

Docket No. 13-03-02 Compliance Filing

2014 Annual Update of the 2013-2015 Electric and Natural Gas Conservation and Load Management Plan

Submitted by:

The Connecticut Light and Power Company

The United Illuminating Company

The Yankee Gas Services Company

Connecticut Natural Gas Corporation and

Southern Connecticut Gas Company

February 28, 2014

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CHAPTER ONE: OVERVIEW (Electric and Natural Gas)

On October 31, 2013, the Department of Energy and Environmental Protection (“DEEP”) approved the 2013-2015 Conservation and Load Management Plan (the “Plan”) submitted by Connecticut’s gas and electric utility companies on November 1, 2012. The approval of this Plan marked a historic transition in Connecticut to a new level of energy saving program activity not previously seen in Connecticut. This Plan approval and the implementation of the energy savings strategies embodied within the Plan will put Connecticut on a path to a greener energy future.

Included in DEEP’s Final Decision (the “Decision”) were modifications and compliance orders to the Plan required by DEEP. The Connecticut Light and Power Company (“CL&P”), The United Illuminating Company (“UI”), The Connecticut Natural Gas Corporation (“CNG”), The Southern Connecticut Gas Company (“SCG”), and Yankee Gas Services Company (“YGS”) (collectively “the Companies”) are pleased to provide the following update to the Plan (“Plan Update”). The Plan Update includes specific changes occurring in the 2014 program year to address the overarching objectives envisioned in the Decision and to address related Compliance Items. In addition, the Plan Update includes many of the key themes that were embodied in the Decision. These include:

- In order to achieve the overall objectives laid out by DEEP, the Companies will need to increase the overall level of program promotion in the coming years. Throughout 2014 and 2015, the Companies will continue to develop and refine market segmentation efforts to better target program offerings to identified customer groups for both Residential and Commercial and Industrial (“C&I”) sectors.
- In addition to the programmatic marketing 2014 and 2015 will integrate customer segmentation efforts and data driven analytics to increase market penetration in targeted Residential and C&I areas.
- The Plan Update includes increased focus on a broad based marketing message. This has the goal of significantly increasing customer awareness of the value of the services available to them, the benefits of energy efficiency and the concept of home performance. These efforts will be built around the new EnergizeCT brand, and will begin the important first steps of building an energy efficiency ethic in Connecticut.
- Marketing efforts will also be enhanced to promote the concept and value of Home Performance, including health, safety, comfort and savings. In conjunction with this broad – based marketing effort we will be launching the Department of Energy (“DOE”) Home Energy Score label in 2014, which is intended to drive customer demand and move us toward a more market-based approach to Home Performance.
- Deployment of the Northeast Utilities (“NU”) Energy Efficiency Customer Engagement Platform (“CEP”) outlined in the Plan is moving forward. The CEP is a critical tool that will enable NU to identify, customize and deliver energy efficiency products and services to both residential and business customers and will assist customers to make better informed decisions. CL&P and YGS are supporting the integration and deployment of their CEP through the funds allocated in the

Decision, via program marketing resources, and through the Statewide Marketing Plan, included in this Update.

- The Companies will enhance the promotion of Light-Emitting Diodes (“LED”) throughout the programs. In particular, the Retail Products program will provide enhanced education and awareness on LED technologies, and will continue to work with manufactures and retailers to align Negotiated Cooperative Promotions with the LED market trends. LEDs will also be further incorporated into the Home Energy Solutions (“HES”) program through reduced co-pays and provision of a prescribed amount of free LEDs as part of the HES core services.
- The 2014 HES electric program budget, as prescribed in the Decision provides for a level of funding that is consistent with 2013 funding. DEEP has allocated additional potential electric funding which is contingent upon the results of the HES Impact Evaluation and the HES Innovation process, both of which are currently under way. Both of these activities will result in recommendations for further program enhancements. Until the recommendations are finalized, the Companies are providing the program changes described below in order to continue to expand upon the services provided within HES, enhance the value to participants and continue to transform the Home Performance market. The gas and electric budgets and savings reflected planning models are inclusive of the entire HES electric budget including the potential allocation. Note that the natural gas budgets do not include a potential HES allocation. However, since the HES natural gas and electric budgets and projections run in parallel, the electric HES additional potential allocation will have an impact on the natural gas budgets. Specifically, if the electric HES allocation budget is not approved for use in HES, natural gas HES spending may have to be curtailed and/or a greater cost share for both natural gas and non natural gas measures will need to be provided by natural gas.
- The Companies have modified the performance incentive metrics and targets as ordered in the Decision. These revised metrics are designed to drive increased savings, promote comprehensive measures and increase program participation. Additionally, the gas performance incentive metric tables are aligned with additional programmatic sub-metrics beyond energy and net energy benefits. Residential metrics include increased savings per home, and increased adoption of additional measures beyond core program savings while the C&I metrics focus on increasing the efficiency of manufacturing customers.
- Upstream promotions will become an important tool in 2014. The Companies recently launched a residential upstream initiative to promote Heating, Ventilation, and Air Conditioning (“HVAC”) and domestic water heating equipment through distribution channels. This initiative will be expanded in 2014 to additional distributors and equipment. A commercial lighting upstream promotion will be launched in 2014 to promote low wattage T-8s and LED lamps, allowing the Companies to reach a broader base of customers. Also, additional products and strategies to promote efficient electric and gas HVAC equipment through manufacturers and distributors will be explored throughout the year. All upstream initiatives will be timed so as to minimize any negative impact on traditional downstream (customer) incentives with respect to the budgets.
- Industrial customers will be a continued focus in the coming years. The Companies will work closely with manufacturers, enabling them the flexibility required to embed efficiency into the

core of their operations. The Companies will also work on the Department of Energy's ("DOE") Superior Energy Performance Accelerator as well as a revamped Business Sustainability Challenge ("BSC") with an eye towards developing best practices for C&I energy savings.

- The Companies will continue to refine their customer segmentation efforts by further analyzing their C&I customer base into meaningful segments and delivery approaches, especially critical for the largest quantity of customers within quartile 4, which will require a very different market channel and go-to-market strategy. As a result of the Companies segmentation efforts, current operating models will require modification. CL&P believes that dedicated energy efficiency sales personnel are needed to penetrate certain key segments such as manufacturing. Likewise, UI has decided to realign its C&I team's focus by targeting the largest customer segments while still continuing to address all market segments. The top ten segments representing the largest percentages of energy consumption for both Companies are as follows: Manufacturing, Water/Wastewater, Government, Retail, Healthcare, Real Estate Management (Corporate Space), Education, Consumer Goods/ Foods, Data Centers, and Communication/Entertainment.
- To further address the needs of the manufacturing customer segment, the Companies will continue to develop a new Process Reengineering for Increased Manufacturing Efficiency ("PRIME") Request for Proposal ("RFP") not only to increase the number of vendors but to establish specific goals for increased savings within the facilities and to create opportunities for BSC initiatives.
- The Companies will focus on facilitating Strategic Energy Management ("SEM") practices by utilizing multi-year Memorandums of Understanding ("MOU") with their largest customers as a formal mechanism to facilitate long-term goals achieving significant energy reduction. In addition, small-to-medium sized businesses will be increasingly targeted through "packaged SEM" and customer engagement tools.
- The Companies will continue coordination with allied agencies regarding Connecticut Energy Efficiency Fund ("CEEF") programs and fund leveraging, including *Clean Energy Finance and Investment Authority-Property Assessed Clean Energy* ("CEFIA-CPACE"), (Lead By Example-*Energy Savings Performance Contracts* ("LBE-ESPC"), LBE--State Buildings, ISE-state, educational facility energy management, benchmarking and Small Business Energy Advantage ("SBEA") market outreach.
- The Companies will continue its efforts to leverage CEEF funds through promotion and enhancement of CEEF financing offerings, coordination with partners' complementary programs (CEFIA-CPACE, LBE-ESPC) in an effort to reduce financing costs, etc.

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CHAPTER TWO: APPROVED BUDGET TABLES/EXCEL FILES (EDCs and LDCs)

Electric Distribution Company (EDC) Combined Tables – The Connecticut Light and Power Company and the United Illuminating Company

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Table A1 – Combined CL&P and UI Budgets

Table A1
2014 - 2015
CL&P/UI C&LM Budget

CL&P/UI C&LM BUDGET	2014	2014	2014	2015	2015	2015
	CL&P	UI	CL&P/UI	CL&P	UI	CL&P/UI
	DEEP Decision**	DEEP Decision**	Combined	DEEP Decision**	DEEP Decision**	Combined
	10/31/13	10/31/13	Total	10/31/13	10/31/13	Total
RESIDENTIAL						
Residential Retail Products	\$ 12,324,704	\$ 2,975,296	\$ 15,300,000	\$ 12,540,391	\$ 3,259,609	\$ 15,800,000
Total - Consumer Products	\$ 12,324,704	\$ 2,975,296	\$ 15,300,000	\$ 12,540,391	\$ 3,259,609	\$ 15,800,000
Residential New Construction	\$ 1,645,758	\$ 154,242	\$ 1,800,000	\$ 1,652,216	\$ 147,784	\$ 1,800,000
Home Energy Solutions (HVAC, Duct Sealing, Lighting)	\$ 11,733,143	\$ 2,515,354	\$ 14,248,497	\$ 11,508,897	\$ 2,657,484	\$ 14,166,381
Home Energy Solutions Potential Allocation	\$ 3,569,655	\$ 540,000	\$ 4,109,655	\$ 4,367,674	\$ 929,519	\$ 5,297,193
HES Income Eligible	\$ 17,201,791	\$ 3,253,718	\$ 20,455,509	\$ 17,245,279	\$ 3,293,820	\$ 20,539,099
Residential Behavior	\$ 3,000,000	\$ 300,000	\$ 3,300,000	\$ 3,000,000	\$ 300,000	\$ 3,300,000
Subtotal Residential	\$ 49,475,050	\$ 9,738,610	\$ 59,213,660	\$ 50,314,457	\$ 10,588,216	\$ 60,902,673
COMMERCIAL & INDUSTRIAL						
C&I LOST OPPORTUNITY						
Energy Conscious Blueprint	\$ 9,913,103	\$ 3,777,000	\$ 13,690,103	\$ 9,568,420	\$ 3,777,000	\$ 13,345,420
Total - Lost Opportunity	\$ 9,913,103	\$ 3,777,000	\$ 13,690,103	\$ 9,568,420	\$ 3,777,000	\$ 13,345,420
C&I LARGE RETROFIT						
Energy Opportunities	\$ 32,030,505	\$ 5,853,457	\$ 37,883,962	\$ 31,834,968	\$ 5,853,457	\$ 37,688,425
Business & Energy Sustainability (O&M, RetroCx, BSC)	\$ 4,865,023	\$ 1,624,977	\$ 6,490,000	\$ 4,865,023	\$ 1,624,977	\$ 6,490,000
PRIME	\$ 660,000	\$ 150,000	\$ 810,000	\$ 660,000	\$ 150,000	\$ 810,000
Total - C&I Large Retrofit	\$ 37,555,528	\$ 7,628,434	\$ 45,183,962	\$ 37,359,991	\$ 7,628,434	\$ 44,988,425
Small Business	\$ 18,900,000	\$ 3,825,935	\$ 22,725,935	\$ 19,357,951	\$ 3,825,935	\$ 23,183,886
Subtotal C&I	\$ 66,368,631	\$ 15,231,369	\$ 81,600,000	\$ 66,286,362	\$ 15,231,369	\$ 81,517,731
OTHER - EDUCATION *						
SmartLiving Center® - Museum Partnerships	\$ 1,091,259	\$ 988,741	\$ 2,080,000	\$ 570,486	\$ 413,514	\$ 984,000
Clean Energy Communities	\$ 1,364,040	\$ 355,960	\$ 1,720,000	\$ 1,364,040	\$ 355,960	\$ 1,720,000
EE Smarts/K-12 Education	\$ 479,126	\$ 320,874	\$ 800,000	\$ 479,126	\$ 320,874	\$ 800,000
Customer Engagement	\$ 480,000	\$ 120,000	\$ 600,000	\$ 480,000	\$ 120,000	\$ 600,000
Subtotal Education	\$ 3,414,425	\$ 1,785,575	\$ 5,200,000	\$ 2,893,652	\$ 1,210,348	\$ 4,104,000
OTHER - PROGRAMS/REQUIREMENTS						
Institute for Sustainable Energy (ECSU)	\$ 358,400	\$ 89,600	\$ 448,000	\$ 358,400	\$ 89,600	\$ 448,000
ESPC Project Manager - Lead By Example	\$ 96,000	\$ 19,200	\$ 115,200	\$ 96,000	\$ 19,200	\$ 115,200
Residential Loan Program (Includes ECLF)	\$ 1,594,889	\$ 688,211	\$ 2,283,100	\$ 2,053,121	\$ 382,560	\$ 2,435,681
C&I Loan Program	\$ 1,087,227	\$ 693,123	\$ 1,780,350	\$ 1,087,227	\$ 693,123	\$ 1,780,350
C&LM Loan Defaults	\$ 105,000	\$ 35,000	\$ 140,000	\$ 108,889	\$ 31,111	\$ 140,000
C&I Self Funding	\$ 4,000,000	\$ 1,000,000	\$ 5,000,000	\$ 4,000,000	\$ 1,000,000	\$ 5,000,000
Subtotal Programs/Requirements	\$ 7,241,515	\$ 2,525,134	\$ 9,766,650	\$ 7,703,637	\$ 2,215,594	\$ 9,919,231
OTHER - LOAD MANAGEMENT						
ISO Load Response Program	\$ 3,400,000		\$ 3,400,000	\$ 3,000,000		\$ 3,000,000
Subtotal Load Management	\$ 3,400,000	\$ -	\$ 3,400,000	\$ 3,000,000	\$ -	\$ 3,000,000
OTHER - RENEWABLES & RD&D						
Research, Development & Demonstration	\$ 422,794	\$ 152,206	\$ 575,000	\$ 442,308	\$ 132,692	\$ 575,000
Subtotal Renewables & RD&D	\$ 422,794	\$ 152,206	\$ 575,000	\$ 442,308	\$ 132,692	\$ 575,000
OTHER - ADMINISTRATIVE & PLANNING						
Administration	\$ 907,271	\$ 540,241	\$ 1,447,512	\$ 907,271	\$ 540,241	\$ 1,447,512
Marketing Plan	\$ 1,626,667	\$ 813,333	\$ 2,440,000	\$ 1,626,667	\$ 813,333	\$ 2,440,000
Planning (UI Planning & Evaluation)	\$ 703,170	\$ 256,830	\$ 960,000	\$ 703,170	\$ 256,830	\$ 960,000
Evaluation (UI Evaluation, Outside Services)	\$ 2,263,634	\$ 578,922	\$ 2,842,556	\$ 2,429,635	\$ 621,721	\$ 3,051,356
Evaluation Consultant	\$ 233,243	\$ 58,311	\$ 291,554	\$ 233,243	\$ 58,311	\$ 291,554
Information Technology	\$ 1,338,112	\$ 261,888	\$ 1,600,000	\$ 1,338,112	\$ 261,888	\$ 1,600,000
Energy Efficiency Board	\$ 361,513	\$ 241,009	\$ 602,522	\$ 361,513	\$ 241,009	\$ 602,522
Performance Management Fee	\$ 6,858,063	\$ 1,594,205	\$ 8,452,268	\$ 6,882,263	\$ 1,593,612	\$ 8,475,875
Admin/Planning Expenditures	\$ 14,291,673	\$ 4,344,739	\$ 18,636,412	\$ 14,481,874	\$ 4,386,945	\$ 18,868,819
PROGRAM SUBTOTALS						
Residential	\$ 55,198,637	\$ 12,570,123	\$ 67,768,760	\$ 56,079,658	\$ 12,653,896	\$ 68,733,554
C&I	\$ 75,969,251	\$ 17,434,299	\$ 93,403,550	\$ 75,386,716	\$ 17,315,365	\$ 92,702,081
Other*	\$ 13,446,201	\$ 3,773,212	\$ 17,219,412	\$ 13,655,915	\$ 3,795,904	\$ 17,451,819
TOTAL Note 1	\$ 144,614,089	\$ 33,777,634	\$ 178,391,723	\$ 145,122,289	\$ 33,765,165	\$ 178,887,455

* OTHER - EDUCATION is primarily allocated to residential programs.

** The Budgets are the DEEP Approved Budgets from the October 31, 2013 Final Decision with technical corrections and some minor adjustments

Note 1: See Table A2 for Revenue Breakdown

Table A2 – CL&P and UI Funding Sources

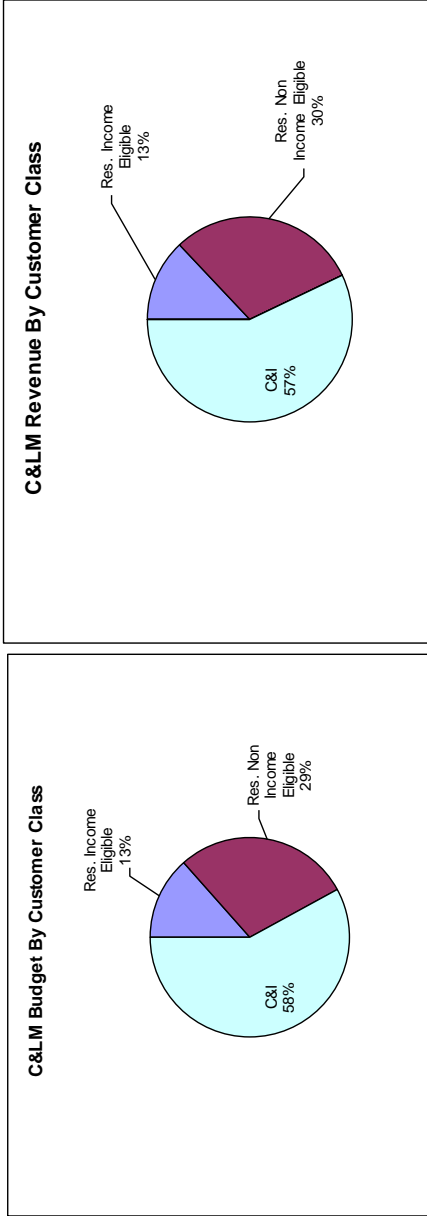
Table A2
2014, 2015
CL&P/UI C&LM Revenues

CL&P/UI C&LM REVENUES	2014 DEEP Final Decision			2015 DEEP Final Decision		
	2014 CL&P Revenues	2014 UI Revenues	2014 CL&P/UI Total	2015 CL&P Revenues	2015 UI Revenues	2015 CL&P/UI Total
Collections (Mill Rate)	\$ 67,071,000	\$ 15,825,000	\$ 82,896,000	\$ 67,014,000	\$ 15,558,000	\$ 82,572,000
ISO-NE Forward Capacity Market Energy Efficiency Revenues	\$ 8,000,000	\$ 2,400,000	\$ 10,400,000	\$ 9,000,000	\$ 2,800,000	\$ 11,800,000
ISO-NE Forward Capacity Market Demand Response Revenues	\$ 3,400,000		\$ 3,400,000	\$ 3,000,000		\$ 3,000,000
RGGI*	\$ 4,000,000	\$ 1,000,000	\$ 5,000,000	\$ 4,000,000	\$ 1,000,000	\$ 5,000,000
CAM (Net of Gross Receipts Tax)	\$ 62,143,089	\$ 14,552,633	\$ 76,695,722	\$ 62,108,289	\$ 14,407,165	\$ 76,515,454
Total - C&LM Revenues	\$ 144,614,089	\$ 33,777,633	\$ 178,391,722	\$ 145,122,289	\$ 33,765,165	\$ 178,887,454

*RGGI Budget is based Public Act 13-247

Table A1 – 2014 Pie

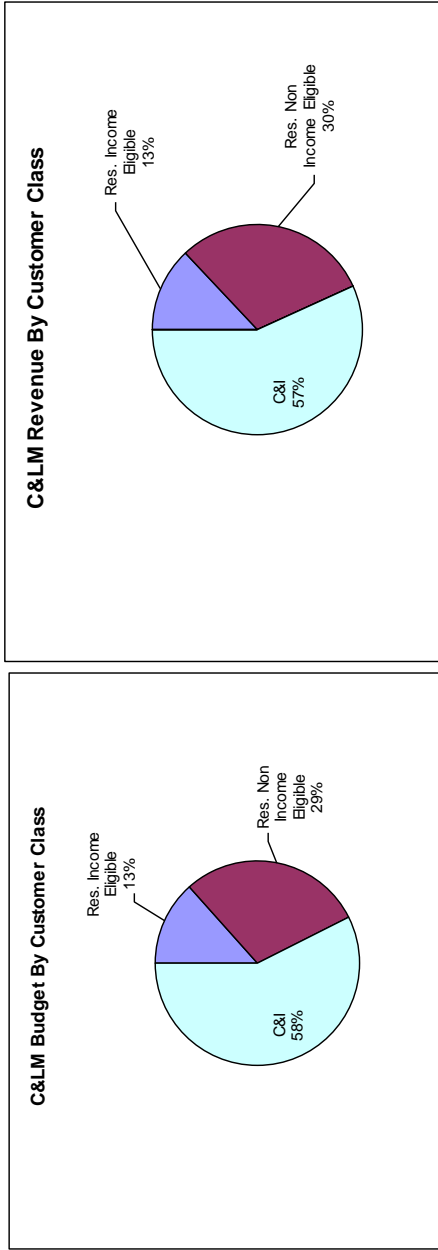
Statewide (CL&P and UI) 2014 C&LM Budget and Parity Analysis
Table A1 Pie Chart



Customer Class	Budget (\$,000)	% of Total C&LM Budget	% of Residential & C&I Budget	% of Residential & C&I Revenue	Difference
Res. Income Eligible	\$21,688,499	12%	13%	13%	0%
Res. Non Income Eligible	\$46,080,261	26%	29%	30%	-1%
Residential Subtotal	\$67,768,760	38%	42%	43%	-1%
C&I	\$93,403,550	52%	58%	57%	1%
C&I Subtotal	\$93,403,550	52%	58%	57%	1%
Residential and C&I Subtotal	\$161,172,310	90%	100%	100%	0%
Other Expenditures					
Other Expenditures	\$17,219,412	10%			
Other Expenditures Subtotal	\$17,219,412	10%			
C&LM TOTAL	\$178,391,723	100%			
CL&P	\$144,614,089	81%			
UI	\$33,777,634	19%			

Table A1 – 2015 Pie

Statewide (CL&P and UI) 2015 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. Income Eligible	\$21,634,035	12%	13%	13%	0%
Res. Non Income Eligible	\$47,099,519	26%	29%	30%	-1%
Residential Subtotal	\$68,733,554	38%	43%	43%	-1%
C&I	\$92,702,081	52%	57%	57%	1%
C&I Subtotal	\$92,702,081	52%	57%	57%	1%
Residential and C&I Subtotal	\$161,435,635	90%	100%	100%	0%
Other Expenditures					
Other Expenditures	\$17,451,819	10%			
Other Expenditures Subtotal	\$17,451,819	10%			
C&LM TOTAL	\$178,887,455	100%			
CL&P	\$145,122,289	81%			
UI	\$33,765,165	19%			

Table B3 – 2014 Statewide Total Resource Costs and Benefits

Table B-3
2014 Combined CL&P, UI, YGS, CNG, SCG Totals

Program	Costs			Electricity Savings			Natural Gas Savings			Delivered Fuel Savings			Total Annual Emissions Reduction (tons CO2)	Total Resource Benefit (000)				
	Electric Cost (000)	Gas Cost (000)	Oil & Propane Cost (000)	Customer Resource Cost (000)	Total Resource Cost (000)	Annual (MWh)	Lifetime (MWh)	Peak Impact (kW)	Annual (ccf)	Lifetime (ccf)	Peak Impact (ccf)	Annual Oil (gallons)			Lifetime Oil (gallons)	Annual Propane (gallons)	Lifetime Propane (gallons)	Total Annual MMBtu
Residential																		
Residential Retail Products	\$15,300	\$0	\$0	\$7,894	\$22,394	87,280	675,878	7,638	0	0	0	0	0	0	0	297,886	44,120	\$102,575
Residential New Construction	\$1,705	\$1,568	\$95	\$2,743	\$6,111	2,117	35,918	662	214,700	4,941,939	1,332	0	0	5,706	142,700	29,839	2,399	\$7,258
Home Energy Solutions	\$11,579	\$12,297	\$7,618	\$6,354	\$37,848	16,695	203,470	2,217	1,793,077	35,061,794	16,691	796,987	13,774,826	58,828	992,502	357,394	28,521	\$93,283
HES Income Eligible	\$11,219	\$8,941	\$9,237	\$1,442	\$30,658	17,332	214,347	1,319	1,028,020	19,776,986	8,943	358,567	6,892,888	13,307	267,750	215,881	19,045	\$59,034
Water Heating	\$0	\$948	\$0	\$2,400	\$3,348	0	0	0	217,526	2,964,798	698	0	0	0	0	22,383	1,309	\$2,172
Residential Behavior	\$3,300	\$542	\$0	\$591	\$4,433	28,472	63,485	7,377	145,424	1,454,241	1,421	0	0	0	0	112,140	15,268	\$10,880
Subtotal Residential	\$43,103	\$24,296	\$16,949	\$20,423	\$104,771	151,895	1,193,098	19,214	3,398,747	64,199,758	29,085	1,155,554	20,667,724	77,841	1,402,951	1,035,522	110,662	\$275,202
Commercial & Industrial																		
Energy Conscious Blueprint	\$13,690	\$6,374	\$0	\$7,982	\$28,047	32,238	487,187	5,975	1,030,330	15,825,816	8,131	0	0	0	0	216,050	22,499	\$72,462
Energy Opportunities	\$37,884	\$3,241	\$0	\$58,176	\$99,301	97,423	1,147,734	13,206	865,859	9,751,858	9,921	0	0	0	0	421,603	54,460	\$196,702
Business & Energy Sustainability (O&M, RetroCn, BSC)	\$6,490	\$1,661	\$0	\$8,200	\$16,351	31,602	211,265	3,339	670,038	5,057,533	7,542	0	0	0	0	176,805	20,008	\$32,811
PRIME	\$810	\$0	\$0	\$46	\$856	3,283	16,414	0	0	0	0	0	0	0	0	11,204	1,659	\$4,736
Small Business	\$22,726	\$515	\$0	\$24,028	\$47,289	48,820	609,057	5,829	121,744	1,371,233	1,995	0	0	0	0	179,150	25,411	\$76,276
Subtotal C&I	\$81,600	\$11,791	\$0	\$98,432	\$191,823	213,366	2,471,657	28,349	2,687,971	32,006,439	26,989	0	0	0	0	1,004,812	124,037	\$343,078
Load Management																		
ISO Load Response Program	\$3,400	\$0	\$0	\$0	\$3,400	0	0	0	95,000	0	0	0	0	0	0	0	0	\$7,433
Other																		
Other	\$34,178	\$7,025	\$0	\$0	\$41,203	0	0	0	0	0	0	0	0	0	0	0	0	\$0
TOTAL CALM BUDGET	\$162,281	\$43,113	\$16,949	\$118,855	\$341,198	365,261	3,664,755	142,563	6,086,718	96,206,197	56,074	1,155,554	20,667,724	77,841	1,402,951	2,040,334	234,700	\$625,713

CL&P used a discount rate of 7.52% and YGS used 7% for screening the benefits, based upon the Companies weighted after tax average cost of capital, and no less than minimum rate of 7% stated in Docket 08-10-02. DPUC Review of The Connecticut Gas Utilities Forecasts of Demand and Supply, 2009-2013 and Joint Conservation Plans and 09-10-03, DPUC Review of The Connecticut Energy Efficiency Fund's 2010 Conservation and Load Management Plan for 2010. UI, CNG and SCG utilized the same long-term nominal discount rate as the regional avoided cost study of 3.39%.

Table B3 – 2015 Statewide Total Resource Costs and Benefits

**Table B-3
2015 Combined CL&P, UJ, Yankee, CNG, SCG Totals**

Program	Costs			Electricity Savings			Natural Gas Savings			Delivered Fuel Savings			Total Annual Emissions Reduction (tons CO2)	Total Resource Benefit (1000)			
	Electric Cost (1000)	Gas Cost (1000)	Oil & Propane Cost (1000)	Customer (1000)	Total Resource (1000)	Annual (MWh)	Lifetime (MWh)	Peak Impact (kW)	Annual (ccf)	Lifetime (ccf)	Peak Impact (ccf)	Annual (gallons)			Lifetime (gallons)	Annual (MMBtu)	
Residential																	
Residential Retail Products	\$15,800	\$0	\$0	\$9,733	\$25,533	72,121	534,095	6,297	0	0	0	0	0	246,148	36,457	\$88,753	
Residential New Construction	\$1,696	\$1,637	\$104	\$1,396	\$4,834	1,715	32,686	588	194,963	4,874,081	1,706	0	0	5,938	148,488	26,457	\$7,292
Home Energy Solutions	\$12,269	\$8,052	\$8,052	\$8,909	\$41,280	17,643	214,018	2,345	1,942,342	38,040,740	57,716	857,753	14,817,930	384,795	1,054,003	30,605	\$107,062
HES Income Eligible	\$11,185	\$8,506	\$9,354	\$1,882	\$30,928	17,285	216,176	1,312	985,465	19,331,738	8,574	360,612	6,929,807	211,629	267,983	18,788	\$59,028
Water Heating	\$0	\$963	\$0	\$3,503	\$4,467	0	0	0	207,820	2,952,855	667	0	0	0	0	21,385	\$2,052
Residential Behavior	\$3,300	\$452	\$0	\$584	\$4,336	45,752	98,045	10,929	145,424	1,454,241	1,421	0	0	0	0	171,117	\$15,575
Subtotal Residential	\$44,250	\$23,608	\$17,511	\$26,008	\$111,376	154,516	1,095,020	21,471	3,476,015	66,653,654	70,083	1,218,365	21,747,837	82,231	1,480,473	113,183	\$279,762
Commercial & Industrial																	
Energy/Conscious Blueprint	\$13,345	\$6,916	\$0	\$7,825	\$28,087	31,760	480,632	5,390	1,127,904	17,324,544	8,901	0	0	0	0	224,457	\$72,513
Energy Opportunities	\$37,688	\$3,655	\$0	\$57,647	\$98,991	95,596	1,116,147	12,838	982,442	11,064,229	11,260	0	0	0	0	427,364	\$155,193
Business & Energy Sustainability (O&M, RetroC&I, BSC)	\$6,490	\$1,857	\$0	\$8,993	\$17,340	31,989	214,728	3,339	801,839	4,963,774	8,987	0	0	0	0	191,688	\$33,888
PRIME	\$810	\$0	\$0	\$45	\$855	3,348	16,739	0	0	0	0	0	0	0	0	11,426	\$6,954
Small Business	\$23,184	\$563	\$0	\$24,128	\$47,875	52,301	652,175	6,007	134,355	1,513,190	1,539	0	0	0	0	192,328	\$82,223
Subtotal C&I	\$81,518	\$12,991	\$0	\$98,639	\$193,148	214,994	2,480,421	27,574	3,046,540	34,865,738	30,687	0	0	0	0	1,047,264	\$350,771
Load Management																	
ISO Load Response Program	\$3,000	\$0	\$0	\$0	\$3,000	0	0	95,000	0	0	0	0	0	0	0	0	\$7,774
Other																	
Other	\$33,467	\$6,902	\$0	\$0	\$40,369	0	0	0	0	0	0	0	0	0	0	0	\$0
TOTAL C&I W BUDGET	\$162,235	\$43,501	\$17,511	\$124,647	\$347,893	369,510	3,575,441	144,045	6,522,554	101,519,392	100,771	1,218,365	21,747,837	82,231	1,480,473	2,108,794	\$638,307

CL&P used a discount rate of 7.52% and YGS used 7% for screening the benefits, based upon the Companies weighted after-tax average cost of capital, and no less than minimum rate of 7% stated in Docket 08-10-02, DPUC Review of The Connecticut Gas Utilities Forecasts of Demand and Supply 2009-2013 and Joint Conservation Plans and 08-10-03, DPUC Review of The Connecticut Energy Efficiency Fund's 2010 Conservation and Load Management Plan for 2010. UJ, CNG and SCG utilized the same long-term nominal discount rate as the regional avoided cost study of 3.38%.

The Connecticut Light & Power Company 2014-2015 Budget Tables

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Table A – CL&P 2013 Actual Results, 2014-2015 Budget

Table A

CL&P 2014-2015 C&LM Budget

CL&P C&LM BUDGET	2013 CL&P Actual Results 12/31/13	2014 CL&P Final Decision** 10/31/13	2015 CL&P Final Decision** 10/31/13
RESIDENTIAL			
Residential Retail Products Note 1	\$ 6,509,496	\$ 12,324,704	\$ 12,540,391
Total - Consumer Products	\$ 6,509,496	\$ 12,324,704	\$ 12,540,391
Residential New Construction	\$ 1,433,966	\$ 1,645,758	\$ 1,652,216
Home Energy Solutions (HVAC, Duct Sealing, Lighting)	\$ 16,041,653	\$ 11,733,143	\$ 11,508,897
Home Energy Solutions Potential Allocation	\$ -	\$ 3,569,655	\$ 4,367,674
HES Income Eligible	\$ 9,593,140	\$ 17,201,791	\$ 17,245,279
Residential Behavior	\$ -	\$ 3,000,000	\$ 3,000,000
Subtotal Residential	\$ 33,578,255	\$ 49,475,050	\$ 50,314,457
COMMERCIAL & INDUSTRIAL			
C&I LOST OPPORTUNITY			
Energy Conscious Blueprint	\$ 9,947,173	\$ 9,913,103	\$ 9,568,420
Total - Lost Opportunity	\$ 9,947,173	\$ 9,913,103	\$ 9,568,420
C&I LARGE RETROFIT			
Energy Opportunities	\$ 20,924,237	\$ 32,030,505	\$ 31,834,968
Business & Energy Sustainability (O&M, RetroCx, BSC)	\$ 1,649,654	\$ 4,865,023	\$ 4,865,023
PRIME	\$ 478,403	\$ 660,000	\$ 660,000
Total - C&I Large Retrofit	\$ 23,052,294	\$ 37,555,528	\$ 37,359,991
Small Business	\$ 13,329,552	\$ 18,900,000	\$ 19,357,951
Subtotal C&I	\$ 46,329,019	\$ 66,368,631	\$ 66,286,362
OTHER - EDUCATION *			
SmartLiving Center® - Museum Partnerships	\$ 274,908	\$ 1,091,259	\$ 570,486
Clean Energy Communities	\$ 729,253	\$ 1,364,040	\$ 1,364,040
EE Smarts/K-12 Education	\$ 459,334	\$ 479,126	\$ 479,126
Customer Engagement	\$ -	\$ 480,000	\$ 480,000
Science Center	\$ 150,392	\$ -	\$ -
Subtotal Education	\$ 1,613,887	\$ 3,414,425	\$ 2,893,652
OTHER - PROGRAMS/REQUIREMENTS			
Institute for Sustainable Energy (ECSU)	\$ 448,000	\$ 358,400	\$ 358,400
ESPC Project Manager - Lead By Example	\$ 38,734	\$ 96,000	\$ 96,000
Residential Loan Program (Includes ECLF)	\$ 416,865	\$ 1,594,889	\$ 2,053,121
C&I Loan Program	\$ 147,078	\$ 1,087,227	\$ 1,087,227
C&LM Loan Defaults	\$ 170,077	\$ 105,000	\$ 108,889
C&I Self-Funding	\$ -	\$ 4,000,000	\$ 4,000,000
Subtotal Programs/Requirements	\$ 1,220,754	\$ 7,241,515	\$ 7,703,637
OTHER - LOAD MANAGEMENT			
ISO Load Response Program Note 2	\$ 4,128,416	\$ 3,400,000	\$ 3,000,000
Subtotal Load Management	\$ 4,128,416	\$ 3,400,000	\$ 3,000,000
OTHER - RENEWABLES & RD&D			
Research, Development & Demonstration	\$ 198,218	\$ 422,794	\$ 442,308
Subtotal Renewables & RD&D	\$ 198,218	\$ 422,794	\$ 442,308
OTHER - ADMINISTRATIVE & PLANNING			
Administration	\$ 1,985,104	\$ 907,271	\$ 907,271
Marketing Plan	\$ 41,274	\$ 1,626,667	\$ 1,626,667
Planning	\$ 680,008	\$ 703,170	\$ 703,170
Evaluation	\$ 2,044,455	\$ 2,263,634	\$ 2,429,635
Evaluation Consultant	\$ -	\$ 233,243	\$ 233,243
Information Technology	\$ 1,934,732	\$ 1,338,112	\$ 1,338,112
Energy Efficiency Board	\$ 475,046	\$ 361,513	\$ 361,513
Performance Management Fee	\$ 6,728,101	\$ 6,858,063	\$ 6,882,263
Subtotal Admin/Planning Expenditures	\$ 13,888,720	\$ 14,291,673	\$ 14,481,874
PROGRAM SUBTOTALS			
Residential	\$ 35,411,116	\$ 55,198,637	\$ 56,079,658
C&I	\$ 51,052,490	\$ 75,969,251	\$ 75,386,716
Other*	\$ 14,493,665	\$ 13,446,201	\$ 13,655,915
TOTAL	\$ 100,957,271	\$ 144,614,089	\$ 145,122,289

* OTHER -EDUCATION is primarily allocated to residential programs.

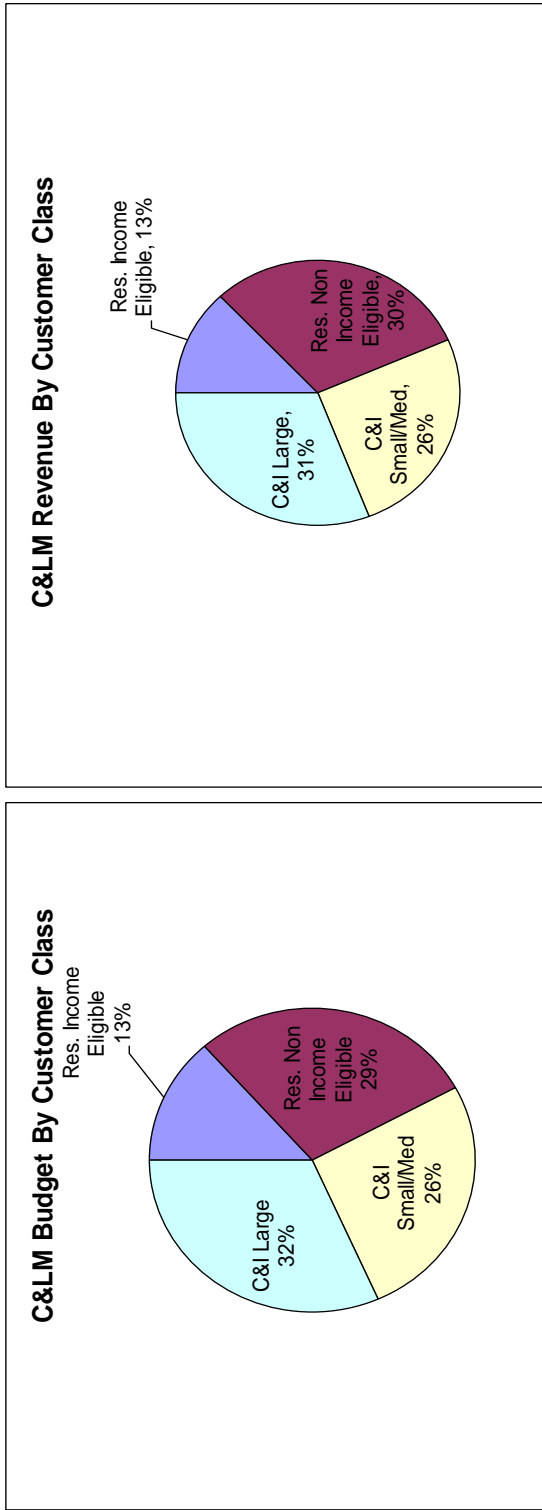
** The Budgets are the DEEP Approved Budgets from the October 31, 2013 Final Decision with technical corrections and some minor adjustments

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

Note 2: ISO-NE Load Response Customer payments are funded from the Forward Capacity Market

Table A – 2014 Pie

CL&P 2014 C&LM Budget and Parity Analysis
Table A Pie Chart

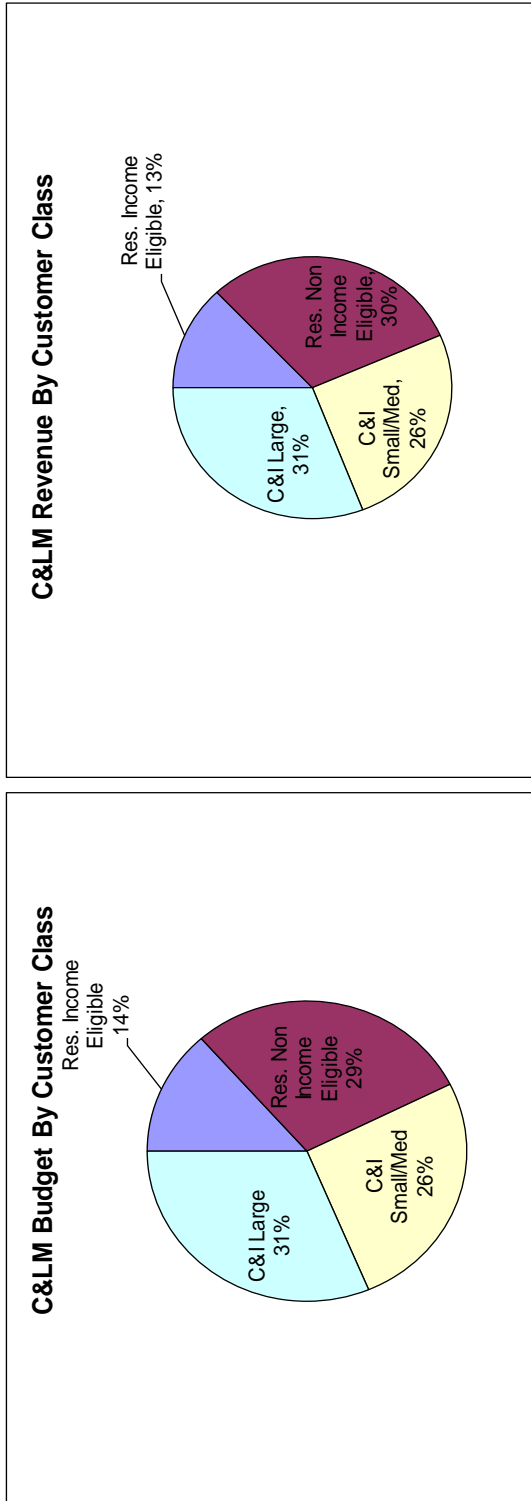


Customer Class	Budget	% of Total C&LM Budget	Residential & C&I	% of Residential & C&I	Difference
Res. Income Eligible	\$17,701,791	12%	13%	13%	1%
Res. Non Income Eligible	\$37,496,846	26%	29%	30%	-2%
Residential Subtotal	\$55,198,637	38%	42%	43%	-1%
C&I Small/Med	\$34,490,040	24%	26%	26%	1%
C&I Large	\$41,479,211	29%	32%	31%	1%
C&I Subtotal	\$75,969,251	53%	58%	57%	1%
Residential and C&I Subtotal	\$131,167,888	91%	100%	100%	0%
Other Expenditures					
Other Expenditures	\$13,446,201	9%			
Other Expenditures Subtotal	\$13,446,201	9%			
C&LM TOTAL	\$144,614,089	100%			

Note - Municipalities and state facilities are eligible to participate in C&I Program offerings as applicable.

Table A – 2015 Pie

CL&P 2015 C&LM Budget and Parity Analysis
Table A Pie Chart



Customer Class	Budget	% of Total C&LM Budget	% of Residential & C&I	% of Residential & C&I & Difference
Res. Income Eligible	\$17,745,279	12%	13%	1%
Res. Non Income Eligible	\$38,334,379	26%	29%	-1%
Residential Subtotal	\$56,079,658	39%	43%	-1%
C&I Small/Med	\$34,225,569	24%	26%	0%
C&I Large	\$41,161,147	28%	31%	0%
C&I Subtotal	\$75,386,716	52%	57%	1%
Residential and C&I Subtotal	\$131,466,374	91%	100%	0%
Other Expenditures				
Other Expenditures	\$13,655,915	9%		
Other Expenditures Subtotal	\$13,655,915	9%		
C&LM TOTAL	\$145,122,289	100%		

Note - Municipalities and state facilities are eligible to participate in C&I Program offerings as applicable.

Table B1 – 2014 CL&P Comparison of Program Energy Savings

**TABLE B-1, Energy Savings
CL&P 2014**

Program	Utility Costs (000)	Electric Costs (Note 1) (000)	# of Units	Units	Annualized Savings (MWh)	Lifetime Savings (MWh)	Peak kW Impact (Y/E)	Electric Demand Cost \$/kW	Electric Demand Cost \$/kW-yr	Electric Cost \$/kwh Annualize \$/L-WWh	Electric Cost Ratio	Annual Oil Savings (gallons)	Lifetime Oil Savings (gallons)	Annual Propane Savings (gallons)	Lifetime Propane Savings (gallons)	Utility Cost per Annual MMBtu	Utility Cost per Lifetime MMBtu		
RESIDENTIAL																			
Residential Retail Products (Note 4)	\$12,325	\$12,325	3,156,706	Products	70,173	543,238	6,121	\$2,014	\$260	\$0.176	\$0.023	0	0	0	0	239,499	1,854,075	\$51.46	\$6.65
Residential New Construction	\$1,646	\$1,551	834	Homes	1,937	33,500	601	\$2,580	\$149	\$0.801	\$0.046	0	0	4,868	121,701	7,054	125,451	\$235.30	\$13.12
Home Energy Solutions (Note 2)	\$15,303	\$9,446	18,983	Homes/other	13,439	168,993	1,666	\$5,672	\$451	\$0.703	\$0.056	589,621	10,093,592	46,187	760,777	131,862	2,045,795	\$116.05	\$7.48
HES Income Eligible	\$17,202	\$9,745	13,655	Homes	13,774	180,982	1,045	\$5,367	\$637	\$0.635	\$0.048	276,168	5,413,724	10,762	216,963	86,296	1,388,338	\$199.34	\$12.39
Residential Behavior (Note 3)	\$3,000	\$3,000	317,000	Homes	27,655	55,310	7,144	\$420	\$210	\$0.108	\$0.054	0	0	0	0	94,386	188,771	\$51.78	\$15.89
Subtotal Residential	\$49,475	\$35,068			126,978	981,924	16,576	\$2,116	\$274	\$0.276	\$0.038	865,790	15,507,316	61,817	1,099,441	559,096	5,602,429	\$69.49	\$8.83
COMMERCIAL & INDUSTRIAL																			
Energy Conscious Blueprint	\$9,913	\$9,913	473	Projects	22,982	349,600	4,489	\$2,208	\$145	\$0.431	\$0.028	0	0	0	0	78,439	1,193,184	\$126.38	\$8.31
Energy Opportunities	\$32,031	\$32,031	1,467	Projects	82,303	973,394	11,163	\$2,869	\$243	\$0.389	\$0.033	0	0	0	0	280,901	3,322,158	\$114.03	\$9.64
Business & Energy Sustainability (O&M, RetroC, BSC)	\$4,865	\$4,865	242	Projects	22,882	145,594	2,276	\$2,138	\$336	\$0.213	\$0.033	0	0	0	0	78,096	496,911	\$62.30	\$9.79
PRIME	\$680	\$680	80	Projects	2,883	13,414	0	\$0	\$0	\$0.246	\$0.049	0	0	0	0	9,157	45,783	\$72.08	\$14.42
Small Business	\$18,900	\$18,900	2,341	Projects	40,863	507,357	4,600	\$4,108	\$331	\$0.463	\$0.037	0	0	0	0	139,465	1,731,610	\$135.52	\$10.91
Subtotal C & I	\$66,369	\$66,369			171,713	1,989,348	22,529	\$2,946	\$254	\$0.387	\$0.033	0	0	0	0	586,057	6,789,646	\$113.25	\$9.77
Load Management																			
ISO Load Response Program	\$3,400	\$3,400	220	Customers	0	0	95,000	\$36	\$0	NA	NA	0	0	0	0	0	0	NA	NA
Subtotal Load Management	\$3,400	\$3,400			0	0	95,000	\$36	\$0	NA	NA	0	0	0	0	0	0	NA	NA
Subtotal Other	\$25,370	\$25,370			298,891	2,971,273	134,105	\$971	\$88	\$0.436	\$0.044	865,790	15,507,316	61,817	1,099,441	1,145,154	12,392,076	\$126.28	\$11.67
TOTAL CALL BUDGET	\$144,614	\$130,207																	

Note 1: Electric Costs are the estimated costs that are allocated to electric measures. The Electric Costs do not include costs that are allocated to oil and propane measures. Electric savings ratios are calculated using the Electric Costs only. MMBtu ratios are calculated using the Utility Cost.

