEEP membership; SmartLiving Catalog production and mailing.

b) Includes bill inserts, print ads, radio and direct mail/collateral, Point Of Purchase (POP) Northeast Energy Efficiency Partnership (NEEP) Marketing Materials.

2009 Goals and Metrics Information

Demand Savings (kW reduction Goal)	6,479.0
Annual Energy Savings (kWh Reduction Goal)	69,870,556
Lifetime Energy Savings (kWh Reduction Goal)	544,712,761
Annual Cost Rate ($/kWh)	$ 0.077
Lifetime Cost Rate ($/kWh)	$ 0.010
Electric b/c ratio	11.31
Total Resource b/c ratio	12.78

CL&P Standard Filing Requirement

Retail Lighting

Program Costs					
Year	Budget	Actual	% of Budget	Cost/participant	$/LT-kWh
2000	$ 2,463,000	$ 4,016,000	163%	$17	0.009
2001	$ 2,831,000	$ 4,828,000	171%	$12	0.008
2002	$ 2,700,000	$ 3,484,000	129%	$10	0.009
		$ (335,000)			
	Net 2002	$ 3,149,000 [1]			
2003	$ 2,450,000	$ 1,256,000	51%	$12	0.016
2004	$ 3,300,000	$ 4,393,000	133%	$2	0.007
2005 Revised	$ 3,525,928	$ 4,990,979	142%	$3	0.013
2006 Revised	$ 4,769,287	$ 4,650,971	98%	$2	0.011
2007 Revised	$ 5,040,000	$ 5,407,000	107%	$2	0.011
2008 Revised	$ 4,440,000	n/a	n/a	n/a	n/a
2008 YTD (Jul)	n/a	$ 2,837,000	64%	$2	0.010
2008 Y/E Projected	n/a	$ 5,194,000	117%	$2	0.010
2009	$ 5,347,481	n/a	n/a	n/a	n/a

Goal - Participation			
Year	Goal	Actual	% of Goal
2000	150,000	233,558	156%
2001	171,731	410,908	239%
2002	325,557	340,560	105%
2003	235,394	104,246	44%
2004	776,473	1,792,216	231%
2005 Revised	1,008,021	1,444,142	143%
2006 Revised	1,499,192	1,980,791	132%
2007 Revised	1,295,355	2,409,313	186%
2008 Revised	1,737,107	n/a	n/a
2008 YTD (Jul)	n/a	1,362,541	78%
2008 Y/E Projected	n/a	2,335,785	134%
2009	2,543,370	n/a	n/a

	Goal - Lifetime MWh savings				Goal - Installed kW Savings		
Year	Budget	Actual	% of Budget	Year	Goal	Actual	%of Goal
2000	152,772	438,631	287%	2000	n/a	n/a	n/a
2001	244,030	610,545	250%	2001	n/a	n/a	n/a
2002	366,566	398,613	109%	2002	n/a	n/a	n/a
2003	201,631	78,468	39%	2003	1,391	607	43.6%
2004	354,614	591,781	167%	2004	2,970	5,144	173.2%
2005 Revised	293,530	376,443	128%	2005 Revised	3,382	4,279	126.5%
2006 Revised	367,504	427,603	116%	2006 Revised	3,957	4,703	118.8%
2007 Revised	359,509	483,854	135%	2007 Revised	3,665	5,584	152.4%
2008 Revised	426,956	n/a	n/a	2008 Revised	4,866	n/a	n/a
2008 YTD (Jul)	n/a	290,788	68%	2008 YTD (Jul)	n/a	2,972	61.1%
2008 Y/E Projected	n/a	513,694	120%	2008 Y/E Projected	n/a	5,504	113.1%
2009	544,713	n/a	n/a	2009	6,479	n/a	n/a

Program Ratios				
	$/Lifetime kWh		$/Annualized kW	
Year	Plan	Actual	Plan	Actual
2000	0.016	0.009	n/a	1,688
2001	0.012	0.008	n/a	1,279
2002	0.007	0.008	n/a	1,158
2003	0.011	0.016	1,663	2,069
2004	0.009	0.007	1,111	854
2005 Revised	0.012	0.013	1,043	1,166
2006 Revised	0.013	0.011	1,205	989
2007 Revised	0.014	0.011	1,375	968
2008 Revised	0.010	n/a	912	n/a
2008 YTD (Jul)	n/a	0.010	n/a	954
2008 Y/E Projected	n/a	0.010	n/a	944
2009	0.010	n/a	825	n/a

[1] Reflects transfer of 2001 Load Management funds per Docket No. 02-01-22.

CL&P Standard Filing Requirement

Retail Lighting

CL&P Program Notes

Budget/FTE :

1.0	• FTE's for program administration, vendor interaction, sales and field support.

Goal

2,543,370	• Goal is lighting products including bulbs, fixtures and portables and reflects the continued focus on markdowns. • 2008 goal will continue build off of NCP promotions with an increased focus on specialty bulbs.

Cost/Unit

$2.10	• Overall cost per product.
$1.58	• Average incentive cost per unit including products from the Catalog component of the program, coupons and markdowns.

Goal Setting Methodology

- Average weighted incentive cost was calculated based on desired product mix and delivery mechanism; goal was calculated based on available incentive dollars divided by average incentive cost.

Metric Changes

- Program design will continue to pursue NCPs with industry partners that are willing and able to implement markdown promotions and supply adequate Point of Sale data reports.
- Program will continue to move toward more specialty (higher wattage, dimmables, three-ways, etc.) products in 2009.

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CL&P Standard Filing Requirement

Retail Appliances

All dollar values are in $000

Budget Projections	2006 Actuals	2007 Actuals	Revised 2008 Budget	2008 YTD (Jul)	2008 YE Projected	2009 Budget
Labor						
NU Labor	28	14	$ 20	$ -	$ -	-
Contractor Staff	-	2	$ -	$ 1	$ 2	-
Total Labor	28	16	$ 20	$ 1	$ 2	-
Materials and Supplies	-	1	$ -	$ -	$ -	
Outside Services	177	119	$ 270	$ 29	$ 41	
Incentives	722	387	$ -	$ 9	$ 14	
Marketing	44	26	$ 270	$ 18	$ 28	
Administrative Expenses	1	1	$ -	$ -	$ 1	
Other	4	5	-	$ 12	$ 20	
Total	$ 976	555	$ 560	$ 69	$ 106	-

2009 Goals and Metrics Information

Demand Savings (kW reduction Goal)	N/A	1)
Annual Energy Savings (KWh Reduction Goal)	N/A	1)
Lifetime Energy Savings (kWh Reduction Goal)	N/A	1)
Annual Cost Rate ($/kWh)	N/A	1)
Lifetime Cost Rate ($/kWh)	N/A	1)
Electric b/c ratio	N/A	1)
Total Resource b/c ratio	N/A	1)

CL&P Standard Filing Requirement

Retail Appliances

Program Costs

Year	Budget	Actual	% of Budget	Cost/Partic.	$/LT-kWh
2000	$ 1,416,000	$ 1,259,000	89%	$171	0.049
2001	$ 863,000	$ 732,000	85%	$155	0.045
2002	$ 1,260,000	$ 1,674,000	133%	$64	0.041
2003	$ 1,600,000	$ 860,000	54%	$33	0.053
2004	$ 900,000	$ 1,451,000	161%	$56	0.027
2005 Revised	$ 1,154,867	$ 1,449,291	125%	$71	0.019
2006 Revised	$ 769,663	$ 975,790	127%	$55	0.014
2007 Revised	$ 559,800	$ 555,000	n/a	$50	0.040
2008 Revised	$ 560,000	n/a	n/a	n/a	n/a
2008 YTD (Jul)	n/a	$ 69,000	12%	$45	0.035
2008 Y/E Projected	n/a	$ 106,000	19%	$40	0.032
2009	$ -	n/a	n/a	n/a	n/a

Goal - Participation

Year	Goal (Units)	Actual	% of Goal
2000	8,320	7,383	89%
2001	5,451	4,714	86%
2002	16,444	26,000	158%
2003	22,160	13,813	62%
2004	11,900	26,134	220%
2005	11,435	20,514	179%
2006 Revised	14,047	17,597	125%
2007 Revised	16,500	11,003	67%
2008 Revised [1]	n/a	n/a	n/a
2008 YTD (Jul)	n/a	1,536	n/a
2008 Y/E Projected	n/a	2,633	n/a
2009	n/a	n/a	n/a

Goal - Lifetime MWh Savings

Year	Goal (MWh)	Actual (MWh)	% of Goal
2000	23,016	25,736	112%
2001	21,322	16,244	76%
2002	32,945	41,111	125%
2003	51,655	29,791	58%
2004	23,799	54,186	228%
2005 Revised	52,447	77,371	148%
2006 Revised	54,081	67,748	125%
2007 Revised	5,785	14,018	n/a
2008 Revised [1]	n/a	n/a	n/a
2008 YTD (Jul)	n/a	1,957	n/a
2008 Y/E Projected	n/a	3,355	n/a
2009	n/a	n/a	n/a

Goal - Installed kW Savings

Year	Goal	Actual	%of Goal
2000	n/a	n/a	n/a
2001	n/a	n/a	n/a
2002	n/a	n/a	n/a
2003	4,772	815	17.1%
2004	586	1,195	203.9%
2005 Revised	497	553	111.3%
2006 Revised	365	457	125.3%
2007 Revised	1,182	95	n/a
2008 Revised [1]	n/a	n/a	n/a
2008 YTD (Jul)	n/a	13	n/a
2008 Y/E Projected	n/a	23	n/a
2009	n/a	n/a	n/a

Program Ratios

	$/Lifetime kWh		$/Annualized kW	
Year	Plan	Actual	Plan	Actual
2000	0.074	0.058	n/a	10,458
2001	0.053	0.053	n/a	9,643
2002	0.038	0.037	n/a	1,568
2003	0.038	0.029	594	1,055
2004	0.038	0.027	1,535	1,214
2005 Revised	0.022	0.019	2,324	2,621
2006 Revised	0.014	0.014	2,111	2,136
2007 Revised	0.097	0.040	474	5,873
2008 Revised [1]	n/a	n/a	n/a	n/a
2008 YTD (Jul)	n/a	0.035	n/a	5,227
2008 Y/E Projected	n/a	0.032	n/a	4,684
2009	n/a	n/a	n/a	n/a

[1] CL&P may participate in select appliance promotions with retailers on a case by case basis in order to maintain a market presence. However, at this point in the evolution of the appliance market, rebates are not considered cost effective and will not be offered as a normal program offering. Thus, there is not goal for Retail Appliances in 2008.

CL&P Standard Filing Requirement

Retail Appliances

CL&P Program Notes

Budget/FTE

0.0 • FTE for program administration, vendor interaction, sales and field support

Goal

n/a

Cost/Unit

n/a

Goal Setting Methodology

n/a

Metric Changes

None

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The United Illuminating Company

EL-25 Standard Filing Requirement

2009

Retail Products*

UI residential customers, appliance and lighting retailers

Budget Projections	2007 Act	2008 Amended Bud	2008 YTD (Aug)	2008 YE Projected	2009 Bud	
Labor						
UI Labor	$ 170,500	$ 164,871	$ 120,904	$ 164,871	$ 217,713	a)
Contractor Staff	$ 687	$ 60,000	$ -	$ 30,000	$ 69,674	b)
Total Labor	$ 171,187	$ 224,871	$ 120,904	$ 194,871	$ 287,387	
Materials & Supplies	$ 3,338	$ 2,237	$ 370	$ 2,237	$ 15,130	c)
Outside Services	$ 165,212	$ 104,525	$ 123,295	$ 123,295	$ 183,982	d)
Incentives	$ 751,644	$ 724,250	$ 988,922	$ 988,922	$ 1,039,827	e)
Marketing	$ 141,111	$ 135,000	$ 31,101	$ 31,101	$ 139,677	f)
Other	$ 3,482	$ 2,500	$ 4,678	$ 4,678	$ 12,174	g)
Administrative Expenses	$ 10,661	$ 15,000	$ 4,321	$ 4,321	$ 25,100	h)
Total	$ 1,246,635	$ 1,208,383	$ 1,273,591	$ 1,349,425	$ 1,703,277	

* Joint CL&P and UI Programs

a) 2.19 FTEs
b) Field services for fairs/events, NCP administrative services
c) Forms and supplies for fairs
d) Catalog design, incentive fulfillment services
e) 750,000 NCP bulbs; 30,000 coupon bulbs; 3,233 fixtures; CEE Tier 2 Clothes Washers 250 @$40
f) POP, coupons/forms, seasonal promotional advertising
g) NEEP
h) Meals, miles, travel and training

Goals and Metrics Information:

Savings	2009
Demand Savings (kW)	1,968
Annual Energy Savings (kWh)	20,769,532
Lifetime Energy Savings (kWh)	102,886,487
Annual Cost Rate ($/kWh)	$ 0.082
Lifetime Cost Rate ($/kWh)	$ 0.017
Cost per kW	$ 865
Electric System B/C Ratio	7.21
Total Resource B/C Ratio	4.12

The United Illuminating Company
LF-26 Standard Filing Requirement

Retail Products

Goal - Program Costs (000's)

Year	Budget	Actual	% of Goal Achieved
2000	$1,546	$1,831	118.4%
2001	$1,665	$1,589	95.4%
2002	$1,379	$1,303	94.5%
2003	$1,070	$592	55.3%
2004	$1,361	$1,267	93.1%
2005	$1,506	$1,592	105.7%
2006	$1,521	$1,664	109.4%
2007	$1,238	$1,247	100.7%
2008	$1,208		
2008 YTD (Aug)	$1,208	$1,274	105.4%
2008 YE Projected	$1,208	$1,349	111.7%
2009	$1,703		

Goal - Number of Bulbs, Fixtures & Appliances

Year	Goal	Actual	% of Goal Achieved
2000	20,799	29,020	139.5%
2001	62,823	102,148	162.6%
2002	61,459	95,456	155.3%
2003	44,073	40,736	92.4%
2004	233,800	242,338	103.7%
2005	259,685	337,713	130.0%
2006	455,658	442,703	97.2%
2007	335,000	721,000	215.2%
2008	465,806		
2008 YTD (Aug)	465,806	411,945	88.4%
2008 YE Projected	465,806	465,806	100.0%
2009	783,483		

Goal - Installed kWh Savings (000's kWh)

Year	Goal	Actual	% of Goal Achieved
2000	4,487	7,078	157.7%
2001	7,124	9,563	134.2%
2002	4,523	7,997	176.8%
2003	3,747	3,465	92.5%
2004	11,564	12,166	105.2%
2005	11,314	14,968	132.3%
2006	14,695	15,216	103.5%
2007	9,658	21,152	219.0%
2008	12,893		
2008 YTD (Aug)	12,893	10,891	84.5%
2008 YE Projected	12,893	12,893	100.0%
2009	20,770		

Goal - Installed kW Savings

Year	Goal	Actual	% of Goal Achieved
2000	-	-	0.0%
2001	-	-	0.0%
2002	-	-	0.0%
2003	404	639	158.2%
2004	1,143	1,286	112.5%
2005	995	1,339	134.6%
2006	1,177	1,158	98.4%
2007	761	1,615	212.2%
2008	1,224		
2008 YTD (Aug)	1,224	1,922	157.0%
2008 YE Projected	1,224	1,922	157.0%
2009	1,968		

Goal - Lifetime kWh Savings (000's kWh)

Year	Goal	Actual	% of Goal Achieved
2000	76,065	116,542	153.2%
2001	91,689	114,927	125.3%
2002	48,850	87,336	178.8%
2003	47,247	34,208	72.4%
2004	108,108	115,967	107.3%
2005	80,398	111,485	138.7%
2006	113,098	126,122	111.5%
2007	69,512	180,938	260.3%
2008	91,460		
2008 YTD (Aug)	91,460	87,711	95.9%
2008 YE Projected	91,460	91,460	100.0%
2009	102,886		

Program Ratios

Year	$/kWh Target	Actual	$/LT kWh Target	Actual	$/kW Target	Actual	Cost/ Socket
2000	$0.345	$0.259	$0.020	$0.016	$0	$0	$63.094
2001	$0.234	$0.166	$0.018	$0.014	$0	$0	$15.556
2002	$0.305	$0.163	$0.028	$0.015	$0	$0	$13.650
2003	$0.286	$0.171	$0.023	$0.017	$2,649	$926	$14.533
2004	$0.118	$0.104	$0.013	$0.011	$1,191	$985	$5.228
2005	$0.133	$0.106	$0.019	$0.014	$1,514	$1,189	$6.131
2006	$0.104	$0.109	$0.013	$0.013	$1,292	$1,437	$3.652
2007	$0.128	$0.059	$0.018	$0.007	$1,627	$772	$1.730
2008	$0.094		$0.013		$987		
2008 YTD (Aug)	$0.094	$0.117	$0.013	$0.015	$987	$663	$3.092
2008 YE Projected	$0.094	$0.105	$0.013	$0.015	$987	$702	$2.897
2009	$0.082		$0.017		$865		

The United Illuminating Company
LF-26 Standard Filing Requirement

Program Notes - Residential Retail Lighting

Budget/FTE:
2009 UI Labor 2.19 FTE includes field support, data/financial administration and event participation

Goal:

	Units	Incentive
NCPs @ 16w avg	750,000	$ 1.25
Coups @16w avg	30,000	$ 2.00
Fixtures @16w avg	3000	$ 10.00
CW @ 2.0 MEF	250	$ 40.00

Cost/kWh (Cost/Unit):
1) 2009 cost rates decrease slightly due to overall production increase and incentive reduction
2) Cost rates difficult to compare year-over-year:
   a) Measure mix changes
   b) Metrics change over time
   c) Changes to incentive structure and market data

Goal Setting Methodology:
Goals are based on a measure mix and production levels based on available funds, market data, and average lighting wattages.

Metric Changes:
Focus on standard CFLs will be reduced as well as lower incentives with greater focus on speciality CFLS and greater retailer pentration at grocery and drug store chains.

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Residential New Construction (Electric and Natural Gas)

Objective: The objective of the Residential New Construction ("RNC") program is to reduce the energy use and peak demand in new housing. RNC is a joint natural gas and electric program and leverages funding from the Companies and the natural gas companies. Related objectives include increasing builder and consumer awareness and understanding of the benefits of energy-efficient building practices, and to effect permanent market movement to more energy-efficient residential construction in the state of Connecticut.

Target Market: The Companies will target residential new construction projects, particularly those that are willing to demonstrate the next generation of energy efficiency. The Companies also plan to continue to support energy improvements in all residential new construction, particularly through efforts to improve building energy code requirements in Connecticut. Given the recent increases in the cost of fossil fuels, particularly oil, there has been a sharp interest in the number of inquiries about ground source heat pumps (geothermal) installations. Proper geothermal performance requires that precise design and installation standards are followed for the shell of the house as well as the geothermal unit. The Companies will continue to support the geothermal rebate program through industry training and will increase their focus on the Verification of Installed Performance ("VIP") initiative for geothermal systems.

Outreach and education elements will focus on prospective new home-buyers, builders, developers, and other market actors, such as architects, building code officials, home energy raters, insulation, real estate agents, HVAC contractors, and geothermal designers. Relationships will continue to be fostered with the appropriate agents of single and multi-family housing for limited-income families, including Public Housing Authorities and other community development entities.

Program Description: For 2009, the Companies will pay prescriptive incentives for builders who meet thermal performance criteria. In addition, incentives will be paid for efficient heating and cooling equipment and the same HVAC incentives offered through the Home Energy Solutions program will be available for installed equipment and quality installed and verified equipment ("QIV"). QIV will include proper sizing and installation of systems. In addition incentives will be paid for the installation of geothermal systems. In an effort to reduce costs and promote market competition, the program will allow independent Home Energy Rating System ("HERS") raters to submit qualifying projects into the program for incentives. This will reduce program costs and increase the cost-effectiveness of the program because the builders will absorb the cost of the home rating. Home energy ratings are useful vehicles for builders to market their homes, but the ratings themselves do not generate energy savings. Therefore, it makes sense to pass the cost of the rating onto the builder rather than the Companies. Although the Companies will not subsidize the full cost of the home ratings they will provide incentives for homes that meet the ENERGY STAR® HERS index and provide increased incentives for those homes that are below the ENERGY STAR HERS Index.

The Companies plan to redefine the focus of the RNC program in order to continue to reduce costs and improve the program impacts. Program efforts will focus on working with market leaders to demonstrate the approach and benefits of building homes that minimize the peak load growth on the electric and natural gas systems. This will involve moving builders and consumers beyond ENERGY STAR to high-performing homes and to near Zero Energy Homes by incorporating renewable features. Other technologies such as ductless and geothermal heat pumps, combined heat and power systems, LED lights, time-of-use rate structures, and real time feedback mechanisms may be demonstrated or featured. If available, federal and state tax credits will be leveraged as well as the CCEF Solar PV Program rebate with the RNC program offering.

To this end the Companies intend to launch a "Zero Energy Challenge" which will encourage builders who construct highly efficient homes that incorporate renewables to compete for higher incentives, company recognition and media promotion. The Companies will continue to establish the criteria for participation in the Challenge.

Marketing Strategy: Ultimately, the market leaders (builders and industry associations) will drive participation in the RNC program. The marketing strategy will be based on getting them timely, relevant information. The messaging will include information on current technology/building trends and benefits and program details. Communication tactics may include:

- Program seminars targeting builders using industry association lists as a base for participants.
- Selected advertising in local and regional trade publications.

- Article submission to local and regional trade publications and consumer publications. Articles can be written in collaboration with builders.
- Write and distribute case studies. Case studies can be posted on the Companies' web sites and linked to CTEnergyInfo.com. Printed versions can be distributed at all events.
- Participation in consumer events such as home shows.
- Participation in association events including sponsorships, when appropriate.
- Outreach to legislative audiences through their newsletters, forums, one-on-one meetings and public events.

Incentive Strategy: Incentives from multiple parties will be packaged and offered to high-performance projects homes meeting prescribed levels of efficiency and incorporate renewable features to approach Zero Energy Home performance. Tax credits will be leveraged where possible for building and renewable features.

The same HVAC incentives offered through the Home Energy Solutions program will be available to all RNC projects including performance and sizing incentives.

In the Final Decision of Docket Number 05-10-02 dated June 7, 2006 page 8, the Department directed the Companies to provide an incentive of $500/ton, up to a maximum of $3,000 per residential installation for the installation of geothermal systems. As noted by the Companies, the incentives should not be tied to the equipment alone, but must include an installation standard as well. Tr. 2/21/06, p. 422. Therefore, qualification for this incentive must include proper design, installation and commissioning of the equipment. No additional incentive will be available for commissioning.

In 2009 the Companies look to the Department for specific approval for modification of the previous directive. The Companies request the following incentive structure for geothermal heat pump systems: $500/ton, up to a maximum of $1,500 per residential installation based on the proper design, installation and commissioning of the equipment. The Companies will implement this changed incentive level after receiving Department approval.

In order to qualify for an incentive, the unit must be performance tested by the contractor to verify that it is operating within its design parameters and it must be installed in a home that meets at least the ENERGY STAR HERS Index Rating criteria.

The Companies will put forward a plan to offer tiered incentives for homes that meet high performance criteria based on HERS Index scoring. Incentives and qualifying measures for 2009 are listed on the table below.

In order to increase cost effectiveness and control spending, the Companies have developed incentive caps based on those used within the LEED for Homes scoring. Also, in 2009 to control spending the Companies will require a pre-approval or a pre-application process for participation in the RNC program.

Energy-Saving Packages Standards and Incentives

Name	Tier	HERS Index Rating	Residential New Construction Incentives (Note 5)			
			Single Family		Multi-Family Unit	
			Builders	Raters	Builders	Raters
ENERGY STAR (Note 1)	Tier 1	85-75	$0	$100	$0	$100 (cap = $5000)
	Tier 2	74.9-65 or BOP	$500	$200	$250	$125 (cap = $6250)
	Tier 3	64.9-55	$1500	$300	$750	$150 (cap = $7500)
	Tier 4	<55	$3000	$400	$1500	$175 (cap = $8750)
Insulation (Note 1)	Grade I High Performance Insulation **(Note 2)**	$0.50 per square foot for above grade walls and ceilings for homes with gas or electric heat.				
HVAC	ENERGY STAR	$500 per system. Quality Install and Verification Incentive to be offered				
Water (Note 1)	ENERGY STAR Natural Gas Hot Water	$300 for instantaneous hot water or indirect hot water heaters that meet ENERGY STAR standards.				
Geothermal (Note 3)	VIP Geothermal	$500 per ton capped at to be determined.				
Lights	ENERGY STAR lighting	Required in 80% of sockets in homes that receives an ENERGY STAR (HERS Index) rating incentive.				
Appliances (Note 4)	ENERGY STAR appliances	Required for washer, dishwasher and refrigerator in any home that receives an ENERGY STAR (HERS Index) incentive.				
Zero Energy Challenge	Homes that approach Zero Energy	TBD				

Notes:

1. The ENERGY STAR incentive and the Insulation incentive amounts are for homes with natural gas heat or homes with electric heat. For homes with oil heat, propane heat (or other heat), the builder incentives are 30% of the incentive amounts listed above. For homes with natural gas heat, 100% of the incentive for ENERGY STAR (including the rater incentive) and insulation is allocated to the appropriate natural gas budget. Likewise, the Energy Efficient Natural Gas Water incentive is allocated to the appropriate natural gas company.

   All other incentives including the 30% reduced Incentives for ENERGY STAR and insulation for oil and propane heated homes will be allocated to the appropriate electric company. In situations where duel fuel heating or water heating systems are installed (e.g., geothermal system with natural gas back-up), the incentive allocation is based on the estimated benefit associated with each fuel type.

   Homes must have a mechanical ventilation system installed to qualify for the ENERGY STAR or insulation incentive.

   Insulation rebate is for above grade walls with at least R-21 installed and for ceilings that have at least R-30 installed. All insulation must meet Grade I standards as defined by The Residential Energy Services Network's (RESNET®). RESNET ratings provide a relative energy use index called the HERS® Index. A HERS Index of 100 represents the energy use of the "American Standard Building" and an Index of 0 (zero) indicates that the proposed building uses no net purchased energy (a Zero-Energy Building). A set of rater recommendations for cost-effective improvements that can be achieved by the rated building is also produced.

   The home must meet ENERGY STAR Thermal Bypass Checklist requirements and have a mechanical ventilation system to qualify for this incentive. Insulation incentives are capped as follows:
   - One bedroom home: $660
   - Two bedroom homes: $1030
   - Three bedroom homes: $1395
   - Four bedroom homes: $1910
   - Five+ bedroom homes: $2095
2. Homes must successfully meet the geothermal VIP requirements by having units operate at least 85% of their rated efficiency and capacity and installed in homes that meet ENERGY STAR standards.
3. The Companies consider ENERGY STAR appliances to be the baseline and will not take credit for appliance savings in the residential New Construction program.
4. RNC projects where residents on limited income will reside will receive 150% of the incentives described above.

Goals: Refer to Standard Filing Requirements for program goals.

New Program Issues: In previous years, this program has been funded through the Companies. In 2009, the three natural gas distribution companies will provide funding that will enhance the effectiveness of the program. The benefits of natural gas and electric synergies have clearly been demonstrated in other programs including the Companies' Home Energy Solutions program. This arrangement will allow measures that are primarily gas in nature (insulation for gas heated homes) to be paid for out of natural budget and measures that are electric in nature (lighting) to be paid for out of the electric budgets.

The ENERGY STAR Homes program has been in existence for over 13 years. During that time, the Companies have absorbed the cost of providing ratings to homes. For 2009, the Companies plan to continue to let the market take over this activity with support resulting from the proposal to provide code compliance with raters. Code compliance activity would be sufficient to build the best rater network in the county. This is a dramatic change for the program, but a change that will help the program be more cost effective and viable going forward.

In 2009 there will be an increased focus on contractor training.
As interest in geothermal continues to increase, the Companies will increase training and support to ensure the proper installation of geothermal systems. Examples of training that will be considered for 2009 will be training on the utilization of the VIP tool and field verification testing of systems that are not ARI-rated as well as HVAC commissioning training.

Finally, in 2009 the Companies will continue to serve limited income residential new construction projects through the limited income (WRAP/UI Helps) programs by utilizing the existing infrastructure of the Residential New Construction program.

CL&P Standard Filing Requirement

Residential New Construction

All dollar values are in $000

Budget Projections	2006 Actuals	2007 Actuals	Revised 2008 Budget	2008 YTD (Jul)	2008 YE Projected	2009 Budget	
Labor:							
NU Labor	$ 82	$ 121	$ 194	$ 74	$ 134	$ 134	
Contractor Staff	$ 1	$ 1	$ -	$ 1	$ 2	$ -	
Total labor	$ 83	$ 122	$ 194	$ 75	$ 136	$ 134	
Materials & Supplies	$ -	$ 1	$ 4	$ 1	$ 2	$ 2	
Outside Services	$ 582	$ 483	$ 228	$ 74	$ 134	$ 67	
Incentives	$ 1,011	$ 791	$ 1,027	$ 536	$ 972	$ 1,125	a)
Marketing	$ 8	$ 14	$ 36	$ 8	$ 15	$ 20	
Administrative Expenses	$ 1	$ 2	$ 6	$ 1	$ 2	$ 2	
Other	$ 3	$ 1	$ 5	$ -	$ -	$ -	
Total	$ 1,688	$ 1,414	$ 1,500	$ 695	$ 1,261	$ 1,350	

a) Incentives including central AC, geothermal, Insulation, HERS Index, lighting.

2009 Goals and Metrics Information

Demand Savings (kW reduction Goal)		563.2
Annual Energy Savings (KWh Reduction Goal)		917,004
Lifetime Energy Savings (kWh Reduction Goal)		22,500,898
Annual Cost Rate ($/kWh)	$	1.472
Lifetime Cost Rate ($/kWh)	$	0.060
Electric b/c ratio		2.19
Total Resource b/c ratio		3.63

CL&P Standard Filing Requirement

Residential New Construction

	Program Costs				
Year	Budget	Actual	% of Budget	Cost/participant	$/LT-kWh
2000	$ 1,744,000	$ 1,508,000	86%	$1,797	0.068
2001	$ 1,315,000	$ 1,283,000	98%	$3,534	0.116
2002	$ 1,400,000	$ 1,275,000	91%	$2,087	0.038
2003	$ 1,655,000	$ 1,116,000	67%	$1,622	0.051
2004	$ 900,000	$ 767,000	85%	$1,088	0.084
2005 Revised	$ 1,320,429	$ 1,187,496	90%	$1,197	0.035
2006 Budget	$ 1,769,000	$ 1,688,185	95%	$1,310	0.039
2007 Revised	$ 1,700,000	$ 1,414,000	83%	$2,049	0.073
2008 Revised	$ 1,500,000	n/a	n/a	n/a	n/a
2008 YTD (Jul)	n/a	$ 695,073	46%	$3,131	0.096
2008 Y/E Projected	n/a	$ 1,261,000	84%	$3,313	0.060
2009	$ 1,349,800	n/a	n/a	n/a	n/a

	Goal - No. of New Homes Built to Standard		
Year	Goal	Actual	% of Goal
2000	686	839	122%
2001	734	363	49%
2002	605	611	101%
2003	1,005	688	68.5%
2004	600	705	117.5%
2005 Revised	932	992	106.4%
2006 Revised	1,421	1289	90.7%
2007 Revised	1,546	690	44.6%
2008 Revised	959	n/a	n/a
2008 YTD (Jul)	n/a	222	23.1%
2008 Y/E Projected	n/a	381	39.7%
2009	752	n/a	n/a

	Goal - Lifetime MWh savings				Goal - Installed kW Savings		
Year	Budget	Actual	% of Budget	Year	Goal	Actual	%of Goal
2000	54,082	22,226	41%	2000	n/a	n/a	n/a
2001	24,924	11,091	44%	2001	n/a	n/a	n/a
2002	27,799	33,911	122%	2002	n/a	n/a	n/a
2003	12,969	21,782	82%	2003	229	476	207.9%
2004	10,891	9,114	83.7%	2004	343	268	78.1%
2005 Revised	17,985	34,399	191.3%	2005	687	1,885	274.4%
2006 Revised	16,468	43,764	265.8%	2006 Budget	682	2,225	326.3%
2007 Revised	19,791	19,431	98.2%	2007 Revised	544	505	92.8%
2008 Revised	21,012	n/a	n/a	2008 Revised	885	n/a	n/a
2008 YTD (Jul)	n/a	7,222	34.4%	2008 YTD (Jul)	n/a	150	17.0%
2008 Y/E Projected	n/a	21,012	100.0%	2008 Y/E Projected	n/a	731	82.6%
2009	22,501	n/a	n/a	2009	563	n/a	n/a

	Program Ratios			
	$/Lifetime kWh		$/Annualized kW	
Year	Plan	Actual	Plan	Actual
2000	0.032	0.068	n/a	5470
2001	0.031	0.081	n/a	5359
2002	0.030	0.027	n/a	2012
2003	0.093	0.051	4,814	2,345
2004	0.083	0.084	2,627	2,862
2005 Revised	0.073	0.035	1,922	630
2006 Revised	0.107	0.039	2,594	759
2007 Revised	0.086	0.073	3,125	2,800
2008 Revised	0.071	n/a	1,695	n/a
2008 YTD (Jul)	n/a	0.096	n/a	4,622
2008 Y/E Projected	n/a	0.060	n/a	1,725
2009	0.060	n/a	2,397	n/a

CL&P Standard Filing Requirement

Residential New Construction

CL&P Program Notes

Budget/FTE

1.1	• FTE for program administration, vendor interaction, sales and field support

Goal

752	• Homes completed

Cost/Unit

$1,795	• Average cost per home.

Goal Setting Methodology

- Reflects shift towards "market based" program i.e. builders pick up the cost of home ratings.
- Average cost per home is much lower than comparable programs in surrounding states.

Metric Changes

- Program focus will move towards high performing "zero energy" homes

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The United Illuminating Company

EL-25 Standard Filing Requirement

2009

Residential New Construction *

Baseline Assumptions:

Market: Residential new construction

Budget Projections	**2007 Act**	**2008 Amended Bud**	**2008 YTD (Aug)**	**2008 YE Projected**	**2009 Bud**	
Labor						
UI Labor	$ 77,463	$ 76,152	$ 63,880	$ 76,152	$ 103,005	a)
Contractor Staff	$ 1,386	$ -	$ -	$ -	$ -	b)
Total Labor	$ 78,849	$ 76,152	$ 63,880	$ 76,152	$ 103,005	
Materials & Supplies	$ 2,221	$ 4,000	$ 381	$ 4,000	$ 4,000	c)
Outside Services	$ (52,075)	$ 79,260	$ 48,334	$ 79,260	$ 82,086	d)
Incentives	$ 105,214	$ 199,450	$ 161,377	$ 199,450	$ 177,802	e)
Marketing	$ 10,381	$ 30,000	$ 11,691	$ 30,000	$ 30,000	f)
Other	$ 1,132	$ -	$ 1,648	$ 1,648	$ -	g)
Administrative Expenses	$ 7,117	$ 7,421	$ 2,768	$ 5,773	$ 7,421	h)
Total	$ 152,839	$ 396,283	$ 290,079	$ 396,283	$ 404,314	

* Joint CL&P and UI Programs

a) 1.0 FTEs
b) No comment
c) Forms and supplies
d) HERS Rater Inspections and technical assistance for 154 homes
e) Efficiency measure upgrades for 154 homes, 25 homes to meet Federal Tax Credit
f) General awareness, Zero Energy Homes Challenge, builder co-op
g) No comment
h) Meals, miles, travel and training

Goals and Metrics Information:

Savings	**2009**
Demand Savings (kW)	98
Annual Energy Savings (kWh)	469,501
Lifetime Energy Savings (kWh)	6,287,006
Annual Cost Rate ($/kWh)	$ 0.861
Lifetime Cost Rate ($/kWh)	$ 0.064
Cost per kW	$ 4,119
Electric System B/C Ratio	1.74
Total Resource B/C Ratio	5.49

The United Illuminating Company
LF-26 Standard Filing Requirement

Residential New Construction

Goal - Program Costs (000's)

Year	Budget	Actual	% of Goal Achieved
2000	$359	$513	142.9%
2001	$536	$497	92.7%
2002	$424	$520	122.6%
2003	$523	$357	68.3%
2004	$541	$606	112.0%
2005	$841	$1,140	135.6%
2006	$644	$375	58.2%
2007	$396	$153	38.6%
2008	$396		
2008 YTD (Aug)	$396	$290	73.3%
2008 YE Projected	$396	$396	100.1%
2009	$404		

Goal - Number of Homes

Year	Goal No of Units	Actuals	% of Goal Achieved
2000	100	110	110.0%
2001	127	127	100.0%
2002	106	141	133.0%
2003	120	276	230.0%
2004	400	407	101.8%
2005	500	548	109.6%
2006	500	613	122.6%
2007	300	425	141.7%
2008	300		
2008 YTD (Aug)	300	124	41.3%
2008 YE Projected	300	300	100.0%
2009	154		

Goal - Installed kWh Savings (000's kWh)

Year	Goal	Actual	% of Goal Achieved
2000	202	226	111.9%
2001	208	208	100.0%
2002	174	230	132.2%
2003	108	297	275.0%
2004	378	385	101.9%
2005	757	1,038	137.1%
2006	588	1,038	176.5%
2007	513	1,672	325.9%
2008	550		
2008 YTD (Aug)	550	510	92.7%
2008 YE Projected	550	550	100.0%
2009	470		

Goal - Installed kW Savings

Year	Goal	Actual	% of Goal Achieved
2000	-	-	0.0%
2001	-	-	0.0%
2002	-	-	0.0%
2003	23	25	108.7%
2004	170	173	101.8%
2005	318	212	66.7%
2006	175	231	131.9%
2007	210	290	138.1%
2008	196		
2008 YTD (Aug)	196	125	63.8%
2008 YE Projected	196	196	100.0%
2009	98		

Goal - Lifetime kWh Savings (000's kWh)

Year	Goal	Actual	% of Goal Achieved
2000	3,365	3,753	111.5%
2001	4,338	4,338	100.0%
2002	3,816	5,044	132.2%
2003	2,029	5,940	292.8%
2004	7,283	7,412	101.8%
2005	9,435	11,241	119.1%
2006	7,994	15,812	197.8%
2007	6,593	23,327	353.8%
2008	4,950		
2008 YTD (Aug)	4,950	8,250	166.7%
2008 YE Projected	4,950	8,250	166.7%
2009	6,287		

Program Ratios

Year	$/kWh Target	Actual	$/LT kWh Target	Actual	$/kW Target	Actual	Cost/Home
2000	$1.777	$2.270	$0.107	$0.137	$0	$0	$4,664
2001	$2.577	$2.389	$0.124	$0.115	$0	$0	$3,913
2002	$2.437	$2.261	$0.111	$0.103	$0	$0	$3,688
2003	$4.843	$1.202	$0.258	$0.060	$22,739	$14,280	$1,293
2004	$1.431	$1.574	$0.074	$0.082	$3,182	$3,503	$1,489
2005	$1.111	$1.098	$0.089	$0.101	$2,645	$5,377	$2,080
2006	$1.095	$0.361	$0.081	$0.024	$3,680	$1,625	$612
2007	$0.772	$0.092	$0.060	$0.007	$1,886	$528	$360
2008	$0.720		$0.080		$2,020		
2008 YTD (Aug)	$0.720	$0.569	$0.080	$0.035	$2,020	$2,321	$2,339
2008 YE Projected	$0.720	$0.721	$0.080	$0.048	$2,020	$2,022	$1,321
2009	$0.861		$0.064		$4,119		

The United Illuminating Company
LF-26 Standard Filing Requirement

Program Notes - Residential New Construction

Budget/FTE:

Staffing level increased to 1 FTE as Program has changed and the need for builder outreach and education increases

Goal:

154 unit goal reflects program change and focus on high performance homes
50 additional new construction units will be supported under the UI Helps program

Cost/kWh (Cost/Unit):

Cost rates increase as production is reduced and concentration on higher performance homes. Increase UI labor, and revised measure mix

Goal Setting Methodology:

154 unit goal is driven by available budget and estimated vendor and builder incentives

Metric Changes:

Emphasis is on participation and the install of high performance measures with specific interest in Federal Tax Credit Homes, focus on Homes and building shell/envelope measures, HVAC, HVAC QIV and ductwork

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Connecticut Home Energy Solutions (CL&P & UI) (Electric and Natural Gas)

Objective: The objective of the Connecticut Home Energy Solutions ("HES") program is to reduce total energy use and electric system peak demand through the comprehensive treatment of "high-use" residential dwellings, and through the replacement of inefficient equipment in both single-family and multi-family dwellings.

Target Market: HES serves both single-family and multi-family homes. In order to ensure cost-effectiveness, the *In-Home Energy Services* component of the program will be targeted to electric and gas heating customers. HES is a joint electric and natural gas program which will be promoted to high-use customers and customers with central air conditioning.

Eligible electric and natural gas customers will typically have electric space and water heat, or central air conditioning ("CAC") with natural gas heat. CAC systems with ductwork located in attics and crawl spaces will receive particular attention. The Companies will establish high-use targeting criteria based on normalized energy usage.

The *Heating and Cooling System Efficiency* component of HES targets all residential customers adding or replacing central air conditioning systems. Both market-driven replacement upgrades and early retirement of older, inefficient systems will be promoted.

The *Residential Ground Source Heat Pump Performance Initiative* will be targeted to single- and multi-family home owners who choose to install geothermal heating and cooling systems. Optimal geothermal performance requires careful design and installation standards. The Companies' Verification of Installed Performance ("VIP") initiative is designed to ensure that systems operate "as advertised." In addition, customers who install geothermal systems will be encouraged to participate in the HES program in order to ensure that all cost-effective shell upgrades are made before the installation of the geothermal system, thereby allowing smaller size systems to be installed.

Program Description: HES is a joint electric and natural gas program that is promoted to high-use customers and customers with central air conditioning.

Over the past two years, HES has built up a solid infrastructure for program delivery. Currently 70 technicians implement HES program services and the program is moving toward becoming market based. In the future, a home energy efficiency service provider industry should evolve into existence and become sustainable.

HES is an "umbrella" program that is comprised of five components:

1) In-Home Energy Services (Tier1): *In-Home Energy Services* is the largest component of HES and provides comprehensive in-home energy services to customers. This component is a joint natural gas and electric offering and will be promoted to high-use customers and customers with central air conditioning.

Tier 1 of HES will assist customers with comprehensive home performance solutions based on site-specific opportunities. Key measures and services include:

- ✓ On-Site Opportunity Assessment
- ✓ Customer-Specific Energy Recommendations
- ✓ Instrumented Air Sealing and Duct Sealing
- ✓ Direct-Install Lighting
- ✓ Heating and Cooling System Replacement Incentives
- ✓ Appliance Replacement Incentives
- ✓ Insulation, Doors and Windows (specs. and loans)
- ✓ Power Cost Monitors and Time-of-Use Rate Education
- ✓ Consumer Financing (TBD – see below)

To date, Tier 1 HES has been implemented by the "core" vendor implementation strategy. In 2009, the program should transform into a market-based program. Contractors who meet the minimum qualifications will go through a screening process (to be developed) to become eligible to participate in the program.

2) Tier 2 HES: For 2009, the In-Home Services component of HES will offer a second tier of services designed to address more comprehensive, fuel blind single and multi-family projects. This component of HES will enable deeper penetration of energy efficiency retrofits by allowing vendors, energy professionals and contractors to submit comprehensive custom projects to the Companies for rebate consideration (based on natural gas and electric energy savings). This track of HES will operate similarly to the Energy Opportunities program, but will accept residential and multi-family projects into the program (rather than C&I) through letters of agreement with contractors. Tier 2 projects may utilize other programs and offerings (e.g., C&I programs, natural gas programs, tax credit programs, etc.) to deliver more comprehensive services to customers.

3) Heating and Cooling System Efficiency. The *Heating and Cooling System Efficiency* component of HES provides incentives to increase heating and air conditioning equipment efficiency and improve system installation quality. Induced replacement (i.e., early retirement) of older, inefficient equipment will be a key market strategy. Proper performance and efficiency of central air conditioners and heat pumps is linked directly to the design and installation of the system. Therefore, the Companies will increase their efforts to commission systems to encourage proper installation and to verify that they are properly installed. To supplement the traditional rebate strategy, the Companies are working with the Northeast Energy Efficiency Partnership (“NEEP”) to develop Negotiated Cooperative Promotions (“NCPs”) with manufacturers and distributors of HVAC equipment. The NCP process will directly engage and negotiate with key market actors to develop program elements such as marketing, contractor training, high efficiency equipment incentives, quality installation incentives and perhaps customer financing options.

4) Residential Geothermal Ground Source Heat Pump Performance Initiative. The *Geothermal Ground Source Heat Pump Performance Initiative* can reduce the use of energy in homes that are installing geothermal systems through field testing and monitoring of those systems.

5) Consumer Financing. HES will provide attractive consumer financing for energy improvement projects recommended and/or offered through the program. The Companies have issued a RFP to the financial industry for the purpose of providing financing for energy improvement upgrades. In addition, the Companies will continue to offer financing through the Energy Conservation Loan program offered through CHIF. Independent contractors participating in the market based feature of the program may already have financing and may offer it for HES measures, as well as energy efficiency upgrades above and beyond standard HES Tier 1.[1]

[1] The Companies have issued an RFP to the financial industry for the purpose of providing most residential customers with access to home energy improvement capital.

Marketing Strategy:

Tier 1

As this in-home tier of the HES program has matured, we can rely more upon contractor-generated marketing to drive customer enrollment. The Companies may augment enrollment with:

- Bill inserts.
- Targeted mailing of program brochure.
- Utilizing special-interest publications (print and electronic) such as Company newsletters, legislator's constituent newsletters and government employee newsletters to direct residents to the WISE-USE line or CTEnergy.Info.com for applications.
- Booth presence at strategically selected consumer shows and residential fairs.
- Promote program through HVAC and home improvement contractor community.

In order to maximize the benefits of the in-home services provided and to further the cause of behavioral changes, the Companies will support residents through education and support. This support may include:

- Write and distribute articles on low-cost or no-cost tips. Place in newsletters, local media, associated web sites sponsored by groups such as the ECMB, the CT Clean Energy Fund, One Thing, Legislators' sites, conservation sites, etc.
- Write and distribute case studies (also referred to as Success Stories or Testimonials) to the sites listed above and to local media.
- Produce a HES video, post on the Companies sites and link to from other affiliated/appropriate sites. Explore use of local access television.

Tier 2

Tier 2 HES will be marketed towards the existing C&LM contractor base, multi-family building operators and other energy professionals. Many of the same types of actions noted for Tier 1 will be used, with the message changed to emphasize these new incentive offerings. As with Tier 1, the Companies' strategy will be to promote the services using direct response tactics and event participation, and to foster and support the services through an increased use of public relations vehicles.

Incentive Strategy: The incentive strategies for HES are multifaceted due to the various components of the program and the markets served. Tier 1 will resemble the current HES program with reduced incentives. As the program migrates to a market-based program, the contractors will have the flexibility of charging customers market-based rates for their services to compensate for reduced incentives. This arrangement will induce competition among contractors and will help reduce overall program costs because more of the program cost will be shifted to the customer and/or contractor.

The Companies will carefully monitor the program during 2009 to make sure that this market based arrangement will maintain sufficient program participation levels and is affordable to customers.

For the *Heating and Cooling System Efficiency* component of HES, the fixed rebate amounts for equipment replacement will be offered to all residential consumers. Connecticut legislation[2] mandated a $500 rebate for ENERGY STAR central air conditioning systems (systems with at least a 14.5 SEER and 12 EER for 2009). The Companies will continue to offer a $500 rebate for ENERGY STAR HVAC systems and inverter driven ductless heat pumps. There will be a cap of $500 per home for inverter driven ductless heat pumps.

Since system efficiency is a function of design and installation practice, the Companies will pilot a comprehensive Quality Installation Verification ("QIV") which is under development and has similar requirements to future ENERGY STAR requirements.

Participating HVAC contractors may also receive incentives for verified quality installation (i.e., proper sizing, airflow and charge).

The *Residential Ground Source Heat Pump Performance Incentive* provides a financial incentive to single and multi-family owners who will have an application; invoice and a VIP form completed and returned to the prospective company program administrator. Installations must be verified at a minimum of 85 percent of their appropriate performance rating. A rebate of $500 per cooling ton in one-half ton increments to a maximum of $1,500 per home will be available.

The following table shows the rebate amount and the natural gas and electric measures, rebate amounts and the natural and electric cost split.

[2] HB 7432, *An Act Concerning Electricity and Energy Efficiency*, June 2007.

Measure	Incentive	Source	Cap
ENERGY STAR Refrigerator	$50	Electric	$100
ENERGY STAR Clothes Washer	$50	Hot Water Source: Natural Gas or Electric	$100
ENERGY STAR Freezer	$25		$50
ENERGY STAR Dehumidifier	$25	Electric	$50
Insulation Upgrade	$0.25/sq ft	Heat Source: Natural Gas or Electric	$0.50/sq ft
ENERGY STAR HVAC (14.5 SEER and 12 EER)	$500	Electric	$500/system
Geothermal Ground Source Heat Pump	$500/ton	Electric	TBD

Goals: Refer to Standard Filing Requirements for program goals.