Note 2: Home Energy Solutions # of Units is 10,026 electric customers that participate in HES Core Services plus 8,937 HVAC rebates. Savings is based on spending of full HES budget include HES Allocation line item (Table C)

Note 3: Behavior Program # of units includes 217,000 customers who will receive paper (mail) reports and 100,000 customers who receive electronic (e-mail) reports. Annualized savings figures include all new incremental savings plus those behavioral savings that would have decayed had the program been suspended. The lifetime savings figures include two years of persistence savings based on results from a subset of CL&P's pilot HER program from 2012-2013, which found an average annual decay rate of 14%. These results are also broadly consistent with five independent evaluations covering four similar persistence tests conducted in other jurisdictions (Alcott and Rogers, 2012).

Note 4: Retail Products # of units includes 694,525 LED Lighting Products (approximately 22%).

Table B2 – 2014 CL&P Comparison of Program Benefits – Residential

**Table B-2
Benefits Table, CL&P 2014**

Program	Program Costs				Program Benefits (000) and Benefit/Cost Ratios												
	a	b	c = b - a		Electric Benefit					Fossil Fuel			Other Benefits			Benefit Benefit/Cost	
			Budget	Total Resource Cost	Customer Cost	Electric Energy	Transmission	Distribution	Capacity	Intrastate DRPE	Rest of Foot DRPE	Capacity DRPE	Cross-fuel DRPE	Emissions	Oil/Propane		Water
Residential Retail Products	\$12,324,704	\$16,981,514	\$4,656,810	\$28,544,534	\$61,578	\$1,345,896	\$2,092,679	\$6,471,535	\$6,023,260	\$638,365	\$78,149	\$20,070,806	\$0	\$0	\$0	\$16,856,083	\$82,382,885
Utility Cost B/C	\$12,324,704	n/a	n/a	2.32	0.00	0.11	0.17	0.53	0.49	0.05	0.02	n/a	0.00	0.00	0.00	3.69	
Total Resource B/C	n/a	\$16,981,514	n/a	1.68	0.00	0.08	0.12	0.38	0.35	0.04	0.02	1.18	0.00	0.00	0.00	0.99	4.85
Residential New Construction	\$1,645,758	\$2,573,694	\$927,936	\$1,605,143	\$15,941.8	\$234,139.3	\$547,287.4	\$220,446	\$232,878	\$100,613	\$9,710	\$860,189	\$180,944	\$0	\$0	\$4,007,290	
Utility Benefit Cost Test	\$1,645,758	n/a	n/a	0.98	0.01	0.14	0.33	0.13	0.14	0.06	0.01	n/a	0.11			1.91	
Total Resource Benefit Cost Test	n/a	\$2,573,694	n/a	0.62	0.01	0.09	0.21	0.09	0.09	0.04	0.00	0.33	0.07	0.00	0.00	1.56	
Home Energy Solutions	\$15,302,798	\$17,466,544	\$2,163,746	\$8,473,418	\$22,927	\$501,111	\$1,017,107	\$1,450,616	\$1,484,082	\$230,094	\$62,538	\$5,135,497	\$26,574,693	\$1,153,490	\$2,284,790	\$48,390,364	
Utility Benefit Cost Test	\$15,302,798	n/a	n/a	0.55	0.00	0.03	0.07	0.09	0.10	0.02	0.00	n/a	1.74			2.60	
Total Resource Benefit Cost Test	n/a	\$17,466,544	n/a	0.49	0.00	0.03	0.06	0.08	0.08	0.01	0.00	0.29	1.52	0.07	0.13	2.77	
HES Income Eligible	\$17,201,791	\$17,305,417	\$103,626	\$9,232,959	\$13,591	\$297,046	\$544,381	\$1,643,443	\$1,659,368	\$172,224	\$69,186	\$5,580,040	\$13,181,932	\$297,798	\$125,650	\$32,817,999	
Utility Benefit Cost Test	\$17,201,791	n/a	n/a	0.54	0.00	0.02	0.03	0.10	0.10	0.01	0.00	n/a	0.77			1.56	
Total Resource Benefit Cost Test	n/a	\$17,305,417	n/a	0.53	0.00	0.02	0.03	0.09	0.10	0.01	0.00	0.32	0.76	0.02	0.01	1.90	
Residential Behavior	\$3,000,000	\$3,000,000	\$0	\$3,272,034	\$22,788	\$498,068	\$285,994	\$704,441	\$704,066	\$0	\$27,014	\$2,750,469	\$0	\$0	\$0	\$8,264,874	
Utility Benefit Cost Test	\$3,000,000	n/a	n/a	1.09	0.01	0.17	0.10	0.23	0.23	0.00	0.01	n/a	0.00			1.84	
Total Resource Benefit Cost Test	n/a	\$3,000,000	n/a	1.09	0.01	0.17	0.10	0.23	0.23	0.00	0.01	0.92	0.00	0.00	0.00	2.75	
Sub Total Residential	\$49,475,051	\$57,327,169	\$7,852,118	\$51,128,067	\$136,826	\$2,876,261	\$4,487,448	\$10,490,481	\$10,103,654	\$1,141,296	\$4,465,588	\$34,397,000	\$39,937,570	\$1,451,289	\$19,266,523	\$175,863,012	
Utility Benefit Cost Test	\$49,475,051	n/a	n/a	1.03	0.00	0.06	0.09	0.21	0.20	0.02	0.01	n/a	0.81			2.44	
Total Resource Benefit Cost Test	n/a	\$57,327,169	n/a	0.89	0.00	0.05	0.08	0.18	0.18	0.02	0.01	0.60	0.70	0.03	0.34	3.07	

Note: Commercial and Industrial programs are continued on the next page.

Table B2 – 2014 CL&P Comparison of Program Benefits – C&I

**Table B-2
Benefits Table, CL&P 2014**

Program	Program Costs			Program Benefits (000) and Benefit/Cost Ratios														
	a	b	c = b - a	Electric Benefit						Fossil Fuel			Other Benefits					
				Customer Cost	Transmission	Distribution	Capacity	Intrastate DRPE	Rest of Pool DRPE	Capacity DRPE	Cross-fuel DRPE	Emissions	Oil/Propane	Water	Non Resource	Benefit		
Budget	Total Resource Cost			Electric Energy														Benefit/Cost
Energy Conscious Blueprint	\$9,913,103	\$11,785,289	\$1,872,186	\$18,115,948	\$77,891	\$1,702,442	\$3,892,911	\$2,727,182	\$3,421,207	\$816,965	\$120,035	\$10,634,567	\$0	\$0	\$345,488			\$41,854,636
Utility Benefit Cost Test	\$9,913,103	n/a	n/a	1.83	0.01	0.17	0.39	0.28	0.35	0.08	0.01	n/a	0.00	0.00	0.03			3.11
Total Resource Benefit Cost Test	n/a	\$11,785,289	n/a	1.54	0.01	0.14	0.33	0.23	0.29	0.07	0.01	0.90	0.00	0.00	0.03			3.55
Energy Opportunities	\$32,030,505	\$79,894,633	\$47,864,128	\$52,786,007	\$165,656	\$3,620,685	\$7,364,234	\$9,723,958	\$12,335,149	\$2,031,401	\$429,862	\$33,885,966	\$0	\$0	\$2,765,546			\$125,108,464
Utility Benefit Cost Test	\$32,030,505	n/a	n/a	1.65	0.01	0.11	0.23	0.30	0.39	0.06	0.01	n/a	0.00	0.00	0.03			2.76
Total Resource Benefit Cost Test	n/a	\$79,894,633	n/a	0.66	0.00	0.05	0.09	0.12	0.15	0.03	0.01	0.42	0.00	0.00	0.03			1.57
O&M (Services, RetroCk, BSC)	\$4,865,023	\$10,002,671	\$5,137,648	\$7,818,558	\$17,991	\$393,233	\$360,505	\$2,106,955	\$2,664,289	\$222,943	\$101,370	\$6,283,180	\$0	\$0	\$0			\$19,969,023
Utility Benefit Cost Test	\$4,865,023	n/a	n/a	1.61	0.00	0.08	0.07	0.43	0.55	0.05	0.02	n/a	0.00	0.00	0.00			2.81
Total Resource Benefit Cost Test	n/a	\$10,002,671	n/a	0.78	0.00	0.04	0.04	0.21	0.27	0.02	0.01	0.63	0.00	0.00	0.00			2.00
PRIME	\$660,000	\$705,553	\$45,553	\$748,919	\$0	\$0	\$0	\$207,972	\$263,850	\$0	\$10,320	\$599,155	\$0	\$0	\$2,523,463			\$4,353,679
Utility Benefit Cost Test	\$660,000	n/a	n/a	1.13	0.00	0.00	0.00	0.32	0.40	0.00	0.02	n/a	0.00	0.00	0.00			1.87
Total Resource Benefit Cost Test	n/a	\$705,553	n/a	1.06	0.00	0.00	0.00	0.29	0.37	0.00	0.01	0.85	0.00	0.00	0.00			6.17
Small Business	\$18,900,000	\$37,929,956	\$19,029,956	\$26,283,327	\$68,684	\$1,501,198	\$3,069,261	\$4,858,826	\$6,055,680	\$837,139	\$21,3424	\$16,814,148	\$0	\$0	\$1,574,039			\$61,275,725
Utility Benefit Cost Test	\$18,900,000	n/a	n/a	1.39	0.00	0.08	0.16	0.26	0.32	0.04	0.01	n/a	0.00	0.00	0.00			2.27
Total Resource Benefit Cost Test	n/a	\$37,929,956	n/a	0.69	0.00	0.04	0.08	0.13	0.16	0.02	0.01	0.44	0.00	0.00	0.04			1.62
Sub Total C&I	\$66,368,631	\$140,318,101	\$73,949,470	\$105,752,759	\$330,223	\$7,217,558	\$14,686,910	\$19,624,893	\$24,740,175	\$3,908,447	\$875,010	\$68,217,015	\$0	\$0	\$7,208,537			\$252,561,528
Utility Benefit Cost Test	\$66,368,631	n/a	n/a	1.59	0.00	0.11	0.22	0.30	0.37	0.06	0.01	n/a	0.00	0.00	0.05			2.67
Total Resource Benefit Cost Test	n/a	\$140,318,101	n/a	0.75	0.00	0.05	0.10	0.14	0.18	0.03	0.01	0.49	0.00	0.00	0.05			1.80
ISO Load Response	\$3,400,000	\$3,400,000	\$0	\$0	\$152,000	\$3,325,000	\$3,955,800	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			\$7,432,800
Utility Benefit Cost Test	\$3,400,000	n/a	n/a	0.00	0.04	0.98	1.16	0.00	0.00	0.00	0.00	n/a	0.00	0.00	0.00			2.19
Total Resource Benefit Cost Test	n/a	\$3,400,000	n/a	0.00	0.04	0.98	1.16	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			2.19
Other Costs	\$25,370,407	\$25,370,407	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			\$0
Total	\$144,614,089	\$226,415,677	\$81,801,588	\$156,880,826	\$619,049	\$13,418,818	\$23,130,159	\$30,115,374	\$34,843,829	\$5,049,743	\$1,321,608	\$102,614,015	\$39,937,570	\$1,451,289	\$26,475,061			\$435,857,339
Utility Benefit Cost Test	\$144,614,089	n/a	n/a	1.08	0.00	0.09	0.16	0.21	0.24	0.03	0.01	n/a	0.28	0.01	0.12			2.11
Total Resource Benefit Cost Test	n/a	\$226,415,677	n/a	0.69	0.00	0.06	0.10	0.13	0.15	0.02	0.01	0.45	0.18	0.01	0.12			1.93

CL&P used a discount rate of 7.52% and YGS used 7% for screening the benefits, based upon the Companies weighted after tax average cost of capital and no less than minimum rate of 7% stated in Docket 08-10-02, DPUC Review of The Connecticut Gas Utilities Forecasts of Demand and Supply 2009-2019 and Joint Conservation Plans and 09-10-03, DPUC Review of The Connecticut Energy Efficiency Fund's 2010 Conservation and Load Management Plan for 2010.

Table B1 – 2015 CL&P Comparison of Programs Energy Savings

**TABLE B-1, Energy Savings
CL&P 2015**

Program	Utility Costs (000)	Electric Costs (Note 1) (000)	# of Units	Units	Annualized Savings (MM/h)	Lifetime Savings (MM/h)	Peak kW Impact (YE)	Electric Demand Cost \$/kW-yr	Electric Cost Rate \$/wh Annualize	Electric Cost Ratio \$/kWh	Annual Oil Savings (gallons)	Lifetime Oil Savings (gallons)	Annual Propane Savings (gallons)	Lifetime Propane Savings (gallons)	Annual MMBtu	Lifetime MMBtu	Utility Cost per Annual MMBtu	Utility Cost per lifetime MMBtu
RESIDENTIAL																		
Residential Retail Products (Note 4)	\$12,540,391	\$12,540	2,982,002	Products	59,241	421,044	5,082	\$2,468	\$0,215	\$0,030	0	0	0	0	198,776	1,437,024	\$63.09	\$8.73
Residential New Construction	\$1,622,216	\$1,548	962	Homes	1,550	30,469	530	\$2,920	\$0,998	\$0,051	0	0	5,148	128,707	5,782	115,746	\$286.76	\$4.27
Home Energy Solutions (Note2)	\$15,876,571	\$9,804	19,646	Homes/other	13,986	175,107	1,722	\$5,694	\$0,701	\$0,056	612,807	10,490,513	48,003	790,694	137,109	2,124,782	\$115.79	\$7.47
HES Income Eligible	\$17,245,279	\$9,682	13,539	Homes	13,752	182,616	1,039	\$6,357	\$0,631	\$0,048	277,080	5,431,669	10,757	216,846	86,347	1,386,392	\$199.72	\$12.35
Residential Behavior (Notes)	\$3,000,000	\$3,000	317,000	Homes	44,935	89,870	10,686	\$280	\$0,087	\$0,033	0	0	0	0	153,982	306,725	\$9.56	\$9.78
Subtotal Residential	\$50,314	\$35,674			132,465	899,106	19,959	\$1,866	\$0,289	\$0,040	888,887	15,922,181	63,908	1,136,246	581,537	5,389,669	\$86.55	\$9.35
COMMERCIAL & INDUSTRIAL																		
Energy Conscious Blueprint	\$9,568	\$9,568	517	Projects	22,548	343,263	3,914	\$2,445	\$0,424	\$0,028	0	0	0	0	76,856	1,171,556	\$124.34	\$8.17
Energy Opportunities	\$31,835	\$31,835	1468	Projects	80,685	953,740	10,933	\$2,912	\$0,385	\$0,033	0	0	0	0	275,379	3,255,114	\$115.60	\$9.78
OSM Services, RetroX, BSC)	\$4,865	\$4,865	252	Projects	23,464	150,029	2,276	\$2,137	\$0,207	\$0,032	0	0	0	0	80,081	512,050	\$60.75	\$9.50
PRIME	\$660	\$660	100	Projects	2,748	13,739	0	\$0	\$0,240	\$0,048	0	0	0	0	9,378	46,891	\$70.38	\$4.08
Small Business	\$19,358	\$19,358	2841	Projects	44,331	550,272	4,776	\$4,054	\$0,437	\$0,035	0	0	0	0	151,300	1,878,078	\$122.94	\$10.31
Subtotal C&I	\$66,286	\$66,286			173,775	2,011,043	21,899	\$3,027	\$0,381	\$0,033	0	0	0	0	593,004	6,863,688	\$111.76	\$9.66
LOAD MANAGEMENT																		
ISO Load Response Program	\$3,000	\$3,000	220	Customers	0	0	95,000	\$32	NA	NA	0	0	0	0	0	0	NA	NA
Subtotal Load Management	\$3,000	\$3,000			0	0	95,000	\$32	NA	NA	0	0	0	0	0	0	NA	NA
Other																		
Subtotal Other	\$25,921	\$25,921			306,240	2,910,146	136,997	\$959	\$0.426	\$0.045					1,045,196	9,932,336	\$138.85	\$4.61
TOTAL CALM BUDGET	\$145,122	\$130,382																

Note 1: Electric Costs are the estimated costs that are allocated to electric measures. The Electric Costs do not include costs that are allocated to oil and propane measures. Electric savings ratios are calculated using the Electric Costs for HES only. MMBtu ratios are calculated using the Utility Cost.

Note 2: Home Energy Solutions # of Units is 10,709 electric customers that participate in HES Core Services plus 8,937 HVAC rebates. Savings is based on spending of full HES budget include HES Allocation line item (Table C)

Note 3: Behavior Program # of units includes 217,000 customers who will receive paper (mail) reports and 100,000 customers who receive electronic (e-mail) reports.

Annualized savings figures include all new incremental savings plus those behavioral savings that would have decayed had the program been suspended. The lifetime savings figures include two years of persistence savings based on results from a persistence test conducted on a subset of CL&P's pilot HER program from 2012-2013, which found an average annual decay rate of 14%. These results are also broadly consistent with five independent evaluations covering four similar persistence tests conducted in other jurisdictions (Alcott and Rogers, 2012).

Note 4: Retail Products # of units includes 967,512 LED Lighting Products (approximately 33.3 %).

Table B2 – 2015 CL&P Comparison of Program Benefits – Residential

**Table B-2
Benefits Table, CL&P 2015**

Program	Program Costs			Program Benefits (2009) and Benefit/Cost Ratios										Benefit			
	a	b	c = b - a	Electric Benefit	Transmission	Distribution	Capacity	Intrastate DRPE	Rest of Pool DRPE	Capacity DRPE	Cross-Jur DRPE	Emissions	Fossil Fuel	Water	Non Resource	Benefit	Benefit/Cost
Residential Retail Products	\$12,540,391	\$20,327,799	\$7,587,408	\$2,328,051	\$50,417	\$1,101,948	\$1,897,999	\$5,131,986	\$4,805,249	\$582,652	\$230,040	\$16,310,097	\$0	\$0	\$17,672,777	\$71,020,813	2.96
Utility Cost B/C	\$12,540,391	n/a	n/a	1.85	0.00	0.09	0.15	0.41	0.38	0.05	0.02	n/a	0.00	0.00	0.88	2.96	
Total Resource B/C	n/a	\$20,327,799	n/a	1.15	0.00	0.05	0.09	0.25	0.24	0.03	0.01	0.81	0.00	0.00	0.88	3.53	
Residential New Construction	\$1,652,216	\$1,890,395	\$238,179	\$1,283,023	\$10,624	\$631,714	\$621,688.5	\$140,538	\$140,033	\$91,979	\$7148	\$627,778	\$197,512	\$0	\$0	\$3,760,759	3.02
Utility Benefit Cost Test	\$1,652,216	n/a	n/a	0.78	0.01	0.38	0.38	0.09	0.09	0.06	0.00	n/a	0.12	0.00	0.00	1.90	
Total Resource Benefit Cost Test	n/a	\$1,890,395	n/a	0.68	0.01	0.33	0.33	0.07	0.08	0.05	0.00	0.33	0.10	0.00	0.00	1.99	
Home Energy Solutions	\$15,876,571	\$18,134,491	\$2,257,920	\$9,213,774	\$23,917	\$522,796	\$1,179,156	\$1,367,586	\$1,407,314	\$244,137	\$80,655	\$5,295,190	\$33,968,165	\$1,253,621	\$2,382,784	\$66,919,065	3.02
Utility Benefit Cost Test	\$15,876,571	n/a	n/a	0.58	0.00	0.03	0.07	0.09	0.09	0.02	0.00	n/a	2.14	0.00	0.00	3.02	
Total Resource Benefit Cost Test	n/a	\$18,134,491	n/a	0.51	0.00	0.03	0.07	0.08	0.08	0.01	0.00	0.29	1.87	0.07	0.13	3.04	
HES Income Eligible	\$17,245,279	\$17,245,279	\$0	\$9,763,601	\$13,781	\$301,202	\$637,973	\$1,456,065	\$1,479,848	\$177,352	\$83,064	\$5,568,415	\$13,703,010	\$304,550	\$124,644	\$33,593,905	1.60
Utility Benefit Cost Test	\$17,245,279	n/a	n/a	0.57	0.00	0.02	0.04	0.08	0.09	0.01	0.00	n/a	0.79	0.02	0.01	1.60	
Total Resource Benefit Cost Test	n/a	\$17,245,279	n/a	0.57	0.00	0.02	0.04	0.08	0.09	0.01	0.00	0.32	0.79	0.02	0.01	1.95	
Residential Behavior	\$3,000,000	\$3,000,000	\$0	\$5,332,140	\$34,802	\$760,665	\$425,440	\$1,139,010	\$1,145,110	\$0	\$57,689	\$4,937,986	\$0	\$0	\$0	\$13,402,842	2.96
Utility Benefit Cost Test	\$3,000,000	n/a	n/a	1.78	0.01	0.25	0.14	0.38	0.38	0.00	0.02	n/a	0.00	0.00	0.00	2.96	
Total Resource Benefit Cost Test	n/a	\$3,000,000	n/a	1.78	0.01	0.25	0.14	0.38	0.38	0.00	0.02	1.50	0.00	0.00	0.00	4.47	
Sub Total Residential	\$50,334,457	\$60,387,964	\$10,053,507	\$48,830,889	\$335,542	\$3,318,282	\$4,761,855	\$9,135,185	\$8,966,575	\$1,096,120	\$418,597	\$32,305,167	\$47,868,687	\$1,559,572	\$20,180,205	\$78,697,374	2.48
Utility Benefit Cost Test	\$50,334,457	n/a	n/a	0.97	0.00	0.07	0.09	0.18	0.18	0.02	0.01	n/a	0.95	0.03	0.33	2.48	
Total Resource Benefit Cost Test	n/a	\$60,387,964	n/a	0.81	0.00	0.05	0.08	0.15	0.15	0.02	0.01	0.53	0.79	0.03	0.33	2.96	

Note: Commercial and Industrial programs are continued on the next page.

Table B2 – 2015 CL&P Comparison of Program Benefits – C&I

**Table B-2
Benefits Table, CL&P 2015**

Program	Program Costs			Program Benefits (000) and Benefit/Cost Ratios												Benefit Benefit/Cost
	a	b	c = b - a	Electric Benefit	Fossil Fuel			Other Benefits			Benefit					
	Budget	Total Resource Cost	Customer Cost	Electric Energy	Transmission	Distribution	Capacity	Intrastate DRPE	Rest of Pool DRPE	Capacity DRPE		Cross-fuel DRPE	Emissions	Oil/Propane	Water	Non Resource
Energy Conscious Blueprint	\$9,568,420	\$11,336,351	\$1,767,931	\$18,735,507	\$69,487	\$1,518,749	\$3,842,550	\$2,367,037	\$2,986,940	\$738,118	\$105,882	\$10,336,523	\$0	\$0	\$288,427	\$40,989,221
Utility Benefit Cost Test	\$9,568,420	n/a	n/a	1.96	0.01	0.16	0.40	0.25	0.31	0.08	0.01	n/a	0.00	0.00	0.03	3.17
Total Resource Benefit Cost Test	n/a	\$11,336,351	n/a	1.65	0.01	0.13	0.34	0.21	0.26	0.07	0.01	0.91	0.00	0.00	0.03	3.62
Energy Opportunities	\$31,834,968	\$79,216,659	\$47,381,691	\$54,606,324	\$165,795	\$3,623,712	\$8,394,448	\$8,442,340	\$10,773,707	\$2,061,854	\$378,885	\$32,934,174	\$0	\$0	\$2,802,462	\$124,183,701
Utility Benefit Cost Test	\$31,834,968	n/a	n/a	1.72	0.01	0.11	0.26	0.27	0.34	0.06	0.01	n/a	0.00	0.00	0.04	2.78
Total Resource Benefit Cost Test	n/a	\$79,216,659	n/a	0.69	0.00	0.05	0.11	0.11	0.14	0.03	0.00	0.42	0.00	0.00	0.04	1.57
Business & Energy Sustainability (O&M, RetroCx, BSC)	\$4,865,023	\$10,593,625	\$5,728,602	\$8,491,765	\$18,355	\$401,184	\$492,852	\$2,080,595	\$2,643,886	\$231,156	\$99,392	\$6,413,114	\$0	\$0	\$0	\$20,872,299
Utility Benefit Cost Test	\$4,865,023	n/a	n/a	1.75	0.00	0.08	0.10	0.43	0.54	0.05	0.02	n/a	0.00	0.00	0.00	2.97
Total Resource Benefit Cost Test	n/a	\$10,593,625	n/a	0.80	0.00	0.04	0.05	0.20	0.25	0.02	0.01	0.61	0.00	0.00	0.00	1.97
PRIME	\$660,000	\$705,253	\$45,253	\$795,059	\$0	\$0	\$0	\$207,741	\$264,699	\$0	\$10,566	\$618,880	\$0	\$0	\$4,673,080	\$6,570,024
Utility Benefit Cost Test	\$660,000	n/a	n/a	1.20	0.00	0.00	0.00	0.31	0.40	0.00	0.02	n/a	0.00	0.00	6.63	1.94
Total Resource Benefit Cost Test	n/a	\$705,253	n/a	1.13	0.00	0.00	0.00	0.29	0.38	0.00	0.01	0.88	0.00	0.00	6.63	9.32
Small Business	\$19,357,951	\$38,448,864	\$19,090,913	\$30,059,713	\$72,725	\$1,589,531	\$3,691,973	\$4,658,991	\$5,842,590	\$900,629	\$208,169	\$18,083,801	\$0	\$0	\$1,664,872	\$66,772,994
Utility Benefit Cost Test	\$19,357,951	n/a	n/a	1.55	0.00	0.08	0.19	0.24	0.30	0.05	0.01	n/a	0.00	0.00	0.04	2.43
Total Resource Benefit Cost Test	n/a	\$38,448,864	n/a	0.78	0.00	0.04	0.10	0.12	0.15	0.02	0.01	0.47	0.00	0.00	0.04	1.74
Sub Total C&I	\$66,286,362	\$140,300,752	\$74,014,390	\$112,688,368	\$326,362	\$7,133,176	\$16,421,824	\$17,756,704	\$22,511,822	\$3,931,757	\$802,894	\$68,386,492	\$0	\$0	\$9,428,841	\$259,388,239
Utility Benefit Cost Test	\$66,286,362	n/a	n/a	1.70	0.00	0.11	0.25	0.27	0.34	0.06	0.01	n/a	0.00	0.00	0.07	2.74
Total Resource Benefit Cost Test	n/a	\$140,300,752	n/a	0.80	0.00	0.05	0.12	0.13	0.16	0.03	0.01	0.49	0.00	0.00	0.07	1.85
ISO Load Response	\$3,000,000	\$3,000,000	\$0	\$0	\$154,850	\$3,391,500	\$4,227,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,773,850
Utility Benefit Cost Test	\$3,000,000	n/a	n/a	0.00	0.05	1.13	1.41	0.00	0.00	0.00	0.00	n/a	0.00	0.00	0.00	2.59
Total Resource Benefit Cost Test	n/a	\$3,000,000	n/a	0.00	0.05	1.13	1.41	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.59
Other Costs	\$25,521,470	\$25,521,470	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$145,122,289	\$229,220,186	\$84,097,897	\$161,518,957	\$614,754	\$13,842,958	\$25,411,179	\$26,991,888	\$31,498,396	\$5,027,877	\$1,221,491	\$100,695,658	\$47,868,687	\$1,558,572	\$29,609,046	\$445,859,464
Utility Benefit Cost Test	\$145,122,289	n/a	n/a	1.11	0.00	0.10	0.18	0.19	0.22	0.03	0.01	n/a	0.33	0.01	0.13	2.16
Total Resource Benefit Cost Test	n/a	\$229,220,186	n/a	0.70	0.00	0.06	0.11	0.12	0.14	0.02	0.01	0.44	0.21	0.01	0.13	1.95

CL&P used a discount rate of 7.5% and XGS used 7% for screening the benefits, based upon the Companies weighted after tax average cost of capital, and no less than minimum rate of 7% stated in Docket 08-10-02, DRUC. Review of The Connecticut Gas Utilities Forecast of Demand and Supply 2009-2013 and Joint Conservation Plans and 09-10-03, DRUC Review of The Connecticut Energy Efficiency Fund's 2010 Conservation and Load Management Plan for 2010.

Table C – 2014 CL&P Budget

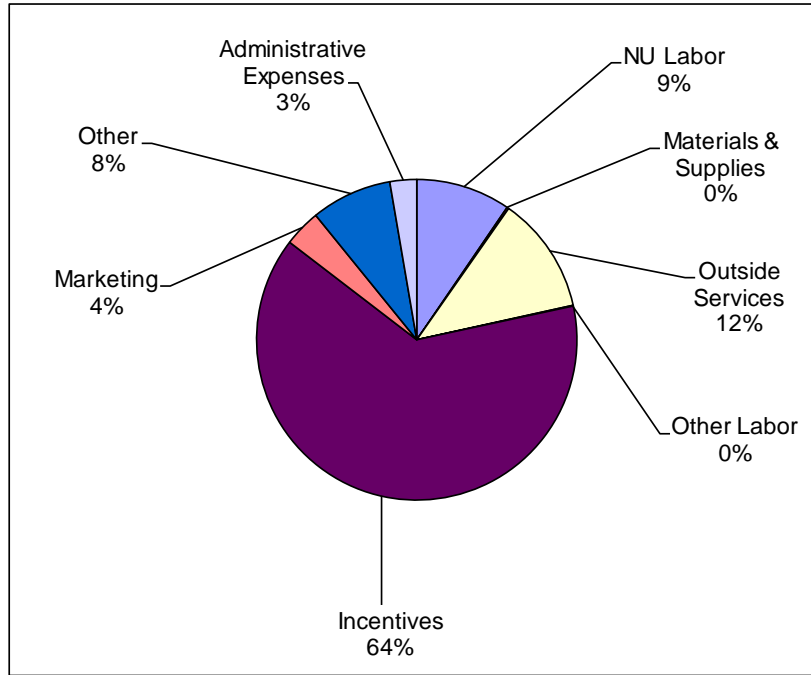
Table C
CL&P 2014 C&LM Budget Details

CL&P C&LMBUDGET (\$000)	CL&P Labor	Materials & Supplies	Outside Services	Contractor Labor	Incentives	Marketing	Other**	Administrative Expenses	TOTAL
Residential Retail Products	\$ 166	\$ 4	\$ 1,749	\$ -	\$ 9,314	\$ 1,023	\$ 39	\$ 28	\$ 12,325
Appliance Rebate Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total - Consumer Products	\$ 166	\$ 4	\$ 1,749	\$ -	\$ 9,314	\$ 1,023	\$ 39	\$ 28	\$ 12,325
Residential New Construction	\$ 1,500	\$ 3	\$ 61	\$ 1,374	\$ 36	\$ 4	\$ 5	\$ 1,646	\$ 11,733
Home Energy Solutions (HVAC, Duct Sealing, Lighting)	\$ 1,500	\$ 21	\$ 256	\$ -	\$ 9,514	\$ 354	\$ 44	\$ 44	\$ 11,733
Home Energy Solutions - Potential Allocation	\$ 500	\$ 6	\$ 78	\$ -	\$ 2,851	\$ 108	\$ 13	\$ 13	\$ 3,570
HES Income Eligible	\$ 1,400	\$ 27	\$ 372	\$ -	\$ 14,638	\$ 652	\$ 45	\$ 68	\$ 17,202
Residential Behavior	\$ 150	\$ 25	\$ 2,280	\$ -	\$ 500	\$ 25	\$ 20	\$ 3,000	\$ 3,000
Subtotal Residential	\$ 3,879	\$ 86	\$ 4,797	\$ -	\$ 37,690	\$ 2,672	\$ 172	\$ 179	\$ 49,475
COMMERCIAL & INDUSTRIAL									
C & I LOST OPPORTUNITY	\$ 1,912	\$ 11	\$ 529	\$ -	\$ 7,097	\$ 229	\$ 80	\$ 55	\$ 9,913
Energy Conscious Blueprint	\$ 1,912	\$ 11	\$ 529	\$ -	\$ 7,097	\$ 229	\$ 80	\$ 55	\$ 9,913
Total - Lost Opportunity	\$ 1,912	\$ 11	\$ 529	\$ -	\$ 7,097	\$ 229	\$ 80	\$ 55	\$ 9,913
C & I LARGE RETROFIT	\$ 3,001	\$ 48	\$ 690	\$ -	\$ 27,414	\$ 572	\$ 29	\$ 277	\$ 32,031
Energy Opportunities	\$ 3,001	\$ 48	\$ 690	\$ -	\$ 27,414	\$ 572	\$ 29	\$ 277	\$ 32,031
Business & Energy Sustainability (O&M, RetroCx, BSC)	\$ 513	\$ 10	\$ 808	\$ -	\$ 3,392	\$ 102	\$ 15	\$ 25	\$ 4,865
PRIME	\$ 100	\$ 2	\$ 25	\$ -	\$ 456	\$ 61	\$ 4	\$ 12	\$ 660
Total - C & I Large Retrofit	\$ 3,614	\$ 60	\$ 1,522	\$ -	\$ 31,262	\$ 735	\$ 48	\$ 315	\$ 37,556
Small Business	\$ 1,400	\$ 20	\$ 149	\$ -	\$ 13,818	\$ 298	\$ 15	\$ 3,200	\$ 18,900
Subtotal C&I	\$ 6,926	\$ 92	\$ 2,200	\$ -	\$ 52,176	\$ 1,262	\$ 142	\$ 3,570	\$ 66,369
OTHER - EDUCATION									
SmartLiving Center® - Museum Partnerships	\$ 50	\$ 40	\$ 986	\$ -	\$ -	\$ 15	\$ -	\$ -	\$ 1,091
Clean Energy Communities	\$ 250	\$ 20	\$ 987	\$ -	\$ -	\$ 100	\$ 5	\$ 2	\$ 1,364
EE Smart/K-12 Education	\$ 50	\$ 5	\$ 371	\$ -	\$ -	\$ 50	\$ -	\$ 3	\$ 479
Customer Engagement	\$ 50	\$ -	\$ 430	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 480
Science Center	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal Education	\$ 400	\$ 65	\$ 2,774	\$ -	\$ -	\$ 165	\$ 5	\$ -	\$ 3,414
OTHER - PROGRAMS/REQUIREMENTS									
Institute for Sustainable Energy (ECSU)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 359	\$ -	\$ 359
ESPC Project Manager - Lead By Example	\$ -	\$ -	\$ 96	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 96
Other Funding Requests	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Residential Loan Program (Includes ECLF)	\$ -	\$ -	\$ 1,595	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,595
C&I Loan Program	\$ -	\$ -	\$ 1,087	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,087
C&LM Loan Defaults	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 105	\$ -	\$ 105
C&I Self Funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,000	\$ -	\$ 4,000
Subtotal Programs/Requirements	\$ -	\$ -	\$ 2,778	\$ -	\$ -	\$ -	\$ 4,464	\$ -	\$ 7,242
OTHER - LOAD MANAGEMENT									
ISO Load Response Program	\$ 249	\$ 5	\$ 743	\$ 9	\$ 2,372	\$ 10	\$ -	\$ 12	\$ 3,400
Subtotal Load Management	\$ 249	\$ 5	\$ 743	\$ 9	\$ 2,372	\$ 10	\$ -	\$ 12	\$ 3,400
OTHER - RENEWABLES & RD&D									
Research, Development & Demonstration	\$ 150	\$ 2	\$ 216	\$ -	\$ -	\$ -	\$ 50	\$ 5	\$ 423
Subtotal Renewables & RD&D	\$ 150	\$ 2	\$ 216	\$ -	\$ -	\$ -	\$ 50	\$ 5	\$ 423
OTHER - ADMINISTRATIVE & PLANNING									
Administration	\$ 797	\$ 4	\$ 46	\$ -	\$ -	\$ -	\$ 30	\$ 30	\$ 907
Marketing Plan	\$ 330	\$ -	\$ -	\$ -	\$ -	\$ 1,295	\$ 1	\$ 1	\$ 1,627
Planning	\$ 578	\$ 6	\$ 80	\$ -	\$ -	\$ -	\$ 20	\$ 19	\$ 703
Evaluation	\$ 190	\$ 5	\$ 2,009	\$ -	\$ -	\$ -	\$ 55	\$ 5	\$ 2,264
Evaluation Consultant	\$ -	\$ -	\$ 233	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 233
Information Technology	\$ 300	\$ 5	\$ 853	\$ 100	\$ -	\$ -	\$ -	\$ 80	\$ 1,338
Energy Efficiency Board	\$ -	\$ -	\$ 362	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 362
Performance Management Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,858	\$ -	\$ 6,858
Subtotal Admin/Planning Expenditures	\$ 2,195	\$ 20	\$ 3,582	\$ 100	\$ -	\$ 1,295	\$ 6,964	\$ 135	\$ 14,291
PROGRAMS/TOTALS									
Residential	\$ 4,473	\$ 139	\$ 8,686	\$ -	\$ 37,690	\$ 3,850	\$ 176	\$ 184	\$ 55,199
C&I	\$ 7,311	\$ 109	\$ 4,607	\$ 9	\$ 54,548	\$ 1,554	\$ 4,249	\$ 3,583	\$ 75,969
Other*	\$ 2,015	\$ 22	\$ 3,798	\$ 100	\$ -	\$ -	\$ 7,372	\$ 139	\$ 13,447
TOTAL C&LM BUDGET	\$ 13,800	\$ 270	\$ 17,091	\$ 109	\$ 92,239	\$ 5,404	\$ 11,797	\$ 3,906	\$ 144,614

* Other - includes ISE/ECSU, RD&D, Admin, Planning & Evaluation, and IT
 ** Other includes Performance Management Fee, ECSU, Energy Conservation Loan Fund, Loan Defaults, Self Funding

Table C – 2014 Pie

CL&P
2014 CONSERVATION & LOAD MANAGEMENT
C&LM Budget By Expense Class
Table C Pie Chart



<u>Expense Classes</u>	<u>Budget</u>	<u>% of Budget</u>
NU Labor	\$ 13,800	10%
Materials & Supplies	\$ 270	0%
Outside Services	\$ 17,091	12%
Other Labor	\$ 109	0%
Incentives	\$ 92,239	64%
Marketing	\$ 5,404	4%
Other	\$ 11,797	8%
Administrative Expenses	\$ 3,906	3%
Total	\$ 144,614	100%

Table C – 2015 CL&P Budget

Table C
CL&P 2015 C&LM Budget Details

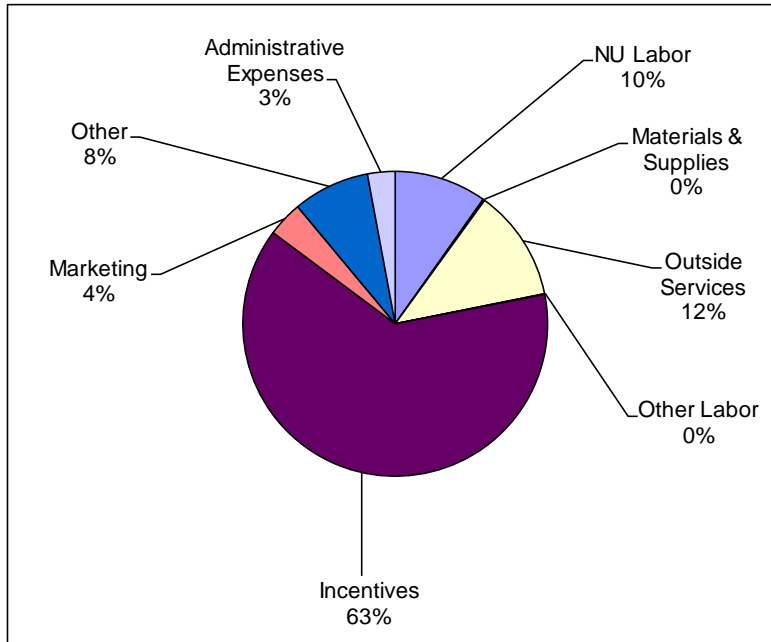
CL&P C&LM BUDGET (\$000)	CL&P Labor	Materials & Supplies	Outside Services	Contractor Labor	Incentives	Marketing	Other**	Administrative Expenses	TOTAL
Residential Retail Products	\$ 171	\$ 5	\$ 1,773	\$ -	\$ 9,484	\$ 1,038	\$ 40	\$ 29	\$ 12,540
Appliance Rebate Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total - Consumer Products	\$ 171	\$ 5	\$ 1,773	\$ -	\$ 9,484	\$ 1,038	\$ 40	\$ 29	\$ 12,540
Residential New Construction	\$ 168	\$ 3	\$ 61	\$ -	\$ 1,375	\$ 36	\$ 4	\$ 5	\$ 1,652
Home Energy Solutions (HVAC, Duct Sealing, Lighting)	\$ 1,545	\$ 21	\$ 252	\$ -	\$ 9,258	\$ 347	\$ 43	\$ 43	\$ 11,509
Home Energy Solutions - Potential Allocation	\$ 515	\$ 8	\$ 80	\$ -	\$ 3,600	\$ 132	\$ 16	\$ 16	\$ 4,368
HES Income Eligible	\$ 1,442	\$ 27	\$ 380	\$ -	\$ 14,630	\$ 653	\$ 45	\$ 68	\$ 17,245
Residential Behavior / Engagement	\$ 155	\$ 25	\$ 2,276	\$ -	\$ -	\$ 500	\$ 25	\$ 20	\$ 3,000
Subtotal Residential	\$ 3,996	\$ 89	\$ 4,821	\$ -	\$ 38,348	\$ 2,706	\$ 175	\$ 181	\$ 50,315
COMMERCIAL & INDUSTRIAL									
C & I LOST OPPORTUNITY									
Energy Conscious Blueprint	\$ 1,969	\$ 11	\$ 529	\$ -	\$ 6,708	\$ 221	\$ 77	\$ 53	\$ 9,568
Total - Lost Opportunity	\$ 1,969	\$ 11	\$ 529	\$ -	\$ 6,708	\$ 221	\$ 77	\$ 53	\$ 9,568
C & I LARGE RETROFIT									
Energy Opportunities	\$ 3,091	\$ 47	\$ 685	\$ -	\$ 27,138	\$ 568	\$ 28	\$ 277	\$ 31,835
Business & Energy Sustainability (O&M, RetroCx, BSC)	\$ 528	\$ 10	\$ 808	\$ -	\$ 3,377	\$ 102	\$ 15	\$ 25	\$ 4,865
PRIME	\$ 103	\$ 2	\$ 25	\$ -	\$ 453	\$ 61	\$ 4	\$ 12	\$ 660
Total - C&I Large Retrofit	\$ 3,722	\$ 60	\$ 1,518	\$ -	\$ 30,967	\$ 731	\$ 47	\$ 314	\$ 37,360
Small Business	\$ 1,442	\$ 20	\$ 153	\$ -	\$ 13,862	\$ 306	\$ 15	\$ 3,560	\$ 19,358
Subtotal C&I	\$ 7,134	\$ 91	\$ 2,199	\$ -	\$ 51,537	\$ 1,258	\$ 140	\$ 3,927	\$ 66,286
OTHER - EDUCATION									
SmartLiving Center® - Museum Partnerships	\$ 52	\$ 40	\$ 464	\$ -	\$ -	\$ 15	\$ -	\$ -	\$ 570
Clean Energy Communities	\$ 258	\$ 20	\$ 980	\$ -	\$ -	\$ 100	\$ 5	\$ 2	\$ 1,364
EE Smarts/K-12 Education	\$ 52	\$ 5	\$ 370	\$ -	\$ -	\$ 50	\$ -	\$ -	\$ 479
Customer Engagement	\$ 52	\$ -	\$ 429	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 480
Science Center	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal Education	\$ 412	\$ 65	\$ 2,242	\$ -	\$ -	\$ 165	\$ 5	\$ 5	\$ 2,894
OTHER - PROGRAMS/REQUIREMENTS									
Institute for Sustainable Energy (ECSU)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 358	\$ -	\$ 358
ESPC Project Manager - Lead By Example	\$ -	\$ -	\$ 96	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 96
Other Funding Requests	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Residential Loan Program	\$ -	\$ -	\$ 2,053	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,053
C&I Loan Program	\$ -	\$ -	\$ 1,087	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,087
C&LM Loan Defaults	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 109	\$ -	\$ 109
C&I Self Funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,000	\$ -	\$ 4,000
Subtotal Programs/Requirements	\$ -	\$ -	\$ 3,236	\$ -	\$ -	\$ -	\$ 4,467	\$ -	\$ 7,703
OTHER - LOAD MANAGEMENT									
ISO Load Response Program	\$ 257	\$ 5	\$ 743	\$ 9	\$ 1,964	\$ 10	\$ -	\$ 12	\$ 3,000
Subtotal Load Management	\$ 257	\$ 5	\$ 743	\$ 9	\$ 1,964	\$ 10	\$ -	\$ 12	\$ 3,000
OTHER - RENEWABLES & RD&D									
Research, Development & Demonstration	\$ 155	\$ 2	\$ 231	\$ -	\$ -	\$ -	\$ 50	\$ 5	\$ 442
Subtotal Renewables & RD&D	\$ 155	\$ 2	\$ 231	\$ -	\$ -	\$ -	\$ 50	\$ 5	\$ 442
OTHER - ADMINISTRATIVE & PLANNING									
Administration	\$ 821	\$ 4	\$ 46	\$ -	\$ -	\$ -	\$ 15	\$ 21	\$ 907
Marketing Plan	\$ 340	\$ -	\$ -	\$ -	\$ -	\$ 1,285	\$ 1	\$ 1	\$ 1,627
Planning	\$ 596	\$ 6	\$ 80	\$ -	\$ -	\$ -	\$ 10	\$ 12	\$ 704
Evaluation	\$ 196	\$ 5	\$ 2,169	\$ -	\$ -	\$ -	\$ 55	\$ 5	\$ 2,430
Evaluation Consultant	\$ -	\$ -	\$ 233	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 233
Information Technology	\$ 309	\$ 5	\$ 844	\$ 100	\$ -	\$ -	\$ -	\$ 80	\$ 1,338
Energy Efficiency Board	\$ -	\$ -	\$ 362	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 362
Performance Management Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,882	\$ -	\$ 6,882
Subtotal Admin/Planning Expenditures	\$ 2,261	\$ 20	\$ 3,734	\$ 100	\$ -	\$ 1,285	\$ 6,963	\$ 119	\$ 14,482
PROGRAM SUBTOTALS									
Residential	\$ 4,607	\$ 142	\$ 8,741	\$ -	\$ 38,348	\$ 3,875	\$ 179	\$ 187	\$ 56,080
C&I	\$ 7,530	\$ 108	\$ 4,500	\$ 9	\$ 53,501	\$ 1,548	\$ 4,250	\$ 3,940	\$ 75,387
Other*	\$ 2,076	\$ 22	\$ 3,965	\$ 100	\$ -	\$ -	\$ 7,370	\$ 123	\$ 13,656
TOTAL C&LM BUDGET	\$14,214	\$ 272	\$ 17,206	\$ 109	\$ 91,849	\$ 5,423	\$ 11,800	\$ 4,250	\$ 145,122

* Other - includes ISE/ECSU, RD&D, Admin, Planning & Evaluation, and IT

** Other includes Performance Management Fee, ECSU, Energy Conservation Loan Fund, Loan Defaults, Self Funding

Table C – 2015 Pie

CL&P
2015 CONSERVATION & LOAD MANAGEMENT
C&LM Budget By Expense Class
Table C Pie Chart



<u>Expense Classes</u>	<u>Budget</u>	<u>% of Budget</u>
NU Labor	\$ 14,214	10%
Materials & Supplies	\$ 272	0%
Outside Services	\$ 17,206	12%
Other Labor	\$ 109	0%
Incentives	\$ 91,849	63%
Marketing	\$ 5,423	4%
Other	\$ 11,800	8%
Administrative Expenses	\$ 4,250	3%
Total	\$ 145,122	100%

Table D1 – C&LP Historical and Projected Annual kW

**Table D1
C&LP Historical and Projected kW**

	Load Savings kW															
	2000 Actual	2001 Actual	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Goal	2015 Goal
RESIDENTIAL																
Residential Retail Products	3,301	4,620	4,249	1,604	6,400	4,832	5,160	5,678	6,257	4,024	14,589	11,778	6,355	5,600	6,121	5,082
Appliance Retirement					1,042	1,437	443		235							
Appliance Rebate Program																
Customer Initiated Projects					22	37										
Total - Consumer Products	3,301	4,620	4,249	1,604	7,464	6,306	5,603	5,678	6,492	4,024	14,589	11,778	6,355	5,600	6,121	5,082
Residential New Construction	276	364	818	476	268	1,885	2,225	505	521	256	339	564	574	562	601	530
Home Energy Solutions (HVAC, Duct Sealing, Lighting)	481	794	1,380	972	2,188	2,856	3,151	2,520	3,261	2,220	5,054	2,521	2,626	2,852	1,666	1,722
HES Income Eligible	544	611	740	427	652	806	1,110	1,067	1,271	1,172	1,146	996	749	610	1,045	1,039
Residential Behavior															7,144	10,696
Subtotal RESIDENTIAL	4,602	6,389	7,187	3,479	10,572	11,853	12,089	9,770	11,545	7,671	21,128	15,859	10,304	9,623	16,576	19,069
COMMERCIAL & INDUSTRIAL																
C&I LOST OPPORTUNITY																
Energy Conscious Blueprint	15,687	16,584	17,572	10,750	21,714	10,655	8,771	9,354	8,279	5,331	4,039	4,103	7,705	6,523	4,489	3,914
Total - Lost Opportunity	15,687	16,584	17,572	10,750	21,714	10,655	8,771	9,354	8,279	5,331	4,039	4,103	7,705	6,523	4,489	3,914
C&I LARGE RETROFIT																
C&I REP	2,356	6,911	3,025	642	3,260	7,355										
Energy Opportunities	1,267	1,450	2,204	1,286	1,426	2,431	15,295	17,675	14,859	6,017	8,693	8,761	10,669	7,843	11,163	10,933
Business & Energy Sustainability (O&M, RetroCx, BSC)	4,428	2,498	548	142	774	2,208	504	432	711	376	531	145	977	789	2,276	2,276
PRIME																
Municipal Energy & Schools	3,521	2,947	2,941	1,219	761	1,147										
Total - C&I Large Retrofit	11,572	13,806	8,718	3,289	6,221	13,141	15,799	18,107	15,570	6,393	9,224	8,906	11,646	8,632	13,439	13,209
Small Business	849	2,285	2,352	2,430	3,354	2,349	8,497	9,310	8,287	4,987	5,244	4,759	3,692	2,943	4,600	4,776
Subtotal C&I	28,108	32,675	28,642	16,469	31,289	26,145	33,067	36,771	32,136	16,712	18,507	17,768	23,043	18,099	22,529	21,899
OTHER - LOAD MANAGEMENT																
ISO Load Response Program				45,951	29,900	60,755	23,576	16,467	17,294	13,296	118,432	92,474	91,403	95,642	95,000	95,000
Demand Reduction					263	160	43									
Power Factor					531	15,401	4,133	4,412	1,047							
Wait Until 8:00																
Subtotal Load Management	-	-	-	45,951	30,694	76,316	27,752	20,879	18,341	13,296	118,432	92,474	91,403	95,642	95,000	95,000
PROGRAM SUB-TOTALS																
Residential	4,602	6,389	7,187	3,479	10,572	11,853	12,089	9,770	11,545	7,671	21,128	15,859	10,304	9,623	16,576	19,069
C&I	28,108	32,675	28,642	16,462	31,289	26,145	33,067	36,771	32,136	16,712	18,507	17,768	23,043	18,099	22,529	21,899
Other																
TOTAL (includes ISO Load Response)	32,710	39,064	35,829	65,899	72,555	114,314	72,908	67,420	62,022	37,679	158,067	136,101	124,750	123,363	134,105	135,967
TOTAL (excludes ISO Load Response)	32,710	39,064	35,829	19,948	42,655	53,559	49,332	50,953	44,728	24,383	39,635	33,627	33,347	27,721	39,105	40,967

Table D2 – CL&P Historical and Projected Annual kWh

Table D2
CL&P Historical and Projected Annual kWh

	Annual Savings kWh (000's)												2015 Goal			
	2000 Actual	2001 Actual	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual		2012 Actual	2013 Actual	2014 Goal
RESIDENTIAL																
Residential Retail Products	38,308	54,016	41,603	12,365	70,088	59,864	64,556	71,908	65,971	42,424	153,834	133,555	71,370	62,949	70,173	58,241
Appliance Retirement					4,577	7,653	3,197		138							
Customer Initiated Projects					284	476										
Total - Consumer Products	38,308	54,016	41,603	12,365	74,949	67,993	67,753	71,908	66,109	42,424	153,834	133,555	71,370	62,949	70,173	58,241
Residential New Construction	910	1,159	1,653	1,052	547	2,551	3,449	1,510	1,536	845	1,581	2,581	1,625	1,896	1,937	1,550
Home Energy Solutions (HVAC, Duct Sealing, Lighting)	7,474	7,233	5,353	576	1,343	1,862	5,324	7,868	9,867	6,595	22,724	16,190	15,493	16,559	13,439	13,986
HHS Income Eligible	6,564	7,491	8,642	4,971	8,554	8,757	9,694	11,163	12,495	12,133	12,538	18,173	11,099	8,187	13,774	13,752
Residential Behavior																
Subtotal Residential	53,256	69,899	57,251	18,964	85,393	81,163	86,130	92,449	89,507	61,999	190,678	170,500	99,588	89,592	126,978	132,465
COMMERCIAL & INDUSTRIAL																
C&I Lost Opportunity	65,506	75,507	72,372	41,942	80,147	60,129	47,925	44,217	49,940	23,225	21,451	21,890	33,973	38,741	22,982	22,548
Total - Lost Opportunity	65,506	75,507	72,372	41,942	80,147	60,129	47,925	44,217	49,940	23,225	21,451	21,890	33,973	38,741	22,982	22,548
C&I LARGE RETROFIT																
C&I RFP	13,465	40,444	18,394	3,447	20,606	45,530										
Energy Opportunities	5,988	6,981	9,821	5,785	8,832	11,656	94,067	103,936	94,799	48,645	62,208	62,521	73,331	56,899	82,303	80,685
Business & Energy Sustainability (O&M, RetroCx, BSC)	25,807	15,436	3,610	991	3,553	9,124	4,301	3,388	9,265	3,117	3,872	2,888	11,137	4,325	22,882	23,464
PRIME																
Municipal Energy & Schools	17,476	14,574	11,380	6,220	4,120	15,658										
Total - C&I Large Retrofit	62,746	77,435	43,205	16,443	34,111	81,968	98,368	107,324	104,064	52,995	68,227	68,773	86,812	63,172	107,868	106,897
Small Business	4,166	11,639	11,798	13,109	19,269	13,228	32,492	37,334	37,254	23,250	30,892	29,681	28,943	26,801	40,863	44,331
Subtotal C&I	132,408	164,581	127,375	71,494	133,527	155,225	178,785	188,875	191,258	99,470	120,071	120,344	149,728	128,713	171,713	173,775
OTHER - LOAD MANAGEMENT																
ISO Load Response Program				670												
Demand Reduction					962		130									
Power Factor																
Watt Unit (800)																
Subtotal Load Management				670	962	130	2									
PROGRAM SUB-TOTALS																
Residential	53,256	69,899	57,251	18,964	85,393	81,163	86,130	92,449	89,507	61,999	190,678	170,500	99,588	89,592	126,978	132,465
C&I	132,408	164,581	127,375	72,164	134,489	155,655	178,787	188,875	191,258	99,470	120,071	120,344	149,728	128,713	171,713	173,775
Other				91,128	219,882	236,818	264,917	281,324	280,765	161,468	310,748	290,844	249,316	218,305	298,691	306,240
TOTAL (includes ISO Load Response)	185,664	234,480	184,626	91,128	219,882	236,818	264,917	281,324	280,765	161,468	310,748	290,844	249,316	218,305	298,691	306,240
TOTAL (excludes ISO Load Response)	185,664	234,480	184,626	90,458	219,882	236,818	264,917	281,324	280,765	161,468	310,748	290,844	249,316	218,305	298,691	306,240

Table D3 – CL&P Historical and Projected Lifetime kWh

**Table D3
CL&P Historical and Projected Lifetime kWh**

	Lifetime Savings kWh (000's)															
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
RESIDENTIAL																
Residential Retail Products	575,133	730,727	523,456	138,487	653,176	453,814	495,351	515,108	542,079	240,352	730,452	530,264	369,780	398,800	543,239	421,044
Appliance Retirement				22,377		37,789	15,977		925							
Customer Initiated Projects					4,713	8,040										
Total - Consumer Products	575,133	730,727	523,456	138,487	680,266	495,643	511,328	515,108	543,004	240,352	730,452	530,264	369,780	398,800	543,239	421,044
Residential New Construction	22,226	24,147	60,409	21,782	9,114	34,399	43,764	19,431	19,910	12,656	25,469	43,198	28,472	31,175	33,500	30,649
Home Energy Solutions (HVAC, Duct Sealing, Lighting)	120,022	116,287	92,890	10,791	25,460	34,238	60,493	89,643	107,856	85,041	264,136	158,652	146,476	171,660	168,893	175,107
HES Income Eligible	104,812	124,899	144,198	84,526	135,997	107,224	105,089	109,864	115,014	111,730	104,256	173,726	159,905	113,222	180,982	182,616
Residential Behavior															55,310	89,870
Subtotal Residential	822,193	996,060	820,953	255,586	850,837	675,504	720,674	734,046	785,784	449,778	1,124,313	905,840	704,633	714,857	981,924	899,106
COMMERCIAL & INDUSTRIAL																
C&I LOST OPPORTUNITY																
Energy Conscious Blueprint	1,121,918	1,339,508	1,235,501	741,610	1,344,801	1,023,516	812,823	704,845	765,081	382,538	330,357	330,506	509,148	596,826	349,600	343,263
Total - Lost Opportunity	1,121,918	1,339,508	1,235,501	741,610	1,344,801	1,023,516	812,823	704,845	765,081	382,538	330,357	330,506	509,148	596,826	349,600	343,263
C&I LARGE RETROFIT																
C&I RFP	227,143	670,581	310,940	60,381	362,541	811,018	1,664,677	1,456,673	1,227,472	587,275	769,087	750,126	863,093	672,470	973,384	953,740
Energy Opportunities	96,749	109,947	123,330	96,507	99,608	156,284	1,664,677	1,456,673	1,227,472	587,275	769,087	750,126	863,093	672,470	973,384	953,740
Business & Energy Sustainability (O&M, RetroCx, BSC)	252,573	161,537	33,643	10,201	38,613	101,711	62,462	46,154	86,719	28,640	32,401	25,754	94,042	36,510	145,594	150,029
PRIME										6,166	10,734	16,819	11,711	9,739	13,414	13,739
Municipal Energy & Schools	233,125	190,368	175,864	98,804	69,386	269,524										
Total - C&I Large Retrofit	809,590	1,132,433	643,777	265,893	570,148	1,338,537	1,727,139	1,512,827	1,314,191	622,081	812,223	792,699	968,846	718,720	1,132,392	1,117,508
Small Business	75,624	188,619	192,412	221,042	328,905	233,226	561,280	468,516	457,376	275,112	376,215	368,832	353,696	325,004	507,357	550,272
Subtotal C&I	2,007,132	2,660,560	2,071,690	1,228,545	2,243,914	2,595,279	3,101,242	2,686,188	2,536,648	1,279,730	1,518,795	1,492,037	1,831,690	1,640,549	1,989,348	2,011,043
OTHER - LOAD MANAGEMENT																
ISO Load Response Program				6,700												
Demand Reduction					9,623	1,886	25									
Power Factor																
Wait Until 8:00																
Subtotal Load Management				6,700	9,623	1,886	25									
PROGRAM SUB-TOTALS																
Residential	822,193	996,060	820,953	255,586	850,837	675,504	720,674	734,046	785,784	449,778	1,124,313	905,840	704,633	714,857	981,924	899,106
C&I	2,007,132	2,660,560	2,071,690	1,228,545	2,243,914	2,595,279	3,101,242	2,686,188	2,536,648	1,279,730	1,518,795	1,492,037	1,831,690	1,640,549	1,989,348	2,011,043
Other																
TOTAL (includes ISO Load Response)	2,829,325	3,656,620	2,892,643	1,490,831	3,104,374	3,272,669	3,821,941	3,420,234	3,322,432	1,729,508	2,643,108	2,497,877	2,536,323	2,355,406	2,971,273	2,910,148
TOTAL (excludes ISO Load Response)	2,829,325	3,656,620	2,892,643	1,484,131	3,104,374	3,272,669	3,821,941	3,420,234	3,322,432	1,729,508	2,643,108	2,497,877	2,536,323	2,355,406	2,971,273	2,910,148

Table D4 – CL&P Historical and Projected Units

Table D4
CL&P Historical and Projected Units

	Units															
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
RESIDENTIAL																
Residential Retail Products	279,141	448,880	369,090	112,417	1,795,372	1,444,182	1,980,791	2,409,313	2,368,034	1,606,793	4,046,226	3,384,219	2,322,287	2,176,984	3,156,706	2,902,002
Appliance Rebate				10,191	14,682	7,656	207	3,013	617		1,232	633				
Appliance Rebate Program			26,000	13,156	26,334	20,514	17,597	11,003	1,536							
Customer Initiated Projects				2		6	3									
Total - Consumer Products	279,141	448,880	395,090	125,573	1,831,099	1,479,344	2,006,047	2,420,523	2,372,583	1,607,410	4,047,458	3,384,852	2,322,287	2,176,984	3,156,706	2,902,002
Residential New Construction	215	416	698	738	718	992	1,289	690	638	537	694	706	870	770	834	962
Home Energy Solution (HES)																
HES Energy												15	36	104	2,516	2,582
HES Heat Pump Water Heater	1,362	1,590	795									92	175	378	600	600
HES Insulation Rebate										99	1,058	1,034	1,180	1,840		
HES Window Rebate												91	132	231		
HESHVAC														105		
Home Energy Solutions (Duct Sealing, Lighting)	3,053	2,307	1,879	657			3,229	4,899	6,634	7,450	21,940	15,586	17,856	14,080	10,026	10,673
Residential HVAC		539	2,366	1,647	2,677	3,700	8,008	2,124	3,170	3,718	6,270	3,565	2,863	3,387	5,791	5,791
Energy Conservation Loan Program (ECLP)	245	202	139	58	89	173	250	245	235	373	272	236	169			
Total - Home Energy Solution (HES)	4,660	4,638	5,179	2,362	2,869	3,873	11,487	7,268	10,039	11,440	29,540	20,763	22,652	22,458	18,963	19,646
HES Income Eligible																
Home Energy Reports																
Residential Behavior	55															
Subtotal Residential	290,820	460,670	406,989	132,356	1,844,051	1,494,027	2,029,304	2,439,725	2,391,781	1,629,869	4,088,399	3,420,930	2,354,233	2,207,636	3,507,159	3,253,149
COMMERCIAL & INDUSTRIAL																
C&I LOST OPPORTUNITY																
Energy Conscious Blueprint	251	251	255	481	488	543	695	603	689	390	509	446	484	436	473	517
Total - Lost Opportunity	251	251	255	481	488	543	695	603	689	390	509	446	484	436	473	517
C&I LARGE RETROFIT																
C&I REP	10	48	27	33	37	104	64									
Energy Opportunities	1,075	1,075	969	189	375	879	488	637	577	672	886	942	859	762	1,467	1,468
Business & Energy Sustainability (BEM, RetroCx, BSC)	110	111	54	14	18	30	26	18	64	22	20	17	38	23	282	252
PRIME																
Municipal Energy & Schools	110	79	61	32	150	396	5									
Total - C&I Large Retrofit	1,314	1,317	1,111	268	580	1,499	583	655	641	744	994	1,021	996	861	1,763	1,820
Small Business	137	419	496	505	603	523	955	1,397	1,138	785	1,546	1,504	1,519	1,277	2,341	2,641
Subtotal C&I	1,702	1,987	1,862	1,254	1,671	2,565	2,233	2,655	2,468	1,919	3,049	2,971	2,999	2,574	4,577	4,979
OTHER - LOAD MANAGEMENT																
ISO Load Response Program				42	50					38		311	263	225	220	220
Demand Reduction																
Power Factor					1		9		10							
Wait Until 8:00						26										
Subtotal Load Management				42	51	26	9	10	1	38	416	311	263	225	220	220
PROGRAM SUB-TOTALS																
Residential	290,820	460,670	406,989	132,356	1,844,051	1,494,027	2,029,304	2,439,725	2,391,781	1,629,869	4,088,399	3,420,930	2,354,233	2,207,636	3,507,159	3,253,149
C&I	1,702	1,987	1,862	1,254	1,671	2,565	2,233	2,655	2,468	1,919	3,049	2,971	2,999	2,574	4,577	4,979
Other				42	51	26	9	10	1	38	416	311	263	225	220	220
TOTAL (includes ISO Load Response)	292,522	462,657	408,851	133,652	1,845,773	1,496,618	2,031,516	2,442,390	2,394,250	1,631,826	4,091,864	3,424,212	2,357,495	2,210,435	3,511,956	3,258,348
TOTAL (excludes ISO Load Response)	292,522	462,657	408,851	133,610	1,845,723	1,496,618	2,031,516	2,442,390	2,394,250	1,631,788	4,091,448	3,423,901	2,357,232	2,210,210	3,511,736	3,258,128

CL&P Performance Incentive 2014

THE CONNECTICUT LIGHT AND POWER COMPANY

2014 Management Incentive Performance Indicators and Incentive Matrix

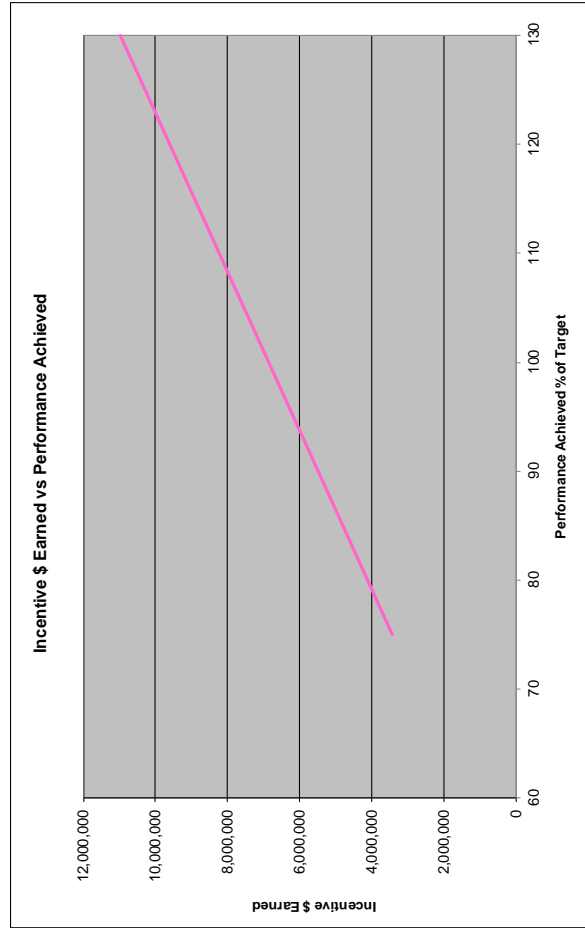
CL&P and the EEB recognize that having clear indicators and metrics of performance are helpful in delivering quality programs to Connecticut consumers. The following is a table of performance and incentive metrics developed by the utilities with input from the EEB, the Board consultants and the Department. These performance and incentive metrics apply to the programs delineated in this Plan. The projected CL&P Performance Incentive is **\$6,858,063** and is based on achieving **100%** of all performance targets and earning an incentive of **5%** of the total C&LM program budget of **\$137,161,270** as shown on Table A (exclusive of Energy Efficiency Board costs, Evaluation Consultant 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 % Minimum	Performance Incentive Illustration- Pretax Incentive	Pre-tax Incentive
75	2.5%	\$3,429,032
80	3%	\$4,114,838
90	4%	\$5,486,451
100	5%	\$6,858,063
110	6%	\$8,229,676
120	7%	\$9,601,289
130	8%	\$10,972,902

Maximum

Incentive Basis Budget \$137,161,270

Goals will be prorated based on actual over/under spend of budget in the event actual spending is over/under 5% or more of budget.



CL&P Performance Incentive 2014 (cont.)

SECTOR Program	Performance Indicators				Incentive Metric	Incentive Metrics		Incentive	
	Program Name	LT-kWh	kW	% (1)		Target Goal	Weight		
RESIDENTIAL	\$49,475	Retail Products	543,239,046	6,121	53.4%	Sum of Electric System Benefit from Residential programs	Electric System Benefit from Residential programs	0.1950	\$1,337,322
		New Construction	33,500,019	601	3.4%				
		HES	168,893,321	1,666	16.4%				
		HES Income Eligible	180,982,441	1,045	17.1%				
		Residential Behavior / Engagement	55,309,500	7,144	9.6%				
		Total	981,924,327	16,576					
		Savings Rate	\$ 0.07350 / kWh	\$ 521.35 / kW					
		Savings	\$ 72,169	\$ 8,642					
		(1) percent of target goal							
Net Electric System Benefit - Res.		Electric System Benefit less Program Costs			\$31,336		\$31,336	0.1950	\$1,337,322
\$15,303	Home Energy Solutions	Electric Savings LTKWh :		168,893,321		Energy Savings included in appropriate sector level metric	Achieve 8% average increase in HES per participant savings across all fuels	0.0200	\$137,161
		Demand Savings kw :		1,666					
		Increase HES Savings (MMBTU) Per Home over 2013 baseline including code and standard impacts. Single Family (1-4 unit Dwellings) would be segmented for tracking to this metric. CL&P 2013 MMTBU Adjusted Baseline is 15.0 MMTBU							
		Increase HES Savings (MMBTU) Per Home over 2013 baseline including code and standard impacts. Multi-Family (6+ unit Dwellings) would be segmented for tracking to this metric. CL&P 2013 MMTBU Adjusted Baseline is 6.7 MMTBU							\$68,561
		HES- Percentage of Unique Single Family Homes that received core services for HES that get at least one add-on measure (i.e., insulation, Water Heaters, HVAC, Appliances). The CT Energy Efficiency Dashboard will be used for comparison for the period of January 1 to September 30 - 2014. (19% was achieved in 2013)					24% or greater of the homes with add-on measures	0.0200	\$137,161

CL&P Performance Incentive 2014 (cont.)

SECTOR Program	Performance Indicators	Incentive Metrics			
		Incentive Metric	Target Goal	Weight	
RESIDENTIAL					
Residential New Construction	\$1,646	Electric Savings LTKWh : 33,500,019 Demand Savings kw : 601	Energy Savings included in appropriate sector level metric Remodeling Initiative		
	\$17,202	Electric Savings LTKWh : 180,982,441 Demand Savings kW : 1,045 Expend the HES-IE Budget - Full Penalty is 5% times HES-IE Budgeted Spending. Expend 95% spending avoids the penalty. The penalty is on a sliding scale from 85% to 95%. Above 85% spending, the penalty is scaled with a 10% reduction in the penalty for each one percentage point increase in budget spend above 85%. HES-IE - Annual MMBTU for electric, oil and propane measures	Energy savings included in appropriate sector level metric Expend 2014 HES-IE Budget	This is a penalty metric - 5% CL&P - 86,354 Annual MMBTU savings	0.0200 \$137,161
Retail Products	\$12,325	Electric Savings LTKWh : 543,239,046 Demand Savings kW : 6,121 Retail Products -Number of LED Products (CL&P-335K LED product = 15% in 2013)	Energy savings included in appropriate sector level metric Number of LED Products	Number of LED Products (CL&P-694K)	0.0200 \$137,161

CL&P Performance Incentive 2014 (cont.)

SECTOR Program	Performance Indicators				Incentive Metrics				
	Program Name	LT-kWh	kW	% (1)	Incentive Metric	Target Goal	Weight	Incentive	
COMMERCIAL & INDUSTRIAL (C&I)	\$66,369	Energy Conscious Blueprint	349,599,630	4,489	17.9%	Total Electric System Benefit from C&I programs	Electric System Benefit from C&I programs	0.2100	\$1,440,193
		Energy Opportunities	973,383,633	11,163	49.0%				
		O&M	145,593,522	2,276	7.7%		\$177,136		
		PRIME	13,414,397	-	0.6%				
		Small Business	507,357,268	4,600	24.8%				
		Total	1,989,348,450	22,529					
		Savings Rate	\$ 0.07590 / kWh	\$ 1,160.42 / kW					
		Savings	\$ 150,993	\$ 26,143					
		(1) percent of target goal							
Net Electric System Benefit- C&I		Electric System Benefit less Program Costs			\$110,767		\$110,767	0.2100	\$1,440,193
Energy Opportunities	\$32,031	Number of projects that are comprehensive. Comprehensive is defined as: 1. More than 1 electric End-Use, where End-Use is defined as Heating, Cooling, Lighting, Process, Refrigeration or EIMS, or involve a natural gas measure End-Use and					20% of the signed projects	0.0200	\$137,161
		2. No 1 single End-Use can have more than 85% of the energy savings value of the total annual energy savings							
Energy Conscious Blueprint	\$9,913	Number of new construction /major renovation projects that are more efficient than the State Energy Code and are: 30% > than ASHRAE 90.1-2007, or 20% > ASHRAE 90.1-2010, or utilize Whole Building Performance, or Net Zero Energy Projects					40% of signed projects	0.0200	\$137,161
		Net Zero Energy project shall include renewable energy technologies such as, but not limited to, Solar PV, Solar Thermal, Fuel Cells, CHP, and Wind							

CL&P Performance Incentive 2014 (cont.)

SECTOR Program	Performance Indicators	Incentive Metrics		
		Incentive Metric	Target Goal	Weight
COMMERCIAL & INDUSTRIAL (C&I)				
	<p>Electric Saving LTKWh : 507,357,268 Demand Saving kW : 4,600</p> <p>Number of projects that are comprehensive or implement measure bundles. Refer to the Energy Opportunities Comprehensive definition. Bundled measures shall be defined generally as a list of measure types geared toward customer type categories.</p> <p>For example, the measure bundle for restaurants and commercial kitchens should include, but not be limited to, Lighting, Energy Star Natural Gas or Electric cooking equipment, CEEE rated Pre-Rinse Spray Valves, Estar Natural Gas or Electric Dishwashers</p> <p>Energy savings from Signed Manufacturing Customer projects. Energy Savings includes the electric energy savings from all end uses. Manufacturing customer projects of any size including those that are < 200 kW, Manufacturing customer is any with a NAICS manufacturing code or, Manufacturing projects within the following facility types from the tracking systems: industrial 1 shift, industrial 2 shift, industrial 3 shift, manufacturing or life manufacturing. Calculations based on signed contracts, no Rebates: [(Savings from manufacturing Customers projects - savings from rebates) / (total savings from all C&I - savings from all rebates)]</p> <p>SEM signed Customer agreements may include, but not be limited to, BSC Agreements (*), Retro-Commissioning engineering study agreements, multi-year MOU's with Customers (which will outline a strategic plan for reducing consumption by a specific percentage each year along with tools and resources to be utilized such as metering, trending & reporting, Energy Star Benchmarking, Focused Study agreements, PRIME kaizen events, etc.), Clean Energy Community MOU's, packaged SEM and Customer Engagement tools and resources which already exist in the marketplace. (*) BSC = Business Sustainability Challenge</p>	Energy savings included in appropriate sector level metric	16% of the signed projects	0.0200
Small Business				\$137,161
Manufacturing/ Segmentation			20% of savings via signed contracts are from the Manufacturing Sector	0.0200
Strategic Energy Management			50 Customers	0.0200
Total of Incentives				1.00000
				\$6,855,063

CL&P Performance Incentive 2015

THE CONNECTICUT LIGHT AND POWER COMPANY

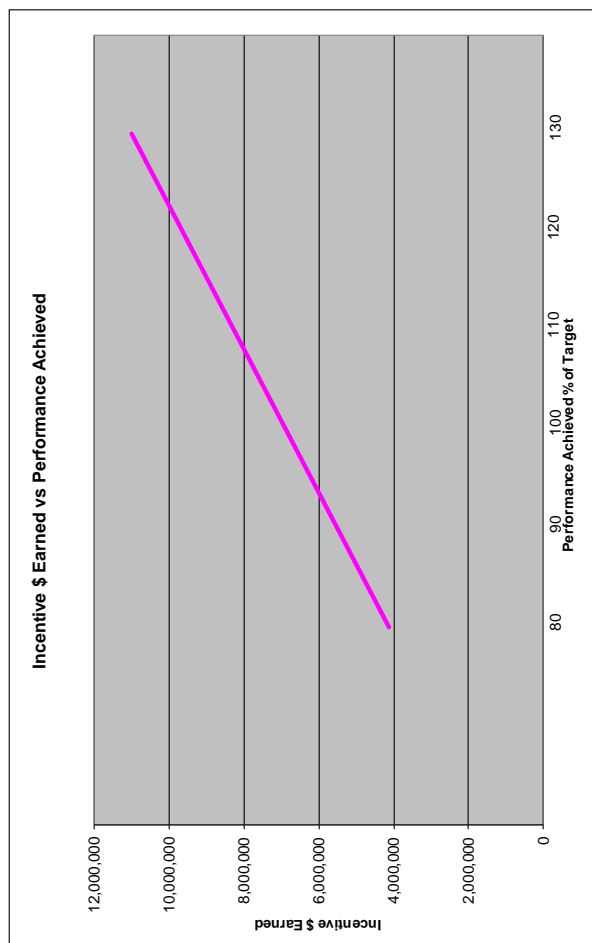
2015 Management Incentive Performance Indicators and Incentive Matrix

CL&P and the EEB 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 EEB, 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 **\$6,882,264** and is based on achieving **100%** of all performance targets and earning an incentive of **5%** of the total C&LM program budget of **\$137,645,270** as shown on Table A (exclusive of Energy Efficiency Board costs, Evaluation Consultant 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 %		-Performance Incentive Illustration-	
Minimum	Incentive	Pretax	Pre-tax Incentive
80	3%		\$4,129,358
90	4%		\$5,505,811
100	5%		\$6,882,264
110	6%		\$8,258,716
120	7%		\$9,635,169
130	8%		\$11,011,622
Maximum			

Incentive Basis Budget \$137,645,270

Goals will be prorated based on actual over/under spend of budget in the event actual spending is over/under 5% or more of budget.



CL&P Performance Incentive 2015 (cont.)

SECTOR Program	Performance Indicators				Incentive Metrics			
	Program Name	LT-kWh	kW	% (1)	Incentive Metric	Target Goal	Weight	Incentive
RESIDENTIAL	\$50,314	Retail Products	421,044,319	5,082	44.4%	Sum of Electric System Benefit from Residential programs	0.1950	\$1,342,041
		New Construction	30,469,058	530	3.3%			
Residential Programs (Sector Level) Sector Budget	\$50,314	HES	175,106,691	1,722	18.2%	Electric System Benefit from Residential programs	0.1950	\$137,645
		HES Income Eligible	182,616,175	1,039	18.5%			
		Residential Behavior / Engagement	89,869,500	10,696	15.6%			
		Total	899,105,743	19,069				
		Savings Rate	\$ 0.07504 / kWh	\$ 488.22 / kW				
		Savings	\$ 67,471	\$ 9,310				
		(1) percent of target goal						
Net Electric System Benefit - Res.		Electric System Benefit less Program Costs		\$26,466		\$26,466	0.1950	\$1,342,041
Home Energy Solutions	\$11,509	Electric Savings LTRWh :	175,106,691		Energy Savings included in appropriate sector level metric	Increase HES savings Per Home	0.0200	\$137,645
		Demand Savings kw :	1,722					
		Increase HES Savings (MMBTU) Per Home over 2014 baseline including code and standard impacts. Single Family (1-4 unit Dwellings) would be segmented for tracking to this metric. CL&P 2013 MMTBU Adjusted Baseline is 15.0 MMTBU						
		Increase HES Savings (MMBTU) Per Home over 2014 baseline including code and standard impacts. Multi-Family (5+ unit Dwellings) would be segmented for tracking to this metric. CL&P 2013 MMTBU Adjusted Baseline is 6.7 MMTBU						\$68,623
		HES- Percentage of Unique Single Family Homes that received core services for HES that get at least one add-on measure (i.e., insulation, Water Heaters, HVAC, Appliances). The CT Energy Efficiency Dashboard will be used for comparison for the period of January 1 to September 30 - 2014. (19% was achieved in 2013)			% of homes with Add-Ons	26% or greater of the homes with add-on measures	0.0200	\$137,645

CL&P Performance Incentive 2015 (cont.)

SECTOR Program	Performance Indicators				Incentive Metrics			
	Program Name	LT-kWh	kW	% (1)	Incentive Metric	Target Goal	Weight	Incentive
RESIDENTIAL	\$1,652	Residential New Construction	Electric Savings LTKWh :	30,469,058	Energy Savings included in appropriate sector level metric			
			Demand Savings kw :	530				
HES Income Eligible	\$17,245		Electric Savings LTKWh :	182,616,175	Energy savings included in appropriate sector level metric	Expend 2015 HES-IE Budget	Annual MMBTU	This is a penalty metric - 5% CL&P - 86,405 Annual MMBTU savings
			Demand Savings kW :	1,039				
			<p>Expend the HES-IE Budget - Full Penalty is 5% times HES-IE Budgeted Spending. Expending 95% spending avoids the penalty. The penalty is on a sliding scale from 85% to 95%. Above 85% spending, the penalty is scaled with a 10% reduction in the penalty for each one percentage point increase in budget spend above 85%.</p> <p>HES-IE - Annual MMBTU for electric, oil and propane measures</p>					\$137,645
Retail Products	\$12,540		Electric Savings LTKWh :	421,044,319	Energy savings included in appropriate sector level metric	Number of LED Products	0.020	Number of LED Products (CL&P-967K)
			Demand Savings kW :	5,082				
			Retail Products - Number of LED Products (CL&P-335K LED product = 15% in 2013)					\$137,645

CL&P Performance Incentive 2015 (cont.)

SECTOR Program	Performance Indicators					Incentive Metrics			
	Program Name	LT-kWh	kW	% (1)	Incentive Metric	Target Goal	Weight	Incentive	
COMMERCIAL & INDUSTRIAL (C&I)	\$66,286 C&I Programs (Sector Level) Sector Budget	Energy Conscious Blueprint	343,262,749	3,914	17.2%	Total Electric System Benefit from C&I programs	Electric System Benefit from C&I programs	0.2100	\$1,445,275
		Energy Opportunities O&M	953,739,674	10,933	47.8%				
		PRIME	150,029,248	2,276	7.9%				\$181,573
		Small Business	13,738,917	-	0.6%				
		Total	550,271,997	4,776	26.5%				
			2,011,042,585	21,899					
		Savings Rate	\$ 0.07646 / kWh	\$ 1,270.06 / kW					
		Savings	\$ 153,760	\$ 27,813					
		(1) percent of target goal							
Net Electric System Benefit- C&I		Electric System Benefit less Program Costs			\$115,287			0.2100	\$1,445,275
Energy Opportunities	\$31,835	Number of projects that are comprehensive. Comprehensive is defined as: 1. More than 1 electric End-Use, where End-Use is defined as Heating, Cooling, Lighting, Process, Refrigeration or EMS, or involve a natural gas measure End-Use and					25% of the signed projects	0.0200	\$137,645
		2. No 1 single End-Use can have more than 85% of the energy savings value of the total annual energy savings							
Energy Conscious Blueprint	\$9,568	Number of new construction /major renovation projects that are more efficient than the State Energy Code and are: 30% > than ASHRAE 90.1-2007, or 20% > ASHRAE 90.1-2010, or utilize Whole Building Performance, or Net Zero Energy Projects					50% of signed projects	0.0200	\$137,645
		Net Zero Energy project shall include renewable energy technologies such as, but not limited to, Solar PV, Solar Thermal, Fuel Cells, CHP, and Wind							

CL&P Performance Incentive 2015 (cont.)

SECTOR Program	Performance Indicators	Incentive Metrics					
		Incentive Metric	Target Goal	Weight			
COMMERCIAL & INDUSTRIAL (C&I)	<p>Electric Saving LTkWh : 550,271,997 Demand Saving kW : 4,776</p> <p>Number of projects that are comprehensive or implement measure bundles. Refer to the Energy Opportunities Comprehensive definition. Bundled measures shall be defined generally as a list of measure types geared toward customer type categories. For example, the measure bundle for restaurants and commercial kitchens should include, but not be limited to, Lighting, Energy Star Natural Gas or Electric cooking equipment, CEEE rated Pre-Rinse Spray Valves, Esiar Natural Gas or Electric Dishwashers</p> <p>Energy savings from Signed Manufacturing Customer projects. Energy Savings includes the electric energy savings from all end uses. Manufacturing customer projects of any size including those that are < 200 KW, Manufacturing customer is any with a NAICS manufacturing code or Manufacturing projects within the following facility types from the tracking systems: Industrial 1 shift, industrial 2 shift, industrial 3 shift, manufacturing or life manufacturing. Calculations based on signed contracts, no Rebates: [(Savings from manufacturing Customers projects - savings from rebates) / (total savings from all C&I - savings from all rebates)]</p> <p>SEM signed Customer agreements may include, but not be limited to, BSC Agreements (*), Retro-Commissioning engineering study agreements, multi-year MOUs with Customers (which will outline a strategic plan for reducing consumption by a specific percentage each year along with tools and resources to be utilized such as metering, trending & reporting, Energy Star Benchmarking, Focused Study agreements, PRIME kaizen events, etc.), Clean Energy Community MOUs, packaged SEM and Customer Engagement tools and resources which already exist in the marketplace. (*) BSC = Business Sustainability Challenge</p>	Energy savings included in appropriate sector level metric	20% of the signed projects	0.0200	\$137,645		
					22% of savings via signed contracts are from the Manufacturing Sector	0.0200	\$137,645
					100 Customers	0.0200	\$137,645
Total of Incentives					1.00000	\$6,882,264	

The United Illuminating Company 2014-2015 Budget Tables

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Table A – UI 2013 Actual Results, 2014-2015 Budget

Table A
UI 2014 & 2015 Proposed C&LM Budget

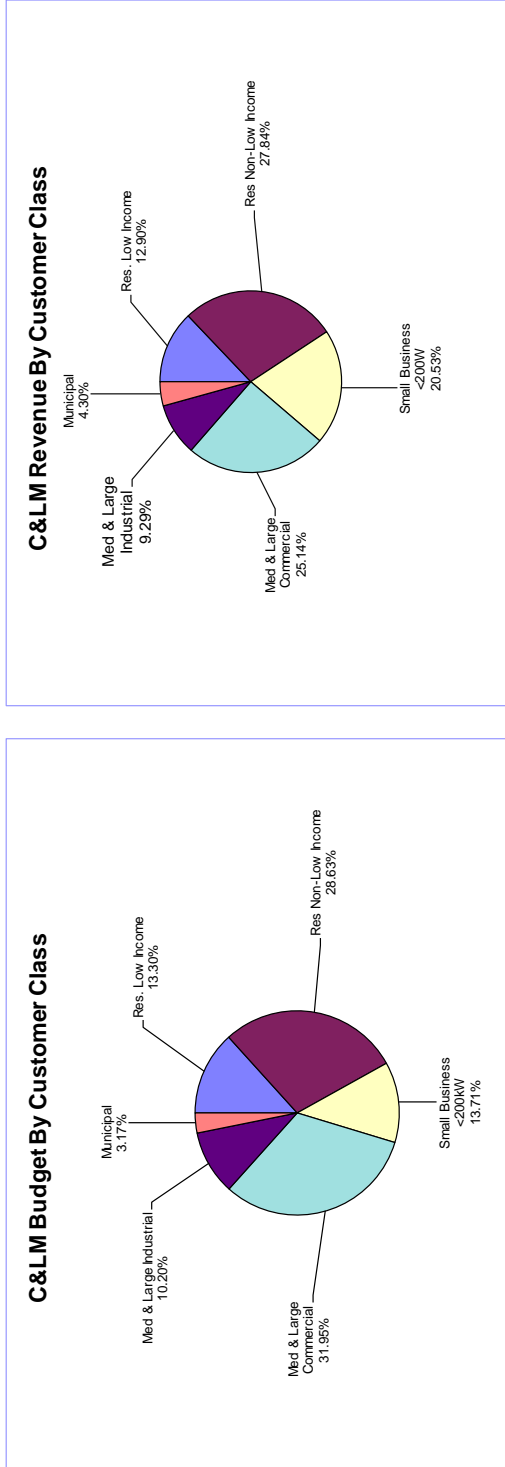
UI C&LM BUDGET	2013 UI ACTUAL EXPENDITURES	2014 UI PROPOSED BUDGET	2015 UI PROPOSED BUDGET
RESIDENTIAL			
Residential Retail Products	2,083,540	2,975,296	3,259,609
Total - Consumer Products	\$ 2,083,540	\$ 2,975,296	\$ 3,259,609
Residential New Construction	\$ 171,740	\$ 154,242	\$ 147,784
Home Energy Solutions (HES)	\$ 2,958,489	\$ 2,515,354	\$ 2,657,484
HES Potential Allocation (NOTE 1)	\$ 540,000	\$ 540,000	\$ 929,519
HES Income Eligible	\$ 4,775,856	\$ 3,253,718	\$ 3,293,820
Residential Behavior	\$ 300,000	\$ 300,000	\$ 300,000
Subtotal RESIDENTIAL	\$ 9,989,625	\$ 9,738,610	\$ 10,588,216
COMMERCIAL & INDUSTRIAL			
C&I LOST OPPORTUNITY			
Energy Conscious Blueprint	\$ 2,102,818	\$ 3,777,000	\$ 3,777,000
Total - Lost Opportunity	\$ 2,102,818	\$ 3,777,000	\$ 3,777,000
C&I LARGE RETROFIT			
Energy Opportunities	\$ 4,123,796	\$ 5,853,457	\$ 5,853,457
O&M (Services, RetroCx, BSC)	\$ 296,969	\$ 1,624,977	\$ 1,624,977
PRIME	\$ 61,412	\$ 150,000	\$ 150,000
Total - C&I Large Retrofit	\$ 4,482,177	\$ 7,628,434	\$ 7,628,434
Small Business	\$ 2,403,882	\$ 3,825,935	\$ 3,825,935
Subtotal C&I	\$ 8,988,877	\$ 15,231,369	\$ 15,231,369
OTHER - EDUCATION			
SmartLiving Center®	\$ 602,018	\$ 988,741	\$ 413,514
Clean Energy Communities	\$ 240,937	\$ 355,960	\$ 355,960
K - 12 Education	\$ 343,131	\$ 320,874	\$ 320,874
Customer Engagement	\$ 120,000	\$ 120,000	\$ 120,000
Subtotal Education	\$ 1,186,086	\$ 1,785,575	\$ 1,210,348
OTHER - PROGRAMS/REQUIREMENTS			
Institute for Sustainable Energy (ECSU)	\$ 112,000	\$ 89,600	\$ 89,600
Residential Loan Program (Includes ECLF) (NOTE 1)	\$ 158,257	\$ 688,211	\$ 382,560
C&I Loan Program	\$ 9,345	\$ 693,123	\$ 693,123
C&M Loan Defaults	\$ 32,339	\$ 35,000	\$ 31,111
C&I Self-Funding	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Subtotal Programs/Requirements	\$ 311,941	\$ 2,505,934	\$ 2,196,394
OTHER - RENEWABLES & RD&D			
Research, Development & Demonstration	\$ 289,840	\$ 152,206	\$ 132,692
Subtotal Renewables & RD&D	\$ 289,840	\$ 152,206	\$ 132,692
OTHER - ADMINISTRATIVE & PLANNING			
Administration	\$ 901,370	\$ 540,241	\$ 540,241
ESPCP Program Manager	\$ 2,615	\$ 19,200	\$ 19,200
Planning	\$ 342,831	\$ 256,830	\$ 256,830
Evaluation Studies	\$ 735,767	\$ 578,922	\$ 621,721
Evaluation Consultant	\$ 58,311	\$ 58,311	\$ 58,311
Information Technology	\$ 248,705	\$ 261,888	\$ 261,888
EEB	\$ 232,128	\$ 241,009	\$ 241,009
2011 Performance Management Fee	\$ 54,458	\$ -	\$ -
2013 Performance Management Fee	\$ 1,463,968	\$ -	\$ -
2014 Performance Management Fee	\$ -	\$ 1,594,205	\$ -
2015 Performance Management Fee	\$ -	\$ -	\$ 1,593,612
Marketing Plan	\$ 35,187	\$ 813,333	\$ 813,333
Admin/Planning Expenditures	\$ 4,017,029	\$ 4,363,939	\$ 4,406,145
PROGRAM SUB-TOTALS			
Residential	\$ 11,193,527	\$ 12,570,122	\$ 12,653,896
C&I	\$ 9,206,189	\$ 17,415,099	\$ 17,296,164
Other*	\$ 4,383,682	\$ 3,792,412	\$ 3,815,104
TOTAL C&LM BUDGET	\$ 24,783,398	\$ 33,777,633	\$ 33,765,164

NOTE 1: UI allocated \$200K from HES Potential Allocation to Residential Financing for self-funding.
DEEP allowed \$500K allocation, but Residential Financing budget already includes \$300K for self-funding.

* OTHER -EDUCATION is primarily allocated to residential programs.