New Program Issues: This program was developed in 2007 and has grown exponentially in a relatively short time. Currently, there are nearly 70 technicians who have been trained and are working in the field delivering HES services. As a result of HES efforts, a residential energy efficiency industry is being developed in Connecticut – an industry that will help customers in Connecticut for many years to come.

A key program issue will continue to be infrastructure development; particularly if/as Connecticut ramps up towards an IRP to address the needs of Connecticut residential customers.

A Building Performance Institute (“BPI”) certification training for HES technicians has been instituted. BPI or similar certification will be mandatory for contractors to participate in the market-based HES.

The Companies will monitor and participate in the regional and national discussions around HVAC NCP and QIV procedures in coordination with CEE, NEEP and the EPA and may consider these procedures on a case-by-case basis.

State legislation also offers qualified residential customers, through the CT Office of Policy Management (“OPM”), a rebate of up to $500 for replacement equipment installations of ENERGY STAR natural gas heating systems (furnaces with at least a 90 percent A.F.U.E. rating and hot water boilers with an 85 percent A.F.U.E. rating.) applicable to equipment installed on or after July 1, 2007. Customers will be informed and provided the forms for the OPM rebate.

Since system efficiency is a function of design and installation practice, the Companies will pilot a comprehensive QIV which is under development and has similar requirements to future ENERGY STAR standards.

The Companies will monitor and participate in the regional and national discussions around HVAC NCP and QIV procedures in coordination with CEE, NEEP and the U.S. EPA and may consider adopting these offerings on a case-by-case basis.

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Residential Ground Source Heat Pump Performance Initiative (CL&P & UI)

Objective: The objective of the *Residential Ground Source Heat Pump Performance (Geothermal) Initiative* is to reduce the use of energy in homes that are installing geothermal heat pumps by commissioning and documentation of performance through field-testing.

Target Market: The Companies will target residential single- and multi-family homes that are installing geothermal heat pumps. The initiative is offered through both the RNC program (utilizing geothermal heat pumps) and the HES program (for existing homes installing geothermal heat pumps).

Program Description: The initiative provides a financial incentive to single-family home owners in the amount of $500 per rated cooling ton of refrigeration (in half-ton increments) to a maximum of $1,500 per home for commissioned equipment. Customers who are installing geothermal systems will be encouraged to leverage insulation rebates that are available through the HES or RNC programs. Investing in the shell of the home will reduce the size and cost of the installed system. In addition, shell upgrades will reduce the likelihood of having comfort related problems and high bill complaints. This incentive for equipment combined with home shell upgrades will result in an increased available total incentive.

Geothermal incentive applications are available on the Companies' websites. To qualify for a rebate, the application must be completely filled out and submitted to the program administrator along with the following:

- Geothermal unit(s) can be confirmed as tested under appropriate standards as ISO 13256-1 part 1 or 2 (for ground water systems) or AHRI Standard 870 (for direct expansion systems). Manufacturer published field test specifications will be considered if the equipment was tested in accordance with the above standards. Note that equipment must be matched- coil approved by the geothermal manufacturer.

- An invoice for the completed work. The invoice must indicate date, model name/s and ID number/s, customer address and contractor information.

- Verification that the equipment was sized using an ACCA manual J load calculation or equivalent load calculation program.

- A completed, verifiable VIP worksheet (available on the Companies' website) sent to the program administrator. Installations must meet a minimum 85 percent requirement of the manufactures' field rated EER (energy efficiency ratio) in a cooling mode test or COP (coefficient of performance) in a heating mode test during commissioning. In addition to the efficiency, the capacity of the unit must reach at least 85% of the rated capacity of the unit (in either heating or cooling mode).

Marketing Strategy: The *Residential Ground Source Heat Pump Performance Initiative* will be promoted through the Companies' website, building and trade shows, industry group meetings and trainings. Both the HES and RNC programs will be leveraged to assist customers who are installing geothermal units.

Program Goals: The *Residential Ground Source Heat Pump Performance Initiative* is a component of both the HES and RNC programs. It does not have a stand-alone goal.

Incentive Strategy: The incentive will be a $500 per cooling ton in ½-ton increment to a cap of $1,500 per home for a calculated energy savings over a non-commissioned unit installation.

New Program Issues: Confirmation of energy savings for geothermal heat pumps can be improved with recent technologies of consumer electronic power recording devices. The Companies will pilot the use of stand alone metering technology as a component of the *Residential Ground Source Heat Pump Performance Initiative* to evaluate the cost of the product as it compares to energy saved. Quality, ease-of-use and installation will be considerations.

CL&P Standard Filing Requirement

Home Energy Solutions (HVAC, In-Home Services, Financing)

All dollar values are in $000

Budget Projections	2006 Actuals	2007 Actuals	Revised 2008 Budget	2008 YTD (Jul)	2008 YE Projected	2009 Budget	
Labor							
NU Labor	$ 181	$ 343	$ 497	$ 160	$ 246	$ 410	
Contractor Staff	$ 72	$ 9	$ -	$ 41	$ 63	$ -	
Total Labor	$ 253	$ 352	$ 497	$ 201	$ 309	$ 410	
Materials & Supplies	$ 5	$ 3	$ 14	$ 1	$ 2	$ 1	
Outside Services	$ 908	$ 1,102	$ 953	$ 896	$ 1,379	$ 1,650	a)
Incentives	$ 2,723	$ 3,913	$ 5,412	$ 3,107	$ 4,782	$ 6,638	b)
Marketing	$ 54	$ 62	$ 69	$ 37	$ 57	$ 70	
Administrative Expense	$ 3	$ 12	$ 9	$ 7	$ 11	$ 15	
Other	$ 14	$ 24	$ 46	$ 23	$ 35	$ 40	
Total	$ 3,960	$ 5,468	$ 7,000	$ 4,272	$ 6,575	$ 8,824	

a) Includes administrative costs for home visits, rebate processing fees, CHIF Loan Program

b) Incentives include $2.6 million of state mandated incentives as a result of PA 07-242

2008 Goals and Metrics Information

Demand Savings (kW reduction Goal)	3,608.5
Annual Energy Savings (KWh Reduction Goal)	15,807,199
Lifetime Energy Savings (kWh Reduction Goal)	183,125,342
Annual Cost Rate ($/kWh)	$ 0.558
Lifetime Cost Rate ($/kWh)	$ 0.048
Electric b/c ratio	2.51
Total Resource b/c ratio	2.61

CL&P Standard Filing Requirement

Home Energy Solutions (HVAC, In-Home Services, Financing)

	Program Costs				
Year	Budget	Actual	% of Budget	Cost/participant	$/LT-kWh
2000	$ -	$ -	0%	$0	0.000
2001	$ 500,000	$ 262,000	52%	$488	0.096
2002	$ 660,000	$ 760,000	115%	$321	0.051
2003	$ 1,500,000	$ 1,086,000	72%	$659	0.104
2004	$ 1,500,000	$ 1,149,000	77%	$429	0.047
2005 Revised	$ 3,424,989	$ 1,686,246	49%	$456	0.051
2006 Revised	$ 2,922,000	$ 3,959,926	136%	$352	0.067
2007 Revised	$ 4,900,052	$ 5,467,875	112%	$1,071	0.061
2008 Revised	$ 7,000,000	n/a	n/a	n/a	n/a
2008 YTD (Jul)	n/a	$ 4,272,322	61%	$894	0.064
2008 Y/E Projected	n/a	$ 6,575,000	94%	$802	0.045
2009	$ 8,824,228	n/a	n/a	n/a	n/a

	Goal - Participation		
Year	Goal	Actual	% of Goal
2000	0	0	0%
2001	1,269	537	42%
2002	1,423	2,366	166%
2003	16,372	1,647	10%
2004	2,029	2,677	132%
2005 Revised	4,525	3,700	82%
2006 Revised	9,341	11,237	120%
2007 Revised	4,877	5,106	105%
2008 Revised	14,170	n/a	n/a
2008 YTD (Jul)	n/a	4,781	34%
2008 Y/E Projected	n/a	8,196	58%
2009	13,279	n/a	n/a

	Goal - Lifetime MWh savings				Goal - Installed kW Savings		
Year	Budget	Actual	% of Budget	Year	Goal	Actual	%of Goal
2000	0	0	0%	2000	n/a	n/a	n/a
2001	6,034	2,735	45%	2001	n/a	n/a	n/a
2002	8,196	14,846	181%	2002	n/a	n/a	n/a
2003	18,944	10,490	55%	2003	3,371	972	28.8%
2004	16,016	24,256	151%	2004	1,481	2,188	147.7%
2005 Revised	51,967	33,275	64%	2005	5,367	2,856	53.2%
2006 Revised	34,351	59,169	172%	2006 Budget	2,500	3,151	126.0%
2007 Revised	73,564	89,643	122%	2007 Revised	2,579	2,520	97.7%
2008 Revised	134,312	n/a	n/a	2008 Revised	4,610	n/a	n/a
2008 YTD (Jul)	n/a	66,476	49%	2008 YTD (Jul)	n/a	2,068	44.9%
2008 Y/E Projected	n/a	147,158	110%	2008 Y/E Projected	n/a	4,837	104.9%
2009	183,125	n/a	n/a	2009	3,609	n/a	n/a

	Program ratios			
	$/Lifetime kWh		$/Annualized kW	
Year	Plan	Actual	Plan	Actual
2001	0.083	0.096	n/a	1002
2002	0.081	0.321	n/a	698
2003	0.128	0.104	721	1,117
2004	0.094	0.047	1,013	1,182
2005 Revised	0.066	0.051	638	590
2006 Revised	0.085	0.067	1169	1,257
2007 Revised	0.067	0.061	1900	2,169
2008 Revised	0.052	n/a	1518	n/a
2008 YTD (Jul)	n/a	0.064	n/a	2,066
2008 Y/E Projected	n/a	0.045	n/a	1,359
2009	0.048	n/a	2445	n/a

CL&P Standard Filing Requirement

Home Energy Solutions (HVAC, Duct Sealing, Lighting)

CL&P Program Notes

Budget/FTE

3.4	• FTE for program administeration, vendor interaction, field inspections, program support.

Goal

13,279	• Units serviced includes 4,052 in-home services jobs and 8,715 rebates.

Cost/Unit

$665	Average cost per unit.

Goal Setting Methodology

HVAC equipment goal was estimated based on size of market and estimated participation rate.
In-home services goal was based on estimted cost of service and available dollars.

Metric Changes

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The United Illuminating Company

EL-25 Standard Filing Requirement

2009

Home Energy Solutions*

Baseline Assumptions:

Market — Residential Customers and the replacement of HVAC equipment < 25 tons

Budget Projections	2007 Act	2008 Amended Bud	2008 YTD (Aug)	2008 YE Projected	2009 Bud	
Labor						
UI Labor	$ 158,061	$ 173,564	$ 128,647	$ 173,564	$ 228,720	a)
Contractor Staff	$ -	$ -	$ -	$ -	$ -	b)
Total Labor	$ 158,061	$ 173,564	$ 128,647	$ 173,564	$ 228,720	
Materials & Supplies	$ 2,163	$ 2,909	$ 3,355	$ 3,355	$ 4,759	c)
Outside Services	$ 179,623	$ 205,039	$ 765,889	$ 800,000	$ 344,688	d)
Incentives	$ 464,854	$ 1,166,063	$ 437,642	$ 648,129	$ 1,583,953	e)
Marketing	$ 134,917	$ 200,000	$ 116,183	$ 150,000	$ 175,000	f)
Other	$ 188,493	$ 127,473	$ 71,922	$ 100,000	$ 127,473	g)
Administrative Expenses	$ 9,100	$ 12,425	$ 5,719	$ 12,425	$ 37,425	h)
Total	$ 1,137,211	$ 1,887,473	$ 1,529,357	$ 1,887,473	$ 2,502,018	

* Joint CL&P and UI Programs

a) 2.0 FTEs
b) No comment
c) Forms, educational materials, etc.
d) In-home services audits for 2,650 homes, Airflow/Charge inspections, HVAC contractor QIV training
e) In-home services measures for 2,650 homes plus 694 AC, appliance and insulation incentives (Clothes Washer, Refrigerator, Dehumidifier, and Freezer)
QIV subsides (proper airflow/charge and sizing)
f) Co-op, seasonal marketing, direct mail and bill insert messaging
g) Energy Conservation Loan Fund, Neighborhood Housing Services
h) Financing interest, meals, miles, travel and training

Goals and Metrics Information:

Savings	2009
Demand Savings (kW)	667
Annual Energy Savings (kWh)	3,942,672
Lifetime Energy Savings (kWh)	29,700,226
Annual Cost Rate ($/kWh)	$ 0.635
Lifetime Cost Rate ($/kWh)	$ 0.084
Cost per kW	$ 3,751
Electric System B/C Ratio	1.57
Total Resource B/C Ratio	1.08

The United Illuminating Company
LF-26 Standard Filing Requirement

Home Energy Solutions

Goal - Program Costs (000's)

Year	Budget	Actual	% of Goal Achieved
2001	$104	$229	220.2%
2002	$248	$286	115.3%
2003	$366	$268	73.2%
2004	$514	$423	82.3%
2005	$1,042	$673	64.6%
2006	$745	$784	105.2%
2007	$1,012	$1,079	106.6%
2008	$1,887		
2008 YTD (Aug)	$1,887	$1,529	81.0%
2008 YE Projected	$1,887	$1,887	100.0%
2009	$2,477		

Goal - Number of Units

Year	Goal	Actual	% of Goal Achieved
2001	250	176	70.4%
2002	235	804	342.1%
2003	500	610	122.0%
2004	634	745	117.5%
2005	3,400	1,533	45.1%
2006	840	1,051	125.1%
2007	525	1,025	195.2%
2008	525		
2008 YTD (Aug)	525	1,360	259.0%
2008 YE Projected	525	1,360	259.0%
2009	2,650		

Goal - Installed kWh Savings (000's kWh)

Year	Goal	Actual	% of Goal Achieved
2001	62	75	121.0%
2002	58	1,216	2096.6%
2003	186	231	124.2%
2004	279	415	148.7%
2005	848	517	61.0%
2006	329	455	138.3%
2007	890	1,063	119.4%
2008	1,789		
2008 YTD (Aug)	1,789	2,066	115.5%
2008 YE Projected	1,789	2,066	115.5%
2009	3,943		

Goal - Installed kW Savings

Year	Goal	Actual	% of Goal Achieved
2001	-	-	0.0%
2002	-	-	0.0%
2003	345	368	106.7%
2004	491	728	148.3%
2005	1,490	1,061	71.2%
2006	595	631	106.1%
2007	528	414	78.4%
2008	1,181		
2008 YTD (Aug)	1,181	579	49.0%
2008 YE Projected	1,181	1,181	100.0%
2009	667		

Goal - Lifetime kWh Savings (000's kWh)

Year	Goal	Actual	% of Goal Achieved
2001	932	1,125	120.7%
2002	876	18,240	2082.2%
2003	3,534	4,389	124.2%
2004	5,108	7,839	153.5%
2005	11,076	8,264	74.6%
2006	5,906	5,866	99.3%
2007	9,731	11,997	123.3%
2008	26,767		
2008 YTD (Aug)	26,767	20,563	76.8%
2008 YE Projected	26,767	26,767	100.0%
2009	29,700		

Program Ratios

Year	$/kWh Target	Actual	$/LT kWh Target	Actual	$/kW Target	Actual	Cost/ Unit
2001	$1.677	$3.053	$0.112	$0.204	$0	$0	$1,301
2002	$4.276	$0.235	$0.283	$0.016	$0	$0	$356
2003	$1.968	$1.160	$0.104	$0.061	$1,061	$728	$439
2004	$1.842	$1.019	$0.101	$0.054	$1,047	$581	$568
2005	$1.229	$1.302	$0.094	$0.081	$699	$634	$439
2006	$2.264	$1.723	$0.126	$0.134	$1,252	$1,242	$746
2007	$1.137	$1.015	$0.104	$0.090	$1,917	$2,606	$1,053
2008	$1.055		$0.070		$1,598		

The United Illuminating Company
LF-26 Standard Filing Requirement

Program Notes - Home Energy Solutions

Budget/FTE:

2.0 FTE for contractor relations/field support, contract administration
and data/financial administration

Goal:

Program assumptions include 694 14.5 SEER and 12 EER, and higher AC, Quality Installation and Verification and 2,650 comprehensive in-home services participants.
Within the in-home services modeling assumptions included CFLs, air and duct sealing diagnostics, and DHW measures.
80% gas customers.Appliance incentives for refrigerators, freezers, clothes washers and dehumidifiers and insulation upgrade incentive.

Cost/kWh (Cost/Unit):

Cost rates decrease as program begins to mature and measures/ programs comparisions can be made.

Goal Setting Methodology

Goals are based on measure mix and historical measure installation quantities. Production levels based on available funds.
PA 07-702 Central A/C mandated rebates influences program design and goals

Metric Changes:

Program metrics will consider AC units rebated, quality installations performed, and numbers of whole house participants by heating fuel.

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Limited-Income – CL&P WRAP and UI Helps (Electric and Natural Gas)

Objective: The objectives of the Companies' limited-income programs, CL&P's Weatherization Residential Assistance Partnership ("WRAP") and UI's UI Helps are:

- To provide comprehensive weatherization, energy conservation and education services to limited-income customers in order to reduce their energy burden.
- To make utility bills more affordable and homes more energy-efficient and comfortable.
- Providing energy efficiency education to raise customer awareness of conservation and to encourage them to take behavioral and other steps beyond weatherization to further reduce energy consumption.
- Having a streamlined program delivery mechanism from WRAP and UI Helps program administrators, to the Community Action Agencies ("CAAs") and vendors who implement the services within Connecticut.

Target Market: Customers with the following criteria: (a) income that is at or below 60% of the state median income, (b) energy burden (percent of total annual income spent on energy) that is high, (c) have not received energy conservation services in the prior 18 months, and (d) target customers who reside within Community Reinvestment Act areas and their eligible census tracts.

The Companies can also target financially challenged customers facing other issues that may interfere with their ability to take advantage of conservation services. Examples of these customers include group living settings, such as residential treatment facilities, group homes, halfway houses, disabled veterans groups and shelters.

Program Description: The program may offer a full range of energy conservation measures to address inefficient lighting, water heating, inefficient heating equipment, refrigeration and insufficient insulation. Measures may include the direct installation of CFLs, lighting fixtures, low-flow showerheads, low-flow faucet aerators, waterbed insulated covers, door sweeps, thermostats, duct sealing, weatherization and insulation. Energy-efficient refrigerators, freezers, dehumidifiers, clothes washers, ductless heat pumps (pending evaluation results) and room air conditioners are provided and installed to qualifying customers. Program participants may receive: burners and furnace repairs/replacements (WRAP only). WRAP program participants who exclusively use electric heat can be considered for replacement of single-pane windows with double-pane Low E Argon 0.35-0.30 windows. These windows would require a co-pay from the landlord or property owner.

The Neighborhood Canvassing program provides weatherization services to limited-income customers in targeted communities. Services can include: CFLs, low-flow showerheads, low-flow faucet aerators, waterbed insulated covers, energy-efficient torchieres, table lamps and ENERGY STAR-qualified room air conditioners, refrigerators and freezers. WRAP and UI Helps program participants requiring additional weatherization services will be scheduled for a follow-up visit so that additional energy-saving measures, such as blower door-directed air sealing, can be completed.

The program coordinates with those funded by the state of Connecticut and leverages the United States' Department of Energy's Weatherization Assistance Program. Additionally, customers who heat with natural gas receive conservation services through a charge on their natural gas utility bills.

The Companies coordinate their program services to limited-income communities through their vendor and/or the local CAA in conjunction with the local natural gas companies. This coordination enables the Companies to maximize their outreach and serve more families.

The following services may be delivered by contractors who have been selected through either a competitive bidding process or by a CAA:

- Conduct a fuel-blind energy audit or walk through needs analysis survey of the household.
- Identify causes of high electricity use related to lighting and appliances.
- Identify solutions to high-use problems by working cooperatively with customers in their homes.
- Install all cost-effective energy-saving measures including those listed above.
- Educate customers on use and care of conservation measures to ensure continued savings.
- Consolidate service delivery whenever possible to reduce operating inefficiencies and minimize customer inconvenience, such as multiple home visits.
- Conduct neighborhood canvassing to targeted areas to maximize program participation.

In addition to the services listed above, customers may be provided with educational literature such as energy-use tips and with Company literature on energy budget management. CL&P can also send a newsletter ("Help Line"), which contains energy education, conservation tips, safety information, and other useful resource listings to participants. The

Companies may also provide training for the network of CAAs that deliver direct services.

The Companies have been actively responding to programmatic improvements recommended by the 2006 third-party evaluation. The Companies are active participants in the statewide efforts addressing the energy needs of limited-income households, including staff participation on the Low Income Energy Advisory Board's ("LIEAB") Conservation and Weatherization subcommittee.

CL&P has increased outreach to non-English speaking communities; specifically targeted electrically heated homes and high-use customers for services; and increased communication and coordination with other state agencies and providers of limited-income programs. UI has proactively taken steps to coordinate with both the program staff at the Department of Social Services ("DSS") and the CAAs to offer leveraged services. In addition, UI and Southern Connecticut Gas ("SCG") staffs are coordinating efforts to leverage services and funds of DSS/DOE, SCG and UI Helps to offer a comprehensive delivery of service. UI has increased its participation in the DSS Weatherization Director's Forum. The last C&LM decision also allowed UI to fund non-electric weatherization measures in oil heated homes up to 25% of the limited income budget.

Intake can be conducted by several entities including C&LM staff, the Companies' Credit & Collections and Customer Service Departments, CAAs, program delivery vendor and DSS. Infoline also refers customers to these intake organizations.

The Companies target and outreach via extensive mailings to all identified hardship-coded customers throughout their service territories. They continue to work closely with the CAAs' energy departments, DSS, social service agencies and public housing agencies to identify new clients who qualify for limited-income programs.

<u>CAAs</u>

The Companies have agreements with most of the CAAs within their respective service areas to offer expanded services to limited-income customers. These services include:

- Working with the CAAs to develop educational materials to be provided to customers at the time of audits and installations by CAAs or subcontractors. The materials will focus on the end uses that require the highest electricity use in each home, including lighting, heating, cooling and appliances. Customers will be informed about the best ways to manage these uses more efficiently.
- CAAs will continue to expand their outreach activities in order to increase participation by customers not traditionally served.

- CAAs will continue to refer customers, if eligible, to CL&P (NUSTART and Matching Payment programs) and UI (Matching Payment and Forgiveness programs) for appropriate payment assistance, winter protection, and/or to the appropriate human service agency for non-energy-related services.
- CAAs will provide fuel assistance funds if a customer is eligible and will follow up with all referred customers with telephone calls or home visits, if necessary, to ensure appropriate service delivery.

Marketing Strategy: The WRAP and UI Helps programs have matured to a point where the Companies can rely upon contractor, CAA, and Infoline-generated outreach to drive customer enrollment. Enrollment is also generated through referrals from the Companies' Customer Service and Community Relations Departments. The Companies may augment enrollment with:

- Advertising in weekly newspapers and local radio stations demographically targeted to increase enrollment in underserved communities.
- Letter writing campaigns to introduce a new or limited-time service to specific demographic targets. (i.e., refrigerator or room air conditioner replacements).
- Seasonal press releases.
- Distribution of CL&P's "Help Line" newsletter.

While the target markets for these limited-income programs are residential customers who meet the eligibility requirements, several important and discreet audiences must be addressed through integrated marketing communications. These audiences include:

- CAAs
- Social service and family welfare agencies
- Disabled veteran groups
- Senior citizen organizations
- Public housing authorities
- Connecticut Housing Finance Authority ("CHFA")
- Local government and policy makers
- Private-sector non-profits such as Habitat for Humanity, Rebuilding Together in Hartford, Neighborhood Housing Services of New Haven, Inc, Columbus House, CUHO, various shelters, and other not-for-profit housing organizations
- Private-sector landlords
- Private-sector property managers

These audiences play an important communications role in marketing the limited-income programs. These groups have ongoing relationships with our customers and the communities they live in. As such, they need to be supported by the Companies though a mix of the following tactics:

- Presentations by program personnel to property management companies and landlords to educate them about the Fund, CL&P's WRAP program, UI Helps program, and the efficiency of the complex they manage.
- Contribution of articles in newsletters issued by many of these groups. Topics may include low cost and no-cost energy-efficiency tips and environmental benefits to conservation.
- Energy-conservation presentations including participation at senior fairs, Company-sponsored Utility Days, legislative forums, etc. UI will also coordinate these activities in conjunction with the SmartLiving Center.
- Ongoing communication with municipal housing authorities and other limited-income and elderly service organizations through letter writing (mail and email) and telephone outreach.

Incentive Strategy: Incentives are designed to pay up to100 percent of all measures that are cost-effective regardless of heating or domestic hot water fuel source. Measures included in the programs are comprehensive weatherization, insulation upgrades, lighting, low-cost water measures and replacing tenant-owned refrigerators, clothes washers, room air conditioners and dehumidifiers to maximize the potential energy savings. There is a co-pay requirement for landlord owned refrigerators. In some instances WRAP will provide incentives for heating system repairs and replacements.

Goals: Refer to Standard Filing Requirements for program goals.

New Program Issues: The Companies continue to evaluate and implement recommendations from the 2006 program evaluation. A continuation of policy evaluation, such as the best way to structure the program—serve many customers with abbreviated services, serve fewer customers with very comprehensive measures or a combination of the two. Finding this balance will be further evaluated by the Companies, ECMB Residential Subcommittee and ECMB consultants in 2009.

In 2009, WRAP/UI Helps will include energy-efficient ENERGY STAR-qualified clothes washer replacements and dehumidifiers to help customers save additional energy.

Finally the Companies issued a RFP for a vendor to provide program services to customers in the southwestern portion of the state (greater Bridgeport/Stamford). This vendor will begin providing services to customers in the 4th Quarter of 2008.

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CL&P Standard Filing Requirement

Limited Income Program (WRAP)

All dollar values are in $000

Budget Projections	2006 Actuals	2007 Actuals	Revised 2008 Budget		2008 YTD (Jul)	2008 YE Projected	2009 Budget	
Labor:								
NU Labor	$ 349	$ 517	$ 665		$ 307	$ 438	$ 686	
Contractor Staff	$ 118	$ 32	$ 15		$ 21	$ 30	$ -	
Total Labor	$ 467	$ 549	$ 680		$ 328	$ 468	$ 686	
Outside Service	$ 442	$ 600	$ 757	a)	$ 326	$ 465	$ 600	a)
Material & Supply	$ 5	$ 7	$ 21		$ -	$ -	$ 20	
Incentives	$ 4,335	$ 5,888	$ 5,424		$ 4,102	$ 5,853	$ 5,557	
Marketing	$ 41	$ 53	$ 102		$ 17	$ 24	$ 10	
Administrative Expense	$ 7	$ 18	$ 16	b)	$ 13	$ 19	$ 19	b)
Other	$ 2	$ (3)	$ -		$ 8	$ 11	$ 9	
Total	$ 5,299	$ 7,112	$ 7,000		$ 4,794	$ 6,840	$ 6,901	

a) Actual materials and labor done by Community Action Agencies and/or vendor

b) Employee expenses including mileage, training, conference attendance and misc.

2009 Goals and Metrics Information

Demand Savings (kW reduction Goal)	1,135.7
Annual Energy Savings (KWh Reduction Goal)	13,274,837
Lifetime Energy Savings (kWh Reduction Goal)	123,749,209
Annual Cost Rate ($/kWh)	$ 0.520
Lifetime Cost Rate ($/kWh)	$ 0.056
Electric b/c ratio	1.82
Total Resource b/c ratio	3.45

CL&P Standard Filing Requirement

Limited-Income Program (WRAP)

Program Costs

Year	Budget	Actual	% of Budget	Cost/participant	$/LT-kWh
2000	$ 5,000,000	$ 4,406,000	88%	$653	0.042
2001	$ 5,000,000	$ 5,036,000	101%	$754	0.040
2002	$ 4,420,000	$ 4,716,000	107%	$783	0.033
2003	$ 4,024,000	$ 3,181,000	79%	$864	0.038
2004 [2]	$ 4,250,000	$ 4,591,000	108%	$524	0.034
2005 Revised	$ 5,891,143	$ 4,682,547	79%	$477	0.044
2006 Revised	$ 5,850,000	$ 5,298,638	91%	$506	0.050
2007 Revised	$ 6,000,000	7,112,000	119%	$633	0.065
2008 Revised	$ 7,000,000	n/a	n/a	n/a	n/a
2008 YTD (Jul)	n/a	$ 4,794,238	68%	$795	0.070
2008 Y/E Projected	n/a	$ 6,840,000	98%	$522	0.051
2009	$ 6,900,970	n/a	n/a	n/a	n/a

Goal - Participation

Year	Goal	Actual	% of Goal
2000	6,000	6,749	112%
2001	5,866	6,675	114%
2002	4,900	6,022	123%
2003	6,094	3,683	60%
2004 [2]	6,694	8,765	131%
2005 Revised	7,517	9,818	131%
2006 Revised	10,192	10,481	103%
2007 Revised	10,636	11,244	106%
2008 Revised	13,100	n/a	n/a
2008 YTD (Jul)	n/a	6,030	46%
2008 Y/E Projected	n/a	13,100	100%
2009	10,961	n/a	n/a

Goal - Lifetime MWh savings

Year	Budget	Actual	% of Budget
2000	160,261	104,812	65%
2001	107,844	125,527	116%
2002	86,326	144,198	167%
2003	101,614	84,526	83%
2004 [2]	115,905	135,997	117%
2005 Revised	113,022	107,224	95%
2006 Revised	88,603	105,089	119%
2007 Revised	94,961	109,864	116%
2008 Revised	135,002	n/a	n/a
2008 YTD (Jul)	n/a	68,046	50%
2008 Y/E Projected	n/a	135,002	100%
2009	123,749	n/a	n/a

Goal - Installed kW Savings

Year	Goal	Actual	%of Goal
2000	n/a	n/a	n/a
2001	n/a	n/a	n/a
2002	n/a	n/a	n/a
2003 [3]	531	427	80.4%
2004 [2]	626	652	104.2%
2005 Revised	828	806	97.3%
2006 Budget	1,299	1,110	85.4%
2007 Revised	1,442	1,067	74.0%
2008 Revised	1,373	n/a	n/a
2008 YTD (Jul)	n/a	560	40.8%
2008 Y/E Projected	n/a	1,240	86.0%
2009	1,136	n/a	n/a

Program Ratios

	$/Lifetime kWh		$/Annualized kW	
Year	Plan	Actual	Plan	Actual
2000	0.031	0.042	n/a	8407
2001	0.046	0.040	n/a	6375
2002	0.051	0.033	n/a	7,450
2003	0.039	0.038	8,176	7,450
2004 [2]	0.037 [1]	0.034	6,790	7,041
2005 Revised	0.052	0.044	7,115	5,811
2006 Revised	0.066	0.050	4,503	4,774
2007 Revised	0.063	0.065	4,161	6,664
2008 Revised	0.052	n/a	5,098	n/a
2008 YTD (Jul)	n/a	0.070	n/a	8,568
2008 Y/E Projected	n/a	0.051	n/a	5,514
2009	0.056	n/a	6,076	n/a

[1] Lifetime savings rate reflects a change in refrigerator assumptions from 2003-2004. Lifetime savings rate would be 0.29 if 2003 assumptions were used.

[2] Budget and Plan information based on revised budgets and goals filed on 8/18/04.

[3] Demand saving goals reflect 1/13/03 goals.

CL&P Standard Filing Requirement

Limited-Income Program (WRAP)

CL&P Program Notes

Budget/FTE

5.7 • FTE for program administration, vendor interaction, sales and field support

Goal

10,961 • Customers Served

Cost/Unit

$630 • Average cost per customer (based on historical performance).

Goal Setting Methodology

• Goal was based on available dollars and average cost per customer

Metric Changes

• None

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The United Illuminating Company

EL-25 Standard Filing Requirement

2009

Low Income (Energy Care & WRAP / UI Helps) *

Baseline Assumptions:

Market — Residential customers on limited and fixed income < 60% State Median Income

Budget Projections	2007 Act	2008 Amended Bud	2008 YTD (Aug)	2008 YE Projected	2009 Bud	
Labor						
UI Labor	$ 132,925	$ 138,562	$ 80,837	$ 138,562	$ 141,767	a)
Contractor Staff	$ 3,500	$ 45,000	$ -	$ 45,000	$ 45,000	b)
Total Labor	$ 136,425	$ 183,562	$ 80,837	$ 183,562	$ 186,767	
Materials & Supplies	$ 9,412	$ 13,529	$ (474)	$ 13,529	$ 19,274	c)
Outside Services	$ 424,789	$ 372,500	$ 138,992	$ 372,500	$ 211,536	d)
Incentives	$ 499,624	$ 977,160	$ 249,826	$ 977,160	$ 1,838,120	e)
Marketing	$ 26,976	$ -	$ 2,850	$ 2,850	$ -	f)
Other	$ -	$ -	$ -	$ -	$ -	g)
Administrative Expenses	$ 10,087	$ 11,649	$ 1,381	$ 8,799	$ 11,899	h)
Total	$ 1,107,313	$ 1,558,400	$ 473,412	$ 1,558,400	$ 2,267,596	

* Joint CL&P and UI Programs

a) 1.5 FTEs
b) Vendor administrative services
c) Forms, educational materials
d) Services for 50 new construction units, 6,250 in-home services
e) Incentives for 50 new construction units, 6,250 in-home services incl. 750 refrigerators, 500 RAC replacements and replacement of dehumidifiers and clothes washers
f) No comment
g) No comment
h) Meals, miles, travel and training

Goals and Metrics Information:

Savings	2009
Demand Savings (kW)	551
Annual Energy Savings (kWh)	6,367,605
Lifetime Energy Savings (kWh)	43,965,504
Annual Cost Rate ($/kWh)	$ 0.356
Lifetime Cost Rate ($/kWh)	$ 0.052
Cost per kW	$ 4,112
Electric System B/C Ratio	2.09
Total Resource B/C Ratio	4.25

The United Illuminating Company
LF-26 Standard Filing Requirement

UI Helps

Goal - Program Costs (000's)

Year	Budget	Actual	% of Goal Achieved
2000	$1,542	$1,795	116.4%
2001	$1,519	$1,500	98.7%
2002	$1,235	$1,168	94.6%
2003	$1,117	$799	71.5%
2004	$773	$803	103.9%
2005	$1,473	$1,086	73.7%
2006	$1,328	$1,250	94.1%
2007	$1,224	$1,107	90.4%
2008	$1,558		
2008 YTD (Aug)	$1,558	$473	30.4%
2008 YE Projected	$1,558	$1,558	100.0%
2009	$2,268		

Goal - Number of Customers Served

Year	Goal	Actual	% of Goal Achieved
2000	4,859	6,452	132.8%
2001	6,500	7,720	118.8%
2002	5,000	7,078	141.6%
2003	7,204	5,377	74.6%
2004	4,300	4,722	109.8%
2005	6,500	8,603	132.4%
2006	6,500	6,116	94.1%
2007	5,200	3,660	70.4%
2008	4,200		
2008 YTD (Aug)	4,200	1,519	36.2%
2008 YE Projected	4,200	4,200	100.0%
2009	6,250		

Goal - Installed kWh Savings (000's kWh)

Year	Goal	Actual	% of Goal Achieved
2000	4,000	5,097	127.4%
2001	5,135	6,086	118.5%
2002	3,877	5,550	143.2%
2003	3,601	2,779	77.2%
2004	2,954	4,053	137.2%
2005	4,327	5,130	118.6%
2006	4,248	4,785	112.6%
2007	3,822	3,498	91.5%
2008	3,822		
2008 YTD (Aug)	3,822	1,226	32.1%
2008 YE Projected	3,822	3,822	100.0%
2009	6,368		

Goal - Installed kW Savings

Year	Goal	Actual	% of Goal Achieved
2000	-	-	0.0%
2001	-	-	0.0%
2002	-	-	0.0%
2003	292	283	96.9%
2004	253	294	116.2%
2005	444	416	93.7%
2006	458	474	103.5%
2007	360	338	93.9%
2008	409		
2008 YTD (Aug)	409	113	27.6%
2008 YE Projected	409	409	100.0%
2009	551		

Goal - Lifetime kWh Savings (000's kWh)

Year	Goal	Actual	% of Goal Achieved
2000	40,027	50,971	127.3%
2001	51,350	60,860	118.5%
2002	38,773	55,500	143.1%
2003	31,597	24,412	77.3%
2004	14,700	17,352	118.0%
2005	15,631	36,581	234.0%
2006	31,969	36,749	115.0%
2007	28,126	32,294	114.8%
2008	29,528		
2008 YTD (Aug)	29,528	10,395	35.2%
2008 YE Projected	29,528	29,528	100.0%
2009	43,966		

Program Ratios

Year	$/kWh Target	Actual	$/LT kWh Target	Actual	$/kW Target	Actual	Cost/ Customer
2000	$0.386	$0.352	$0.039	$0.035	$0	$0	$278
2001	$0.296	$0.246	$0.030	$0.025	$0	$0	$194
2002	$0.319	$0.210	$0.032	$0.021	$0	$0	$165
2003	$0.310	$0.288	$0.035	$0.033	$3,825	$2,823	$155
2004	$0.262	$0.198	$0.053	$0.046	$3,055	$2,731	$170
2005	$0.340	$0.212	$0.094	$0.030	$3,318	$2,611	$126
2006	$0.313	$0.261	$0.042	$0.034	$2,900	$2,638	$204
2007	$0.320	$0.316	$0.044	$0.034	$3,400	$3,275	$302
2008	$0.408		$0.053		$3,809		
2008 YTD (Aug)	$0.408	$0.386	$0.053	$0.046	$3,809	$4,189	$312
2008 YE Projected	$0.408	$0.408	$0.053	$0.053	$3,809	$3,810	$371
2009	$0.356		$0.052		$4,112		

The United Illuminating Company
LF-26 Standard Filing Requirement

Program Notes - UI Helps

Budget/FTE:

1.5 FTE to provide direct contact with community outreach, contract administration/vendor oversight, and financial/data administration

Goal:

Program is designed around 6,250 existing homes and 50 new construction units

Cost/kWh (Unit/Cost):

Cost rates have remained relatively steady. Lower contractor administration costs and focus on comprehensive piggy back services with Gas Co.
Funding of non-electric measures in oil heated homes up to 25% of total budget for such measures

Goal Setting Methodology

Goal is driven program history, measure mix and historcial installation quantities
Production levels based on available funds.

Metric Changes

New construction units and relationship-building between the program and low income support organizations involved in new construction/rehabilitation will be a continued focus

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Multi-Family Initiative (CL&P & UI) (Electric and Natural Gas)

Objective: The most effective way to improve energy efficiency in a multi-family structure is to address the building as a whole, rather then treating each unit as a separate project. The purpose of the Multi-Family Initiative is to give the owners and managers of these buildings access to multiple energy-efficiency programs through a single, dedicated program administrator. Both electric and natural gas efficiency measures will be considered. Owners and residents will be able to benefit from a customized approach that addresses the energy needs of the entire building.

Target Market: The following facilities can be addressed through the Multi-Family Initiative:

- Assisted living facilities
- Dorms
- Group homes
- Apartment complexes
- High-rises (condos and apartments)

Program Description: To the extent possible, the initiative will utilize existing Fund programs and will deliver them to customers under one umbrella. A single Program Administrator ("PA") will serve as the primary contact for customers to help facilitate the process and make participation straightforward. The PA will focus on the project comprehensively and engage all stakeholders as necessary.

The Multi-Family Initiative for new construction will focus on the building envelope and energy-efficient opportunities such as insulation, HVAC, lighting, commissioning and appliances. Multi-family retrofits will focus on lighting, window air conditioners or existing duct work. All Multi-Family projects will be reviewed for any C&I opportunities that may exist as well as residential energy-saving measures. It is anticipated that most of the savings will be through lighting measures.

Marketing Strategy: The Multi-Family Initiative will be promoted through existing residential and C&I programs, including HES, RNC, the Companies' limited-income programs, Energy Opportunities and Small Business Energy Advantage.

- Include a supplemental message on the aforementioned program literature instructing multi-family property managers and owners to inquire about the initiative.

The promotion will be supplemented and supported through customer and vendor education.

- Write and suggest case studies for publications such as Multi-Family News and The Multi-Family Executive. Place case studies on appropriate websites including the Company's sites, CTEnergyInfo, CHIF, OneThing, etc.
- Include messaging at HES vendor training, contractor meetings, etc.

Incentive Strategy: Financial incentives will be provided via the array of other Fund programs including natural gas as well as electric conservation offerings. In addition, other state and federal programs will be leveraged wherever possible. These may include other rebate programs such as State or Clean Energy Fund offerings, or local/federal tax credits.

New Program Issues: In 2009, the HES program will allow submission of "Tier 2" comprehensive projects into the Multi-Family Initiative. Customers, management companies, or project engineers can submit comprehensive multi-family projects for consideration. The Tier 2 offering will allow the additional flexibility that is necessary to treat many multi-family projects.

CHAPTER THREE: COMMERCIAL AND INDUSTRIAL PROGRAMS

Vision Statement

The ECMB established a C&I Committee comprised of business, utility and agency representatives. The primary charge of the Committee was to conduct a strategic re-examination of the Fund's C&I programs. As part of its deliberations, the Committee prepared a vision statement outlining the future evolution of Fund C&I programs in the face of economic and competitiveness challenges to and opportunities for Connecticut's businesses and manufacturers.

The vision statement seeks to build on this strong history of accomplishments and evolve the C&I programs to better assist Connecticut's businesses to adopt energy and load management as an integral and continuously improving part of their business operations and culture.

> ***The overall Vision for the future evolution of the Fund's C&I programs is to cost-effectively support a sustainable and competitive business climate for Connecticut's businesses and industries based on bottom-line solutions for economic competitiveness, environmental stewardship, and social responsibility.***

The Committee found that many businesses in Connecticut have already realized economic and competitive advantages through systemic and long-term implementation of energy efficiency measures. The vision seeks to highlight those successes and to integrate appropriate elements into the C&I program plans to achieve higher program penetration, continuing cost-effectiveness and transferability of these successes to other businesses and program areas.

The key themes of the Vision are for the C&I programs to:

- Promote <u>bold and meaningful savings goals</u> (15 – 30% +) through energy efficiency, load management and on-site generation that will help **businesses** to have a real impact on their energy bills, contribute to their productivity, and enhance their competitiveness.
- Achieve large increments of efficiency through <u>high-performance buildings</u>, systems and industrial processes. A high-performance building or facility uses less energy, provides superior indoor environmental quality, enhances worker productivity and well-being, and improves the bottom lines of developers, owners and tenants.
- Provide <u>comprehensive business energy solutions</u> that integrate energy efficiency, load management, distributed generation, renewable energy systems and designs, and other related initiatives into a cost-effective, comprehensive solution for businesses.
- Support businesses in <u>making energy management an integral part of their business practices</u> and corporate culture through strategic energy management and continuous energy improvement.

This Vision supports maintaining the long-range viability of Connecticut's business sector and recognizes the investment of Fund resources necessary to bring this Vision to fruition.

Energy Conscious Blueprint and Energy Opportunities Programs Overview

The proposed 2008 Amendments to the State Building Code have two changes that affect commercial construction. First, it changes the reference code for energy to the 2006 International Energy Conservation Code ("IECC"). Secondly, the proposed Amendments will require all new construction covered by the code that is projected to cost more than five million dollars to be built using construction standards consistent with or exceeding a LEED Silver rating or equivalent. The 2006 IECC replaces the 2003 IECC that originally took effect in September 2004. The adoption of the LEED Silver requirement is a major shift in the approach to the code. It replaces the normal prescriptive requirements with a performance based approach. In effect, the code is creating a floating baseline for compliance that is determined by the design professionals for that specific project. This change is creating uncertainty in the design and enforcement community. This uncertainty creates both a challenge and opportunity for the Companies to partner with the community to identify and work through the issues.

In 2008, the Energy Conscious Blueprint ("ECB") and Energy Opportunities ("EO") programs were modified to increase their focus on achieving results beyond code. ECB employs a two-tiered approach. The first tier provides incentives for achieving lighting power densities that are ten percent below code level. The second tier provides a higher incentive level for lighting power densities that are 30 percent below code levels. The EO program rewards customers with a higher percentage of installed cost incentive for projects that replace lighting systems so that the lighting power density is 15 percent below code requirements. The program has helped focus customers and contractors on identifying those building and space types where going beyond code is both expedient and cost effective. These program structures are proving to be successful in increasing the focus on code requirements and will be continued in 2009.

However, the enforcement of the energy code remains a concern. The building officials, who are already stretched thin, place a lower priority on the energy portion of the code. While some officials require a COM*check*™[3] report prior to accepting plans, most continue to look for the architect's and engineer's stamp to indicate code compliance. Further, COM*check* does not meet requirements for LEED Silver. Without enforcement of the minimum code levels, it is difficult to encourage the smaller firms to learn the code and adjust their designs. It is envisioned that working with the design professionals to comply with the new code will lead to identifying opportunities to go beyond code.

There also continues to be concerns about compliance with the interior lighting power density requirements, especially for out-of-state designers. These designers may not recognize that

[3] The U.S. Department of Energy's COM*check* software simplifies energy code compliance by offering a flexible computer-based alternative to manual calculations.

Connecticut's code automatically includes the addenda to ASHRAE Standard 90.1-2001 and related printed documentation would not lead them to look for the addenda.

The Companies propose to address these issues through the following steps:

- The Companies continue to file energy savings and cost-effectiveness estimates based on the code compliance for lighting.
- When completed, the Companies will incorporate changes to ECB and EO based on a market baseline assessment to ascertain actual practices in the market place and code compliance levels. As energy costs increase for Connecticut businesses, it is essential that Fund programs continue to accurately estimate energy and demand savings. These research findings will also guide Fund programs in making their outreach and services more effective and of value to Connecticut businesses.
- The Fund's programs will continue to sponsor education and training to code officials, the commercial construction industry, and businesses and developers concerning the code change and opportunities for enhanced business performance under the ECB program.
- Revision ECB as a more explicit market transformation program with the objectives of a) "commissioning" the current code by working with the design, construction management, and contractor industry to adopt appropriate technologies, designs and practices to meet code; b) working with the industry to build the infrastructure, skills and knowledge base to enhance its capability of delivering the next level of high performance, beyond-code buildings; c) supporting code officials through training and education and, d) leverage existing sustainability/high performance initiatives to promote high performance buildings.

Finally, C&I lost opportunity programs will continue evolving to leverage the baselines established by the code, increase the market's awareness of the code and the opportunities for improvement, and to encourage the C&I market to move to the next level of high-performance building and design practices.

The Companies' C&I programs continue to be monitored and assessed and are periodically adjusted to align the program structures with market conditions. These efforts are designed to help improve the overall sustainability and competitiveness of Connecticut's businesses and industries.

Operations & Maintenance ("O&M") Services Program Overview

The Companies and the ECMB consultants have worked together to develop a long-term strategic framework for the O&M program by reviewing the successes and experiences of the current O&M Services program, Retro Commissioning projects, and associated training and outreach activities. This strategic planning exercise explored opportunities for a more structured and integrated approach toward enhancing energy-efficient management behaviors among C&I customers. The strategic exercise found that the general areas of energy-related business practices and behaviors, and the specific area of operations and maintenance, offer incremental opportunities for capturing additional demand and energy savings. These incremental opportunities serve to enhance the comprehensiveness and performance of the core Fund programs: namely, ECB, EO and Small Business Energy Advantage ("SBEA"), thereby increasing the persistence of savings for those programs, and encouraging Connecticut businesses and industries to take greater control and ownership of their energy management efforts. At the same time, the strategic planning exercise determined that the markets which serve the O&M programs (retro commissioning, energy management and energy business practices) are complex, consisting of multiple market segments, multiple agents within buildings and facilities, multiple service providers and multiple vendors, each creating various market barriers. As a result of these considerations, the Companies continue their efforts toward developing a long range O&M strategic framework that will make incremental improvements to the O&M program as a result of market research and piloting/testing promising concepts, technologies and services. In addition, the long range vision is to evolve the program to a comprehensive state that is more thoroughly integrated with the core Fund C&I programs over a multi-year period.

Some of the key themes of the long-term O&M strategy include the following:

- Consideration of the entire life cycle of a building, as a continuum, from design and construction to remodeling and reuse. The strategy leverages off of the natural (business/operational) events in the building's life including design and construction; commissioning; equipment upgrades, replacement and retrofits; major remodels, renovations and additions; and tenant improvement or new tenants.
- Enhance O&M program activities through: 1) better definition of O&M measures versus retrofit measures and their application; 2) more targeted market approaches for O&M Services; 3) evolving the O&M training portfolio to address additional O&M savings opportunities and market segments; and 4) building on the lessons of the Retro Commissioning program pilot and expansion to a Retro Commissioning "light" service that is properly scaled for medium-sized businesses.
- Increasingly integrate O&M/business practices/energy management behavioral program activities with ECB, EO, and SBEA programs. The strategic framework would ensure that the O&M program offerings meet the varying needs of customers and leverage opportunities to engage the building operations market in all C&I programs. Ultimately, the strategy foresees the likelihood of business management taking ownership of the efficient operation of their facilities.
- Leverage O&M program resources through business association, service provider and non-profit/educational institutional initiatives. To the extent possible, expand the access to O&M related training and services through existing products and service providers.
- Use training, certification and outreach to help build the capability and skill sets of market players, including building/facility owners and managers, building/facility operators, service contractors, A/E firms, trade associations, property management firms, including K-12 school facility maintenance staff. With financial support from the Fund, the Institute for Sustainable Energy ("ISE") is piloting a K–12 School Training program and based upon results a formal program may be developed.

C&I NEW CONSTRUCTION

Energy Conscious Blueprint (CL&P & UI) (Electric and Natural Gas)

Objective: The objective of the Energy Conscious Blueprint ("ECB") program is to maximize energy savings for "lost opportunity" projects, at the time of initial construction/major renovation, or when equipment needs to be replaced or added. These opportunities are realized by: 1) introducing energy efficiency concepts to customers, architect/engineering firms, contractors, commercial realtors, trade allies, etc., 2) demonstrating the benefits of selecting efficient options during the design stage, and 3) working with the design community to convince customers that more benefits are achievable if they design for whole building operations and operating conditions.

Target Market: The ECB program specifically targets C&I customers of all sizes (including municipalities) that are planning projects involving new construction, major renovation, tenant fit-out and/or major equipment replacement.

Owners and managers of multi-family residential buildings may also participate in the ECB program. They represent a target market that often straddles the eligibility requirements of both C&I and residential program offerings.

The integration of natural gas measures into the ECB incentive structure has also blurred the lines of target marketing. While this is a plan for the Companies, the intention of the program is to market comprehensively, not only to minimize the costs of labor and promotion, but also to provide a simpler, streamlined experience for the customer.

Program Description: The ECB program promotes energy efficiency for C&I new construction, renovation, tenant fit-outs, and equipment replacement/addition projects. The program seeks to increase the energy efficiency of lighting systems, HVAC systems, motors, processes, and other energy components of C&I buildings or projects.

This program offers a variety of services and incentives, including technical and financial assistance from design through construction. These services and incentives are based upon the proposed project's complexity, energy savings potential, scope of work, and the desire of the owner and his/her design team to participate.

The Companies do not have a specific budget set aside for municipal projects in the ECB program; however, municipalities are eligible to participate in the ECB program. The same programmatic rules apply to municipal customers as they would to other commercial customers. A municipal project's cost effectiveness and resulting energy savings should be the same as a project for a similar commercial building. It should be noted that since there are no specific goals for municipal projects, these savings are included in the ECB goals and cost rates.

Projects will typically follow one of two tracks in 2009: either Prescriptive or Leadership in Energy and Environmental Design ("LEED") Silver. The Prescriptive track is for smaller projects that are approximately 35,000 sq. feet in size or less and that have limited conservation opportunities. The LEED Silver track is for buildings larger than approximately 35,000 sq. feet or costing more than $5M to construct. These are non-residential buildings or projects that require the design professional to calculate a baseline that is consistent with LEED silver rating.

Marketing Strategy: While the target market for this program is ultimately a customer, enrollment is largely driven by market actors made up of architects, contractors, engineers, equipment suppliers, service companies, and other allies of the "building environment" community. As such, a primary strategy is to promote our programs directly to these groups using the following tactics:

  - Paid advertising (print and electronic) in vertical trade publications (local and regional) directing audiences to the two Company websites and to CTEnergyInfo.com.
  - Targeted mailing of program literature utilizing association lists and purchased lists.
  - Booth presence at strategically selected trade shows.

- Promote ECB to building owners and business owners (who are not necessarily the same people), facilities managers and energy managers. These audiences exist in a different environment than the building community members. Promotion will occur using the following tactics:
  - Paid advertising (print and electronic) in business publications (local and regional) directing audiences to the two Company websites and to CTEnergyInfo.com.
  - Booth presence at strategically selected business expos.
  - Participation in Edison Electric Institute's National Accounts conferences.

- Contact decision makers as early as possible in the design or equipment selection stage of their projects when energy efficiency is most cost effective.
    - Utilize Construction Data Company ("CDC"), Dodge reports and REED reports to monitor upcoming projects throughout the state and to obtain key project contact information.
- In addition to program promotion, marketing efforts will also include actions intended to support C&I customers and the building community, and to further the cause of market transformation. This support may include:
    - Write and distribute case studies (also referred to as Success Stories or Testimonials) to the sites listed above and to local media and national/regional trade publications.
    - Promote the Fund-sponsored technical training seminars via e-mail mailings and newsletters.
    - Host contractor meetings.
    - Participation in associations through memberships and events.

Incentive Strategy: Incentives are typically based on the energy efficiency of a design and incremental costs between less expensive, code compliant efficiency equipment and a more expensive, high-efficiency option. Incremental costs are qualified with cost-effectiveness criteria to ensure that enough energy savings are attained to justify the incentive.

The Companies may also employ a maximum incentive cap per customer Federal Tax ID, per customer account, or per project, in order to make ECB funds available to more customers.

Due to the new regulations, the Companies and ECMB Consultants are working to develop an incentive strategy that meets the needs of customers and complements the new building requirements.

For building projects that are approximately 35,000 sq. ft. or less, customers will be eligible for direct cash incentives that provide up to 100% of the incremental equipment cost of installing efficient systems and equipment, compared to the cost of code-compliant standard design practice.[4] The program includes incentives for the more common energy component standards (lighting, HVAC, motors, etc.), as well as any other energy-saving technology where the extra costs can be justified by the

[4] Full incremental incentives may be utilized in specific cases to support new/emergent technologies and practices, and for specific lost-opportunity events, such as spec construction projects. The application of full incremental incentives will be based on an explicit rationale and will be subject to periodic review to determine if such an incentive is still justified.

energy savings. The program encourages customers to go beyond the standards by recognizing the associated increased difficulties and costs.

Design team members (architects, engineers, etc.) are eligible for design team grants for integrating multiple qualifying energy-efficient measures into a building's design.

For building projects that are approximately 35,000 sq. ft. or greater, the Companies are exploring the incentive mechanism that best correlates to the new Connecticut State Building Code that requires new construction costing more than $5M to be consistent with a LEED Silver rating. This is a drastic transition from tabular, prescriptive equipment efficiency ratings to a whole-building performance simulation approach in which the measurement is energy cost budget analysis (expressed in dollars, not in units of energy of unit power density).

In addition, the Companies offer custom incentives for implementing measures that create peak load reduction, such as: fluorescent lighting with dimmable ballasts, LED signage and interior lighting, refrigeration measures, adding load management capability to standard energy management systems, and thermal energy storage systems that go beyond code compliance. Emerging technologies will continue to be promoted in ECB where feasible and applicable.

The following is an example (for illustrative purposes only) of a 35,000 sq. ft. high-performance urban office complex which utilizes a daylight dimming control system. The incentives are calculated using the prescriptive energy efficiency standards for HVAC, lighting, lighting controls, motors, variable frequency drives, and custom incentives for the daylight dimming control system.

Project specifics include:	
Lighting and Sensors	$17,500.00
Premium-Efficiency Motors	180.00
HVAC	900.00
VFD's HVAC Fans	4,000.00
VFD's Hot Water Pumps	4,300.00
Daylight Dimming System	4,300.00
Total	$31,180.00
Cost per sq/ft	$0.90

Goals: Refer to Standard Filing Requirements for program goals. (Please note that there are no specific goals for Municipal projects, but the savings are included in the ECB goals and cost rates.)

New Program Issues: As a result of legislation passed in 2007, the Connecticut State Building Code will change from a prescriptive based code to a performance based code for all new construction that is projected to cost more than $5M to a performance based code. The performance based code will require those projects to be built using construction standards consistent with or exceeding the LEED Silver rating. This requirement in effect creates a floating baseline for code compliance that is selected by the design team.

The Companies are working with the American Institute of Architects (“AIA”) Connecticut, the American Council of Engineering Companies (“ACEC”) of Connecticut, the Connecticut Building Officials Association (“CBOA’) and the Department of Public Safety Office of State Building Inspector to develop the methodology for compliance with the LEED Silver requirement. There appear to be many details that need to be worked out so that a building permit and a certificate of occupancy can be issued. The Companies will structure the offering to support the agreed upon methodology.

The Companies have defined 35,000 square feet as being equivalent to the $5M construction cost. This number was established using an average of numbers from 2008 RSMeans square foot costs. State owned buildings and State funded schools costing more than $5M have even more stringent efficiency requirements than those for LEED Silver.

As in the past, ECB will continue to promote emerging technologies where feasible and applicable.

As previously noted in Chapter 1, the natural gas distribution companies and the Companies will again partner in 2009 to continue offering an integrated portfolio of products and services. Integrating natural gas measures into the existing ECB program offers customers a more comprehensive package for achieving greater energy efficiencies within their facilities.

New training opportunities will be explored with emphasis on the design professional audience. In 2009, the Companies foresee a need to educate building developers, designers, owners, and building official communities regarding the new building code and its implications on their design strategies and Fund incentives. The Companies will continue to develop and deploy a broad training/outreach schedule for 2009 that incorporates topics such as, but not limited to, the amendments to the Connecticut State Building Code adopting the 2006 International Energy Conservation Code ("IECC") and the LEED Silver requirement, Connecticut Energy Regulations, Energy Policy Act of 2005, High-Efficiency HVAC, Advanced Lighting I, II and III and Building Automation Systems. In addition, the Companies and the Lighting Research Center will partner to integrate Daylighting into the program and the training schedule. The dates and locations are still to be determined.

In the decision in Docket No. 07-10-03, the Department requested that municipal data be organized and segregated like the Energy Opportunities and ECB programs. A table reflecting the municipal data can be found with the LF-26 Standard Filing Requirement.

Re-Visioned ECB Strategy:

In response to the significant changes noted above from ongoing code upgrades, advances in the new construction design and construction industry, and fundamental shifts toward sustainability-based market practices, the Companies, in consultation with the ECMB, are re-visioning ECB as a more explicit market transformation program. The Companies are reviewing the new code requirements with market participants to develop the appropriate ECB program designs that will best advance the use of energy efficiency measures in the new construction market. The key elements of the re-visioned ECB include the following:

- Working with the commercial construction and design industry to build the infrastructure, skills and knowledge base so it has the capability of fully complying with current and emerging codes, and delivering the next level of high performance, beyond-code buildings.

- Exploring new training opportunities with emphasis on the design professional audience. In 2009, the Companies foresee a need to educate building developers, designers, owners, and building official communities regarding the new building code and its implications on their design strategies and Fund incentives.

- Supporting code officials through training and education. Code officials have increasing responsibilities being placed upon them beyond energy efficiency requirements. ECB provides an important vehicle to support code officials through market transformation activities.

- Leveraging sustainability/high performance initiatives to promote high performance buildings. Existing initiatives, such as LEED, Green Globes, Advanced Buildings, etc. are potential allies for advancing high efficiency technologies, designs and practices in the commercial building market. In 2009, ECB will focus on initiatives that support achieving the new LEED code requirements.

- Assessing the use of the New Building Institute's Advanced Buildings Core Performance Guide as a tool which assists the developers of small/medium-sized buildings in meeting or exceeding code by 25-35%. The tool offers a prescriptive path for commercial buildings up to 100,000 square feet to yields beyond-code energy efficiency performance and provides a straight-forward way to demonstrate compliance with LEED standards. The Companies are investigating the use of this tool for potential inclusion in the ECB program.

- Laying the groundwork for the next level of performance called for by building standard upgrades and sustainability/high performance initiatives to promote high performance buildings (e.g., Architecture 2030 initiative). These types of initiatives may provide a strategic framework for ECB under the Procurement Plan to promote continuously improving energy performance in Connecticut's new and existing buildings.

The Companies, in cooperation with the ECMB, are reviewing these market strategies, initiatives and practices with the goal of including effective elements into future Fund program designs.

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CL&P Standard Filing Requirement

Energy Conscious Blueprint

All dollar values are in $000

Budget Projections	2006 Actuals	2007 Actuals	Revised 2008 Budget	2008 YTD (Jul)	2008 YE Projected	2009 Budget	
Labor							
NU Labor	$ 997	$ 1,173	$ 2,208	$ 780	$ 1,808	$ 1,242	
Contractor Staff	$ 55	$ 97	$ -	$ 149	$ 55	$ 180	
Total Labor	$ 1,052	$ 1,270	$ 2,208	$ 929	$ 1,863	$ 1,422	
Outside Services	$ 491	$ 515	$ 1,259	$ 464	$ 638	$ 350	a)
Materials & Supplies	$ 5	$ 8	$ 14	$ 3	$ 17	$ 8	
Incentives	$ 7,653	$ 11,145	$ 11,714	$ 6,859	$ 11,594	$ 5,050	b)
Marketing	$ 160	$ 77	$ 189	$ 35	$ 127	$ 75	c)
Administration Expenses	$ 44	$ 42	$ 72	$ 27	$ 55	$ 35	d)
Other	$ 44	$ 28	$ 44	$ 20	$ 70	$ 30	
Total	$ 9,449	$ 13,085	$ 15,500	$ 8,337	$ 14,364	$ 6,970	

a) Services include technical assistance, analysis, quality control, and inspections.
Budget reflects the need for ongoing engineering and design expertise to address building code changes with the design and contractor community and for equipment replacement projects.

b) Incentives paid directly to customers for the installation of cost effective energy conservation measures.

c) Includes marketing to customers, trade allies, and professional organizations to maintain program momentum.
Marketing is also through construction reports, direct mail, advertising, associations, and promotional items.

d) Employee expenses including mileage, training, conference attendance, and misc.

2009 Goals and Metrics Information

	Program Total	Municipal
Demand Savings (kW reduction Goal)	5,387.9	699.7
Annual Energy Savings (KWh Reduction Goal)	24,896,590	3,233,235
Lifetime Energy Savings (kWh Reduction Goal)	383,234,105	49,769,300
Annual Cost Rate ($/kWh)	$ 0.280	$ 0.280
Lifetime Cost Rate ($/kWh)	$ 0.018	$ 0.018
Electric b/c ratio	6.26	6.26
Total Resource b/c ratio	7.11	7.11

CL&P Standard Filing Requirement

Energy Conscious Blueprint

	Program Costs			
Year	Budget	Actual	% of Budget	$/LT-kWh[1]
2000	$ 7,770,000	$ 6,884,000	89%	0.013
2001	$ 7,878,000	$ 8,193,000	104%	0.011
2002	$ 7,435,000	$ 8,189,000	110%	0.011
2003	$ 5,700,000	$ 5,431,000	95%	0.007
2004 [3]	$ 6,250,000	$ 7,288,000	117%	0.012
2005 Revised	$ 8,125,755	$ 5,980,886	74%	0.010
2006 Revised	$ 12,316,230	$ 9,448,615	77%	0.012
2007 Revised	$ 12,417,000	13,084,740	105%	0.019
2008 Revised	$ 15,500,000	n/a	n/a	n/a
2008 YTD (Jul)	n/a	$ 8,337,086	54%	0.026
2008 Y/E Projected	n/a	$ 14,364,000	93%	0.018
2009	$ 6,970,000	n/a	n/a	n/a

	Goal - Participation		
Year	Goal [2]	Actual	% of Goal
2000	6,174	5,719	93%
2001	6,362	6,986	110%
2002	5,937	6,897	116%
2003	210	111	53%
2004 [3]	117	132	113%
2005 Revised [4]	216	216	100%
2006 Revised	676	695	103%
2007 Revised	659	603	92%
2008 Revised	705	n/a	n/a
2008 YTD (Jul)	n/a	278	39%
2008 Y/E Projected	n/a	477	68%
2009	346	n/a	n/a

	Goal - Lifetime MWh Savings				Goal - Installed kW Savings		
Year	Goal (MWh)	Actual (MWh)	% of Goal	Year	Goal	Actual	%of Goal
2000	412,230	511,001	124%	2000	n/a	n/a	n/a
2001	739,115	712,952	96%	2001	n/a	n/a	n/a
2002	605,194	728,424	120%	2002	n/a	n/a	n/a
2003	582,130	355,076	61%	2003 [5]	8,878	4,025	45.3%
2004 [3]	357,198	593,271	166%	2004 [3]	5,682	10,592	186.4%
2005 Revised [4]	622,846	624,220	100%	2005 Revised [4]	9,579	8,114	84.7%
2006 Revised	991,250	812,823	82%	2006 Revised	9,202	8,771	95.3%
2007 Revised	557,085	704,845	127%	2007 Revised	7,974	9,354	117.3%
2008 Revised	491,531	n/a	n/a	2008 Revised	6,293	n/a	n/a
2008 YTD (Jul)	n/a	319,580	65%	2008 YTD (Jul)	n/a	2,991	47.5%
2008 Y/E Projected	n/a	794,530	143%	2008 Y/E Projected	n/a	9,072	144.2%
2009	383,234	n/a	n/a	2009	5,388	n/a	n/a

	Program Ratios			
Year	$/Lifetime kWh		$/Annualized kW	
Year	Plan	Actual	Plan	Actual
2000	0.019	0.013	n/a	1,003
2001	0.011	0.011	n/a	1,083
2002	0.012	0.011	n/a	768
2003	0.013	0.015	870	1,349
2004 [3]	0.017	0.012	1,100	688
2005 Revised [4]	0.013	0.010	848	737
2006 Revised [6]	0.012	0.012	1,338	1,077
2007 Revised [7]	0.022	0.019	1,557	1,399
2008 Revised	0.032	n/a	2,463	n/a
2008 YTD (Jul)	n/a	0.026	n/a	2,787
2008 Y/E Projected	n/a	0.018	n/a	1,583
2009	0.018	n/a	1,294	n/a

[1] Actual Dollars spent divided by actual life time kWh savings achieved for 2000 to 2002 inclusive.

[2] Goal for 2000-2002 is incentive dollars.
Goal for 2003-2005 is number of projects.

[3] Budget and Plan information based on revised budgets and goals filed on 8/18/04
Reduced to reflect the start-up issues due to the 2003 shutdown.

[4] Includes committed projects reserved in 2004 and completed in 2005.

[5] Demand saving goals reflect 1/13/03 goals.

[6] Includes committed projects reserved in 2004 and 2005 and completed in 2006.

[7] Includes committed projects reserved in 2005 and 2006 and completed in 2007.

CL&P Standard Filing Requirement

Energy Conscious Blueprint

CL&P Program Notes

Budget/FTE

8.4 • FTEs for Program administration, site inspection, education of design professionals including State building code changes. These change also require an increased effort in marketing and project review w review with design and contractor community.

Goal

• Demand Savings (kW Reduction Goal) =	5,388	kW
• Lifetime Energy Savings (kWh Reduction Goal) =	383,234,105	kWh

Cost/kWh (Cost/Unit)

• $/Annualized kW =	$	1,294	/ kW
• $/Lifetime kWh =	$	0.018	/ kWh

Goal Setting Methodology

- The 2009 planning model is based on 2007 actual results from similar projects, program rule changes and coincidence factors.

Metric Changes

- Not applicable.

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The United Illuminating Company

EL-25 Standard Filing Requirement

2009

Energy Blueprint * [(1) (2)]

Baseline Assumptions:

Market: C&I new construction, renovation and tenent fit-out program, all C&I customers

Budget Projections	**2007 Act**	**2008 Amended Bud**	**2008 YTD (Aug)**	**2008 YE Projected**	**2009 Bud**	
Labor						
UI Labor	$ 406,863	$ 470,428	$ 311,402	$ 470,428	$ 519,776	a)
Contractor Staff	$ 41,146	$ 25,000	$ -	$ 10,000	$ 25,000	b)
Total Labor	$ 448,009	$ 495,428	$ 311,402	$ 480,428	$ 544,776	
Materials & Supplies	$ 4,275	$ 4,500	$ 1,251	$ 2,000	$ 4,500	c)
Outside Services	$ 36,533	$ 50,000	$ 14,572	$ 20,000	$ 57,000	d)
Incentives	$ 4,485,237	$ 1,977,290	$ 2,163,188	$ 2,163,188	$ 2,618,013	e)
Marketing	$ 49,792	$ 41,000	$ 14,198	$ 20,000	$ 55,000	f)
Other	$ 13,889	$ 19,000	$ 14,983	$ 19,000	$ 20,000	g)
Administrative Expenses	$ 13,107	$ 39,500	$ 14,211	$ 22,102	$ 43,500	h)
Total	$ 5,050,842	$ 2,626,718	$ 2,533,805	$ 2,726,718	$ 3,342,789	

* Joint CL&P and UI Program
(1) ECB includes rebate initiatives like Motors and Cool Choice
(2) ECB includes Municipal projects

a) 4.34 FTEs
b) temporary contract services
c) no comment
d) Consultant / Engineering / audit services
e) Customer incentives
f) Brochure revision, selected advertising, public relations, etc.
g) no comment
h) Employee training, mileage, etc.

Goals and Metrics Information:

Savings	**2009**
Demand Savings (kW)	1,669
Annual Energy Savings (kWh)	11,368,213
Lifetime Energy Savings (kWh)	170,966,636
Annual Cost Rate ($/kWh)	$ 0.294
Lifetime Cost Rate ($/kWh)	$ 0.020
Cost per kW	$ 2,003
Electric System B/C Ratio	5.39
Total Resource B/C Ratio	6.64

The United Illuminating Company
LF-26 Standard Filing Requirement

Energy Conscious Blueprint (1,2)

Goal - Program Costs (000's)

Year	Budget	Actual	% of Goal Achieved
2000	$2,812	$2,768	98.4%
2001	$2,313	$2,304	99.6%
2002	$2,083	$2,019	96.9%
2003	$2,390	$1,977	82.7%
2004	$2,347	$2,021	86.1%
2005	$4,045	$3,787	93.6%
2006	$3,170	$3,174	100.1%
2007	$2,922	$5,051	172.9%
2008	$2,627		
2008 YTD (Aug)	$2,627	$2,534	96.5%
2008 YE Projected	$2,627	$2,727	103.8%
2009	$3,343		

Goal - Installed kWh Savings (000's)

Year	Goal	Actual	% of Goal Achieved
2000	11,022	22,113	200.6%
2001	14,815	25,568	172.6%
2002	12,540	18,731	149.4%
2003	16,908	10,994	65.0%
2004	20,579	22,420	108.9%
2005	24,837	20,122	81.0%
2006	13,628	13,765	101.0%
2007	10,830	15,090	139.3%
2008	11,151		
2008 YTD (Aug)	11,151	6,515	58.4%
2008 YE Projected	11,151	11,151	100.0%
2009	11,368		

Goal - Installed kW Savings

Year	Goal	Actual	% of Goal Achieved
2000	-	-	0.0%
2001	-	-	0.0%
2002	-	-	0.0%
2003	4,327	3,815	88.2%
2004	5,891	4,180	71.0%
2005	7,102	4,367	61.5%
2006	2,745	4,685	170.7%
2007	2,008	2,622	130.6%
2008	1,975		
2008 YTD (Aug)	1,975	1,129	57.2%
2008 YE Projected	1,975	1,903	96.4%
2009	1,669		

Goal - Lifetime kWh Savings (000's)

Year	Goal	Actual	% of Goal Achieved
2000	165,338	331,701	200.6%
2001	222,225	383,520	172.6%
2002	188,100	280,965	149.4%
2003	253,620	164,910	65.0%
2004	308,699	336,293	108.9%
2005	424,067	343,568	81.0%
2006	217,936	191,708	88.0%
2007	173,054	224,566	129.8%
2008	179,779		
2008 YTD (Aug)	179,779	88,602	49.3%
2008 YE Projected	179,779	179,779	100.0%
2009	170,967		

Program Ratios

	$/kWh Target	Actual	$/LT kWh Target	Actual	$/kW Target	Actual
2000	$0.255	$0.125	$0.017	$0.008	$0	$0
2001	$0.156	$0.090	$0.010	$0.006	$0	$0
2002	$0.166	$0.108	$0.011	$0.007	$0	$0
2003	$0.141	$0.180	$0.009	$0.012	$552	$518
2004	$0.114	$0.090	$0.008	$0.006	$398	$484
2005	$0.163	$0.188	$0.010	$0.011	$570	$863
2006	$0.233	$0.231	$0.015	$0.017	$957	$677
2007	$0.236	$0.335	$0.015	$0.022	$1,308	$1,926
2008	$0.236		$0.015		$1,330	
2008 YTD (Aug)	$0.236	$0.389	$0.015	$0.029	$1,330	2,244
2008 YE Projected	$0.236	$0.245	$0.015	$0.015	$1,330	$1,433
2009	$0.294		$0.020		$2,003	

The United Illuminating Company
LF-26 Standard Filing Requirement

Program Notes - Energy Conscious Blueprint (1,2)

Budget/(FTE):
1) Budget includes 4.34 FTEs for staffing
2) 2009 proposed overall budget is 124% greater than the '08 amended budget
3) '09 incentives include redesigned non - lighting incentives

Goal:
1) 2009 target = 150 projects
2) '09 target of 11,368,200 kWh
3) 09 target of 1,668 kW
4) '09 planning model is based on recent historical data, program rule changes, baseline changes, and study information
5) ECB continues to be negatively impacted by a variety of issues
   a. ECB has adopted lower realization rates (49.5% - 71.8%), based on recent studies
   b. ECB has adopted lower peak coincidence values, based on recent studies
   c. New legislation mandating LEED Silver equivalents for projects > $5M
   d. an apparent lack of enforcement for the new code, continues to negatively impact the program
6) capturing more "lost opportunities" by greater focus on:
   a. mid-market customers (100-300kW)
   b. higher performance alternatives
   c. process equipment and optimization
   d. more outreach, training and education

Cost/kWh (Cost/Unit):
1) 2009 projected cost rates: annual = $0.2940/ kWh, lifetime = $.0196 / kWh
2) 2009 projected $$/kW = $2,003
3) higher program costs are anticipated due to continued effects of:
   a. increased commodity costs, i.e. chillers, lighting
   b. more stringent baselines (less kWh)
   c. more outreach, training and education
4) ECB will continue to experience greater negative kWh and kW impacts due to:
   a. coincidence factors being modified
   b. net realization rates being applied in accordance with recent studies
   c. by the measure lifes per recent studies

Metric Changes:
1) all savings are reported as net values

Municipal Lost Opportunity Projects

Year	Inst. Proj.	kWh savings	kW savings	Incentive	$$/ kWh	$$/pk kW
2006	19	3,509,369	888	571,600	$ 0.163	$ 644
2007	7	1,153,974	120	254,011	$ 0.220	$ 2,117
2008 (Aug)	*14*	*764,027*	*87*	*220,956*	*$ 0.289*	*$ 2,540*

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C&I RETROFIT

Energy Opportunities (CL&P and UI) (Electric and Natural Gas)

Objective: The objective of the Energy Opportunities ("EO") program is to improve the energy efficiency of a customer's existing facility by capturing retrofit opportunities. These opportunities are realized by: 1) exchanging functioning yet inefficient equipment with high-efficiency equipment; 2) retrofitting existing equipment with energy-saving devices, modifications, or controls; and 3) improving a facility's performance.

Target Market: The EO program targets commercial, industrial, municipal, and institutional customers that would benefit from retrofit projects in their facilities with Fund-approved energy-efficient measures. If market or program needs dictate, the EO program also has the flexibility to target customer segments with unique characteristics and needs not covered by other program offerings.

Owners and managers of multi-family residential buildings may also participate in the EO program. They represent a target market that often straddles the eligibility requirements of both C&I and residential program offerings.

The integration of natural gas measures into the EO incentive structure has also blurred the lines of target marketing. While this is a plan for the Companies, the intention of the program is to market comprehensively, not only to minimize the costs of labor and promotion, but also to provide a simpler, streamlined experience for the customer.

Program Description: The services provided through EO are varied and specifically designed to meet the needs of the individual customer. They may include: co-funded studies determining cost-effectiveness of potential measures, studies qualifying emerging technologies specific to customer initiated projects, and cash incentives to customers helping to defray implementation costs. Retrofit projects are defined as those where the customer, who desires to reduce their facility's energy consumption, voluntarily exchanges or modifies inefficient, functioning equipment with high-efficiency alternatives, resulting in energy savings and thus improving the energy use within their facility. The new high-efficiency equipment must meet or exceed efficiency standards where applicable.

The Companies do not have a specific budget set aside for municipal projects but municipalities are eligible to participate in the EO program. The same programmatic rules apply to municipal customers as they would to other commercial customers. Municipal customers may also be eligible for project financing. A municipal project's cost-effectiveness and resulting energy savings should be the same as a project for a similar commercial building. It should be noted that since there are no specific goals for municipal projects, the savings are included in the EO goals and cost rates. Depending on program availability, Municipalities may utilize the EO program to replace incandescent traffic signals with LEDs.

Marketing Strategy: As the EO program matures, we can rely more upon contractor-generated marketing to drive customer enrollment. The Companies may augment enrollment with:

- Paid advertising (print and electronic) in business publications (local and regional) targeting building owners, business owners, facility managers and energy managers. Advertising will direct audiences to the two Company websites and to CTEnergyInfo.com.
- Paid advertising (print and electronic) in vertical trade journals (local and regional) targeting contractors. Advertising will direct contractors to the two Company websites and to CTEnergyInfo.com.
- Targeted mailing (print and email) of program literature to contractors utilizing association lists.
- Booth presence at strategically selected trade shows.

In addition to program promotion, marketing efforts will also include actions intended to support C&I customers and the contractor community, and to further the cause of market transformation. This support may take the form of:

- Write and distribute case studies (also referred to as Success Stories or Testimonials) to the sites listed above and to local media and national/regional trade publications.
- Promote the CEEF-sponsored technical training seminars via email mailings and newsletters.
- Host contractor meetings.
- Participation in associations through memberships and events.

Incentive Strategy: In 2009, the joint EO program will continue to employ strategies that are designed around the most successful retrofit strategies for meeting the needs of the diverse customer base of both companies. Over the years, flexibility has proven to be vital for implementing cost-effective, energy-efficient projects in both service territories. Prescriptive and custom incentives will be offered under the EO program.

The Companies may also employ a maximum incentive cap per customer Federal Tax ID, per customer account, or per project, in order to make EO funds available to more customers.

Prescriptive rebates will be offered for smaller and more typical lighting projects. These rebates are intended to pay prescribed incentives for replacing standard efficiency lighting with energy-efficient lighting equipment/controls. The rebate program is also available for customers when their lighting design, while improved, is not better than ASHRAE 90.1-2001 (with Addenda) by at least 15%. A simple form that is completed by the customer or their contractor will expedite the rebate process. The following is an example of the typical rebate that would be available under the prescriptive path:

Lighting

Existing - (24) 3-lamp T-12 (34 watt bulbs with energy saving magnetic ballasts)
Proposed - (24) 3-lamp T-8 (high-performance bulbs and electronic ballast combination)
Incentive = 24 fixtures X $15.00/fixture = $360

Custom incentives will continue to be offered in EO. These incentives will be applicable to a wide, diverse range of energy-saving technologies. Qualifying projects or Energy Conservation Measures ("ECMs") earn incentives that represent a percentage of the project costs up to a maximum dollar value based on the kWh and peak kW savings. The percentage and value per kWh and kW saved are set to influence implementation and may vary from year to year. The incentive calculations are based on the following: a) energy savings (kWh) and peak demand savings (kW); b) project or ECM cost; c) the simple payback for ECM; d) the measure life; e) age of existing equipment; and f) non-electric benefits.

The following example illustrates how the custom incentive may be calculated for a typical lighting project. A customer decides to retrofit a warehouse with high bay T5 fluorescent technology and occupancy sensors. The retrofit project consists of 126 fixtures being retrofitted from 1L – 400 w MH fixtures to 4L – F54T5 lamps with two electronic ballasts. In addition, occupancy sensors are installed to provide more control to the lighting. Project specifics include:

	kW	**Operating hrs/yr**	**kWh Usage/yr**	**Electric Cost/yr**
Existing Lights – Uncontrolled	58.6	3000	175,800	$26,370
Proposed Lights – Controlled	29.5	2100	61,950	$9,293
Total Savings	**29.1**	**900**	**113,850**	**$17,077**

Project Square Footage	45,000
Watts/Sq.Ft. (existing design)	1.30
Project Cost (Incl. Sales Tax)	$37,800
Baseline Watts/Sq.Ft.[1]	0.8
Watts/Sq.Ft. (proposed design)	0.66
Estimated Incentive	$11,340
Net Customer Cost	$26,460

[1] ASHRAE 90.1-2001 w/Addenda

Goals: Refer to Standard Filing Requirements for program goals. Please note that there are no specific goals for Municipal projects, but the savings are included in the EO goals and cost rates.

New Program Issues: In 2008, the EO program experienced unprecedented customer demand for program services. In addition to the high demand, extreme budget pressure in 2008 resulted from the targeted 2007 Accelerated Chiller Retirement and Comprehensive Bonus programs. While these subprograms within EO have been suspended, the Comprehensive Bonus program will continue to have an impact on the 2009 budget as some projects are projected to be paid in 2009. These older projects are not as cost-effective as those projects operating under new program guidelines.

EO also experienced high customer demand from lighting retrofit projects. The incentives for these measures have been significantly reduced and are being further adjusted to provide a “right-sized” incentive for the budget and market conditions. Incentives for non-lighting measures have also been reduced to more closely match program demand to projected budget and to increase future program cost-effectiveness.

EO will continue to integrate natural gas measures into the existing EO program for qualifying customers so that a more comprehensive package of energy efficiency services can be offered to customers.

The Companies and the ECMB Consultants are investigating various financing options through outside financing entities in an effort to potentially reduce the cost rate for EO. Financing options are generally expected to be 0% or low-interest rate loans in conjunction with a lower cash incentive structure. The Companies also plan on coordinating their marketing and outreach efforts with those of performance contracting entities already actively offering financing services as part of their marketing and implementation plans.

In its decision in Docket No. 07-10-03, the Department requested that municipal data be organized and segregated like EO and ECB. A table reflecting the municipal data can be found with the LF-26 Standard Filing Requirement.

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CL&P Standard Filing Requirement

Energy Opportunities

All dollar values are in $000

Budget Projections	2006 Actuals		2007 Actuals	Revised 2008 Budget	2008 YTD (Jul)	2008 YE Projected	2009 Budget	
Labor:								
NU Labor	$ 971		$ 1,151	$ 2,831	$ 612	$ 1,881	$ 939	
Contractor Staff	$ 24		$ 134	$ -	$ 48	$ 256	$ 36	
Total Labor	$ 995		$ 1,285	$ 2,831	$ 660	$ 2,137	$ 975	
Materials & Supplies	$ 1		$ 11	$ 5	$ 2	$ 23	$ 8	
Outside Services	$ (126)	e)	$ 334	$ 408	$ 108	$ 872	$ 180	a)
Incentives	$ 8,026		$ 21,061	$ 24,132	$ 14,884	$ 22,046	$ 3,977	b)
Marketing	$ 30		$ 70	$ 27	$ 32	$ 87	$ 30	c)
Administrative Expenses	$ 151		$ 130	$ 90	$ 59	$ 208	$ 120	d)
Other	$ 4		$ 37	$ 7	$ 23	$ 81	$ 10	
Total	$ 9,081		$ 22,928	$ 27,500	$ 15,768	$ 25,454	$ 5,300	

a) Includes consultant fees for focused studies, system modeling and QA/QC.

b) Direct customer incentives

c) Includes marketing to customers, trade allies and engineering firms through general awareness campaigns, print advertisements, leave-behind brochures and trade shows.

d) Employee expenses including mileage, training, conference attendance and misc.

e) Credit due to repayment of Munipical Loans

2009 Goals and Metrics Information

	Program Total	Municipal
Demand Savings (kW Reduction Goal)	5,263	369
Annual Energy Savings (kWh Reduction Goal)	37,431,359	2,623,315
Lifetime Energy Savings (kWh Reduction Goal)	529,617,206	37,117,348
Annual Cost Rate ($/kWh)	$ 0.142	$ 0.142
Lifetime Cost Rate ($/kWh)	$ 0.010	$ 0.010
Electric b/c ratio	10.46	10.46
Total Resource b/c ratio	4.92	4.92

CL&P Standard Filing Requirement

Energy Opportunities

Year	Budget	Program Costs Actual	% of Budget	$/LT-kWh
2006 Revised	$ 8,085,177	$ 9,081,115	112%	0.005
2007 Revised	$ 10,009,000	$ 22,928,130	229%	0.016
2008 Revised	$ 27,500,000	n/a	n/a	n/a
2008 YTD (Jul)	n/a	$ 15,767,865	57%	0.040
2008 Y/E Projected	n/a	$ 25,454,000	93%	0.024
2009	$ 5,300,000	n/a	n/a	n/a

	Goal - Participation		
Year	Goal	Actual	% of Goal
2006 Revised	686	559	81%
2007 Revised	854	637	93%
2008 Revised	736	n/a	n/a
2008 YTD (Jul)	n/a	339	46%
2008 Y/E Projected	n/a	581	79%
2009	162	n/a	n/a

	Goal - Lifetime MWh savings		
Year	Budget	Actual	% of Budget
2006 Revised	1,060,246	1,664,677	157%
2007 Revised	677,071	1,466,673	217%
2008 Revised	627,553	n/a	n/a
2008 YTD (Jul)	n/a	399,056	64%
2008 Y/E Projected	n/a	1,067,650	170%
2009	529,617	n/a	n/a

	Goal - Installed kW Savings		
Year	Goal	Actual	%of Goal
2006 Revised	9,277	15,295	165%
2007 Revised	7,659	17,675	231%
2008 Revised	8,493	n/a	n/a
2008 YTD (Jul)	n/a	6,111	72%
2008 Y/E Projected	n/a	15,160	178%
2009	5,263	n/a	n/a

	Program Ratios			
	$/Lifetime kWh		$/Annualized kW	
Year	Plan	Actual	Plan	Actual
2006 Revised	0.008	0.005	872	594
2007 Revised	0.015	0.016	1,307	1,297
2008 Revised	0.044	n/a	3,238	n/a
2008 YTD (Jul)	n/a	0.040	n/a	2,580
2008 Y/E Projected	n/a	0.024	n/a	1,679
2009	0.010	n/a	1,007	n/a

CL&P Standard Filing Requirement

Energy Opportunities

CL&P Program Notes

Budget/FTE

9.5 • FTEs for Program Administration, Inspections, etc.

Goal

• Demand Savings (kW Reduction Goal) =	5,263	kW
• Lifetime Energy Savings (kWh Reduction Goal) =	529,617,206	kWh

Cost/kWh (Cost/Unit)

• $/Annualized kW =	$	1,007	/ kW
• $/Lifetime kWh =	$	0.010	/ kWh

Goal Setting Methodology

- The 2009 planning model is based on 2007 actual results from similar projects and program rule changes. Planning included impacts due to changes in coincidence factors, and incentive structure change:

Metric Changes

- Not applicable.

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The United Illuminating Company

EL-25 Standard Filing Requirement

2009

CLM Energy Opportunities *

Baseline Assumptions:

Market — Retrofit program for C&I customers > 150 kW

Budget Projections	2007 Act	2008 Amended Bud	2008 YTD (Aug)	2008 YE Projected	2009 Bud	
Labor						
UI Labor	$ 394,458	$ 475,043	$ 294,414	$ 475,043	$ 522,900	a)
Contractor Staff	$ 17,276	$ 75,000	$ -	$ 75,000	$ 50,000	b)
Total Labor	$ 411,734	$ 550,043	$ 294,414	$ 550,043	$ 572,900	
Materials & Supplies	$ 3,119	$ 2,500	$ 4,012	$ 5,000	$ 3,100	c)
Outside Services	$ 195	$ 90,000	$ 11,611	$ 87,500	$ 76,000	d)
Incentives	$ 5,384,693	$ 2,333,285	$ 1,892,413	$ 2,333,285	$ 3,088,188	e)
Marketing	$ 12,440	$ 60,000	$ 19,473	$ 60,000	$ 60,000	f)
Other	$ 812	$ 2,500	$ 1,180	$ 2,500	$ 3,000	g)
Administrative Expenses	$ 30,503	$ 134,000	$ 21,153	$ 134,000	$ 133,950	h)
Total	$ 5,843,496	$ 3,172,328	$ 2,244,256	$ 3,172,328	$ 3,937,138	

a) 4.44 FTEs
b) temporary contract services
c) no comment
d) Consultant / engineering / audit services
e) Customer incentives
f) Brochure revision, selected advertising, public relations, etc.
g) no comment
h) Financing interest, employee training, mileage, etc.

Goals and Metrics Information:

Savings	2009
Demand Savings (kW)	2,795
Annual Energy Savings (kWh)	18,723,280
Lifetime Energy Savings (kWh)	251,286,370
Annual Cost Rate ($/kWh)	$ 0.210
Lifetime Cost Rate ($/kWh)	$ 0.016
Cost per kW	$ 1,409
Electric System B/C Ratio	6.98
Total Resource B/C Ratio	3.28

The United Illuminating Company
LF-26 Standard Filing Requirement

Energy Opportunities (1)

Goal - Program Costs (000's)

Year	Budget	Actual	% of Goal Achieved
2000	$2,559	$3,006	117.5%
2001	$5,165	$3,423	66.3%
2002	$2,350	$1,271	54.1%
2003	$2,315	$1,424	61.5%
2004	$2,207	$2,259	102.4%
2005	$2,800	$3,917	139.9%
2006	$2,050	$2,977	145.2%
2007	$1,932	$5,843	302.4%
2008	$3,172		
2008 YTD (Aug)	$3,172	$2,244	70.8%
2008 YE Projected	$3,172	$3,172	100.0%
2009	$3,887		

Goal - Installed kWh Savings (000's)

Year	Goal	Actual	% of Goal Achieved
2000	9,854	19,863	201.6%
2001	29,321	25,592	87.3%
2002	9,897	13,156	132.9%
2003	18,727	11,929	63.7%
2004	17,699	18,591	105.0%
2005	21,785	24,167	110.9%
2006	11,896	20,704	174.0%
2007	11,070	21,574	194.9%
2008	17,028		
2008 YTD (Aug)	17,028	9,197	54.0%
2008 YE Projected	17,028	17,028	100.0%
2009	18,723		

Goal - Installed kW Savings

Year	Goal	Actual	% of Goal Achieved
2000	-	-	0.0%
2001	-	-	0.0%
2002	-	-	0.0%
2003	3,960	2,191	55.3%
2004	4,443	3,180	71.6%
2005	4,966	3,850	77.5%
2006	2,191	3,345	152.7%
2007	1,759	3,993	227.0%
2008	2,661		
2008 YTD (Aug)	2,661	1,728	64.9%
2008 YE Projected	2,661	2,403	90.3%
2009	2,795		

Goal - Lifetime kWh Savings (000's)

Year	Goal	Actual	% of Goal Achieved
2000	147,813	280,874	190.0%
2001	433,695	383,196	88.4%
2002	146,823	190,038	129.4%
2003	280,905	178,935	63.7%
2004	265,488	278,872	105.0%
2005	368,721	409,048	110.9%
2006	183,442	310,557	169.3%
2007	140,313	291,700	207.9%
2008	221,498		
2008 YTD (Aug)	221,498	124,080	56.0%
2008 YE Projected	221,498	221,498	100.0%
2009	251,286		

Program Ratios

Year	$/kWh Target	Actual	$/LT kWh Target	Actual	$/kW Target	Actual
2000	$0.260	$0.151	$0.017	$0.011	$0	$0
2001	$0.176	$0.134	$0.012	$0.009	$0	$0
2002	$0.237	$0.103	$0.016	$0.007	$0	$0
2003	$0.124	$0.119	$0.008	$0.008	$585	$650
2004	$0.125	$0.122	$0.008	$0.008	$497	$710
2005	$0.129	$0.162	$0.008	$0.010	$564	$1,017
2006	$0.172	$0.144	$0.011	$0.010	$936	$890
2007	$0.175	$0.271	$0.014	$0.020	$1,098	$1,463
2008	$0.186		$0.014		$1,192	
2008 YTD (Aug)	$0.186	$0.244	$0.014	$0.018	$1,192	$1,299
2008 YE Projected	$0.186	$0.186	$0.014	$0.014	$1,192	$1,320
2009	$0.208		$0.015		$1,391	

Notes
1. 2000-2002 data from LF-26 filed in 03-01-01
2. '03 data reflects budgets approved in 03-01-01
3. '04 data repesents the revised budget allocations
4. '02-'03 Energy Opportunities included RFP and O&M RFP numbers
5. '05-'06 EO budget & goal includes potential measures from Retro-Commissioning & other O&M RFP subprograms
6. Energy Opportunities includes Municipal retrofit projects in 2006 - 2008
7. accelerated chiller carryover projected at 1 projects, accounting for 10% of the expenditures and 3% of the kWh and kW savings

The United Illuminating Company
LF-26 Standard Filing Requirement

Program Notes - Energy Opportunities

Budget/(FTE):
1) Budget includes 4.44 FTEs for staffing
2) 2009 proposed overall budget is 124% greater than the '08 amended budget
3) 09 incentives include redesigned non - lighting incentives
4) Project financing costs reduce available incentive funds

Goal:
1) 2009 target = 150 installed projects with 4 being comprehensive
2) 09 target of 18,723,300 kWh
3) 09 target of 2,795 kW
4) 09 planning model is based on historical data, program rule changes
5) 09 planning model has incorporated 2008 incentive costs (thru Aug)
6) Targets impacted by modified coincidence factors, realization rates, and measure life
7) net realization rates of 74.3% - 83.9% have been utilized, based on recent studies
8) capture more retrofit opportunities by greater focus on:
    a. non participants
    b. process equipment and system optimization
    c. higher performance alternatives
    d. more outreach and training

Cost/kWh (Cost/Unit):
1) 2009 projected cost rates: annual = $0.2103/ kWh, lifetime = $.0157 / kWh
2) 2009 projected $$/kW = $1,409
3) higher program costs are anticipated due to:
    a. increased commodity costs, i.e. chillers, lighting
    b. increased costs from anticipated incentives offerings such as an anticipated comprehensive bonus
    c. more outreach, training and education
4) EO will experience negative kWh and kW impacts due to:
    a. coincidence factors modified per recent studies
    b. net realization rates applied in accordance with recent studies
    c. measure life changes per recent studies

Metric Changes:
1) all savings are reported as net values

Municipal Retrofit Projects (1)

Year	Inst. Proj.	kWh savings	kW savings	Incentive	$$/ kWh	$$/pk kW
2006	51	4,508,755	1,124	1,219,007	$ 0.270	$ 1,085
2007	44	3,393,721	714	773,662	$ 0.228	$ 1,084
2008 (Aug)	*42*	*1,459,158*	*367*	*480,801*	*$ 0.330*	*$ 1,310*

(1) includes traffic signals

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Small Business Energy Advantage (CL&P & UI)

Objective: The objective of the Small Business Energy Advantage ("SBEA") program is to provide cost-effective, turnkey C&LM services for small business customers.

Target Market: All C&I customers, with an average 12-month peak demand up to 200 kW in CL&P's service area, and an average 12-month peak demand up to 150 kW in UI's service area, are eligible for this program.

Program Description: The Companies provide, through a network of approved contractors, direct or turnkey services to maximize energy efficiency operations for customers. These direct services include energy assessments and installation of measures.

As financial constraints are one of the primary barriers for this market, usually there are no up-front customer costs. The Companies pay incentives for relevant energy efficiency measures within cost-effectiveness constraints, and offer an interest-free financing option to credit-qualifying customers for the balance. Financing will appear as a line item on the customer's bill. The loan repayment term, which is determined by the simple payback of the project, is set at a level which normally provides the customer with a positive annual cash flow based upon the estimated energy savings resulting from the installed measures.

The SBEA program also includes an educational component to inform small business customers of the benefits that can be achieved through energy efficiency efforts.

Marketing Strategy: As the SBEA program matures, it can rely more upon contractor-generated marketing to drive customer enrollment. The Companies may augment enrollment with:

- Paid advertising (print and electronic) in local business publications and Chamber of Commerce Directories targeting business owners. Advertising will direct audiences to the two Company websites and to CTEnergyInfo.com.
- Presence at strategically selected business expos and trade shows.

In addition to program promotion, marketing efforts will also include actions intended to support small business customers and the contractor community, and facilitate market transformation.. This support may take the form of:

- Project leave-behind document. This piece will summarize what was done to a building so that the employees at the location will understand the benefits of energy efficiency and can act as ambassadors of change outside of their work environment.
- Direct mailer sent as follow-up to past program participants. Intended to encourage small businesses to implement additional retrofits, especially to move them beyond lighting projects.
- Write and distribute case studies (also referred to as Success Stories or Testimonials.) to the sites listed above and to local media publications.
- Promote Fund-sponsored technical training seminars via email mailings and newsletters.
- Host contractor meetings.
- Participation with chambers of commerce, town officials, trade groups and the Connecticut Department of Economic and Community Development through memberships, joint projects and events.