Table A – 2014 Pie

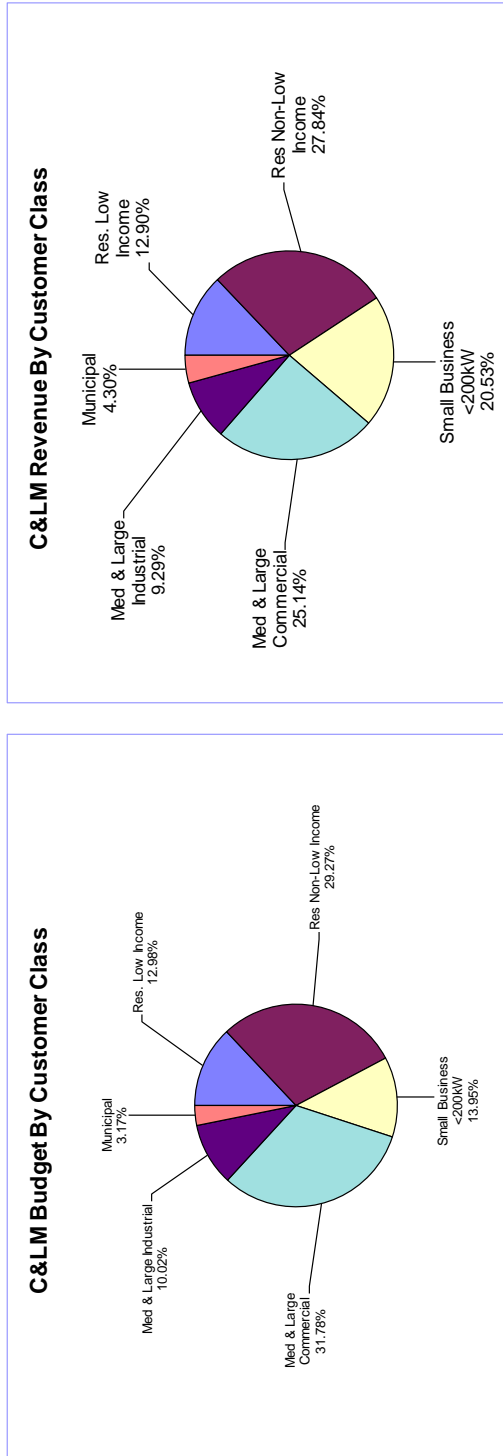
2014 CONSERVATION & LOAD MANAGEMENT BUDGET PIES
TABLE A



Customer Class	Budget	% of Total C&LM Budget	% of Residential & C&I Budget	% of Residential & C&I Revenue	Difference
Res. Low Income	\$ 3,986,708	11.80%	13.30%	12.90%	0.40%
Res Non-Low Income	\$ 8,583,414	25.41%	28.63%	27.84%	0.79%
Residential Sub-total	\$ 12,570,122	37.21%	41.92%	40.74%	1.18%
Small Business <200kW	\$ 3,825,935	11.33%	12.76%	20.53%	-7.77%
Med & Large Commercial	\$ 9,580,651	28.36%	31.95%	25.14%	6.81%
Med & Large Industrial	\$ 3,058,512	9.05%	10.20%	9.29%	0.91%
Municipal	\$ 950,000	2.81%	3.17%	4.30%	-1.13%
C & I Sub-total	\$ 17,415,099	51.56%	58.08%	59.26%	-1.18%
Sub-total for Residential and C&I	\$ 29,985,221	88.77%	100.00%	100.00%	0.00%
Other Expenditures	\$ 3,792,412	11.23%			
Other Expenditures Sub-total	\$ 3,792,412	11.23%			
GRAND TOTAL *	\$ 33,777,633	100%			

Table A – 2015 Pie

**THE UNITED ILLUMINATING COMPANY
2015 CONSERVATION & LOAD MANAGEMENT BUDGET PIES
TABLE A**



Customer Class	Budget	% of Total C&LM Budget	% of Residential & C&I Budget	% of Residential & C&I Revenue	Difference
Res. Low Income	\$ 3,888,756	11.52%	12.98%	12.90%	0.08%
Res Non-Low Income	\$ 8,765,140	25.96%	29.27%	27.84%	1.43%
Residential Sub-total	\$ 12,653,896	37.48%	42.25%	40.74%	1.51%
Small Business <200kW	\$ 3,825,935	11.33%	12.77%	20.53%	-7.76%
Med & Large Commercial	\$ 9,519,240	28.19%	31.78%	25.14%	6.64%
Med & Large Industrial	\$ 3,000,990	8.89%	10.02%	9.29%	0.73%
Municipal	\$ 950,000	2.81%	3.17%	4.30%	-1.13%
C & I Sub-total	\$ 17,296,164	51.22%	57.75%	59.26%	-1.51%
Sub-total for Residential and C&I	\$ 29,950,060	88.70%	100.00%	100.00%	0.00%
Other Expenditures	\$ 3,815,104	11.30%			
Other Expenditures Sub-total	\$ 3,815,104	11.30%			
GRAND TOTAL *	\$ 33,765,164	100%			

Table B – 2014 UI Comparison of Conservation Programs

Program	Program Costs 2014	** Utility Costs 2014	** Customer Cost 2014	Total Resource Cost 2014	Program Benefit 2014 (Electric, Oil & Propane)	Total Resource Benefit 2014	Program B/C Ratio	Total Resource B/C Ratio	Goals/# Units	Units of Measure	Annualized Savings kWh	Lifetime Savings kWh	Load Savings kW
Residential Retail Products	\$ 2,975,296	\$ 2,975,296	\$ 2,436,802	\$ 5,412,098	\$ 11,699,520	\$ 20,192,598	3.93	3.73	792,848	Bulbs, Fixtures	17,107,205	132,638,950	1,517.7
TOTAL - CONSUMER PRODUCTS	\$ 2,975,296	\$ 2,975,296	\$ 2,436,802	\$ 5,412,098	\$ 11,699,520	\$ 20,192,598	3.93	3.73			17,107,205	132,638,950	1,517.7
Residential New Construction	\$ 154,242	\$ 154,242	\$ 389,735	\$ 543,977	\$ 428,570	\$ 522,393	2.78	0.96	79	No. of Units	180,216	2,417,534	61.1
* Home Energy Solutions	\$ 3,055,354	\$ 2,132,401	\$ 1,342,401	\$ 4,397,755	\$ 11,098,056	\$ 13,020,222	3.63	2.96	4,766	No. of Pkgs	3,255,281	34,577,061	551.5
HES Income Eligible	\$ 3,253,718	\$ 2,473,553	\$ 590,432	\$ 3,844,150	\$ 8,281,995	\$ 9,975,661	2.55	2.60	5,532	Customers	3,557,413	33,364,701	274.2
Residential Behavior	\$ 300,000	\$ 300,000	\$ 178,920	\$ 478,920	\$ 938,548	\$ 1,277,144	3.13	2.87	2,500	Customers	817,500	8,175,000	233.2
SUB-TOTAL RESIDENTIAL	\$ 9,738,610	\$ 8,035,492	\$ 4,938,289	\$ 14,676,899	\$ 32,446,489	\$ 44,988,019	3.33	3.07			24,917,615	211,173,266	2,637.7
Energy Conscious Blueprint (a)	\$ 3,777,000	\$ 3,777,000	\$ 4,239,467	\$ 8,016,467	\$ 14,195,416	\$ 19,276,355	3.76	2.40	144	Projects	9,255,758	137,587,135	1,486.0
TOTAL - LOST OPPORTUNITY	\$ 3,777,000	\$ 3,777,000	\$ 4,239,467	\$ 8,016,467	\$ 14,195,416	\$ 19,276,355	3.76	2.40	144	Projects	9,255,758	137,587,135	1,486.0
Energy Opportunities	\$ 5,853,457	\$ 5,853,457	\$ 7,223,866	\$ 13,077,323	\$ 17,508,888	\$ 23,967,622	2.99	1.83	82	Projects	15,120,267	174,350,285	2,042.8
O&M	\$ 1,624,977	\$ 1,624,977	\$ 1,342,762	\$ 2,967,739	\$ 5,651,163	\$ 8,459,236	3.48	2.85	240	Projects	8,720,289	65,671,318	1,062.9
Services (BSC, Training, RetroX)	\$ 150,000	\$ 150,000	\$ -	\$ 150,000	\$ 242,695	\$ 382,424	1.62	2.55	30	Projects	600,000	3,000,000	-
PRIME	\$ 7,628,434	\$ 7,628,434	\$ 8,566,628	\$ 16,195,062	\$ 23,402,746	\$ 32,809,283	3.07	2.03	352	Projects	24,440,556	243,021,603	3,105.7
TOTAL - C&LARGE RETROFIT	\$ 3,825,935	\$ 3,825,935	\$ 4,601,930	\$ 8,427,865	\$ 10,190,983	\$ 13,918,105	2.66	1.65	352	Projects	7,956,836	101,700,141	1,228.2
Small Business	\$ 15,231,369	\$ 15,231,369	\$ 17,408,026	\$ 32,639,395	\$ 47,789,146	\$ 66,003,743	3.14	2.02	846	Projects	41,653,149	482,308,879	5,819.8
SUB-TOTAL C&I	\$ 988,741	\$ 988,741	\$ 355,960	\$ 1,344,701	\$ 3,000,000	\$ 3,000,000	2.22	2.22	15,000	Customers			
SmartLiving Center@	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -							
Clean Energy Communities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -							
Science Center	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -							
K-12 Education	\$ 320,874	\$ 320,874	\$ -	\$ 320,874	\$ -	\$ -							
Customer Engagement	\$ 120,000	\$ 120,000	\$ -	\$ 120,000	\$ -	\$ -							
SUB-TOTAL EDUCATION	\$ 1,785,575	\$ 1,785,575	\$ -	\$ 1,785,575	\$ -	\$ -			2,000	Curriculum			
Institute for Sustainable Energy (ECSU)	\$ 89,600	\$ 89,600	\$ -	\$ 89,600	\$ -	\$ -							
Residential Loan Program (Includes ECLF)	\$ 688,211	\$ 688,211	\$ -	\$ 688,211	\$ -	\$ -							
C&I Financing	\$ 693,123	\$ 693,123	\$ -	\$ 693,123	\$ -	\$ -							
C&I Loan Defaults	\$ 35,000	\$ 35,000	\$ -	\$ 35,000	\$ -	\$ -							
C&I Self-Funding	\$ 1,000,000	\$ 1,000,000	\$ -	\$ 1,000,000	\$ -	\$ -							
SUB-TOTAL PROGRAMS/REQUIREMENTS	\$ 2,505,934	\$ 2,505,934	\$ -	\$ 2,505,934	\$ -	\$ -							
Research, Development & Demonstration	\$ 152,206	\$ 152,206	\$ -	\$ 152,206	\$ -	\$ -							
SUB-TOTAL RENEWABLES AND RD&D	\$ 152,206	\$ 152,206	\$ -	\$ 152,206	\$ -	\$ -							
Administration	\$ 540,241	\$ 540,241	\$ -	\$ 540,241	\$ -	\$ -							
ESPCP Program Manager	\$ 19,200	\$ 19,200	\$ -	\$ 19,200	\$ -	\$ -							
Planning	\$ 256,830	\$ 256,830	\$ -	\$ 256,830	\$ -	\$ -							
Evaluation Studies	\$ 578,922	\$ 578,922	\$ -	\$ 578,922	\$ -	\$ -							
Evaluation Consultant	\$ 261,888	\$ 261,888	\$ -	\$ 261,888	\$ -	\$ -							
Information Technology	\$ 241,009	\$ 241,009	\$ -	\$ 241,009	\$ -	\$ -							
2014 Performance Management Fee	\$ 1,594,205	\$ 1,594,205	\$ -	\$ 1,594,205	\$ -	\$ -							
Marketing Plan	\$ 813,333	\$ 813,333	\$ -	\$ 813,333	\$ -	\$ -							
SUB-TOTAL ADMIN & PLANNING	\$ 4,363,939	\$ 4,363,939	\$ -	\$ 4,363,939	\$ -	\$ -							
PROGRAM SUB-TOTALS	\$ 12,570,122	\$ 10,867,004	\$ 4,938,289	\$ 14,676,899	\$ 32,446,489	\$ 44,988,019	2.58	3.07			24,917,615	211,173,266	2,637.7
RESIDENTIAL	\$ 17,415,089	\$ 17,415,089	\$ 17,408,026	\$ 34,823,114	\$ 47,789,146	\$ 66,003,743	2.74	2.02			41,653,149	482,308,879	5,819.8
COMMERCIAL & INDUSTRIAL	\$ 3,792,412	\$ 3,792,412	\$ -	\$ 3,792,412	\$ -	\$ -							
OTHER ***	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -							
TOTAL C&LW BUDGET Note 2	\$ 33,777,633	\$ 32,074,515	\$ 22,346,315	\$ 47,316,294	\$ 80,235,635	\$ 110,991,761	2.38	2.35			66,570,765	693,482,145	8,457.5

Notes:
 (a) Energy/Blueprint includes Motors and Cool Choice
 * HES values include contingent planning funding
 ** HES and HES-IE utility costs do not include Oil and Propane incentive expenditures
 *** Other - Education is primarily allocated to Residential Programs

Table B – 2014 UI Comparison of Conservation Programs (cont.)

Program	Demand Cost \$/kW	Demand Cost \$/kW yr	Utility Cost Rate \$/kWh Annualized	Utility Cost Rate \$/kWh Lifetime	Annualized Savings Oil (Gallons)	Lifetime Savings Oil (Gallons)	Annualized Savings Propane (Gallons)	Lifetime Savings Propane (Gallons)	Annualized MMBTU (Electric, Oil, Propane)	Lifetime MMBTU (Electric, Oil, Propane)	Cost per Annual MMBTU	Cost per Lifetime MMBTU
Residential Retail Products	\$ 1,960	\$ 253	\$ 0.1739	\$ 0.0222	-	-	-	-	58,387	452,697	\$ 51.0	\$ 6.57
TOTAL - CONSUMER PRODUCTS	\$ 1,960	\$ 253	\$ 0.1739	\$ 0.0222	-	-	-	-	58,387	452,697	\$ 51.0	\$ 6.57
Residential New Construction	\$ 2,525	\$ 188	\$ 0.8659	\$ 0.064	-	-	838	20,999	692	10,169	\$ 223.0	\$ 15.17
* Home Energy Solutions	\$ 3,866	\$ 364	\$ 0.6651	\$ 0.062	115,697	1,979,270	6,307	117,657	27,732	403,262	\$ 110.2	\$ 7.58
HES Income Eligible	\$ 9,022	\$ 862	\$ 0.6953	\$ 0.074	82,398	1,479,174	2,545	50,787	23,802	323,659	\$ 136.7	\$ 10.05
Residential Behavior	\$ 1,287	\$ 129	\$ 0.3670	\$ 0.037	-	-	-	-	2,790	27,901	\$ 107.5	\$ 17.16
SUB-TOTAL RESIDENTIAL	\$ 3,046	\$ 359	\$ 0.3225	\$ 0.038	198,095	3,458,444	9,690	189,442	113,403	1,217,688	\$ 85.9	\$ 8.00
Energy Conscious Blueprint (a)	\$ 2,542	\$ 171	\$ 0.4081	\$ 0.027	-	-	-	-	31,590	469,585	\$ 119.6	\$ 8.04
TOTAL - LOST OPPORTUNITY	\$ 2,542	\$ 171	\$ 0.4081	\$ 0.027	-	-	-	-	31,590	469,585	\$ 119.6	\$ 8.04
Energy Opportunities	\$ 2,865	\$ 248	\$ 0.3871	\$ 0.034	-	-	-	-	51,605	595,058	\$ 113.4	\$ 9.84
OKM	\$ 1,529	\$ 203	\$ 0.1863	\$ 0.025	-	-	-	-	29,762	224,136	\$ 54.6	\$ 7.25
Services (BSC, Training, RetroX)	\$ -	\$ -	\$ 0.2500	\$ 0.050	-	-	-	-	2,048	10,239	\$ 73.2	\$ 14.65
PRIME	\$ -	\$ -	\$ 0.3121	\$ 0.031	-	-	-	-	83,416	829,433	\$ 91.5	\$ 9.20
TOTAL - C&I/LARGE RETROFIT	\$ 2,456	\$ 247	\$ 0.3121	\$ 0.031	-	-	-	-	83,416	829,433	\$ 91.5	\$ 9.20
Small Business	\$ 3,115	\$ 244	\$ 0.4808	\$ 0.038	-	-	-	-	27,157	347,103	\$ 140.9	\$ 11.02
SUB-TOTAL C&I	\$ 2,617	\$ 226	\$ 0.3657	\$ 0.032	-	-	-	-	142,162	1,646,120	\$ 107.1	\$ 9.25
SmartLiving Center®												
Clean Energy Communities												
Science Center												
K-12 Education												
Customer Engagement												
SUB-TOTAL EDUCATION												
Institute for Sustainable Energy (ECSU)												
Residential Loan Program (Includes ECLF)												
C&I Financing												
C&I Loan Defaults												
C&I Self-Funding												
SUB-TOTAL PROGRAMS/REQUIREMENTS												
Research, Development & Demonstration												
SUB-TOTAL RENEWABLES AND RD&D												
Administration												
ESPCP Program Manager												
Planning												
Evaluation Studies												
Evaluation Consultant												
Information Technology												
EEEB												
2014 Performance Management Fee												
Marketing Plan												
SUB-TOTAL ADMIN & PLANNING												
PROGRAM SUB-TOTALS	\$ 4,120	\$ 486	\$ 0.4361	\$ 0.051	198,095	3,458,444	9,690	189,442	113,403	1,217,688	\$ 110.3	\$ 10.32
RESIDENTIAL	\$ 2,992	\$ 298	\$ 0.4181	\$ 0.036	0	0	0	0	142,162	1,646,120	\$ 122.3	\$ 10.58
COMMERCIAL & INDUSTRIAL												
OTHER ***												
TOTAL C&I/M BUDGET Note 2	\$ 3,792	\$ 364	\$ 0.4818	\$ 0.046	198,095	3,458,444	9,690	189,442	255,565	2,863,808	\$ 132.2	\$ 11.79

Notes:

(a) EnergyBlueprint includes Motors and Cool

* HES values include contingent planning funding

** HES and HES-IE utility costs do not include Oil and Propane incentive expenditures

*** Other - Education is primarily allocated to Residential Programs

THE UNITED ILLUMINATING COMPANY
 2014 CONSERVATION & LOAD MANAGEMENT
 COMPARISON OF UI CONSERVATION PROGRAMS
 INCLUDES DRIPEAND CO.?
 TABLE B

Table B – 2015 UI Comparison of Conservation Programs

THE UNITED ILLUMINATING COMPANY
 2015 CONSERVATION & LOAD MANAGEMENT
 COMPARISON OF UI CONSERVATION PROGRAMS
 INCLUDES DRPE AND CO²

TABLE B

Program	Program Costs 2015	** Utility Costs 2015	** Customer Cost 2015	Total Resource Cost 2015	Program Benefit 2015 (Electric, Oil & Propane)	Total Resource Benefit 2015	Program B/C Ratio	Total Resource B/C Ratio	Goals/# Units	Units of Measure	Annualized Savings kWh	Lifetime Savings kWh	Load Savings kW
Residential Retail Products	\$ 3,259,609	\$ 3,259,609	\$ 2,145,181	\$ 5,404,790	\$ 9,938,500	\$ 17,731,804	3.05	3.28	673,801	Bulbs, Fixtures	13,879,768	113,050,863	1,215.5
TOTAL - CONSUMER PRODUCTS	\$ 3,259,609	\$ 3,259,609	\$ 2,145,181	\$ 5,404,790	\$ 9,938,500	\$ 17,731,804	3.05	3.28			13,879,768	113,050,863	1,215.5
Residential New Construction	\$ 147,784	\$ 147,784	\$ 370,451	\$ 518,235	\$ 351,999	\$ 483,363	2.38	0.93	76	No. of Units	164,357	2,216,851	57.8
* Home Energy Solutions	\$ 3,587,003	\$ 2,465,428	\$ 1,505,529	\$ 5,092,532	\$ 13,161,736	\$ 15,409,392	3.67	3.03	5,530	No. of Pkgs.	3,656,584	38,911,302	623.1
HES Income Eligible	\$ 3,293,820	\$ 2,502,913	\$ 590,432	\$ 3,884,252	\$ 8,374,433	\$ 10,082,622	2.54	2.60	5,636	Customers	3,532,899	33,560,091	273.1
Residential Behavior	\$ 300,000	\$ 300,000	\$ 178,920	\$ 478,920	\$ 938,348	\$ 938,348	3.13	1.96	2,500	Customers	817,500	8,175,000	233.2
SUB-TOTAL RESIDENTIAL	\$ 10,588,216	\$ 8,675,733	\$ 4,790,513	\$ 15,378,729	\$ 32,765,017	\$ 44,645,529	3.09	2.90			22,051,197	195,914,097	2,402.7
Energy Consensus Blueprint (a)	\$ 3,777,000	\$ 3,777,000	\$ 4,232,379	\$ 8,009,379	\$ 14,763,800	\$ 19,781,175	3.91	2.47	142	Projects	9,211,825	137,368,960	1,475.7
TOTAL - LOST OPPORTUNITY	\$ 3,777,000	\$ 3,777,000	\$ 4,232,379	\$ 8,009,379	\$ 14,763,800	\$ 19,781,175	3.91	2.47			9,211,825	137,368,960	1,475.7
Energy Opportunities	\$ 5,853,457	\$ 5,853,457	\$ 7,363,839	\$ 13,217,296	\$ 16,918,310	\$ 22,967,059	2.89	1.74	72	Projects	14,911,200	162,407,557	1,904.8
O&M	\$ 1,624,977	\$ 1,624,977	\$ 1,342,762	\$ 2,967,739	\$ 6,076,418	\$ 8,834,236	3.74	2.98	240	Projects	8,525,697	64,898,357	1,062.9
Services (BSC, Training, RetroX)	\$ 150,000	\$ 150,000	\$ -	\$ 150,000	\$ 242,687	\$ 383,606	1.62	2.56	30	Projects	600,000	3,000,000	-
PRIME	\$ 7,628,434	\$ 7,628,434	\$ 8,706,601	\$ 16,335,035	\$ 23,237,415	\$ 32,184,901	3.05	1.97			24,036,897	230,105,914	2,967.7
TOTAL - C&LARGE RETROFIT	\$ 3,825,935	\$ 3,825,935	\$ 4,618,269	\$ 8,444,204	\$ 10,637,365	\$ 14,343,321	2.78	1.70			7,970,462	101,903,445	1,231.9
Small Business	\$ 15,231,369	\$ 15,231,369	\$ 17,557,249	\$ 32,788,618	\$ 48,638,579	\$ 66,309,397	3.19	2.02	352	Projects	41,219,184	469,378,319	5,675.2
SUB-TOTAL C&L	\$ 15,231,369	\$ 15,231,369	\$ 17,557,249	\$ 32,788,618	\$ 48,638,579	\$ 66,309,397	3.19	2.02			41,219,184	469,378,319	5,675.2
SmartLiving Centre®	\$ 413,514	\$ 413,514	\$ -	\$ -	\$ -	\$ -	-	-	15,000	Customers	-	-	-
Clean Energy Communities	\$ 355,960	\$ 355,960	\$ -	\$ -	\$ -	\$ -	-	-	-	-	-	-	-
Science Center	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-	2,000	Curriculum	-	-	-
K-12 Education	\$ 320,874	\$ 320,874	\$ -	\$ -	\$ -	\$ -	-	-	-	-	-	-	-
Customer Engagement	\$ 120,000	\$ 120,000	\$ -	\$ -	\$ -	\$ -	-	-	-	-	-	-	-
SUB-TOTAL EDUCATION	\$ 1,210,348	\$ 1,210,348	\$ -	\$ -	\$ -	\$ -	-	-			-	-	-
Institute for Sustainable Energy (ECSU)	\$ 89,600	\$ 89,600	\$ -	\$ -	\$ -	\$ -	-	-	-	-	-	-	-
Residential Loan Program (Includes ECLF)	\$ 382,560	\$ 382,560	\$ -	\$ -	\$ -	\$ -	-	-	-	-	-	-	-
C&I Financing	\$ 693,123	\$ 693,123	\$ -	\$ -	\$ -	\$ -	-	-	-	-	-	-	-
C&I Loan Defaults	\$ 31,111	\$ 31,111	\$ -	\$ -	\$ -	\$ -	-	-	-	-	-	-	-
C&I Self-Funding	\$ 1,000,000	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	-	-	-	-	-	-	-
SUB-TOTAL PROGRAMS/REQUIREMENTS	\$ 2,578,954	\$ 2,578,954	\$ -	\$ -	\$ -	\$ -	-	-			-	-	-
Research, Development & Demonstration	\$ 132,692	\$ 132,692	\$ -	\$ -	\$ -	\$ -	-	-	-	-	-	-	-
SUB-TOTAL RENEWABLES AND RD&D	\$ 132,692	\$ 132,692	\$ -	\$ -	\$ -	\$ -	-	-			-	-	-
Administration	\$ 540,241	\$ 540,241	\$ -	\$ -	\$ -	\$ -	-	-	-	-	-	-	-
ESPCP Program Manager	\$ 19,200	\$ 19,200	\$ -	\$ -	\$ -	\$ -	-	-	-	-	-	-	-
Planning	\$ 256,830	\$ 256,830	\$ -	\$ -	\$ -	\$ -	-	-	-	-	-	-	-
Evaluation Studies	\$ 621,721	\$ 621,721	\$ -	\$ -	\$ -	\$ -	-	-	-	-	-	-	-
Evaluation Consultant	\$ 58,311	\$ 58,311	\$ -	\$ -	\$ -	\$ -	-	-	-	-	-	-	-
Information Technology	\$ 261,888	\$ 261,888	\$ -	\$ -	\$ -	\$ -	-	-	-	-	-	-	-
EEB	\$ 241,009	\$ 241,009	\$ -	\$ -	\$ -	\$ -	-	-	-	-	-	-	-
2015 Performance Management Fee	\$ 1,593,612	\$ 1,593,612	\$ -	\$ -	\$ -	\$ -	-	-	-	-	-	-	-
Marketing Plan	\$ 813,333	\$ 813,333	\$ -	\$ -	\$ -	\$ -	-	-	-	-	-	-	-
SUB-TOTAL ADMIN & PLANNING	\$ 4,406,145	\$ 4,406,145	\$ -	\$ -	\$ -	\$ -	-	-			-	-	-
PROGRAM SUB-TOTALS	\$ 12,653,896	\$ 10,741,413	\$ 4,790,513	\$ 15,378,729	\$ 32,765,017	\$ 44,645,529	2.59	2.90			22,051,197	195,914,097	2,402.7
RESIDENTIAL	\$ 17,296,164	\$ 17,296,164	\$ 17,557,249	\$ 32,788,618	\$ 48,638,579	\$ 66,309,397	2.81	2.02			41,219,184	469,378,319	5,675.2
COMMERCIAL & INDUSTRIAL	\$ 3,815,104	\$ 3,815,104	\$ -	\$ -	\$ -	\$ -	-	-			-	-	-
OTHER **	\$ 33,765,164	\$ 31,852,681	\$ 22,347,761	\$ 48,167,346	\$ 81,403,596	\$ 110,954,926	2.41	2.30			63,270,380	665,292,416	8,078.0
TOTAL C&LI BUDGET Note 2	\$ 33,765,164	\$ 31,852,681	\$ 22,347,761	\$ 48,167,346	\$ 81,403,596	\$ 110,954,926	2.41	2.30			63,270,380	665,292,416	8,078.0

Notes:
 (a) Energy Blueprint includes Motors and Cool Choice
 * HES values include contingent planning funding
 * Other - Education is primarily allocated to Residential Programs

Table B – 2015 UI Comparison of Conservation Programs (cont.)

Program	Demand Cost \$/kW	Demand Cost \$/kW yr	Utility Cost Rate \$/kWh Annualized	Utility Cost Rate \$/kWh Lifetime	Annualized Savings Oil (Gallons)	Lifetime Savings Oil (Gallons)	Annualized Savings Propane (Gallons)	Lifetime Savings Propane (Gallons)	Annualized MMBTU (Electric, Oil, Propane)	Lifetime MMBTU (Electric, Oil, Propane)	Cost per Annual MMBTU	Cost per Lifetime MMBTU
Residential Retail Products	\$ 2,682	\$ 329	\$ 0.2348	\$ 0.029	-	-	-	-	47,372	385,843	\$ 68.8	\$ 8.45
TOTAL - CONSUMER PRODUCTS	\$ 2,682	\$ 329	\$ 0.2348	\$ 0.029	-	-	-	-	47,372	385,843	\$ 68.8	\$ 8.45
Residential New Construction	\$ 2,555	\$ 189	\$ 0.8992	\$ 0.067	-	-	790	19,781	633	9,373	\$ 233.4	\$ 15.77
* Home Energy Solutions	\$ 3,957	\$ 372	\$ 0.6742	\$ 0.063	140,595	2,405,215	7,664	142,977	32,679	479,442	\$ 109.8	\$ 7.48
HES Income Eligible	\$ 9,164	\$ 965	\$ 0.7084	\$ 0.075	83,532	1,498,238	2,561	51,137	23,877	327,002	\$ 137.9	\$ 10.07
Residential Behavior	\$ 1,287	\$ 129	\$ 0.3670	\$ 0.059	-	-	-	-	2,790	27,901	\$ 107.5	\$ 17.16
SUB-TOTAL RESIDENTIAL	\$ 3,611	\$ 406	\$ 0.3934	\$ 0.044	224,127	3,903,453	11,016	213,895	107,351	1,229,560	\$ 98.6	\$ 8.61
Energy Conscious Blueprint (a)	\$ 2,560	\$ 172	\$ 0.4100	\$ 0.027	-	-	-	-	31,440	468,840	\$ 120.1	\$ 8.06
TOTAL - LOST OPPORTUNITY	\$ 2,560	\$ 172	\$ 0.4100	\$ 0.027	-	-	-	-	31,440	468,840	\$ 120.1	\$ 8.06
Energy Opportunities	\$ 3,073	\$ 282	\$ 0.3926	\$ 0.036	-	-	-	-	50,892	554,297	\$ 115.0	\$ 10.56
O&M	\$ 1,529	\$ 201	\$ 0.1906	\$ 0.025	-	-	-	-	29,098	220,815	\$ 55.8	\$ 7.36
Services (BSC, Training, RetroX)	\$ -	\$ -	\$ 0.2500	\$ 0.050	-	-	-	-	2,048	10,239	\$ 73.2	\$ 14.65
PRIME	\$ 2,570	\$ 269	\$ 0.3174	\$ 0.033	-	-	-	-	82,038	785,351	\$ 93.0	\$ 9.71
TOTAL - C&LARGE RETROFIT	\$ 2,570	\$ 269	\$ 0.3174	\$ 0.033	-	-	-	-	82,038	785,351	\$ 93.0	\$ 9.71
Small Business	\$ 3,106	\$ 243	\$ 0.4800	\$ 0.038	-	-	-	-	27,203	347,796	\$ 140.6	\$ 11.00
SUB-TOTAL C&I	\$ 2,684	\$ 236	\$ 0.3695	\$ 0.032	-	-	-	-	140,681	1,601,988	\$ 108.3	\$ 9.51
Smart Living Centre®												
Clean Energy Communities												
Science Center												
K-12 Education												
Customer Engagement												
SUB-TOTAL EDUCATION												
Institute for Sustainable Energy (ECSU)												
Residential Loan Program (includes ECLF)												
C&I Financing												
C&I Loan Defaults												
C&I Self-Funding												
SUB-TOTAL PROGRAMS/REQUIREMENTS												
Research, Development & Demonstration												
SUB-TOTAL RENEWABLES AND RD&D												
Administration												
ESPCP Program Manager												
Planning												
Evaluation Studies												
Evaluation Consultant												
Information Technology												
EEB												
2015 Performance Management Fee												
Marketing Plan												
SUB-TOTAL ADMIN & PLANNING												
PROGRAM SUB-TOTALS	\$ 4,470	\$ 503	\$ 0.4871	\$ 0.055	224,127	3,903,453	11,016	213,895	107,351	1,229,560	\$ 117.9	\$ 10.29
RESIDENTIAL	\$ 3,048	\$ 268	\$ 0.4196	\$ 0.037	0	0	0	0	140,681	1,601,988	\$ 122.9	\$ 10.80
COMMERCIAL & INDUSTRIAL												
OTHER **												
TOTAL C&I M BUDGET Note 2	\$ 3,843	\$ 375	\$ 0.5034	\$ 0.048	224,127	3,903,453	11,016	213,895	248,032	2,831,548	\$ 136.1	\$ 11.92

Notes:
(a) Energy Blueprint includes Motors and Cool
* HES values include contingent planning funding
** Other - Education is primarily allocated to Residential Programs

Table C – 2014 UI Budget

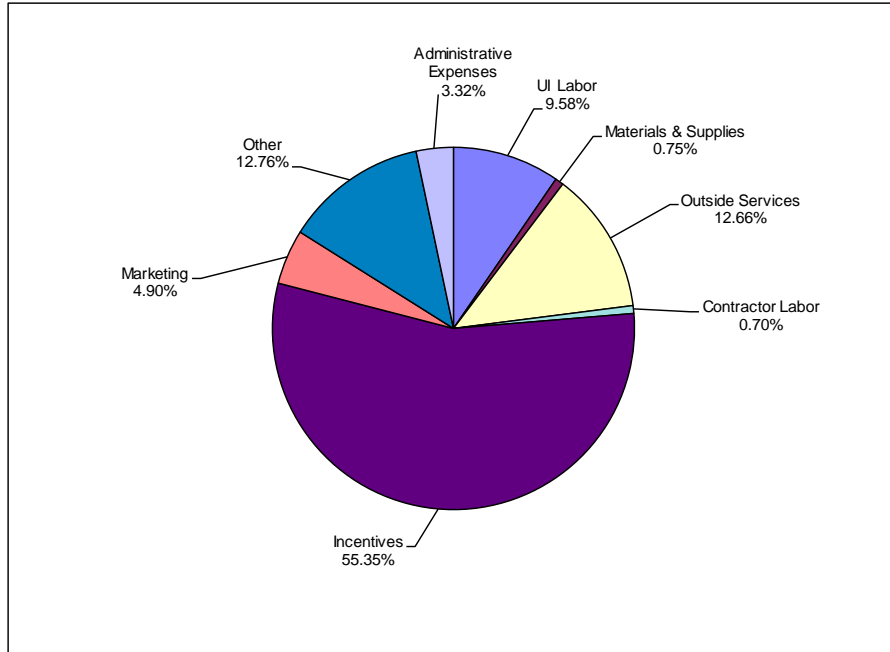
THE UNITED ILLUMINATING COMPANY
2014 CONSERVATION & LOAD MANAGEMENT
TABLE C

PROGRAM NAME	UI Labor	Materials & Supplies	Outside Services	Contractor Labor	Incentives	Marketing	Other (b)	Administrative Expenses	TOTAL
Residential Retail Products	\$ 140,486	\$ 5,000	\$ 230,000	\$ -	\$ 2,348,810	\$ 240,000	\$ 6,000	\$ 5,000	\$ 2,975,296
TOTAL - CONSUMER PRODUCTS	\$ 140,486	\$ 5,000	\$ 230,000	\$ -	\$ 2,348,810	\$ 240,000	\$ 6,000	\$ 5,000	\$ 2,975,296
Residential New Construction	\$ 24,742	\$ 1,500	\$ 5,000	\$ -	\$ 102,500	\$ 15,000	\$ 3,000	\$ 2,500	\$ 154,242
Home Energy Solutions	\$ 245,392	\$ 15,000	\$ 240,000	\$ -	\$ 2,400,962	\$ 120,000	\$ 15,000	\$ 19,000	\$ 3,055,354
HES Income Eligible	\$ 306,517	\$ 20,000	\$ 100,000	\$ -	\$ 2,759,701	\$ 55,000	\$ 4,000	\$ 8,000	\$ 3,253,718
Residential Behavior	\$ 10,050	\$ 3,750	\$ 204,450	\$ -	\$ 75,000	\$ 3,750	\$ -	\$ 3,000	\$ 300,000
SUB-TOTAL RESIDENTIAL	\$ 727,187	\$ 45,250	\$ 779,450	\$ -	\$ 7,611,973	\$ 505,000	\$ 31,750	\$ 38,000	\$ 9,738,610
Energy Conscious Blueprint (a)	\$ 502,305	\$ 3,500	\$ 275,000	\$ 50,000	\$ 2,834,185	\$ 42,000	\$ 10,000	\$ 60,000	\$ 3,777,000
TOTAL - LOST OPPORTUNITY	\$ 502,305	\$ 3,500	\$ 275,000	\$ 50,000	\$ 2,834,185	\$ 42,000	\$ 10,000	\$ 60,000	\$ 3,777,000
Energy Opportunities	\$ 536,259	\$ 6,000	\$ 200,000	\$ 70,000	\$ 4,565,698	\$ 86,000	\$ 5,000	\$ 384,500	\$ 5,853,457
G&M Services (REP, BSC, Training, RetroX, PRIME)	\$ 153,120	\$ 1,600	\$ 584,390	\$ -	\$ 988,667	\$ 24,000	\$ 5,000	\$ 18,000	\$ 1,774,977
TOTAL - C&I LARG RETROFIT	\$ 689,379	\$ 7,600	\$ 784,390	\$ 70,000	\$ 5,554,365	\$ 110,000	\$ 10,000	\$ 402,500	\$ 7,628,434
Small Business	\$ 351,946	\$ 2,000	\$ 150,000	\$ 28,000	\$ 2,664,291	\$ 42,000	\$ 2,500	\$ 585,198	\$ 3,825,935
SUB-TOTAL C&I	\$ 1,543,630	\$ 13,100	\$ 1,209,390	\$ 148,000	\$ 11,053,051	\$ 42,000	\$ 22,500	\$ 1,047,698	\$ 15,231,369
SmartLiving Center®	\$ 45,470	\$ 10,000	\$ 640,271	\$ 88,000	\$ -	\$ 25,000	\$ 178,000	\$ 2,000	\$ 988,741
Clean Energy Communities	\$ 49,206	\$ 5,000	\$ 202,754	\$ -	\$ -	\$ 79,000	\$ 5,000	\$ 15,000	\$ 355,960
K-12 Education	\$ 41,449	\$ 6,000	\$ 197,925	\$ -	\$ 30,000	\$ 38,000	\$ 2,500	\$ 5,000	\$ 320,874
Customer Engagement	\$ -	\$ -	\$ 120,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 120,000
SUB-TOTAL EDUCATION	\$ 136,125	\$ 21,000	\$ 1,160,950	\$ 88,000	\$ 30,000	\$ 142,000	\$ 185,500	\$ 22,000	\$ 1,785,575
Institute for Sustainable Energy (ECSU)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 89,600	\$ -	\$ 89,600
Residential Loan Program (Includes ECLF)	\$ 30,451	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 657,760	\$ -	\$ 688,211
C&I Loan Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 693,123	\$ -	\$ 693,123
C&I Loan Defaults	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,000	\$ -	\$ 35,000
C&I Self Funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000	\$ -	\$ 1,000,000
SUB-TOTAL PROGRAMS/REQUIREMENTS	\$ 30,451	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,475,483	\$ -	\$ 2,505,934
Research, Development & Demonstration	\$ -	\$ -	\$ 152,206	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 152,206
SUB-TOTAL RENEWABLES AND RD&D	\$ -	\$ -	\$ 152,206	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 152,206
Administration	\$ 439,918	\$ 20,000	\$ 75,324	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ 540,242
ESPCP Program Manager	\$ 251,830	\$ -	\$ 19,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 266,830
Planning	\$ 79,119	\$ -	\$ 499,803	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ 578,922
Evaluation Studies	\$ 26,643	\$ 153,000	\$ 58,311	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 68,311
Evaluation Consultant	\$ -	\$ -	\$ 79,645	\$ -	\$ -	\$ -	\$ -	\$ 2,600	\$ 261,868
Information Technology	\$ -	\$ -	\$ 241,009	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 241,009
EEB	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 813,333	\$ -	\$ -	\$ 813,333
Marketing Plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,594,205	\$ -	\$ 1,594,205
2014 Performance Management Fee	\$ 797,510	\$ 173,000	\$ 973,292	\$ -	\$ -	\$ 813,333	\$ 1,594,205	\$ 12,600	\$ 4,363,940
SUB-TOTAL ADMIN & PLANNING	\$ 797,510	\$ 173,000	\$ 973,292	\$ -	\$ -	\$ 813,333	\$ 1,594,205	\$ 12,600	\$ 4,363,940
PROGRAM SUB-TOTALS	\$ 874,828	\$ 63,250	\$ 1,747,795	\$ 70,400	\$ 7,641,973	\$ 1,276,866	\$ 838,410	\$ 56,600	\$ 12,570,122
RESIDENTIAL	\$ 1,562,565	\$ 16,100	\$ 1,401,995	\$ 165,600	\$ 11,053,051	\$ 377,467	\$ 1,787,223	\$ 1,051,088	\$ 17,415,099
COMMERCIAL & INDUSTRIAL	\$ 797,510	\$ 173,000	\$ 1,125,498	\$ -	\$ -	\$ -	\$ 1,683,805	\$ 12,600	\$ 3,792,413
OTHER	\$ 3,234,903	\$ 252,350	\$ 4,275,288	\$ 236,000	\$ 18,695,024	\$ 1,654,333	\$ 4,309,438	\$ 1,120,298	\$ 33,777,634
TOTAL C&I M BUDGET	\$ 3,234,903	\$ 252,350	\$ 4,275,288	\$ 236,000	\$ 18,695,024	\$ 1,654,333	\$ 4,309,438	\$ 1,120,298	\$ 33,777,634

Notes:
(a) Energy Blueprint includes Motors and Cool Choice
(b) Other expenses include:
- Smart Living Center Management Fee
- Smart Living Center Utilities
- ECSU
- Conservation Loan Fund
- Neighborhood Housing Services
- C&I Loan Defaults
- ESPP Participation
- DUES
- Postage
- Telephone Expense

Table C – 2014 Pie

**THE UNITED ILLUMINATING COMPANY
2014 CONSERVATION & LOAD MANAGEMENT
C&LM BUDGET BY EXPENSE CLASS**



<u>Expense Classes</u>	<u>Budget</u>	<u>% of Budget</u>
UI Labor	\$ 3,234,903	9.58%
Materials & Supplies	\$ 252,350	0.75%
Outside Services	\$ 4,275,288	12.66%
Contractor Labor	\$ 236,000	0.70%
Incentives	\$ 18,695,024	55.35%
Marketing	\$ 1,654,333	4.90%
Other	\$ 4,309,438	12.76%
Administrative Expenses	\$ 1,120,298	3.32%
Total	\$ 33,777,634	100.00%

Table C – 2015 – UI Budget

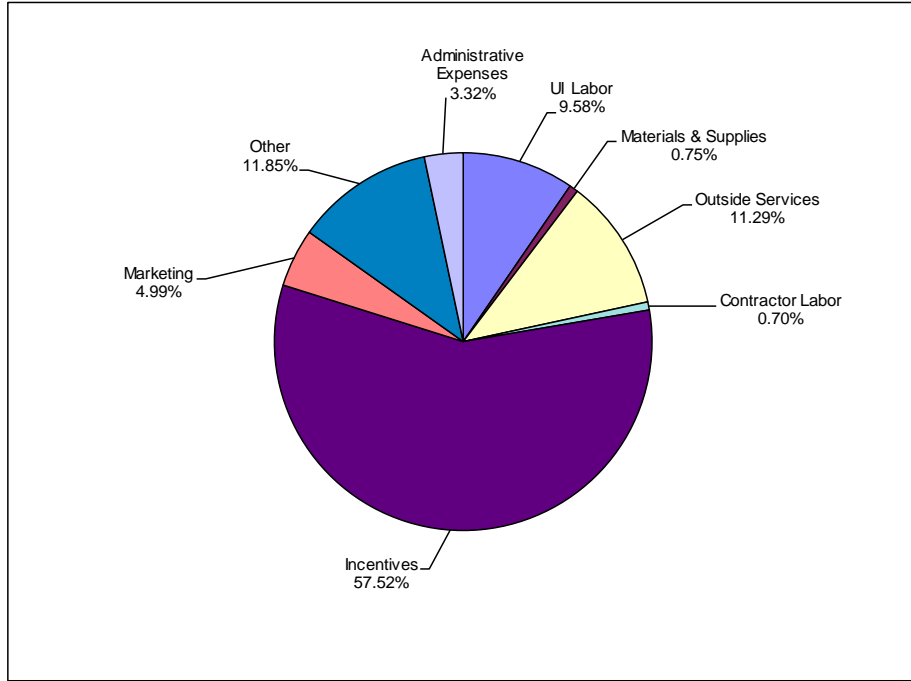
THE UNITED ILLUMINATING COMPANY
2015 CONSERVATION & LOAD MANAGEMENT
TABLE C

PROGRAM NAME	UI Labor	Materials & Supplies	Outside Services	Contractor Labor	Incentives	Marketing	Other (b)	Administrative Expenses	TOTAL
Residential Retail Products	\$ 140,486	\$ 6,000	\$ 265,000	\$ -	\$ 2,585,123	\$ 250,000	\$ 8,000	\$ 5,000	\$ 3,259,609
TOTAL - CONSUMER PRODUCTS	\$ 140,486	\$ 6,000	\$ 265,000	\$ -	\$ 2,585,123	\$ 250,000	\$ 8,000	\$ 5,000	\$ 3,259,609
Residential New Construction	\$ 24,742	\$ 1,500	\$ 5,000	\$ -	\$ 96,042	\$ 15,000	\$ 3,000	\$ 2,500	\$ 147,784
Home Energy Solutions	\$ 245,392	\$ 15,000	\$ 294,000	\$ -	\$ 2,858,611	\$ 140,000	\$ 15,000	\$ 19,000	\$ 3,587,003
HES Income Eligible	\$ 306,517	\$ 20,000	\$ 100,000	\$ -	\$ 2,799,803	\$ 55,000	\$ 4,000	\$ 8,500	\$ 3,293,820
Residential Behavior	\$ 10,050	\$ 3,750	\$ 204,450	\$ -	\$ -	\$ 75,000	\$ 3,750	\$ 3,000	\$ 300,000
SUB-TOTAL RESIDENTIAL	\$ 727,187	\$ 46,250	\$ 868,450	\$ -	\$ 8,339,579	\$ 635,000	\$ 33,750	\$ 38,000	\$ 10,588,216
Energy Conscious Blueprint (a)	\$ 502,305	\$ 3,500	\$ 275,000	\$ 50,000	\$ 2,834,195	\$ 42,000	\$ 10,000	\$ 60,000	\$ 3,777,000
TOTAL - LOST OPPORTUNITY	\$ 502,305	\$ 3,500	\$ 275,000	\$ 50,000	\$ 2,834,195	\$ 42,000	\$ 10,000	\$ 60,000	\$ 3,777,000
Energy Opportunities	\$ 536,259	\$ 6,000	\$ 200,000	\$ 70,000	\$ 4,565,698	\$ 86,000	\$ 5,000	\$ 384,500	\$ 5,853,457
OKM Services (RFP, BSC, Training, RetroX, PRIME)	\$ 153,120	\$ 1,600	\$ 584,390	\$ -	\$ 989,867	\$ 24,000	\$ 5,000	\$ 18,000	\$ 1,774,977
TOTAL - C&LARGE RETROFIT	\$ 689,379	\$ 7,600	\$ 784,390	\$ 70,000	\$ 5,554,565	\$ 110,000	\$ 10,000	\$ 402,500	\$ 7,628,434
Small Business	\$ 351,946	\$ 2,000	\$ 150,000	\$ 28,000	\$ 2,664,291	\$ 42,000	\$ 2,500	\$ 585,198	\$ 3,825,935
SUB-TOTAL C&I	\$ 1,543,630	\$ 13,100	\$ 1,209,390	\$ 148,000	\$ 11,053,051	\$ 194,000	\$ 22,500	\$ 1,047,698	\$ 15,231,369
SmartLiving Center®	\$ 45,470	\$ 10,000	\$ 65,044	\$ 88,000	\$ -	\$ 25,000	\$ 178,000	\$ 2,000	\$ 413,514
Clean Energy Communities	\$ 49,206	\$ 5,000	\$ 202,754	\$ -	\$ -	\$ 79,000	\$ 5,000	\$ 15,000	\$ 355,960
K-12 Education	\$ 41,449	\$ 6,000	\$ 197,925	\$ -	\$ 30,000	\$ 38,000	\$ 2,500	\$ 5,000	\$ 320,874
Customer Engagement	\$ -	\$ -	\$ 120,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 120,000
SUB-TOTAL EDUCATION	\$ 136,125	\$ 21,000	\$ 585,723	\$ 88,000	\$ 30,000	\$ 142,000	\$ 185,500	\$ 22,000	\$ 1,210,348
Institute for Sustainable Energy (ECSU)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 89,600	\$ -	\$ 89,600
Residential Loan Program (Includes ECLF)	\$ 30,451	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 352,109	\$ -	\$ 382,560
C&I Loan Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 693,123	\$ -	\$ 693,123
C&I Loan Defaults	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,111	\$ -	\$ 31,111
C&I Self Funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000	\$ -	\$ 1,000,000
SUB-TOTAL PROGRAM REQUIREMENTS	\$ 30,451	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,165,943	\$ -	\$ 2,196,394
Research, Development & Demonstration	\$ -	\$ -	\$ 132,692	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 132,692
SUB-TOTAL RENEWABLES AND RD&D	\$ -	\$ -	\$ 132,692	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 132,692
Administration	\$ 439,918	\$ 20,000	\$ 75,323	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ 540,241
ESPCP Program Manager	\$ -	\$ -	\$ 19,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,200
Planning	\$ 251,830	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ 256,830
Evaluation Studies	\$ 79,119	\$ -	\$ 542,602	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 621,721
Evaluation Consultant	\$ 26,643	\$ 153,000	\$ 56,311	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 683,311
Information Technology	\$ -	\$ -	\$ 79,845	\$ -	\$ -	\$ -	\$ -	\$ 2,600	\$ 261,868
IEEB	\$ -	\$ -	\$ 241,009	\$ -	\$ -	\$ 813,333	\$ -	\$ -	\$ 241,009
Marketing Plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,593,612	\$ -	\$ 1,593,612
2015 Performance Management Fee	\$ 797,510	\$ 173,000	\$ 1,016,090	\$ -	\$ -	\$ 813,333	\$ 1,593,612	\$ -	\$ 4,406,145
SUB-TOTAL ADMIN & PLANNING	\$ 797,510	\$ 173,000	\$ 1,016,090	\$ -	\$ -	\$ 813,333	\$ 1,593,612	\$ 12,600	\$ 4,406,145
PROGRAM SUB-TOTALS	\$ 874,828	\$ 64,250	\$ 1,376,613	\$ 70,400	\$ 8,369,579	\$ 1,306,866	\$ 534,759	\$ 56,600	\$ 12,653,896
RESIDENTIAL	\$ 1,562,565	\$ 16,100	\$ 1,286,950	\$ 165,600	\$ 11,053,051	\$ 377,467	\$ 1,783,334	\$ 1,051,098	\$ 17,296,164
COMMERCIAL & INDUSTRIAL	\$ 797,510	\$ 173,000	\$ 1,148,782	\$ -	\$ -	\$ -	\$ 1,683,212	\$ 12,600	\$ 3,815,104
OTHER	\$ 3,234,903	\$ 253,350	\$ 3,812,345	\$ 236,000	\$ 19,422,630	\$ 1,684,333	\$ 4,001,305	\$ 1,120,298	\$ 33,765,164
TOTAL C&I M BUDGET	\$ 3,234,903	\$ 253,350	\$ 3,812,345	\$ 236,000	\$ 19,422,630	\$ 1,684,333	\$ 4,001,305	\$ 1,120,298	\$ 33,765,164

Notes:
(a) Energy Blueprint includes Motors and Cool Choice
(b) Other expenses include:
Performance Management Fee
Smart Living Center Utilities
ECSU - Conservation Loan Fund
Neighborhood Housing Services
C&I Loan Defaults
NEEP - Participation
Postage
Telephone Expense

Table C – 2015 Pie

**THE UNITED ILLUMINATING COMPANY
2015 CONSERVATION & LOAD MANAGEMENT
C&LM BUDGET BY EXPENSE CLASS**



<u>Expense Classes</u>	<u>Budget</u>	<u>% of Budget</u>
UI Labor	\$ 3,234,903	9.58%
Materials & Supplies	\$ 253,350	0.75%
Outside Services	\$ 3,812,345	11.29%
Contractor Labor	\$ 236,000	0.70%
Incentives	\$ 19,422,630	57.52%
Marketing	\$ 1,684,333	4.99%
Other	\$ 4,001,305	11.85%
Administrative Expenses	\$ 1,120,298	3.32%
Total	\$ 33,765,164	100.00%