Incentive Strategy:

Incentives for lighting and other energy efficiency measures are prescriptive and capped within cost-effectiveness constraints. In some instances, incentives for non-lighting measures are custom-designed within cost-effectiveness constraints. The Companies will continue to evaluate market trends and responsiveness, and make adjustments to participation requirements and incentive levels accordingly.

Zero percent financing, as described in the C&LM Financing section, is offered with this program as an additional incentive to facilitate implementation.

The following example illustrates the incentive breakdown for a 2008 SBEA project. The example project is from an actual installed commercial customer with an average monthly demand of 44 kW. The installed measures included High-Performance T8 fixture retrofits, LED exit signs, evaporator fan controls, door heater controls, and evaporator fan motor replacements (ECMs).

Total Project Cost (incl. sales tax)	$ 20,968.01
Lighting Incentive	$ 4,333.00
Refrigeration Incentive	$ 3,578.92
Net Cost to Customer (incl. sales tax)	$ 13,056.09
Estimated Annual Energy Savings	$ 8,315.46
Estimated Monthly Energy Savings	$ 692.96
Monthly Payment (0% @ 20 months)	$ 652.80

Once the loan is repaid, the customer reaps the benefits of future energy savings through lower electric bills. The Companies provide oversight at each step of the process to ensure the customer is well-informed and satisfied with the final installation.

Goals: Refer to Standard Filing Requirements for program goals.

New Program Issues: The Companies are continually looking to expand the list of eligible cost-effective energy-efficient measures, including air compressors, variable frequency drives and LED applications. In addition, the Companies will continue to work to incorporate comprehensiveness into projects. At the same time, the Companies are reviewing incentive levels to ensure that they are consistent with current and expected market conditions and customer investment options.

The Companies plan to amend the incentive structure in 2009 to reduce incentive levels in lighting and non-lighting measures as well as introduce incentive caps.

As noted in the Decision for Docket 06-10-02, the Companies have added training and cross promotion proficiency in EO program screening as a program requirement. Additionally, under Docket 07-10-03 the Companies have a developed a joint customer leave-behind cut sheet that outlines the project benefits.

CL&P Specific Issues: CL&P will have a competitive bid process in late 2009 to select SBEA contractors to provide services for the 2010 and 2011 program. A total of 18 contractors will be selected and CL&P will continue to monitor contractor performance, and make adjustments as necessary. CL&P will work to coordinate comprehensive offerings to both EO and SBEA vendors.

UI Specific Issues: UI will initiate a competitive bid process during the 4th Quarter of 2008 to select a core of group of vendors whose productivity will be maximized for the 2009 program year.

UI is continuing to pursue an agreement with the State regarding the contractual issues as they pertain to using SBEA vendors and implementation in State buildings.

UI's SBEA program will continue to explore further opportunities of working with a variety of urban initiatives, such as Empowerment New Haven and New Haven's Green Initiative. Partnering with these initiatives may be useful in overcoming a variety of obstacles, such minimizing language barriers and attracting local contractors who are easily recognizable in these "inner-city" neighborhoods/areas. In an effort to minimize potential language barriers, UI promotes SBEA vendors that actively recruit bilingual representatives.

UI also recognizes the value in air conditioning with relation to the summer peak and will continue to cross promote HVAC equipment upgrades, and load control measures.

CL&P Standard Filing Requirement

Small Business Energy Advantage

All dollar values are in $000

Customers with a 200kW demand or less or State Building Projects

Budget Projections	2006 Actuals	2007 Actuals	Revised 2008 Budget	2008 YTD (Jul)	2008 YE Projected	2009 Budget	
Labor							
NU Labor	$ 481	$ 485	$ 994	$ 321	$ 693	$ 637	
Contractor Staff	$ 30	$ 25	$ -	$ 29	$ 63	$ -	
Total Labor	$ 511	$ 510	$ 994	$ 350	$ 756	$ 637	
Materials & Supplies	$ 2	$ 1	$ 2	$ 1	$ 2	$ 2	
Outside Services	$ 18	$ 29	$ 37	$ 29	$ 63	$ 45	a)
Incentives	$ 6,254	$ 8,585	$ 9,155	$ 4,419	$ 9,545	$ 4,226	b)
Marketing	$ 22	$ 47	$ 66	$ 5	$ 11	$ 50	c)
Administrative Expenses	$ 690	$ 1,033	$ 1,246	$ 524	$ 1,132	$ 1,000	d) e)
Other	$ -	$ (1)	$ -	$ 2	$ 4	$ 2	
Total	$ 7,497	$ 10,204	$ 11,500	$ 5,330	$ 11,513	$ 5,962	

a) Software support, technical analysis and 3rd Party pre/post inspection service

b) Incentives paid for the installation of cost effective energy conservation measures

c) Market program to customers, trade allies and professional organizations.

d) Employee expenses including mileage, training, conference attendance and misc.

e) Primarily due to interest expense payments on the zero % customer loans

2009 Goals and Metrics Information

	Program Total
Demand Savings (kW reduction Goal)	6,299.8
Annual Energy Savings (KWh Reduction Goal)	26,215,848
Lifetime Energy Savings (kWh Reduction Goal)	329,302,078
Annual Cost Rate ($/kWh)	$ 0.227
Lifetime Cost Rate ($/kWh)	$ 0.018
Electric b/c ratio	6.92
Total Resource b/c ratio	2.96

CL&P Standard Filing Requirement

Small Business Energy Advantage

Program Costs

Year	Budget	Actual	% of Budget	$/LT-kWh[1]
2000	$ 1,525,000	$ 852,000	56%	0.011
2001	$ 2,720,000	$ 2,437,000	90%	0.013
2002	$ 3,449,000	$ 2,812,000	82%	0.015
2003	$ 3,800,000	$ 2,167,000	57%	0.010
2004 [3]	$ 3,000,000	$ 3,264,000	109%	0.010
2005 Revised	$ 3,456,476	$ 2,710,538	78%	0.012
2006 Revised [5]	$ 4,300,000	$ 7,497,147	174%	0.013
2007 Revised	$ 3,900,200	$ 10,204,000	262%	0.022
2008 Revised	$ 11,500,000	n/a	n/a	n/a
2008 YTD (Jul)	n/a	$ 5,329,764	46%	0.027
2008 Y/E Projected	n/a	$ 11,513,000	100%	0.025
2009	$ 5,962,134	n/a	n/a	n/a

Goal - Participation

Year	Goal [2]	Actual	% of Goal
2000	924	587	64%
2001	1,860	2,023	109%
2002	2,114	1,961	93%
2003	769	505	66%
2004 [3]	561	603	107%
2005 Revised	522	523	100%
2006 Revised [5]	489	955	195%
2007 Revised	514	1,397	272%
2008 Revised	907	n/a	n/a
2008 YTD (Jul)	n/a	632	70%
2008 Y/E Projected	n/a	907	100%
2009	816	n/a	n/a

Goal - Lifetime MWh Savings

Year	Goal (MWh)	Actual (MWh)	% of Goal
2000	107,466	75,624	70%
2001	197,383	189,039	96%
2002	181,333	192,412	106%
2003	261,691	221,042	84%
2004 [3]	217,790	328,965	151%
2005 Revised	202,766	233,266	115%
2006 Revised [5]	284,749	561,280	197%
2007 Revised	198,363	468,516	236%
2008 Revised	334,300	n/a	n/a
2008 YTD (Jul)	n/a	198,671	59%
2008 Y/E Projected	n/a	463,728	139%
2009	329,302	n/a	n/a

Goal - Installed kW Savings

Year	Goal	Actual	%of Goal
2000	n/a	n/a	n/a
2001	n/a	n/a	n/a
2002	n/a	n/a	n/a
2003 [4]	3,224	2,430	75.4%
2004 [3]	2,552	3,354	131.4%
2005 Revised	2,376	2,349	98.9%
2006 Budget	2,916	8,497	291.4%
2007 Revised	3,022	9,310	308.1%
2008 Revised	5,867	n/a	n/a
2008 YTD (Jul)	n/a	3,726	63.5%
2008 Y/E Projected	n/a	8,378	142.8%
2009	6,300	n/a	n/a

Program Ratios

	$/Lifetime kWh		$/Annualized kW	
Year	Plan	Actual	Plan	Actual
2000	0.014	0.011	n/a	1004
2001	0.014	0.013	n/a	1066
2002	0.019	0.015	n/a	1196
2003	0.017	0.010	1,270	892
2004 [3]	0.014	0.010	1,175	973
2005 Revised	0.017	0.012	1,455	1154
2006 Revised [5]	0.015	0.013	1,475	882
2007 Revised	0.020	0.022	1,291	1096
2008 Revised	0.014	n/a	1,960	n/a
2008 YTD (Jul)	n/a	0.027	n/a	1430
2008 Y/E Projected	n/a	0.025	n/a	1374
2009	0.018	n/a	946	n/a

[1] Actual Dollars spent divided by actual life time kWh savings achieved for 2000 to 2005 inclusive. Budget dollars spent divided by life time kWh savings goals for 2006

[2] Goal for 2000-2002 is incentive dollars.
Goal for 2003-2008 is number of projects.

[3] Budget and Plan information based on revised budgets and goals filed on 8/18/04

[4] Demand saving goals reflect 1/13/03 goals.

[5] Budget and Plan information based on revised budgets and goals filed on 6/8/06

CL&P Standard Filing Requirement

Small Business Energy Advantage

CL&P Program Notes

Budget / (FTE)

5.3	• FTEs for Program administration, inspections, QA/QC, loan collections, etc.

Goal

816	• Customers - installed projects.
6,300	• Demand Savings (kW Reduction Goal)
329,302,078	• Lifetime Energy Savings (kWh Reduction Goal)

Cost/kWh (Cost/Unit)

$	946	/ kW	• $/Annualized kW
$	0.018	/ kWh	• $/Lifetime kWh

Goal Setting Methodology
- The 2009 planning model is based on 2007 actual results.
- Changes were made to incorporate different incentive structure and coincidence factors.

Metric Changes:
- Not applicable.

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The United Illuminating Company

EL-25 Standard Filing Requirement

2009

Small Business *

Baseline Assumptions:

Market — Retrofit program for small C&I customers < 150 kW [1]

Budget Projections	**2007 Act**	**2008 Amended Bud**	**2008 YTD (Aug)**	**2008 YE Projected**	**2009 Bud**	
Labor						
UI Labor	$ 218,881	$ 227,594	$ 160,068	$ 227,594	$ 250,078	a)
Contractor Staff	$ -	$ 20,000	$ -	$ 20,000	$ 20,000	b)
Total Labor	$ 218,881	$ 247,594	$ 160,068	$ 247,594	$ 270,078	
Materials & Supplies	$ 3,358	$ 2,500	$ 480	$ 3,500	$ 4,000	c)
Outside Services	$ 6,749	$ 11,000	$ 15,512	$ 16,000	$ 18,000	d)
Incentives	$ 1,437,432	$ 1,515,500	$ 862,974	$ 1,515,500	$ 2,033,448	e)
Marketing	$ 15,721	$ 32,000	$ 8,502	$ 32,000	$ 32,000	f)
Other	$ 253	$ 1,055	$ 180	$ 1,055	$ 1,200	g)
Administrative Expenses	$ 160,028	$ 200,963	$ 143,975	$ 194,963	$ 200,000	h)
Total	$ 1,842,422	$ 2,010,612	$ 1,191,691	$ 2,010,612	$ 2,558,726	

* Joint CL&P and UI Program

(1) Customer eligibility increased to 150 kW to capture more mid-size market share

a) 2.05 FTEs
b) no comment
c) no comment
d) Consultant / engineering / audit services
e) Customer incentives
f) Brochure revision, selected advertising, public relations, etc.
g) no comment
h) Financing interest, employee training, mileage, etc.

Goals and Metrics Information:

Savings

	2009
Demand Savings (kW)	2,212
Annual Energy Savings (kWh)	10,544,242
Lifetime Energy Savings (kWh)	121,345,887
Annual Cost Rate ($/kWh)	$ 0.243
Lifetime Cost Rate ($/kWh)	$ 0.021
Cost per kW	$ 1,157
Electric System B/C Ratio	5.84
Total Resource B/C Ratio	2.86

The United Illuminating Company
LF-26 Standard Filing Requirement

Small Business Energy Advantage

Goal - Program Costs (000's)

Year	Budget	Actual	% of Goal Achieved
2000	$1,514	$1,203	79.5%
2001	$1,327	$1,595	120.2%
2002	$1,065	$997	93.6%
2003	$1,301	$846	65.0%
2004	$922	$844	91.5%
2005	$1,350	$1,386	102.7%
2006	$1,530	$1,638	107.1%
2007	$1,411	$1,842	130.5%
2008	$2,011		
2008 YTD (Aug)	$2,011	$1,192	59.3%
2008 YE Projected	$2,011	$2,011	100.0%
2009	$2,559		

Goal - Number Of Audits

Year	Audit Goal	Actual Audits	Project Target	Project Actual	Project/ Audits
2000	642	982	225	317	32.3%
2001	1,224	1,294	294	258	19.9%
2002	1,035	1,406	253	276	19.6%
2003	1,102	540	298	148	27.4%
2004	851	601	236	237	100.4%
2005	1,106	788	307	367	119.5%
2006	891	667	344	310	90.1%
2007	724		240	357	148.8%
2008	901		340		
2008 YTD (Aug)	901	394	340	259	76.2%
2008 YE Projected	901	901	340	340	100.0%
2009	901		450		

$/Project

Year	Target	Actual	% of Goal Achieved
2000	$6,729	$3,795	56.4%
2001	$4,514	$6,182	137.0%
2002	$4,209	$3,612	85.8%
2003	$4,366	$5,716	130.9%
2004	$3,909	$3,563	91.1%
2005	$4,397	$3,777	85.9%
2006	$4,448	$5,284	118.8%
2007	$9,033	$5,161	57.1%
2008	$5,914		
2008 YTD (Aug)	$5,914	$4,601	77.8%
2008 YE Projected	$5,914	$5,914	100.0%
2009	$5,686		

Goal - Installed kWh Savings (000's)

Year	Goal	Actual	% of Goal Achieved
2000	6,417	5,274	82.2%
2001	5,761	6,506	112.9%
2002	4,765	6,279	131.8%
2003	6,250	3,578	57.2%
2004	4,930	4,399	89.2%
2005	6,895	7,590	110.1%
2006	6,733	5,830	86.6%
2007	5,670	7,644	134.8%
2008	7,564		
2008 YTD (Aug)	7,564	5,087	67.3%
2008 YE Projected	7,564	7,564	100.0%
2009	10,544		

Goal - Installed kW Savings

Year	Goal	Actual	% of Goal Achieved
2000	-	-	0.0%
2001	-	-	0.0%
2002	1,429	-	0.0%
2003	1,424	1,031	72.4%
2004	802	1,035	129.1%
2005	1,132	1,963	173.4%
2006	1,466	1,661	113.3%
2007	1,340	2,008	149.8%
2008	1,717		
2008 YTD (Aug)	1,717	1,166	67.9%
2008 YE Projected	1,717	1,661	96.7%
2009	2,212		
			67.9%
			96.7%

Goal - Lifetime kWh Savings (000's)

Year	Goal	Actual	% of Goal Achieved
2000	96,300	79,100	82.1%
2001	86,400	97,600	113.0%
2002	71,500	94,200	131.7%
2003	93,750	53,670	57.2%
2004	73,950	65,987	89.2%
2005	108,928	119,909	110.1%
2006	100,997	76,975	76.2%
2007	72,003	92,649	128.7%
2008	96,830		
2008 YTD (Aug)	96,830	53,084	54.8%
2008 YE Projected	96,830	96,830	100.0%
2009	121,346		

Program Ratios

Year	$/kWh Target	Actual	$/LT kWh Target	Actual	$/kW Target	Actual
2000	$0.236	$0.228	$0.016	$0.015	$0	$0
2001	$0.230	$0.245	$0.015	$0.016	$0	$0
2002	$0.224	$0.159	$0.015	$0.011	$745	$604
2003	$0.208	$0.236	$0.014	$0.016	$914	$821
2004	$0.187	$0.192	$0.012	$0.013	$1,150	$816
2005	$0.196	$0.183	$0.012	$0.012	$1,193	$706
2006	$0.227	$0.281	$0.015	$0.021	$1,044	$986
2007	$0.249	$0.241	$0.020	$0.020	$1,053	$918
2008	$0.266		$0.021		$1,171	
2008 YTD (Aug)	$0.266	$0.234	$0.021	$0.022	$1,171	$1,022
2008 YE Projected	$0.266	$0.266	$0.021	$0.021	$1,171	$1,210
2009	$0.243		$0.021		$1,157	

Notes
1. 2000-2002 data from LF-26 filed in 03-01-01
2. 2003 data reflects budgets approved in 03-01-01
3. 2004 data represents the revised budget allocations
4. 2004 Audits is 3/4 of year, program closed January through March

The United Illuminating Company
LF-26 Standard Filing Requirement

Program Notes - Small Business Energy Advantage

Budget/(FTE):
1) Budget includes 2.05 FTEs for staffing
2) 2009 overall proposed budget is $548K greater than the '08 amended budget (27% increase)
3) 2009 will include more non lighting ncentives to increase comprehensiveness and to motivate the market
4) Project financing costs reduce available incentive funds
5) 2008 has experienced less than 1% default rate YTD.

Goal:
1) 2009 Target = 450 installed projects
2) 09 target of 10,544,200 kWh
3) 09 target of 2,212 kW
4) the market will continue to need stimulation; '08 will have increased $/kwhr incentive levels
5) '09 audit target (901) is in same audit/project ratio as '07,to gain implementation efficiencies
6) increasing the scope of SMB measures to achieve more kWh savings

Cost/kWh (Cost/Unit):
1) 2009 projected cost rates per kWh: annual = $0.243, lifetime = $0.0211
2) 2009 projected $$/kW = $1,157
3) project financing costs have been budgeted and increase the $$/kWh
4) adopted realization rates, new measure life values and coincidence factors for enduses;
5) $/kW is higher due to refrigeration controls and HVAC conservation measures (ie:dehumidification), reducing off peak kW and kWh
6) continued higher costs due to ongoing marketing strategies to increase inner city & minority participation

Metric Changes:
1) all savings are reported as net values

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Operation & Maintenance Services (CL&P and UI) (Electric and Natural Gas)

Objective: The objectives of the Operations and Maintenance Services ("O&M") program are to: (1) help customers improve the electrical and thermal efficiency of their operations by changes and repairs, rather than through capital investments; and (2) provide customers with the knowledge and the means to maintain equipment efficiency on an ongoing basis. These objectives are realized by, but not limited to: (1) investigating functioning yet inefficient equipment strategies within the C&I environment and then deploying higher efficiency operating strategies; (2) repairing and/or retrofitting existing equipment with energy-saving control devices, (3) improving a facility's overall performance; and (4) developing long-term, sustainable energy-saving relationships and plans with customers.

Target Market: The target market for this program is all C&I customers. However, owners and managers of multi-family residential buildings may also participate. They represent a target market that often straddles the eligibility requirements of both C&I and residential program offerings.

The integration of natural gas measures into the O&M incentive structure has provided additional marketing and customer opportunities. This is a planned intention of the program to market comprehensively, not only to minimize the costs of labor and promotion, but also to provide a simpler, streamlined experience for the customer and the Companies.

Program Description: This program offers electric and natural gas incentives to C&I customers to improve the O&M practices of customers' buildings. The Companies provide O&M evaluations and recommendations upon request with the C&I customer being responsible for implementing the O&M improvements. Examples of these improvements include, but are not limited to, compressed air system leak studies and repairs, Retro-Commissioning, PRIME, additions, corrections, and repairs to Building Management System control components and/or software programming for efficient operation, and system modifications to optimize flow.

The Companies will consider for program inclusion the piloting and testing of promising concepts, technologies and services. The results of these efforts may be used to make incremental improvements to the O&M program.

Beginning in 2009, the Companies intend to push for the incorporation of O&M program features into other C&I programs. This push will ensure that before new energy-saving equipment is installed, facilities will already have incorporated comprehensive O&M program features for the continuation of maximum operational efficiency.

For 2009, the O&M program is transforming to a more detailed customer-focused approach, which is expected to enhance the far-reaching energy efficient management behaviors among C&I customers.

One of the components of this transformation is the Business Sustainability Challenge ("BSC"), formerly the Business Energy Challenge. Initiated as a pilot in 2008, the BSC is the result of a shared vision of the ECMB C&I Committee and the Companies. It provides an opportunity for customers to not only address their energy management practices and investments, but also their environmental/sustainable objectives and continuous improvement objectives more strategically through a comprehensive multi-year approach with a goal of long-term sustainability. In addition, it takes a holistic approach to educating and working with larger customers so they learn to manage energy as a valuable resource, much like an integrated design for new construction. The major components of the pilot are a) the Corporate/Business Commitment which includes a multi-year duration along with the establishment of energy efficiency and sustainability goals; b) the Business Energy Management Assessment and Carbon Assessment; c) Technical Scoping which includes review and prioritization of assessments, audits, studies, carbon inventory and ideas from staff and management; d) the Action Plan which identifies the specific activities that the customer will engage in with the assistance of the Companies; and e) the Strategic Energy Management Plan which is a strategic plan that defines the energy management activities; sustainability initiatives; investment priorities, employee training, monitoring and reporting systems for future years.

The Companies will continue to sponsor and provide focused training to help C&I customers improve their building operations and maintenance activities. A variety of training opportunities will be explored with emphasis being facility managers & property managers as the target audience. The Companies have continued to be successful in identifying and providing training in the efficient operation of building systems to help qualify facility operators and maintenance staff for certification. The Companies have also provided a broader training and outreach program that will continue into 2009 and 2010. Training is forecasted to incorporate program topics such as, but not limited to: Certified Energy Manager ("CEM"), Building Operator Certification ("BOC") or equivalent, K-12 school facility maintenance, energy basics and energy action planning, building automation systems, Retro-Commissioning and Compressed Air Challenges I and II. In addition, training opportunities will be explored that target improving awareness and energy-efficient management behaviors among C&I customers.

To further the expansion of the training and education component of the program, O&M will focus on low cost/no cost opportunities for customers to achieve savings that are sustainable. The program will not include significant capital investments and qualifying measures will typically have measure lives of five to 10 years.

The Retro-Commissioning ("RCx") initiative will continue to be offered by the Companies as an O&M program component in 2009. The RCx process conducts an in-depth investigation of a facility's systems operations. The investigation focuses on integrating more efficient and effective instructions for the building management systems. The main objective of RCx is to find low-cost/no cost, non-capital, energy-efficient measures that will quickly and effectively result in energy savings for the owner of the building. The program targets Connecticut's large customer facilities in the commercial office market segment, and the large institutional segment. Further, the Companies will work to identify common measures that could be deployed to medium-sized businesses and work to "tune -up" the buildings not serviced with a building management system. In UI's service territory, customer incentives will be paid and accounted for in the EO program.

Marketing Strategy: While the target market for the O&M program is the C&I customer, a large percentage of the marketing efforts are directed at the audience that provides the services – the engineering and contractor community. By focusing our promotions on them, we are encouraging the development of a market-based energy-efficiency industry. Some of the ways we promote and support the engineering and contractor community may include:

- Technical and program-specific training seminars will be offered throughout the year. Seminars will be promoted using email notices linking users to an on-line registration system.
- Participation at strategically selected association events. This may also include submission of technical papers, presentations, etc.

- Write and distribute case studies (also referred to as Success Stories or Testimonials) to Company and relevant web sites and to local media and regional trade publications.

To a lesser extent, the Companies will target market to the building owners, business owners, facility managers and energy managers using some of the tactics above, but also may include:

- Targeted mailings to customers (print and email) directing them to the two Company websites and CTEnergy.com.
- Presence at strategically-selected business expos/shows.
- Articles and notices via electronic Company newsletters.

Incentive Strategy: The Companies have eliminated any special SWCT incentives, creating consistency statewide. O&M incentives will be aligned with the EO and ECB program offerings. However, incentives may be tailored based upon the specific nature of each proposal. In some cases, portions of the selected customer's project may qualify for incentives under the EO or ECB programs and will be included in the O&M Letter of Agreement to the customer.

In UI's service territory, customers may receive incentives for evaluations identifying appropriate measures being recommended for implementation from the O&M program.

Goals: Refer to Standard Filing Requirements for program goals.

New Program Issues: To further the goal of long-term sustainability for Connecticut's businesses and industries, the Companies will continue to work on developing and refining the strategic framework for O&M, which will include the PRIME program and the BSC pilot for 2009. It is important to note that the long term vision of enhancing energy-efficient management behaviors is a multi-year plan which will require an investment in early years but should ultimately result in corporate ownership of energy management with measurable savings.

The BSC pilot was initiated in late 2008 and will carry-over into 2009. Although the C&I programs are subject to significant budgetary pressures, the Companies and the ECMB agree that this initiative offers great promise for long-term and cost-effective market transformation in the C&I sectors and merits careful development commensurate with the available budget.

As previously noted in Chapter 1, the Companies and natural gas companies will continue to be partners in 2009. Offering a comprehensive portfolio of products and services by integrating the programs offered by the gas companies into the existing O&M program and then merged with the resources of ECB and EO. This will provide customers a well organized efficiency services package for achieving greater energy savings opportunities within their facility.

CL&P Standard Filing Requirement

O&M Services (Roll-Up)

(includes O&M Services and O&M Retro-Commissioning Extension)

All dollar values are in $000

Budget Projections	2006 Actuals	2007 Actuals	Revised 2008 Budget	2008 YTD (Jul)	2008 YE Projected	2009 Budget	
Labor							
NU Labor	$ 136	$ 159	$ 383	$ 94	$ 249	$ 211	
Contractor Staff	$ 8	$ 33	$ -	$ 20	$ 53	$ 12	
Total Labor	$ 144	$ 192	$ 383	$ 114	$ 303	$ 223	
Materials & Supplies	$ 5	$ 1	$ 14	$ 2	$ 5	$ 2	
Outside Services	$ 262	$ 227	$ 479	$ 168	$ 445	$ 200	a)
Incentives	$ 1,007	$ 640	$ 1,353	$ 573	$ 1,600	$ 762	b)
Marketing	$ 9	$ 22	$ 28	$ 4	$ 11	$ 4	c)
Administrative Expenses	$ 3	$ 5	$ 24	$ 4	$ 11	$ 11	d)
Other	$ 5	$ 27	$ 12	$ 49	$ 60	$ 11	
Total	$ 1,435	$ 1,114	$ 2,293	$ 914	$ 2,434	$ 1,213	e)

a) Consultants for focused studies, quality assurance/quality control (QA/QC) and inspections as necessary

b) Incentives paid directly to customers for the installation of cost effective energy conservation measures

c) Market program to customers, trade allies and professional organizations

d) Employee expenses including mileage, training, conference attendance and misc

e) Includes $170K O&M Services and $1.043M Retro commissioning budgets

2009 Goals and Metrics Information

	Program Total
Demand Savings (kW reduction Goal)	235.0
Annual Energy Savings (KWh Reduction Goal)	13,485,977
Lifetime Energy Savings (kWh Reduction Goal)	107,887,818
Annual Cost Rate ($/kWh)	$ 0.090
Lifetime Cost Rate ($/kWh)	$ 0.011
Electric b/c ratio	9.74
Total Resource b/c ratio	6.49

CL&P Standard Filing Requirement

O&M Services

All dollar values are in $000

Budget Projections	2006 Actuals	2007 Actuals	Revised 2008 Budget	2008 YTD (Jul)	2008 YE Projected	2009 Budget	
Labor							
NU Labor	$ 89	$ 58	$ 250	$ 26	$ 69	$ 18	
Contractor Staff	$ 7	$ 33	$ -	$ 20	$ 53	$ 12	
Total Labor	$ 96	$ 91	$ 250	$ 46	$ 123	$ 30	
Materials & Supplies	$ 5	$ 1	$ 9	$ 2	$ 5	$ 2	
Outside Services	$ 200	$ 59	$ 170	$ 18	$ 48	$ 50	a)
Incentives	$ 837	$ 640	$ 908	$ 474	$ 1,338	$ 74	b)
Marketing	$ 9	$ 20	$ 23	$ 2	$ 5	$ 2	c)
Administrative Expenses	$ 2	$ 2	$ 14	$ 1	$ 3	$ 2	d)
Other	$ -	$ 26	$ 11	$ 49	$ 60	$ 10	
Total	$ 1,149	$ 839	$ 1,385	$ 592	$ 1,582 e)	$ 170	

a) Consultants for focused studies, quality assurance/quality control (QA/QC), and inspections as necessary.

b) Incentives paid directly to customers for the installation of cost effective energy conservation measures. Includes $50K for BSC initiative.

c) Market program to customers, trade allies, and professional organizations

d) Employee expenses including mileage, training, conference attendance and misc.

2009 Goals and Metrics Information

	Program Total
Demand Savings (kW reduction Goal)	65.4
Annual Energy Savings (KWh Reduction Goal)	462,142
Lifetime Energy Savings (kWh Reduction Goal)	3,697,136
Annual Cost Rate ($/kWh)	$ 0.368
Lifetime Cost Rate ($/kWh)	$ 0.046
Electric b/c ratio	2.73
Total Resource b/c ratio	2.17

CL&P Standard Filing Requirement

O&M Services

	Program Costs			
Year	Budget	Actual	% of Budget	$/LT-kWh[1]
2000	$ 3,747,000	$ 3,663,000	98%	0.016
2001	$ 2,421,000	$ 2,796,000	115%	0.017
2002	$ 1,204,000	$ 617,000	51%	0.018
2003	$ 1,300,000	$ 451,000	35%	0.044
2004[3]	$ 963,000	$ 731,000	76%	0.021
2005 Revised	$ 2,109,416	$ 1,627,467	77%	0.017
2006 Revised	$ 2,156,000	$ 1,149,265	53%	0.018
2007 Revised	$ 1,984,000	$ 1,113,822	56%	0.024
2008 Revised	$ 1,385,000	n/a	n/a	n/a
2008 YTD (Jul)	n/a	$ 913,727	66%	0.060
2008 Y/E Projected	n/a	$ 1,582,389	114%	0.016
2009	$ 170,000	n/a	n/a	n/a

	Goal - Participation		
Year	Goal[2]	Actual	% of Goal
2000	3,305	3,093	94%
2001	2,100	2,236	106%
2002	519	306	59%
2003	88	14	16%
2004[3]	124	17	14%
2005 Revised	236	26	11%
2006 Revised[5]	59	26	44%
2007 Revised	32	18	56%
2008 Revised	11	n/a	n/a
2008 YTD (Jul)	n/a	45	409%
2008 Y/E Projected	n/a	60	545%
2009	20	n/a	n/a

	Goal - Lifetime MWh savings				Goal - Installed kW Savings		
Year	Goal (MWh)	Actual (MWh)	% of Goal	Year	Goal	Actual	%of Goal
2000	283,896	252,573	89%	2000	n/a	n/a	n/a
2001	185,348	164,295	89%	2001	n/a	n/a	n/a
2002	33,636	33,643	100%	2002	n/a	n/a	n/a
2003	18,182	10,201	56%	2003[4]	185	142	76.8%
2004[3]	49,764	35,630	72%	2004[3]	921	689	74.8%
2005 Revised	100,825	97,075	96%	2005 Revised	1,621	1,127	69.5%
2006 Revised	111,853	62,462	56%	2006 Revised	1,618	504	31.1%
2007 Revised	81,616	46,154	57%	2007 Revised	1,091	432	39.6%
2008 Revised	32,195	n/a	n/a	2008 Revised	284	n/a	n/a
2008 YTD (Jul)	n/a	15,318	48%	2008 YTD (Jul)	n/a	25	8.7%
2008 Y/E Projected	n/a	97,312	302%	2008 Y/E Projected	n/a	378	133.1%
2009	3,697	n/a	n/a	2009	65	n/a	n/a

	Program Ratios			
	$/Lifetime kWh		$/Annualized kW	
Year	Plan	Actual	Plan	Actual
2000	0.013	0.015	n/a	827
2001	0.013	0.017	n/a	1,099
2002	0.036	0.018	n/a	1,125
2003	0.046	0.044	2,781	3,176
2004[3]	0.019	0.021	0	1,061
2005 Revised	0.021	0.017	1,301	1,444
2006 Revised	0.019	0.018	1,333	2,282
2007 Revised	0.024	0.024	1,819	2,576
2008 Revised	0.043	n/a	4,877	n/a
2008 YTD (Jul)	n/a	0.060	n/a	37,098
2008 Y/E Projected	n/a	0.016	n/a	4,188
2009	0.046	n/a	2,598	n/a

[1] Actual Dollars spent divided by actual life time kWh savings achieved for 2000 through 2002 inclusive.
[2] Goal for 2000-2002 is incentive dollars.
Goal for 2003-2005 is number of projects.
[3] Budget and Plan information based on revised budgets and goals filed on 8/18/04
[4] Demand saving goals reflect 1/13/03 goals.
[5] Includes Retro-Commissioning projects.

CL&P Standard Filing Requirement

O&M Services

CL&P Program Notes

Budget / FTE

0.5 • FTEs for Program Administration, inspections, etc.

Goal

• Demand Savings (kW Reduction Goal) =	65	kW
• Lifetime Energy Savings (kWh Reduction Goal) =	3,697,136	kWh

Cost/kWh (Cost/Unit)

• $/Annualized kW =	$	2,149	/ kW
• $/Lifetime kWh =	$	0.019	/ kWh

Goal Setting Methodology

- The 2009 planning model is based on 2007 actual results
- Savings were adjusted based on new incentive structure.

Metric Changes

- Not applicable

CL&P Standard Filing Requirement

O&M Retro Commissioning

All dollar values are in $000

Budget Projections	2006 Actuals	2007 Actuals	Revised 2008 Budget	2008 YTD (Jul)	2008 YE Projected	2009 Budget	
Labor							
NU Labor	$ 47	$ 101	$ 133	$ 68	$ 180	$ 193	
Contractor Staff	$ 1	$ -	$ -	$ -	$ -	$ -	
Total Labor	$ 48	$ 101	$ 133	$ 68	$ 180	$ 193	
Materials & Supplies	$ -	$ -	$ 5	$ -	$ -		
Outside Services	$ 62	$ 168	$ 309	$ 150	$ 397	$ 150	a)
Incentives	$ 170	$ -	$ 445	$ 99	$ 262	$ 688	b)
Marketing	$ -	$ 2	$ 5	$ 2	$ 5	$ 2	
Administrative Expenses	$ 1	$ 3	$ 10	$ 3	$ 8	$ 9	c)
Other	$ 5	$ 1	$ 1	$ -	$ -	$ 1	
Total	$ 286	$ 275	$ 908	$ 322	$ 852	$ 1,043	
						$ 1,043	

a) Fees to 3rd party vendors who will perform retrocommissioning services

b) Incentives paid to customers for Retro Commissioning measures including facility control modifications that will help enable long term energy savings

c) Employee expenses including mileage, training, conference attendance and misc

2009 Goals and Metrics Information

Demand Savings (kW reduction Goal)	169.5
Annual Energy Savings (KWh Reduction Goal)	13,023,835
Lifetime Energy Savings (kWh Reduction Goal)	104,190,682
Annual Cost Rate ($/kWh)	$ 0.080
Lifetime Cost Rate ($/kWh)	$ 0.010
Electric b/c ratio	10.88
Total Resource b/c ratio	7.05

CL&P Standard Filing Requirement

O&M Retro Commissioning

CL&P Program Notes

Budget /FTE

1.16 • FTE for Program Administration

Goal

• Demand Savings (kW Reduction Goal) =	170	kW
• Lifetime Energy Savings (kWh Reduction Goal) =	104,190,682	kWh

Cost/kWh (Cost/Unit)

• $/Annualized kW =	$	6,152	/ kW
• $/Lifetime kWh =	$	0.010	/ kWh

Goal Setting Methodology

- The 2009 planning model is based on 2006 actual results
- Savings were adjusted based on new incentive structure.

Metric Changes

- Not Applicable
- Not Applicable

The United Illuminating Company

EL-25 Standard Filing Requirement

2009

O&M Services * [(1)]

Baseline Assumptions:

Market: All C&I customers

Budget Projections	2007 Act	2008 Amended Bud	2008 YTD (Aug)	2008 YE Projected	2009 Bud	
Labor						
UI Labor	$ 38,144	$ 43,085	$ -	$ 43,085	$ 43,771	a)
Contractor Staff	$ -	$ -	$ -	$ -	$ -	b)
Total Labor	$ 38,144	$ 43,085	$ -	$ 43,085	$ 43,771	
Materials & Supplies	$ -	$ 901	$ -	$ 901	$ 1,000	c)
Outside Services	$ 86,563	$ 160,450	$ 22,500	$ 160,450	$ 242,000	d)
Incentives	$ -	$ 110,000	$ -	$ 110,000	$ 213,806	e)
Marketing	$ -	$ 4,000	$ -	$ 4,000	$ 4,000	f)
Other	$ 16,206	$ 1,000	$ -	$ 1,000	$ 1,000	g)
Administrative Expenses	$ 130	$ 2,915	$ 168	$ 2,915	$ 4,750	h)
Total	$ 141,043	$ 322,351	$ 22,668	$ 322,351	$ 510,327	

* Joint CL&P and UI Program
(1) Includes O&M RFP, RetroCx, BSC, PRIME and K-12 Pilot

a) .40 FTE
b) no comment
c) expenses shared by RFP, BSC,Training, RetroCx,and K-12 Pilot
d) expenses shared by RFP, BSC,Training, RetroCx,and K-12 Pilot
e) no comment
f) expenses shared by RFP, BSC,Training, RetroCx,and K-12 Pilot
g) no comment
h) expenses shared by RFP, BSC,Training, RetroCx,and K-12 Pilot

Goals and Metrics Information:	2009
Savings	
Demand Savings (kW)	76
Annual Energy Savings (kWh)	2,653,000
Lifetime Energy Savings (kWh)	13,265,000
Annual Cost Rate ($/kWh)	$ 0.192
Lifetime Cost Rate ($/kWh)	$ 0.038
Cost per kW	$ 6,733
Electric System B/C Ratio	3.42
Total Resource B/C Ratio	4.26

The United Illuminating Company
LF-26 Standard Filing Requirement

O&M Services

Goal - Program Costs (000's)

Year	Budget	Actual	% of Goal Achieved
2000	$0	$0	0.0%
2001	$100	$0	0.0%
2002	$235	$0	0.0%
2003	$167	$70	42.2%
2004	$182	$184	101.1%
2005	$182	$108	59.3%
2006	$352	$72	20.5%
2007	$322	$141	43.8%
2008	$322		
2008 YTD (Aug)	$322	$23	7.0%
2008 YE Projected	$322	$322	100.1%
2009	$510		

Goal - Installed kWh Savings (000's)

Year	Goal	Actual	% of Goal Achieved
2000	-	-	0.0%
2001	-	-	0.0%
2002	-	-	0.0%
2003	200	-	0.0%
2004	200	-	0.0%
2005	200	2,206	1103.0%
2006	2,000	1,453	72.7%
2007	2,000	2,386	119.3%
2008	1,300		
2008 YTD (Aug)	1,300	-	0.0%
2008 YE Projected	1,300	1,300	100.0%
2009	2,653		

Goal - Installed kW Savings

Year	Goal	Actual	% of Goal Achieved
2000	-	-	0.0%
2001	-	-	0.0%
2002	-	-	0.0%
2003	34	-	0.0%
2004	23	-	0.0%
2005	23	674	2930.4%
2006	210	237	112.8%
2007	210	55	26.0%
2008	100		
2008 YTD (Aug)	100	-	0.0%
2008 YE Projected	100	100	100.0%
2009	76		

Goal - Lifetime kWh Savings (000's)

Year	Goal	Actual	% of Goal Achieved
2000	-	-	0.0%
2001	-	-	0.0%
2002	-	-	0.0%
2003	3,000	-	0.0%
2004	2,000	-	0.0%
2005	2,000	22,061	1103.1%
2006	20,000	21,790	109.0%
2007	20,000	35,790	179.0%
2008	13,000		
2008 YTD (Aug)	13,000	-	0.0%
2008 YE Projected	13,000	13,000	100.0%
2009	13,265		

Program Ratios

Year	$/kWh Target	Actual	$/LT kWh Target	Actual	$/kW Target	Actual
2000	$0.000	$0.000	$0.000	$0.000	$0	$0
2001	$0.000	$0.000	$0.000	$0.000	$0	$0
2002	$0.000	$0.000	$0.000	$0.000	$0	$0
2003	$0.835	$0.000	$0.056	$0.000	$4,912	$0
2004	$0.910	$0.000	$0.091	$0.000	$7,913	$0
2005	$0.910	$0.049	$0.091	$0.005	$7,913	$160
2006	$0.176	$0.050	$0.018	$0.003	$1,676	$455
2007	$0.161	$0.059	$0.016	$0.004	$1,533	$2,578
2008	$0.248		$0.025		$3,220	
2008 YTD (Aug)	$0.248		$0.025		$3,220	
2008 YE Projected	$0.248	$0.248	$0.025	$0.025	$3,220	$3,224
2009	$0.192		$0.038		$6,733	

Notes
1. 2000-2002 data from LF-26 filed in 03-01-01
2. 2003 data reflects budgets approved in 03-01-01
3. 2004 data repesents the revised budget allocations
4. Program jointly operated with CL&P
5. O&M RFP contains Adminstrative costs for RetroCX, BOC, Envinta, and BSC

The United Illuminating Company
LF-26 Standard Filing Requirement

Program Notes - O&M Services

Budget/(FTE):
1) budget includes .40 FTEs for staffing
2) 2009 budget is 158% greater than the '08 budget.
3) 2009 budget houses administrative costs for RFP, BOC, RetroCx, and Envinta
4) incentives offered for O&M type measures
5) budget includes specialized training costs and the projected customer co-pay
6) O&M budget includes the Business Sustainability Challenge pilot (formerly the Business Energy Challenge)
7) O&M budget includes the K-12 pilot is approximately 8% of the overall budget
8) O&M budget the includes Prime program is approximately 10% of the overall budget

Goal:
1) 09 target of 2,653,000 kWh
2) 09 target of 76 kW
3) marketing focus continues all of UI territoy
4) any kWh savings from the RetroCx implementation are represented in EO
5) any direct savings from Business Sustainability implementation are included this program
6) any direct savings from EnVinta's implementation are included this program
7) any savings from cross-promotional efforts are accounted for in either EO or ECB

Cost/kWh (Cost/Unit):
1) 2009 projected cost rates: annual = $0.194/ kWh, lifetime = $.0385/ kWh
2) 2009 projected $$/kW = $6,733
3) 2009 kWh increased and kW decreased due to program redesign.
   a. program initiatives such as BSC & Envinta will produce few peak kW savings.

Metric Changes:
1) all savings are reported as net values

PRIME (Process Reengineering for Increased Manufacturing Efficiency) (CL&P and UI)

Objective:	The objective of the PRIME program is to teach manufacturers how to implement "Lean Manufacturing" techniques. Lean manufacturers produce more with existing resources by eliminating non-value added activities and by aligning production to meet actual customer demand. The PRIME program is intended to move manufacturers away from traditional batch-based production toward production aligned with customer demand or "pull". A company that employs Lean principles is focused on excellence through "Kaizen" (continuous improvement) and the relentless elimination of waste. Lean techniques employed have typically resulted in more efficient use of energy as well as reduced inventory and delivery times, improved quality and increased production capacity.
Target Market:	The PRIME program specifically targets industrial customers of all sizes that are currently using traditional manufacturing techniques and are interested in fostering a "Lean" culture of continuous improvement. The program is available to customers whose Standard Industrial Classification ("SIC") is in the range of 2000 to 3999.
Program Description:	The PRIME program offers eligible customers to participate in up to four separate three-and-a-half day Kaizen events at their facility. The first two events are done at no cost to the customer. The third and fourth events require the customer to contribute 50 percent of the cost. Each event involves the assembly of a Kaizen team of participants from various departments within the company to address specific areas for improvement. Vendors under contract with the Companies are responsible for working with the customer to identify and quantify the savings potential and to provide coaching and training to the team. Projects chosen are selected on the basis of potential electric energy savings and overall impact (improvement) to specific processes and/or product lines. Each event begins with roughly a half-day of team training on Lean Manufacturing principles and techniques, followed by three days of implementation of the selected improvement project. There is also a follow-up review conducted approximately 90 days after the conclusion of the event to determine the final improvements and to assure that the improvements persist. The Companies Program Administrator attends this follow-up to review the process improvements and to conduct a brief

walkthrough of the plant to identify other potential energy efficiency opportunities.

Marketing Strategy: Program Vendors are selected by means of a Request for Proposal ("RFP") process involving a bid and qualification process. Selected vendors agree to perform the required services at a standard price determined by this process. These services include marketing and promotion of the program to potential participants, obtaining signed contracts between the Vendor and customer, and providing an estimate of energy savings to the Companies' Program Administrator in order to assess the cost-effectiveness of the project to meet program parameters. The Companies provide the vendors with the customer's electric usage information for savings calculations.

The Companies will augment enrollment using actions that may include:

- Write and distribute case studies (also referred to as Success Stories or Testimonials) to Company and relevant web sites and to local media and regional trade publications.
- Targeted mailings to customers (print and email) directing them to the two Company websites and CTEnergyinfo.com.
- Articles and notices via electronic Company newsletters.

Incentive Strategy: While there are no incentives paid directly to the customer, the cost of the Vendor's services is paid by the Companies in the manner previously described.

Goals: Refer to Standard Filing Requirements for program goals.

New Program Issues: As a result of a program evaluation conducted in 2005, several recommended changes were implemented. Among these were efforts to make the program more inclusive by eliminating the upper and lower demand limits for participation and making the program available to all industrial customers within the designated SIC classifications. As mentioned above, the co-pay structure will be modified to increase the customer's co-pay amount over the series of Kaizen events. After the fourth Kaizen event, the customer will continue to realize benefits from the energy-efficient improvements without the continued need for Company co-pay.

Another change that has provided benefits in program participation and establishment of "lean cultures" is the expansion of opportunities beyond the two events allowed previously. In many cases, the result has been the progressive involvement of more and more Kaizen team members from the first events to the last.

In 2009, UI will be offering the PRIME program on a pilot basis to its C&I customers.

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CHAPTER FOUR: EDUCATION/OTHER

Community Initiative Pilot (CL&P and UI)

Objective:	The Companies have seen increased activities from local organizations that work to promote clean energy and energy efficiency to residents. Many of these grassroots organizations recognize that the cleanest kWh is the one that isn't used, and they actively promote efficient use of energy. Other organizations recognize that it is important to bundle energy efficiency with renewable generating technologies because the combination of the two approaches results in an overall cost-effective package. The objective of this Pilot is to utilize these locally organized efforts to help advance the message of energy efficiency.
Target Market:	This effort would attempt to reach residential customers through existing local organizations promoting energy efficiency, clean energy and the environment (i.e., Municipal Energy Task Forces, Green Teams, etc.) The Community Initiative Pilot is a direct result of input from the ECMB's public comment session where a large number of organizations requested that the Fund support more general education and outreach to local communities and organizations.
Program Description:	The Community Initiative Pilot would provide support to local organizations promoting energy efficiency and clean energy. The support would be in the form of educational materials, marketing support, technical assistance, analytical tools and other assistance in advancing the public awareness of energy efficiency. The main focus of the program is to leverage Connecticut's existing clean energy and environmental grassroots movements with the Fund's purpose of promoting energy efficiency and its environmental benefits. In 2009, the Companies will work collaboratively to host stakeholder's meetings with local organizations and individuals to design and implement this pilot initiative.
Marketing Strategy:	To be determined pending outcome of stakeholder's meetings and individual group's and communities' needs.
Incentive Strategy:	Incentives will not be the focal point of this Pilot. Incentives for participation in other Fund programs will be paid for through those individual program budgets. Community Initiative Pilot dollars will be used to support local organizations, municipalities and environmental groups in their grassroots efforts on a case-by-case basis.

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CL&P Standard Filing Requirement

EE Communities

All dollar values are in $000

Budget Projections	2006 Actuals	2007 Actuals	Revised 2008 Budget	2008 YTD (Jul)	2008 YE Projected	2009 Budget
Labor:						
NU Labor	$ -	$ -	$ -	$ -	$ -	$ 41
Contractor Staff	$ -	$ -	$ -	$ -	$ -	$ -
Total Labor	$ -	$ -	$ -	$ -	$ -	$ 41
Materials & Supplies	$ -	$ -	$ -	$ -	$ -	
Outside Services	$ -	$ -	$ -	$ -	$ -	$ 10
Marketing	$ -	$ -	$ -	$ -	$ -	$ 46
Administrative Expense	$ -	$ -	$ -	$ -	$ -	$ 2
Other	$ -	$ -	$ -	$ -	$ -	$ 1
Total	$ -	$ -	$ -	$ -	$ -	$ 100

2009 Goals and Metrics Information

Market - Not for profit energy efficiency organizations.
Municipal "green" organizations

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The United Illuminating Company

EL-25 Standard Filing Requirement

2009

Community Outreach

Baseline Assumptions:

Market — Not for profit energy efficiency organizations. Municipal "green" organizations

Budget Projections	**2007 Act**	**2008 Amended Bud**	**2008 YTD (Aug)**	**2008 YE Projected**	**2009 Bud**
Labor					
UI Labor					$ -
Contractor Staff					$ -
Total Labor	$ -	$ -	$ -	$ -	$ -
Materials & Supplies					$ 10,000
Outside Services					$ 20,000
Incentives					$ -
Marketing					$ 20,000
Other					$ -
Administrative Expenses					$ -
Total	$ -	$ -	$ -	$ -	$ 50,000

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Museum Partnerships/ SmartLiving Center™ (CL&P & UI)

Objective: The objective of the Museum Partnerships/SmartLiving Center programs is to educate Connecticut residents about the importance of energy efficiency through educational centers, exhibits and partnerships with museums.

UI's SmartLiving Center in Orange, CT is a "hub" for residential, and to a lesser extent C&I, energy efficiency programs**.** Services include up-to-date C&LM program and promotion information; information on new technologies; technical assistance; training; and recommendations, guidance, information and education in energy-efficient building techniques and products, in order to transform the home building, lighting and appliance markets over time. In 2008, UI continued to increase its level of participation with the Connecticut Science Center Collaborative specifically in partnership with the Discovery Museum in Bridgeport, and other Connecticut science centers..

CL&P's/UI's Museum Partnership program's objective is to expand upon the SmartLiving Center concept to a broader audience by continuing to partner with key educational museums, science centers and other high traffic public venues throughout the State. The Companies plan on further collaboration with these groups to integrate Fund messages and information for workshops, children's activities and exhibits with emphasis on broad Fund program offerings.

Target Market: The UI SmartLiving Center's primary target market includes residential customers and their families, as well as schoolteachers, educators and their students. The target market also includes market actors, such as appraisers, architects, builders, building officials, designers, homeowners, home buyers, mortgage lenders, retailers, and other trade allies. In 2008, all Fund programs will continue to promote the Center as a resource for customers who are in the market for energy efficient products and services, regardless of fuel type.

The Museum Partnership program, the target market is: architects, builders, designers, educators/students, homeowners, home buyers, residential customers and their families, and trade allies and businesses.

Program Description: **CL&P:** CL&P's Museum Partnership program incorporates Fund program materials and messages into the activities, interactive displays, workshops, and permanent exhibits at existing educational centers, schools and museums across Connecticut. The Museum Partnership program also promotes the *eesmarts* educational program to its partners.

CL&P continues to work closely with the Stepping Stones Museum for Children ("SSMC") in Norwalk where it established a permanent Fund exhibit in 2005. The exhibit is geared toward children age 10 and under, and offers interactive activities for children along with providing information and messages for other museum visitors. SSMC has over 100,000 visitors each year. In 2008, as a continuation of this partnership, the Fund and CL&P hosted two free, after hours museum events where visitors could visit the museum's exhibits and participate in energy conservation activities/workshops. In 2008, one *eesmarts* professional development workshop was held at the SSMC to reach SWCT teachers. CL&P personnel also served as technical reviewers for the SSMC's Traveling Energy Exhibit which debuted at the OneThing Expo in October 2008.

A very successful CL&P Museum Partnership is with the Connecticut Science Center ("Center") in Hartford, Conn., scheduled to open in 2009. In June 2005, the Fund and the Connecticut Clean Energy Fund ("CCEF") entered into a $2 million partnership with the Center to fund a Clean and Efficient Energy Gallery. The Clean and Efficient Energy exhibit will portray a partially built 'Energy City' detailing to visitors the energy-efficient and clean renewable technologies that can be installed in commercial and residential buildings. Visitors will travel throughout the 'Energy City' to view exhibits on sustainability, energy-efficient windows, passive solar design, residential solar PV installations, energy-efficient appliances/lights, wind power, biomass, hydropower, fuel cells, real-time energy monitoring systems, day lighting, occupancy sensors and LED traffic lights.

For the Connecticut Science Center, CL&P continues to work with the CCEF and the ECMB on the development, fabrication and installation of the Clean and Efficient Energy exhibit. The Center's grand opening in the Spring 2009 will help showcase the Fund's educational and program initiatives in teaching the importance of energy efficiency to all Connecticut residents. As a part of the funding, the Connecticut Science Center will incorporate its educational programming and tours with *eesmarts* curriculum and lessons and the CCEF's 9th grade Solar Energy curriculum. Approximately 400,000 schoolchildren and visitors should visit the Center each year.

At the WF Kaynor Technical School, a hands-on, interactive display allows the school's students to learn more about different lighting technologies. The Museum Partnerships program offers hands-on interactive CFL displays to libraries, centers and museums at Family Science Days, Earth Day events, etc.

UI: UI's Museum Partnership program incorporates Fund program materials and messages into the activities, interactive displays, workshops, and permanent exhibits at existing educational centers, schools and museums across Connecticut. The Museum Partnership program also promotes the *eesmarts* educational program to its partners. In 2009, UI intends to work with the Discovery Museum to incorporate a hands-on, interactive exhibit within the Museum to promote energy efficiency and renewable technologies. UI and Discovery Museum staff will work together to create a display that will enhance the Museum's current educational messages and to cross promote Fund programs.

The UI SmartLiving™ Center is an interactive, professionally staffed facility that serves as a high-profile resource for promoting energy-efficient products, services and ideas to educate customers about energy efficiency. It is an educational facility featuring training sessions and seminars, special events and tours; all geared toward teaching customers that they can use energy wisely while keeping an eye on the environment and not sacrificing comfort or style. Project seminars are planned which feature such topics as energy-efficient technologies and target "do-it-yourself" homeowners, builders, designers, other industry specialists, teachers and children.

The UI SmartLiving Center features hands-on displays and demonstrations of energy-efficient appliances, lighting technologies, weatherization and new construction practices. The UI SmartLiving Center's knowledgeable staff provides technical assistance and advice related to energy efficiency and conservation.

The UI SmartLiving Center exists as a resource to cross-promote a variety of Fund programs, efforts of the CCEF, water efficiency activities, and gas efficiency activities. It also complements the local retail marketplace and includes those retailers in promotions and displays at the Center.

In 2008, the UI SmartLiving Center offered its first continuing education course through Gateway Community Technical College. The class, titled the Home Energy Savers Certificate Program, provides individuals with ten hour of training and is offered three times in the spring and fall seasons.

Participants gain an understanding of the current energy climate, learn how to perform a home energy audit, and learn how to calculate the payback for energy efficiency upgrades. Students also will learn how to lower energy use through conservation and energy efficiency, and discuss the impacts of such measures.

Working in conjunction with the *eesmarts* program, the UI SmartLiving Center offers educational tours, Earth Day Celebration, Conservation Day, and Family Science Days to promote energy efficiency messages to students in elementary, middle, high and technical schools, as well as college and university students. Educational tours are available to all age groups, such as kindergarten to adult, schools, classes and after school groups (i.e., Boy Scouts, Girl Scouts, Civic Organizations, etc). Themes for the tours include the origins of energy, energy efficiency, and alternate sources of energy. The tours make use of the UI SmartLiving Center's interactive displays. The events are opportunities for children and their parents to learn about energy issues, what they can do in their homes to help protect the environment while incorporating fun for the whole family.

Marketing Strategy:

CL&P: CL&P plans to market to consumers and businesses through area museums, science centers, schools, and other public venues, to educate them on the value and importance of energy efficiency. CL&P will augment enrollment using actions that may include:

- Write and distribute case studies (also referred to as Success Stories or Testimonials) to Company and relevant web sites and to local media and regional trade publications.
- Cross-promotion of program through other Fund programs and partnerships, such as *eesmarts* and the Community Initiative pilot.
- Development of special events or workshops held to spotlight Fund exhibits, programs, energy efficiency trends and community collaborations. These events include Earth Day events, Family Science Days and eco-festivals.
- Articles and notices via electronic Company newsletters.

UI: Ongoing/Periodic Activities

- Quarterly "Source" Articles
- Home Show participation
- Promotional mailings for special events
- Quarterly Newsletter

- Direct mail announcing SLC/*eesmarts* bus reimbursement program and educational tours
- Home Show participation
- On-going seminars and meetings

Second Quarter 2009

- Earth Day celebration
- On-going seminars and meeting
- Summer (HVAC/Cooling) Energy Savings Campaign

Third Quarter 2009

- Joint participation in Fund community events and fairs
- Weatherization and conservation campaign
- Family Science Day

Fourth Quarter 2009

- Change a Light
- Family Science Day
- On-going seminars and meetings

Goals: Refer to Standard Filing Requirements for Program goals.

New Program Issues: **UI:** The SmartLiving Center will remain dependent on the other Fund programs and their marketing and incentive funds, CCEF, and civic/government organizations to generate both awareness and traffic.

In 2009, UI will look to update/refresh educational displays within the SmartLiving Center as well as create new displays/exhibits that respond to customers demand and needs. Customer traffic to the SmartLiving Center has increased by approximately 25% since 2006 and interest from continues to rise.

In addition, UI will work closely with the Discovery Museum to develop and create a hands-on interactive exhibit within the Museum to promote energy efficiency and renewable technologies. UI and Discovery Museum staff will work together to create a display that will enhance the Museum's current educational messaging and to cross promote Fund programs.

As CCEF, and potentially the gas utilities, expand their education and outreach efforts, the Center stands ready to work closely with these organizations to foster their acceptance and embrace of the facility as a resource for their endeavors.

CL&P: In 2009, CL&P will continue to pursue new opportunities for educating Connecticut residents, students and teachers about the importance of energy efficiency. In coordination with the ***eesmarts*** program, the Museum Partnerships program is planning to work with the SSMC to sponsor some of their Traveling Energy Exhibits tours to school districts that have participated in ***eesmarts*** workshops and utilized its lessons.

Once the Center opens in April/May 2009, CL&P will need to work with Center staff to develop and implement educational programming regarding energy efficiency and clean renewable energy. Integration and use of *eesmarts* curriculum materials will be a top priority.

CL&P Standard Filing Requirement

SmartLiving Center® - Museum Partnerships

All dollar values are in $000

Budget Projections	2006 Actuals	2007 Actuals	Revised 2008 Budget	2008 YTD (Jul)	2008 YE Projected	2009 Budget	
Labor:							
NU Labor	$ 62	$ 60	$ 41	$ 36	$ 69	$ 52	a)
Contractor Staff	$ -	$ -	$ -	$ -	$ -	$ -	
Total Labor	$ 62	$ 60	$ 41	$ 36	$ 69	$ 52	
Outside Services	$ 13	$ (2)	$ 24	$ 1	$ 1	$ 17	b)
Materials & Supplies	$ 2	$ 1	$ 13	$ 1	$ 1	$ 13	c)
Fees & Incentives	$ -	$ -	$ 12	$ -	$ -	$ 1	d)
Marketing	$ 3	$ -	$ 5	$ 18	$ 23	$ 8	e)
Administrative Expense	$ 4	$ 8	$ 5	$ 4	$ 5	$ 8	
Other	$ 3	$ -	$ -		$ 4	$ 1	
Total	$ 87	$ 67	$ 100	$ 60	$ 103	$ 100	

a) Includes CL&P Administration of Science Center Project.

b) Creative support for museum projects.

c) Includes printing/design costs for educational materials.

d) Includes sponsorships for museum/public facilities exhibits and workshops.

e) Includes Direct mail/collateral and grassroots/PR.

2009 Goals and Metrics Information

The SLC does not have any kW or kWh savings metrics

Demand Savings (kW reduction Goal)	N/A
Annual Energy Savings (KWh Reduction Goal)	N/A
Lifetime Energy Savings (kWh Reduction Goal)	N/A
Annual Cost Rate ($/kWh)	N/A
Lifetime Cost Rate ($/kWh)	N/A
Electric b/c ratio	N/A
Total Resource b/c ratio	N/A

Metrics

- Install 2 educational exhibits with a school, municipality or museum.

CL&P Standard Filing Requirement

SmartLiving Center® - Museum Partnerships

Not a goals based program.

CL&P Standard Filing Requirement

SmartLiving Center® - Museum Partnerships

CL&P Program Notes

Budget/FTE

0.4 • FTEs for program administration
Including all expenses, except outside services, for administering the new CCSE.

Goal

• Not applicable.

Cost/Unit

• Not applicable.

Goal Setting Methodology

• Install 2 educational exhibits with a school, municipality or museum.

Metric Changes

• Establish a long-term presence at museums and schools.

CL&P Standard Filing Requirement

Science Center

All dollar values are in $000

Budget Projections	2006 Actuals	2007 Actuals	Revised 2008 Budget	2008 YTD (Jul)	2007 YE Projected	2009 Budget	
Labor:							
NU Labor	$ -	$ -	$ -	$ -	$ -	$ -	
Contractor Staff	$ -	$ -	$ -	$ -	$ -	$ -	
Total Labor	$ -	$ -	$ -	$ -	$ -	$ -	
Materials & Supplies	$ -	$ -	$ -	$ -	$ -	$ -	
Outside Services	$ 207	$ 207	$ 200	$ 7	$ 207	$ 200	
Incentives	$ -	$ -	$ -	$ -	$ -	$ -	
Marketing	$ -	$ -	$ -	$ -	$ -	$ -	
Administrative Expenses	$ -	$ -	$ -	$ -	$ -	$ -	
Other	$ -	$ -	$ -	$ -	$ -	$ -	
Total	$ 207	$ 207	$ 200	$ 7	$ 207	$ 200	a)

a) This represents an annual $200k paid to the CTCSE over the five-year $1M Contract time period (2005-2009) for an energy efficiency exhibit.

2009 Goals and Metrics Information

Demand Savings (kW reduction Goal)	N/A
Annual Energy Savings (KWh Reduction Goal)	N/A
Lifetime Energy Savings (kWh Reduction Goal)	N/A
Annual Cost Rate ($/kWh)	N/A
Lifetime Cost Rate ($/kWh)	N/A
Electric b/c ratio	N/A
Total Resource b/c ratio	N/A

The United Illuminating Company

EL-25 Standard Filing Requirement

2009

SmartLiving Center

Baseline Assumptions:

Market — UI residential customers, appliance retailers, builders, developers, realtors

Budget Projections	2007 Act	2008 Amended Bud	2008 YTD (Aug)	2008 YE Projected	2009 Bud	
Labor						
UI Labor	$ 47,133	$ 49,698	$ 34,885	$ 49,698	$ 54,973	a)
Contractor Staff	$ 124,750	$ 120,000	$ 88,897	$ 120,000	$ 171,814	b)
Total Labor	$ 171,883	$ 169,698	$ 123,782	$ 169,698	$ 226,787	
Materials & Supplies	$ 11,942	$ 6,625	$ 3,697	$ 6,625	$ 14,728	c)
Outside Services	$ 5,680	$ -	$ 2,423	$ 2,423	$ 13,285	d)
Incentives	$ 1,039	$ -	$ 880	$ 880	$ -	e)
Marketing	$ 26,544	$ -	$ 5,024	$ 5,024	$ 15,000	f)
Other	$ 132,088	$ 152,923	$ 83,644	$ 144,596	$ 159,446	g)
Administrative Expenses	$ 2,921	$ 5,000	$ 2,733	$ 5,000	$ 5,000	h)
Total	$ 352,097	$ 334,246	$ 222,183	$ 334,246	$ 434,246	

a) .5 FTE
b) Day-to-day staffing of Center
c) Tours supplies, office supplies
d) Display updates and creation
e) No comment
f) Dependency upon other programs
g) Rent, utilities, trade services (HVAC, phone, internet, dumpster etc.)
h) Meals, miles, travel and training

Goals and Metrics Information:

	2009
# of Visitors	12,500

The United Illuminating Company
LF-26 Standard Filing Requirement

SmartLiving Center

Goal - Program Costs (000's)

Year	Budget	Actual	% of Goal Achieved
2000	$300	$307	102.3%
2001	$524	$836	159.5%
2002	$423	$392	92.7%
2003	$531	$345	65.0%
2004	$478	$370	77.4%
2005	$428	$410	95.8%
2006	$286	$294	102.8%
2007	$335	$353	105.4%
2008	$334		
2008 YTD (Aug)	$334	$222	66.5%
2008 YE Projected	$334	$334	100.1%
2009	$434		

Goal - Number of Customers Served

Year	Goal	Actual	% of Goal Achieved
2000	-	-	0.0%
2001	-	-	0.0%
2002	5,000	7,977	159.5%
2003	11,340	6,221	54.9%
2004	8,500	7,565	89.0%
2005	10,000	11,141	111.4%
2006	10,000	10,392	103.9%
2007	10,000	12,523	125.2%
2008	10,000		
2008 YTD (Aug)	10,000	7,860	78.6%
2008 YE Projected	10,000	10,000	100.0%
2009	12,500		

The United Illuminating Company
LF-26 Standard Filing Requirement

<u>Program Notes - SmartLiving Center</u>

Budget/FTE:

.5 FTE for contract administration, financial administration and strategic oversight

Goal:

12,500 customer goal

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***eesmarts*™ (CL&P & UI)**

Objective: The *eesmarts* ™ program is a joint energy education program of CL&P and UI. The purpose of the program is to develop an energy-efficient ethic among all school age students in Connecticut, encouraging them to incorporate energy-efficient practices and behaviors into their lives at home and at school.

For 2009, the *eesmarts* program has three primary objectives:

Objective 1: *eesmarts* will continue to emphasize and promote teacher training. Teacher training will focus on science concepts related to energy, as well as applications of *eesmarts*, energy conservation habits and energy-efficient technologies.

Objective 2: *eesmarts* program material distribution will continue to be restricted to administrators, curriculum directors, and teachers who have participated in ***eesmarts*** professional development workshops.

Objective 3: Program curriculum material will continue to be supportive of Connecticut State Department of Education science framework and inquiry-based teaching methods. In 2008-2009, *eesmarts* will continue to update the Grade 2-3 curriculum to improve its scientific content.

Target Market: For 2009, the *eesmarts* program will continue to target its efforts in educating Connecticut's schoolchildren about the importance of energy-efficient behaviors.

UI will continue to target all school districts within its 17-town territory. As in 2008, CL&P will continue to target specific school districts in its service territory for custom workshops and to reach individual teachers through general workshops. Targeted specific school districts include: Barkhamsted, Cheshire, Danbury, Hartford, Madison, Meriden, Monroe, New Britain, Norwalk, Stamford and Waterbury. The Companies will also continue their partnership with Connecticut's Technical School System, now in its third year.

Program Description: *eesmarts* is an energy efficiency and clean energy learning initiative. *eesmarts* also partners with the CCEF in making children aware of available clean energy alternatives. In 2008, *eesmarts* and the CCEF worked together on a joint professional development workshop for

Connecticut's Technical School System's electrical teachers. This workshop focused on solar angling and incorporated hands-on lessons from a professional Solar PV installer.

As a result of lessons learned in 2005 operations and a direct result of an evaluation performed by a third-party vendor, numerous improvements were implemented in 2006, 2007 and 2008. These improvements have helped the program meet its immediate and long-term objectives and the program administrators will continue to implement any needed improvements and new processes in 2009.

One of the more noteworthy program improvements are the *eesmarts* teacher training workshops. This teacher training focuses on energy-related science and the utilization of *eesmarts* lesson materials. Program materials are distributed only to districts and teachers who participate in teacher training—either through Professional Development ("PD") workshops for school districts or Continuing Education Unit ("CEU") workshops for individual teachers. The Companies will continue to hold teacher training workshops in 2009.

In July 2007, the *eesmarts* program initiated a pilot Summer Institute for 31 Grade 3-5 teachers at Wesleyan University. The three-day intensive workshop focused on inquiry-based teaching techniques for educating school-age children about energy conservation and energy-related topics, especially the fourth grade embedded task of completing a circuit. This pilot Summer Institute was so well-received by teachers and administrators that the *eesmarts* program held its 2008 Summer Institute for Grades PreK-2, Grades 3-5, Grades 3-5 Advanced and Grades 6-8 teachers. Approximately 113 teachers received training over the Summer Institute's three-week period.

Distribution of eesmarts Curriculum Materials

In 2006-2008 and continuing in 2009, teachers who receive *eesmarts* program materials must have, or plan to, participate in the program's PD or CEU workshops. In addition, teachers must submit an informal contract—the Curriculum Request Agreement ("CRA"). The CRA must be signed by the participating teacher and a school administrator (i.e., principal, assistant principal, district curriculum director). By signing the CRA, the teacher agrees to utilize the *eesmarts* program materials, administer student assessments and return their teacher evaluation and their student's results.

eesmarts Teacher Training Workshops

As mentioned, *eesmarts* offers two types of teacher training opportunities—custom workshops for school districts (PD workshops) and general education training for individual teachers in utility-focused towns (CEU workshops). These workshops will be mandatory for all elementary school and middle school teachers who receive *eesmarts* program materials. Individual exceptions will be made for middle school teachers with prior science knowledge and training. All teachers must submit a signed CRA to obtain curriculum materials.

PD Workshops—These workshops will be offered to school districts and educational organizations. They will be specifically tailored to align with city/town/district curriculum plans. They will be designed to improve a teacher's understanding of science and how to incorporate *eesmarts*' lessons and activities into the city/town/district's curriculum framework and with the Connecticut State Department of Education Framework. In 2008, *eesmarts* provided custom workshops for Ansonia, Bridgeport, Danbury, Monroe, Ridgefield, Waterbury, and Wethersfield.. There was also a special summer institute for 62 Hartford and Archdiocese of Hartford teachers.

CEU Workshops—These workshops will be offered to individual teachers and will not be specifically tailored to each individual teacher's city/town/district's curriculum plans. These workshops are designed to improve a teacher's understanding of science and how to teach science in the classroom. Lessons and hands-on activities will be demonstrated that support the Connecticut State Department of Education Framework.

eesmarts Curriculum Materials

In 2007, updated *eesmarts* curriculum materials for Grades 4-5 were made available and distributed to Connecticut's classrooms. Updates included changes in design formats and updating the comprehensive teacher guidebooks with new lessons and information. Teacher guidebooks will provide teachers with detailed lessons and background information on energy, energy efficiency and clean renewable energy sources.

The updated *eesmarts* middle school curriculum's 12 lessons built around energy systems, energy efficiency, energy transformation and systems now include lessons regarding clean, renewable energy. In addition, *eesmarts* will continue to have the annual middle school essay contest and category at the Connecticut Science Fair. . These contests allows students and teachers to reflect on the major scientific principles and public policies that revolve around energy efficiency and clean, renewable energy—such as global warming and the depletion of fossil fuels. In 2008, winners of the *eesmarts* essay contest had the opportunity to turn their essay into a community service project with help from *eesmarts* personnel.

Outreach and the Science Education Vehicle

The program will continue to offer educational tours at the SmartLiving™ Center in Orange, CT. In 2009, the opening of the Connecticut Science Center in Hartford will serve as a new site for teachers and students to learn about clean and efficient energy topics. With the Fund's funding of a Clean and Efficient Energy Exhibit, visitors will be able to see how a sustainable, renewable and energy-efficient city is built. In addition, the *eesmarts* program will offer limited on-site programs to participating school districts.

Outreach will be limited to participation and sponsorship of just a few education conferences throughout the state. Recruitment of school districts will be limited to the PD workshop vendors and their education contacts. Individual teacher requests will be handled by the Companies' Program Administrators.

In 2008, the Science Education Vehicle ("SEV") program, offered by the Center, will begin its outreach to classrooms across the state. *eesmarts*' on-site efforts will be enhanced by the inclusion of *eesmarts* curriculum and materials in the SEV's on-site program.

Additional Educational Resources

A list of additional resources and lessons are made available to teachers in the *eesmarts* program materials and on *eesmarts*' Web site, www.*eesmarts*.com. Referrals to the SEV and the Connecticut Science Center will be made linked on the Web site when they become operational in 2008.

Marketing Strategy: Ongoing/Periodic Activities

- Outreach to new and participating educators via PD and CEU workshops vendor
- Attendance at conferences, direct contact and through the SEV program

- News features on www.eesmarts.com, events at the SmartLiving Center and Connecticut Science Center
- Joint Partnership at SmartLiving Center Events
- Joint participation at Fund community events, Earth Day celebrations and book readings
- Promotion of Spring 2009 essay contest
- Promotion of Connecticut Science Fair category
- *eesmarts* elementary school curriculum public relations

Goals: Refer to Standard Filing Requirements for program goals.

New Program Issues: As stated, the *eesmarts* program has undergone, and will continue to undergo, significant changes to make it a more effective energy-efficient educational program for Connecticut's schoolchildren. Moving from the placement of curriculum materials in classrooms to leading professional teacher workshops will result in significant changes in program implementation, evaluation and the attainment of established goals.

Due to alterations in the SmartLiving Center budget, *eesmarts* bus tour reimbursement program costs will be budgeted under the *eesmarts* budget.

In coordination with the ***eesmarts*** program, CL&P's Museum Partnerships program is planning to work with the Stepping Stones Museum for Children in Norwalk to sponsor some of their Traveling Energy Exhibits tours to school districts that have participated in ***eesmarts*** PD or CEU workshops and utilized its lessons.

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CL&P Standard Filing Requirement

K-8 Education

All dollar values are in $000

Budget Projections	**2006 Actuals**	**2007 Actuals**	**Revised 2008 Budget**	**2008 YTD (Jul)**	**2008 YE Projected**	**2009 Budget**	
Labor:							
NU Labor	$ 19	$ 24	$ 31	$ 14	$ 25	$ 43	
Contractor Staff	$ -	$ -	$ -	$ -	$ -	$ -	
Total Labor	$ 19	$ 24	$ 31	$ 14	$ 25	$ 43	
Materials & Supplies	$ 0	$ -	$ 10	$ -	$ -	$ 2	
Outside Services	$ 139	$ 172	$ 143	$ 87	$ 152	$ 143	a)
Marketing	$ 1	$ 35	$ 14	$ 9	$ 16	$ 5	b)
Administrative Expense	$ 1	$ 2	$ 2	$ 4	$ 7	$ 7	
Other	$ -	$ -	$ -	$ -	$ -	$ -	
Total	$ 160	$ 233	$ 200	$ 114	$ 200	$ 200	

a) Educational Consultant: PIMMS (Wesleyan University). Conduct teacher training workshops and promote curriculum.
Curriculum Vendor: Atlantic Coast Fulfillment. Fulfillment of curriculum requests.

b) Includes bill inserts, mailings to curriculum directors and principal/pilot programs.

2009 Goals and Metrics Information

The K-8 Program does not have a kW or kWh savings metric.

Demand Savings (kW Reduction Goal)	N/A
Annual Energy Savings (kWh Reduction Goal)	N/A
Lifetime Energy Savings (kWh Reduction Goal)	N/A
Annual Cost Rate ($/kWh)	N/A
Lifetime Cost Rate ($/kWh)	N/A
Electric b/c ratio	N/A
Total Resource b/c ratio	N/A

Goal 1: Number of Workshops

12 Workshops (joint utility workshops)

Goal 2: Session Attendance

300 participants for Workshops

Goal 3: Curriculum Placement (majority at Workshops)

CL&P: 950 units

CL&P Standard Filing Requirement

K-8 Education

	Goal - # Curriculae Delivered			
Year	Goal	Actual	% Achieved	
2001	n/a	n/a	n/a	
2002	n/a	314	n/a	[2]
2003	n/a	n/a	n/a	
2004 [3]	1400	2,058	147%	
2005 Revised	800	1,282	160%	
2006 Revised	600	561	94%	
2007 Revised	600	1,311	n/a	
2008 Revised	n/a	n/a	n/a	
2008 YTD (Jul)	n/a	557	n/a	
2008 Y/E Projected	n/a	1,000	n/a	
2009	950	n/a	n/a	

	Goal - Participation		
Year	Goal	Actual	% of Goal
2001	n/a	n/a	n/a
2002	n/a	n/a	n/a
2003	n/a	n/a	n/a
2004 [3]	n/a	n/a	n/a
2005 Revised	n/a	n/a	n/a
2006 Revised	n/a	n/a	n/a
2007 Revised	n/a	n/a	n/a
2008 Revised	n/a	n/a	n/a
2008 YTD (Jul)	n/a	n/a	n/a
2008 Y/E Projected	n/a	n/a	n/a
2009	n/a	n/a	n/a

	Goal - Budget			
Year	Budget	Actual	% of Goal	
2001	$ 200,000	$ 159,000	80%	[1]
2002	$ 270,000	$ 215,000	80%	
2003	$ 300,000	$ 249,000	83%	
2004 [3]	$ 210,000	$ 62,000	30%	
2005 Revised	$ 254,944	$ 160,300	63%	
2006 Revised	$ 202,500	$ 159,987	79%	
2007 Revised	$ 200,000	n/a	n/a	
2008 Revised	$ 200,000	n/a	n/a	
2008 YTD (Jul)	n/a	$ 113,660	57%	
2008 Y/E Projected	n/a	$ 200,000	100%	
2009	$ 200,443	n/a	n/a	

	Program Ratios			
	$/Lifetime kWh		$/Annualized kW	
Year	Plan	Actual	Plan	Actual
2001	n/a	n/a	n/a	n/a
2002	n/a	n/a	n/a	n/a
2003	n/a	n/a	n/a	n/a
2004 [3]	n/a	n/a	n/a	n/a
2005 Revised	n/a	n/a	n/a	n/a
2006 Revised	n/a	n/a	n/a	n/a
2007 Revised	n/a	n/a	n/a	n/a
2008 Revised	n/a	n/a	n/a	n/a
2008 YTD (Jul)	n/a	n/a	n/a	n/a
2008 Y/E Projected	n/a	n/a	n/a	n/a
2009	n/a	n/a	n/a	n/a

[1] Program began in 2001.
[2] 2002 is first year with any reportable data.
[3] Budget and Plan information based on revised budgets and goals filed on 8/18/04.

CL&P Standard Filing Requirement

K-8 Education

CL&P Program Notes

Budget/FTE

0.4
- FTE for Program Administration
- 2009 budget reflects focus on grades 6-8 curriculum and reduced state K-5 implementation.

Goal
- Distribute 950 ee Smarts curriculum units to teachers
- Conduct 12 Professional Development workshops for teachers
- Train 300 Teachers at Professional Development workshops

Cost/Unit
- Not applicable

Goal Setting Methodology
- Not applicable

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The United Illuminating Company

EL-25 Standard Filing Requirement

2009

K-8 Education *

Baseline Assumptions:

Market: Primary and secondary schools throughout UI service territory

Budget Projections	2007 Act	2008 Amended Bud	2008 YTD (Aug)	2008 YE Projected	2009 Bud	
Labor						
UI Labor	$ 47,586	$ 49,698	$ 34,885	$ 49,698	$ 54,973	a)
Contractor Staff	$ 27,704	$ 32,240	$ 26,895	$ 32,240	$ 39,160	b)
Total Labor	$ 75,290	$ 81,938	$ 61,780	$ 81,938	$ 94,133	
Materials & Supplies	$ 23,730	$ 12,000	$ 5,003	$ 8,000	$ 12,000	c)
Outside Services	$ 118,690	$ 112,281	$ 156,801	$ 156,801	$ 195,858	d)
Incentives	$ 19,888	$ 25,000	$ 7,955	$ 20,000	$ 25,000	e)
Marketing	$ 53,789	$ 47,411	$ 378	$ 8,866	$ 47,411	f)
Other	$ 424	$ -	$ 1,853	$ 1,850	$ -	g)
Administrative Expenses	$ 4,458	$ 3,572	$ 5,385	$ 4,747	$ 7,800	h)
Total	$ 296,269	$ 282,202	$ 239,155	$ 282,202	$ 382,202	

* Joint CL&P and UI Programs

a) .5 FTE
b) Joint (UI and CL&P) field outreach support
c) Supplies for on-site and professional development activities
d) Warehousing, shipping, professional development services, Curriculum development, Summer Institute Workshops (Joint UI and CL&P)
e) SmartLiving Center tours, eesmarts bus reimbursement
f) Promotional supplies, targeted marketing of updated curriclum materials
g) No comment
h) Meals, miles, travel and training

Goals and Metrics Information:

	2009
Curriculum Units Under Request Agreements	950
General/Custom Workshop	12
General/Custom Workshop Number of Attendees	300
On-Site Workshop	1

The United Illuminating Company
LF-26 Standard Filing Requirement

K - 8 Education

Goal - Program Costs (000's)

Year	Budget	Actual	% of Goal Achieved
2000	$363	$392	108.0%
2001	$427	$298	69.8%
2002	$377	$855	226.8%
2003	$427	$266	62.3%
2004	$319	$223	69.9%
2005	$416	$324	77.9%
2006	$302	$309	102.3%
2007	$281	$296	105.3%
2008	$282		
2008 YTD (Aug)	$282	$239	84.8%
2008 YE Projected	$282	$282	100.1%
2009	$382		

Goal - Number of Curriculum Delivered

Year	Goal	Actual	% of Goal Achieved
2000	-	-	0.0%
2001	-	-	0.0%
2002	38	619	1628.9%
2003	38	696	0.0%
2004	600	830	138.3%
2005	600	974	162.3%
2006*	300	367	122.3%
2007	340	747	219.7%
2008	340		
2008 YTD (Aug)	340	890	261.8%
2008 YE Projected	340	890	261.8%
2009	950		

*Curriculum with sign Curriculum Request Agreement (CRA)

The United Illuminating Company
LF-26 Standard Filing Requirement

Program Notes - K - 8 Education

Budget/FTE:

.5 FTE for contract administration, direct contact with education community, oversight of curriculum and implementation strategy and professional development redesigns.

Goal:

Redefined goals reflect 2006 program evaluation and outputs of collaborative curriculum redesign effort and are based on available budgets

Metric Changes:

Curriculum placed will be secondary to "open" CEU workshops and school/district specific professional development, workshops (general, custom and on-site).

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CHAPTER FIVE: FINANCING, LOAD MGMT, RD&D and OTHER PROGRAMS

Conservation & Load Management Financing (CL&P & UI)

Objective: The objective of the Companies C&LM Financing program is to provide interest-free financing to a broader base of the C&I sector inclusive of small businesses and municipalities, enabling these customers, in conjunction with the existing incentive offerings, to implement cost-effective energy efficiency projects.

Target Market: The primary target market consists of two distinct groups of commercial and industrial customers, small businesses and municipalities within both Companies' service territories. The Companies have modified the definition of "small business" in order to increase service to the smaller mid-size customers. Therefore, UI defines its small businesses as those customer accounts that experience a 12–month average peak demand of up to 150 kW; CL&P uses 200 kW as the maximum criteria. Municipal customers are a well-defined group including all of the accounts paid for by municipal governments.

Program Description: Many obstacles must be addressed en route to educating these customers as to the benefits of energy efficiency. These obstacles include financial limitations, time constraints, decision-making policies, and a general lack of awareness of the benefits of energy-efficient measures. Offering a financing option such as this program to qualified customers mitigates some of these obstacles, allowing customers to participate and enhance their operations by reducing energy costs.

This financing program is designed to supplement the existing incentive structures by offering interest free financing to small businesses and municipalities, as ordered by the Department in its May 28, 2003 Decision in Docket No. 03-01-01. The Companies' financing mechanism enables the Companies to possibly provide financing to customers in an aggregate amount greater than would be possible if only Fund revenues were used as the source of funds.

The Companies provide the funds to make loans to customers and charge the Fund only for certain costs related to the financings. First, the Fund is the source of interest, which is paid to the Companies on the aggregate principal amount of loans outstanding at an annual rate equal to each

Company's weighted cost of capital. For purposes of this program, the applicable interest rate for new loans is reviewed from time to time, but at least annually, and adjusted as appropriate. Second, unlike other financing programs that would terminate electric services for non-payment of loans, the Fund is also used to fund a Loan Default reserve account to compensate for any defaulted and charged-off loans. The amount of compensation is limited to the outstanding principal balance of the customer's loan.

The Companies have received the Department's approval, under CGS §16-43(b), to lend moneys to qualified customers on the terms and conditions described in the section headed "Incentive Strategy" below, including the provision of loans with repayment periods of one year or more.

Marketing Strategy: The C&LM Financing program is marketed to eligible C&I customers including small business and municipal customers through marketing channels that are currently used in other Fund programs. The primary marketing methodologies are direct customer contact. There is no specific timeline associated with this program because it follows the existing marketing plans for small businesses and municipalities.

Incentive Strategy: The Companies offer customers interest free financing so that the customer's share of project costs can be billed to customers as a line item on their electric bills and paid with a single check. The terms and conditions of the C&LM Financing program include the following:

1. Maximum cumulative amount outstanding (between small businesses and municipality projects) is $20 million over three years for CL&P projects and $4.8 million over three years for UI projects.
2. Maximum term for loans is 36 months for Small Business projects and 36 months for municipal and proposed projects.
3. Maximum dollar amount eligible for financing is $65,000 per project for UI projects. Maximum dollar amount eligible for financing is $100,000 per project for CL&P projects.
4. Minimum dollar amount eligible for financing is $500 per project. If the amount is less than $500 it defaults to a one time receivable.
5. The source of the funding principal for the loan is from the Companies.
6. Interest is paid to the Companies at the Department approved weighted cost of capital from Fund monies.

Goals: The primary goal for this program is to provide small business style financing to a broader base of C&I customers while achieving the same customer response as with the previous program offerings. For municipal and larger C&I projects, the goal is to create general awareness and acceptance of this program. Controls are in place to ensure the amount of outstanding loans in any given year will not exceed the maximum cumulative outstanding as noted above and will not exceed one-third of the Companies total Fund budget. .

New Program Issues: Municipalities who participate in current C&LM retrofit programs are eligible for financing if they qualify. In response to the Department's request, the Companies addressed the legal issues surrounding the financing proposal in briefs submitted to the Department on October 1, 2003. The Companies request the Department to approve the C&LM Financing program proposal under Conn. Gen. Stat. §16-43(b).

Company Issues: In addition to the Municipal and Small Business sectors, the Companies will be issuing Requests for Proposals ("RFPs") to explore the impacts of extending financing to larger qualified C&I customers and also Residential customers, who participate in current C&LM retrofit programs in 2009. Financing for these customers would be via one or more third party lenders with the Companies providing some type of interest rate buydown or subsidy, similar to the Small C&I Loan program currently offered by CL&P. This financing option would only be available for eligible retrofit projects.

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Small Commercial & Industrial Energy Efficiency Financing (CL&P and UI)

Objective: The objective of the Small Commercial and Industrial and Energy Efficiency Financing program is to provide third party financing for customers who would otherwise find it difficult to fund energy-efficient measures.

Target Market: Small industrial customers, defined as less than 100 employees in CL&P's service territory within SIC 2000 – 3999, and have been in business for three years. Small commercial customers, defined as having an average demand of 350 kW or less over the past 12 months and within SIC 4000-9000 and have been in business for three years.

Program Description: Interest-free third party loans from a minimum of $2,000 ($5,000 previously for CL&P) to a maximum of $100,000 per customer for energy-efficient equipment replacements only. Application requirements are made through Account Executives, Program Administrators or the customer's contractors. CL&P and UI provide program support and quality assurance.

A third party provides loans and assumes all risks associated with repayment. The interest portion of the loan should continue to be funded by a past conservation loan fund contribution which buys down the interest to zero percent. This program is not applicable to ECB and SBEA programs as these programs (excluding ECB) are possibly eligible for interest-free financing under the Companies C&LM Financing program. The maximum loan payment period is five years (based on a simple payback).

Marketing Strategy: Encourage a higher market penetration of energy-efficient equipment by providing financing which supplements other program incentives for small C&I customers. Eligible customers involved with Fund C&I programs will be advised of loan participation requirements upon qualification of their intended conservation projects.

New Program Issues: While this program has been self-funding in prior years, a new budget line has been added to address funding in 2009. It is the Companies' intention to offer the Small Commercial and Industrial Conservation Loan program until it can be replaced with the anticipated joint financing offering.

Company Issues: As mentioned in the C&LM financing section, the Companies will be issuing a joint RFP to explore the impacts of offering financing to larger C&I customers, as well as lowering the minimum loan amount to $2,000 (from $5,000 for CL&P). Financing for these customers would be via a third party lender with the Companies providing some type of interest rate buydown or subsidy This financing option would only be available for eligible retrofit projects.

Residential Energy Efficiency Financing (CL&P & UI)

Objective: The objective of the residential energy efficiency financing program is to provide third party financing for residential customers who would otherwise find it difficult to afford energy-efficient measures.

Target Market: Participants of the Home Energy Solutions ("HES") program.

Program Description: Third party loans from a minimum of $1,000 to a maximum of $20,000 per customer for energy-efficient refrigerators, central air conditioning, clothes washers, insulation, freezers, heat pumps, and gas hot water heaters. The Companies will select a third party to provide the expertise and all lending activities associated with this program. CL&P and UI will provide program support and quality assurance.

A third party provides loans and assumes all risks associated with repayment. A part of the interest may, upon full cost-benefit analysis, be bought down to a below market interest rate.

Marketing Strategy: Encourage a higher market penetration of energy-efficiency in the residential sector by providing financing which supplements the HES incentives. Once the Companies choose a third party or parties to provide the residential financing program, marketing materials will be created and vendor communication will occur in order for the program to generate interest from customers.

New Program Issues: Until the program has begun, the companies will not know the demand this program will generate. If demand for the program exceeds available funds then the potential buy down will be lowered or discontinued.

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ISO-NE Load Response Program (CL&P & UI)

Objective:	The objective of the Companies' ISO-NE Load Response program ("Load Response program") is to provide support and financial and technical assistance to facilitate customer enrollment in the ISO-NE Load Response programs. For the Demand Response part of the ISO-NE Load Response programs financial assistance in the form of supplemental capacity payments is limited to those who are currently enrolled. For the Price Response part of the ISO-NE Load Response programs these services are available to customers currently enrolled and those that are interested in participating. The Demand Response program mandates load curtailments from customers who enroll and provides enhanced system reliability during peak system load conditions. The Price Response program helps to mitigate high Locational Marginal Prices throughout the year.
Target Market:	C&I customers capable of enrolling 100 kW of curtailable load, either at a single site or by aggregating multiple facilities, are eligible for the program. The Demand Response program is accepting new enrollments, but the supplemental capacity payments are not available to these customers.
Program Description:	This Load Response program is designed maintain existing demand response enrollment and promote customer enrollment in one of several ISO-NE-operated load response programs. The Companies provide enrolling customers with the ISO-NE-required internet-based communications system Utilizing a current Department of Environmental Protection ("DEP") Permit, customers may run emergency generators to reduce load on the grid under emergency conditions. The Companies provide direction on operating emergency generators in compliance with CT air quality requirements during Demand Response events.
Marketing Strategy:	Based on the Final Decision in Docket 07-10-03, the Companies are not recruiting new customers nor are they providing supplemental payments to any new customers who request to enroll in the Demand Response program. The Companies are transitioning this program to be based on the capacity payments available from the Forward Capacity Market. The Load Response program was previously marketed directly by the Companies through face-to-face sales contacts and through participation in C&I Load

Management Services or other Fund program participation. The principal customer contact for the Load Response program is the CL&P or UI Account Executive. Marketing tools include written program descriptions for customers. Also, the Companies may conduct a Load Response program seminar, if appropriate, in late spring 2009 to highlight program changes for the coming year and to prepare customers for the upcoming demand response event or audit. The Price Response program is accepting enrollment of new customers.

Incentive Strategy: Under the Load Response program, capacity and energy payments are provided by ISO-NE as part of its load response program. Additionally, the Companies provide supplemental capacity incentives to customers currently enrolled in the Demand Response program. The total incentive rate for customers currently enrolled in the Demand Response program is $65/kW-year of which a large part is funded by ISO-NE Transition Period payments. The Companies respectfully request that the Department approve in this docket an extension of the Demand Response Agreement between the Companies for their existing demand response customers, which was originally approved on November 9, 2006 in Docket No. 05-07-14PH01, through 2009 and at the new supplemental capacity payment rate. The Companies will amend the agreement accordingly after receiving approval from the Department.

CL&P Standard Filing Requirement

Load Management
ISO-NE Response Program Support

All dollar values are in $000

Budget Projections	**2006 Actuals**	**2007 Actuals**	**Revised 2008 Budget**	**2008 YTD (Jul)**	**2008 YE Projected**	**2009 Budget**	
Labor:							
NU Labor	$ 135	$ 85	$ 100	$ 43	$ 82	$ 107	
Contractor Staff	$ 19	$ 5	$ -	$ 6	$ 12	$ -	
Total Labor	$ 154	$ 90	$ 100	$ 49	$ 94	$ 107	
Materials & Supplies	$ -	$ -	$ -	$ -	$ 1	$ 1	
Outside Services	$ 102	$ 86	$ 50	$ 45	$ 87	$ 82	a)
Incentives (Supplemental Payments)	$ 974	$ 302	$ 319	$ (1)	$ 272	$ 150	b) c)
Marketing	$ 3	$ 3	$ 5	$ 1	$ 6	$ 5	d)
Administrative Expenses	$ 3	$ 10	$ 5	$ 4	$ 4	$ 5	e)
Other	$ 6	$ -	$ 1	$ -	$ -	$ -	
Total	$ 1,242	$ 491	$ 480	$ 98	$ 464	$ 350	

a) Includes communications software usage fees and meter maintenance fees.

b) Incentives (Supplemental payments) are for Demand Response, offset by ISO-NE Transition Period Payments
ISO-NE Transition Period and ISO-NE ODR Payments are increasing, offsetting more of program costs.

c) Incentives paid to customers for facility upgrades that help enable load response.

d) Dollars for providing the participants with the latest program information and refresher training

e) Employee expenses including mileage, training, conference attendance and misc.

2009 Goals and Metrics Information	
Demand Savings (kW Reduction Goal)	10,000
Annual Energy Savings (kWh Reduction Goal)	N/A
Lifetime Energy Savings (kWh Reduction Goal)	N/A
Annual Cost Rate ($/kWh)	N/A
Lifetime Cost Rate ($/kWh)	N/A
Electric b/c ratio	N/A
Total Resource b/c ratio	N/A

CL&P Standard Filing Requirement

Load Management

ISO-NE Load Response Supplemental Payments & ISO-NE Response Program Support

	Program Costs			
Year	Budget	Actual	% of Budget	$/MW
2000	$ 1,799,000	$ 2,750,000	153%	
2001	$ 1,270,000	$ 2,750,000	217%	
2002	$ 1,908,000	$ 1,722,000	90%	n/a
2003	$ 2,805,000	$ 2,437,000	87%	n/a
2004 [1]	$ 350,000	$ 140,000	40%	n/a
2005 Revised	$ 2,513,893 [2]	$ 1,242,000	49%	$20,443
2006 Revised [6]	$ 1,400,000	$ 1,241,601	89%	$52,664
2007 Revised	$ 1,483,167	$ 491,000	33%	-
2008 Revised	$ 480,000	n/a	n/a	n/a
2008 YTD (Jul)	n/a	$ 98,209	20%	$5,881
2008 Y/E Projected	n/a	$ 464,000	97%	$27,784
2009	$ 350,124	n/a	n/a	n/a

	SWCT Goal - MW Enrollment		
Year	Budget	Actual	% of Budget
2002	n/a	n/a	n/a
2003 [3]	20	17	85%

	nonSWCT Goal - MW Enrollment		
Year	Budget	Actual	% of Budget
2002	n/a	n/a	n/a
2003 [3]	20	25	125%

	Statewide Goal - MW Enrollment		
Year	Budget	Actual	% of Budget
2004 [1]	16 [4]	29.9	187%
2005 Revised	10 [4]	61	608%
2006 Revised [6]	32	24	74%
2007 Revised	20	n/a	n/a
2008 Revised			
2008 YTD (Jul)	n/a	17	n/a
2008 Y/E Projected	n/a	17	n/a
2009	14 [5]	n/a	n/a

	Program Ratios			
	$/Lifetime kWh		$/Annualized kW	
Year	Plan	Actual	Plan	Actual
2002	n/a	n/a	n/a	n/a
2003	n/a	n/a	$70	$58
2004 [1]	n/a	n/a	$22	$5
2005 Revised	n/a	n/a	$251	$20
2006 Revised [6]	n/a	n/a	$32	n/a
2007 Revised	n/a	n/a	$74	n/a
2008 Revised	n/a	n/a	$32	n/a
2008 YTD (Jul)	n/a	n/a	n/a	6
2008 Y/E Projected	n/a	n/a	n/a	28
2009	n/a	n/a	25	n/a

[1] Budget and Plan information based on revised budgets and goals filed on 8/18/04
[2] Includes Supplemental Price Response Pilot Program
[3] Prior to 2004 goals were split between SWCT and nonSWCT.
[4] ISO-NE Response Program Support (Includes both Demand and Price Response)
[5] Includes Savings for Demand Response (10,000 kW) and Price Response (4,000 kW).
[6] Budget and Plan information based on revised budgets and goals filed on 6/8/06

CL&P Standard Filing Requirement

Load Management

CL&P Program Notes

Budget / (FTE)

0.9 • FTE for Program Administration

Goal
- NA

Cost/kWh (Cost/Unit)
- NA

Goal Setting Methodology
- NA

Metric Changes
- NA

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Research, Development and Demonstration (CL&P & UI)

Objective: The objective of the Joint-Utility Research, Development and Demonstration ("RD&D") program is the advancement of new energy-efficient measures and more cost-effective and efficient renewable energy. The Companies participate in the one common RD&D program.