Table D – UI Historical and Projected Program Expenditures and kW

Table D
UI Historical and Projected \$ and kW

		Expenditures \$ ('000)														
		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Goal
RESIDENTIAL																
Residential Retail Products		1,589	1,303	692	1,287	1,592	1,684	1,247	1,282	1,344	2,430	2,632	2,401	2,084	2,975	3,280
Appliance Retirement		-	-	887	887	1,091	-	-	160	-	-	-	-	-	-	-
Total - Consumer Products		1,589	1,303	692	2,134	2,479	1,773	1,247	1,442	1,344	2,430	2,632	2,401	2,084	2,975	3,280
Residential New Construction		497	520	357	606	1,140	375	153	440	198	178	48	256	172	154	148
Home Energy Solutions		229	286	268	423	673	784	1,079	2,067	3,090	3,883	3,106	2,951	2,958	3,587	3,587
HES Income Eligible		1,500	1,168	799	803	1,096	1,250	1,107	939	3,448	2,976	3,107	2,738	4,776	3,254	3,294
Residential Behavior		-	-	-	-	-	-	-	-	-	-	-	-	-	300	300
Subtotal Residential		3,815	3,277	2,016	3,966	5,378	4,182	3,596	4,889	8,080	9,465	8,894	8,396	9,990	9,739	10,588
COMMERCIAL & INDUSTRIAL																
C&I LOST OPPORTUNITY																
Energy Conscious Blueprint		2,394	2,019	1,893	2,021	3,787	3,174	5,051	3,422	4,337	5,270	3,011	2,184	2,103	3,777	3,777
Total - Lost Opportunity		2,394	2,019	1,893	2,021	3,787	3,174	5,051	3,422	4,337	5,270	3,011	2,184	2,103	3,777	3,777
C&I LARGE RETROFIT																
C&I RFP		22	88	166	122	387	-	-	-	-	-	-	-	-	-	-
Energy Opportunities		3,401	1,271	1,158	2,259	3,917	2,977	5,843	3,119	4,789	4,845	4,912	3,377	4,124	5,653	5,853
DM (Retrofit, BSC, RFP, PRIME)		634	775	573	623	828	72	141	17	153	168	125	282	358	1,779	1,779
Municipal Energy & Schools		4,357	2,194	1,897	3,190	5,240	3,949	5,984	3,136	4,922	5,033	5,035	3,629	4,462	7,628	7,628
Total - C&I Large Retrofit		1,397	897	846	1,638	844	1,386	1,842	2,145	2,170	2,972	1,974	2,639	2,404	3,828	3,828
Small Business		8,058	5,190	4,906	9,055	10,413	7,981	12,877	8,703	11,429	13,275	9,520	8,452	8,989	15,231	15,231
Subtotal C&I		10,455	6,087	5,802	10,688	16,164	9,360	14,727	10,848	13,608	18,247	11,494	11,081	11,393	21,461	21,461
OTHER - LOAD MANAGEMENT																
ISO Load Response Program Support		63	424	604	33	209	11	8	6	4	-	-	-	-	-	-
Subtotal Load Management		63	424	604	33	209	11	8	6	4	-	-	-	-	-	-
PROGRAM SUB-TOTALS		3,815	3,277	2,016	3,966	5,378	4,182	3,596	4,889	8,080	9,465	8,894	8,396	9,990	9,739	10,588
Residential		8,121	5,574	5,410	6,989	10,622	7,872	12,885	8,709	11,433	13,275	9,520	8,452	8,989	15,231	15,231
C&I		11,936	8,851	7,428	10,954	16,000	12,954	16,471	13,597	19,513	22,740	18,414	16,838	18,979	24,970	25,620
TOTAL		20,051	14,428	12,844	17,943	26,378	17,136	30,067	28,486	38,993	46,205	37,304	35,290	37,968	46,709	46,205
Load Savings kW																
RESIDENTIAL																
Residential Retail Products		759	635	639	1,286	1,339	1,158	1,615	1,613	1,186	3,788	4,008	2,008	1,860	1,518	1,216
Appliance Retirement		-	-	-	636	491	36	-	13	-	-	-	-	-	-	-
Total - Consumer Products		759	635	639	1,922	1,830	1,194	1,615	1,626	1,186	3,788	4,008	2,008	1,860	1,518	1,216
Residential New Construction		62	69	25	173	212	231	290	267	31	52	99	26	47	61	58
Home Energy Solutions		132	2,137	368	728	1,061	631	414	933	984	1,461	714	540	553	552	623
HES Income Eligible		655	597	283	284	416	474	338	229	277	324	263	188	473	274	273
Residential Behavior		-	-	-	-	-	-	-	-	-	-	-	-	-	233	233
Subtotal Residential		1,608	3,438	1,315	3,117	3,518	2,530	2,657	3,055	2,478	5,625	5,084	2,762	2,933	2,638	2,403
COMMERCIAL & INDUSTRIAL																
C&I LOST OPPORTUNITY																
Energy Conscious Blueprint		5,134	3,761	3,815	4,180	4,367	4,685	2,622	2,337	2,620	1,329	1,071	1,539	1,267	1,488	1,476
Total - Lost Opportunity		5,134	3,761	3,815	4,180	4,367	4,685	2,622	2,337	2,620	1,329	1,071	1,539	1,267	1,488	1,476
C&I LARGE RETROFIT																
C&I RFP		38	87	521	69	81	-	-	-	-	-	-	-	-	-	-
Energy Opportunities		4,739	2,467	2,191	3,180	3,920	3,345	3,920	3,520	2,977	2,303	1,840	1,844	1,164	2,043	1,825
DM (Retrofit, BSC, RFP, PRIME)		859	1,107	1,019	1,019	427	527	27	-	24	-	-	20	-	1,825	1,825
Municipal Energy & Schools		5,684	3,661	4,029	4,288	5,032	3,882	4,048	3,520	3,004	2,303	1,874	1,855	1,184	3,106	2,968
Total - C&I Large Retrofit		6,833	659	1,031	1,035	1,963	1,661	2,008	2,149	1,574	1,172	811	815	579	1,228	1,232
Small Business		11,511	8,081	8,875	9,473	11,362	9,927	8,678	8,016	7,198	4,804	3,756	4,209	3,030	5,620	5,675
Subtotal C&I		18,024	11,685	12,446	14,665	19,082	16,613	14,686	13,691	11,818	6,937	5,827	6,803	5,092	10,467	10,575
OTHER - LOAD MANAGEMENT																
ISO Load Response Program Support		10,925	10,925	14,465	3,975	2,080	3,339	2,887	1,868	782	89	-	-	-	-	-
Subtotal Load Management		10,925	10,925	14,465	3,975	2,080	3,339	2,887	1,868	782	89	-	-	-	-	-
PROGRAM SUB-TOTALS		28,968	21,153	21,150	26,928	38,827	28,195	30,005	27,184	35,738	40,031	33,946	31,262	33,761	40,626	40,031
Residential		16,068	13,438	13,915	18,168	26,378	17,136	30,067	28,486	38,993	46,205	37,304	35,290	37,968	46,709	46,205
C&I		12,899	7,715	7,235	8,760	12,449	11,059	11,938	9,698	16,745	23,826	16,642	15,971	15,793	23,917	23,826
TOTAL		28,968	21,153	21,150	26,928	38,827	28,195	30,005	27,184	35,738	40,031	33,946	31,262	33,761	40,626	40,031

Table D1 – UI Historical and Projected Annual kWh and Lifetime kWh

Table D1
UI Historical and Projected Annual kWh and Lifetime kWh

	Annual kWh (000)														
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Goal	Goal
RESIDENTIAL															
Residential Retail Products	9,563	7,997	3,465	12,166	14,968	15,216	21,152	17,390	12,485	42,955	45,644	22,554	21,333	17,107	13,880
Appliance Retirement	-	-	2,667	2,667	2,587	261	7	-	-	-	-	-	-	-	-
Total - Consumer Products	9,563	7,997	3,465	14,833	17,555	15,477	21,152	17,397	12,485	42,955	45,644	22,554	21,333	17,107	13,880
Residential New Construction	208	230	1,038	297	385	1,038	1,672	802	62	123	296	101	180	180	164
Home Energy Solutions	75	231	415	517	517	455	1,063	3,331	2,515	5,134	3,541	3,582	2,344	3,255	3,657
HES Income Eligible	6,086	5,560	2,779	4,052	5,130	4,784	3,498	2,511	3,122	4,204	4,710	3,131	3,787	3,557	3,533
Residential Behavior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	818
Subtotal Residential	15,922	14,993	6,772	19,685	24,220	21,754	27,385	24,041	18,184	52,416	54,191	29,368	27,644	24,918	22,051
COMMERCIAL & INDUSTRIAL															
C&I LOST OPPORTUNITY															
Energy, Conscious Blueprint	25,568	18,731	10,994	22,420	20,122	13,765	15,090	14,302	16,308	11,355	10,653	7,098	8,277	9,256	9,212
Total - Lost Opportunity	25,568	18,731	10,994	22,420	20,122	13,765	15,090	14,302	16,308	11,355	10,653	7,098	8,277	9,256	9,212
C&I LARGE RETROFIT															
C&I RFP	228	544	2,414	856	563	-	-	-	-	-	-	-	-	-	-
Energy Opportunities	25,592	13,156	11,929	18,591	24,167	20,704	21,573	20,688	18,128	16,948	16,012	14,860	10,833	15,120	14,911
O&M (RetiroCx, BSC, RFP, PRIME)	-	-	-	-	2,206	1,453	2,386	-	488	453	137	750	1,839	9,320	9,126
Municipal Energy & Schools	4,278	5,511	4,240	5,497	2,059	-	-	-	-	-	-	-	-	-	-
Total - C&I Large Retrofit	30,098	19,211	18,583	24,944	28,995	22,157	23,959	20,688	18,626	17,401	16,149	15,610	12,772	24,441	24,037
Small Business	6,506	6,279	3,578	4,389	7,990	5,830	7,814	9,480	7,914	7,789	5,115	6,321	5,131	7,957	7,970
Subtotal C&I	62,172	44,221	33,155	51,763	56,707	41,752	46,693	44,450	42,848	36,545	31,917	29,029	26,180	41,653	41,219
PROGRAM SUB-TOTALS															
Residential	15,922	14,993	6,772	19,685	24,220	21,754	27,385	24,041	18,184	52,416	54,191	29,368	27,644	24,918	22,051
C&I	62,172	44,221	33,155	51,763	56,707	41,752	46,693	44,450	42,848	36,545	31,917	29,029	26,180	41,653	41,219
TOTAL	78,104	59,214	39,927	71,448	80,927	63,506	74,078	68,491	61,032	88,961	86,108	58,397	53,824	66,571	63,270
RESIDENTIAL															
Residential Retail Products	114,927	87,336	34,208	115,967	111,484	126,122	180,938	135,890	84,297	203,783	181,401	118,010	124,693	132,639	113,051
Appliance Retirement	-	-	-	13,002	12,761	1,306	-	90	-	-	-	-	-	-	-
Total - Consumer Products	114,927	87,336	34,208	128,969	124,245	127,428	180,938	135,980	84,297	203,783	181,401	118,010	124,693	132,639	113,051
Residential New Construction	4,338	5,044	5,940	7,412	11,240	15,812	23,327	12,628	884	1,542	3,452	1,113	1,702	2,418	2,217
Home Energy Solutions	1,125	18,240	4,389	7,839	8,284	5,866	11,997	33,731	31,331	51,377	31,175	38,988	23,439	34,577	38,911
HES Income Eligible	60,860	55,500	24,412	17,352	36,581	36,749	32,294	20,676	24,676	40,905	52,757	35,418	46,117	33,363	33,560
Residential Behavior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,175
Subtotal Residential	181,250	166,120	68,949	161,572	180,330	185,855	248,596	205,015	141,390	297,607	266,785	193,529	195,951	211,173	195,914
COMMERCIAL & INDUSTRIAL															
C&I LOST OPPORTUNITY															
Energy, Blueprint / Energy, Conscious Construction	383,520	280,965	164,910	336,293	343,568	191,708	224,566	203,135	288,282	177,958	163,635	106,078	128,278	137,567	137,369
Total - Lost Opportunity	383,520	280,965	164,910	336,293	343,568	191,708	224,566	203,135	288,282	177,958	163,635	106,078	128,278	137,567	137,369
C&I LARGE RETROFIT															
C&I RFP	3,420	8,160	36,210	12,835	10,700	-	-	-	-	-	-	-	-	-	-
Energy Opportunities	383,196	190,838	178,935	278,872	409,048	310,557	291,700	272,595	233,761	209,052	205,701	183,675	137,383	174,350	162,408
O&M (RetiroCx, BSC, RFP, PRIME)	-	-	-	22,861	22,861	21,790	35,790	-	3,840	2,855	854	5,177	14,586	66,671	67,688
Municipal Energy & Schools	64,170	82,665	63,600	82,451	36,659	-	-	-	-	-	-	-	-	-	-
Total - C&I Large Retrofit	450,786	280,863	278,745	374,158	478,668	332,347	327,490	272,595	237,601	211,907	205,555	189,052	151,989	243,022	230,106
Small Business	97,600	94,200	53,670	65,937	119,939	76,975	92,649	69,684	88,168	97,574	63,381	79,627	65,167	101,700	101,933
Subtotal C&I	931,906	695,028	497,325	776,438	941,945	601,030	644,705	575,474	487,879	487,439	433,571	374,757	345,434	482,309	469,378
PROGRAM SUB-TOTALS															
Residential	181,250	166,120	68,949	161,572	180,330	185,855	248,596	205,015	141,390	297,607	266,785	193,529	195,951	211,173	195,914
C&I	931,906	695,028	497,325	776,438	941,945	601,030	644,705	575,474	487,879	487,439	433,571	374,757	345,434	482,309	469,378
TOTAL	1,113,156	822,148	566,274	938,010	1,122,275	786,885	893,261	778,429	735,269	785,046	702,356	568,286	541,385	693,482	665,292

UI Performance Incentive 2014

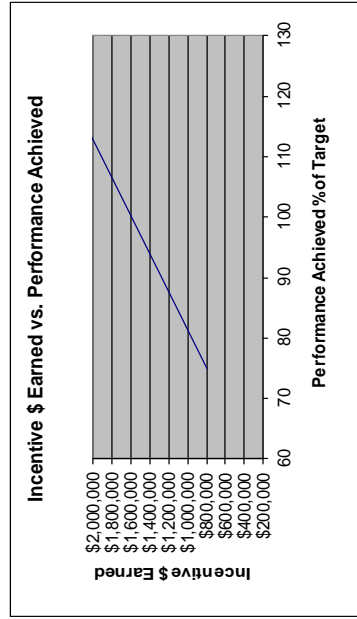
THE UNITED ILLUMINATING COMPANY 2014 Management Incentive Performance Indicators and Incentive Matrix

Provided below is the 2014 Incentive Matrix with Performance Indicators. The weights applied to each of the individual and sector-level metrics were developed in collaboration with EEB consultants. The Utility Performance Incentive is \$1,594,205. 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). Goals will be prorated based on actual over/under spend of budget. 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:

<u>Performance %</u>	<u>Pretax Incentive</u>	<u>Pre-tax Incentive</u>
75	2.5%	\$797,103
80	3.0%	\$956,523
90	4.0%	\$1,275,364
100	5.0%	\$1,594,205
110	6.0%	\$1,913,046
120	7.0%	\$2,231,888
130	8.0%	\$2,550,729

Total Original Budget* \$31,884,108

*Does not include Incentive, ECMB costs and Audit



UI Performance Incentive 2014 (cont.)

SECTOR Program	Performance Indicators		Incentive Metrics			
			Incentive Metric	Target Goal	Weight	Incentive
RESIDENTIAL						
All Residential Programs (Sector Level) Sector Budget	\$ 9,738,610	Residential Products & Services Lifetime kWh	132,638,950	Electric System Benefit from all Res programs Total Electric System Benefit: \$19,711,017	0.195	\$310,870
		Residential Products & Services kW	1,518			
		Homes Lifetime kWh	2,417,534			
		Homes kW	61			
		Home Energy Solutions Lifetime kWh	34,577,081			
		Home Energy Solutions kW	552			
		HES Income Eligible Lifetime kWh	33,364,701			
		HES Income Eligible kW	274			
		Residential Behavior Lifetime kWh	8,175,000			
		Residential Behavior kW	233			
	Total Residential Lifetime kWh	211,173,266				
	Total Residential kW	2,638				
	Present Value of Res Lifetime kWh	\$0.0791				
	Present Value of Res Lifetime kW @ Customer Meter	\$1,138.43				
	Total Res Lifetime kWh @ Present Value Factor	\$16,708,174				
	Total Res kW @ Present Value Factor	\$3,002,843				
	Total Electric System Benefit	\$19,711,017				
	The Net Electric System Benefit from all Res programs	\$9,972,407				
All Residential Programs (Sector Level)		Total Net Electric System System Benefit	\$9,972,407	\$9,972,407	0.195	\$310,870
Residential New Construction	\$ 154,242			Energy savings included in appropriate sector level metric		

UI Performance Incentive 2014 (cont.)

SECTOR Program	Performance Indicators	Incentive Metrics			
		Incentive Metric	Target Goal	Weight	
RESIDENTIAL					
HES	<p>Increase HES Savings (MMBTU) Per Single Family Home (1 to 4 units) 4% over 2013 (or 17.33 MMBTU)</p> <p>Increase HES Savings (MMBTU) Multi-Family (5 units and above) 8% over 2012 actual (or 8.09 MMBTU)</p> <p>Percentage of Unique Single Family Homes that received core services for HES that get at least one add-on measures (i.e., insulation, Water Heaters, HVAC, appliances).</p>	<p>Energy savings included in appropriate sector level metric</p> <p>Increase HES savings Per Participant</p> <p>Increase HES savings Per Home</p> <p>% of homes with Add-Ons</p>	<p>Achieve 4% average increase in HES per participant savings across all fuels</p> <p>Achieve 8% average increase in HES per participant savings across all fuels</p> <p>24% of unique homes with at least one Add-On Measure, measured Jan 1, through Sept, 30, 2014</p>	<p>0.02</p> <p>0.01</p> <p>0.020</p>	<p>\$31,884</p> <p>\$15,942</p> <p>\$31,884</p>
HES - Income Eligible	<p>Expend the HES-IE Budget - Full Penalty is 5% times HES-IE Budgeted Spending. Expending 95% spending avoids the penalty. The penalty is on sliding scale from 85% to 95%. Above 85% spending, the penalty is scaled with a 10% reduction in the penalty for each one percent increase in budget spend above 85%.</p> <p>Annual MMBTU for electric, oil and propane measures</p>	<p>Energy savings included in appropriate sector level metric</p> <p>Expend 2014 HES-IE Budget</p> <p>Annual MMBTU</p>	<p>This is a penalty metric - 5%</p> <p>23,802 MMBTU</p>	<p>0.02</p>	<p>\$31,884</p>
Retail Products	<p>Number of LED Products</p>	<p>Number of LED Products</p>	<p>174,000</p>	<p>0.02</p>	<p>\$31,884</p>

UI Performance Incentive 2014 (cont.)

SECTOR Program	Performance Indicators		Incentive Metrics			
			Incentive Metric	Target Goal	Weight	Incentive
COMMERCIAL & INDUSTRIAL (C/I) All C/I Programs (Sector Level) Sector Budget	\$	15,231,369	Total Electric System Benefit from all C&I programs.	Electric System Benefit from all C&I programs Total Electric System Benefit: \$47,789,146	0.21	\$334,783
		Energy Blueprint Lifetime kWh	137,587,135			
		Energy Blueprint kW	1,486			
		Energy Opportunities Lifetime kWh	174,350,285			
		Energy Opportunities kW	2,043			
		O&M (RetroCx, BOC, RFP)	68,671,318			
		O&M RFP kW	1,063			
		Small Business Lifetime kWh	101,700,141			
		Small Business kW	1,228			
		Total C&I Lifetime kWh	482,308,879			
	Total C&I kW	5,820				
	Present Value of C&I Lifetime kWh	\$0.0804				
	Present Value of C&I Lifetime kW @ Customer Meter	\$1,551.24				
	Total C&I Lifetime kWh @ Present Value Factor	\$38,761,193				
	Total C&I kW @ Present Value Factor	\$9,027,953				
	Total Electric System Benefit	\$47,789,146				
	The Net Electric System Benefit from all C&I programs:	\$32,557,777				
All C/I Programs (Sector Level) Sector Budget		Total Net Electric System Benefit from all C&I programs.	\$32,557,777	Total Program Benefit from all C&I programs.	0.21	\$334,783

UI Performance Incentive 2014 (cont.)

SECTOR Program	Performance Indicators	Incentive Metrics			
		Incentive Metric	Target Goal	Weight	
COMMERCIAL & INDUSTRIAL (C/I) Small Business \$ 3,825,935	Comprehensive Signed Projects. Comprehensive is defined as 1. More than 1 electric End-Use, where End-Use is defined as Heating, Cooling, Lighting, Process, Refrigeration or EMS, or involve a natural gas measure End-Use. 2. No 1 single End-Use can have more than 85% of the energy savings value of the total annual energy savings. Small Business projects may also be comprehensive by utilizing "bundled measures". Bundled measures shall be defined generally as a list of measure types geared toward customer type categories. For example, the measure bundle for restaurants and commercial kitchens should include, but not be limited to, Lighting, Energy Star Natural Gas or Electric cooking equipment, CEEE rated Pre-Raise Spray Valves, Energy Star Natural Gas or Electric Dishwashers.		16% of signed projects will be comprehensive.	0.02	\$31,884
Energy Conscious Blueprint \$ 3,777,000	Number of new construction/major renovation projects that are more efficient than the State Energy Code and are: - 30% > ASHRAE 90.1-2007, or - 20% > ASHRAE 90.1-2010, or - utilize Whole Building Performance, or Net Zero Energy projects Net Zero Energy project shall include renewable energy technologies such as; but not limited to, Solar PV, Solar Thermal, Fuel Cells, CHP, and Wind.		40% of signed projects	0.02	\$31,884
Energy Opportunities \$ 5,853,457	Number of projects that are comprehensive Comprehensive is defined as 1. More than 1 electric End-Use, where End-Use is defined as Heating, Cooling, Lighting, Process, Refrigeration or EMS, or involve a natural gas measure End-Use. 2. No 1 single End-Use can have more than 85% of the energy savings value of the total annual energy savings		20% of signed projects	0.02	\$31,884

UI Performance Incentive 2014 (cont.)

SECTOR Program	Performance Indicators	Incentive Metrics			
		Incentive Metric	Target Goal	Weight	Incentive
COMMERCIAL & INDUSTRIAL (C/I)					
Strategic Energy Management	SEM signed Customer agreements may include, but not be limited to, BSC Agreements (*), Retro-Commissioning engineering study agreements, multi-year MOU's with Customers (which will outline a strategic plan for reducing consumption by a specific percentage each year along with tools and resources to be utilized such as metering, trending & reporting, Energy Star Benchmarking, Focused Study agreements, PRIME kaizen events, etc.), Clean Energy Community MOU's, packaged SEM and Customer Engagement tools and resources which already exist in the marketplace. (*) BSC = Business Sustainability Challenge.		12 Customers	0.02	\$31,884
Manufacturing Customers	Energy savings from Signed Manufacturing Customer projects. Energy Savings includes the electric energy savings from all end uses. Manufacturing customer projects of any size including those that are < 200 kW. Manufacturing customer is any with a NAICS manufacturing code or. Manufacturing projects within the following facility types from the tracking systems: industrial 1 shift, industrial 2 shift, industrial 3 shift, manufacturing or like manufacturing. Calculations based on signed contracts, no Rebates: [(Savings from manufacturing Customers projects - savings from rebates) / (total savings from all C&I - savings from all rebates)] -		20% of savings via signed contracts	0.02	\$31,884
All C&I Programs	Electric Savings	Electric Savings include in appropriate sector level metric			
Total Incentive \$ Residential and C&I				1.0000	\$1,594,205

UI Performance Incentive 2015

THE UNITED ILLUMINATING COMPANY 2015 Management Incentive Performance Indicators and Incentive Matrix

Provided below is the 2015 Incentive Matrix with Performance Indicators. The weights applied to each of the individual and sector level metrics were developed in collaboration with EEB consultants. The Utility Performance Incentive is calculated 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). Goals will be prorated based on actual over/under spend of budget.

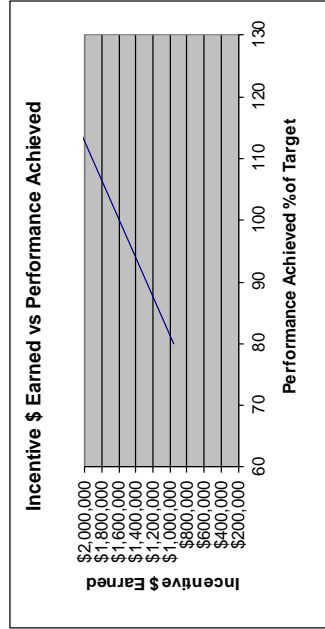
\$1,593,612

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
80	3%	\$956,167
90	4%	\$1,274,889
100	5%	\$1,593,612
110	6%	\$1,912,334
120	7%	\$2,231,056
130	8%	\$2,549,779

Total Original Budget* \$31,872,232

*Does not include Incentive, ECMB costs and Audit



UI Performance Incentive 2015 (cont.)

SECTOR Program	Performance Indicators		Incentive Metrics			
	Incentive Metric	Target Goal	Weight	Incentive		
RESIDENTIAL All Residential Programs (Sector Level) Sector Budget	\$ 10,588,216	Residential Products & Services Lifetime kWh	113,050,853	Electric System Benefit from all Res programs Total Electric System Benefit: \$18,436,190	0.195	\$310,754
		Residential Products & Services kW	1,216			
		Homes Lifetime kWh	2,216,851			
		Homes kW	58			
		Home Energy Solutions Lifetime kWh	38,911,302			
		Home Energy Solutions kW	623			
		HES Income Eligible Lifetime kWh	33,560,091			
		HES Income Eligible kW	273			
		Residential Behavior Lifetime kWh	8,175,000			
		Residential Behavior kW	233			
		Total Residential Lifetime kWh	195,914,097			
		Total Residential kW	2,403			
		Present Value of Res Lifetime kWh	\$0.0793			
		Present Value of Res Lifetime kW @ Customer Meter	\$1,208.37			
		Total Res Lifetime kWh @ Present Value Factor	\$15,532,790			
	Total Res kW @ Present Value Factor	\$2,903,400				
	Total Electric System Benefit	\$18,436,190				
	The Net Electric System Benefit from all Res programs	\$7,847,974				
All Residential Programs (Sector Level)		Total Net Electric System Benefit	\$7,847,974	\$7,847,974	0.195	\$310,754

UI Performance Incentive 2015 (cont.)

SECTOR Program	Performance Indicators			Incentive Metrics		
	Incentive Metric	Target Goal	Weight	Incentive	Weight	Incentive
RESIDENTIAL						
Residential New Construction	\$ 147,784			Energy savings included in appropriate sector level metric		
HES	\$ 3,587,003	Increase HES Savings (MMBTU) Per Single Family Home (1 to 4 units) over 2014		Energy savings included in appropriate sector level metric		
		Increase HES Savings (MMBTU) Multi-Family (5 units and above) over 2014		Increase HES savings Per Participant	Achieve 4% average increase in HES per participant savings across all fuels	\$31,872
		Percentage of Unique Single Family Homes that received core services for HES that get at least one add-on measures (i.e., insulation, Water Heaters, HVAC, appliances).		Increase HES savings Per Home	Achieve 8% average increase in HES per participant savings across all fuels	\$15,936
HES - Income Eligible	\$ 3,293,820			% of homes with Add-Ons	26% of unique homes with at least one Add-On Measure, measured Jan 1, through Sept. 30, 2015	\$31,872
		Expend the HES-IE Budget - Full Penalty is 5% times HES-IE Budgeted Spending. Expending 95% spending avoids the penalty. The penalty is on sliding scale from 85% to 95%. Above 85% spending, the penalty is scaled with a 10% reduction in the penalty for each one percent increase in budget spend above 85%. Annual MMBTU for electric, oil and propane measures		Energy savings included in appropriate sector level metric		
Retail Products	\$ 3,259,609	Number of LED Products		Expend 2015 HES-IE Budget	This is a penalty metric - 5%	
				Annual MMBTU	23,877 MMBTU	\$31,872
				Number of LED Products	215,000	\$31,872

UI Performance Incentive 2015 (cont.)

SECTOR Program	Performance Indicators	Incentive Metrics		
		Incentive Metric	Target Goal	Weight
COMMERCIAL & INDUSTRIAL (C/I) All C/I Programs (Sector Level) Sector Budget	\$ 15,231,369	Total Electric System Benefit from all C&I programs.	Electric System Benefit from all C&I programs	0.21
			Total Electric System Benefit: \$48,638,579	
All C/I Programs (Sector Level) Sector Budget	Energy Blueprint Lifetime kWh	137,368,960		
	Energy Blueprint kW	1,476		
	Energy Opportunities Lifetime kWh	162,407,557		
	Energy Opportunities kW	1,905		
	O&M (RetroCx, BOC, RFP)	67,698,357		
	O&M RFP kW	1,063		
	Small Business Lifetime kWh	101,903,445		
	Small Business kW	1,232		
	Total C&I Lifetime kWh	469,378,319		
	Total C&I kW	5,675		
	Present Value of C&I Lifetime kWh	\$0.0828		
	Present Value of C&I Lifetime kW @ Customer Meter	\$1,725.62		
	Total C&I Lifetime kWh @ Present Value Factor	\$38,845,295		
	Total C&I kW @ Present Value Factor	\$9,793,284		
	Total Electric System Benefit	\$48,638,579		
The Net Electric System Benefit from all C&I programs:				
	\$33,407,210			
All C/I Programs (Sector Level) Sector Budget	Total Net Electric System Benefit from all C&I programs.	Total Program Benefit from all C&I programs.		0.21
	\$33,407,210			\$334,658

UI Performance Incentive 2015 (cont.)

SECTOR Program		Performance Indicators	Incentive Metrics			
			Incentive Metric	Target Goal	Weight	Incentive
Small Business	\$ 3,825,935	<p>Comprehensive Signed Projects.</p> <p>Comprehensive is defined as</p> <ol style="list-style-type: none"> More than 1 electric End-Use, where End-Use is defined as Heating, Cooling, Lighting, Process, Refrigeration or EMS, or involve a natural gas measure End-Use. No 1 single End-Use can have more than 85% of the energy savings value of the total annual energy savings. <p>Small Business projects may also be comprehensive by utilizing "bundled measures". Bundled measures shall be defined generally as a list of measure types geared toward customer type categories. For example, the measure bundle for restaurants and commercial kitchens should include, but not be limited to, Lighting, Energy Star Natural Gas or Electric cooking equipment, CEEE rated Pre-Raise Spray Valves, Energy Star Natural Gas or Electric Dishwashers.</p>	20% of signed projects will be comprehensive.	0.02	\$31,872	
Energy Conscious Blueprint	\$ 3,777,000	<p>Number of new construction/major renovation projects that are more efficient than the State Energy Code and are:</p> <ul style="list-style-type: none"> - 30% > ASHRAE 90.1-2007, or - 20% > ASHRAE 90.1 -2010, or - utilize Whole Building Performance, or Net Zero Energy projects <p>Net Zero Energy project shall include renewable energy technologies such as, but not limited to, Solar P.V., Solar Thermal, Fuel Cells, CHP, and Wind.</p>	50% of signed projects	0.02	\$31,872	
Energy Opportunities	\$ 5,853,457	<p>Number of projects that are comprehensive</p> <p>Comprehensive is defined as</p> <ol style="list-style-type: none"> More than 1 electric End-Use, where End-Use is defined as Heating, Cooling, Lighting, Process, Refrigeration or EMS, or involve a natural gas measure End-Use. No 1 single End-Use can have more than 85% of the energy savings value of the total annual energy savings 	25% of signed projects	0.02	\$31,872	

UI Performance Incentive 2015 (cont.)

SECTOR Program	Performance Indicators	Incentive Metrics			
		Incentive Metric	Target Goal	Weight	Incentive
Strategic Energy Management	SEM signed Customer agreements may include, but not be limited to, BSC Agreements (*), Retro-Commissioning projects. Energy Savings includes the electric energy savings from all end uses.		25 Customers	0.02	\$31,872
Manufacturing Customers	Manufacturing customer projects of any size including those that are < 200 KW, Manufacturing customer is any with a NAICS manufacturing code or, Manufacturing projects within the following facility types from the tracking systems: industrial 1 shift, industrial 2 shift, industrial 3 shift, manufacturing or lite manufacturing. Calculations based on signed contracts, no Rebates: [(Savings from manufacturing Customers projects - savings from rebates) / (total savings from all C&I - savings from all rebates)] -		22% of savings via signed contracts	0.02	\$31,872
All C&I Programs	Electric Savings	Electric Savings include in appropriate sector level metric			
Total Incentive \$ Residential and C&I				1.0000	\$1,593,612

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Combined Natural Gas Companies 2014-2015 - Budget Tables

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Table A1 – 2014-2015 Combined Natural Gas Companies Plan

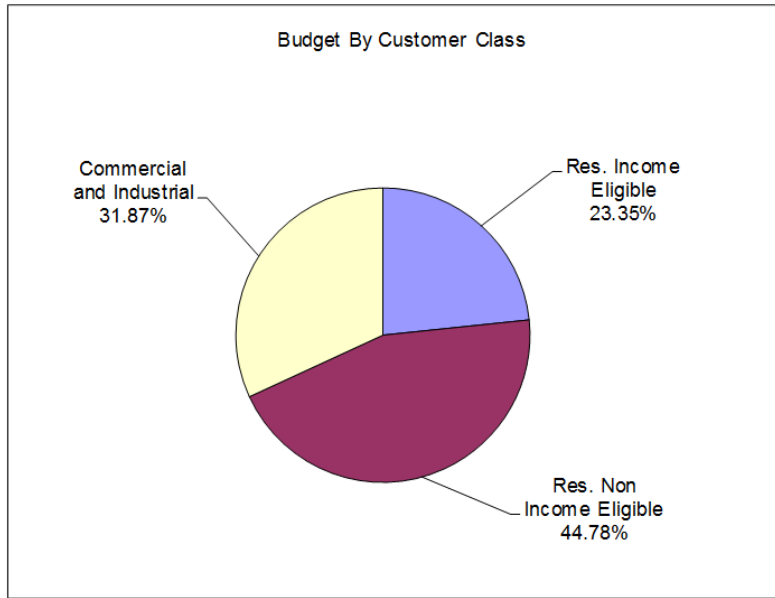
Table A1
YGS, CNG & SCG
2014-2015 Natural Gas Budgets

	2014				2015				2015 Combined YGS/CNG/SCG Total
	2014 YGS DEEP Decision** 10/31/13	2014 CNG DEEP Decision** 10/31/13	2014 SCG DEEP Decision** 10/31/13	2014 Combined YGS/CNG/SCG Total	2015 YGS DEEP Decision** 10/31/13	2015 CNG DEEP Decision** 10/31/13	2015 SCG DEEP Decision** 10/31/13	2015 Combined YGS/CNG/SCG Total	
Natural Gas C&LM Budget									
RESIDENTIAL									
HES Income Eligible	\$ 3,515,825	\$ 2,744,857	\$ 2,680,076	\$ 8,940,758	\$ 3,229,906	\$ 2,721,693	\$ 2,554,642	\$ 8,506,241	
Home Energy Solutions (HES)	\$ 6,119,355	\$ 4,471,024	\$ 2,545,354	\$ 13,135,733	\$ 5,452,495	\$ 4,742,979	\$ 2,711,657	\$ 12,907,131	
Residential New Construction	\$ 770,000	\$ 446,750	\$ 351,535	\$ 1,568,285	\$ 881,119	\$ 425,376	\$ 330,790	\$ 1,637,285	
Water Heating	\$ 347,587	\$ 300,238	\$ 300,238	\$ 948,063	\$ 348,524	\$ 307,471	\$ 307,471	\$ 963,466	
Residential Behavior	\$ -	\$ -	\$ 541,800	\$ 541,800	\$ -	\$ -	\$ 451,800	\$ 451,800	
Subtotal Residential	\$ 10,752,767	\$ 7,962,869	\$ 6,419,003	\$ 25,134,639	\$ 9,912,044	\$ 8,197,519	\$ 6,356,360	\$ 24,465,923	
COMMERCIAL & INDUSTRIAL									
C&I LOST OPPORTUNITY									
Energy Conscious Blueprint	\$ 3,059,208	\$ 1,957,423	\$ 1,357,784	\$ 6,374,415	\$ 3,591,970	\$ 1,987,642	\$ 1,336,803	\$ 6,916,415	
Total - Lost Opportunity	\$ 3,059,208	\$ 1,957,423	\$ 1,357,784	\$ 6,374,415	\$ 3,591,970	\$ 1,987,642	\$ 1,336,803	\$ 6,916,415	
C&I LARGE RETROFIT									
Energy Opportunities	\$ 1,586,356	\$ 1,025,782	\$ 628,862	\$ 3,241,000	\$ 1,994,840	\$ 1,039,762	\$ 620,398	\$ 3,655,000	
Business & Energy Sustainability (O&M, RetroCx, BSC)	\$ 609,074	\$ 574,201	\$ 477,726	\$ 1,661,000	\$ 574,003	\$ 707,186	\$ 575,811	\$ 1,857,000	
Total - C&I Large Retrofit	\$ 2,195,430	\$ 1,599,983	\$ 1,106,588	\$ 4,902,000	\$ 2,568,843	\$ 1,746,948	\$ 1,196,209	\$ 5,512,000	
Small Business	\$ 230,662	\$ 160,008	\$ 124,329	\$ 515,000	\$ 269,823	\$ 166,030	\$ 127,147	\$ 563,000	
Subtotal C&I	\$ 5,485,299	\$ 3,717,414	\$ 2,588,701	\$ 11,791,415	\$ 6,430,636	\$ 3,900,620	\$ 2,660,159	\$ 12,991,415	
OTHER - Education									
Smart Living Center@ Museums Partnership	\$ 173,333	\$ 173,333	\$ 173,333	\$ 520,000	\$ 82,000	\$ 82,000	\$ 82,000	\$ 246,000	
Clean Energy Communities/ Behavior Pilot	\$ 143,333	\$ 143,333	\$ 143,333	\$ 430,000	\$ 143,333	\$ 143,333	\$ 143,333	\$ 430,000	
EE Smart@K12	\$ 66,667	\$ 66,667	\$ 66,667	\$ 200,000	\$ 66,667	\$ 66,667	\$ 66,667	\$ 200,000	
Customer Engagement	\$ 50,000	\$ 50,000	\$ 50,000	\$ 150,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 150,000	
Subtotal Education	\$ 433,333	\$ 433,333	\$ 433,333	\$ 1,300,000	\$ 342,000	\$ 342,000	\$ 342,000	\$ 1,026,000	
OTHER - PROGRAMS/REQUIREMENTS									
Institute for Sustainable Energy	\$ 37,333	\$ 37,333	\$ 37,333	\$ 112,000	\$ 37,333	\$ 37,333	\$ 37,333	\$ 112,000	
ESPC Project Manager - Lead By Example	\$ 9,600	\$ 9,600	\$ 9,600	\$ 28,800	\$ 9,600	\$ 9,600	\$ 9,600	\$ 28,800	
Residential Financing (Includes ECLF)	\$ 118,910	\$ 100,045	\$ 100,045	\$ 318,000	\$ 145,083	\$ 89,959	\$ 95,959	\$ 343,000	
C&I Loan Defaults	\$ 79,667	\$ 79,667	\$ 79,667	\$ 239,000	\$ 86,333	\$ 86,333	\$ 86,333	\$ 259,000	
C&I Loan Program	\$ 89,000	\$ 75,000	\$ 75,000	\$ 239,000	\$ 109,000	\$ 75,000	\$ 75,000	\$ 259,000	
Subtotal Programs/Requirements	\$ 334,510	\$ 301,645	\$ 301,645	\$ 937,800	\$ 387,349	\$ 308,225	\$ 308,225	\$ 1,003,800	
Research, Development and Demonstration	\$ 59,000	\$ 50,000	\$ 50,000	\$ 159,000	\$ 72,000	\$ 50,000	\$ 50,000	\$ 172,000	
Subtotal RD&D	\$ 59,000	\$ 50,000	\$ 50,000	\$ 159,000	\$ 72,000	\$ 50,000	\$ 50,000	\$ 172,000	
OTHER - ADMINISTRATIVE & PLANNING									
Administration	\$ 119,220	\$ 121,329	\$ 121,329	\$ 361,878	\$ 119,220	\$ 121,329	\$ 121,329	\$ 361,878	
Marketing Plan	\$ 203,333	\$ 203,333	\$ 203,333	\$ 610,000	\$ 203,333	\$ 203,333	\$ 203,333	\$ 609,999	
Information Technology	\$ 133,333	\$ 133,333	\$ 133,333	\$ 400,000	\$ 133,333	\$ 133,333	\$ 133,333	\$ 400,000	
Planning	\$ 80,000	\$ 80,000	\$ 80,000	\$ 240,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 240,000	
Evaluation	\$ 252,873	\$ 228,883	\$ 228,883	\$ 710,639	\$ 271,404	\$ 245,717	\$ 245,717	\$ 762,838	
Evaluation Consultant	\$ 24,297	\$ 24,297	\$ 24,297	\$ 72,891	\$ 24,297	\$ 24,297	\$ 24,297	\$ 72,890	
Energy Efficiency Board	\$ 50,210	\$ 50,210	\$ 50,210	\$ 150,630	\$ 50,210	\$ 50,210	\$ 50,210	\$ 150,630	
Performance Fee	\$ 892,683	\$ 661,607	\$ 527,978	\$ 2,082,267	\$ 897,966	\$ 679,104	\$ 525,023	\$ 2,101,693	
Subtotal Other - Administrative & Planning	\$ 1,755,948	\$ 1,502,993	\$ 1,369,363	\$ 4,628,304	\$ 1,779,363	\$ 1,537,323	\$ 1,383,242	\$ 4,699,927	
PROGRAM SUBTOTALS									
Residential	\$ 11,394,344	\$ 8,585,580	\$ 7,041,714	\$ 27,021,638	\$ 10,506,727	\$ 8,747,077	\$ 6,905,918	\$ 26,159,722	
C&I	\$ 5,777,566	\$ 3,995,680	\$ 2,866,967	\$ 12,640,214	\$ 6,731,303	\$ 4,167,286	\$ 2,926,826	\$ 13,825,415	
Other	\$ 1,648,949	\$ 1,386,993	\$ 1,293,363	\$ 4,289,305	\$ 1,686,363	\$ 1,421,323	\$ 1,267,242	\$ 4,373,928	
TOTAL	\$ 18,820,859	\$ 13,968,253	\$ 11,162,045	\$ 43,951,157	\$ 18,923,392	\$ 14,335,687	\$ 11,099,986	\$ 44,359,966	

** Budgets are the DEEP approved budgets from October 31, 2013 Final Decision with technical corrections and some minor adjustments.

A1 – 2014 Pie

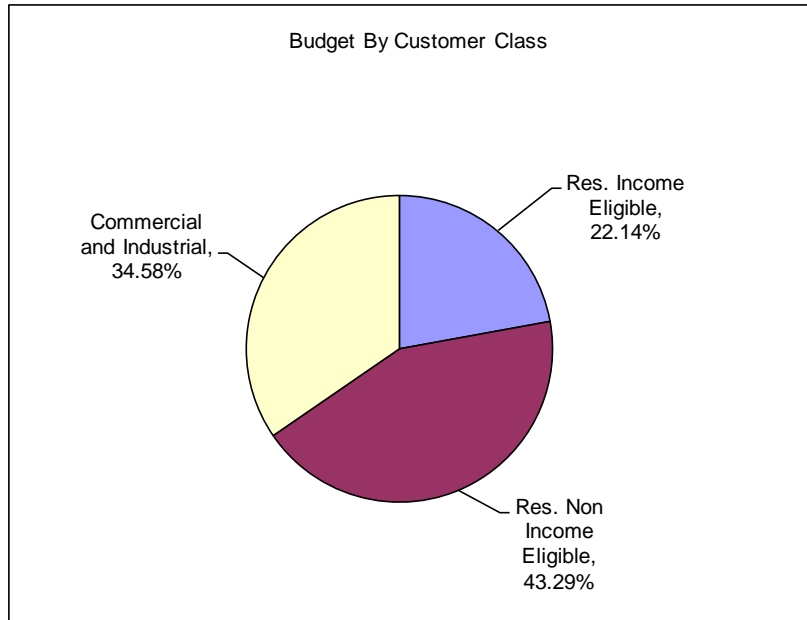
Statewide 2014 Budget Analysis
Table A1 Pie Chart



Customer Class	Budget (\$,000)	% of Total Conservation Budget	% of Residential & C&I Budget
Res. Income Eligible	\$9,259,758	21.07%	23.35%
Res. Non Income Eligible	\$17,761,880	40.41%	44.78%
Residential Subtotal	\$27,021,638	61.48%	68.13%
Commercial and Industrial	\$12,640,214	28.76%	31.87%
C&I Subtotal	\$12,640,214	28.76%	31.87%
Residential and C&I Subtotal	\$39,661,853	90.24%	100.00%
Other Expenditures			
Other Expenditures	\$4,289,305	9.76%	
Other Expenditures Subtotal	\$4,289,305	9.76%	
TOTAL	\$43,951,157	100.00%	
Yankee	\$18,820,859	42.82%	
CNG	\$13,968,253	31.78%	
SCG	\$11,162,045	25.40%	

A1 – 2015 Pie

Statewide 2015 Budget Analysis
Table A1 Pie Chart



Customer Class	Budget (\$,000)	% of Total Conservation Budget	% of Residential & C&I Budget
Res. Income Eligible	\$8,851,241	19.95%	22.14%
Res. Non Income Eligible	\$17,308,481	39.02%	43.29%
Residential Subtotal	\$26,159,722	58.97%	65.42%
Commercial and Industrial	\$13,825,415	31.17%	34.58%
C&I Subtotal	\$13,825,415	31.17%	34.58%
Residential and C&I Subtotal	\$39,985,137	90.14%	100.00%
Other Expenditures			
Other Expenditures	\$4,373,928	9.86%	
Other Expenditures Subtotal	\$4,373,928	9.86%	
TOTAL	\$44,359,066	100.00%	
Yankee	\$18,923,392	42.66%	
CNG	\$14,335,687	32.32%	
SCG	\$11,099,986	25.02%	

Table A2 – 2014-2015 Combined Natural Gas Companies Funding Sources

Table A2
YGS, CNG & SCG
2014 - 2015 Gas Conservation Plan Revenues

	2014					2015				
	2014 Yankee Revenues	2014 CNG Revenues	2014 SCG Revenues	2014 Combined YGS/CNG/SCG Total	2014 Yankee Revenues	2015 Yankee Revenues	2015 CNG Revenues	2015 SCG Revenues	2015 Combined YGS/CNG/SCG Total	
Natural Gas C&LM Revenues	\$ 18,820,859	\$ 13,968,253	\$ 11,162,045	\$ 43,951,156	\$ 18,923,392	\$ 14,335,687	\$ 11,099,986	\$ 44,359,066		
Conservation Adjustment Mechanism (CAM)	\$ 18,820,859	\$ 13,968,253	\$ 11,162,045	\$ 43,951,156	\$ 18,923,392	\$ 14,335,687	\$ 11,099,986	\$ 44,359,066		
Total Revenues	\$ 18,820,859	\$ 13,968,253	\$ 11,162,045	\$ 43,951,156	\$ 18,923,392	\$ 14,335,687	\$ 11,099,986	\$ 44,359,066		

The Yankee Gas Services Company 2014-2015 Budget Tables

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Table A – Yankee Gas 2013 Actual Results, 2014-2015 Budget

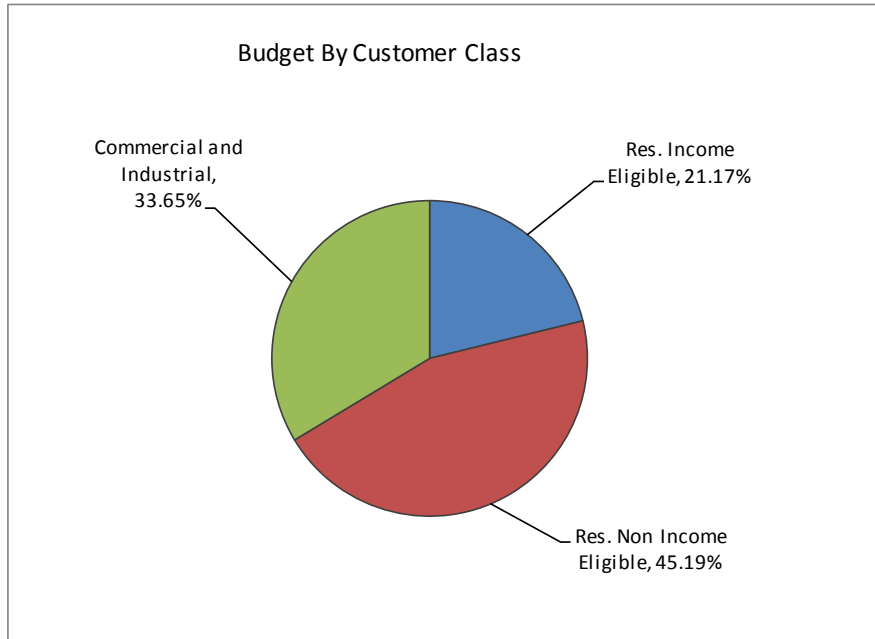
Table A
Yankee Gas Service Company
2014-2015 Natural Gas Conservation Budgets

Natural Gas C&LM Budget	2013 Yankee Actual Results	2014 YGS DEEP Decision ** 10/31/13	2015 YGS DEEP Decision ** 10/31/13
RESIDENTIAL			
HES Income Eligible	\$ 3,138,425	\$ 3,515,825	\$ 3,229,906
Home Energy Solutions (HES)	\$ 1,724,523	\$ 6,119,355	\$ 5,452,495
Residential New Construction	\$ 193,667	\$ 770,000	\$ 881,119
Water Heating	\$ 41,069	\$ 347,587	\$ 348,524
Subtotal Residential	\$ 5,097,684	\$ 10,752,767	\$ 9,912,044
COMMERCIAL & INDUSTRIAL C&I LOST OPPORTUNITY			
Energy Conscious Blueprint	\$ 1,152,025	\$ 3,059,208	\$ 3,591,970
Total - Lost Opportunity	\$ 1,152,025	\$ 3,059,208	\$ 3,591,970
C&I LARGE RETROFIT			
Energy Opportunities	\$ 870,585	\$ 1,586,356	\$ 1,994,840
Business & Energy Sustainability (O&M, RetroCx, BSC)	\$ 94,554	\$ 609,074	\$ 574,003
Total - C&I Large Retrofit	\$ 965,139	\$ 2,195,430	\$ 2,568,843
Small Business	\$ 422,844	\$ 230,662	\$ 269,823
Subtotal C&I	\$ 2,540,008	\$ 5,485,299	\$ 6,430,636
OTHER - Education			
SmartLiving Center®-Museums Partnership	\$ -	\$ 173,333	\$ 82,000
Clean Energy Communities / Behavior Pilot	\$ -	\$ 143,333	\$ 143,333
EESmarts/K-12	\$ -	\$ 66,667	\$ 66,667
Customer Engagement	\$ -	\$ 50,000	\$ 50,000
Subtotal Education	\$ -	\$ 433,333	\$ 342,000
OTHER - PROGRAMS/REQUIREMENTS			
Institute for Sustainable Energy	\$ -	\$ 37,333	\$ 37,333
ESPC Project Manager - Lead By Example	\$ -	\$ 9,600	\$ 9,600
Residential Financing (includes ECLF)	\$ 70,112	\$ 118,910	\$ 145,083
C&LM Loan Defaults	\$ -	\$ 79,667	\$ 86,333
C&I Loan Program	\$ 294	\$ 89,000	\$ 109,000
Subtotal Programs/Requirements	\$ 70,406	\$ 334,510	\$ 387,349
Research, Development and Demonstration	\$ -	\$ 59,000	\$ 72,000
Subtotal RD&D	\$ -	\$ 59,000	\$ 72,000
OTHER - ADMINISTRATIVE & PLANNING			
Administration	\$ 51,486	\$ 119,220	\$ 119,220
Marketing Plan	\$ 8	\$ 203,333	\$ 203,333
Information Technology	\$ 51,196	\$ 133,333	\$ 133,333
Planning	\$ 103,533	\$ 80,000	\$ 80,000
Evaluation	\$ (17,049)	\$ 252,873	\$ 271,404
Evaluation Consultant	\$ -	\$ 24,297	\$ 24,297
Energy Efficiency Board	\$ 38,924	\$ 50,210	\$ 50,210
Performance Fee	\$ 605,725	\$ 892,683	\$ 897,566
Subtotal Other - Administrative & Planning	\$ 833,824	\$ 1,755,948	\$ 1,779,363
PROGRAM SUBTOTALS			
Residential	\$ 5,167,803	\$ 11,394,344	\$ 10,506,727
C&I	\$ 2,540,303	\$ 5,777,566	\$ 6,731,303
Other	\$ 833,816	\$ 1,648,949	\$ 1,685,363
TOTAL	\$ 8,541,922	\$ 18,820,859	\$ 18,923,392

** Budgets are the DEEP approved budgets from October 31, 2013 Final Decision with technical corrections and some minor adjustments.