Target Market Under the RD&D program, the market will be limited to energy efficiency and distributed resources RD&D projects funded in previous years. CL&P will continue to administer ongoing projects. No <u>new</u> RD&D projects will be funded in 2009. However, limited funding may become available for continuation of ongoing projects.

Program Description: The RD&D program will continue active participation on the Daylight Dividends Program Steering Committee during 2009. The Daylight Dividends 2-yr continuation program is a joint research and development program led by the Rensselaer Polytechnic Institute ("RPI") Lighting Research Center ("LRC"). Partnership sponsor members include New York State Energy Research and Development Authority ("NYSERDA"), The Fund Joint-Utility RD&D Program administered by CL&P, Efficiency Vermont, and the Whole Foods Store. The Steering Committee reviews existing programs, research results and technological barriers to effective, energy-efficient use of day-lighting, and sets priorities for project activities to be undertaken to overcome these barriers and/or knowledge gaps. Current activities of the Daylight Dividends Research program may be reviewed at their website: www.daylightdividends.org.

Engineering and marketing support may be provided for RD&D projects previously funded to help them acquire alternative funding, review their reports, and help commercialize their projects to the extent possible.

Goals: The goal of the RD&D program is to maximize prior-year investments of RD&D project funding, and assist with leveraging additional funding from other sources for follow-on development and/or commercialization activities.

New Program Issues: The 2009 RD&D program funding level does not accommodate the RFP solicitation of <u>new</u> energy-saving or distributed resource projects for project funding consideration.

The role of the joint-utility RD&D program has been expanded to provide on-going technical support of the ECMB Roadmap Process. Technical reviews are provided for evaluation of new products or technologies that are submitted to the ECMB for consideration of their potential for inclusion in an existing C&LM Program. The RD&D program will review and assess the proposed new product or technology for its feasibility, appropriateness, potential effectiveness, and cost effectiveness and provide recommendations to the ECMB. Reviews are prepared by the joint utility RD&D program staff, with input from utility program administrators, ECMB consultants, and others as appropriate. Review oversight is provided by the RD&D program's Policy Working Group ("PWG").

CL&P Standard Filing Requirement

Research, Development and Demonstration

All dollar values are in $000

Budget Projections	2006 Actuals	2007 Actuals	Revised 2008 Budget	2008 YTD (Jul)	2008 YE Projected	2008 Budget	
Labor:							
NU Labor	$ 66	$ 95	$ 45	$ 46	$ 92	$ 66	a)
Contractor Staff	$ -	$ -	$ -	$ -	$ -	$ -	
Total Labor	$ 66	$ 95	$ 45	$ 46	$ 92	$ 66	
Marketing and Materials	$ -	$ -	$ -	$ -	$ -	$ 1	
Outside Services	$ (92)	$ 33	$ 101	$ (16)	$ 53	$ 78	b)
Fees and Incentives	$ -	$ -	$ -	$ -	$ -		
Administrative Expense	$ 3	$ 3	$ 4	$ 2	$ 5	$ 5	
Other	$ -	$ -	$ -	$ -	$ -	$ -	
Total	$ (23)	$ 131	$ 150	$ 32	$ 150	$ 150	

a) Includes NU Labor in support of Heat Pump Water Heater program closeout

b) Daylight Dividends Program Steering Committee with LRC $50K ;
Engineering consultant(s) due diligence reviews & site visits as required $3K ;
Anticipated continuation of one or more on-going RD&D projects - subject to
RD&D Program Staff, and Policy Working Group (PWG) review, recommendation
and ECMB funding approval $25K.

Note: The RD&D Program is a joint program with UI.

2009 Goals and Metrics Information - The RD&D Program does not have a KW or kWh savings metric.

Demand Savings (kW Reduction Goal)	N/A
Annual Energy Savings (KWh Reduction Goal)	N/A
Lifetime Energy Savings (kWh Reduction Goal)	N/A
Annual Cost Rate ($/kWh)	N/A
Lifetime Cost Rate ($/kWh)	N/A
Electric b/c ratio	N/A
Total Resource b/c ratio	N/A

Note: The goal is to maximize prior-year investments of RD&D project funding, and assist with leveraging additional funding from other sources for follow-on development and/or commercialization activities

CL&P Standard Filing Requirement

Research, Development and Demonstration

Not a goals based program.

RD&D Program

CL&P Program Notes

Budget / (FTE)

0.6 • FTE for program administration of Research, Development and Demonstration activities

Goal

- To maximize prior-year investments of RD&D project funding, and assist with leveraging additional funding from other sources for follow-on development and/or commercialization activities.
- To provide on-going technical review support of the Energy Conservation Management Board (ECMB) Roadmap process. Technical reviews are provided for evaluation of new products or technologies that are submitted to the ECMB for consideration of their potential for inclusion in an existing C&LM Program.

Cost/kWh (Cost/Unit)

- Not applicable.

Goal Setting Methodology

- Not Applicable.

Metric Changes

- The RD&D program does not have a kW or kWh savings metric.

The United Illuminating Company

EL-25 Standard Filing Requirement

2009

Research, Development & Demonstration

Budget Projections	2007 Act	2008 Amended Bud	2008 YTD (Aug)	2008 YE Projected	2009 Bud
Labor					
UI Labor	$ -	$ -	$ -	$ -	$ -
Contractor Staff	$ -	$ -	$ -	$ -	$ -
Total Labor	$ -	$ -	$ -	$ -	$ -
Materials & Supplies	$ -	$ -	$ -	$ -	$ -
Outside Services	$ 11,400	$ 125,000	$ 81,432	$ 125,000	$ 125,000
Incentives	$ -	$ -	$ -	$ -	$ -
Marketing	$ -	$ -	$ -	$ -	$ -
Other	$ -	$ -	$ -	$ -	$ -
Administrative Expenses	$ -	$ -	$ -	$ -	$ -
Total	$ 11,400	$ 125,000	$ 81,432	$ 125,000	$ 125,000

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CHAPTER SIX: OTHER PROGRAMS (CL&P & UI)

CL&P Standard Filing Requirement

Administration

All dollar values are in $000

Budget Projections	2006 Actuals	2007 Actuals	Revised 2008 Budget	2008 YTD (Jul)	2008 YE Projected	2009 Budget	
Labor:							
NU Labor	$ 609	$ 619	$ 543	$ 303	$ 678	$ 679	a)
Contractor Staff	$ 108	$ (2)	$ -	$ -	$ -	$ -	
Total Labor	$ 717	$ 617	$ 543	$ 303	$ 678	$ 679	
Materials & Supplies	$ 6	$ 6	$ 26	$ -	$ -		
Outside Services	$ 2	$ 18	$ 84	$ 2	$ 4		
Incentives	$ -	$ -	$ -	$ -	$ -		
Marketing	$ -	$ -	$ -	$ -	$ -		
Administration	$ 9	$ 11	$ 50	$ 7	$ 16	$ 28	b)
Other	$ 14	$ 11	$ 17	$ 12	$ 22	$ 13	c)
Total	$ 748	$ 663	$ 720	$ 324	$ 720	$ 720	

a) Budget includes Business Management FTE's
b) Budget includes industry association expenses and sponsorship fees
c) Employee expenses including mileage, training, conference attendance and misc

The United Illuminating Company

EL-25 Standard Filing Requirement

2009

Administration

Budget Projections	2007 Act	2008 Amended Bud	2008 YTD (Aug)	2008 YE Projected	2009 Bud
Labor					
UI Labor	$ 302,323	$ 403,657	$ 259,565	$ 403,657	$ 479,539
Contractor Staff	$ 2,062	$ -	$ -	$ -	$ -
Total Labor	$ 304,385	$ 403,657	$ 259,565	$ 403,657	$ 479,539
Materials & Supplies	$ 18,759	$ 1,300	$ 17,526	$ 17,526	$ 2,500
Outside Services	$ 79,371	$ 44,543	$ 19,135	$ 42,413	$ 47,261
Incentives	$ -	$ -	$ -	$ -	$ -
Marketing	$ 2,513	$ -	$ 5,848	$ 5,848	$ -
Other	$ 15,290	$ -	$ (26,185)	$ (26,185)	$ -
Administrative Expenses	$ 1,509	$ 500	$ 6,741	$ 6,741	$ 5,700
Total	$ 421,827	$ 450,000	$ 282,630	$ 450,000	$ 535,000

CL&P Standard Filing Requirement

Planning (a)

All dollar values are in $000

Budget Projections	2006 Actuals	2007 Actuals	Revised 2008 Budget	2008 YTD (Jul)	2008 YE Projected	2009 Budget
Labor:						
NU Labor	$ 606	$ 286	$ 465	$ 191	$ 542	$ 450
Contractor Staff	$ 5	$ -	$ -	$ 4	$ 11	$ 30
Total Labor	$ 611	$ 286	$ 465	$ 195	$ 553	$ 480
Outside Services	$ 488	$ 1	$ -	$ 1	$ 3	
Materials & Supplies	$ 3	$ 1	$ 5	$ -	$ -	
Incentives	$ -	$ -	$ -	$ -	$ -	
Marketing	$ 14	$ -	$ -	$ -	$ -	
Administration	$ 19	$ 8	$ 5	$ 4	$ 11	
Other	$ 4	$ 14	$ 5	$ 18	$ 51	$ -
Total	$ 1,139	$ 310	$ 480	$ 218	$ 618	$ 480

a) Beginning in 2007, Planning and Evaluation activities are being separately identified.

CL&P Standard Filing Requirement

Evaluation (a)

All dollar values are in $000

Budget Projections	2007 Actuals	Revised 2008 Budget	2008 YTD (Jul)	2008 YE Projected	2009 Budget
Labor:					
NU Labor	$ 288	$ 347	$ 191	$ 386	$ 191
Contractor Staff	$ 3	$ -	$ 39	$ 79	$ 48
Total Labor	$ 291	$ 347	$ 230	$ 465	$ 239
Outside Services	$ 122	$ 626	$ 253	$ 511	$ 750
Materials & Supplies	$ 5	$ -	$ 1	$ 2	$ 1
Incentives	$ -	$ -	$ -	$ -	
Marketing	$ 4	$ 7	$ -	$ -	
Administration	$ 13	$ 13	$ 4	$ 7	$ 5
Other	$ 6	$ 7	$ -	$ -	$ 5
Total	$ 441	$ 1,000	$ 488	$ 985	$ 1,000

a) Beginning in 2007, Planning and Evaluation activities are being separately identified.

The United Illuminating Company

EL-25 Standard Filing Requirement

2009

Planning & Evaluation

Budget Projections	2007 Act	2008 Amended Bud	2008 YTD (Aug)	2008 YE Projected	2009 Bud
Labor					
UI Labor	$ 281,130	$ 326,564	$ 222,871	$ 326,564	$ 345,696
Contractor Staff	$ -	$ -	$ -	$ -	$ -
Total Labor	$ 281,130	$ 326,564	$ 222,871	$ 326,564	$ 345,696
Materials & Supplies	$ 50	$ -	$ -	$ -	$ -
Outside Services	$ 51,574	$ 259,000	$ 80,893	$ 246,033	$ 245,000
Incentives	$ -	$ -	$ -	$ -	$ -
Marketing	$ 3,797	$ -	$ 3,858	$ 3,858	$ -
Other	$ 6,645	$ -	$ 9,109	$ 9,109	$ -
Administrative Expenses	$ 1,528	$ 7,436	$ 476	$ 7,436	$ 2,304
Total	$ 344,724	$ 593,000	$ 317,207	$ 593,000	$ 593,000

CL&P Standard Filing Requirement

Information Technology

All dollar values are in $000

Budget Projections	2006 Actuals	2007 Actuals	Revised 2008 Budget	2008 YTD (Jul)	2008 YE Projected	2009 Budget	
Labor:							
NU Labor	$ 750	$ 653	$ 602	$ 341	$ 584	$ 645	a)
Contractor Staff	$ 142	$ 59	$ 50	$ (1)	$ 2	$ -	
Total Labor	$ 892	$ 712	$ 652	$ 340	$ 586	$ 645	
Outside Services	$ 881	$ 585	$ 913	$ 254	$ 434	$ 505	b)
Materials & Supplies	$ 6	$ (1)	$ 25	$ 29	$ 50	$ 50	
Incentives	$ -	$ -	$ -	$ -	$ -		
Administration	$ 34	$ 360	$ 110	$ 417	$ 713	$ 300	c)
Other	$ -	$ -	$ -	$ -	$ -	$ -	
Total	$ 1,813	$ 1,656	$ 1,700	$ 1,040	$ 1,783	$ 1,500	

a) Includes NU IT labor support charged to C&LM for Day-to-day support of desktop hardware and operating system software, including problem resolution and repairs. Also includes enhancements to existing applications in response to changing business requirements or NU computing infrastructure; Development of new applications to support new C&LM programs and reporting requirements.
The C&LM Tracking and Reporting Initiative is also included.

b) Includes Vendor support to design/build the IT Initiative

c) Includes Vendor support coded as software design/build the IT Initiative

The United Illuminating Company

EL-25 Standard Filing Requirement

2009

Information Technology

Budget Projections	**2007 Act**	**2008 Amended Bud**	**2008 YTD (Aug)**	**2008 YE Projected**	**2009 Bud**
Labor					
UI Labor	$ 40,534	$ 42,109	$ 26,418	$ 42,109	$ 44,992
Contractor Staff	$ -	$ 14,589	$ -	$ 14,589	$ 14,589
Total Labor	$ 40,534	$ 56,698	$ 26,418	$ 56,698	$ 59,581
Materials & Supplies	$ 74,636	$ 72,974	$ 48,884	$ 72,974	$ 72,974
Outside Services	$ 164,398	$ 107,208	$ 97,580	$ 107,208	$ 107,208
Incentives	$ -	$ -	$ -	$ -	$ -
Marketing	$ -	$ -	$ -	$ -	$ -
Other	$ -	$ -	$ -	$ -	$ -
Administrative Expenses	$ 957	$ 6,120	$ 2,362	$ 6,120	$ 3,237
Total	$ 280,525	$ 243,000	$ 175,244	$ 243,000	$ 243,000

CHAPTER SEVEN: COST BENEFIT ANALYSIS

Introduction

For the 2009 C&LM Plan, the Companies have continued to use common cost-effectiveness screening tools and consistent values or similar assumptions for key variables, including: avoided cost of energy; avoided cost of generation capacity; avoided cost of distribution capacity; avoided cost of transmission capacity; impact on avoided capacity costs; avoided cost of fossil fuels; discount rate; and inflation rate. These avoided costs are based on a new regional avoided cost study completed this year for New England utilities by Synapse Energy Economics.

The Companies use the Connecticut Program Savings Documentation ("PSD") in order to reflect 2009 program changes and the results of recent program evaluations. Use of common cost-effectiveness testing methodologies and savings assumptions allows the Department, the ECMB and others to compare the benefits, costs, and benefit/cost ratios ("BCRs") of both Companies on an "apples to apples" basis.

Benefit-Cost Tests

For the analysis of the proposed 2009 programs, the Companies used the same two tests: the **Electric System Test** and the **Total Resource Test**. The Electric System Test compares the present value of future program electric system savings to the cost of the program. The Total Resource Test compares the present value of future electric system and other customer savings to the total of the conservation expenditures and customer costs necessary to implement the programs. While certain programs may have low BCRs when assessed by the Electric System Test, the Total Resource Test provides a more comprehensive measure of the overall economic impact since such programs may often have some value that is not recognized in the Electric System Test such as fossil fuel or water savings. Table B (Chapter 1) shows the BCRs for each program and sectors Table B-1 shows the composition of the electric and non-electric benefit for each program and sector.

In the simplest sense, the benefit of a conservation measure is the net present value of the avoided costs (i.e., value of the savings in 2009 dollars) associated with the net savings of that measure over the life of the measure. The savings is the "net savings," as defined in the PSD[5]. Therefore, the savings includes impact factors and realization rates that result from evaluation studies. Likewise, the life (years) of a measure is defined in the PSD and is based on either the technical life of the measure or study results.

For electric measures, the electric benefit is broken into three main components: 1) the energy benefit; 2) the avoided generation capacity; and 3) avoided transmission and distribution. The total

[5] The Companies' PSD is filed annually as part of the Companies' C&LM Plan. The PSD is a centralized reference of savings (energy, capacity and non-electric) assumptions used by the Companies.

electric benefit for a measure is the net present value of these avoided costs taken over the life of the measure.

In 2007 the Companies participated in a regional Avoided Cost Study with other New England states. The Study, *Avoided Energy Supply Costs in New England*[6], modeled Connecticut as three separate geographic zones: Norwalk/Stamford region, Southwest Connecticut, and non-Southwest Connecticut. Avoided costs were produced for each of those three zones as well as Connecticut statewide averages. The Avoided Cost Study ("ACS") found that market prices and out-of-market costs varied only slightly across these three sub-areas. CL&P and UI are using Connecticut statewide average avoided costs. The avoided energy costs from ACS are approximately 40 percent higher than the comparable values from the last study which was conducted in 2005. The major factors underlying the differences are higher projections for natural gas prices, predicted CO_2 regulation compliance costs, and retail supply margins.

ACS also quantified a price reduction benefit associated with energy efficiency. The DRIPE[7] benefit is the reduction of energy and capacity market prices that results from reductions in demand as a result of conservation efforts. The DRIPE impact tends to increase the electric benefit by approximately 15 – 20 percent depending on the energy saving characteristics of the measure. While the DRIPE effects are very complex, the ACS recommends that they should be included in benefit-cost screening. The Companies present BCRs including the DRIPE impact in Table B. Table B-1 shows the DRIPE impact broken out separately.

The following economic indicators were used by the Companies for screening the 2009 Programs:

- **Nominal Discount Rate ("NDR")**: The discount rate is the interest rate used to discount the value of future savings in a standard, present worth economic analysis. A higher rate discounts the present value of future savings more deeply than a lower rate. Thus higher rates result in lower BCRs and lower rates result in higher BCRs. For 2009, the Companies used the after tax cost of capital (CL&P 7.72 percent, UI 7.09 percent). Use of the companies' cost of capital for the nominal discount rate is based on the June 19, 2008 DPUC final decision in Docket no. 07-10-03[8].

- **Inflation Rate:** The inflation rate is used to adjust the discount rate in future years. The Financial Trend Forecaster Web site was used as a reference source. A consumer price index for all items in U.S. cities was used to calculate a five-year rolling average from 2003 through

[6] *Avoided Energy Supply Costs in New England: 2007 Final Report Synapse Energy Economics, Inc.* August 10, 2007
[7] DRIPE is an acronym for "Demand Reduction Induced Price Effect"; DRIPE is the benefit associated with lower energy and capacity prices as a resulting from conservation efforts.
[8] The companies received phone confirmation from Cindy Jacobs, DPUC Staff, on August 4th, 2008 confirming that the "after-tax" value is to be used.

2007. Based on this, the inflation rate of used in the screening of the programs is 2.42 percent.

- Real Discount Rate (RED) The Real Discount rate is the rate that is used to calculate the net present value of the avoided costs.

  RDR = (1+NDR)/(1+Inflation) – 1

  RDR = 5.17% for CL&P, 4.56% for UI

The following avoided costs are used by the Companies when calculating Electric BCRs for the 2009 Programs. Avoided costs used to screen the programs are in 2009 dollars.

- **Avoided Electric Energy Values**: The Electric Energy Prices used by the Companies are from ACS. The avoided costs were estimated by electric market zone, forecast fossil fuel costs, existing generation, expected retirements and upgrades, environmental regulations. Consistent with ISO New England, energy prices are divided into the following four time periods:
  - Winter Peak: October – May, 6:00 a.m. – 10:00 p.m., weekdays excluding holidays.
  - Winter Off-Peak: October – May; 10:00 p.m. – 6:00 a.m., weekdays. Also all Weekends and ISO defined holidays.
  - Summer Peak: June – September, 6:00 a.m. – 10:00 p.m., weekdays excluding holidays.
  - Summer Off-Peak: June – September; 10:00 p.m. – 6:00 a.m., weekdays. Also all Weekends and ISO defined holidays.

The following table shows statewide electric energy avoided costs that are used in the 2009 filing.

Table 1 – 2009 ACS Connecticut Avoided Electric Energy Costs
Values are in 2009 dollars.

Year	Winter Peak Energy ($ per kWh)	Winter Off-Peak Energy ($ per kWh)	Summer Peak Energy ($ per kWh)	Summer Off-Peak Energy ($ per kWh)
2009	$0.109	$0.083	$0.112	$0.077
2010	$0.106	$0.079	$0.109	$0.075
2011	$0.101	$0.074	$0.108	$0.072
2012	$0.102	$0.076	$0.112	$0.073
2013	$0.097	$0.070	$0.105	$0.069
2014	$0.099	$0.070	$0.104	$0.070
2015	$0.097	$0.070	$0.105	$0.068
2016	$0.098	$0.071	$0.107	$0.070

2017	$0.102	$0.073	$0.111	$0.073
2018	$0.100	$0.073	$0.109	$0.073
2019	$0.098	$0.072	$0.110	$0.071
2020	$0.101	$0.074	$0.114	$0.073
2021	$0.101	$0.074	$0.115	$0.073
2022	$0.105	$0.075	$0.119	$0.075
2023	$0.106	$0.076	$0.121	$0.076
2024	$0.108	$0.077	$0.122	$0.077
2025	$0.109	$0.079	$0.124	$0.078
2026	$0.111	$0.080	$0.126	$0.079
2027	$0.113	$0.081	$0.128	$0.080
2028	$0.114	$0.082	$0.130	$0.081

- **Avoided Electric Generation Capacity Prices**: Avoided Generation Capacity prices are associated with demand savings which is coincident with system peak. For the purpose of calculating BCRs, coincident system peak savings is based on the average capacity savings that takes place during the ISO definition of Seasonal Summer Peak Savings, i.e., average peak savings that takes place when the system exceeds at least 90% of the latest 50-50 forecasts (weather driven extremes).

  The avoided capacity costs were modified based on the 2010 forward capacity market (FCM) of $4.25 per kW-month per the June 19, 2008 Decision Docket No. 07-10-03. Based on discussions with the authors[9] of the 2007 ACS Study it was concluded that the FCM market prices would remain constant (2010 forward capacity prices) for three to four years delaying the ramp as predicted in the 2007 ACS. The values from the 2010 ECM auction were adjusted back to 2009 dollars. These values were adjusted (reserve margin, capacity loss factor, time value of money) based on the ACS and held constant until 2013. Starting in 2014 the values were increased consistent with the original ACS.

Table 2 – 2009 ACS Connecticut Avoided Capacity Costs
Values are in 2009 dollars

Year	Original ACS Analysis Summer Generation ($ per kW-Year	Adjusted based on 2010 FCM Summer Generation ($ per kW-Year)
2009	$0.00	$0.00
2010	$63.51	$37.60
2011	$114.55	$64.45
2012	$128.16	$64.45
2013	$136.10	$64.45
2014	$136.10	$114.55
2015	$136.10	$128.16
2016 –2028 (annual value)	$136.10	$136.10

[9] Avoided capacity revised based on discussions with Paul Chernick of Resource Insight of the 2007 Avoided cost study.

- **DRIPE**: The DRIPE values are based on small incremental decreases in market prices as a result of lower energy and capacity demand due to conservation and load management efforts. While conservation efforts may only have a very small impact on price, the absolute dollar amount is significant when that lower price is applied to all energy and capacity being purchased in the market. DRIPE impacts are projected to dissipate over time as the market adjusts to the new lower energy and capacity requirements. Thus the DRIPE avoided costs for energy extend through 2011, and the DRIPE avoided capacity costs end in 2014.

Table 3 – 2009 ACS Connecticut DRIPE Capacity and Energy Avoided Costs
Values are in 2009 dollars

Year	Capacity DRIPE ($ per kW)	WP Energy DRIPE ($ per kWh)	WOP Energy DRIPE ($ per kWh)	SP Energy DRIPE ($ per kWh)	SOP Energy DRIPE ($ per kWh)
2009	$0.00	$0.017	$0.014	$0.035	$0.017
2010	$0.00	$0.051	$0.041	$0.105	$0.053
2011	$0.00	$0.049	$0.039	$0.102	$0.052
2012	$146.98	$0.030	$0.024	$0.062	$0.032
2013	$94.48	$0	$0	$0	$0
2014	$41.99	$0	$0	$0	$0

- **Transmission and Distribution**: The Companies use a value of approximately $54 per kW-year to represent avoided distribution and transmission costs. This value is similar to what the value used the past two years and was based on a methodology developed by ICF Consulting as part of the 2005 Avoided Cost Study.[10]

In addition to the electric benefits, the Total Resource BCRs include the following avoided costs *(these are NOT included in the Electric System BCR):*

- **Fossil Fuel Savings**: Fossil fuel avoided costs are calculated for oil, natural gas, and propane. Oil, natural gas and propane avoided costs are from ACS.

- **Water Savings**: Water is valued at approximately $0.005 per gallon.

- **Other Non-Resource Benefits**: Savings that result from reduced maintenance, avoided cost of replacement, etc. This is primarily used when screening CFLs to quantify the additional bulb cost savings that result due to CFLs having long lives, such as the value of avoiding future incandescent bulb purchases.

- **Value of Reduced Emissions**: The emissions avoided costs represent the environmental benefits associated with the reduced emissions of NOx, SOx, CO2, and mercury. These represent projected environmental costs, such as costs that are not yet internalized. These

[10] *Avoided Energy Supply Costs in New England*, ICF Consulting, December 2005

avoided costs are above and beyond the direct costs (included in the avoided energy costs) associated with complying with emissions regulators. The values shown below are average values per kWh saved and were derived in ACS.

Table 4 – 2009 Connections Emissions Avoided Costs
Values are in 2009 dollars

Year	Average Emissions Value ($ per kWh)
2009	$0.038
2010	$0.038
2011	$0.038
2012	$0.033
2013	$0.032
2014	$0.031
2015	$0.029
2016	$0.028
2017	$0.027
2018	$0.025
2019	$0.024
2020	$0.022
2021	$0.022
2022	$0.021
2023	$0.021
2024	$0.021
2025	$0.021
2026	$0.021
2027	$0.021
2028	$0.021

CHAPTER EIGHT: PROGRAM EVALUATION

The Companies have a long history of providing quality Fund programs to Connecticut energy consumers. An integral part of creating, delivering and maintaining quality programs is performing independent evaluations of programs and the markets they serve. The Companies have performed approximately 200 evaluation studies on their C&LM programs since the late 1980s.

In 1998 the Energy Conservation Management Board ("ECMB") was formed and charged with evaluation oversight. The ECMB has worked closely with the Companies to ensure all evaluations are relevant, independent, cost-effective and meet the needs of program administrators and planners. In 2005, the ECMB developed a process for the selection and content of third party program evaluations to assure independence from the Companies. The ECMB formed an Evaluation Committee to work directly with an ECMB Evaluation Consultant whose role was defined to include: a) Evaluation planning; b) Development of the RFP; c) Proposal review and recommendation for selection of an evaluation contractor to the ECMB Evaluation Committee; d) Development of the final work plan with input from the Companies e) Interim reviews including review of all interim work products and any issues of importance that may impact the results or cost of the evaluation and review of all deliverables and milestones; f) Reviewing the final draft report. All of these responsibilities are completed in consultation with the Companies' evaluation teams.

The Companies and ECMB recognize the importance of conducting thorough, timely, and independent evaluations. Evaluations provide reporting of the results and value of energy efficiency programs to regulatory bodies and their consultants, utility management, program planners and administrators. Evaluation studies also provide confirmation and input on key parameters affecting program design and savings, including measure lives, baselines, and market characteristics. There are three major benefits to performing evaluations. First, through careful market evaluations, the Companies identify effective ways to influence key market players to take efficiency actions and to increase the breadth and depth of the actions taken. Evaluations are also used to determine the efficacy of program procedures and measures; providing for improved program delivery and increased customer satisfaction. Lastly, the evaluation process is a critical tool to measure energy savings as well as other key attributes of each program to allow optimum program design and careful management of consumer conservation funds.

Several types of evaluations are conducted to monitor program performance, including impact, process and baseline evaluations, as well as market assessments. Impact evaluations verify the magnitude of energy savings and determine if efficiency measures were properly installed. Process evaluations verify the effectiveness of program delivery. Baseline evaluations and market assessments examine overall market conditions related to efficiency products and services including current standard practices, average efficiency of equipment, consumer purchasing practices and identification of market barriers. Each of these evaluations provides the Companies and ECMB with critical information that is used in the program planning process.

In planning which and how many evaluations to conduct each planning period, the Companies and ECMB consider many factors, including, but not limited to: needs expressed by program administrators, requirements of outside organizations, market conditions, recent or planned program changes and the cost and energy savings associated with the program. The Companies and ECMB also work in a broad regional manner when planning evaluation activities for the up-coming program years. Through collaboration with regional agencies and utilities with similar interests, the two Companies take full advantage of opportunities to gather information in the most cost-effective manner.

Occasionally, opportunities to participate in evaluation studies are unforeseen and therefore are not included in the planning process. If an unplanned opportunity proves to be in the best interest of Connecticut customers, ECMB Evaluation Committee and the Companies will commit resources to those efforts as well. The Companies have a strong ongoing working relationship with the ECMB consultants to identify specific areas for evaluation and for conducting the evaluation studies through third party contractors.

For 2009, the Companies' and ECMB evaluation plans are for increased evaluation activities and budgets due to three factors. First, there is a new need for evaluation studies to support the M&V activities associated with the upcoming ISO-NE FCM. The Companies filed M&V plans with ISO-NE to support their bids into FCA-1, the first FCM auction. Those plans are largely based on supporting data that will be generated from evaluation studies. Secondly, a portion of increased evaluation study activity and budgets is attributable to the need to obtain data on new program opportunities, often involving new energy efficiency technologies. Lastly, increased evaluation activity for 2009 is required to meet the continuing need to provide periodic update on factors such as measure life, savings persistence and free-ridership. As is true every year, the 2009 evaluation budget is targeted to the highest-priority studies in order to maximize value of dollars to be spent

Table 7-1 indicates evaluation studies completed, underway or planned for commencement in 2008.

Table 8-1 Evaluation Studies for 2008

Study Name	**Type of Study**
Ductless Heat Pumps	Market and Impact
Residential Central A/C	Impact
Home Energy Solutions *	Impact
Residential New Construction *	Baseline Study
Small Business Energy Advantage	Impact & Market Assessment
Other Studies	
CT Maximum Potential Study	Potential

* Study not yet initiated

Table 7-2 indicates evaluation studies under consideration for 2009. Generally speaking, most of the proposed studies are needed for ISO-NE-FCM purposes. Others will support development of programs that extend the depth and breadth of savings. Some of the studies listed are of lower priority. If budget constraints do not allow for them, these studies will be eliminated or moved to another year.

Table 8-2 Evaluation Studies for 2009

Study Name	Type of Study
Limited Income	Impact
Residential Maximum Potential Follow-up	Best Practices and Technical Implementation
Residential Measure Lives	Measure Life
Residential Measures Free Rider/ Spillover ^	Impact
Energy Opportunities Impact Evaluation	Impact
C&I Maximum Potential Follow-up	Market Assessment and Implementation
Retro-Commissioning ^	Process, Market Follow-up
Air Compressor Baseline ^	Market
C&I HVAC Unitary & Chillers	Peak Impact - Load Shapes

^ Lower Priority Studies

The New England Regional Avoided Cost study will also be conducted in 2009, to update the avoided costs used for program planning, cost-effectiveness analysis, and reporting. The regional avoided cost study is conducted jointly every two years. While the avoided cost study is not an evaluation project, the Connecticut share of the cost for the regional study is included in the evaluation budget.

The existence of the Regional EM&V Forum may also impact evaluation activities in 2009 and beyond. Little detail is yet available on how the Forum will allocate costs or determine what studies to conduct. The number of states that will join the Forum is also unknown at this time. What is to be expected, however, is that the number, cost and composition of studies are likely to be impacted by the Forum's activities.

Table 7-3 indicates evaluation studies under development for the EM&V Forum that CT will participate in.

Table 8-3 EM&V Evaluation Studies for 2008-09

Study Name	Type of Study
Lighting Measure Life and Persistence Study	Measure Life
C&I Load Shape Study	Impact

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CHAPTER NINE: IT INITIATIVE (CL&P)

The objective of the C&LM IT Tracking and Reporting Initiative is to develop and implement an improved, automated tracking and reporting system in accordance with the DPUC's directive to develop a comprehensive presentation of tracking data for each C&LM program as part of the annual filings. This initiative is required to meet increasing financial and reporting requirements by the Department, such as the SFR. These improvements are also designed to improve the operating efficiency of the CL&P staff. The project also intends to fulfill the Department's requirement that all tracking entries of C&LM projects should be traceable and cross-referenced to the Program Savings Documentation ("PSD") Manual—a detailed comprehensive documentation of all claimed resource costs and savings corresponding to individual C&LM technologies. The project is expected to result in improved accountability and independence in the process of tracking, monitoring and verification of C&LM information.

The Initiative includes plans to create a central data repository accessible to all C&LM personnel, streamline the current environment, and create the most efficient and consistent business procedures possible. The overall project has several phases. The Initiative project team issued a Request for Information ("RFI") in 2005, inviting vendors to submit their qualifications for implementing the project. Based on the information received, the project team then selected the most qualified vendors and invited them—via a Request for Proposal ("RFP"), to submit bids to complete Phase I, Requirements. To date, the following phases have been completed by year:

2006:

Through the RFP process, a vendor (CGI-AMS) was selected to develop the "Business Requirements Specifications" for the C&LM Tracking and Reporting System. This included workshops with the business users and NU IT personnel. A prioritization of requirements exercise, facilitated by the vendor, resulted in a management decision to designate the development of residential (non-low income) and small business programs code modules as Phase II of the project.

Subsequent to the Business Requirements Specification completed above, an RFP was issued to perform the requirements validation, design and build activities of the system for the Residential programs and SBEA program. The project team evaluated the vendor proposals and selected PCC Technologies, based in Bloomfield, CT to deliver this phase. PCC Technologies reviewed the Business Requirements Specification document, identified gaps, and created the Functional Requirements Document and the system data model. These activities were used to feed the Design and Build phases of the project. The vendor commenced development of the four code segments this phase is comprised of: general system design, system administration, residential programs and small business program functionality. Development of the Residential and SBEA system components was essentially completed in 2006 with unit, system integration, and user accepting testing following immediately after in 2007.

2007:
Continued development and completion of the general system design, system administration, Residential, and Small Business Energy Advantage program functionality. This included the activities of data conversion, testing remediation, and post- production support representing both outside services (vendor-PCC Technologies costs) and internal labor (NU IT and C&LM).

Detailed Functional Requirements of the system expansion to include the Limited Income, and C&I programs. The Limited Income portion of the Detailed Functional Requirements was completed in the 3rd Quarter 2007.

2008:
The following Initiative activities were completed:

The design, build, and implementation of the Limited-Income module including the activities of data conversion, testing remediation, and post-production support representing both outside services (vendor-PCC Technologies costs) and internal labor (NU IT and C&LM).

Modifications and updates to existing tracking and reporting systems (i.e., C&I's custom tracking system) to accommodate C2 readiness.

Additionally, the conversion of NU standard reports from Crystal to Hyperion.

2008/2009:
The following initiatives were started in 2008 and will roll into 2009:

Creation of an automated year-end roll-over process for the new tracking and reporting system which currently includes modules for system administration, SBEA and Limited Income.

A new release which includes the following program expansions of the existing modules: Residential Room A/C Retirement program, Gas Water Heater Program, HES Insulation and new HES Residential Data Entry Module.

Additionally, enhancements to existing modules and systems are continually being made as tasks are reviewed for process improvements.

DISCONTINUED PROGRAMS

CL&P Standard Filing Requirement

Power Factor Improvement Program - Discontinued

All dollar values are in $000

Budget Projections	2006 Actuals	2007 Actuals	Revised 2008 Budget	2008 YTD (Jul)	2008 YE Projected	2009 Budget	
Labor:							
NU Labor	$ 37	$ 14	$ 63	$ 6	$ 38		
Contractor Staff	$ -	$ -	$ -	$ 1	$ 10	$ -	
Total Labor	$ 37	$ 14	$ 63	$ 7	$ 48	$ -	
Materials & Supplies	$ -	$ -	$ 2	$ -	$ -		
Outside Services	$ 1	$ 2	$ 5		$ 14		a)
Incentives	$ 78	$ 128	$ 79	$ -	$ -		b)
Marketing	$ -	$ -	$ -	$ -	$ -		
Administrative Expenses	$ 2	$ 1	$ 1	$ 1	$ 5		
Other	$ 6	$ -	$ -	$ -	$ -	$ -	
Total	$ 124	$ 145	$ 150	$ 8	$ 67	$ -	

a) Fees for consultants to assess power factor data analysis reports and project applications submitted by power factor vendors, conduct post installation inspections and provide general technical support.

b) Incentives paid to customers to install power factor correction equipment.

2009 Goals and Metrics Information

Demand Savings (kW reduction Goal)	N/A
Annual Energy Savings (KWh Reduction Goal)	N/A
Lifetime Energy Savings (kWh Reduction Goal)	N/A
Annual Cost Rate ($/kWh)	N/A
Lifetime Cost Rate ($/kWh)	N/A
Electric b/c ratio	N/A
Total Resource b/c ratio	N/A

CL&P Standard Filing Requirement

Power Factor Improvement Program - Discontinued

Program Costs

Year	Budget	Actual	% of Budget	$/MW
2004 [1]	$ 350,000	$ 33,000	9%	n/a
2005 Revised	$ 867,420	$ 477,007	55%	$30,972
2006 Revised	$ 650,000	$ 123,615	19%	-
2007 Revised	$ 150,000	$ 145,000	97%	-
2008 Revised	$ 150,000	n/a	n/a	n/a
2008 YTD (Jul)	n/a	$ 8,000	5%	-
2008 Y/E Projected	n/a	$ 67,000	45%	-
2009	$ -	n/a	n/a	n/a

Goal - MW Enrollment

Year	Budget	Actual	% of Budget
2004 [1]	9	11.630	129%

Goal - MW Installed

Year	Budget	Actual	% of Budget
2004 [1]	9	1	6%
2005 Revised	5	15	302%
2006 Revised	9	n/a	n/a
2007 Revised	n/a	n/a	n/a
2008 Revised	n/a	n/a	n/a
2008 YTD (Jul)	n/a	n/a	n/a
2008 Y/E Projected	n/a	n/a	n/a
2009	n/a	n/a	n/a

Program Ratios

	$/Lifetime kWh		$/Annualized kW	
Year	Plan	Actual	Plan	Actual
2004	n/a	n/a	n/a	n/a
2005 Revised	n/a	n/a	n/a	n/a
2006 Revised	n/a	n/a	n/a	n/a
2007 Revised	n/a	n/a	n/a	n/a
2008 Revised				
2008 YTD (Jul)	n/a	n/a	n/a	n/a
2008 Y/E Projected	n/a	n/a	n/a	n/a
2009	n/a	n/a	n/a	n/a

[1] Budget and Plan information based on revised budgets and goals filed on 8/18/04

CL&P Standard Filing Requirement

Power Factor Improvement Program

CL&P Program Notes

Budget / (FTE)

0.0 • FTEs.

Goal

• NA

Cost/kW (Cost/Unit)

• NA

Goal Setting Methodology

• NA

Metric Changes

• NA

CL&P Standard Filing Requirement

Room Air Conditioner Replacement

All dollar values are in $000

Budget Projections	2006 Actuals	2007 a) Actuals	Revised 2008 Budget	2008 YTD (Jul)	2008 YE Projected	2009 Budget
Labor						
NU Labor	$ 16	$ -	$ 50	$ 5	$ 12	$ -
Contractor Staff	$ 2	$ -	$ -	$ -	$ -	$ -
Total Labor	$ 18	$ -	$ 50	$ 5	$ 12	$ -
Materials and Supplies	$ -	$ -	$ -	$ -	$ -	$ -
Outside Services	$ 760	$ -	$ 382	$ 14	$ 33	$ -
Incentives	$ 411	$ -	$ 746	$ 115	$ 275	$ -
Marketing	$ -	$ -	$ 39	$ -	$ -	$ -
Administrative Expenses	$ -	$ -	$ 4	$ -	$ -	$ -
Other	$ -	$ -	$ -	$ -	$ -	$ -
Total	$ 1,189	$ -	$ 1,221	$ 134	$ 320	$ -

a) Program discontinued in 2007, offered in 2008, discontinued in 2009.

2009 Goals and Metrics Information

Demand Savings (kW reduction Goal)
Annual Energy Savings (KWh Reduction Goal)
Lifetime Energy Savings (kWh Reduction Goal)

Annual Cost Rate ($/kWh)
Lifetime Cost Rate ($/kWh)

Electric b/c ratio
Total Resource b/c ratio

CL&P Standard Filing Requirement

Room Air Conditioner Replacement

Program Costs

Year	Budget	Actual	% of Budget	cost/partic.	$/LT-kWh
2003	$ 700,000	n/a	n/a	n/a	n/a
2004	$ 3,500,000	$ 1,447,000	41%	n/a	n/a
2005 Revised	$ 2,539,286	$ 1,189,000	47%	$81	0.031
2006 Revised	$ 625,000	$ 1,188,636	190%	$155	0.074
2007 Revised	n/a	n/a	n/a	n/a	n/a
2008 Revised	$ 1,221,000	n/a	n/a	n/a	n/a
2008 YTD (Jul)	n/a	$ 134,000	11%	n/a	n/a
2008 Y/E Projected	n/a	$ 320,000	26%	$148	0.352
2009	n/a	n/a	n/a	n/a	n/a

Goal - Participation

Year	Goal (units)	Actual	% of Goal
2003	3,952	n/a	n/a
2004	6,258	10,191	162.8%
2005 Revised	16,622	14,682	88.3%
2006 Revised	3,690	7,656	207.5%
2007 Revised	n/a	n/a	n/a
2008 Revised	10,774	n/a	n/a
2008 YTD (Jul)	n/a	1,414	-
2008 Y/E Projected	n/a	2,166	20.1%
2009	n/a	n/a	n/a

Goal - Lifetime MWh Savings

Year	Goal (MWh)	Actual (MWh)	% of Goal
2003	25,374	0	0.0%
2004	14,946	22,377	149.7%
2005 Revised	49,626	37,789	76.1%
2006 Revised	7,407	15,977	215.7%
2007 Revised	n/a	n/a	n/a
2008 Revised	4,655	n/a	n/a
2008 YTD (Jul)	n/a	594	12.8%
2008 Y/E Projected	n/a	910	19.5%
2009	n/a	n/a	n/a

Goal - Installed kW Savings

Year	Goal	Actual	%of Goal
2003	699	0	0.0%
2004	580	1,042	179.7%
2005 Revised	1,671	1,437	86.0%
2006 Revised	211	443	209.9%
2007 Revised	n/a	n/a	n/a
2008 Revised	1,150	n/a	n/a
2008 YTD (Jul)	n/a	151	13.1%
2008 Y/E Projected	n/a	231	20.1%
2009	n/a	n/a	n/a

Program Ratios

	$/Lifetime kWh		$/Annualized kW	
Year	Plan	Actual	Plan	Actual
2003	0.035	n/a	1,528	n/a
2004	0.067	n/a	1,726	1,389
2005 Revised	0.051	0.031	1,520	827
2006 Revised	0.084	0.074	2,962	2,684
2007 Revised	n/a	n/a	n/a	n/a
2008 Revised	0.262	n/a	n/a	n/a
2008 YTD (Jul)	n/a	0.226	n/a	887
2008 Y/E Projected	n/a	0.352	n/a	1,385
2009	n/a	n/a	n/a	n/a

CL&P Standard Filing Requirement

Appliance Retirement

CL&P Program Notes

Budget/FTE

0.0

Goal

n/a

Cost/Unit

n/a

Goal Setting Methodology

Metric Changes

None

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EXHIBIT I: 2008 PUBLIC COMMENT MATRIX

Name: Bryan Garcia

Organization: Earth Markets

Method/ Date of Contact: E-mail of July 2, 2008

Request: Earth Markets was founded to advance solutions to global warming in Connecticut's communities by providing households with innovative, measurable, and cost-effective solutions to global warming through the use of clean and efficient energy. Through the Class III RPS there is an opportunity to reduce electricity usage beyond that which the award-winning CEEF is already doing (see Exhibit 6) – providing essentially an opportunity to double our state's energy savings per year To support the continued growth and development of the Class III RPS market in Connecticut, Earth Markets respectfully requests that the CEEF make additional information publicly available regarding the registration, sale, and revenues from Class III Renewable Energy Certificates (RECs) created by the ratepayer supported programs of the CEEF. Specifically, Earthmarkets requests the following information be provided as it relates to ratepayer supported incentive programs by the CEEF that generate Class III RECs that are registered on the NEPOOL GIS and sold into the Class III RPS market.

1. *Announcements to Sell Class III RECs from CEEF Programs*
2. *Energy Savings from Energy-Efficiency Programs and Class III RECs Registered*
3. *Class III RECs Registered, Sold, and Revenue Generated*
4. *Estimated Class III RECs by Program Over the Useful Life of the Measures*
5. *Monitoring and Verification*

See Earth Markets at http://www.box.net/shared/w3vtw4racg for details.

Companies' Position: The Companies will work to ensure that the additional requested information is made public to provide all interested parties with needed information. The Companies presently file quarterly reports on Class III REC sales in accordance with Docket 05-07-19. The Companies note that some information may be proprietary or confidential, but will do their best to provide all documents and information pertaining to the request.

ECMB Position:

Name: Mitzi Bowman, Dr. Tony Domiski

Organization: Don't Waste Connecticut, Dwellgreen

Method/ Date of Contact: E-mail of July 2, 2008

Request: Request that efficiency funds be made available to community-based organization in order to nurture more public awareness and taking action at the local level. Also support use of the funds to promote mass transportation.

Companies' Position: During the public comment input session, the Companies and ECMB heard from a large number of community organizations, non-profits and renewable energy task forces regarding the need for the Fund to support more general education and outreach through local community organizations and clean energy task forces. As a direct result of input from the public comment input session, the Companies are proposing a new Community Initiative pilot for 2009. This pilot program would provide support to local groups and organizations promoting energy efficiency and clean, renewable energy. This support could come in a variety of forms, such as educational materials, marketing support, technical assistance, analytical tools and other assistance in advancing the public awareness and advancement of energy efficiency.

ECMB Position:

Name: Andy Bauer

Organization: Chair, Portland Clean Energy Task Force

Method/ Date of Contact: E-mail of July 6, 2008.

Request:

- "Go With What Works" to raise awareness; grassroots outreach is the most effective.
- Copy the success of the 20% by 2010 clean energy campaign. Create a sister plan for energy efficiency: using the experience of CT Clean Energy Fund as a guide.
- Use local Clean Energy Task Forces to carry the message of energy efficiency.
- Create a free Compact Fluorescent Light bulb trade-in program for homeowners, especially low income residents.
- Rebate ENERGY STAR appliances down to the price models with poorer efficiencies.
- Create incentives for geothermal heat pumps and solar hot water technology.
- Provide funding and technical support for "green jobs" programs as soon as possible.
- Eliminate the $300 co-pay for *Home Energy Solution*, for those with oil heat.

Companies' Position: During the public comment input session, the Companies and ECMB heard from a large number of community organizations, non-profits and renewable energy task forces regarding the need for the Fund to support more general education and outreach through local community organizations and clean energy task forces. As a direct result of input from the public comment input session, the Companies are proposing a new Community Initiative pilot for 2009. This pilot program would provide support to local groups and organizations promoting energy efficiency and clean, renewable energy. This support could come in a variety of forms, such as educational materials, marketing support, technical assistance, analytical tools and other assistance in advancing the public awareness and advancement of energy efficiency.

ECMB Position:

Name: Marianne Horn, Co-Chair

Organization: Broomfield Conservation, Energy & Environment Committee (CEEC)

Method/ Date of Contact: E-mail of July 7, 2008

Request: The CEEC would welcome the creation of a community-based program to provide much needed funding, expertise and assistance to support CEEC's efforts to make Bloomfield more energy efficient.

Companies' Position: During the public comment input session, the Companies and ECMB heard from a large number of community organizations, non-profits and renewable energy task forces regarding the need for the Fund to support more general education and outreach through local community organizations and clean energy task forces. As a direct result of input from the public comment input session, the Companies are proposing a new Community Initiative pilot for 2009. This pilot program would provide support to local groups and organizations promoting energy efficiency and clean, renewable energy. This support could come in a variety of forms, such as educational materials, marketing support, technical assistance, analytical tools and other assistance in advancing the public awareness and advancement of energy efficiency.