Table A – 2014 Pie

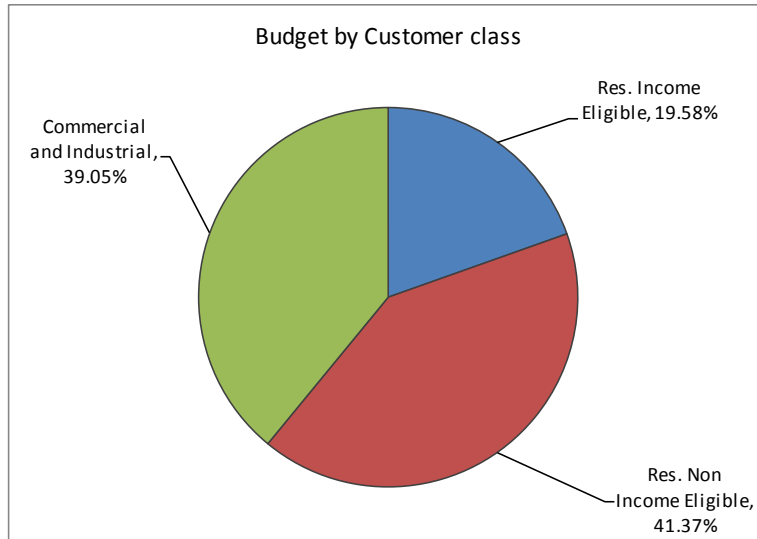
YGS 2014 Budget Analysis



Customer Class	Budget	% of Total Conservation Budget	% of Residential & C&I Budget
Res. Income Eligible	\$3,634,736	19.31%	21.17%
Res. Non Income Eligible	\$7,759,608	41.23%	45.19%
Residential Subtotal	\$11,394,344	60.54%	66.35%
Commercial and Industrial	\$5,777,566	30.70%	33.65%
C&I Subtotal	\$5,777,566	30.70%	33.65%
Residential and C&I Subtotal	\$17,171,910	91.24%	100.00%
Other Expenditures			
Other Expenditures	\$1,648,949	8.76%	
Other Expenditures Subtotal	\$1,648,949	8.76%	
TOTAL	\$18,820,859	100.00%	

Table A – 2015 Pie

YGS 2015 Budget Analysis



Customer Class	Budget	% of Total Conservation Budget	% of Residential & C&I Budget
Res. Income Eligible	\$3,374,989	17.84%	19.58%
Res. Non Income Eligible	\$7,131,738	37.69%	41.37%
Residential Subtotal	\$10,506,727	55.52%	60.95%
Commercial and Industrial	\$6,731,303	35.57%	39.05%
C&I Subtotal	\$6,731,303	35.57%	39.05%
Residential and C&I Subtotal	\$17,238,029	91.09%	100.00%
Other Expenditures			
Other Expenditures	\$1,685,363	8.91%	
Other Expenditures Subtotal	\$1,685,363	8.91%	
TOTAL	\$18,923,392	100.00%	

Table B1 – 2014 Yankee Gas Comparison of Program Energy Savings

**TABLE B-1, Energy Savings
Yankee Gas 2014**

Program	Utility Costs (000)	Gas Costs (000)	# of Units	Units	Annualized Savings (cct)	Lifetime Savings (cct)	Peak Savings (cct)	Cost Rate \$/cct Annualize	Utility Cost Ratio \$/LT-cct	Annual Oil Savings (gallons)	Lifetime Oil Savings (gallons)	Annual Propane Savings (gallons)	Lifetime Propane Savings (gallons)	Annual MMBtu	Lifetime MMBtu	Cost per Annual MMBtu	Cost per Lifetime MMBtu	
RESIDENTIAL																		
HES Income Eligible	\$3,516	\$3,516	2,599	Homes	348,862	6,436,299	3,006	\$10.08	\$0.55	0	0	0	0	35,898	662,295	\$97.94	\$5.31	
Home Energy Solutions (Notes 1 & 2)	\$6,119	\$5,700	7,819	Homes/Other	789,304	15,044,883	7,672	\$7.22	\$0.38	45,611	780,812	3,573	58,852	87,933	1,661,948	\$69.59	\$3.88	
Residential New Construction	\$770	\$770	1,120	Homes	119,906	2,572,078	978	\$6.42	\$0.30	0	0	0	0	12,338	264,867	\$62.41	\$2.81	
Water Heating (Note 3)	\$348	\$348	1,792	Units	69,721	1,091,456	224	\$4.99	\$0.32	0	0	0	0	7,174	112,311	\$48.45	\$3.09	
Subtotal Residential	\$10,753	\$10,333			1,328,392	25,144,716	11,880	\$7.78	\$0.41	45,611	780,812	3,573	58,852	143,344	2,701,221	\$75.01	\$3.98	
COMMERCIAL & INDUSTRIAL																		
Energy Conscious Blue Print	\$3,059	\$3,059	77	Projects	488,469	7,502,711	3,855	\$6.26	\$0.41	0	0	0	0	50,262	772,029	\$60.86	\$3.86	
Energy Opportunities	\$1,586	\$1,586	30	Projects	414,385	4,664,741	4,760	\$3.83	\$0.34	0	0	0	0	42,640	480,002	\$37.20	\$3.30	
Operations & Maintenance	\$609	\$609	19	Projects	243,370	1,644,192	2,845	\$2.50	\$0.37	0	0	0	0	25,043	169,187	\$24.32	\$3.60	
Small Business	\$231	\$231	12	Projects	51,709	582,084	594	\$4.46	\$0.40	0	0	0	0	5,321	59,897	\$43.35	\$3.85	
Subtotal C&I	\$5,485	\$5,485			1,197,924	14,389,737	12,053	\$4.58	\$0.38	0	0	0	0	123,266	\$ 1,481,116	\$44.50	\$3.70	
Other																		
Other	\$2,583	\$2,583																
TOTAL C&I/BUDGET	\$18,821	\$18,402			2,526,316	39,538,454	23,933	\$7.28	\$0.47	45,611	780,812	3,573	58,852	266,610	4,182,337	\$70.59	\$4.50	

Note 1: Homes Energy Solutions # of units includes 1081 homes that receive HES Core Services plus 6738 equipment rebates.

Note 2: Home Energy Solutions includes oil and propane savings allocated to HES based on estimated Yankee Gas cost share for oil and propane measures.

Note 3: Water heating # of units includes 1254 storage water heaters and 538 tankless units.

Table B2 – 2014 Yankee Gas Comparison of Program Benefits

**Table B-2
Benefits Table, Yankee 2014**

Program	Program Costs			Program Benefits and Benefit/Cost Ratios						
	a	b	c = b - a	Gas Benefit (Note2)			Fossil Fuel	Other Benefits		Benefit Benefit/Cost
	Budget	Total Resource Cost	Customer Cost	Gas Benefit	Gas DRIPE	Gas Cross-Fuel DRIPE	Oil/Propane	Water	Non Resource	
HES Income Eligible	\$3,515,825	\$4,063,756	\$547,931	\$2,921,711	\$31,145	\$870,819	\$0	\$78,916	\$0	\$3,902,592
Utility Benefit Cost Test	\$3,515,825	n/a	n/a	0.83	0.01	0.25	0.00			1.09
Total Resource Benefit Cost Test	n/a	\$4,063,756	n/a	0.72	0.01	0.21	0.00	0.02	0.00	0.96
Home Energy Solutions (HES) (Note 1)	\$6,119,355	\$7,191,808	\$1,072,453	\$6,920,111	\$73,653	\$2,153,076	\$2,055,744	\$188,058	\$0	\$11,390,641
Utility Benefit Cost Test	\$6,119,355	n/a	n/a	1.13	0.01	0.35	0.34			1.83
Total Resource Benefit Cost Test	n/a	\$7,191,808	n/a	0.96	0.01	0.30	0.29	0.03	0.00	1.58
Residential New Construction	\$770,000	\$1,109,592	\$339,592	\$1,130,822	\$12,025	\$292,810	\$0	\$0	\$0	\$1,435,657
Utility Benefit Cost Test	\$770,000	n/a	n/a	1.47	0.02	0.38	0.00			1.86
Total Resource Benefit Cost Test	n/a	\$1,109,592	n/a	1.02	0.01	0.26	0.00	0.00	0.00	1.29
Water Heating	\$347,587	\$1,850,161	\$1,502,575	\$506,127	\$5,591	\$107,223	\$0	\$0	\$0	\$618,940
Utility Benefit Cost Test	\$347,587	n/a	n/a	1.46	0.02	0.31	0.00			1.78
Total Resource Benefit Cost Test	n/a	\$1,850,161	n/a	0.27	0.00	0.06	0.00	0.00	0.00	0.33
Sub Total Residential	\$10,752,767	\$14,215,318	\$3,462,551	\$11,478,771	\$122,413	\$3,423,928	\$2,055,744	\$266,974	\$0	\$17,347,830
Utility Benefit Cost Test	\$10,752,767	n/a	n/a	1.07	0.01	0.32	0.19			1.59
Total Resource Benefit Cost Test	n/a	\$14,215,318	n/a	0.81	0.01	0.24	0.14	0.02	0.00	1.22
Energy Conscious Blueprint	\$3,059,208	\$4,167,475	\$1,108,267	\$3,622,923	\$40,191	\$1,263,619	\$0	\$0	\$0	\$4,926,734
Utility Benefit Cost Test	\$3,059,208	n/a	n/a	1.18	0.01	0.41	0.00			1.61
Total Resource Benefit Cost Test	n/a	\$4,167,475	n/a	0.87	0.01	0.30	0.00	0.00	0.00	1.18
Energy Opportunities	\$1,586,356	\$3,179,105	\$1,592,749	\$2,328,559	\$26,702	\$1,016,850	\$0	\$0	\$0	\$3,372,110
Utility Benefit Cost Test	\$1,586,356	n/a	n/a	1.47	0.02	0.64	0.00			2.13
Total Resource Benefit Cost Test	n/a	\$3,179,105	n/a	0.73	0.01	0.32	0.00	0.00	0.00	1.06
Business & Energy Sustainability	\$609,074	\$1,413,101	\$804,027	\$861,250	\$10,091	\$566,481	\$0	\$0	\$0	\$1,437,822
Utility Benefit Cost Test	\$609,074	n/a	n/a	1.41	0.02	0.93	0.00			2.36
Total Resource Benefit Cost Test	n/a	\$1,413,101	n/a	0.61	0.01	0.40	0.00	0.00	0.00	1.02
Small Business	\$230,662	\$430,377	\$199,715	\$280,950	\$3,198	\$138,575	\$0	\$0	\$0	\$422,723
Utility Benefit Cost Test	\$230,662	n/a	n/a	1.22	0.01	0.60	0.00			1.83
Total Resource Benefit Cost Test	n/a	\$430,377	n/a	0.65	0.01	0.32	0.00	0.00	0.00	0.98
Sub Total C&I	\$5,485,299	\$9,190,058	\$3,704,758	\$7,093,683	\$80,181	\$2,985,526	\$0	\$0	\$0	\$10,159,390
Utility Benefit Cost Test	\$5,485,299	n/a	n/a	1.29	0.01	0.54	0.00			1.85
Total Resource Benefit Cost Test	n/a	\$9,190,058	n/a	0.77	0.01	0.32	0.00	0.00	0.00	1.11
Other Costs	\$2,582,792	\$2,582,792	\$0	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	\$18,820,859	\$25,988,168	\$7,167,309	\$18,572,453	\$202,594	\$6,409,454	\$2,055,744	\$266,974	\$0	\$27,507,220
Utility Benefit Cost Test	\$18,820,859	n/a	n/a	0.99	0.01	0.34	0.11			1.45
Total Resource Benefit Cost Test	n/a	\$25,988,168	n/a	0.71	0.01	0.25	0.08	0.01	0.00	1.06

Note 1: Home Energy Solutions includes oil and propane benefits allocated to HES based on estimated Yankee Gas cost share for oil and propane measures.

Note 2: CL&P used a discount rate of 7.52% and YGS used 7% for screening the benefits, based upon the Companies weighted after tax average cost of capital, and no less than minimum rate of 7% stated in Docket 08-10-02, DPUC Review of The Connecticut Gas Utilities Forecasts of Demand and Supply 2009-2013 and Joint Conservation Plans and 09-10-03, DPUC Review of The Connecticut Energy Efficiency Fund's 2010 Conservation and Load Management Plan for 2010.

Table B1 – 2015 Yankee Gas Comparison of Programs Energy Savings

**TABLE B-1, Energy Savings
Yankee Gas 2015**

Program	Utility Costs (000)	Gas Costs (000)	# of Units	Units	Annualized Savings (cfd)	Lifetime Savings (cfd)	Peak Savings (cfd)	Cost Rate \$/cfd Annualize	Utility Cost Ratio \$/LT-cfd	Annual Oil Savings (gallons)	Lifetime Oil Savings (gallons)	Annual Propane Savings (gallons)	Lifetime Propane Savings (gallons)	Annual MMBtu	Lifetime MMBtu	Cost per Annual MMBtu	Cost per Lifetime MMBtu	
RESIDENTIAL																		
HES Income Eligible	\$3,200	\$3,200	2,437	Homes	327,187	6,401,192	2,819	\$9.87	\$0.50	0	0	0	0	33,668	656,683	\$65.94	\$4.90	
Home Energy Solutions	\$5,452	\$5,024	7,892	Homes/Renales	797,474	15,194,661	7,743	\$6.30	\$0.33	57,205	979,272	4,481	73,810	90,403	1,706,067	\$60.31	\$3.20	
Residential New Construction	\$881	\$881	597	Homes	107,187	2,679,687	934	\$9.22	\$0.33	0	0	0	0	11,030	275,740	\$79.89	\$3.20	
Water Heating	\$349	\$349	1,629	Units	60,016	1,078,513	193	\$5.81	\$0.32	0	0	0	0	6,176	111,982	\$56.44	\$3.14	
Subtotal Residential	\$9,912	\$9,483			1,291,864	25,355,064	11,689	\$7.34	\$0.37	57,205	979,272	4,481	73,810	141,276	2,751,591	\$70.16	\$3.60	
COMMERCIAL & INDUSTRIAL																		
Energy Conscious Blue Print	\$3,592	\$3,592	91,785	Projects	599,119	9,046,835	4,649	\$6.10	\$0.40	0	0	0	0	60,620	931,125	\$59.25	\$3.86	
Energy Opportunities	\$1,895	\$1,895	37	Projects	531,411	5,982,101	6,104	\$3.75	\$0.33	0	0	0	0	54,662	615,558	\$36.48	\$3.24	
Operations & Maintenance	\$574	\$574	18	Projects	233,594	1,554,307	2,731	\$2.46	\$0.37	0	0	0	0	24,037	159,838	\$23.88	\$3.59	
Small Business	\$270	\$270	16.34	Projects	64,388	724,819	740	\$4.19	\$0.37	0	0	0	0	6,626	74,584	\$40.72	\$3.62	
Subtotal C&I	\$6,431	\$6,431			1,418,512	17,310,062	14,223	\$4.53	\$0.37	0	0	0	0	145,965	1,781,205	\$44.06	\$3.61	
Other																		
Other	\$2,581	\$2,581																
TOTAL C&I M BUDGET	\$18,923	18,494			2,710,376	42,665,115	25,912	\$6.82	\$0.43	57,205	979,272	4,481	73,810	287,241	4,532,797	\$65.88	\$4.17	

Note 1: Home Energy Solutions # of units includes 1154 homes that receive HES Core Services plus 6736 equipment rebates.

Note 2: Home Energy Solutions includes oil and propane savings allocated to HES based on estimated Yankee Gas cost share for oil and propane measures.

Note 3: Water heating # of units includes 977 storage water heaters and 652 tankless units.

Table B2 – 2015 Yankee Gas Comparison of Program Benefits

**Table B-2
Benefits Table, Yankee 2015**

Program	Program Costs			Program Benefits and Benefit/Cost Ratios						
	a	b	c = b - a	Gas Benefit Note 2			Fossil Fuel	Other Benefits		Benefit ----- Benefit/Cost
				Gas Benefit	Gas DRIPE	Gas Cross-Fuel DRIPE	Oil/Propane	Water	Non Resource	
Budget	Total Resource Cost	Customer Cost								
HES Income Eligible	\$3,229,906	\$4,521,828	\$1,291,922	\$2,997,786	\$32,522	\$542,989	\$0	\$75,493	\$0	\$3,648,790
Utility Benefit Cost Test	\$3,229,906	n/a	n/a	0.93	0.01	0.17	0.00			1.11
Total Resource Benefit Cost Test	n/a	\$4,521,828	n/a	0.66	0.01	0.12	0.00	0.02	0.00	0.81
Home Energy Solutions (HES)	\$5,452,495	\$6,531,212	\$1,078,717	\$7,274,221	\$78,948	\$1,441,398	\$3,170,873	\$201,929	\$0	\$12,167,370
Utility Benefit Cost Test	\$5,452,495	n/a	n/a	1.33	0.01	0.26	0.58			2.19
Total Resource Benefit Cost Test	n/a	\$6,531,212	n/a	1.11	0.01	0.22	0.49	0.03	0.00	1.86
Residential New Construction	\$881,119	\$1,066,463	\$185,344	\$1,167,002	\$12,501	\$181,192	\$0	\$0	\$0	\$1,360,695
Utility Benefit Cost Test	\$881,119	n/a	n/a	1.32	0.01	0.21	0.00			1.54
Total Resource Benefit Cost Test	n/a	\$1,066,463	n/a	1.09	0.01	0.17	0.00	0.00	0.00	1.28
Water Heating	\$348,524	\$2,057,824	\$1,709,300	\$509,703	\$5,690	\$62,474	\$0	\$0	\$0	\$577,867
Utility Benefit Cost Test	\$348,524	n/a	n/a	1.46	0.02	0.18	0.00			1.66
Total Resource Benefit Cost Test	n/a	\$2,057,824	n/a	0.25	0.00	0.03	0.00	0.00	0.00	0.28
Sub Total Residential	\$9,912,044	\$14,177,327	\$4,265,283	\$11,948,712	\$129,661	\$2,228,054	\$3,170,873	\$277,423	\$0	\$17,754,722
Utility Benefit Cost Test	\$9,912,044	n/a	n/a	1.21	0.01	0.22	0.32			1.76
Total Resource Benefit Cost Test	n/a	\$14,177,327	n/a	0.84	0.01	0.16	0.22	0.02	0.00	1.25
Energy Conscious Blueprint	\$3,591,970	\$4,889,495	\$1,297,524	\$4,564,765	\$51,725	\$1,012,226	\$0	\$0	\$0	\$5,628,715
Utility Benefit Cost Test	\$3,591,970	n/a	n/a	1.27	0.01	0.28	0.00			1.57
Total Resource Benefit Cost Test	n/a	\$4,889,495	n/a	0.93	0.01	0.21	0.00	0.00	0.00	1.15
Energy Opportunities	\$1,994,840	\$4,095,932	\$2,101,092	\$3,134,489	\$36,986	\$867,420	\$0	\$0	\$0	\$4,038,895
Utility Benefit Cost Test	\$1,994,840	n/a	n/a	1.57	0.02	0.43	0.00			2.02
Total Resource Benefit Cost Test	n/a	\$4,095,932	n/a	0.77	0.01	0.21	0.00	0.00	0.00	0.99
Business & Energy Sustainability	\$574,003	\$1,539,080	\$965,077	\$870,951	\$10,784	\$364,288	\$0	\$0	\$0	\$1,246,022
Utility Benefit Cost Test	\$574,003	n/a	n/a	1.52	0.02	0.63	0.00			2.17
Total Resource Benefit Cost Test	n/a	\$1,539,080	n/a	0.57	0.01	0.24	0.00	0.00	0.00	0.81
Small Business	\$269,823	\$523,831	\$254,008	\$367,312	\$4,311	\$114,511	\$0	\$0	\$0	\$486,133
Utility Benefit Cost Test	\$269,823	n/a	n/a	1.36	0.02	0.42	0.00			1.80
Total Resource Benefit Cost Test	n/a	\$523,831	n/a	0.70	0.01	0.22	0.00	0.00	0.00	0.93
Sub Total C&I	\$6,430,636	\$11,048,338	\$4,617,702	\$8,937,516	\$103,806	\$2,358,444	\$0	\$0	\$0	\$11,399,765
Utility Benefit Cost Test	\$6,430,636	n/a	n/a	1.39	0.02	0.37	0.00			1.77
Total Resource Benefit Cost Test	n/a	\$11,048,338	n/a	0.81	0.01	0.21	0.00	0.00	0.00	1.03
Other Costs	\$2,580,712	\$2,580,712	\$0	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	\$18,923,393	\$27,806,377	\$8,882,984	\$20,886,228	\$233,466	\$4,586,497	\$3,170,873	\$277,423	\$0	\$29,154,487
Utility Benefit Cost Test	\$18,923,393	n/a	n/a	1.10	0.01	0.24	0.17			1.53
Total Resource Benefit Cost Test	n/a	\$27,806,377	n/a	0.75	0.01	0.16	0.11	0.01	0.00	1.05

Note 1: Home Energy Solutions includes oil and propane benefits allocated to HES based on estimated Yankee Gas cost share for oil and propane measures.

Note 2: CL&P used a discount rate of 7.52% and YGS used 7% for screening the benefits, based upon the Companies weighted after tax average cost of capital, and no less than minimum rate of 7% stated in Docket 08-10-02, DPUC Review of The Connecticut Gas Utilities Forecasts of Demand and Supply 2009-2013 and Joint Conservation Plans and 09-10-03, DPUC Review of The Connecticut Energy Efficiency Fund's 2010 Conservation and Load Management Plan for 2010.

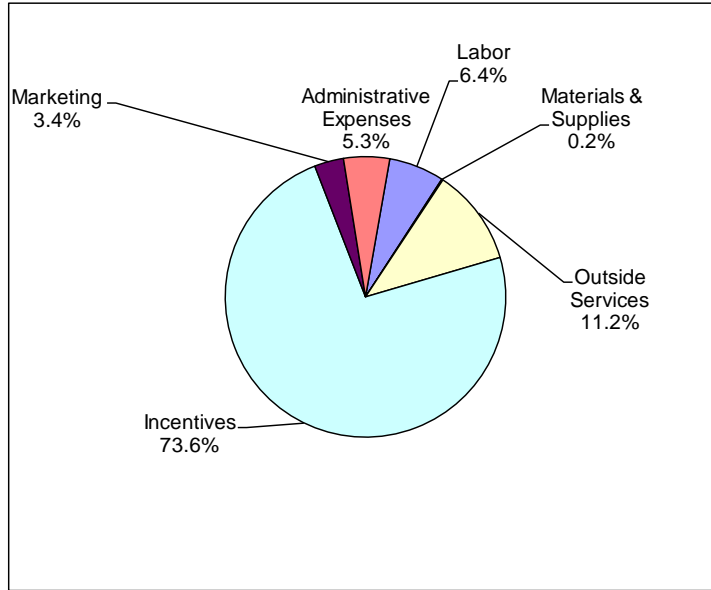
Table C – 2014 Yankee Gas Program Budget by Category

Table C
YGS 2014 Budget Details

GAS CONSERVATION BUDGET	Labor	Materials & Supplies	Outside Services	Incentives	Marketing	Administrative Expenses	TOTAL
HES Income Eligible	\$ 224,550	\$ 5,000	\$ 140,674	\$ 3,029,401	\$ 100,903	\$ 15,297	\$ 3,515,825
Home Energy Solutions (HES)	\$ 255,000	\$ 10,000	\$ 342,170	\$ 5,342,063	\$ 150,014	\$ 20,107	\$ 6,119,355
Residential New Construction	\$ 35,000	\$ 500	\$ 40,271	\$ 672,602	\$ 18,162	\$ 3,485	\$ 770,000
Water Heating	\$ 15,000	\$ 5,000	\$ 5,000	\$ 301,087	\$ 25,000	\$ 1,000	\$ 347,587
Subtotal Residential	\$ 529,550	\$ 16,000	\$ 528,115	\$ 9,345,153	\$ 294,079	\$ 39,870	\$ 10,752,767
COMMERCIAL & INDUSTRIAL LOST OPPORTUNITY							
Energy Conscious Blueprint	\$ 190,000	\$ 5,000	\$ 156,021	\$ 2,641,072	\$ 55,413	\$ 11,702	\$ 3,059,208
Subtotal C&I - Lost Opportunity	\$ 190,000	\$ 5,000	\$ 156,021	\$ 2,641,072	\$ 55,413	\$ 11,702	\$ 3,059,208
COMMERCIAL & INDUSTRIAL LARGE RETROFIT							
Energy Opportunities	\$ 163,000	\$ 1,000	\$ 150,000	\$ 1,228,973	\$ 38,713	\$ 4,670	\$ 1,586,356
Business & Energy Sustainability (O&M, RetroCx, BSC)	\$ 55,000	\$ 2,000	\$ 50,000	\$ 473,466	\$ 19,625	\$ 8,983	\$ 609,074
Subtotal C&I - Retrofit	\$ 218,000	\$ 3,000	\$ 200,000	\$ 1,702,439	\$ 58,338	\$ 13,653	\$ 2,195,430
Small Business	\$ 15,000	\$ 1,000	\$ 10,000	\$ 172,140	\$ 10,522	\$ 22,000	\$ 230,662
Subtotal C&I	\$ 423,000	\$ 9,000	\$ 366,021	\$ 4,515,651	\$ 124,272	\$ 47,355	\$ 5,485,299
OTHER - EDUCATION							
SmartLiving Center® - Museum Partnerships	\$ 7,655	\$ 2,000	\$ 158,178	\$ -	\$ 5,000	\$ 500	\$ 173,333
Clean Energy Communities	\$ 14,000	\$ -	\$ 129,333	\$ -	\$ -	\$ -	\$ 143,333
EESmarts/K-12	\$ 4,176	\$ 1,300	\$ 49,015	\$ -	\$ 7,000	\$ 5,176	\$ 66,667
Customer Engagement	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000
Subtotal Education	\$ 21,655	\$ 2,000	\$ 287,511	\$ -	\$ 5,000	\$ 500	\$ 433,333
OTHER - PROGRAMS/REQUIREMENTS							
Institute for Sustainable Energy	\$ -	\$ -	\$ 37,333	\$ -	\$ -	\$ -	\$ 37,333
ESPC Project Manager - Lead By Example	\$ -	\$ -	\$ 9,600	\$ -	\$ -	\$ -	\$ 9,600
Residential Financing (includes ECLF)	\$ -	\$ -	\$ 118,910	\$ -	\$ -	\$ -	\$ 118,910
C&I Loan Defaults	\$ -	\$ -	\$ 79,667	\$ -	\$ -	\$ -	\$ 79,667
C&I Loan Program	\$ -	\$ -	\$ 89,000	\$ -	\$ -	\$ -	\$ 89,000
Subtotal Programs/Requirements	\$ -	\$ -	\$ 334,510	\$ -	\$ -	\$ -	\$ 334,510
OTHER - RD&D							
Research, Development and Demonstration	\$ 29,500	\$ -	\$ 29,500	\$ -	\$ -	\$ -	\$ 59,000
Subtotal Renewables & RD&D	\$ 29,500	\$ -	\$ 29,500	\$ -	\$ -	\$ -	\$ 59,000
OTHER - ADMINISTRATIVE & PLANNING							
Administration	\$ 107,298	\$ -	\$ -	\$ -	\$ -	\$ 11,922	\$ 119,220
Marketing Plan	\$ -	\$ -	\$ -	\$ -	\$ 203,333	\$ -	\$ 203,333
Information Technology	\$ 4,920	\$ -	\$ 128,413	\$ -	\$ -	\$ -	\$ 133,333
Planning	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 80,000
Evaluation	\$ -	\$ -	\$ 252,873	\$ -	\$ -	\$ -	\$ 252,873
Evaluation Consultant	\$ -	\$ -	\$ 24,297	\$ -	\$ -	\$ -	\$ 24,297
Energy Efficiency Board	\$ -	\$ -	\$ 50,210	\$ -	\$ -	\$ -	\$ 50,210
Performance Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 892,683	\$ 892,683
Subtotal Other	\$ 192,218	\$ -	\$ 455,793	\$ -	\$ 203,333	\$ 904,605	\$ 1,755,948
PROGRAM SUBTOTALS							
Residential	\$ 551,050	\$ 18,900	\$ 966,049	\$ 9,345,153	\$ 467,746	\$ 45,446	\$ 11,394,344
C&I	\$ 427,331	\$ 9,400	\$ 611,790	\$ 4,515,651	\$ 165,939	\$ 47,455	\$ 5,777,566
Other	\$ 221,718	\$ -	\$ 522,626	\$ -	\$ -	\$ 904,605	\$ 1,648,949
TOTAL BUDGET	\$ 1,200,099	\$ 28,300	\$ 2,100,466	\$ 13,860,804	\$ 633,685	\$ 997,505	\$ 18,820,858

Table C – 2014 Pie

**YGS
2014 Gas Conservation
Budget By Expense Class**



Expense Classes	Budget	% of Budget
Labor	\$ 1,200,099	6.4%
Materials & Supplies	\$ 28,300	0.2%
Outside Services	\$ 2,100,466	11.2%
Incentives	\$ 13,860,804	73.6%
Marketing	\$ 633,685	3.4%
Administrative Expenses	\$ 997,505	5.3%
Total	\$ 18,820,858	100.0%

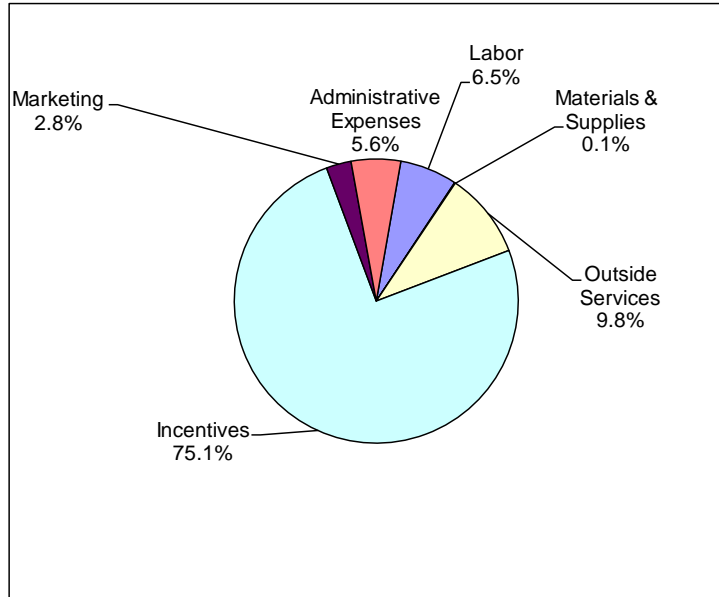
Table C – 2015 Yankee Gas Program Budget by Category

Table C
YGS 2015 Budget Details

GAS CONSERVATION BUDGET	Labor	Materials & Supplies	Outside Services	Incentives	Marketing	Administrative Expenses	TOTAL
RESIDENTIAL							
HES Income Eligible	\$ 254,550	\$ 1,712	\$ 71,757	\$ 2,841,182	\$ 52,101	\$ 8,605	\$ 3,229,906
Home Energy Solutions (HES)	\$ 345,270	\$ 2,443	\$ 160,720	\$ 4,831,705	\$ 101,855	\$ 10,502	\$ 5,452,495
Residential New Construction	\$ 24,024	\$ 470	\$ 49,110	\$ 793,337	\$ 9,953	\$ 4,226	\$ 881,119
Water Heating	\$ 8,853	\$ 484	\$ 2,231	\$ 333,879	\$ 2,162	\$ 915	\$ 348,524
Subtotal Residential	\$ 632,697	\$ 5,108	\$ 283,817	\$ 8,800,103	\$ 166,071	\$ 24,248	\$ 9,912,044
COMMERCIAL & INDUSTRIAL LOST OPPORTUNITY							
Energy Conscious Blueprint	\$ 221,517	\$ 6,185	\$ 190,317	\$ 3,092,084	\$ 67,593	\$ 14,274	\$ 3,591,970
Subtotal C&I - Lost Opportunity	\$ 221,517	\$ 6,185	\$ 190,317	\$ 3,092,084	\$ 67,593	\$ 14,274	\$ 3,591,970
COMMERCIAL & INDUSTRIAL LARGE RETROFIT							
Energy Opportunities	\$ 167,859	\$ 912	\$ 151,929	\$ 1,621,213	\$ 47,229	\$ 5,697	\$ 1,994,840
Business & Energy Sustainability (O&M, RetroCx, BSC)	\$ 43,980	\$ 2,165	\$ 17,575	\$ 479,557	\$ 20,472	\$ 10,254	\$ 574,003
Subtotal C&I - Retrofit	\$ 211,839	\$ 3,076	\$ 169,505	\$ 2,100,770	\$ 67,701	\$ 15,952	\$ 2,568,843
Small Business	\$ 16,070	\$ 1,135	\$ 5,267	\$ 218,938	\$ 23,589	\$ 4,825	\$ 269,823
Subtotal C&I	\$ 449,426	\$ 10,397	\$ 365,088	\$ 5,411,792	\$ 156,884	\$ 35,050	\$ 6,430,636
OTHER - EDUCATION							
SmartLiving Center® - Museum Partnerships	\$ 3,621	\$ 946	\$ 74,831	\$ -	\$ 2,365	\$ 237	\$ 82,000
Clean Energy Communities	\$ 22,487	\$ -	\$ 106,428	\$ -	\$ -	\$ 14,419	\$ 143,333
EESmans/K-12	\$ 4,176	\$ 1,300	\$ 49,015	\$ -	\$ 7,000	\$ 5,176	\$ 66,667
Customer Engagement	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000
Subtotal Education	\$ 26,108	\$ 946	\$ 181,259	\$ -	\$ 2,365	\$ 14,655	\$ 342,000
OTHER - PROGRAMS/REQUIREMENTS							
Institute for Sustainable Energy	\$ -	\$ -	\$ 37,333	\$ -	\$ -	\$ -	\$ 37,333
ESPC Project Manager - Lead By Example	\$ -	\$ -	\$ 9,600	\$ -	\$ -	\$ -	\$ 9,600
Residential Financing (includes ECLF)	\$ -	\$ -	\$ 145,083	\$ -	\$ -	\$ -	\$ 145,083
C&I Loan Defaults	\$ -	\$ -	\$ 86,333	\$ -	\$ -	\$ -	\$ 86,333
C&I Loan Program	\$ -	\$ -	\$ 109,000	\$ -	\$ -	\$ -	\$ 109,000
Subtotal Programs/Requirements	\$ -	\$ -	\$ 192,016	\$ -	\$ -	\$ -	\$ 387,349
OTHER - RD&D							
Research, Development and Demonstration	\$ -	\$ -	\$ 72,000	\$ -	\$ -	\$ -	\$ 72,000
Subtotal Renewables & RD&D	\$ -	\$ -	\$ 72,000	\$ -	\$ -	\$ -	\$ 72,000
OTHER - ADMINISTRATIVE & PLANNING							
Administration	\$ 65,571	\$ -	\$ -	\$ -	\$ -	\$ 53,649	\$ 119,220
Marketing Plan	\$ -	\$ -	\$ -	\$ -	\$ 203,333	\$ -	\$ 203,333
Information Technology	\$ 13,333	\$ -	\$ 120,000	\$ -	\$ -	\$ -	\$ 133,333
Planning	\$ 44,689	\$ -	\$ -	\$ -	\$ -	\$ 35,311	\$ 80,000
Evaluation	\$ -	\$ -	\$ 271,404	\$ -	\$ -	\$ -	\$ 271,404
Evaluation Consultant	\$ -	\$ -	\$ 24,297	\$ -	\$ -	\$ -	\$ 24,297
Energy Efficiency Board	\$ -	\$ -	\$ 50,210	\$ -	\$ -	\$ -	\$ 50,210
Performance Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 897,566	\$ 897,566
Subtotal Other	\$ 123,593.33	\$ -	\$ 465,910	\$ -	\$ 203,333	\$ 986,526	\$ 1,779,363
PROGRAM SUBTOTALS							
Residential	\$ 657,759	\$ 7,165	\$ 662,922	\$ 8,800,103	\$ 337,630	\$ 41,148	\$ 10,506,727
C&I	\$ 454,648	\$ 10,586	\$ 616,273	\$ 5,411,792	\$ 200,023	\$ 37,981	\$ 6,731,303
Other	\$ 123,593	\$ -	\$ 575,244	\$ -	\$ -	\$ 986,526	\$ 1,685,363
TOTAL BUDGET	\$ 1,236,000	\$ 17,751	\$ 1,854,438	\$ 14,211,895	\$ 537,653	\$ 1,065,655	\$ 18,923,392

Table C – 2015 Pie

**YGS
2015 Gas Conservation
Budget By Expense Class**



Expense Classes	Budget	% of Budget
Labor	\$ 1,236,000	6.5%
Materials & Supplies	\$ 17,751	0.1%
Outside Services	\$ 1,854,438	9.8%
Incentives	\$ 14,211,895	75.1%
Marketing	\$ 537,653	2.8%
Administrative Expenses	\$ 1,065,655	<u>5.6%</u>
Total	\$ 18,923,392	100.0%

Table D1 – YGS Historical and Projected Program Expenditures

Table D1
YGS - Expenditure
Natural Gas Conservation Plan Actual/Budget

Natural Gas C&LM Actual/Budget	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2015 Budget
RESIDENTIAL										
HES Income Eligible	\$404,449	\$473,498	\$712,801	\$951,741	\$1,054,952	\$1,894,261	\$1,683,995	\$3,138,425	\$3,515,825	\$3,229,906
Home Energy Solutions (HES)	\$94,816	\$510,401	\$796,046	\$515,716	\$1,311,466	\$1,197,746	\$1,637,539	\$1,724,523	\$6,119,355	\$5,452,495
Residential New Construction				\$314,517	\$439,898	\$769,583	\$267,891	\$193,667	\$770,000	\$881,119
Water Heating			\$62,859	\$104,091	\$60,847	\$49,946	\$55,706	\$41,069	\$347,587	\$348,524
Subtotal Residential	\$499,265	\$983,899	\$1,571,706	\$1,886,065	\$2,867,163	\$3,910,936	\$3,645,131	\$5,097,684	\$10,752,767	\$9,912,044
COMMERCIAL & INDUSTRIAL										
C&I LOST OPPORTUNITY										
Energy Conscious Blueprint			\$390,328	\$804,505	\$1,001,519	\$2,014,498	\$1,247,518	\$1,152,025	\$3,059,208	\$3,591,970
Total - Lost Opportunity	\$0	\$0	\$390,328	\$804,505	\$1,001,519	\$2,014,498	\$1,247,518	\$1,152,025	\$3,059,208	\$3,591,970
C&I LARGE RETROFIT										
Energy Opportunities			\$49,283	\$1,045,286	\$491,898	\$1,599,794	\$1,133,274	\$870,585	\$1,586,356	\$1,994,840
Business & Energy Sustainability (O&M, RetroCx, BSC)			\$8,249	\$17,886	\$123,338	\$25,478	\$55,381	\$94,554	\$609,074	\$574,003
Process Retrofit Pilot		\$11,288	\$60,880							
Total - C&I Large Retrofit	\$0	\$11,288	\$118,412	\$1,063,172	\$615,236	\$1,625,272	\$1,188,655	\$965,139	\$2,195,430	\$2,568,843
Small Business							\$65,653	\$422,644	\$230,682	\$269,823
Subtotal C&I	\$0	\$11,288	\$508,740	\$1,867,877	\$1,616,755	\$3,639,770	\$2,501,826	\$2,540,008	\$5,485,299	\$6,430,636
OTHER - Education										
SmartLiving Center/Museums Partnership									\$173,333	\$82,000
Clean Energy Communities/ Behavior Pilot									\$143,333	\$143,333
EE-SmartK-12									\$66,667	\$66,667
Customer Engagement									\$50,000	\$50,000
Subtotal Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$433,333	\$342,000
OTHER - PROGRAMS/REQUIREMENTS										
Institute for Sustainable Energy									\$37,333	\$37,333
ESPC Project Manager - Lead By Example									\$9,600	\$9,600
Residential Financing (includes ECLF)	\$63,835	\$35,438	\$43,478	\$55,386	\$67,085	\$66,744	\$70,297	\$70,112	\$118,910	\$145,083
C&I Loan Defaults									\$79,667	\$86,333
C&I Loan Program								\$294	\$89,000	\$109,000
Subtotal Programs/Requirements	\$63,835	\$35,438	\$43,478	\$55,386	\$67,085	\$66,744	\$70,297	\$70,406	\$287,577	\$340,416
Research, Development and Demonstration									\$9,000	\$9,000
Subtotal RD&D	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,000	\$9,000
OTHER - ADMINISTRATIVE & PLANNING										
Administration								\$51,486	\$19,220	\$19,220
Marketing Plan								\$0	\$203,333	\$203,333
Information Technology			\$28,126	\$29,679	\$36,337	\$39,953	\$39,953	\$51,196	\$133,333	\$133,333
Planning	\$4,526	\$25,023	\$100,679	\$34,581	\$50,197	\$67,396	\$103,533	\$80,000	\$80,000	\$80,000
Evaluation			\$960	\$48,155	\$27,057	\$257,425	\$126,001	(\$17,049)	\$252,873	\$271,404
Energy Efficiency Consultant								\$0	\$24,297	\$24,297
Energy Efficiency Board	\$7,551	\$6,466	\$3,070	\$28,232	\$13,905	\$10,605	\$18,161	\$36,924	\$50,210	\$50,210
Performance Fee								\$605,725	\$892,683	\$892,683
Subtotal Other - Administrative & Planning	\$12,077	\$31,489	\$104,709	\$139,836	\$105,222	\$354,564	\$251,511	\$833,824	\$1,755,948	\$1,779,363
PROGRAM SUBTOTALS										
Residential	\$563,200	\$1,019,337	\$1,615,184	\$1,941,451	\$2,934,248	\$3,977,680	\$3,715,428	\$5,167,803	\$11,394,344	\$10,506,727
C&I	\$0	\$11,288	\$508,740	\$1,867,677	\$1,616,755	\$3,639,770	\$2,501,826	\$2,540,303	\$5,777,566	\$6,731,303
Other	\$12,077	\$31,489	\$104,709	\$139,836	\$105,222	\$354,564	\$251,511	\$833,816	\$1,648,949	\$1,685,363
TOTAL	\$575,277	\$1,062,114	\$2,228,633	\$3,948,964	\$4,656,225	\$7,972,014	\$6,468,765	\$8,541,922	\$18,820,859	\$18,923,392

Table D2 – YGS Historical and Projected Program Units

Table D2
YGS - Units
Natural Gas Conservation Plan Actual/Budget

Natural Gas C&IM Actual/Budget	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2015 Budget
RESIDENTIAL										
HES Income Eligible - Weatherization	574	1,238	1,350	1,932	2,497	2,347	1,579	2,052	2,599	2,437
Home Energy Solutions (HES)	393	1,351	1,824	798	2,768	1,811	3,918	2,869	7,819	7,892
Insulation Rebate	-	-	-	-	-	-	-	140	-	-
HES Early Retirement Furnace Rebate	-	-	-	-	-	-	-	34	-	-
Res High Eff Natural Gas Furnace Replace Rebate	-	-	-	-	-	-	-	247	-	-
Window Rebate	-	-	-	-	-	-	-	217	-	-
Home Energy Solution (HES) - Total	393	1,351	1,824	798	2,768	1,811	3,918	3,507	7,819	7,892
Residential New Construction										
Water Heating			160	303	179	128	112	54	1,792	1,629
Subtotal Residential	967	2,589	3,334	3,359	5,650	4,521	5,965	6,247	13,329	12,545
COMMERCIAL & INDUSTRIAL										
C&I LOST OPPORTUNITY										
Energy Conscious Blueprint	-	-	14	30	64	85	92	136	77	92
Total - Lost Opportunity	0	0	14	30	64	85	92	136	77	92
C&I LARGE RETROFIT										
Energy Opportunities	-	-	2	18	28	42	50	42	30	37
Business & Energy Sustainability (O&M, RetroCx, BSC)	-	-	0	1	3	1	5	4	19	18
Process Retrofit Pilot			1							
Total - C&I Large Retrofit	0	0	3	19	31	43	55	46	49	55
Small Business	-	-	-	-	-	0	20	50	12	16
Subtotal C&I	0	0	17	49	95	128	167	232	138	163
PROGRAM SUBTOTALS										
Residential	967	2,589	3,334	3,359	5,650	4,521	5,965	6,247	13,329	12,545
C&I	0	0	17	49	95	128	167	232	138	163
Other										
TOTAL	967	2,589	3,351	3,408	5,745	4,649	6,132	6,479	13,467	12,708

Table D3 & D4 – YGS Historical and Projected Annual and Lifetime CCF

Table D3
YGS - Annual Savings (CCF)
Natural Gas Conservation Plan Actual/Budget

	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2015 Budget
Natural Gas C&LM Actual/Budget										
RESIDENTIAL										
HES Income Eligible - Weatherization	45,734	101,407	94,054	195,280	194,946	359,607	248,413	415,930	348,862	327,187
Home Energy Solutions (HES)	11,295	86,333	98,698	55,728	222,581	172,026	282,453	238,395	789,904	797,474
Insulation Rebate	-	-	-	-	-	-	-	17,015	-	-
HES Early Retirement Furnace Rebate	-	-	-	-	-	-	-	7,132	-	-
Res High Eff Natural Gas Furnace Replace Rebate	-	-	-	-	-	-	-	41,477	-	-
Window Rebate	-	-	-	-	-	-	-	2,516,000	-	-
Home Energy Solution (HES) - Total	11,295	86,333	98,698	55,728	222,581	172,026	282,453	306,535	789,904	797,474
Residential New Construction	-	-	31,287	41,991	47,744	38,642	53,957	119,906	107,187	107,187
Water Heating	-	-	9,728	10,883	7,168	6,129	2,812	69,721	60,016	60,016
Subtotal Residential	57,029	187,740	202,480	300,717	470,401	586,545	575,637	779,234	1,328,392	1,291,864
COMMERCIAL & INDUSTRIAL										
C&I LOST OPPORTUNITY										
Energy Conserve Blueprint	-	-	43,558	112,046	287,670	359,929	327,306	259,919	488,459	589,119
Total - Lost Opportunity	0	0	43,558	112,046	287,670	359,929	327,306	259,919	488,459	589,119
C&I LARGE RETROFIT										
Energy Opportunities	-	-	17,218	639,931	205,653	404,921	255,394	481,474	414,385	531,411
O&M (RetroCx, Training)	-	-	0	6,683	66,979	15,429	52,488	53,261	243,370	233,594
Process Retrofit Pilot	-	-	27,997	-	-	-	-	-	-	-
Total - C&I Large Retrofit	0	0	45,215	646,614	272,632	420,350	307,882	534,735	657,755	765,005
Small Business	-	-	-	-	23,405	72,422	0	51,709	64,388	64,388
Subtotal C&I	0	0	88,773	758,660	560,302	780,279	658,593	867,076	1,197,924	1,418,512
PROGRAM SUBTOTALS										
Residential	57,029	187,740	202,480	300,717	470,401	586,545	575,637	779,234	1,328,392	1,291,864
C&I	-	-	88,773	758,660	560,302	780,279	658,593	867,076	1,197,924	1,418,512
Other	-	-	-	-	-	-	-	-	-	-
TOTAL	57,029	187,740	291,253	1,059,377	1,030,703	1,366,824	1,234,230	1,646,309	2,526,316	2,710,376

Table D4
YGS - Lifetime Savings (CCF)
Natural Gas Conservation Plan Actual/Budget

	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2015 Budget
Natural Gas C&LM Actual/Budget										
RESIDENTIAL										
HES Income Eligible - Weatherization	941,555	1,396,219	1,617,301	3,534,308	2,616,614	6,081,081	3,750,072	6,590,419	6,436,289	6,401,192
Home Energy Solutions (HES)	213,599	1,324,880	1,770,065	1,172,933	4,768,051	3,118,836	4,870,250	4,136,193	15,044,883	15,194,661
Insulation Rebate	-	-	-	-	-	-	-	425,386	-	-
HES Early Retirement Furnace Rebate	-	-	-	-	-	-	-	35,662	-	-
Res High Eff Natural Gas Furnace Replace Rebate	-	-	-	-	-	-	-	829,533	-	-
Window Rebate	-	-	-	-	-	-	-	52,674	-	-
Home Energy Solution (HES) - Total	213,599	1,324,880	1,770,065	1,172,933	4,768,051	3,118,836	4,870,250	5,479,448	15,044,883	15,194,661
Residential New Construction	-	-	782,194	1,193,609	1,049,784	1,193,609	952,273	1,171,781	2,572,078	2,679,687
Water Heating	-	-	194,560	368,448	217,664	143,360	84,305	56,244	1,091,456	1,079,513
Subtotal Residential	1,155,154	2,721,099	3,581,926	5,857,883	8,652,113	10,536,886	9,656,900	13,297,892	25,144,716	25,355,054
COMMERCIAL & INDUSTRIAL										
C&I LOST OPPORTUNITY										
Energy Conserve Blueprint	-	-	670,160	1,770,613	4,371,511	5,637,483	5,074,442	4,072,514	7,502,711	9,048,835
Total - Lost Opportunity	0	0	670,160	1,770,613	4,371,511	5,637,483	5,074,442	4,072,514	7,502,711	9,048,835
C&I LARGE RETROFIT										
Energy Opportunities	-	-	191,374	9,216,030	2,347,874	4,168,922	3,017,300	5,870,925	4,664,741	5,982,101
O&M (RetroCx, Training)	-	-	0	66,830	669,798	77,145	369,200	398,693	1,644,192	1,554,307
Process Retrofit Pilot	-	-	559,940	-	-	-	-	-	-	-
Total - C&I Large Retrofit	0	0	751,314	9,282,860	3,017,672	4,246,067	3,386,500	6,269,618	6,308,933	7,536,408
Small Business	-	-	-	-	290,172	835,602	522,094	724,819	522,094	522,094
Subtotal C&I	0	0	1,421,474	11,053,473	7,389,183	9,883,550	8,751,114	11,117,734	14,393,737	17,310,062
PROGRAM SUBTOTALS										
Residential	1,155,154	2,721,099	3,581,926	5,857,883	8,652,113	10,536,886	9,656,900	13,297,892	25,144,716	25,355,054
C&I	0	0	1,421,474	11,053,473	7,389,183	9,883,550	8,751,114	11,117,734	14,393,737	17,310,062
Other	-	-	-	-	-	-	-	-	-	-
TOTAL	1,155,154	2,721,099	4,999,400	16,911,356	16,041,296	20,420,436	18,408,014	24,415,626	39,538,454	42,665,115

YGS Performance Incentive 2014

Yankee Gas Service Company 2014 Management Incentive Performance Indicators and Incentive Matrix

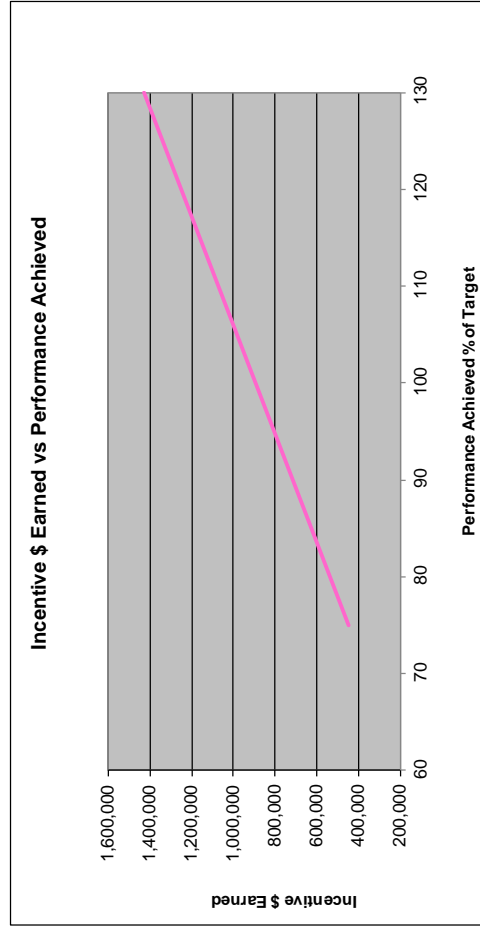
YGS and the EEB recognize that having clear indicators and metrics of performance are helpful in delivering quality programs to Connecticut consumers. The following is a table of performance and incentive metrics developed by the utilities with input from the EEB, the Board consultants and the Department. These performance and incentive metrics apply to the programs delineated in this Plan. The projected YGS Performance Incentive is \$ 892,683 and is based on achieving 100% of all performance targets and earning an incentive of 5% of the total C&LM program budget of \$ 17,853,669 as shown on Table A (exclusive of Energy Efficiency Board costs, Evaluation Consultant 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-		
<u>Performance %</u>	<u>Pretax Incentive</u>	<u>Pre-tax Incentive</u>
<u>Minimum</u>		<u>Maximum</u>
75	2.5%	\$446,342
80	3%	\$535,610
90	4%	\$714,147
100	5%	\$892,683
110	6%	\$1,071,220
120	7%	\$1,249,757
130	8%	\$1,428,294
Maximum		

Incentive Basis

Budget \$17,853,669

Goals will be prorated based on actual over/under spend of budget in the event actual spending is over/under 5% or more of budget.