ECMB Position:

Name: David Cooper

Organization: Gateway Community College (Corporate & Continuing Education)

Method/ Date of Contact: E-mail of July 7, 2008

Request:

I am writing to express strong support for the efficiency activities of local clean energy task forces and other non-profit and community-based groups that are working to help people become more energy efficient, support energy efficiency in schools, mobilize communities to participate in the development of local climate action plans, and generate interest among activists to launch careers in the energy field.

With respect to specific project or program "charettes," community groups can work with professional architects, engineers, and planners to canvass local populations to design local sustainable energy plans that express the sensibilities of the community where there are choices

Please support the activities of local community groups to insure that the quietest voices among us will be heard and to mobilize neighborhoods to support energy conservation and energy efficiency in local projects and planning activities.

Companies' Position: During the public comment input session, the Companies and ECMB heard from a large number of community organizations, non-profits and renewable energy task forces regarding the need for the Fund to support more general education and outreach through local community organizations and clean energy task forces. As a direct result of input from the public comment input session, the Companies are proposing a new Community Initiative pilot for 2009. This pilot program would provide support to local groups and organizations promoting energy efficiency and clean, renewable energy. This support could come in a variety of forms, such as educational materials, marketing support, technical assistance, analytical tools and other assistance in advancing the public awareness and advancement of energy efficiency.

ECMB Position:

Name: Natalie Lovett

Organization: Northeast Energy Efficiency Partnerships (NEEP)

Method/ Date of Contact: E-mail of July 7, 2008

Request:

Residential Programs
Consumer Products
NEEP recommends that several additions be made to the current programs:
embrace new opportunities in the areas of solid state lighting (SSL)

Promote the upcoming "TopTen" consumer-oriented online search tool for efficient appliances (See: http://www.topten.info/)

Revisit an appliances program strategy that embraces consumer electronics televisions, cable/satellite set top boxes, computers, and monitors.

Residential New Construction
Integrate whole house programs to be combined within the regional High Efficiency Home Solutions Initiative.

Build awareness for the Quality Installation Standard for central air conditioning and heating as being developed jointly through the Air Conditioning Contractors of America (ACCA), the American National Standards Institute (ANSI) and ENERGY STAR.

Home Energy Solutions

Implement the Home Performance with ENERGY STAR Program, through collaboration with NEEP's High Efficiency Home Solutions Initiative and EPA.

Participate in the regional development of Negotiated Cooperative Promotions with manufacturers and distributors for the promotion of high efficiency HVAC equipment and quality installation practices.

Add ENERGY STAR qualified water heaters to the program promotions for 2009.

Commercial and Industrial Programs

New Construction/Energy Conscious Blueprint
Participate in regional efforts to promote upstream coordination in the areas of lighting, air conditioning and condensing rooftop gas heat technology.

Rapidly shift strategies from lighting power density (LPD) to overall performance-based strategies in the 2009 plan and identify new metrics for evaluation.

Retrofit/Energy Opportunities
Become involved in developing regional strategies for the ramping up of commercial and industrial (C&I) retrofit programs in terms of their “reach,” comprehensiveness and sector targeting.

Anticipate the evolution of the lighting power density (LPD) strategies to a performance-based model with respect to lighting.

NEEP would like to see Connecticut actively involved in the development of regional strategies for the ramping up of C&I retrofit programs.

Retrofit/O&M Services
The O&M strategy should be extended to the whole building retrofit programs, such as the Energy Opportunities program for consistency and comprehensiveness.

Retrofit/Small Business Energy Advantage
NEEP commends the utilities for their Small Business Energy Advantage program successes.

Additional Programs

Synergies between Natural Gas and Electric Programs
NEEP commends Connecticut for its leadership in integrating gas and electric programs.

Education Programs (Museum Partnerships/SmartLiving Center/eesmarts)
NEEP commends Connecticut for maintaining funding for this type of general awareness, education and outreach.

Low-Income Programs
NEEP sees a relationship between the Home Energy Solutions and low-income programs in that they are both emerging as whole house retrofit efforts. NEEP would like participation in its High Efficiency Home Solutions.

Out-of-State Designers Understanding the ASHRAE90.1-2004 PLUS 30%
Connecticut should support a strategy for a regional training and messaging/outreach system for the implementation of the DOE Commercial Lighting Solutions program and ASHRAE 90.1-2004 PLUS 30% advanced building design program

Integration with Other Dockets
The 2008 C&LM Plan notes the ECMB recommends the DPUC create an integrated filing for EIA, portfolio plan, demand resource filings, as well as FCM and Class III RECs. NEEP believes that this coordination needs to be initiated and sustained indefinitely.

Program Savings Documentation (PSD)
The Connecticut Program Savings Documentation (PSD) can serve as a useful tool to advance FCM efforts. NEEP hopes Connecticut evaluation budgets will support the Northeast Regional Evaluation, Measurement and Verification (EM&V) for advancing such consistency.

Integration with Public Act 07-242
On the Integrated Resource Planning (IRP) and least cost procurement mandates in PA 07-242, it would be helpful to stakeholders to have a concise roadmap/diagrammatic presentation showing how this process will inter-relate with the C&LM planning process and might affect the current programming.

Mandated Air Conditioner Rebates
The legislatively specified air conditioner rebate has imposed detrimental barriers for the promotion of high efficiency air conditioning units. NEEP recommends the ECMB encourage the legislature to delete this legislation.

Re-opening of the 2008 Planning Docket
Although that proceeding is occurring separately from 2009 C&LM Planning process, it has direct implications for how the 2009 C&LM Plan will be developed.

- ***Eliminating funding for non-electric savings in all programs except Low Income:*** Connecticut should utilize the TRC test rather than focusing on savings solely from the "funding fuel." The TRC test will demonstrate effectiveness of these non-electric efficiency programs where the Utility Cost test is unable to do so.

- ***Reduce funding for non-electric Low Income program:*** The reduction of funding for non-electric Low Income programs would hurt the effectiveness of the Weatherization Assistance Programs and the abilities of these programs to be comprehensive in nature.

- ***Providing joint programs by combining gas, oil and electric funds to lower administrative costs:*** This suggestion merits strong consideration into the future. Although it is unclear how this model would work in Connecticut.

- ***Reducing incentive levels where appropriate:*** As building energy codes and appliance efficiency standards raise savings baselines, program incentives will also need to be raised. This also will lower both benefit/cost ratios and net benefits. Failing to recognize the need to adjust program incentives will ultimately lead to both programs/policies failing to reach maximum levels of effectiveness.

- ***Adding new emphasis on market transformation by changing building codes or appliance efficiency standards:*** Ratepayer funded programs need to work in concert with policies governing building energy codes and appliance efficiency standards. With this goes the need for the C&LM programs to go broader and deeper – at greater expense. It is more effective for utilities to engage in programs that promote "beyond code" energy savings in high performance buildings than to engage in education or outreach for building to the minimum energy code. Allowing utilities to expend research and evaluation dollars on analysis of new appliance efficiency standards, and with appropriate incentives creates a beneficial framework for ratepayer-funded programs. These activities should only be pursued if these relationships are accounted for and appropriate funding and incentive structures exist.

- ***Adding more emphasis on loan programs and performance-based contracting:*** Loan programs and performance based contracting have a place in the toolbox of energy efficiency offerings, but require clear regulatory direction, understanding of the interrelation with other ratepayer-funded programs and adequate resources are afforded utilities.

- ***Increasing effort on peak demand savings:*** Programs already include appropriate levels of rewards and incentives for addressing kilowatt savings. Thus, focus on demand savings is appropriate, though increased incentives may not be.

Companies' Position: The Companies have regularly participated and contributed to NEEP regional initiatives. Many of the recommendations presented by NEEP have been incorporated into the 2009 C&LM Plan. Other areas mentioned will be reviewed by the Companies and the ECMB and considered as budget dollars allow.

ECMB Position:

Name: Stephen W. Wells, PE, CEM

Organization: Connecticut Trane

Method/ Date of Contact: E-mail of July 7, 2008

Request:

Shutting down of C&I programs will cause them to lose momentum.
Comprehensive projects take from 6 months to over a year to develop.
2009 results will be negatively affected.
C&I customers will be leery to commit in the future.

Companies' Position: The Companies recognize and appreciate the long lead times that are needed for vendors to install large, comprehensive projects. For clarification purposes, the commercial and industrial ("C&I") programs have not been shut down, the Companies are still reviewing projects for the 2009 program year. Also, our energy experts are providing guidance and technical support for other projects that are in early development.

The Companies are committed to delivering cost-effective Fund programs to their C&I customers within the program budget levels approved by the DPUC.

ECMB Position:

Name: Heidi Golden

Organization: Sustainable West Hartford

Method/ Date of Contact: E-mail of July 8, 2008

Request:

I strongly suggest that more support be granted by the Energy Efficiency Fund for local, community based initiatives. One such example is a project to organize a town-wide energy reduction competition between the 16 schools in our town.

The Energy Efficiency Fund could encourage communities to create their own programs and help educate a broad range of participants. The greater impact we can achieve at the grass roots level, the great the demand for energy efficient products and services; cost effective options; and changes in public policy will be.

Companies' Position: During the public comment input session, the Companies and ECMB heard from a large number of community organizations, non-profits and renewable energy task forces regarding the need for the Fund to support more general education and outreach through local community organizations and clean energy task forces. As a direct result of input from the public comment input session, the Companies are proposing a new Community Initiative pilot for 2009. This pilot program would provide support to local groups and organizations promoting energy efficiency and clean, renewable energy. This support could come in a variety of forms, such as educational materials, marketing support, technical assistance, analytical tools and other assistance in advancing the public awareness and advancement of energy efficiency.

ECMB Position:

Name: Virginia Walton

Organization: Town of Mansfield Clean Energy Team (staff)

Method/ Date of Contact: E-mail of July 7, 2008

Request:

They are not pleased that the audit co-pay is so high for oil/propane users but they believe that home energy audits, where efficiency changes are made during the audit, are an excellent value.

Because of the co-pay, they would like to offer inexpensive audits through their building department and possibly by the task force.

Efficiency funds should used to offer no-cost/ low-cost audit training for building inspectors, non-profit groups and task forces.

Provide discounts on auditing equipment, such as infrared detectors, blowers or modeling software that would be used for the audits.

Residents have come to them looking for guidance but they have found a void that CEEF could help by: 1) allocations to offer training on residential energy-efficient systems modeling (along the same lines as LEED); and 2) as part of the state licensing process, establish training for tradesmen in energy efficient systems that are applicable to their trade e.g., funds used to establish the training for plumbers to install solar hot water and/or demand water heater.

Since efficiency and renewable energy go hand-in-hand, where possible, CEEF should partner with the CCEF.

In summary, they advocate Energy Efficiency Fund monies be used for community-based energy audit training and training programs that expand the pool of tradesmen knowledgeable in energy efficient systems.

Companies' Position: In response to the request regarding Home Energy Solutions co-pays for oil heating customers, the Companies hope to begin working with the Fuel Oil Conservation Board to coordinate and implement programs to cost-effectively meet the needs of fuel oil heating customers. The Companies have also approached the Connecticut Office of Policy and Management (OPM) regarding funding assistance for oil heating customers who desire to participate in the HES program.

The Companies do provide training programs and seminars to town building officials, local contractors, electricians, architects and engineers. The Companies will work to include training seminars in 2009 that address the needs of these audiences.

During the public comment input session, the Companies and ECMB heard from a large number of community organizations, non-profits and renewable energy task forces regarding the need for the Fund to support more general education and outreach through local community organizations and clean energy task forces. As a direct result of input from the public comment input session, the Companies are proposing a new Community Initiative pilot for 2009. This pilot program would provide support to local groups and organizations promoting energy efficiency and clean, renewable energy. This support could come in a variety of forms, such as educational materials, marketing support, technical assistance, analytical tools and other assistance in advancing the public awareness and advancement of energy efficiency.

ECMB Position:

Name: Nic Frances, Field Pickering

Organization: cool nrg

Method/ Date of Contact: July 9, 2008 Public Input Session

Request:

Proposal for the CEEF to fund ($4.5 to $5.5 million) "The Great Connecticut Light Switch" which would conduct an energy efficiency campaign where 500,000 Connecticut residents would change out 2,000,000 energy-saving free light bulbs in a week. It is projected to save 300,000 tons of CO2 and 600 GWh. The distribution is also designed to reach low-income residents and entail a large public awareness effort.

Companies' Position:, The Companies believe that the Fund's Retail Lighting program is the best method to reach the residential retail lighting market based on evaluation studies and the program's successes to date. Further, the Companies' 2009 Plan is designed to focus more on specialty CFLs and less on standard CFLs which are becoming more commonplace in the market. The Companies already have free limited-income programs that install energy-efficient CFLs in the home and believe that they are already reaching the limited-income population. cool nrg is welcomed to submit a proposal for consideration in the Companies' Retail Products Negotiated Cooperative Promotions (NCPs) that are offered at various times throughout the year. The Companies also suggest that this marketing and awareness effort might be funded through monies created under Docket 07-06-60, DPUC Review of the Statewide Energy Efficiency and Outreach Marketing Program.

ECMB Position:

Name: James Kirk

Organization: The Great Atlantic & Pacific Tea Company (A&P)

Method/ Date of Contact: July 9, 2008 Public Input Session

Request: http://www.box.net/shared/w3vtw4racg

A&P had been approved for, and then had been cancelled for six (6) rebate applications for custom measure incentives within the CL&P service territory. This was not how A&P expected the process to work.

A&P began to investigate ways to increase energy efficiency in Connecticut stores in 2007 and had hired a firm (NRM) to aid them with the program and spent many hours with them in determining the measures that would be most advantageous to them as well determining the financial aspects for their company. They were prepared to invest $500,000 of their own money into these projects.

However, on July 2nd, 2008 they received a call from CL&P informing them that they would not countersign the rebate letters and that the rebates have been effectively cancelled due to "budget constraints". They had planned to pursue additional projects.

A&P would like to have the funding restored so they can proceed with this project

See A&P's full letter at: http://www.box.net/shared/w3vtw4racg

Companies' Position: In the DPUC's final decision in docket 07-10-03RE01 up to $10M dollars were approved to fund projects that were identified in Late File 001RV01 and were in progress for completion in 2008 but had been suspended due to budget constraints. CL&P is in the process of contacting customers that had been identified in this category in an effort to resurrect the projects and provide funding so that they can be completed. For A&P, CL&P is moving forward with the six projects identified in their comments.

ECMB Position:

Name: Representative Vickie Nardello

Organization: Self

Method/ Date of Contact: July 9, 2008 Public Input Session

Request:

Representative Nardello offered in an historical perspective on her observations concerning the CEEF and some other aspects of restructuring. She noted that the conservation and load management was one of the positive outcomes from the passage of Public Act 98-28, AAC Electric Restructuring but she is troubled by the current funding situation as the budget of approximately $80 million is a finite number. She suggested the CEEF might have gone to the legislature to request additional funding to meet the excess demand but there is still the need to live within a budget. She was not pleased with the miscommunication that took place with clients to whom commitments were made but were unable to be subsequently funded. She asked the Fund to consider in the future greater accountability and noted that the benefit/cost returns are exceptional and added that evaluation is a crucial activity. She noted that because the costs are high and becoming a greater burden, there is a need to combine energy efficiency along with the lowering of rates immediately as they are not mutually exclusive. She invited the Board to discuss this further with members of the energy and technologies committee.

Companies' Position: The Companies welcome the opportunity to work closely with Representative Nardello and the other members of the Energy and Technology Committee to pursue additional or alternative funding sources to meet the increased demand for energy-efficient programs and services.

ECMB Position:

Name: William Leahy

Organization: Institute for Sustainable Energy

Method/ Date of Contact: July 9, 2008 Public Input Session

Request:

Mr. Leahy acknowledged the support the ECMB has funded the Institute for Sustainable Energy (ISE) in the past and encouraged the Board to continue that support. He outlined a number of areas where ISE can support the efforts of the ECMB including
:

- Supporting the linkage and integration of utility programs with other state and federal level programs such as the CCEF, DPUC/DG program, loan programs and federal grants and tax treatment. We support the integration of financing options including the use of Performance Contracting.
- Implementing Educational Outreach efforts in local schools and higher education, with facility maintenance personnel and with local building code officials.
- Targeting Energy Solutions activities to facilities with the greatest needs through whole-building, all-fuels Benchmarking of municipal and state facilities
- Supporting CEEF marketing and customer related training programs and information dissemination.
- ISE is currently working with communities to develop focused Energy Action Plans through ENERGY STAR Benchmarking, ISE has partnered with the US EPA to make ENERGY STAR analysis software available to municipalities including Portfolio Manager, Target Finder, and Project Cost Calculator.
- ISE is providing High Performance School design assistance to over 20 communities who are planning new or renovation projects.

- In 2008, the ISE engaged a stakeholder group and three pilot training groups to assist in the development of a School Energy Management Certification Course. Seven communities are currently participating, in addition to 20 facility directors through the CT School Building and Grounds Association.

- The Green Campus initiative of the CT Climate Change Action Plan calls for Higher Education in Connecticut to reduce their carbon footprint. With our assistance, all four CSU's, UConn Law School and Manchester CC have committed to becoming carbon neutral by 2050. Adopting policies that reduce carbon emissions, assessing their energy efficiency, and working toward lower energy use and emission reductions is the first required activity for those who signed the President's Climate Challenge.
- With are affiliation with the Education Department at ECSU, the ISE is involved with bringing energy education to high school classrooms throughout Connecticut. A concentrated effort is underway to integrate energy efficiency, high performance building standards and the use of alternate fuels into the curriculum of the 17 Connecticut Technical High Schools.

Investments in efficiency now, whether it be for funding education to change operating procedures and buyer behavior, or incentives that subsidize the installation of equipment that will save energy over time, should take priority over more supply options that increase or dependence on burning fossil fuels.

Companies' Position: The Companies appreciate the ISE's overview of programs, initiatives and training that the organization has or could provide to the Connecticut municipalities, residents and businesses. The Companies also welcome the opportunity to work with ISE and the ECMB in establishing ISE's work plan for the upcoming year(s) to compliment the Companies' Plan as well as achieve these laudable objectives. The Companies would note that the ISE already has an annual CEEF program budget to provide such services.

ECMB Position:

Name: Dorothy (Dot) Kelly

Organization: Darien Energy Task Force/Darien Library Board

Method/ Date of Contact: July 9, 2008 Public Input Session

Request:

Ms. Kelly noted that the Darien Library, on whose Board she sits, is currently installing an open loop groundsource heat pump projected to save 30% during summer peak over other alternatives and a smaller amount during the heating season as well as reducing the amounts of pollution produced.

She encourages the ECMB to focus on the real aspects of geothermal cooling/heating system and to fairly rebate the HVAC efficiency such systems provide. She has been told by CL&P personnel that geothermal is not incentivized because it is fuel switching and expensive but she does not believe this is a fair evaluation. Having attend CCEF board meetings, she is aware of a potential joint CEEF/CCEF program and encourages incentivization be made available through it.

Companies' Position: The Companies support the installation of groundsource heat pumps (geothermal) and have administered a Geothermal Rebate for several years. In 2009, the Companies will continue to provide a Geothermal Rebate once the unit has been properly commissioned and the unit's installed performance is verified.

ECMB Position:

Name: Cynthia Arcate

Organization: Comverge

Method/ Date of Contact: July 9, 2008 Public Input Session

Request: Comverge strongly supports the conclusions and recommendations of the Plan with respect to the need to continue and expand financial support for demand side management, particularly demand response. Specifically, we urge the Board to expressly approve and highlight the benefits of the 130 MW demand response program assumed in the reference case of the plan. It is our understanding that the 130 MW contract entered into by Connecticut Light and Power Company (CL&P) and Alternative Energy Resources (AER), a wholly owned subsidiary of Comverge, is included in the reference case presented in Appendix D. That contract, however, is not expressly identified in the published Plan.

The contract was screened through the C&LM cost effectiveness model and found to have a benefit/cost ratio of 2.8. As the Board may be aware, the DPUC recently rejected this program in its final decision in that proceeding. In rejecting the program, the Department questioned the need for additional demand response resources and the need for utility subsidies for these programs.

We recommend that the Board's approval of the Plan be accompanied by a detailed response to the Department's and specifically to adopt the following key points for the 130 MW residential and small C&I DR program.

1) A significant portion of the program already exists and can be easily expanded at less cost than a newly initiated program. If the program is not approved, the value of the existing program will be lost because programs in the future will almost certainly cost more.

2) Second, Connecticut recognizes that residential demand, particularly residential air conditioning, is a primary driver of peak load and peak load growth. Comverge's Direct Load Control program effectively targets this load. Eliminating this program is in direct conflict with the Plan's stated objective of eliminating substantially all load growth over the next decade. Appendix D, page D-1.

In sum, we urge the Board to expressly include the 130 MW residential and small C&I direct load control program in the approved Resource Plan submitted to the Department. We ask further, that the Board respond directly to the concerns of the Department in rejecting that program by including these and other supportive.

See Comverge's full testimony at http://www.box.net/shared/aywh0ev0gs

Companies' Position: The Companies devoted much time and effort to work with Comverge/AES on the Direct Load Control proposal presented to the Department. We believe this technology is a viable means to deliver additional peak demand savings.

ECMB Position:

Name: Donald B. Hoyle

Organization: Self

Method/ Date of Contact: July 9, 2008 Public Input Session

Request:

I propose that the Clean Energy Fund make available rebate money to CL&P in order to install photovoltaic systems on town public buildings, preferably schools, to help with peak power electricity productions. The advantages of this proposal would be the following:

- The sun, a free energy source, is present onsite.
- No purchase of fuel is required.
- No new infrastructure needs to be built.
- Photovoltaic cells produce no pollution.
- The sun provides tremendous energy during summer days.
- Peak electricity use is in the summer.
- Schools use minimal electricity during peak season and would send it into the grid.
- This would provide an onsite educational experience for students regarding responsible, sustainable energy production.
- The allocation for clean energy taken from customers' monthly bills would benefit the citizens.

This proposal could be a model for the state and nation as it would provide concrete evidence of a way to cut green house gasses. We need to take responsible initiatives to implement the governor's educational program and the goals set by the State Legislature to cut carbon dioxide emissions by 10 percent by the year 2020 and 80 percent by the year 2050.

Companies' Position: The Companies administer programs on behalf of the Connecticut Energy Efficiency Fund, which promotes energy-efficient technologies. While the Companies promote renewable energy technology and collaborate with the CCEF to coordinate programs, the Companies urge Mr. Hoyle to contact the Connecticut Clean Energy Fund (CCEF) regarding his program and incentive ideas. CCEF programs promote and provide incentives for clean, renewable energy sources, such as solar.

ECMB Position:

Name: Roger Smith

Organization: Clean Water Action

Method/ Date of Contact: July 9, 2008 Public Input Session

Request:

Community Based Efficiency Programs
As an organization, Clean Water Action primarily works at the grassroots level to train ordinary citizens to advocate for their own behalf on issues relating to environmental health. In Connecticut we have previously received grants to organize community trainings on how to avoid mercury contamination in fish in coordination with the Department of Public Health, and have been funded through SmartPower to conduct public outreach and education on the 20% by 2010 initiative since 2003.

For state leaders to be able to respond to constituent complaints about energy costs by highlighting our efficiency programs, there needs to be a sense that these programs broadly benefit ratepayers (also known as voters). That can happen by increasing the level of public participation in the programs and increasing public exposure for the programs.

Engaging civil society through community-based efforts can help solve this problem, supplement traditional outreach methods and reach more people on a deeper level.

Consumers who do not fully understand how efficiency can benefit them, who underestimate the ability of efficiency investments to save money, or who simply do not notice efficiency advertisements in today's media-saturated world are beyond the reach of a traditional media campaign.

ECMB does not have to create or nurture community-based groups themselves- networks of organizations already exist in Connecticut and only need to be engaged.

The **first and most obvious constituency is all the groups that worked on the 20% by 2010 campaign to build a voluntary renewable energy market in Connecticut**.
In the more active towns, in addition to making a commitment to renewable energy for town buildings they have appointed **citizen-town Clean Energy Task Forces** to reach out to residents to support clean energy.

From the very first municipality which committed to 20% by 2010 (New Haven), **energy efficiency savings have justified clean energy expenditures**.

There are **other potential organized constituencies to consider partnerships with** including the faith community, local housing and poverty initiatives, other environmental organizations with member bases, colleges and universities, senior citizen organizations and the CT Conference of Municipalities, local Council of Governments, etc.

Efficiency Fund community-based programs could be created in a way to engage trusted opinion leaders such as local and state officials, faith leaders, teachers, environmental advocates and local energy experts.

Community Based Efficiency Programs Need Goals, Rewards & Resources

- **Work with the CT Clean Energy Fund to incorporate efficiency into the 20% by 2010 "Clean Energy Communities" designation.** We suggest that the Efficiency Fund formally partner with the Clean Energy Fund and define the efficiency component of the Clean Energy Community
- **Provide grants to community groups to support creative town or school level energy efficiency competition or other initiatives**.
- **Sponsor competitions** (with rewards, deadlines, technical guidance and recognition for the winners) between towns ("biggest loser" relative to a baseline) or within selected towns (schools could compete to reduce their internal energy use.)
- **Create funding and incentive programs for local residents.** Create a model compact fluorescent (CFL) bulb giveaway program and **do better education about CFL recycling**
- **Create a model energy efficiency community** by targeting organizing resources to a town or city of significant size with existing grassroots networks and support from local leadership
- **Provide funding/training to groups to "train the trainer" and pair community groups with experts to help them put on public energy efficiency workshops/forums**.
- **Create new incentives to help residents make deeper cuts in their energy use**. There should be rebates to bring the price of ENERGY STAR appliances down to the price of less efficient models.
- **Partner with the Clean Energy Fund** to support geothermal (heat pumps) and solar hot water technology- Clean Energy Fund can pay for customers on electric heat and the Efficiency Fund can pay for customers using natural gas heat (and hopefully oil heat, soon).
- **Provide funding and technical support for "green jobs" programs**
  Special attention should be given to training and hiring in minority and disadvantaged communities, and partnerships with faith-based organizations interested in providing training for these communities.
- **Coordinate with the heating oil conservation fund so that heating oil customers can also get access to *Home Energy Solutions*, rebates for insulation and other forms of help**.

Unmet Resource Needs
Towns/Cities

- **Hire experts to provide training and resources for local town official/citizen Clean Energy Task Forces** on how to create a town-level conservation plan. Specific resources

- Provide (or discount) automated energy consumption tracking software/third party services.
- Provide training and support for towns to use green building benchmarking tools like ENERGY STAR
- Offer comprehensive and easy to access information on financing of efficiency projects for municipalities
- Offer fairly non-technical primers on green building and energy efficiency options (cogeneration, heat pumps, ENERGY STAR products, lighting types)
- Formalize information sharing between towns
-

Residential Consumers/Small Business-

- Revamp ctsavesenergy.org as one-stop visit for explanation of technologies available with paybacks using CT prices.
- Make Home Energy Solutions and all other available programs available on the website
- Partner with OPM, utilities or others to provide a one-on-one answer center for expert advice on home or business efficiency matters.
- Create a "contact us" web form with a link on every page of ctsavesenergy.org
- Create an email list to notify all interested parties whenever the state efficiency programs change

Training/Education
Implementing all cost-effective efficiency programs will require an expanded efficiency installer and sales workforce. The CT Energy Efficiency Fund needs to provide resources (equipment, curricula, access to efficiency contractors), and set training standards for urban job training centers, faith groups, community colleges and other entities to be able to effectively train a "green jobs" workforce.

See Clean Water Action's full testimony at: http://www.box.net/shared/0k2sdahq8c

Companies' Position: During the public comment input session, the Companies and ECMB heard from a large number of community organizations, non-profits and renewable energy task forces regarding the need for the Fund to support more general education and outreach through local community organizations and clean energy task forces. As a direct result of input from the public comment input session, the Companies are proposing a new Community Initiative pilot for 2009. This pilot program would provide support to local groups and organizations promoting energy efficiency and clean, renewable energy. This support could come in a variety of forms, such as educational materials, marketing support, technical assistance, analytical tools and other assistance in advancing the public awareness and advancement of energy efficiency.

ECMB Position:

Name: Dale Hahs

Organization: Energy Services Coalition

Method/ Date of Contact: July 9, 2008 Public Input Session

Request:

Energy services contracting originated over 25 years ago in an effort to provide substantial benefit using dollars that were budgeted to pay utility bills.

Aging facilities and infrastructure have been deferred for years; none perhaps more impactful than the fact that infrastructure modernization, the shoring up of our mechanical and electrical systems in our existing building structures.

An extraordinary amount of fundamental need exists and utilizing the guarantee provided by private sector organizations known as energy services companies or ESCOs, we can rely on the modernization of our electrical and mechanical systems within and paid for by the energy savings along with a general reduction in maintenance and emergency repairs

These improvements affect better workplace and educational environments while at the same reducing the long-term consumption of energy in these spaces.

This also provides employment opportunities with a significant need for tradesman, contractors, and the manufacturers of the goods and services utilized in these sorts of projects.

In a state the size of Connecticut, there is approximately $351 million dollars of available guaranteed energy savings performance contracting that could be completed.

While this dramatic accomplishment will not eliminate our nation's dependence on petroleum, efficiency certainly is the component of our national safety effort with which every citizen can participate.

Additionally, from a programmatic design standpoint, pre-approved contract instruments, providers, and a programmatic design all weigh in to facilitate growth of this mechanism

See the Energy Services Coalition's full testimony and attendant documents at:
http://www.box.net/shared/2dbblqlkok

Accelerating Energy Services Performance Contracting
http://www.box.net/shared/a7lsdkjcws

ECS Best Practices http://www.box.net/shared/4ltdn1tcsw

PowerPoint Performance Contracting for State Energy Offices http://www.box.net/shared/9tlv6zig44

Companies' Position: The Companies agree with the Energy Services Coalition that with additional funding, more valuable energy-saving measures could be installed in Connecticut's buildings, facilities and manufacturing sites. The Companies also agree that alternative financing mechanisms, such as performance based contracting, may be an option for some customers and vendors to utilize in reaching more customers. The Companies' 2009 Plan identifies this need and envisions educational seminars for customers and trade allies to educate them on the benefits of a properly structured performance based contract.

ECMB Position:

Name: Carol Wilson

Organization: Wilson Educational Services, Inc. (WES)

Method/ Date of Contact: July 9, 2008 Public Input Session

Request: Rabbi Andrea Cohen-Kiener representing Carol Wilson made the following request.

Since January 2005, WES provided the Saving Through Energy Management (STEM) for This Old House of Worship program to 64 CT congregations and not-for-profits, with results far beyond our expectations. Every congregation that has participated in the program is now actively involved in reducing energy consumption. The funding for this program has come from various organizations and many more congregations could be served except that funding is limited. They seek support from the CT Energy Efficiency Fund for greater outreach.

Each program costs $3000 and teaches teams from 5 - 10 congregations to recognize the energy problems in their house of worship, to identify appropriate and cost effective solutions to the problems and to calculate the savings from each action. Participants learn to use professional testing tools and connected with the energy efficiency programs offered by the utility companies that serve their areas.

Companies' Position: During the public comment input session, the Companies and ECMB heard from a large number of community organizations, non-profits and renewable energy task forces regarding the need for the Fund to support more general education and outreach through local community organizations and clean energy task forces. As a direct result of input from the public comment input session, the Companies are proposing a new Community Initiative pilot for 2009. This pilot program would provide support to local groups and organizations promoting energy efficiency and clean, renewable energy. This support could come in a variety of forms, such as educational materials, marketing support, technical assistance, analytical tools and other assistance in advancing the public awareness and advancement of energy efficiency. The Companies will also review the STEM program with the ECMB and explore potential opportunities for participation within the O&M Services program.

ECMB Position:

Name: Robert Fromer

Organization: Self

Method/ Date of Contact: July 9, 2008 Public Input Session

Request:

The ECMB should require an Energy Return on Energy Invested (EROI sometimes expressed as a net energy analysis or Energy Profit Ratio) analysis for energy efficiency programs and projects before funding or promoting such endeavors. This could also be used to calculate mercury for CFLs and lead to a reclamation program and that the technology may be a societal burden instead of the opposite.

Companies' Position: The Companies will review availability of data and determine if the inclusion of EROI into program operations and budget determinations is possible.

ECMB Position:

Name: Sharon Vocke

Organization: PACE, Evergreen Energy, Seeds of Hope, Southington Energy Committee

Method/ Date of Contact: July 9, 2008 Public Input Session

Request:

We need to restore the incentives for geothermal which were recently cut and increase them to make them more attractive. At one time, a Connecticut resident could obtain a grant to cover the cost of the ground loop for a geothermal system.
We should be encouraging residential and community wind projects. In New York, incentives are provided for wind from 4.47 meters per second and higher and we have that level of wind in many parts of CT. The wind program should provide the same level of funding as the solar program.

While our home energy audits are a great start, these programs should be expanded to provide incentives for builders to make new homes as efficient as possible. Infrared imaging, blower door tests, review of building and insulation plans, and examining site and design plans should all be considered for motivating better construction.

We also need to support our grassroots organizations. No significant changes in our country have occurred without the efforts of local groups of people, from abolishing slavery to civil rights to the suffrage movement. The most significant and effective way to reach people is to empower local citizens to become educated and help others in their own community understand the benefits of efficiency. The degree of seriousness of our climate situation is such that action is needed on all levels. It isn't enough to talk about changing light bulbs any more. We need to change our culture and it's going to take all of our best efforts to make it happen

Companies' Position:

The Companies support the installation of groundsource heat pumps (geothermal) in and have administered a Geothermal Rebate for several years. In 2009, the Companies will continue to provide a Geothermal Rebate once the unit has been properly commissioned and the unit's installed performance is verified. This rebate is determined by cost-benefit analyses and program budgets.

The Companies do administer a Residential New Construction program that promotes energy-efficient measures and services into new residential construction projects.

During the public comment input session, the Companies and ECMB heard from a large number of community organizations, non-profits and renewable energy task forces regarding the need for the Fund to support more general education and outreach through local community organizations and clean energy task forces. As a direct result of input from the public comment input session, the Companies are proposing a new Community Initiative pilot for 2009. This pilot program would provide support to local groups and organizations promoting energy efficiency and clean, renewable energy. This support could come in a variety of forms, such as educational materials, marketing support, technical assistance, analytical tools and other assistance in advancing the public awareness and advancement of energy efficiency.

ECMB Position:

Name: David Simon

Organization: Madison Town Energy Committee

Method/ Date of Contact: July 9, 2008 Public Input Session

Request:
He noted that the Connecticut Clean Energy Fund was shifting to energy efficiency as part of its focus.

He suggested that:

Many high schools are in need of retrocommissioning in his town as well as in other towns but that the funding has become limited.

Incentives for regional professional energy managers funded by CEEF should be made available

Companies' Position: CL&P welcomes the opportunity to work with the town of Madison and other municipalities in building, designing, and renovating high schools into energy-efficient buildings. The Companies filed 2009 Plan includes program budgets and incentives for retrocomissioning projects.

ECMB Position:

Name: Mark Miller

Organization: Strategic Building Solutions

Method/ Date of Contact: July 9, 2008 Public Input Session

Request:

Mr. Miller strongly supports the retro commissioning pilot program that has a heavy emphasis on training building a when maintenance. personnel to fine tune their building systems so they operate in a more energy efficient manner. The suspension of CL&P C&I programs will adversely impact his Connecticut based company in the following ways:

- Projects that have entailed approximately 700 hours of professional engineering invested in pay them will be incomplete.
- They have temporarily assigned staff to work on other energy efficiency projects to keep people busy
- They are undergoing a workload and resources evaluation should any job cuts or layoffs be necessary of their highly trained staff.

He supports immediately restoring the Connecticut programs to full funding and to make the pilot Retrocommissioning program into a full-fledged operation.

Companies' Position: In the DPUC's final decision in docket 07-10-03RE01 up to $10M dollars were approved to fund projects that were identified in Late File 001RV01 and were in progress for completion in 2008 but had been suspended due to budget constraints. CL&P is in the process of contacting customers that had been identified in this category in an effort to resurrect the projects and provide funding so that they can be completed. The Companies filed 2009 Plan includes program budgets and incentives for retrocomissioning projects.

ECMB Position:

Name: John C. Hall

Organization: Sustainable Energy Services, LLC

Method/ Date of Contact: July 9, 2008 Public Input Session

Request:

He notes that the single most effective way to assist Connecticut ratepayers in our local economy is to increase and streamline access to energy efficiency programs. To do this he advocates

- Creation of an energy efficient community program in coordination with CCEF

- Provide training to local clean energy task forces
- Streamline residential access to energy efficiency programs by serving all fuels
- Provide one stop shopping to more easily identify the right program for individuals

Companies' Position: During the public comment input session, the Companies and ECMB heard from a large number of community organizations, non-profits and renewable energy task forces regarding the need for the Fund to support more general education and outreach through local community organizations and clean energy task forces. As a direct result of input from the public comment input session, the Companies are proposing a new Community Initiative pilot for 2009. This pilot program would provide support to local groups and organizations promoting energy efficiency and clean, renewable energy. This support could come in a variety of forms, such as educational materials, marketing support, technical assistance, analytical tools and other assistance in advancing the public awareness and advancement of energy efficiency.

ECMB Position:

Name: Peter Feroli

Organization: Northeast Energy Efficiency Counsel

Method/ Date of Contact: July 9, 2008 Public Input Session

Request:

The Northeast Energy Efficiency Counsel, Connecticut Chapter, argues that funding needs to be made available to keep programs going. Its companies cannot stop and expect to be able to start up again when the next fiscal year begins. Commitments have been made to customers and to tell them they are going to have to wait until next year will not work.

Some of these severe negative impacts they cite include:

Irreparable damage to firms working within the industry particularly as it relates to the loss of employees.

Interruption of programs leads to customer abandonment of efforts to participate in programs.

They advocate:

Creating consistency in program administration.
Eliminating redundant program elements by consolidating funds for any non-CEEF program into CEEF.
Reducing incentives to offer participation to a greater number of customers.
Convincing the legislature to eliminate the marketing efforts and place the dollars back into the fund.

Companies' Position: The Companies agree with the position of NEEC-CT regarding the impact of stopping and starting programs on customers and the vendor community. The Companies are taking steps in the 2009 C&LM Plan to address program incentive structures in an effort to serve customers throughout 2009 in light of present customer demand for energy efficiency programs. The Companies will also continue to work with the natural gas companies and are also seeking to collaborate with OPM and the Fuel Oil Conservation Board to jointly deliver programs in the most cost-effective method possible.

ECMB Position:

Name: Lee Hebert

Organization: Boston Power Supply

Method/ Date of Contact: July 9, 2008 Public Input Session

Request:

Mr. Hebert noted to the group:

A Commissioner of the Federal Energy Regulatory Commission (FERC) announced that "the missing component in our countries energy mix is energy storage."

Energy storage is available today in many products and is simple to understand as the battery in your car or cell phone.

Without energy storage an NREL study shows solar energy is limited to the amount actually used during generation and wind to 20% of the capacity of the installation.

He suggests that energy storage be used so we can make better use of surplus capacity already paid for on the grid

He provides the following benefits of an energy storage system:

- Increases the efficiency of energy generation to energy use.
- Reduces our dependence on foreign fuels by not losing surplus capacity.
- Reduces air pollution.
- Reduces energy cost to ratepayers when combined with time of use plans and smart meters.
- Reduces energy cost to ratepayers by reducing FMCCs with pinpoint peak load reduction.
- Increases grid reliability.
- Automatic backup during power outages.
- Reduces global warming.
- Increases the profit ratio of energy generation

Companies' Position: Boston Power Supply's technology has been presented to the PWG and ECMB in the past. Northeast Utilities has developed a cost-effectiveness analysis for this technology as applied to homes. This analysis indicated it was not cost-effective. The PWG found that analysis credible. We recommend the DPUC review that analysis before proceeding. It may not be the final analysis, but is a good place to start. Savings and value will vary dramatically for this technology with local weather and rates, and by home size and fuel, business type and cooling system type, so these should be considered in any program analysis. If the proposer is willing to be paid after savings are verified through an independently reviewed monitoring plan, then the rigor of analysis prior to approval may be reduced. This technology should be further vetted in the DPUC Electric Efficiency Partners program.

There should be independent review of any proposal regarding four additional considerations for any on-site demand management systems. These considerations are important in the interest of customer satisfaction and safety as well as to help the Electric Efficiency Partners program achieve success in its contracts.

1. Who will control the unit? If it is remote, will the customer accept it? If onsite, will the customer do what is needed?
2. Do the batteries provide any safety or health issues? What is required to manage these issues?
3. Who will maintain and service the equipment? What is the maintenance cycle?
4. Will there be sufficient customer benefits without a change in rate structure?

Questions also remain regarding the claim of lead batteries being considered a green product. Some reports note that spent batteries are shipped overseas to countries where less stringent environmental laws are in effect and care is not taken to isolate the lead from the environment or protect worker safety.

ECMB Position:

Name: State Representative Mary Mushinsky

Organization: Self

Method/ Date of Contact: July 9, 2008 Public Input Session

Request:

Representative Mushinsky noted that her town is served by a municipal utility and of her interest in the subject of energy noting she is a member of the Peak Oil Caucus looking into the serious effects of what the peaking of global oil might mean for the state. She mentioned that oil going to $200 per barrel might make conditions unbearable for many Connecticut residents.

She suggested:

That retrofit of schools be a priority to bring them to high efficiency levels

Meeting a need for one source of information for citizens looking for retrofit opportunities; especially where oil heated home are concerned
Funding to aid those people pay for the retrofits
The Fuel Oil Conservation Board be merged with the CEEF so furnace upgrades might be undertaken.
Use funding originally earmarked for distributed generation be used as a source for retrofits
Create a State Department of Energy

Companies' Position: The Companies appreciate Representative Mushinsky's input and applaud her efforts to create integrated programs for Connecticut residents to lower energy costs, particularly fuel oil heated homes. The Companies are eager to work with the Fuel Oil Conservation Board to jointly offer cost-effective efficiency programs to our mutual customers. We agree that merging the Fuel Oil Board with that of the ECMB would afford greater efficiencies, economies of scale and facilitate better coordination of energy efficiency programs.

Much work has already been done with CMEEC to offer joint programs for the municipalities also served by the natural gas distribution companies. The Home Energy Solutions (HES) model is soon to be offered in Wallingford as well as South Norwalk Electric & Water, Groton Utilities, and the Third Taxing District Electric Department in Norwalk. The natural gas companies are now working with CMEEC to offer our Limited Income programs as well.

ECMB Position:

Name: Marty Mador

Organization: Sierra Club and the Hamden Energy Use and Climate Change Commission

Method/ Date of Contact: July 9, 2008 Public Input Session

Request:

Create an inventory of local, grassroots and community organizations in the state which are interested in working on efficiency issues.

Ask them to indicate what task they could assist in at what cost would be involved. Then prioritize the groups and ensure adequate funding is available to support their needs. The direct contact these groups have with residents is the most effective way to change behavior.

Work with energy commissions/task forces that many towns have established. Encourage other towns to create these committees as part of local government. Provide training for these groups to work with their towns. Educate town leaders and asked for a commitment from each to carry the message to town residents.

Work with regional councils of government and planning agencies to help insure this is a priority for their membership.

Support educational programs in schools which teach children to carry the message home to their parents.

Work with statewide groups which have a local presence. Prime eerie of these would be DC era cool cities campaign which will shortly have a full-time staff person on board.

Train volunteers to act as residential auditors in their communities providing advice on energy efficiency to homeowners and renters. Provide subsidies for purchase of recommended items.

Create a program to encourage green building practices both for new construction major rehab and retrofits of HVAC equipment. Use protocols such as lead will be state law. Launch a major campaign to upgrade our existing building stock.

Identify specific actions for individuals which have the greatest impact such as clotheslines which can lower a residential electric bill by at least 6% to as much as 25%.

Provide rebates and other incentives for purchase of ENERGY STAR appliances.

Provide subsidies for installation of solar hot water systems.

Companies' Position: During the public comment input session, the Companies and ECMB heard from a large number of community organizations, non-profits and renewable energy task forces regarding the need for the Fund to support more general education and outreach through local community organizations and clean energy task forces. As a direct result of input from the public comment input session, the Companies are proposing a new Community Initiative pilot for 2009. This pilot program would provide support to local groups and organizations promoting energy efficiency and clean, renewable energy. This support could come in a variety of forms, such as educational materials, marketing support, technical assistance, analytical tools and other assistance in advancing the public awareness and advancement of energy efficiency.

ECMB Position:

Name: David Jackson

Organization: Self

Method/ Date of Contact: July 9, 2008 Public Input Session

Request:

Under the current system, the state has put the brakes on the programs due to funding limitations. So, if the companies cannot support the rebates without additional funds, they will lose the capability to deliver programs.

The situation of the utilities not taking on projects would not be approached in the same way in the private sector where they would go out and solicit additional capital to meet the need. In this case, the capital might be either ratepayer capital or private capital (including that which might be available from shareholders.)

He suggested the possibility of instituting a "cost plus, fixed fee" mechanism which the utilities could utilize when they run out of ratepayer funding. Under such a system they would still be authorized an incentive if they meet specific milestones. This would allow them to continue to accept projects for which they would provide discounts and later recover the cost paid for it through a true up mechanism.

Companies' Position: The Companies agree with the position of Mr. Jackson regarding the need for additional and consistent funding to address customer demand. However, the Companies must work within the DPUC approved budgets. The Companies are taking steps in the 2009 C&LM Plan to address program incentive structures in an effort to serve customers throughout 2009. The Companies are also continuing to work with the natural gas distribution companies and are seeking to collaborate with OPM and the Fuel Oil Conservation Board to jointly deliver programs in the most cost-effective method possible.

ECMB Position:

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EXHIBIT II: ECMB RESOLUTIONS

These will be filed at a later date.

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EXHIBIT III: DPUC COMPLIANCE ORDERS

Compliance Orders Issues in Docket 07-10-03:

In its June 19, 2008 Decision in Docket No. 07-10-03, DPUC Review of the Connecticut Light and Power Company and The United Illuminating Company Conservation and Load Management Program for 2008 ("Decision"), the Department issued a series of Orders and compliance dates. The following information provides the Companies responses to those Orders and, where appropriate, refers to the associated document of record.

1. **At the time of the IRP filing, the Department will require the ECMB to provide a full report on the need for demand response, the costs and benefits it can provide and the role if any for the utilities and ratepayer incentives.**

   This Compliance Order is directed to the ECMB.

2. **No later than 14 days after receiving a FCM financial assurance commitment, each Company shall submit an itemization of all costs associated with providing financial assurances under the FCM requirements, and documentation that the financial instrument chosen was the result of a competitive process and that the least cost option was chosen.**

   The Companies have complied with this Order and submitted this information on August 28, 2008 (UI) and September 2, 2008 (CL&P).

3. **In the next annual filing, the Companies shall report on the collaboration with the Fuel Oil Conservation Board to provide to provide comprehensive all-fuel delivery of low income and C&I programs and to provide funding from the petroleum products gross receipts tax of oil-saving efficiency upgrades for C&I and low income programs. The Companies and the ECMB shall work with the Fuel Oil Conservation Board toward the funding of oil-saving efficiency upgrades in the WRAP and UI Helps programs.**

   Please refer to Chapter 1, Fuel Oil Conservation Board for this information.

4. **On or before 30 days after the issuance of this Decision, the Companies shall submit educational information regarding the energy, economic and environmental benefits associated with the measures that are installed under C&LM programs and a plan to have vendors distribute this information as discussed in Section II.,B.,8.,f., Educational Opportunity, herein.**

   On July 18, 2008, the Companies complied with this Order by jointly filing with the Department a document that provided educational information regarding the energy, economic and environmental benefits associated with the measures that are installed under C&LM programs and a plan to have vendors distribute this information as discussed in Section II.,B.,8.,f., Educational Opportunity, herein.

5. **Before the next annual filing, the Companies shall work with the ECMB and the Fuel Oil Conservation Board to obtain funding to contribute to the HES program servicing participants that heat their homes with oil.**

   Please refer to Chapter 1, Fuel Oil Conservation Board for this information.

6. **In the next annual C&LM filing, the ISE shall report to the Department the results to date of the Pilot O&M Program for K-12 Schools.**

   This Compliance Order is directed to the ISE.

7. **The Companies shall include a needs assessment if they propose additional funding beyond that provided by the C&LM charge in 2008. Also included in the filing shall be electric system benefit cost ratios and the cost on a $/kW and $/kWh basis for each program.**

   The Companies will comply with this Order should the need arise to propose additional funding beyond that provided by the C&LM charge in 2008.

8. **The Companies shall track all low income program participation by homeownership status.**

   The Companies are tracking all limited income participants by homeownership status.

9. **CL&P shall work with ECMB and its consultants to either create a stand-alone cost-effective PRIME program with B/C ratios that are in line with other C&I programs, or discontinue this program. CL&P shall report the actual cost effectiveness of the 2008 PRIME program in the next C&LM filing. If PRIME is recommended in the 2009 Plan, CL&P shall include a detailed PRIME program description, budget and B/C estimate in the Plan.**

   CL&P has worked with the ECMB and its consultants to create a stand-alone cost-effective PRIME program. CL&P has included a Standard Filing Requirement for the PRIME program for 2009 and has included PRIME in the Table B (CL&P 2009 Comparison of Conservation Programs).