YGS Performance Incentive 2014 (cont.)

SECTOR Program	Performance Indicators			Incentive Metrics		Weight	Incentive
	Program Name	LT-CCF	% (1)	Incentive Metric	Target Goal		
RESIDENTIAL							
Residential Programs (Sector Level) Sector Budget	\$10,752,767						
		HES Income Eligible 6,436,299 Home Energy Solution 15,044,883 Residential New Cons 2,572,078 Water Heating 1,091,456 Total 25,144,716 Savings Rate \$0.5975 / CCF Savings \$15,025,111 (1) percent of target goal	25.60% 59.83% 10.23% 4.34%	Sum of Gas System Benefit from Residential programs	Gas System Benefit from Residential programs \$15,025,111	0.1950	\$174,073
Net Residential Gas Benefit:		Net Residential Gas Benefit: \$4,272,344				0.1950	\$174,073
Water Heating	\$347,587	Water Heating - Number of Water Heating Units (tankless & condensing units) per DEEP Final Decision		Number of Units	400	0.0100	\$8,927
Home Energy Solutions	\$6,119,355	Achieve CCF savings per single family home as per DEEP Final Decision		CCF/home	116.6	0.0500	\$44,634
HES Income Eligible	\$3,515,825	Annual CCF savings		Annual CCF Savings	348.9 K	0.0300	\$26,781

YGS Performance Incentive 2014 (cont.)

SECTOR Program	Performance Indicators			Incentive Metric	Incentive Metrics Target Goal	Weight	Incentive
	Program Name	LT-CCF	% (1)				
COMMERCIAL & INDUSTRIAL (C&I)	\$5,485,299						
C&I Programs (Sector Level) Sector Budget	Energy/Conscious Blueprint Energy Opportunities O&M Small Business Total Savings Rate Savings	7,502,711 4,664,741 1,644,192 582,094 14,393,737 \$0.7058 / CCF \$10,159,390	52.1% 32.4% 11.4% 4.0%	Total Gas System Benefit from C&I programs	Gas System Benefit from C&I programs \$10,159,390	0.2100	\$187,464
Net C&I Gas System Benefit:		Net C&I Gas System Benefit: \$4,674,090			\$4,674,090	0.2100	\$187,464
Small Business	\$230,662			SBEA - Number of gas projects that are comprehensive or implement measure bundles or Number of projects that consist of at least two gas measures Comprehensive is defined as 1. More than one End-Use, where End-Use is defined as Heating, Cooling, Lighting, Process, Refrigeration or EMS, and involves an End Use with a natural gas measure. 2. No 1 single End-Use can have more than 85% of the energy savings value of the total annual energy savings Only SBEA projects are eligible Calculations based on signed projects with gas, no Rebates: [(# of signed projects with gas - any rebate projects) / (total # of signed SBEA projects with gas - any rebate projects)] Small Business projects may also be comprehensive by utilizing "bundled measures". Bundled measures shall be defined generally as a list of measure types geared toward customer type categories. For example, the measure bundle for restaurants and commercial kitchens should include, but not be limited to, Lighting, Energy Star Natural Gas or Electric cooking equipment, CEEE rated Pre-Rinse Spray Valves, Energy Star Natural Gas or Electric Dishwashers.	% of Gas Projects 10% of signed projects	0.0300	\$26,781

YGS Performance Incentive 2014 (cont.)

SECTOR Program	Performance Indicators	Incentive Metrics		
		Incentive Metric	Target Goal	Weight
Energy Consumptions Blueprint /Energy Opportunities	EO - Percentage of signed gas only projects containing multiple measures Projects must fall within Energy Opportunities or Energy Conscious Blueprint programming. Projects must contain multiple gas measures; No restriction to the number of enduses; No SBEA projects are included. Calculations based on signed projects, no Rebates: [(# of signed projects - rebate projects) / (total # of signed projects from all large C&I - all rebate projects)]	% of Gas Projects	15% of signed projects	0.0300
Manufacturing /Segmentation	Energy savings from Signed Manufacturing Customer projects. Energy Savings includes the gas energy savings from all end uses. Manufacturing customer projects of any size including those that are < 200 kW. Manufacturing customer is any with a NAICS manufacturing code or, Manufacturing projects within the following facility types from the tracking systems: industrial 1 shift, industrial 2 shift, industrial 3 shift, manufacturing or lite manufacturing. Calculations based on signed contracts, no Rebates: [(Savings from manufacturing Customers projects - savings from rebates) / (total savings from all C&I - savings from all rebates)]	% of Savings Via Signed Contracts	20% of savings via signed contracts.	0.0400
Total Incentive \$ Residential and C&I				1.00000
				\$26,781
				\$35,707
				\$892,683

YGS Performance Incentive 2015

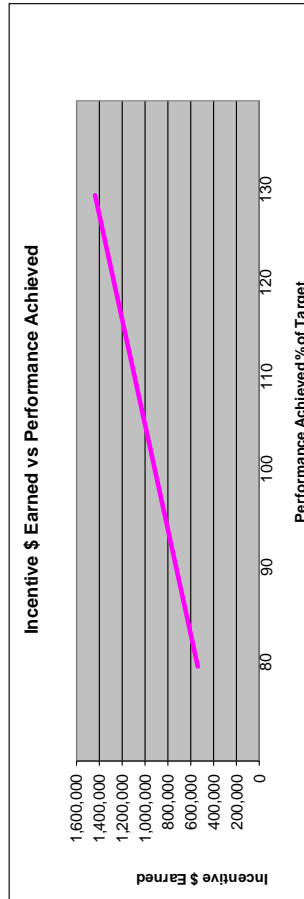
Yankee Gas Service Company 2015 Management Incentive Performance Indicators and Incentive Matrix

YGS and the EEB 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 EEB, the Board consultants and the Department. These performance and incentive metrics apply to the programs delineated in this Plan. The projected YGS Performance Incentive is **\$ 897,566** and is based on achieving **100%** of all performance targets and earning an incentive of **5%** of the total C&LM program budget of **\$ 17,951,320** as shown on Table A (exclusive of Energy Efficiency Board costs, Evaluation Consultant 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-

<u>Performance %</u>	<u>Pretax Incentive</u>	<u>Pre-tax Incentive</u>
<u>Minimum</u>		
80	3%	\$538,540
90	4%	\$718,053
100	5%	\$897,566
110	6%	\$1,077,079
120	7%	\$1,256,592
130	8%	\$1,436,106
<u>Maximum</u>		
Incentive Basis Budget		\$17,951,320

Goals will be prorated based on actual over/under spend of budget in the event a actual spending is over/under 5% or more of budget.



YGS Performance Incentive 2015 (cont.)

SECTOR Program	Performance Indicators			Incentive Metrics			
	Program Name	LT-CCF	% (1)	Incentive Metric	Target Goal	Weight	Incentive
RESIDENTIAL							
Residential Programs (Sector Level) Sector Budget	\$9,912,044	HES Income Eligible 6,401,192 Home Energy Solution 15,194,661 Residential New Cons 2,679,687 Water Heating 1,079,513 Total 25,355,054 Savings Rate \$0.5642 / CCF Savings \$14,306,426 (1) percent of target goal	25.25% 59.93% 10.57% 4.26%	Sum of Gas System Benefit from Residential programs	Gas System Benefit from Residential programs \$14,306,426	0.1950	\$175,025
Net Residential Gas Benefit :		Net Residential Gas Benefit : \$4,394,382			\$4,394,382	0.1950	\$175,025
Water Heating	\$348,524	Water Heating - Number of Water Heating Units (tankless & condensing units) per DEEP Final Decision		Number of Units	500	0.0100	\$8,976
Home Energy Solutions	\$5,452,495	Achieve CCF savings per single family home as per DEEP Final Decision		CCF/home	128.3	0.0500	\$44,878
HES Income Eligible	\$3,229,906	Annual CCF savings		Annual CCF Savings	327.2 K	0.0300	\$26,926.98

YGS Performance Incentive 2015 (cont.)

SECTOR Program	Performance Indicators			Incentive Metrics		Incentive	
	Program Name	LT-CCF	% (1)	Incentive Metric	Target Goal		Weight
COMMERCIAL & INDUSTRIAL (C&I)							
C&I Programs (Sector Level) Sector Budget	\$6,430,636	9,048,835 5,982,101 1,554,307 724,819 17,310,062	52.27% 34.56% 8.98% 4.19%	Total Gas System Benefit from C&I programs	Gas System Benefit from C&I programs \$11,399,765	0.2100	\$188,489
		Savings Rate \$0.6586 / CCF \$11,399,765					
Net C&I Gas System Benefit:		(1) percent of target goal			\$4,969,129	0.2100	\$188,489
		Net C&I Gas System Benefit: \$4,969,129					
		SBEA - Number of gas projects that are comprehensive or implement measure bundles or Number of projects that consist of at least two gas measures Comprehensive is defined as 1. More than one End-Use, where End-Use is defined as Heating, Cooling, Lighting, Process, Refrigeration or EMS, and involves an End Use with a natural gas measure. 2. No 1 single End-Use can have more than 85% of the energy savings value of the total annual energy savings Only SBEA projects are eligible Calculations based on signed projects with gas, no Rebates: [(# of signed projects with gas - any rebate projects) / (total # of signed SBEA projects with gas - any rebate projects)] Small Business projects may also be comprehensive by utilizing "bundled measures". Bundled measures shall be defined generally as a list of measure types geared toward customer type categories. For example, the measure bundle for restaurants and commercial kitchens should include, but not be limited to, Lighting, Energy Star Natural Gas or Electric cooking equipment, CEEE rated Pre-Rinse Spray Valves, Energy Star Natural Gas or Electric Dishwashers.		% of Gas Projects	12% of signed projects	0.0300	\$26,927
Small Business	\$ 269,823						

YGS Performance Incentive 2015 (cont.)

SECTOR Program	Performance Indicators	Incentive Metrics			
		Incentive Metric	Target Goal	Weight	Incentive
Energy Conscious Blueprint /Energy Opportunities	EO - Percentage of signed gas only projects containing multiple measures Projects must fall within Energy Opportunities or Energy Conscious Blueprint programming; Projects must contain multiple gas measures; No restriction to the number of enduses; No SBEA projects are included; Calculations based on signed projects, no Rebates: [(# of signed projects - rebate projects) / (total # of signed projects from all large C&I - all rebate projects)]	% of Gas Projects	17% of signed projects	0.0300	\$26,927
Manufacturing /Segmentation	Energy savings from Signed Manufacturing Customer projects. Energy Savings includes the gas energy savings from all end uses. Manufacturing customer projects of any size including those that are < 200 kW, Manufacturing customer is any with a NAICS manufacturing code of, Manufacturing projects within the following facility types from the tracking systems: industrial 1 shift, industrial 2 shift, industrial 3 shift, manufacturing or lite manufacturing. Calculations based on signed contracts, no Rebates: [(Savings from manufacturing Customers projects - savings from rebates) / (total savings from all C&I - savings from all rebates)]	% of Savings Via Signed Contracts	22% of savings via signed contracts.	0.0400	\$35,903
Total Incentive \$ Residential and C&I				1.00000	\$897,566

The Connecticut Natural Gas Corporation 2014-2015 Budget Tables

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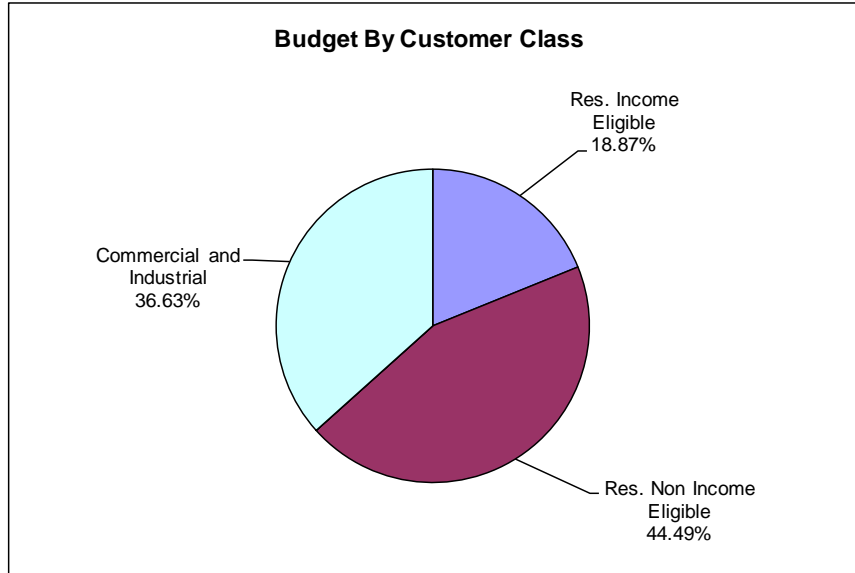
Table A – CNG 2013 Actual Results, 2014-2015 Budget

Table A
CNG
Proposed Natural Gas Conservation Plan Budget

Natural Gas C&LM Budget	2013 CNG Actual Expenditures	2014 CNG Approved Budget	2015 CNG Approved Budget
RESIDENTIAL			
HES Income Eligible	\$ 903,813	\$ 2,744,857	\$ 2,721,693
Home Energy Solutions (HES)	\$ 2,013,801	\$ 4,471,024	\$ 4,742,979
Residential New Construction	\$ 1,374,360	\$ 446,750	\$ 425,376
Water Heating	\$ 21,861	\$ 300,238	\$ 307,471
Subtotal Residential	\$ 4,313,835	\$ 7,962,869	\$ 8,197,519
COMMERCIAL & INDUSTRIAL C&I LOST OPPORTUNITY			
Energy Conscious Blueprint	\$ 1,177,206	\$ 1,957,423	\$ 1,987,642
Total - Lost Opportunity	\$ 1,177,206	\$ 1,957,423	\$ 1,987,642
C&I LARGE RETROFIT			
Energy Opportunities	\$ 1,536,144	\$ 1,025,782	\$ 1,039,762
O&M (RetroCx, Training)	\$ 89,673	\$ 574,201	\$ 707,186
Total - C&I Large Retrofit	\$ 1,625,817	\$ 1,599,983	\$ 1,746,948
Small Business	\$ 210,560	\$ 160,008	\$ 166,030
Subtotal C&I	\$ 3,013,583	\$ 3,717,414	\$ 3,900,620
OTHER - Education			
SmartLiving Center®-Museums Partnership		\$ 173,333	\$ 82,000
EE Communities	\$ 5,888	\$ 143,333	\$ 143,333
EESmarts/K-12		\$ 66,667	\$ 66,667
Customer Engagement		\$ 50,000	\$ 50,000
Subtotal Education	\$ 5,888	\$ 433,333	\$ 342,000
OTHER - PROGRAMS/REQUIREMENTS			
ISE		\$ 37,333	\$ 37,333
ESPC		\$ 9,600	\$ 9,600
Resi Financing/CHIF Loan Fund	\$ 56,061	\$ 100,045	\$ 99,959
C&LM Loan Defaults		\$ 79,667	\$ 86,333
C&I Financing Subsidies	\$ 17,603	\$ 75,000	\$ 75,000
Subtotal Programs/Requirements	\$ 73,664	\$ 301,645	\$ 308,225
Research, Development and Demonstration	\$ 79,200	\$ 50,000	\$ 50,000
Subtotal RD&D	\$ 79,200	\$ 50,000	\$ 50,000
OTHER - ADMINISTRATIVE & PLANNING			
Administration	\$ 89,999	\$ 121,329	\$ 121,329
Marketing Plan		\$ 203,333	\$ 203,333
Information Technology	\$ 49,237	\$ 133,333	\$ 133,333
Planning	\$ 144,735	\$ 80,000	\$ 80,000
Evaluation	\$ 35,671	\$ 228,883	\$ 245,717
Evaluation Consultant		\$ 24,297	\$ 24,297
Energy Efficiency Board	\$ 43,079	\$ 50,210	\$ 50,210
Performance Fee	\$ 601,048	\$ 661,607	\$ 679,104
Subtotal Other - Administrative & Planning	\$ 963,769	\$ 1,502,992	\$ 1,537,323
PROGRAM SUBTOTALS			
Residential	\$ 4,374,606	\$ 8,409,580	\$ 8,571,078
C&I	\$ 3,032,364	\$ 4,005,681	\$ 4,177,286
Other	\$ 1,042,969	\$ 1,552,992	\$ 1,587,323
TOTAL	\$ 8,449,939	\$ 13,968,253	\$ 14,335,687

Table A – 2014 Pie

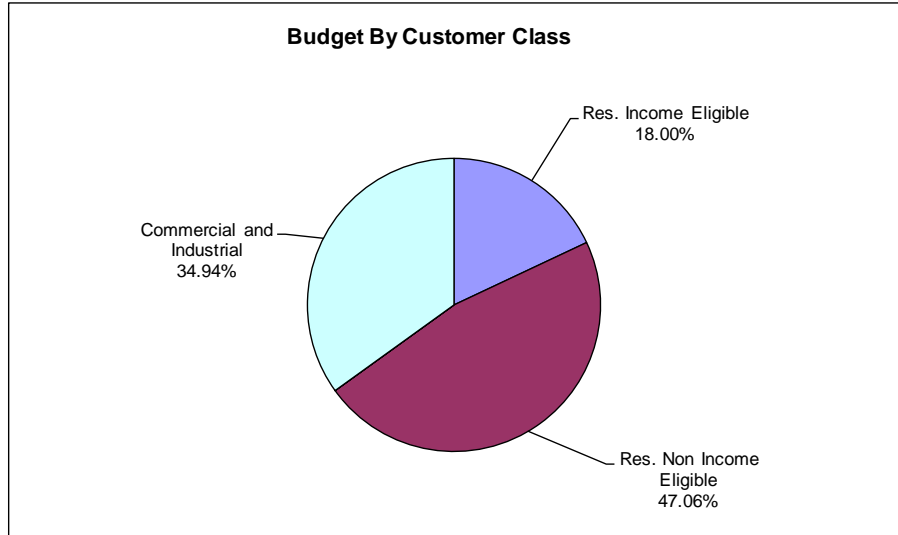
CNG 2014 Budget Analysis



Customer Class	Budget	% of Total Conservation Budget	% of Residential & C&I Budget
Res. Income Eligible	\$2,744,857	16.89%	18.87%
Res. Non Income Eligible	\$5,664,723	39.83%	44.49%
Residential Subtotal	\$8,409,580	56.72%	63.37%
Commercial and Industrial	\$4,005,681	32.79%	36.63%
C&I Subtotal	\$4,005,681	32.79%	36.63%
Residential and C&I Subtotal	\$12,415,261	89.51%	100.00%
Other Expenditures			
Other Expenditures	\$1,552,992	10.49%	
Other Expenditures Subtotal	\$1,552,992	10.49%	
TOTAL	\$13,968,253	100.00%	

Table A – 2015 Pie

CNG 2015 Budget Analysis



Customer Class	Budget	% of Total Conservation Budget	% of Residential & C&I Budget
Res. Income Eligible	\$2,721,693	16.15%	18.00%
Res. Non Income Eligible	\$5,849,385	42.22%	47.06%
Residential Subtotal	\$8,571,078	58.36%	65.06%
Commercial and Industrial	\$4,177,286	31.34%	34.94%
C&I Subtotal	\$4,177,286	31.34%	34.94%
Residential and C&I Subtotal	\$12,748,364	89.71%	100.00%
Other Expenditures			
Other Expenditures	\$1,587,323	10.29%	
Other Expenditures Subtotal	\$1,587,323	10.29%	
TOTAL	\$14,335,687	100.00%	

Table B – 2014 CNG Comparison of Program Energy Savings

Table B
2014 COMPARISON OF CONSERVATION PROGRAMS

Program	Program Costs 2014	Customer Cost 2014	Total Resource Cost 2014	Program Benefit (Gas & Oil)	Total Resource Benefit	% of 2014 Budget	Program B/C Ratio	Total Resource B/C Ratio	Goals/ # Units	Units of Measure	Annualized Savings (ccf)	Lifetime Savings (ccf)	Peak Day Savings (ccf)
RESIDENTIAL													
CNG HES Income Eligible	\$ 2,744,857	\$ -	\$ 2,744,857	\$ 5,383,952	\$ 6,202,722	19.7%	1.96	2.26	4,124	Homes	341,437	6,706,839	2,985
SCG HES Income Eligible	\$ 2,680,076	\$ -	\$ 2,680,076	\$ 5,325,359	\$ 6,135,219	24.0%	1.99	2.29	4,080	Homes	337,721	6,633,849	2,953
Sub Total HES Income Eligible	\$ 5,424,933	\$ -	\$ 5,424,933	\$ 10,709,311	\$ 12,337,941	21.6%	1.97	2.27	8,204	Homes & HVAC	679,158	13,340,688	5,938
CNG Home Energy Solutions	\$ 4,471,024	\$ 2,218,939	\$ 6,689,963	\$ 13,313,088	\$ 14,008,485	32.0%	2.98	2.09	5,553	Rebated Homes & HVAC	619,313	12,358,649	5,529
SCG Home Energy Solutions	\$ 2,545,354	\$ 1,006,537	\$ 3,551,891	\$ 6,141,533	\$ 6,473,533	22.8%	2.41	1.82	3,402	Rebated Homes	383,859	7,658,261	3,489
Sub Total Home Energy Solutions	\$ 7,016,378	\$ 3,225,476	\$ 10,241,854	\$ 19,454,621	\$ 20,482,018	27.9%	2.77	2.00	8,956	Homes	1,003,173	20,016,911	9,018
SCG Residential Behavior	\$ 541,800	\$ 412,268	\$ 954,068	\$ 1,337,714	\$ 1,337,714	4.9%	2.42	1.40	2,500	Thermostats	145,424	1,454,241	1,421
CNG New Construction	\$ 446,750	\$ 1,085,481	\$ 1,498,481	\$ 1,078,969	\$ 1,078,969	3.2%	2.42	0.77	206	Homes	55,291	1,352,277	206
SCG New Construction	\$ 351,535	\$ 774,564	\$ 1,098,403	\$ 770,921	\$ 770,921	3.1%	2.19	0.76	148	Homes	39,503	987,584	148
Sub Total New Construction	\$ 798,285	\$ 1,859,988	\$ 2,417,884	\$ 1,849,890	\$ 1,849,890	3.2%	2.32	0.77	354	Homes	94,794	2,369,861	354
CNG Water Heating	\$ 300,238	\$ 897,040	\$ 1,173,040	\$ 776,576	\$ 776,576	2.1%	2.59	0.66	2,280	Units	73,902	936,671	237
SCG Water Heating	\$ 300,238	\$ 897,040	\$ 1,173,040	\$ 776,576	\$ 776,576	2.1%	2.59	0.66	2,280	Units	73,902	936,671	237
Sub Total Water Heating	\$ 600,476	\$ 1,794,080	\$ 2,346,080	\$ 1,553,152	\$ 1,553,152	2.4%	2.59	0.66	4,560	Units	147,805	1,873,341	474
Subtotal Residential	\$ 14,381,872	\$ 7,291,812	\$ 21,384,820	\$ 34,904,688	\$ 37,560,716	57.2%	2.43	1.76	24,573	Homes/ Units	2,070,354	39,055,041	17,205
Commercial and Industrial C&I Lost													
CNG Energy Conscious Blueprint	\$ 1,957,423	\$ 762,476	\$ 2,719,899	\$ 3,738,115	\$ 3,738,115	14.0%	1.91	1.37	49	Projects	316,759	4,865,394	2,500
SCG Energy Conscious Blueprint	\$ 1,357,784	\$ 541,872	\$ 1,899,656	\$ 2,656,583	\$ 2,656,583	12.2%	1.96	1.40	35	Projects	225,112	3,457,711	1,776
Sub Total Lost Opportunity	\$ 3,315,207	\$ 1,304,348	\$ 4,619,555	\$ 6,394,698	\$ 6,394,698	13.2%	1.93	1.38	84	Projects	541,871	8,323,105	4,276
Commercial and Industrial Large Retrofit													
YGS Energy Opportunities	\$ 1,025,782	\$ 1,494,908	\$ 2,520,690	\$ 2,773,147	\$ 2,773,147	7.3%	2.70	1.10	20	Projects	294,351	3,316,691	3,365
CNG Energy Opportunities	\$ 628,862	\$ 797,971	\$ 1,426,833	\$ 1,480,286	\$ 1,480,286	5.6%	2.35	1.04	11	Projects	157,123	1,770,426	1,796
SCG Energy Opportunities	\$ 1,654,644	\$ 2,292,880	\$ 3,947,524	\$ 4,253,434	\$ 4,253,434	6.6%	2.57	1.08	31	Projects	451,474	5,087,117	5,162
CNG O&M	\$ 574,201	\$ 915,630	\$ 1,489,831	\$ 1,653,016	\$ 1,653,016	4.1%	2.88	1.11	10	Projects	231,618	1,852,948	2,550
SCG O&M	\$ 477,726	\$ 771,064	\$ 1,248,790	\$ 1,392,028	\$ 1,392,028	4.3%	2.91	1.11	8	Projects	195,049	1,560,393	2,147
Sub Total O&M	\$ 1,051,927	\$ 1,686,694	\$ 2,738,621	\$ 3,045,044	\$ 3,045,044	4.2%	2.89	1.11	19	Projects	426,668	3,413,341	4,698
CNG Small Business	\$ 160,008	\$ 196,502	\$ 356,510	\$ 364,524	\$ 364,524	1.1%	2.28	1.02	5	Projects	38,692	435,971	442
SCG Small Business	\$ 124,329	\$ 159,181	\$ 283,510	\$ 295,290	\$ 295,290	1.1%	2.38	1.04	4	Projects	31,343	353,167	358
Sub Total Small Business	\$ 284,337	\$ 355,683	\$ 640,020	\$ 659,813	\$ 659,813	1.1%	2.32	1.03	10	Projects	70,035	789,139	801
Subtotal Commercial & Industrial	\$ 6,306,115	\$ 5,639,605	\$ 11,945,720	\$ 14,352,989	\$ 14,352,989	25.1%	2.28	1.20	143	Projects	1,490,047	17,612,701	14,936
OTHER													
CNG CHIF, Residential, C&I Loan Program	\$ 301,645	\$ -	\$ 301,645	\$ -	\$ -	2.2%							
SCG CHIF, Residential, C&I Loan Program	\$ 301,645	\$ -	\$ 301,645	\$ -	\$ -	2.7%							
Sub Total Other - Loan Program	\$ 603,290	\$ -	\$ 603,290	\$ -	\$ -	2.4%							
CNG IT, Planning, Evaluation, and EEB	\$ 1,986,325	\$ -	\$ 1,986,325	\$ -	\$ -	14.2%							
SCG IT, Planning, Evaluation, and EEB	\$ 1,852,696	\$ -	\$ 1,852,696	\$ -	\$ -	16.6%							
Sub Total Other - Evaluation	\$ 3,839,021	\$ -	\$ 3,839,021	\$ -	\$ -	15.3%							
Subtotal Other	\$ 4,442,311	\$ -	\$ 4,442,311	\$ -	\$ -	17.7%							
PROGRAM SUBTOTALS													
CNG Residential	\$ 7,962,869	\$ 4,201,403	\$ 12,017,341	\$ 20,552,585	\$ 22,066,753	57.0%					1,089,944	21,384,436	8,958
SCG Residential	\$ 6,419,003	\$ 3,090,409	\$ 9,367,478	\$ 14,352,103	\$ 15,493,963	57.5%					980,410	17,670,606	8,247
Residential Total	\$ 14,381,872	\$ 7,291,812	\$ 21,384,820	\$ 34,904,688	\$ 37,560,716	57.2%					2,070,354	39,055,041	17,205
CNG C&I	\$ 3,717,414	\$ 3,369,516	\$ 7,086,930	\$ 8,528,803	\$ 8,528,803	26.6%					881,420	10,471,004	8,857
SCG C&I	\$ 2,588,701	\$ 2,270,089	\$ 4,858,790	\$ 5,824,187	\$ 5,824,187	23.2%					608,627	7,141,697	6,079
C&I Total	\$ 6,306,115	\$ 5,639,605	\$ 11,945,720	\$ 14,352,989	\$ 14,352,989	25.1%					1,490,047	17,612,701	14,936
CNG Other	\$ 2,287,970	\$ -	\$ 2,287,970	\$ -	\$ -	16.4%							
SCG Other	\$ 2,154,341	\$ -	\$ 2,154,341	\$ -	\$ -	19.3%							
Other Total	\$ 4,442,311	\$ -	\$ -	\$ -	\$ -	17.7%							
CNG TOTAL	\$ 13,968,253	\$ 7,570,919	\$ 19,104,272	\$ 29,081,387	\$ 30,595,555	55.6%					1,971,364	31,855,440	17,815
SCG TOTAL	\$ 11,162,045	\$ 5,360,498	\$ 14,226,268	\$ 20,176,290	\$ 21,318,150	44.4%					1,589,037	24,812,303	14,326
GRAND TOTAL	\$ 25,130,298	\$ 12,931,417	\$ 33,330,540	\$ 49,257,677	\$ 51,913,705	100.0%					3,560,402	56,667,743	32,141

Table B – 2014 CNG Comparison of Program Energy Savings (cont.)

Table B
2014 COMPARISON OF CONSERVATION PROGRAMS

Program	Annual Cost Rate (\$/ccf)	Lifetime Cost Rate (\$/ccf)	Annualized Savings Oil (gallons)	Lifetime Savings Oil (gallons)	Annualized Savings Propane (gallons)	Lifetime Savings Propane (gallons)	Annual MMBTU	Lifetime MMBTU	Cost per Annual MMBTU	Cost per Lifetime MMBTU
RESIDENTIAL										
CNG HES Income Eligible	\$ 8.04	\$ 0.41					35,134	690,134	\$ 78.13	\$ 3.98
SCG HES Income Eligible	\$ 7.94	\$ 0.40					34,752	682,623	\$ 77.12	\$ 3.93
Sub Total HES Income Eligible	\$ 7.99	\$ 0.41	0	0	0	0	69,885	1,372,757	\$ 77.63	\$ 3.95
CNG Home Energy Solutions	\$ 7.22	\$ 0.36	46,058	921,152	2,761	55,217	70,367	1,404,502	\$ 63.54	\$ 3.18
SCG Home Energy Solutions	\$ 6.63	\$ 0.33	0	0			39,499	788,035	\$ 64.44	\$ 3.23
Sub Total Home Energy Solutions	\$ 6.99	\$ 0.35	46,058	921,152	2,761	55,217	109,866	2,192,538	\$ 63.86	\$ 3.20
SCG Residential Behavior	\$ 6.56	\$ 0.66	0	0	0	0	14,964	149,641	\$ 36.21	\$ 6.38
CNG New Construction	\$ 8.08	\$ 0.32					5,689	142,236	\$ 78.52	\$ 3.14
SCG New Construction	\$ 8.90	\$ 0.36					4,065	101,622	\$ 86.48	\$ 3.46
Sub Total New Construction	\$ 8.42	\$ 0.34	0	0	0	0	9,754	243,859	\$ 81.84	\$ 3.27
CNG Water Heating	\$ 4.06	\$ 0.32					7,605	96,383	\$ 39.48	\$ 3.12
SCG Water Heating	\$ 4.06	\$ 0.32					7,605	96,383	\$ 39.48	\$ 3.12
Sub Total Water Heating	\$ 4.06	\$ 0.32	0	0	0	0	15,209	192,767	\$ 39.48	\$ 3.12
Subtotal Residential	\$ 6.95	\$ 0.37	46,058	921,152	2,761	55,217	219,679	4,151,561	\$ 65.47	\$ 3.46
Commercial and Industrial C&I Lost										
CNG Energy Conscious Blueprint	\$ 6.18	\$ 0.40					32,594	500,649	\$ 60.05	\$ 3.91
SCG Energy Conscious Blueprint	\$ 6.03	\$ 0.39					23,164	355,798	\$ 58.62	\$ 3.82
Sub Total Lost Opportunity	\$ 6.12	\$ 0.40	0	0	0	0	55,758	856,448	\$ 59.46	\$ 3.87
Commercial and Industrial Large Retrofit										
YGS Energy Opportunities	\$ 3.48	\$ 0.31					30,289	341,288	\$ 33.87	\$ 3.01
CNG Energy Opportunities	\$ 4.00	\$ 0.36					16,168	182,177	\$ 38.90	\$ 3.45
SCG Energy Opportunities	\$ 3.66	\$ 0.33					46,457	523,464	\$ 35.62	\$ 3.16
Sub Total Energy Opportunities	\$ 2.48	\$ 0.31	0	0	0	0	23,834	190,668	\$ 24.09	\$ 3.01
CNG O&M	\$ 2.45	\$ 0.31					20,071	160,564	\$ 23.50	\$ 2.98
SCG O&M	\$ 2.47	\$ 0.31					43,904	351,233	\$ 23.96	\$ 2.99
Sub Total O&M	\$ 4.14	\$ 0.37	0	0	0	0	3,981	44,861	\$ 40.19	\$ 3.57
CNG Small Business	\$ 3.97	\$ 0.35					3,225	36,341	\$ 38.55	\$ 3.42
SCG Small Business	\$ 4.06	\$ 0.36					7,207	81,202	\$ 39.46	\$ 3.50
Sub Total Small Business	\$ 4.23	\$ 0.36	0	0	0	0	0	0	\$ 0	\$ 0
Subtotal Commercial & Industrial	\$ 4.23	\$ 0.36	0	0	0	0	0	0	\$ 0	\$ 0
OTHER										
CNG CHF, Residential, C&I Loan P program										
SCG CHF, Residential, C&I Loan P program										
Sub Total Other - Loan Program	\$ 7.31	\$ 0.37	46,058	921,152	2,761	55,217	118,795	2,333,256	\$ 67.03	\$ 3.41
CNG IT, Planning, Evaluation, and EEB	\$ 4.22	\$ 0.36					100,884	1,818,305	\$ 63.63	\$ 3.53
SCG IT, Planning, Evaluation, and EEB	\$ 4.25	\$ 0.36					219,679	4,151,561	\$ 65.47	\$ 3.46
Sub Total Other - Evaluation	\$ 4.23	\$ 0.36	0	0	0	0	153,326	1,812,347	\$ 41.13	\$ 3.48
Subtotal Other	\$ 7.09	\$ 0.44	46,058	921,152	2,761	55,217	209,493	3,410,722	\$ 66.68	\$ 4.10
Other Total	\$ 7.02	\$ 0.45	46,058	921,152	2,761	55,217	163,512	2,553,186	\$ 68.26	\$ 4.37
CNG TOTAL	\$ 7.06	\$ 0.44	46,058	921,152	2,761	55,217	373,005	5,963,908	\$ 67.37	\$ 4.21
SCG TOTAL										
GRAND TOTAL										
PROGRAM SUBTOTALS										
CNG Residential	\$ 7.31	\$ 0.37	46,058	921,152	2,761	55,217	118,795	2,333,256	\$ 67.03	\$ 3.41
SCG Residential	\$ 6.55	\$ 0.36	0	0	0	0	100,884	1,818,305	\$ 63.63	\$ 3.53
Residential Total	\$ 6.95	\$ 0.37	46,058	921,152	2,761	55,217	219,679	4,151,561	\$ 65.47	\$ 3.46
CNG C&I	\$ 4.22	\$ 0.36	0	0	0	0	90,698	1,077,466	\$ 40.99	\$ 3.45
SCG C&I	\$ 4.25	\$ 0.36	0	0	0	0	62,628	734,881	\$ 41.33	\$ 3.52
C&I Total	\$ 4.23	\$ 0.36	0	0	0	0	153,326	1,812,347	\$ 41.13	\$ 3.48
CNG Other							0	0		
SCG Other							0	0		
Other Total	\$ 7.09	\$ 0.44	46,058	921,152	2,761	55,217	209,493	3,410,722	\$ 66.68	\$ 4.10
CNG TOTAL	\$ 7.02	\$ 0.45	46,058	921,152	2,761	55,217	163,512	2,553,186	\$ 68.26	\$ 4.37
SCG TOTAL										
GRAND TOTAL	\$ 7.06	\$ 0.44	46,058	921,152	2,761	55,217	373,005	5,963,908	\$ 67.37	\$ 4.21

Table B – 2015 CNG Comparison of Programs Energy Savings

Table B
2015 COMPARISON OF CONSERVATION PROGRAMS

Program	Program Costs 2015	Customer Cost 2015	Total Resource Cost 2015	Program Benefit (Gas & Oil)	Total Resource Benefit	% of 2015 Budget	Program B/C Ratio	Total Resource B/C Ratio	Goals/ # Units	Units of Measure	Annualized Savings (ccf)	Lifetime Savings (ccf)	Peak Day Savings (ccf)
RESIDENTIAL													
CNG HES Income Eligible	\$ 2,721,693	\$ -	\$ 2,721,693	\$ 5,184,996	\$ 6,012,181	19.0%	1.91	2.21	4,085	Homes	336,182	6,642,905	2,957
SCG HES Income Eligible	\$ 2,554,642	\$ -	\$ 2,554,642	\$ 4,907,703	\$ 5,690,650	23.0%	1.92	2.23	3,867	Homes	320,096	6,287,642	2,799
Sub Total HES Income Eligible	\$ 5,276,335	\$ -	\$ 5,276,335	\$ 10,092,699	\$ 11,702,831	20.7%	1.91	2.22	7,952	Homes	658,279	12,930,547	5,755
CNG Home Energy Solutions	\$ 4,742,979	\$ 2,353,092	\$ 7,096,071	\$ 13,772,321	\$ 14,545,049	33.1%	2.90	2.05	5,936	Homes & Rebat	661,144	13,194,092	49,973
SCG Home Energy Solutions	\$ 2,711,657	\$ 1,072,675	\$ 3,784,332	\$ 6,373,942	\$ 6,753,054	24.4%	2.35	1.78	3,638	Homes & Rebat	409,714	8,174,441	0
Sub Total Home Energy Solutions	\$ 7,454,636	\$ 3,425,767	\$ 10,880,403	\$ 20,146,263	\$ 21,296,103	29.3%	2.70	1.96	9,574	Rebated	1,070,859	21,368,533	49,973
SCG Residential Behavior	\$ 451,800	\$ 405,158	\$ 856,958	\$ 1,233,538	\$ 1,233,538	4.1%	2.73	1.44	2,500	Thermostats	145,424	1,454,241	1,421
CNG New Construction	\$ 425,376	\$ 351,484	\$ 776,860	\$ 993,674	\$ 993,674	3.0%	2.34	1.28	194	Homes	51,687	1,292,171	455
SCG New Construction	\$ 330,790	\$ 250,960	\$ 581,750	\$ 693,760	\$ 693,760	3.0%	2.10	1.19	133	Homes	36,089	902,223	317
Sub Total New Construction	\$ 756,166	\$ 602,444	\$ 1,358,610	\$ 1,687,434	\$ 1,687,434	3.0%	2.23	1.24	327	Homes	87,776	2,194,394	771
CNG Water Heating	\$ 307,471	\$ 897,040	\$ 1,204,511	\$ 737,170	\$ 737,170	2.1%	2.40	0.61	2,280	Units	73,902	936,671	237
SCG Water Heating	\$ 307,471	\$ 897,040	\$ 1,204,511	\$ 737,170	\$ 737,170	2.8%	2.40	0.61	2,280	Units	73,902	936,671	237
Sub Total Water Heating	\$ 614,942	\$ 1,794,080	\$ 2,409,022	\$ 1,474,341	\$ 1,474,341	2.8%	2.40	0.61	4,560	Units	147,805	1,875,341	474
Subtotal Residential	\$ 14,553,879	\$ 6,227,449	\$ 20,781,328	\$ 34,634,275	\$ 37,396,246	57.2%	2.38	1.80	24,913	Units	2,255,566	41,275,296	59,815
Commercial and Industrial C&I Lost													
CNG Energy Conscious Blueprint	\$ 1,987,642	\$ 769,883	\$ 2,757,525	\$ 3,629,348	\$ 3,629,348	13.9%	1.83	1.32	50	Projects	319,835	4,912,656	2,524
SCG Energy Conscious Blueprint	\$ 1,336,803	\$ 527,038	\$ 1,863,841	\$ 2,484,540	\$ 2,484,540	12.0%	1.86	1.33	34	Projects	218,950	3,363,054	1,728
Sub Total Lost Opportunity	\$ 3,324,445	\$ 1,296,921	\$ 4,621,366	\$ 6,113,888	\$ 6,113,888	13.1%	1.84	1.32	84	Projects	538,785	8,275,710	4,252
Commercial and Industrial Large Retrofit													
CNG Energy Opportunities	\$ 1,039,762	\$ 1,489,861	\$ 2,529,623	\$ 2,603,769	\$ 2,603,769	7.3%	2.50	0.98	20	Projects	293,357	3,305,492	3,354
SCG Energy Opportunities	\$ 620,398	\$ 800,770	\$ 1,421,168	\$ 1,399,474	\$ 1,399,474	5.6%	2.26	0.98	11	Projects	157,674	1,776,636	1,803
Sub Total Energy Opportunities	\$ 1,660,160	\$ 2,290,631	\$ 3,950,791	\$ 4,003,243	\$ 4,003,243	6.8%	2.41	1.01	31	Projects	451,031	5,082,128	5,157
CNG O&M	\$ 707,186	\$ 1,289,603	\$ 1,996,787	\$ 1,685,406	\$ 1,685,406	4.9%	2.38	0.84	14	Projects	326,219	1,957,312	3,592
SCG O&M	\$ 575,811	\$ 956,773	\$ 1,532,584	\$ 1,250,426	\$ 1,250,426	5.2%	2.17	0.82	10	Projects	242,026	1,452,156	2,665
Sub Total O&M	\$ 1,282,997	\$ 2,246,374	\$ 3,529,371	\$ 2,935,832	\$ 2,935,832	5.0%	2.29	0.83	25	Projects	568,245	3,409,468	6,256
CNG Small Business	\$ 166,030	\$ 190,529	\$ 356,559	\$ 332,979	\$ 332,979	1.2%	2.01	0.93	5	Projects	37,516	422,718	429
SCG Small Business	\$ 127,147	\$ 164,808	\$ 291,955	\$ 288,028	\$ 288,028	1.1%	2.27	0.99	4	Projects	32,451	365,652	371
Sub Total Small Business	\$ 293,177	\$ 355,336	\$ 648,513	\$ 621,007	\$ 621,007	1.2%	2.12	0.96	10	Projects	69,967	788,370	800
Subtotal Commercial & Industrial	\$ 6,560,779	\$ 6,189,262	\$ 12,750,041	\$ 13,673,970	\$ 13,673,970	25.8%	2.08	1.07	149	Projects	1,628,028	17,555,676	16,465
OTHER													
CNG C&I, Residential, C&I Loan Program	\$ 308,225												
SCG C&I, Residential, C&I Loan Program	\$ 308,225												
Sub Total Other - Loan Program	\$ 616,450												
CNG IT, Planning, Evaluation, and EEB	\$ 1,929,323												
SCG IT, Planning, Evaluation, and EEB	\$ 1,775,242												
Sub Total Other - Evaluation	\$ 3,704,565												
Subtotal Other	\$ 4,321,015												
PROGRAM SUBTOTALS													
CNG Residential	\$ 8,197,519	\$ 3,601,616	\$ 11,799,135	\$ 20,688,162	\$ 22,288,074	57.2%					1,124,916	22,065,898	53,621
SCG Residential	\$ 6,356,360	\$ 2,625,833	\$ 8,982,193	\$ 13,946,113	\$ 15,108,172	57.3%					985,226	17,755,217	4,773
Residential Total	\$ 14,553,879	\$ 6,227,449	\$ 20,781,328	\$ 34,634,275	\$ 37,396,246	57.2%					2,110,142	39,821,055	58,394
CNG C&I	\$ 3,900,620	\$ 3,739,873	\$ 7,640,493	\$ 8,251,503	\$ 8,251,503	27.2%					976,927	10,599,178	9,898
SCG C&I	\$ 2,660,159	\$ 2,449,389	\$ 5,109,548	\$ 5,422,468	\$ 5,422,468	24.0%					651,100	6,957,498	6,566
C&I Total	\$ 6,560,779	\$ 6,189,262	\$ 12,750,041	\$ 13,673,970	\$ 13,673,970	25.8%					1,628,028	17,555,676	16,465
CNG Other	\$ 2,237,548					15.6%							
SCG Other	\$ 2,083,467					18.8%							
Other Total	\$ 4,321,015	\$ -	\$ -	\$ -	\$ -	17.0%							
CNG TOTAL	\$ 14,335,687	\$ 7,341,490	\$ 19,439,629	\$ 28,939,665	\$ 30,539,577	56.4%					2,101,843	32,664,016	63,520
SCG TOTAL	\$ 11,099,986	\$ 5,075,222	\$ 14,091,741	\$ 19,368,580	\$ 20,530,639	43.6%					1,636,326	24,712,715	11,340
GRAND TOTAL	\$ 25,435,673	\$ 12,416,711	\$ 33,531,369	\$ 48,308,245	\$ 51,070,217	100.0%	1.90	1.52			3,738,169	57,376,731	74,859

Table B – 2015 CNG Comparison of Programs Energy Savings (cont.)