10. **In future filings, CL&P and UI shall submit data on municipal projects as part of the standard filing on the EO and ECB filings, respectively.**

    *Data on municipal projects have been provided in the Standard Filing Requirements for the ECB and EO programs***.**

11. **The Companies shall deliver to the Department three paper copies of each third party study in a timely fashion after its completion. The Companies shall schedule a meeting with the Department to review the study, at which time the ECMB and/or third party consultants shall make a presentation of the highlights of the study.**

On August 25, 2008, CL&P and UI jointly filed a letter with the Department which included a schedule of presentations to the Department of two studies that had been previously filed with the Department under Docket No. 03-11-01PH02 along with the required three hard copies and three studies that are currently in progress.

Compliance Orders issued in Docket No. 07-10-03RE01:

1. **CL&P and UI shall develop reports and communicate budgets, goals and actual expenditures with program vendors on a regular basis throughout the year as discussed herein.**

   CL&P and UI meet with the SBEA vendors on a quarterly basis and will include continue to include agenda topics which address budgets, goals and actual expenditures. The Companies will conduct similar meetings with non-SBEA program vendors.

2. **On or before October 1, 2008, CL&P shall modify its LOA with C&I customers to be consistent with the LOA used by UI as discussed herein.**

   Effective 9/25/08, CL&P has modified its LOA and process with new C&I customers to be consistent with UI's methodology.

3. **The Companies shall inform the Department in writing of the dollar amount of the RGGI proceeds when they are received from each auction.**

   The Companies will inform the Department in writing of the dollar amount of the RGGI proceeds within 21 days after the date of which the proceeds are received.

4. **RGGI proceeds received before year-end 2008 and during 2009 shall be applied to offset the $10 million of additional funding authorized from the 2009 C&LM budget for 2008 projects.**

   CL&P will apply any RGGI proceeds received before year-end 2008 and 2009 to offset the $10 million of additional funding authorized from the 2009 C&LM budget for 2008 projects.

5. **CL&P and UI shall each submit in the next annual Plan a filing demonstrating the rate of return used, tax treatment and the actual cost to ratepayers for the use of Company funds for financing the SBEA program for the first two quarters of 2008. On or before November 1, 2008, CL&P shall submit a filing to the ECMB, indicating the type of interest amortization used to amortize SBEA loans, and provide a monthly calculation of the interest payments, in similar format to UI's response to Interrogatory EL-2, as discussed herein.**

   Please refer to Exhibit 5 for the accounting practice currently followed by the Company when it records the financing costs associated with the SBEA loan program. The first section shows the calculation of interest expense on the average quarterly *loan balance, using CL&P's currently allowed pre-tax rate of return of 10.87 percent. For the first two quarters of 2008, this interest expense totaled $513,947. This interest was recorded as a C&LM program expense, and interest income to CL&P, by the following journal entry:*

Debit Account 908.22 Customer Assistance Expenses $513,947
Credit Account 419.04 Interest-Taxable-Other $513,947
To recover interest expense incurred in providing loan funds for the CL&P Small Business Advantage program.

The interest income to CL&P is considered to be a C&LM expense, and along with all other monthly C&LM expenses, is included in a subsequent journal entry that defers the C&LM expense impact on CL&P's income statement and records the amount due to CL&P on the balance sheet. That entry is recorded as follows:

Debit Account 229.03 Reserve for C&LM Expenses - Uncommitted $513,947
Credit Account 908.91 Reserve for C&LM Expenses - Uncommitted $513,947
To defer actual C&LM expenses.

Please note that CL&P also records the following journal entries to defer the actual C&LM revenues received from customers which results in a credit to the balance sheet liability account used to track the amount due to, or receivable from, customers. For illustrative purposes, it is assumed in this example that the revenues received, are equal to the amount of SBEA loan interest expense. The entries are recorded as follows:

Debit Account 142.01 Customer Accounts Receivable $513,947
Credit Accounts 440 - 446 Sales $513,947
To record C&LM revenues.

Debit Account 908.91 Reserve for C&LM Expenses - Uncommitted $513,947
Credit Account 229.03 Reserve for C&LM Expenses - Uncommitted $513,947
To defer C&LM revenues.

The net result of these journal entries is a credit on the income statement representing the interest income from the SBEA loan program. For tax purposes, the interest is treated as taxable income. In Exhibit A of its Written Exceptions filed in Docket No. 07-10-03RE01, the Company provided an illustration of the tax impacts associated with the interest rate used to cover the revenue requirements on the SBEA loan balance. As shown in the attached exhibit, the Company must record SBEA loan interest expense at the pre-tax rate of return (ROR) of 10.87 percent, in order to realize after-tax interest income of $365,005 for the 6 month period ending June 30, 2008.

If the Company was required to use its after tax ROR of 7.72 percent, it would only realize after tax interest income of $275,456. The difference of $89,549 represents the income tax expense that CL&P would not recover if it was prohibited from using its pre-tax ROR for the SBEA loan interest calculation.

6. **As part of the 2009 C&LM Plan filing, the Companies shall provide a summary of legal issues regarding third party capital sources and on-the-bill repayment for SBEA customers as discussed herein.**

    The Companies will provide this information once it becomes available.

7. **The Companies shall organize a symposium during 2008 to educate lenders on energy efficiency lending and to facilitate lender-vendor business relationships as discussed herein.**

    The Companies plan to organize a symposium during 2008 to educate together lenders on energy efficiency lending and to facilitate lender-vendor business relationships. The companies have issued an RFP for Residential Financing and plan to issue the C&I RFP by the end of 2008. The RFP itself as well as bidders questions will help educate lenders on energy efficiency.

8. **Effective the first quarter of 2009, CL&P and UI shall file quarterly reports to the ECMB and the Department regarding C&LM actual expenditures, commitments and offers to date, comparing such figures to the Department-authorized budget. The quarterly filings should be submitted as compliance filings in the annual docket in which each quarter's budget is approved.**

    Effective first quarter of 2008, the Companies will file quarterly reports to the ECMB and Department regarding C&LM actual expenditures, commitments and offers to date, comparing such figures to the Department-authorized budget. The quarterly filings will be submitted as compliance filings in the annual docket in which each quarter's budget is approved.

9. **Upon project acceptance by CL&P and the customer, CL&P shall account for the entire C&LM project cost (reserve method) in its records immediately, for example in an up-to-date commitments journal, to better inform itself and the ECMB as to how much funds have been committed to date.**

    Upon project acceptance by CL&P and the Customer, CL&P shall account for the entire C&LM project cost (reserve method) in its accounting system. As outlined in its Written Exceptions in Docket 07-10-03, CL&P will book reserves for projects and commitments with values greater than $100,000.

10. **Effective on December 31, 2008 and each succeeding year, to properly reflect accrual accounting, CL&P shall adjust its actual expenditures to reflect percentage of completion accounting for both project costs to date and performance management fee earned on all significant projects whose individual total budgeted incentive cost exceeds $200,000.**

    Effective on December 31, 2008 and each succeeding year, to properly reflect accrual accounting, CL&P shall adjust its actual expenditures to reflect percentage of completion accounting for both project costs to date and performance management fee *earned on all significant projects whose individual total budget incentive cost exceeds $200,000. Additionally, CL&P reserves the right to reflect percentage of completion accounting for projects below $200,000 depending on the volume and dollar amount of the projects.*

11. Effective on January 1 succeeding the year adjusted by percentage of completion accrual accounting, CL&P shall re-adjust its commitments journal to reflect project amounts yet to be expended on significant projects, to reflect those amounts that are committed to be paid in the succeeding year(s).

Effective with the January 2009 closing and each succeeding year adjusted by percentage of completion, CL&P shall re-adjust its commitments' journal to reflect project amounts yet to be expended on significant projects, to reflect those amounts that are committed to be paid in the succeeding year(s).

Compliance Orders issued in Docket No. 06-10-02:

13. In the 2009 C&LM filing, the Companies shall submit a follow-up evaluation of the eeSmarts™ program as discussed herein.

The Companies, in collaboration with the ECMB, have selected a vendor to perform this evaluation. The study is currently underway. The Companies will submit this study to the Department upon completion.

17. In the next annual C&LM filing, the Companies shall submit the findings of the ECMB regarding the inclusion of global metrics as part of the management incentive structure as discussed in Section II.E., herein.

The Companies will submit the findings of the ECMB regarding the inclusion of global metrics as part of the management incentive structure once the findings have been received and reviewed by the Companies.

Compliance Orders issued in Docket No. 05-10-02:

2. The Companies shall include in the annual filing the average monthly balance of unspent C&LM funds and monthly actual and year-end estimated calculation of interest payments on the balance of the unspent C&LM funds, calculated at each Company's respective average rate of return.

Attachments 1 and 2 to this Exhibit provide CL&P's and UI's (respectively) average monthly balance of unspent C&LM funds and monthly actual and year-end estimated calculation of interest payments on the quarterly balance of the unspent C&LM funds, calculated at the Company's average rate of return.

2008 Carrying Charges Summary

		@ 12/31/07	Jan	Feb	Q1 March
Monthly C&LM Balance		$ (9,271,312)	$ (8,728,152)	$ (10,134,615)	$ (12,553,352)

		Jan
Average C&LM Balance		$ (8,999,732)
Accumulated Deferred Income Tax	*39.87500%*	$ (3,588,643)
Net Balance		$ (5,411,089)
Quarterly Rate of Return - (11.50% Annual Rate applied in January)		0.9583%
Total January Carrying Charges		**$ (51,856)**

		Feb-March
Average C&LM Balance (January - March)		$ (10,640,752)
Accumulated Deferred Income Tax	*39.87500%*	$ (4,243,000)
Net Balance		$ (6,397,752)
Quarterly Rate of Return - (10.87% Annual Rate changed in Docket No. 07-07-01)		1.8117%
Total Balance of First Quarter Carrying Charges (February & March)		**$ (115,906)**

		Apr	May	**Q2 June**
Monthly C&LM Balance		$ (16,475,886)	$ (19,842,555)	$ (22,552,235)
Average C&LM Balance				$ (17,552,794)
Accumulated Deferred Income Tax	*39.87500%*			$ (6,999,176)
Net Balance				$ (10,553,617)
Quarterly Rate of Return *				2.7175%
Total Second Quarter Carrying Charges				**$ (286,795)**

		Jul	Aug	**Estimate Q3 September**
Monthly C&LM Balance		$ (21,661,674)	$ (20,751,426)	$ (24,483,533)
Average C&LM Balance				$ (23,517,884)
Accumulated Deferred Income Tax	*39.87500%*			$ (9,377,756)
Net Balance				$ (14,140,128)
Quarterly Rate of Return *				2.7175%
Total Third Quarter Carrying Charges				**$ (384,258)**

		Estimate Oct	**Estimate Nov**	**Estimate Q4 December**
Monthly C&LM Balance		$ (28,475,530)	$ (31,967,528)	$ (18,549,255)
Average C&LM Balance				$ (21,516,394)
Accumulated Deferred Income Tax	*39.87500%*			$ (8,579,662)
Net Balance				$ (12,936,732)
Quarterly Rate of Return *				2.7175%
Total Fourth Quarter Carrying Charges				**$ (351,556)**

Total Year End Estimated Carrying Charges	**$ (1,190,370)**

**10.87% annual pretax ROR per Docket No 07-07-01

Estimate Assumptions

1. 2008 C&LM total spending estimated to be $88.7M
2. Assumes $16.9M Transfer from FMCCs in December for overspending in 2007 and 2008. (Docket No. 07-10-03)

Attachment 2
UI Interest Calculation on CLM Fund Balance

		C&LM Fund Cumulative Balance	C&LM Fund Cumulative Running Balance Tax Affected (2007: 39.875%) (2008: 39.875%)	Interest Rate*	Interest
2003:	January	1,191,353.70		11.80%	5,857.49
	February	1,966,095.23		11.80%	15,524.12
	March	477,736.93		11.80%	12,015.51
	April	213,267.88		11.80%	3,397.44
	May	1,110,772.48		11.80%	6,509.87
	June	2,017,969.99		11.80%	15,382.98
	July	3,461,910.70		1.01%	2,306.12
	August	4,014,197.79		1.03%	3,208.50
	September	5,002,054.66		1.00%	3,756.77
	October	5,850,089.75		1.00%	4,521.73
	November	6,953,660.45		1.01%	5,388.24
	December	6,806,709.58		1.03%	5,905.49
2004:	January	7,102,899.99		1.02%	5,911.58
	February	8,046,215.43		1.00%	6,312.13
	March	8,579,925.73		0.98%	6,789.01
	April	9,341,573.83		0.97%	7,243.27
	May	9,736,065.39		0.97%	7,710.55
	June	9,720,913.51		11.84%	95,987.76
	July	9,876,524.00		11.84%	96,680.69
	August	9,593,191.36		11.84%	96,050.60
	September	8,993,746.72		11.84%	91,695.56
	October	7,569,826.49		11.84%	81,713.63
	November	7,352,918.65		11.84%	73,618.88
	December	7,115,053.17		11.84%	71,375.33
2005:	January	7,116,627.65		11.67%	69,201.55
	February	7,130,686.17		11.67%	69,277.56
	March	7,125,904.06		11.67%	69,322.67
	April	7,011,488.36		11.67%	68,743.07
	May	6,835,084.77		11.67%	67,328.96
	June	6,571,986.52		11.67%	65,191.88
	July	6,345,178.61		11.67%	62,809.72
	August	5,947,163.03		11.67%	59,771.51
	September	5,688,023.32		11.67%	56,576.09
	October	5,086,020.06		11.67%	52,388.79
	November	4,299,404.43		11.67%	45,636.63
	December	960,217.68		11.67%	25,574.91
2006:	January	1,288,154.13	664,955.96	10.17%	5,635.50
	February	1,466,966.34	814,826.88	10.17%	6,905.66
		Transfer to NBFMCC			(20,461.90)
	March	1,362,194.27	836,724.25	10.17%	7,091.24
		Transfer to NBFMCC			(37,736.28)
	April	1,485,963.48	842,342.65	10.17%	7,138.85
		Transfer to NBFMCC			(942,214.30)
	May	1,208,566.42	796,907.22	10.17%	6,753.79
		Transfer to NBFMCC			(299,587.52)
	June	1,091,682.47	680,298.61	10.17%	5,765.53
	July	1,255,015.72	694,035.99	10.17%	5,881.96
	August	1,185,922.47	721,907.47	10.17%	6,118.17
	September	1,310,766.76	738,395.84	10.17%	6,257.90
	October	1,259,440.80	760,138.89	10.17%	6,442.18
		Interest Transfer to C&LM Fund			(136,686.58)
	November	(713,314.11)	161,516.97	10.17%	1,368.86
	December	(887,516.85)	(473,445.76)	10.17%	(4,012.45)
2007:	January	(990,595.87)	(564,607.64)	9.99%	(4,700.36)
	February	(1,116,626.57)	(633,483.75)	9.99%	(5,273.75)
	March	(2,456,558.06)	(1,074,188.63)	9.99%	(8,942.62)
	April	(3,639,310.60)	(1,832,570.52)	9.99%	(15,256.15)
	May	(2,167,778.45)	(1,745,756.15)	9.99%	(14,533.42)
	June	(1,817,186.68)	(1,197,980.14)	9.99%	(9,973.18)
	July	(3,407,008.01)	(1,570,523.53)	9.99%	(13,074.61)
	August	(4,452,790.57)	(2,362,851.95)	9.99%	(19,670.74)
	September	(5,752,725.97)	(3,068,033.41)	9.99%	(25,541.38)
	October	(5,074,372.04)	(3,254,896.34)	9.99%	(27,097.01)
	November	(4,593,462.24)	(2,906,392.68)	9.99%	(24,195.72)
	December	(4,606,244.51)	(2,765,661.84)	9.99%	(23,024.13)
2008:	January	(5,208,676.21)	(2,950,610.54)	10.20%	(25,080.19)
	February	(4,836,177.24)	(3,019,734.07)	10.20%	(25,667.74)
	March	(5,643,232.38)	(3,150,372.52)	10.20%	(26,778.17)
	April	(6,487,358.62)	(3,646,758.92)	10.20%	(30,997.45)
	May	(6,312,873.20)	(3,848,069.69)	10.20%	(32,708.59)
	June	(3,320,028.89)	(2,895,891.19)	10.20%	(24,615.08)
	July	(3,090,646.66)	(1,927,209.34)	10.20%	(16,381.28)
	August	(1,601,137.80)	(1,410,467.70)	10.20%	(11,988.98)
TOTAL					(324,153.36)

*Period January 1, 2003 - June 30, 2003 - pre-tax allowed weighted cost of capital
Period July 1, 2003 - May 31, 2004 - short-term borrowing interest rate
(Weighted Average Temporary Cash Investments in Money Market Fund)
Period June 1, 2004 forward - pre-tax allowed weighted cost of capital

EXHIBIT CL&P/UI-4

(All Monetary Values in Thousands of Dollars)

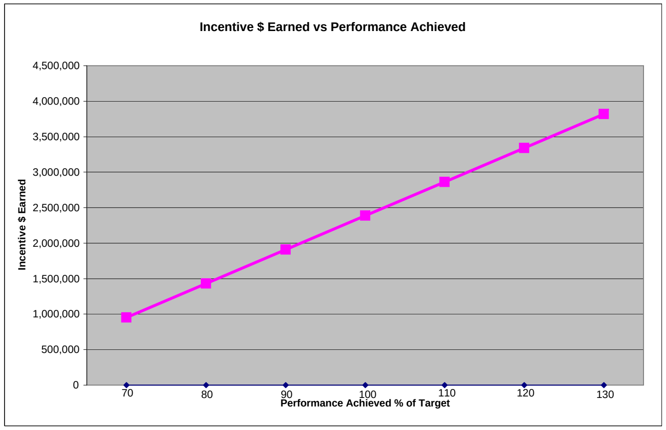
THE CONNECTICUT LIGHT AND POWER COMPANY

2009 Management Incentive Performance Indicators and Incentive Matrix

CL&P and the ECMB recognize that having clear indicators and metrics of performance are helpful in delivering quality programs to Connecticut consumers. The following is a table of performance and incentive metrics developed by the utilities with input from the ECMB, the Board consultants and the Department. These performance and incentive metrics apply to the programs delineated in this Plan. The projected CL&P Performance Incentive is **$2,385,865** and is based on achieving **100%** of all performance targets and earning an incentive of **5%** of the total C&LM program budget of **$50,483,171** as shown on Table A (exclusive of ECMB costs, management incentives and audit costs). The actual earned amount will be calculated on a sliding scale based on the percent of goal achieved and the actual total expenditures, based on the following performance range:

-Performance Incentive Illustration-

Performance %	Pretax Incentive	Pre-tax Incentive
Minimum		
70	2%	$954,346
80	3%	$1,431,519
90	4%	$1,908,692
100	**5%**	**$2,385,865**
110	6%	$2,863,038
120	7%	$3,340,211
130	8%	$3,817,384
Maximum		
Incentive Basis Budget	$47,717,306	



Totals may vary due to rounding

EXHIBIT CL&P/UI-4

(All Monetary Values in Thousands of Dollars)

SECTOR Program		Performance Indicators				Incentive Metric	Target Goal	Weight	Incentive
RESIDENTIAL									
		Program Name	**LT-kWh**	**kW**	**% (1)**				
Residential Programs (Sector Level) Sector Budget	**$22,422**					Sum of Electric System Benefit from Residential programs	Electric System Benefit from Residential programs **$98,122**	0.180	**$429,456**
		Retail Products	544,712,761	6,479	61.0%				
		New Construction	22,500,898	563	3.0%				
		HES	183,125,342	3,609	22.6%				
		Limited-Income	123,749,209	1,136	13.4%				
		Total	874,088,210	11,787					
		Savings Rate	$ 0.09261 / kWh	$ 1,456.86 / kW					
		Savings	$ 80,950	$ 17,172					
		(1) percent of target goal							
Net Electric System Benefit - Res.		Electric System Benefit less Program Costs			$75,700		**$75,700**	0.180	**$429,456**
Home Energy Solutions	**$8,824**	Electric Savings LTkWh :		183,125,342		Energy Savings included in appropriate sector level metric			
		Demand Savings kw :		3,609					
		Develop a comprehensive Quality Installation Program (QIV)				QIV Program	Pilot comprehensive HVAC QIV Program to address sizing, charge, and air flow.	0.01	**$23,859**
		Develop a standard rating methodology				Rating Methodology	Develop a proposal for a statewide home rating effort that could be used in existing residential programs.	0.01	**$23,859**
K-8 Education	**$200**	Provide Professional Development Workshops for teachers.				Workshops	Conduct **12** teacher Professional Development Workshops	0.005	**$11,929**

Totals may vary due to rounding

EXHIBIT CL&P/UI-4

(All Monetary Values in Thousands of Dollars)

SECTOR Program		Performance Indicators		Incentive Metrics			
				Incentive Metric	Target Goal	Weight	Incentive
Residential New Construction+A78	**$1,350**	Electric Savings LTkWh :	22,500,898	Energy Savings included in appropriate sector level metric			
		Demand Savings kw :	563				
		Develop Zero Energy Challenge		Zero Energy	Develop and implement statewide Zero Energy challenge	0.010	**$23,859**
		Increase number of low income participatings in the Residential New Construction Program		Low Income Participants	50% of Low Income permits participate in Program	0.005	**$11,929**
Limited-Income	**$6,901**	Electric Savings LTkWh :	123,749,209	Energy savings included in appro-private sector level metric			
		Demand Savings kW :	1,136				
		Focus efforts on low income Lost Opportunity market segment.		Efficient Refrigerators	**1,229** Refrigerator Replacements	0.005	**$11,929**
		Number of participants and broadened outreach.		Number of Low-Income program participants	**10,961** Customers Served	0.01	**$23,859**
		Increase coordination and cost share of program participants with DSS/DOE and Natural Gas Programs		Number of cost share/coordinated Low Income program participants	**6,500**	0.005	**$11,929**
Retail Products	**$5,347**	Electric Savings LTkWh :	544,712,761	Energy savings included in appro-private sector level metric			
		Demand Savings kW :	6,479				
		Number of products/sales rebated.		Non-standard product mix.	Achieve **40%** non-standard CFL product mix (dimmables, reflectors, fixtures, candelabra, covered bulbs, three-way, A-lines, greater than 23 Watt bulbs.	0.005	**$11,929**

Totals may vary due to rounding

EXHIBIT CL&P/UI-4

(All Monetary Values in Thousands of Dollars)

SECTOR Program		Performance Indicators	Incentive Metric	Target Goal	Weight	Incentive
COMMERCIAL & INDUSTRIAL (C&I)						
C&I Programs (Sector Level) Sector Budget	**$19,645**	**Program Name** / **LT-kWh** / **kW** / **% (1)** Energy Conscious Blueprint 383,234,105 5,388 28.9% Energy Opportunities 529,617,206 5,263 37.3% O&M 107,887,818 235 6.6% PRIME 7,681,822 - 0.4% Small Business 329,302,078 6,300 26.8% Total 1,357,723,027 17,186 Savings Rate $ 0.08963 / kWh $ 1,830.00 / kW Savings $ 121,690 $ 31,450 (1) percent of target goal	Total Electric System Benefit from C&I programs	Electric System Benefit from C&I programs **$153,141**	0.273	**$650,148**
Net Electric System Benefit- C&I		Electric System Benefit less Program Costs $133,496		**$133,496**	0.273	**$650,148**
Energy Opportunities	**$5,300**	1) Number of EO projects that exceed new construction State Energy Code by 15% or more		**20** Projects Exceed Lighting Code by 15%	0.005	**$11,929**
		2) Number of Comprehensive projects (two or more end uses)		**4** completed Comprehensive projects	0.005	**$11,929**
		3) Implement a mechanism for tracking the performance of custom lighting with respect to code and comprehensiveness of projects.				
Energy Conscious Blueprint	**$6,970**	1) Number of ECB projects that exceed the new construction State Energy Code lighting baseline by 30% or more.		**20** Projects Exceed Lighting Code by 30%	0.005	**$11,929**
		2) Conduct joint training sessions with UI targeting the A/E and Design Community on a variety of subjects relating to Integrated Design, High Performance Buildings and code issues.		Conduct **8** Joint Training Sessions with UI	0.005	**$11,929**
Small Business	**$5,962**	Electric Saving LTkWh : 329,302,078 Demand Saving kW : 6,300	Energy savings included in appro-private sector level metric			
		1) With UI, jointly provide training programs (including Cross Training in non-lighting control devices) with contractors/vendors.		Hold **4** joint meetings with UI and contractors	0.002	**$4,772**
		2) SBEA vendors cross-market leads for EO and ECB to all SBEA customers.		The contractors will provide **130** combined cross market referrals.	0.001	**$2,386**
		3) Provide follow-up contact to all participating SBEA customers for participation in EO and ECB programs within one year of SBEA program participation.		Conduct an annual mailing explaining C&I programs to SBEA program participants.	0.001	**$2,386**

Totals may vary due to rounding

EXHIBIT CL&P/UI-4

(All Monetary Values in Thousands of Dollars)

SECTOR Program		Performance Indicators	Incentive Metrics: Incentive Metric	Target Goal	Weight	Incentive
		4) Number of "Comprehensive" projects consisting of 2 or more end uses		**80** Comprehensive projects completed	0.002	**$4,772**
			Number of small business projects	Completed Projects: **816**	0.002	**$4,772**
O&M	**$1,213**	Conduct joint training sessions with UI targeting facility managementthrough O&M practices and procedures		Conduct **4** Joint Training Sessions with UI	0.002	**$4,772**
Total of Incentives					**1.000**	**$2,385,865**

Totals may vary due to rounding

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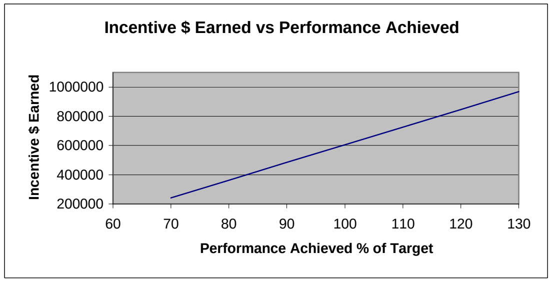
THE UNITED ILLUMINATING COMPANY
2009 Management Incentive Performance Indicators and Incentive Matrix

Provided below is the 2009 Incentive Matrix with Performance Indicators
The weights applied to each of the individual and sector level metrics were developed in collaboration with ECMB consultants. The Utility Performance Incentive is $984,667
This calculated is based on achieving 100% of all performance targets and earning a target incentive of 5% of C&LM budgets (not including ECMB costs, Audit Costs or Management Incentive)
The actual incentive earned will be determined by the performance achieved in each of the Incentive Metrics identified below, based on the following Performance Index

Performance %	Pretax Incentive	Pre-tax Incentive
70	2%	$393,867
80	3%	$590,800
90	4%	$787,733
100	5%	$984,667
110	6%	$1,181,600
120	7%	$1,378,533
130	8%	$1,575,467

Total Original Budget*	$19,693,333



*Does not include Incentive, ECMB costs and Audit

SECTOR Program		Performance Indicators		Incentive Metrics Incentive Metric	Target Goal	Weight	Incentive
RESIDENTIAL							
All Residential Programs (Sector Level) Sector Budget	$ 6,852,205	Residential Products & Services Lifetime kWh	102,886,487	Total Electric System Benefit from all Res programs	Electric System Benefit from all Res programs Total Electric System Benefit: $21,621,542	0.180	$177,240
		Residential Products & Services kW	1,968				
		Homes Lifetime kWh	6,287,006				
		Homes kW	98				
		Home Energy Solutions Lifetime kWh	29,700,226				
		Home Energy Solutions kW	667				
		Low Income Lifetime kWh	43,965,504				
		Low Income kW	551				
		Total Residential Lifetime kWh	182,839,224				
		Total Residential kW	3,285				
		Present Value of Res Lifetime kWh	$0.1017				
		Present Value of Res Lifetime kW @ Customer Meter	$920.27				
		Total Res Lifetime kWh @ Present Value Factor	$18,598,298				
		Total Res kW @ Present Value Factor	$3,023,244				
		Total Electric System Benefit	$21,621,542				
		The Net Electric System Benefit from all Res programs	$14,769,337				
All Residential Programs (Sector Level)		Total Net Electric System Benefit	$14,769,337		$14,769,337	0.180	$177,240
Residential New Construction	$ 404,314	Electric Savings LTkWh: 6,287,006		Energy savings included in appropriate sector level metric			
		Demand Savings kW:		Implement "Zero" Energy Home Challenge - Define Challenge requirements, establish participation guideline builder incentives and media event to highlight projects	Highlight 4 Projects Statewide (minimum of 1 project per UI and 1 per CL&P territory)	0.01	$9,847
		98		Market share of LI RNC that participates in the RNC program	50% of permits issued	0.005	$4,923

SECTOR Program		Performance Indicators		Incentive Metrics			
				Incentive Metric	Target Goal	Weight	Incentive
Home Energy Solutions	$ 2,477,018			Pilot HVAC QIV Program addressing proper sizing, charge and air flow	Implement guidelines, incentives, contractor participation	0.01	$9,847
				Investigate and develop a proposal for a statewide existing homes rating effort tha could be used by current residential programs	Plan implementation for 2010	0.01	
Residential Retail Products	$ 1,703,277	Electric savings LT kWh:		Percentage of CFLs incentive through the Program that are Specialty Bulbs (dimmables, reflectors, candelabra base, 3-ways, globes, A Lines and CFL's wattages < 23 watts	40% of bulbs that incented through the Program	0.005	
		102,886,487					
		Demand Savings kW: 1,968		Energy Savings included in sector lighting metric			
K - 8 Education	$ 382,202	Professional Development Sessions			12 Professional Development Sessions/Workshops	0.005	$4,923
Low Income	$ 2,267,596	Electric savings LT kWh: 43,965,504		Energy savings included in appropriate sector level metric			
				Number of refrigerators replaced	750	0.005	$4,923
				Number of Room A/C Replaced	500	0.005	$4,923
				Number of Customers Served	6,250	0.01	$9,847
All Other Residential Programs		Electric savings		Energy savings included in appropriate sector level metric			

SECTOR Program		Performance Indicators		Incentive Metrics			
				Incentive Metric	Target Goal	Weight	Incentive
COMMERCIAL & INDUSTRIAL (C/I)							
All C/I Programs (Sector Level) Sector Budget	$ 10,298,980	Energy Blueprint Lifetime kWh	170,966,636	Total Electric System Benefit from all C&I programs.	Electric System Benefit from all C&I programs Total Electric System Benefit: $61,862,861	0.2725	$268,322
		Energy Blueprint kW	1,669				
		Energy Opportunities Lifetime kWh	251,286,370				
		Energy Opportunities kW	2,795				
		O&M (RetroCx, BOC, RFP)	13,265,000				
		O&M RFP kW	76				
		Small Business Lifetime kWh	121,345,887				
		Small Business kW	2,212				
		Total C&I Lifetime kWh	556,863,892				
		Total C&I kW	6,752				
		Present Value of C&I Lifetime kWh	$0.0896				
		Present Value of C&I Lifetime kW @ Customer Meter	$1,770.06				
		Total C&I Lifetime kWh @ Present Value Factor	$49,911,983				
		Total C&I kW @ Present Value Factor	$11,950,878				
		Total Electric System Benefit	$61,862,861				
		The net Electric System Benefit from all C&I programs:	$51,563,881				
All C/I Programs (Sector Level) Sector Budget		Total Net Electric System Benefit from all C&I programs.	$51,563,881		Total Electric System Benefit from all C&I	0.2725	$268,322
Small Business	$ 2,558,726	Electric Savings LT kWh: 121,345,887 Demand Savings kW: 2,212		Energy savings included in appropriate sector level metric Number of small business participants	450 Projects	0.002	$1,969

SECTOR Program		Performance Indicators		Incentive Metrics: Incentive Metric	Target Goal	Weight	Incentive
Energy Conscious Blueprint	$ 3,342,789	1) Number of ECB projects that exceed the new construction State Energy Code lighting baseline b 30% or more.			15 projects Exceed Lighting Code by 30%	0.005	$4,923
		2) conduct joint training sessions with CL&P targeting the A/E and Design Community on a variety of subjects relating to Integrated Design an High Performance Buildings.			Conduct 8 joint Training Sessions with CL&P	0.005	$4,923
		3) Develop a definition of Integrated Design and develop a mechanism for tracking facilities					
Energy Opportunities	$ 3,887,138	1) Number of EO lighting projects that exceed State Energy Code 15% or more.			15 projects Exceed Lighting Code by 15%	0.005	$4,923
		2) Number of comprehensive projects consisting o two or more enduses			4 installed projects which are defined as being comprehensive	0.005	$4,923
		3) Implement a mechanism for tracking the performance of custom lighting with respect to code and comprehensiveness of projects.					
Small Business		1) Conduct joint training sessions with CL&P for all SBEA vendors addressing high efficiency technologies, program delivery and assessments.			Conduct 4 joint sessions with CL&P	0.002	$1,969
		2) SBEA vendors cross market leads to all SBEA customers for EO and ECB programs.			SBEA vendor provide a minimum of 75 combined cross market referrals	0.002	$1,969
		3) Provide follow-up contact to all participating SBEA customers for participation in EO and ECB programs within one year of SBEA program participation.			Conduct annual mailing explaining C&I programs to SBEA program participants.	0.002	$1,969
		4) Number of comprehensive projects consisting o two or more enduses			20 installed projects which are defined as being comprehensive	0.002	$1,969
O&M RFP Includes funds for programs that may result from the publi input	$ 510,327	1) Conduct joint training sessions with CL&P targeting effective facility management through O&M practices and procedures.			Conduct 4 joint sessions with CL&P		
All Other C&I Programs		Electric Savings		Electric Savings include in appropraite sector level metric			
Non-Electric Benefits		Dollar savings associated with fossil fuel savings, water savings,maintenance savings, labor savings and any other identified benefit	$500,000 in benefits				
Total Incentive $ Residential and C&I						1.0000	$984,667

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EXHIBIT V: SMALL BUSINESS FINANCING

Exhibit V: Small Business Energy Advantage Financing (CL&P)

SBEA Pre-tax Interest Expense Charged to the C&LM Fund (Note 1)

		@ 12/31/07 December	@ 03/31/08 March	Q1 Average	@ 03/31/08 March	@ 06/30/08 June	Q2 Average	Total 1st Half
End of Month C&LM Balance		$ 9,752,459	$ 9,447,585	$ 9,600,022	$ 9,447,585	$ 9,177,327	$ 9,312,456	
Pre-tax Annual Rate of Return	*10.87%*							
Quarterly Rate of Return *				2.7175%			2.7175%	
Interest Income				**$ 260,881**			**$ 253,066**	**$ 513,947**
Income Tax Calculation								
Interest Income				**$ 260,881**			**$ 253,066**	**$ 513,947**
Less: Long-term Debt Interest Deduction **				**71,280**			**69,145**	**140,425**
Taxable Interest Income				**189,601**			**183,921**	**373,522**
Effective Tax Rate				**39.875%**			**39.875%**	**39.875%**
Income Tax				**75,603**			**73,339**	**148,942**
Interest Income After Income Taxes				**$ 185,278**			**$ 179,727**	**$ 365,005**

*10.87% annual pre-tax ROR per Docket No 07-07-01
**2.97% annual long-term debt rate; .7425% quarterly

SBEA After-tax Interest Expense Charged to the C&LM Fund (Note 1)

		@ 12/31/07 December	@ 03/31/08 March	Q1 Average	@ 03/31/08 March	@ 06/30/08 June	Q2 Average	Total 1st Half
End of Month C&LM Balance		$ 9,752,459	$ 9,447,585	$ 9,600,022	$ 9,447,585	$ 9,177,327	$ 9,312,456	
After-tax Annual Rate of Return	*7.72%*							
Quarterly Rate of Return *				1.9300%			1.9300%	
Interest Income				**$ 185,280**			**$ 179,730**	**$ 365,010**
Income Tax Calculation								
Interest Income				**$ 185,280**			**$ 179,730**	**$ 365,010**
Less: Long-term Debt Interest Deduction				**71,280**			**69,145**	**140,425**
Taxable Interest Income				**114,000**			**110,585**	**224,585**
Effective Tax Rate				**39.875%**			**39.875%**	**39.875%**
Income Tax				**45,458**			**44,096**	**89,554**
Interest Income After Income Taxes				**$ 139,822**			**$ 135,634**	**$ 275,456**

*7.72% annual after-tax ROR per Docket No 07-07-01
**2.97% annual rate; .7425% quarterly

Note (1) Components of CL&P's allowed pre-tax and after-tax rate of return (ROR) per Docket No. 07-07-01

Class of Capital	Ratio	Embedded Cost	Weighted Cost	Gross Up Factor		Pre-Tax
Long term Debt	47.92%	6.19%	2.97%	1.000000		2.97%
Preferred Stock	3.09%	4.81%	0.15%	1.663202	(a)	0.25%
Common Equity	48.99%	9.40%	4.60%	1.663202	(a)	7.65%
Total	100.00%		7.72%			10.87%

(a) - assumes effective tax rate of 39.875% for 2008 =
1/(1-.39875) = 1.663202

The United Illuminating Company
Docket No. 07-10-03 RE01
Order #5
Interest Calculation - Small Business Loan Program
Year to Date - June 30, 2008

Weighted average cost of capital 7.09% ***

	January	February	March	April	May	June
Beginning balance	2,535,623.75	2,508,792.14	2,560,784.18	2,675,844.30	2,662,562.28	3,008,539.85
Ending balance	2,508,792.14	2,560,784.18	2,675,844.30	2,662,562.28	3,008,539.85	3,272,781.45
Average Balance	2,522,207.95	2,534,788.16	2,618,314.24	2,669,203.29	2,835,551.07	3,140,660.65
Interest expense @ 7.09%	$ 14,902.05	$ 14,976.37	$ 15,469.87	$ 15,770.54	$ 16,753.38	$ 18,556.07
Total Interest	$ 96,428.29					

*** 2008 allowed Weighted Cost of Capital per Rate Case Docket No. 05-06-04

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APPENDIX A: PUBLIC ACT

PA 05-01
Connecticut Energy Independence Act

Public Act 05-01, An Act Concerning Energy Independence, June Special Session, (the "Act" or "EIA") was signed by Governor Rell on July 22, 2005. The goal of the Act is to provide Connecticut with additional means of addressing rising electric prices faced by the state's citizens and businesses. The Act recognizes that the region's competitive generation market, which is administered by ISO-New England ("ISO-NE"), has experienced and will continue to experience cost pressures that ultimately are passed on to Connecticut electric consumers as Federally-Mandated Congestion Charges ("FMCCs"). The Act authorized the Department to implement various initiatives to encourage new resources and programs that create customer savings. Customers recognize EIA programs as a viable means of reducing their monthly energy bills as evidenced by increased program participation. Although EIA measures were scheduled to end in 2008, the need to fund these short-term programs in 2009 is necessary to bridge the gap during ISO-NE's Transition Period Market. This need is expected to continue until the Forward Capacity Market implementation date of June 1, 2010. As approved in the Final Decision for Docket 07-10-03, existing participants in load response will continue to receive funding, albeit at a reduced supplemental incentive of $65/kW-year in 2009 vs. the 2008 rate of $80/kW-year.. During this period, no new customers will be enrolled (with the exception of monetary grant customers who need to enroll in Demand Response) and all third party agreements have expired at the end of 2008.

This Act established several initiatives to reduce electric power supply costs caused by inadequate transmission and generation infrastructure, and exacerbated by new wholesale power market rules approved or under consideration by the Federal Energy Regulatory Commission ("FERC"). The EIA created incentives for customers to install "Customer Side Distributed Resources" on their premises. "Customer Side Distributed Resources" include generating facilities and conservation and load management measures.

Section 12(a) of the EIA directed the Department to pursue development of near-term measures that reduce FMCCs and to implement such measures as soon as possible. EIA near-term measures may include, but are not limited to, demand response programs, other distributed resources, and contracts between an electric distribution company and an owner of generation resources. To address this directive, the Department opened Docket 05-07-14PH01, Investigation of Measures to Reduce Federally Mandated Congestion Charges and, pursuant to a procedural order issued by the Department on July 25, 2005, the electric distribution companies were directed to file implementation plans describing the manner in which various near-term measures to reduce FMCCs could be deployed.

On September 2, 2005, the Companies each filed with the Department implementation plans describing the manner in which various near-term measures could be deployed. In developing these plans, the Companies drew from their many years of experience gained from implementing existing conservation and load management programs. The Department subsequently approved the deployment of the near-term Conservation and Load Management measures described below.

The Companies and the ECMB propose continuing to support near-term measures for 2009, with the modifications noted in the descriptions below. In 2009, the Companies' near-term ISO-NE load response programs will provide 258.58 MW of peak demand load response at a cost of $10.8M with an average cost of $41,768/MW.

In 2009, as in 2008, the Companies' ISO-NE load response program costs will be included in FMCCs. The FMCC costs will be net of any Installed Capacity (ICAP) payments received for assets enrolled in ISO-NE load response programs by the Companies and third party providers.

- **ISO-NE Load Response Programs**

  - The **Load Curtailment Program** is based on the ISO-NE Load Response Program and is designed for customers that can reduce peak demand by 100 kW or more, either at a single site or through aggregation of multiple facilities. This program is designed to actively promote customer enrollment in the ISO-NE operated demand response programs through load-reducing actions such as switching off non-critical loads or setting forward cooling temperature set points. Customers are paid an incentive to curtail load in response to ISO-NE initiated Demand Response events. The program offers customers a one time incentive payment to off set the costs of setting-up data, phone, or metering connections for an internet-based communications system utilized by ISO-NE for enrolling participants. Supplemental incentives of up to $65/kW-year are also offered in exchange for a commitment to curtail load during Demand Response events initiated by ISO-NE.

  - **Emergency Generation** is also used as a demand response resource in the ISO-NE Load Response Program for customers that can reduce peak demand by 100 kW or more through the operation of emergency generation either at a single site or through an aggregation of multiple facilities. Emergency generators can be used during ISO-NE demand response events. The program identifies and enlists customers with emergency generators in Connecticut to use their emergency generator's capability and to make a commitment to reduce their electricity consumption by a minimum of 100 kW within 30 minutes of being called upon by ISO-NE to participate in a demand response event. The program offers customers a one time incentive payment to off set the costs of setting-up data, phone, or metering connections for an internet-based communications system utilized by ISO-NE for enrolling participants. Supplemental incentives of up to $65/kW-year are also offered in exchange for a commitment to curtail load during Demand Response events initiated by ISO-NE.

- **Gas Efficiency Program (CL&P only)**
  The Gas Energy Efficiency Program was a pilot program to reduce FMCC charges by providing reductions in electrical consumption and peak load through the use of efficient gas cooling technologies instead of electrical cooling equipment. The primary technology used is natural gas engine-driven chillers. The pilot program was implemented through CL&P's existing Energy Opportunities and Energy Conscious Blueprint programs. Customers installing qualified natural gas engine driven chiller equipment receive incentives of up to $900 per kW saved if agreements were signed by December 2007. For 2008, there is only a limited number of participants and for 2009, there have been no dollars allocated for this program.

- **General Awareness Program**
  The General Awareness program was to educate the general public regarding the magnitude of the energy problem being faced by Connecticut consumers, the cost associated with it or the steps that individuals could take to reduce system demands generally, and specifically during periods of peak demand. However, in Docket No. 07-10-03, the Department required the companies to eliminate spending for this program in 2008 since the programs were mature and the high cost of energy had driven customers to the programs. The Department will determine whether it is necessary to fund general awareness marketing activities through the C&LM budget in 2009 and beyond.

Attachment 1 to this Appendix provides a summary table of costs and demand savings for both companies as well the Standard Filing Requirements tables for the ISO-NE Load Response Programs.[11]

[11] The ECMB has not reviewed the specific costs, MW savings, and allocation of EIA efforts proposed for 2009 that are summarized in Attachment 1. The ECMB will review and comment on this information as part of the supplemental filing.

The Connecticut Light and Power Company
PA-05-01 Energy Independence Act

C&LM Program Summary

EIA Program Expenditures	CL&P 2008 Y/E Estimate	UI 2008 Y/E Estimate	CL&P/UI 2008 Y/E Estimate	CL&P 2009 Budget	UI 2009 Budget	CL&P/UI 2009 Budget
General Awareness	$ -	$ -	$ -	$ -	$ -	$ -
ISO-NE Load Response Programs Note 1	$ 24,256,853	$ 3,785,563	$ 28,042,416	$ 7,558,907	$ 3,241,385	$ 10,800,292
Gas Efficiency	$ 7,900		$ 7,900	$ -	$ -	$ -
Residential HVAC		$ -	$ -			$ -
Direct Load Control	$ 8,051	$ -	$ 8,051	$ -	$ -	$ -
Energy Opportunites	$ -	$ -	$ -			$ -
Total	**$ 24,272,804**	**$ 3,785,563**	**$ 28,058,367**	**$ 7,558,907**	**$ 3,241,385**	**$ 10,800,292**

Cumulative MWs	CL&P 2008 Y/E Estimate	UI 2008 Y/E Estimate	CL&P/UI 2008 Y/E Estimate	CL&P 2009 Budget	UI 2009 Budget	CL&P/UI 2009 Budget
General Awareness	0.00	0.00	0.00	0.00	0.00	0.00
ISO-NE Load Response Programs Note 1	352.55	83.28	435.83	175.30	83.28	258.58
Gas Efficiency	0.24		0.24	0.00		0.00
Residential HVAC		0.00	0.00			0.00
Direct Load Control	0.00	0.00	0.00	0.00	0.00	0.00
Energy Opportunities		0.00	0.00			0.00
Total Cumulative MWs	**352.79**	**83.28**	**436.07**	**175.30**	**83.28**	**258.58**

All Near Term Measures - Average Cost per MW	$ 68,802	$ 45,456	$ 64,343	$ 43,120	$ 38,922	$ 41,768
ISO-NE Load Response Programs - Average Cost per MW	$ 68,803	$ 45,456	$ 64,342	$ 43,120	$ 38,922	$ 41,768

Note 1: ISO Load Response comprised of ISO Load Response - Curtailment,
ISO Load Response - Emergency Generation, GAP RFP Assistance Contracts
and Third Party Load Response Contracts. Costs are net of ISO-NE Transition Period Payments.
2009 Costs do not include any GAP RFP Assistance Contracts and/or Third Party Load Response Contracts

The Connecticut Light and Power Company
PA-05-01 Energy Independence Act

ISO Load Response Programs (1)

	2006 Year End Actuals	2007 Year End Actual	2008 Year End Projected	2009 Proposed Budget
Costs				
Labor	$ 335,820	$ 492,165	$ 543,748	$ 530,000
Outside Services	$ 148,353	$ 432,681	$ 637,260	$ 660,000
Contractor Labor	$ 21,576	$ 25,135	$ -	$ 55,000
Customer Incentives	$ 12,351,328	$ 17,567,394	$ 18,436,473	$ 1,921,457
Marketing	$ (26,608)	$ (51,269)	$ (1,175)	$ -
Other	$ 2,750	$ -	$ -	$ -
Administrative	$ 11,741	$ 10,007	$ 8,641	$ 10,000
Sub-total Program Expenses	$ 12,844,960	$ 18,476,113	$ 19,624,947	$ 3,176,457
CL&P Incentive	$ 5,479,676	$ 5,446,812	$ 4,631,906	$ 4,382,450
Total Program Expenses	$ 18,324,636	$ 23,922,925	$ 24,256,853	$ 7,558,907
MW - Cumulative	218.3	332.6	352.6	175.3

Note 1: ISO Load Response comprised of ISO Load Response - Curtailment, ISO Load Response - Emergency Generation, GAP RFP Assistance Contracts and Third Party Load Response Contracts

The United Illuminating Company
EL-25 Standard Filing Requirement
2009

EI - Load Curtailment

Budget Projections	2006 Year End Actuals	2007 Year End Actual	2008 Year End Projected	2009 Proposed Budget
Labor				
UI Labor	$ 33,251	$ 9,030	$ 55,859	$ 68,144
Contractor Staff	$ 4,421	$ -	$ -	$ -
Total Labor	$ 37,672	$ 9,030	$ 55,859	$ 68,144
Materials & Supplies	$ 1,609	$ 4,671	$ 1,245	$ 2,906
Outside Services	$ 97,457	$ 219,601	$ 232,542	$ 180,000
Incentives	$ 332,032	$ 1,533,042	$ 4,971,551	$ 5,413,200
Marketing	$ 25,364	$ 4,870	$ -	$ -
Other	$ 111,319	$ 835,911	$ 1,965,675	$ 2,082,000
Administrative Expenses	$ (4,838)	$ (554,334)	$ (3,441,309)	$ (4,504,865)
Total	$ 600,615	$ 2,052,791	$ 3,785,563	$ 3,241,385

Goals and Metrics Information:

Savings	2006	2007	2008	2009
Demand Savings (kW)	4,444	32,190	83,280	83,280