Table B
2015 COMPARISON OF CONSERVATION PROGRAMS

Program	Annual Cost Rate (\$/ccf)	Lifetime Cost Rate (\$/ccf)	Annualized Savings Oil (gallons)	Lifetime Savings Oil (gallons)	Annualized Savings Propane (gallons)	Lifetime Savings Propane (gallons)	Annual MMBTU	Lifetime MMBTU	Cost per Annual MMBTU	Cost per Lifetime MMBTU
RESIDENTIAL										
CNG HES Income Eligible	\$ 8.05	\$ 0.41					34,799	683,555	\$ 78.21	\$ 3.98
SCG HES Income Eligible	\$ 7.98	\$ 0.41					32,938	646,998	\$ 77.56	\$ 3.95
Sub Total HES Income Eligible	\$ 8.02	\$ 0.41	0	0	0	0	67,737	1,330,553	\$ 77.89	\$ 3.97
CNG Home Energy Solutions	\$ 7.17	\$ 0.36	47,146	942,930	2,826	56,522	74,829	1,493,609	\$ 63.38	\$ 3.18
SCG Home Energy Solutions	\$ 6.62	\$ 0.33	0	0			42,160	841,150	\$ 64.32	\$ 3.22
Sub Total Home Energy Solutions	\$ 6.96	\$ 0.35	47,146	942,930	2,826	56,522	116,988	2,334,759	\$ 63.72	\$ 3.19
SCG Residential Behavior	\$ 3.11	\$ 0.59	0	0	0	0	14,964	149,641	\$ 30.19	\$ 5.73
CNG New Construction	\$ 8.23	\$ 0.33					5,319	132,964	\$ 79.98	\$ 3.20
SCG New Construction	\$ 9.17	\$ 0.37					3,714	92,839	\$ 89.08	\$ 3.56
Sub Total New Construction	\$ 8.61	\$ 0.34	0	0	0	0	9,032	225,803	\$ 83.72	\$ 3.35
CNG Water Heating	\$ 4.16	\$ 0.33					7,605	96,383	\$ 40.43	\$ 3.19
SCG Water Heating	\$ 4.16	\$ 0.33					7,605	96,383	\$ 40.43	\$ 3.19
Sub Total Water Heating	\$ 4.16	\$ 0.33	0	0	0	0	15,209	192,767	\$ 40.43	\$ 3.19
Subtotal Residential	\$ 6.45	\$ 0.35	47,146	942,930	2,826	56,522	223,930	4,233,524	\$ 64.99	\$ 3.44
Commercial and Industrial C&I Lost										
CNG Energy Conscious Blueprint	\$ 6.21	\$ 0.40					32,911	505,512	\$ 60.39	\$ 3.93
SCG Energy Conscious Blueprint	\$ 6.11	\$ 0.40					22,530	346,058	\$ 59.33	\$ 3.86
Sub Total Lost Opportunity	\$ 6.17	\$ 0.40	0	0	0	0	55,441	851,571	\$ 59.96	\$ 3.90
Commercial and Industrial Large Retrofit										
CNG Energy Opportunities	\$ 3.54	\$ 0.31					30,186	340,135	\$ 34.44	\$ 3.06
SCG Energy Opportunities	\$ 3.93	\$ 0.35					182,225	182,816	\$ 38.24	\$ 3.39
Sub Total Energy Opportunities	\$ 3.68	\$ 0.33	0	0	0	0	46,411	522,951	\$ 35.77	\$ 3.17
CNG O&M	\$ 2.17	\$ 0.36					33,568	201,407	\$ 21.07	\$ 3.51
SCG O&M	\$ 2.38	\$ 0.40					149,427	23,122	\$ 23.12	\$ 3.85
Sub Total O&M	\$ 2.26	\$ 0.38	0	0	0	0	58,472	350,834	\$ 21.94	\$ 3.66
CNG Small Business	\$ 4.43	\$ 0.39					3,860	43,498	\$ 43.01	\$ 3.82
SCG Small Business	\$ 3.92	\$ 0.35					3,339	37,626	\$ 38.08	\$ 3.38
Sub Total Small Business	\$ 4.19	\$ 0.37	0	0	0	0	7,200	81,123	\$ 40.72	\$ 3.61
Subtotal Commercial & Industrial	\$ 4.03	\$ 0.37	-	-	-	-	-	-	-	-
OTHER										
CNG CHIF - Residential, C&I Loan Program										
SCG CHIF - Residential, C&I Loan Program										
Sub Total Other - Loan Program	\$ 6.90	\$ 0.37	47,146	942,930	2,826	56,522	223,930	4,233,524	\$ 64.99	\$ 3.44
CNG IT, Planning, Evaluation, and EEB	\$ 3.99	\$ 0.37					100,526	1,090,553	\$ 38.80	\$ 3.58
SCG IT, Planning, Evaluation, and EEB	\$ 4.09	\$ 0.38					66,988	715,927	\$ 39.70	\$ 3.72
Sub Total Other - Evaluation	\$ 4.03	\$ 0.37	-	-	-	-	167,524	1,806,479	\$ 39.16	\$ 3.63
Subtotal Other	\$ 4.03	\$ 0.37	-	-	-	-	0	0	\$ 0	\$ 0
Other Total	\$ 6.82	\$ 0.44	47,146	942,930	2,826	56,522	223,077	3,497,064	\$ 64.26	\$ 4.10
CNG TOTAL	\$ 6.78	\$ 0.45	-	-	-	-	168,378	2,542,938	\$ 65.92	\$ 4.37
SCG TOTAL	\$ 6.80	\$ 0.44	47,146	942,930	2,826	56,522	391,454	6,040,003	\$ 64.98	\$ 4.21
GRAND TOTAL	\$ 6.80	\$ 0.44	47,146	942,930	2,826	56,522	391,454	6,040,003	\$ 64.98	\$ 4.21
PROGRAM SUBTOTALS										
CNG Residential	\$ 7.29	\$ 0.37	47,146	942,930	2,826	56,522	122,551	2,406,512	\$ 66.89	\$ 3.41
SCG Residential	\$ 6.45	\$ 0.36	-	-	-	-	101,380	1,827,012	\$ 62.70	\$ 3.48
Residential Total	\$ 6.90	\$ 0.37	47,146	942,930	2,826	56,522	223,930	4,233,524	\$ 64.99	\$ 3.44
CNG C&I	\$ 3.99	\$ 0.37	-	-	-	-	100,526	1,090,553	\$ 38.80	\$ 3.58
SCG C&I	\$ 4.09	\$ 0.38	-	-	-	-	66,988	715,927	\$ 39.70	\$ 3.72
C&I Total	\$ 4.03	\$ 0.37	-	-	-	-	167,524	1,806,479	\$ 39.16	\$ 3.63
CNG Other	\$ 6.82	\$ 0.44	47,146	942,930	2,826	56,522	223,077	3,497,064	\$ 64.26	\$ 4.10
SCG Other	\$ 6.78	\$ 0.45	-	-	-	-	168,378	2,542,938	\$ 65.92	\$ 4.37
Other Total	\$ 6.80	\$ 0.44	47,146	942,930	2,826	56,522	391,454	6,040,003	\$ 64.98	\$ 4.21

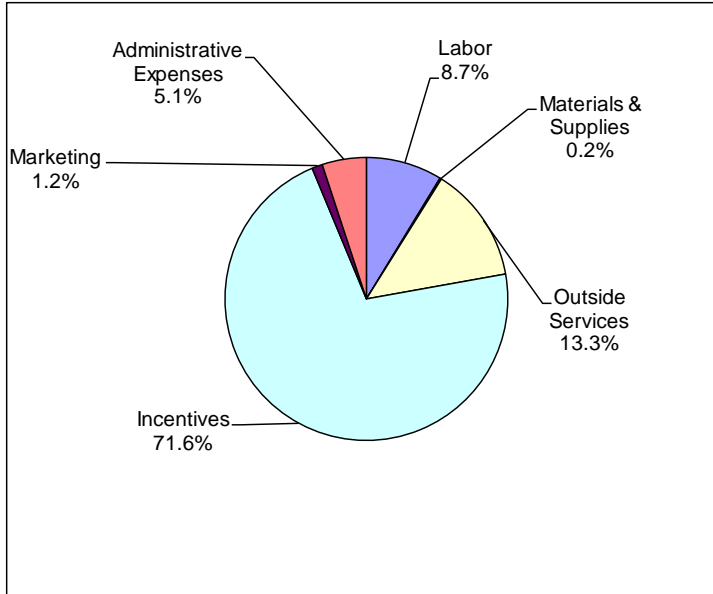
Table C – 2014 CNG Program Budget by Category

Table C
CNG 2014 Budget Details

GAS CONSERVATION BUDGET (\$000)	Labor	Materials & Supplies	Outside Services	Incentives	Marketing	Administrative Expenses	TOTAL
RESIDENTIAL							
HES Income Eligible	\$ 234,806	\$ 2,500	\$ 60,000	\$ 2,429,951	\$ 15,000	\$ 2,600	\$ 2,744,857
Home Energy Solutions (HES)	\$ 296,754	\$ 4,000	\$ 150,000	\$ 3,962,710	\$ 50,000	\$ 7,560	\$ 4,471,024
Residential New Construction	\$ 38,975	\$ 1,000	\$ 15,000	\$ 376,775	\$ 12,500	\$ 2,500	\$ 446,750
Water Heating	\$ 14,053	\$ 300	\$ 2,685	\$ 276,200	\$ 6,000	\$ 1,000	\$ 300,238
Subtotal Residential	\$ 584,588	\$ 7,800	\$ 227,685	\$ 7,045,636	\$ 83,500	\$ 13,660	\$ 7,962,869
COMMERCIAL & INDUSTRIAL LOST OPPORTUNITY							
Energy Conscious Blueprint	\$ 195,697	\$ 5,000	\$ 150,000	\$ 1,566,726	\$ 35,000	\$ 5,000	\$ 1,957,423
Subtotal C&I - Lost Opportunity	\$ 195,697	\$ 5,000	\$ 150,000	\$ 1,566,726	\$ 35,000	\$ 5,000	\$ 1,957,423
COMMERCIAL & INDUSTRIAL LARGE RETROFIT							
Energy Opportunities	\$ 120,417	\$ 5,000	\$ 50,000	\$ 820,365	\$ 25,000	\$ 5,000	\$ 1,025,782
Operations & Maintenance	\$ 25,178	\$ 5,000	\$ 75,000	\$ 454,023	\$ 10,000	\$ 5,000	\$ 574,201
Subtotal C&I - Lost Opportunity	\$ 145,595	\$ 10,000	\$ 125,000	\$ 1,274,388	\$ 35,000	\$ 10,000	\$ 1,599,983
Small Business	\$ 23,473	\$ 500	\$ 10,000	\$ 107,835	\$ 3,200	\$ 15,000	\$ 160,008
Subtotal C&I	\$ 364,765	\$ 15,500	\$ 285,000	\$ 2,948,949	\$ 73,200	\$ 30,000	\$ 3,717,414
OTHER - PROGRAMS/REQUIREMENTS & PLANNING							
OTHER - EDUCATION							
SmartLiving Center@ - Museum Partnerships	\$ 7,655	\$ 2,000	\$ 158,178		\$ 5,000	\$ 500	\$ 173,333
Clean Energy Communities	\$ 36,905	\$ -	\$ 106,428				\$ 143,333
EESmarts/K-12	\$ 8,352	\$ 1,300	\$ 49,015		\$ 7,000	\$ 1,000	\$ 66,667
Customer Engagement	\$ -	\$ -	\$ 50,000				\$ 50,000
Subtotal Education	\$ 52,912	\$ 3,300	\$ 363,621	\$ -	\$ 12,000	\$ 1,500	\$ 433,333
OTHER - PROGRAMS/REQUIREMENTS							
ISE	\$ -	\$ -	\$ 37,333	\$ -	\$ -	\$ -	\$ 37,333
ESPC	\$ -	\$ -	\$ 9,600	\$ -	\$ -	\$ -	\$ 9,600
CHIF Loan Fund	\$ -	\$ -	\$ 100,045	\$ -	\$ -	\$ -	\$ 100,045
Residential Financing Subsidies	\$ -	\$ -	\$ 79,667	\$ -	\$ -	\$ -	\$ 79,667
C&I Financing Subsidies	\$ -	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ 75,000
Subtotal Programs/Requirements	\$ -	\$ -	\$ 301,645	\$ -	\$ -	\$ -	\$ 301,645
OTHER - RD&D							
Research, Development and Demonstration	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000
Subtotal Renewables & RD&D	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000
OTHER - ADMINISTRATIVE & PLANNING							
Administration	\$ 100,654	\$ -	\$ 20,675	\$ -	\$ -	\$ -	\$ 121,329
Marketing Plan	\$ -	\$ -	\$ 203,333	\$ -	\$ -	\$ -	\$ 203,333
Information Technology	\$ 13,321	\$ -	\$ 120,012	\$ -	\$ -	\$ -	\$ 133,333
Planning	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 80,000
Evaluation	\$ 20,418	\$ -	\$ 208,465	\$ -	\$ -	\$ -	\$ 228,883
Evaluation Consultant	\$ -	\$ -	\$ 24,297	\$ -	\$ -	\$ -	\$ 24,297
Energy Efficiency Board	\$ -	\$ -	\$ 50,210	\$ -	\$ -	\$ -	\$ 50,210
Performance Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 661,607	\$ 661,607
Subtotal Other	\$ 214,393	\$ -	\$ 626,992	\$ -	\$ -	\$ 661,607	\$ 1,502,992
PROGRAM SUBTOTALS							
Residential	\$ 626,918	\$ 10,440	\$ 618,627	\$ 7,045,636	\$ 93,100	\$ 14,860	\$ 8,409,580
C&I	\$ 375,347	\$ 16,160	\$ 559,324	\$ 2,948,949	\$ 75,600	\$ 30,300	\$ 4,005,681
Other	\$ 214,393	\$ -	\$ 676,992	\$ -	\$ -	\$ 661,607	\$ 1,552,992
TOTAL BUDGET	\$ 1,216,658	\$ 26,600	\$ 1,854,943	\$ 9,994,585	\$ 168,700	\$ 706,767	\$ 13,968,253

Table C – 2014 Pie

CNG
2014 Gas Conservation
Budget By Expense Class



Expense Classes	Budget	% of Budget
Labor	\$ 1,216,658	8.7%
Materials & Supplies	\$ 26,600	0.2%
Outside Services	\$ 1,854,943	13.3%
Incentives	\$ 9,994,585	71.6%
Marketing	\$ 168,700	1.2%
Administrative Expenses	<u>\$ 706,767</u>	<u>5.1%</u>
Total	\$ 13,968,253	100.00%

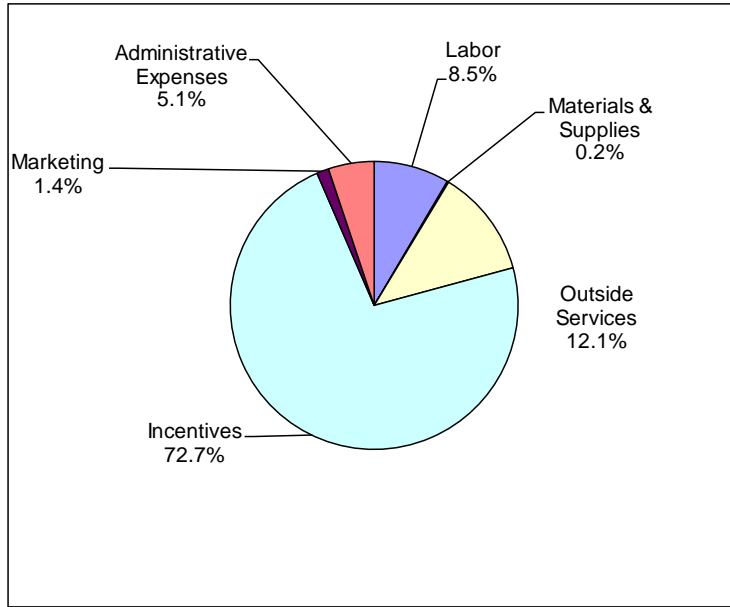
Table C – 2015 CNG Program Budget by Category

Table C
CNG 2015 Budget Details

GAS CONSERVATION BUDGET (\$000)	Labor	Materials & Supplies	Outside Services	Incentives	Marketing	Administrative Expenses	TOTAL
RESIDENTIAL							
HES Income Eligible	\$ 234,806	\$ 2,500	\$ 60,000	\$ 2,406,787	\$ 15,000	\$ 2,600	\$ 2,721,693
Home Energy Solutions (HES)	\$ 296,754	\$ 4,000	\$ 150,000	\$ 4,236,198	\$ 50,000	\$ 6,027	\$ 4,742,979
Residential New Construction	\$ 38,975	\$ 1,000	\$ 15,000	\$ 355,401	\$ 12,500	\$ 2,500	\$ 425,376
Water Heating	\$ 14,053	\$ 300	\$ 3,000	\$ 281,135	\$ 7,983	\$ 1,000	\$ 307,471
Subtotal Residential	\$ 584,588	\$ 7,800	\$ 228,000	\$ 7,279,521	\$ 85,483	\$ 12,127	\$ 8,197,519
COMMERCIAL & INDUSTRIAL LOST OPPORTUNITY							
Energy Conscious Blueprint	\$ 195,697	\$ 5,000	\$ 150,000	\$ 1,581,945	\$ 40,000	\$ 15,000	\$ 1,987,642
Subtotal C&I - Lost Opportunity	\$ 195,697	\$ 5,000	\$ 150,000	\$ 1,581,945	\$ 40,000	\$ 15,000	\$ 1,987,642
COMMERCIAL & INDUSTRIAL LARGE RETROFIT							
Energy Opportunities Operations & Maintenance	\$ 120,417	\$ 5,000	\$ 50,000	\$ 817,595	\$ 36,250	\$ 10,500	\$ 1,039,762
	\$ 25,178	\$ 2,375	\$ 25,000	\$ 639,460	\$ 10,423	\$ 4,750	\$ 707,186
Subtotal C&I - Lost Opportunity	\$ 145,595	\$ 7,375	\$ 75,000	\$ 1,457,055	\$ 46,673	\$ 15,250	\$ 1,746,948
Small Business	\$ 23,473	\$ 500	\$ 12,500	\$ 104,557	\$ 10,000	\$ 15,000	\$ 166,030
Subtotal C&I	\$ 364,765	\$ 12,875	\$ 237,500	\$ 3,143,557	\$ 96,673	\$ 45,250	\$ 3,900,620
OTHER - PROGRAMS/REQUIREMENTS & PLANNING							
OTHER - EDUCATION							
SmartLiving Center® - Museum Partnerships	\$ 7,655	\$ 2,000	\$ 66,845		\$ 5,000	\$ 500	\$ 82,000
Clean Energy Communities	\$ 36,905	\$ -	\$ 106,428				\$ 143,333
EE Smarts/K-12	\$ 8,352	\$ 1,300	\$ 49,015		\$ 7,000	\$ 1,000	\$ 66,667
Customer Engagement	\$ -	\$ -	\$ 50,000				\$ 50,000
Subtotal Education	\$ 52,912	\$ 3,300	\$ 272,288	\$ -	\$ 12,000	\$ 1,500	\$ 342,000
OTHER - PROGRAMS/REQUIREMENTS							
ISE	\$ -	\$ -	\$ 37,333		\$ -	\$ -	\$ 37,333
FSPC	\$ -	\$ -	\$ 9,600		\$ -	\$ -	\$ 9,600
CHIF Loan Fund	\$ -	\$ -	\$ 99,959		\$ -	\$ -	\$ 99,959
Residential Financing Subsidies	\$ -	\$ -	\$ 86,333		\$ -	\$ -	\$ 86,333
C&I Financing Subsidies	\$ -	\$ -	\$ 75,000		\$ -	\$ -	\$ 75,000
Subtotal Programs/Requirements	\$ -	\$ -	\$ 308,225	\$ -	\$ -	\$ -	\$ 308,225
OTHER - RD&D							
Research, Development and Demonstration	\$ -	\$ -	\$ 50,000		\$ -	\$ -	\$ 50,000
Subtotal Renewables & RD&D	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000
OTHER - ADMINISTRATIVE & PLANNING							
Administration	\$ 100,654	\$ -	\$ 20,675		\$ -	\$ -	\$ 121,329
Marketing Plan	\$ -	\$ -	\$ 203,333		\$ -	\$ -	\$ 203,333
Information Technology	\$ 13,321	\$ -	\$ 120,012		\$ -	\$ -	\$ 133,333
Planning	\$ 80,000	\$ -	\$ -		\$ -	\$ -	\$ 80,000
Evaluation	\$ 20,418	\$ -	\$ 225,299		\$ -	\$ -	\$ 245,717
Evaluation Consultant	\$ -	\$ -	\$ 24,297		\$ -	\$ -	\$ 24,297
Energy Efficiency Board	\$ -	\$ -	\$ 50,210		\$ -	\$ -	\$ 50,210
Performance Fee	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal Other	\$ 214,393	\$ -	\$ 643,826	\$ -	\$ -	\$ 679,104	\$ 1,537,323
PROGRAM SUBTOTALS							
Residential	\$ 626,918	\$ 10,440	\$ 545,789	\$ 7,279,521	\$ 95,083	\$ 13,327	\$ 8,571,078
C&I	\$ 375,347	\$ 13,535	\$ 500,224	\$ 3,143,557	\$ 99,073	\$ 45,550	\$ 4,177,286
Other	\$ 214,393	\$ -	\$ 693,826	\$ -	\$ -	\$ 679,104	\$ 1,587,323
TOTAL BUDGET	\$ 1,216,658	\$ 23,975	\$ 1,739,839	\$ 10,423,078	\$ 194,156	\$ 737,981	\$ 14,335,687

Table C – 2015 Pie

CNG
2015 Gas Conservation
Budget By Expense Class



Expense Classes	Budget	% of Budget
Labor	\$ 1,216,658	8.5%
Materials & Supplies	\$ 23,975	0.2%
Outside Services	\$ 1,739,839	12.1%
Incentives	\$ 10,423,078	72.7%
Marketing	\$ 194,156	1.4%
Administrative Expenses	\$ <u>737,981</u>	<u>5.1%</u>
Total	\$ 14,335,687	100.00%

Table D – CNG Historical and Projected Program Expenditures and Units

Table D
CNG Historical and Projected \$ and Units

Expenditures \$ (000)											
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Goal	Goal	
RESIDENTIAL											
HES Income Eligible - Weatherization	\$ 443	\$ 401	\$ 431	\$ 686	\$ 805	\$ 1,035	\$ 838	\$ 904	\$ 2,745	\$ 2,722	
Home Energy Solutions (HES)	\$ 52	\$ 428	\$ 795	\$ 520	\$ 1,368	\$ 1,518	\$ 1,548	\$ 2,014	\$ 4,471	\$ 4,743	
Residential New Construction	\$ -	\$ -	\$ -	\$ 179	\$ 422	\$ 905	\$ 477	\$ 1,374	\$ 447	\$ 425	
Water Heating	\$ -	\$ -	\$ 38	\$ 92	\$ 59	\$ 45	\$ 45	\$ 22	\$ 300	\$ 307	
Subtotal Residential	\$ 496	\$ 829	\$ 1,264	\$ 1,456	\$ 2,654	\$ 3,503	\$ 2,908	\$ 4,314	\$ 7,963	\$ 8,198	
COMMERCIAL & INDUSTRIAL											
Energy Conscious Blueprint	\$ -	\$ -	\$ 242	\$ 572	\$ 727	\$ 873	\$ 1,262	\$ 1,177	\$ 1,957	\$ 1,988	
Total - Lost Opportunity	\$ -	\$ -	\$ 242	\$ 572	\$ 727	\$ 873	\$ 1,262	\$ 1,177	\$ 1,957	\$ 1,988	
C&I LARGE RETROFIT											
Energy Opportunities	\$ -	\$ -	\$ 17	\$ 140	\$ 325	\$ 471	\$ 778	\$ 1,536	\$ 1,026	\$ 1,040	
O&M (RetroCx, Training)	\$ -	\$ -	\$ 3	\$ 8	\$ 14	\$ 29	\$ 160	\$ 90	\$ 574	\$ 707	
Total - C&I Large Retrofit	\$ -	\$ -	\$ 20	\$ 148	\$ 339	\$ 500	\$ 938	\$ 1,626	\$ 1,600	\$ 1,747	
Small Business	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 51	\$ 210	\$ 160	\$ 166	
Subtotal C&I	\$ -	\$ -	\$ 262	\$ 721	\$ 1,067	\$ 1,374	\$ 2,251	\$ 3,013	\$ 3,717	\$ 3,901	
PROGRAM SUB-TOTALS											
Residential	\$ 496	\$ 829	\$ 1,264	\$ 1,456	\$ 2,654	\$ 3,503	\$ 2,908	\$ 4,314	\$ 7,963	\$ 8,198	
C&I	\$ -	\$ -	\$ 262	\$ 721	\$ 1,067	\$ 1,374	\$ 2,251	\$ 3,013	\$ 3,717	\$ 3,901	
TOTAL	\$ 496	\$ 829	\$ 1,526	\$ 2,177	\$ 3,721	\$ 4,877	\$ 5,159	\$ 7,327	\$ 11,680	\$ 12,099	
Units											
RESIDENTIAL											
HES Income Eligible - Weatherization	582	531	963	1,492	1,428	1,720	1,112	800	4,124	4,085	
Home Energy Solutions (HES)	366	988	1,918	1,064	3,251	1,895	2,709	4,543	5,553	5,936	
Residential New Construction	-	-	-	116	152	204	276	345	206	194	
Water Heating	-	-	84	269	193	250	88	26	2,280	2,280	
Subtotal Residential	948	1,519	2,965	2,941	5,024	4,069	4,185	5,714	12,164	12,495	
COMMERCIAL & INDUSTRIAL											
Energy Conscious Blueprint	-	-	9	26	33	46	93	125	49	50	
Total - Lost Opportunity	-	-	9	26	33	46	93	125	49	50	
C&I LARGE RETROFIT											
Energy Opportunities	-	-	2	12	23	44	20	24	20	20	
O&M (RetroCx, Training)	-	-	-	-	1	3	9	8	10	14	
Total - C&I Large Retrofit	-	-	2	12	24	47	29	32	30	34	
Small Business	-	-	-	-	-	-	9	20	5	5	
Subtotal C&I	-	-	11	38	57	93	131	177	85	89	
PROGRAM SUB-TOTALS											
Residential	948	1,519	2,965	2,941	5,024	4,069	4,185	5,714	12,164	12,495	
C&I	-	-	11	38	57	93	131	177	85	89	
TOTAL	948	1,519	2,976	2,979	5,081	4,162	4,316	5,891	12,249	12,584	

Table D1 – CNG Historical and Projected Annual and Lifetime CCF

Table D
CNG Historical and Projected Annual and Lifetime ccf

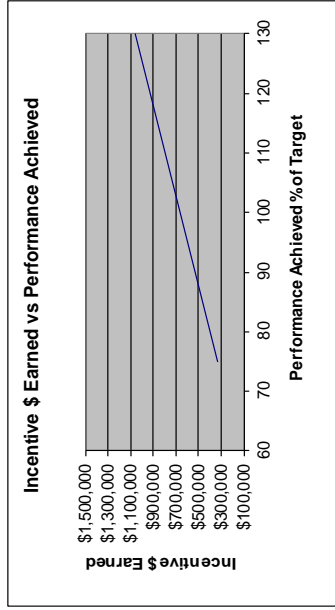
Annual ccf (000)												
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Goal	Goal
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
RESIDENTIAL												
HES Income Eligible - Weatherization	44	62	67	136	149	211	124	95	341	338		
Home Energy Solutions (HES)	14	57	104	68	267	196	269	403	619	661		
Residential New Construction	-	-	-	28	39	35	34	74	55	52		
Water Heating	-	-	5	16	12	14	8	1	74	74		
Subtotal Residential	58	119	176	248	467	456	435	573	1,090	1,125		
COMMERCIAL & INDUSTRIAL												
Energy Conscious Blueprint	-	-	24	88	106	154	308	399	317	320		
Total - Lost Opportunity	-	-	24	88	106	154	308	399	317	320		
C&I LARGE RETROFIT												
Energy Opportunities	-	-	6	72	122	140	217	403	294	293		
O&M (RetroCx, Training)	-	-	-	-	8	34	200	91	232	326		
Total - C&I Large Retrofit	-	-	6	72	130	174	417	494	526	620		
Small Business	-	-	-	-	-	-	19	33	39	38		
Subtotal C&I	-	-	30	161	237	328	744	926	881	977		
PROGRAM SUB-TOTALS												
Residential	58	119	176	248	467	456	435	573	1,090	1,125		
C&I	-	-	30	161	237	328	744	926	881	977		
TOTAL	58	119	206	408	703	783	1,180	1,499	1,971	2,102		

Lifetime ccf (000)												
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Goal	Goal
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
RESIDENTIAL												
HES Income Eligible - Weatherization	905	962	890	2,161	2,062	2,752	2,500	1,612	6,707	6,643		
Home Energy Solutions (HES)	214	903	1,971	1,419	5,414	3,416	4,997	7,461	12,359	13,194		
Residential New Construction	-	-	-	693	980	878	820	1,675	1,382	1,292		
Water Heating	-	-	102	327	235	280	146	25	937	937		
Subtotal Residential	1,118	1,864	2,963	4,599	8,691	7,325	8,463	10,773	21,384	22,066		
COMMERCIAL & INDUSTRIAL												
Energy Conscious Blueprint	-	-	361	1,351	1,578	2,343	4,294	6,670	4,865	4,913		
Total - Lost Opportunity	-	-	361	1,351	1,578	2,343	4,294	6,670	4,865	4,913		
C&I LARGE RETROFIT												
Energy Opportunities	-	-	56	832	1,439	1,483	2,094	4,517	3,317	3,305		
O&M (RetroCx, Training)	-	-	-	-	84	327	1,172	466	1,853	1,957		
Total - C&I Large Retrofit	-	-	56	832	1,523	1,809	3,267	4,983	5,170	5,263		
Small Business	-	-	-	-	-	-	193	442	436	423		
Subtotal C&I	-	-	418	2,183	3,101	4,153	7,753	12,095	10,471	10,598		
PROGRAM SUB-TOTALS												
Residential	1,118	1,864	2,963	4,599	8,691	7,325	8,463	10,773	21,384	22,066		
C&I	-	-	418	2,183	3,101	4,153	7,753	12,095	10,471	10,598		
TOTAL	1,118	1,864	3,380	6,782	11,792	11,478	16,216	22,868	31,855	32,664		

CNG Performance Incentive 2014

CONNECTICUT NATURAL GAS CORPORATION 2014 Management Incentive Performance Indicators and Incentive Matrix

Provided below is the 2014 Incentive Matrix with Performance Indicators.
 The Utility Performance Incentive is \$661,607
 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).
 Goals will be prorated based on actual over/under spend of budget.
 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:



<u>Performance %</u>	<u>Pre-tax Incentive</u>	<u>Pre-tax Incentive</u>
75	2.5%	\$330,803
80	3.0%	\$396,964
90	4.0%	\$529,286
100	5.0%	\$661,607
110	6.0%	\$793,928
120	7.0%	\$926,250
130	8.0%	\$1,058,571
Total Original Budget*		\$13,232,139

*Does not include Incentive, ECMB costs and Audit

CNG Performance Incentive 2014 (cont.)

SECTOR Program	Performance Indicators	Incentive Metrics			
		Incentive Metric	Target Goal	Weight	Incentive
Residential Program Budgets	Lifetime Savings (ccf): HES Income Eligible 6,706,839 Home Energy Solutions 12,358,649 New Construction 1,382,277 Water Heating 936,671 Total Lifetime Savings (ccf) 21,384,436 Present Value Lifetime Savings (ccf) \$0.8019 Total Residential Gas Benefit: \$17,147,765	Total Gas Benefit from all Residential programs	Gas Benefit from all Residential programs \$17,147,765	0.195	\$129,013
	Net Residential Gas Benefit: \$9,184,896		\$9,184,896	0.195	\$129,013
Water Heating	Number of Water Heating Units (tankless and condensing) per DEEP Final Decision	Number of Units	300	0.010	\$6,616
HES	Achieve ccf savings per single family home	ccf/home	116.6	0.050	\$33,080
HES-IE	Annual ccf savings	Annual ccf savings	341,437	0.030	\$19,848

CNG Performance Incentive 2014 (cont.)

SECTOR Program		Performance Indicators			Incentive Metrics	
				Total Gas Benefit from all C&I programs	Incentive Metric	Target Goal
C&I Program Budgets	\$ 3,717,414	Lifetime Savings (ccf): Energy Conscious Blueprint Energy Opportunities O&M Small Business Total Lifetime Savings (ccf) Present Value Lifetime Savings (ccf)	4,865,594 3,316,691 1,852,948 435,971 10,471,004 \$0.8145	Gas Benefit from all C&I programs \$8,528,803	0.210	\$138,937
		Total C&I Gas Benefit: Net C&I Gas Benefit:	\$8,528,803 \$4,811,389			
Small Business	\$ 160,008	Number of gas projects that are comprehensive or implement measure bundles, or Number of projects that consist of at least two gas measures Comprehensive is defined as 1. More than one End-Use, where End-Use is defined as Heating, Cooling, Lighting, Process, Refrigeration or EMS, and involves an End Use with a natural gas measure. 2. No 1 single End-Use can have more than 85% of the energy savings value of the total annual energy savings. Only SBEA projects are eligible Calculations based on signed projects with gas, no Rebates: [(# of signed projects with gas - any rebate projects) / (total # of signed SBEA projects with gas - any rebate projects)] Small Business projects may also be comprehensive by utilizing "bundled measures". Bundled measures shall be defined generally as a list of measure types geared toward customer type categories. For example, the measure bundle for restaurants and commercial kitchens should include, but not be limited to, Lighting, Energy Star Natural Gas or Electric cooking equipment, CEEE rated Pre-Rinse Spray Valves, Energy Star Natural Gas or Electric Dishwashers.		% of Gas Projects 10% of signed projects	0.030	\$19,848

CNG Performance Incentive 2014 (cont.)

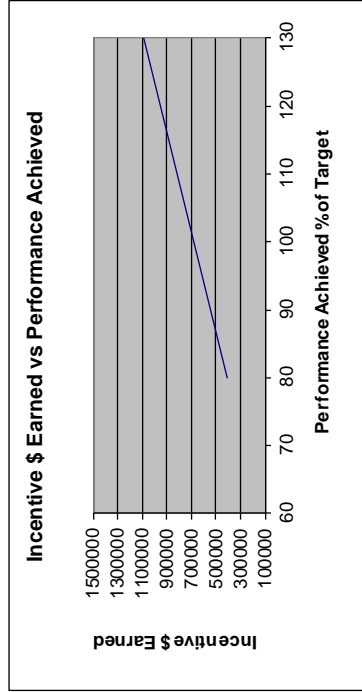
SECTOR Program	Performance Indicators	Incentive Metrics			
		Incentive Metric	Target Goal	Weight	Incentive
Energy Blueprint / Energy Opportunities	<p>Percentage of signed gas only projects containing multiple measures</p> <p>Projects must fall within Energy Opportunities or Energy Conscious Blueprint programming;</p> <p>Projects must contain multiple gas measures;</p> <p>No restriction to the number of enduses;</p> <p>No SBEA projects are included,</p> <p>Calculations based on signed projects, no Rebates: [(# of signed projects - rebate projects) / (total # of signed projects from all large C&I - all rebate projects)]</p>	% of Gas Projects	15% of signed projects	0.030	\$19,848
Manufacturing Customer Projects	<p>Energy savings from Signed Manufacturing Customer projects. Energy Savings includes the gas energy savings from all end uses.</p> <p>Manufacturing customer projects of any size including those that are < 200 kW.</p> <p>Manufacturing customer is any with a NAICS manufacturing code or,</p> <p>Manufacturing projects within the following facility types from the tracking systems: industrial 1 shift, industrial 2 shift, industrial 3 shift, manufacturing or ile manufacturing.</p> <p>Calculations based on signed contracts, no Rebates: [(Savings from manufacturing Customers projects - savings from rebates) / (total savings from all C&I - savings from all rebates)]</p>	% of Savings Via Signed Contracts	20% of Savings Via Signed Contracts	0.040	\$26,464
Total Incentive \$ Residential and C&I				1.000	\$661,607

CNG Performance Incentive 2015

CONNECTICUT NATURAL GAS CORPORATION 2015 Management Incentive Performance Indicators and Incentive Matrix

Provided below is the 2015 Incentive Matrix with Performance Indicators.
 The Utility Performance Incentive is \$679,104
 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).
 Goals will be prorated based on actual over/under spend of budget.

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:



<u>Performance %</u>	<u>Pretax Incentive</u>	<u>Pre-tax Incentive</u>
80	3.0%	\$407,462
90	4.0%	\$543,283
100	5.0%	\$679,104
110	6.0%	\$814,925
120	7.0%	\$950,745
130	8.0%	\$1,086,566

Total Original Budget* \$13,582,076

CNG Performance Incentive 2015 (cont.)

SECTOR Program	Performance Indicators	Incentive Metrics			
		Incentive Metric	Target Goal	Weight	Incentive
Residential Program Budgets	Lifetime Savings (ccf): HES Income Eligible 6,642,905 Home Energy Solutions 13,194,092 New Construction 1,292,171 Water Heating 936,671 Total Lifetime Savings (ccf) 22,065,838 Present Value Lifetime Savings (ccf) \$0.7796 Total Residential Gas Benefit: \$17,202,844	Total Gas Benefit from all Residential programs	Gas Benefit from all Residential programs \$17,202,844	0.195	\$132,425
	Net Residential Gas Benefit: \$9,005,325		\$9,005,325	0.195	\$132,425
Water Heating	Number of Water Heating Units (tankless and condensing) per DEEP Final Decision	Number of Units	400	0.010	\$6,791
HES	Achieve ccf savings per single family home	ccf/home	128.3	0.050	\$33,955
HES-IE	Annual ccf savings	Annual ccf savings	338,182	0.030	\$20,373

CNG Performance Incentive 2015 (cont.)

SECTOR Program	Performance Indicators	Incentive Metrics			
		Incentive Metric	Target Goal	Weight	Incentive
C&I Program Budgets	<p>Lifetime Savings (ccf):</p> <p>Energy Conscious Blueprint 4,912,656</p> <p>Energy Opportunities 3,305,492</p> <p>O&M 1,957,312</p> <p>Small Business 422,718</p> <p>Total Lifetime Savings (ccf) 10,598,178</p> <p>Present Value Lifetime Savings (ccf) \$0.7786</p> <p>Total C&I Gas Benefit: \$8,251,503</p> <p>Net C&I Gas Benefit: \$4,350,883</p>	Total Gas Benefit from all C&I programs	Gas Benefit from all C&I programs \$8,251,503	0.210	\$142,612
Small Business	<p>Number of gas projects that are comprehensive or implement measure bundles or Number of projects that consist of at least two gas measures</p> <p>Comprehensive is defined as</p> <p>1. More than one End-Use, where End-Use is defined as Heating, Cooling, Lighting, Process, Refrigeration or EMS, and involves an End Use with a natural gas measure.</p> <p>2. No 1 single End-Use can have more than 85% of the energy savings value of the total annual energy savings. Only SBEA projects are eligible</p> <p>Calculations based on signed projects with gas, no Rebates: [(# of signed projects with gas - any rebate projects) / (total # of signed SBEA projects with gas - any rebate projects)]</p> <p>Small Business projects may also be comprehensive by utilizing "bundled measures". Bundled measures shall be defined generally as a list of measure types geared toward customer type categories. For example, the measure bundle for restaurants and commercial kitchens should include, but not be limited to, Lighting, Energy Star Natural Gas or Electric cooking equipment, CEEE rated Pre-Rinse Spray Valves, Energy Star Natural Gas or Electric Dishwashers.</p>	% of Gas Projects	12% of signed projects	0.030	\$20,373

CNG Performance Incentive 2015 (cont.)

SECTOR Program	Performance Indicators	Incentive Metrics			
		Incentive Metric	Target Goal	Weight	Incentive
Energy Blueprint / Energy Opportunities	Percentage of signed gas only projects containing multiple measures Projects must fall within Energy Opportunities or Energy Conscious Blueprint programming; Projects must contain multiple gas measures; No restriction to the number of enduses; No SBEA projects are included. Calculations based on signed projects, no Rebates: [(# of signed projects - rebate projects) / (total # of signed projects from all large C&I - all rebate projects)]	% of Gas Projects	17% of signed projects	0.030	\$20,373
Manufacturing Customer Projects	Energy savings from Signed Manufacturing Customer projects. Energy Savings includes the gas energy savings from all end uses. Manufacturing customer projects of any size including those that are < 200 kW. Manufacturing customer is any with a NAICS manufacturing code or, Manufacturing projects within the following facility types from the tracking systems: industrial 1 shift, industrial 2 shift, industrial 3 shift, manufacturing or lite manufacturing. Calculations based on signed contracts, no Rebates: [(Savings from manufacturing Customers projects - savings from rebates) / (total savings from all C&I - savings from all rebates)]	% of Savings Via Signed Contracts	22% of Savings Via Signed Contracts	0.040	\$27,164
Total Incentive \$ Residential and C&I				1.000	\$679,104

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The Southern Connecticut Gas Company 2014-2015 Budget Tables

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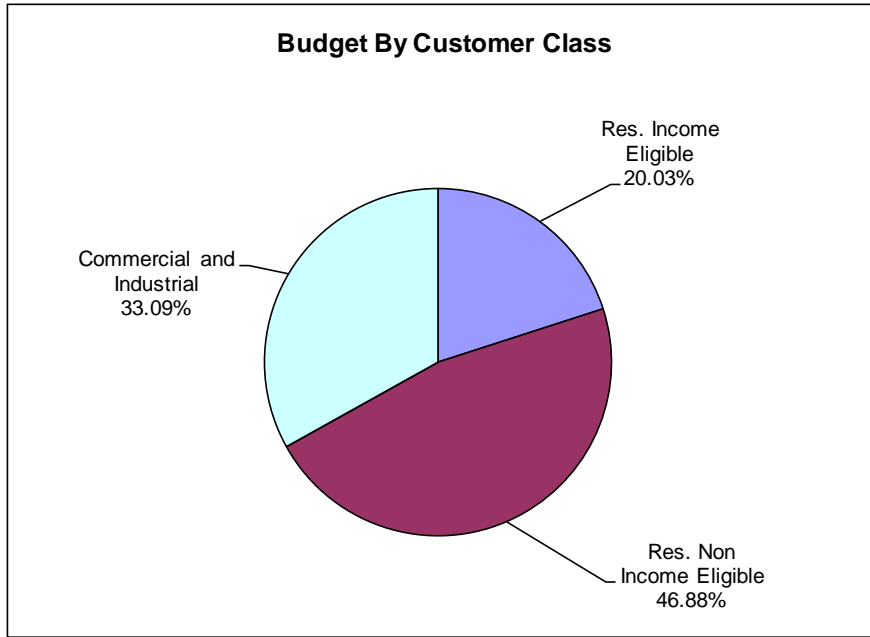
Table A – SCG 2013 Actual Results, 2014-2015 Budget

Table A
SCG
Proposed Natural Gas Conservation Plan Budget

Natural Gas C&LM Budget	2013 SCG Actual Expenditures	2014 SCG Approved Budget	2015 SCG Approved Budget
RESIDENTIAL			
HES Income Eligible - Weatherization	\$ 3,815,862	\$ 2,680,076	\$ 2,554,642
Home Energy Solutions (HES)	\$ 1,666,061	\$ 2,545,354	\$ 2,711,657
Residential Behavior	\$ -	\$ 541,800	\$ 451,800
Residential New Construction	\$ 595,732	\$ 351,535	\$ 330,790
Water Heating	\$ 38,552	\$ 300,238	\$ 307,471
Subtotal Residential	\$ 6,116,207	\$ 6,419,003	\$ 6,356,360
COMMERCIAL & INDUSTRIAL C&I LOST OPPORTUNITY			
Energy Conscious Blueprint	\$ 697,324	\$ 1,357,784	\$ 1,336,803
Total - Lost Opportunity	\$ 697,324	\$ 1,357,784	\$ 1,336,803
C&I LARGE RETROFIT			
Energy Opportunities	\$ 835,668	\$ 628,862	\$ 620,398
O&M (RetroCx, Training)	\$ (20,435)	\$ 477,726	\$ 575,811
Total - C&I Large Retrofit	\$ 815,233	\$ 1,106,588	\$ 1,196,209
Small Business	\$ 91,643	\$ 124,329	\$ 127,147
Subtotal C&I	\$ 1,604,200	\$ 2,588,701	\$ 2,660,159
OTHER - Education			
SmartLiving Center@-Museums Partnership		\$ 173,333	\$ 82,000
EE Communities	\$ 21,789	\$ 143,333	\$ 143,333
EESmarts/K-12		\$ 66,667	\$ 66,667
Customer Engagement		\$ 50,000	\$ 50,000
Subtotal Education	\$ 21,789	\$ 433,333	\$ 342,000
OTHER - PROGRAMS/REQUIREMENTS			
ISE		\$ 37,333	\$ 37,333
ESPC		\$ 9,600	\$ 9,600
Resi Financing/CHIF Loan Fund	\$ 78,896	\$ 100,045	\$ 99,959
C&LM Loan Defaults		\$ 75,000	\$ 86,333
C&I Financing Subsidies	\$ 4,637	\$ 79,667	\$ 75,000
Subtotal Programs/Requirements	\$ 83,533	\$ 301,645	\$ 308,225
Research, Development and Demonstration	\$ 85,800	\$ 50,000	\$ 50,000
Subtotal RD&D	\$ 85,800	\$ 50,000	\$ 50,000
OTHER - ADMINISTRATIVE & PLANNING			
Administration	\$ 88,901	\$ 121,329	\$ 121,329
Marketing Plan	\$ -	\$ 203,333	\$ 203,333
Information Technology	\$ 14,291	\$ 133,333	\$ 133,333
Planning	\$ 151,019	\$ 80,000	\$ 80,000
Evaluation	\$ 23,912	\$ 228,883	\$ 245,717
Evaluation Consultant		\$ 24,297	\$ 24,297
Energy Efficiency Board	\$ 43,373	\$ 50,210	\$ 50,210
Performance Fee	\$ 655,172	\$ 527,978	\$ 525,023
Subtotal Other - Administrative & Planning	\$ 976,668	\$ 1,369,363	\$ 1,383,242
PROGRAM SUBTOTALS			
Residential	\$ 6,212,534	\$ 6,865,714	\$ 6,729,919
C&I	\$ 1,613,195	\$ 2,876,968	\$ 2,936,825
Other	\$ 1,062,468	\$ 1,419,363	\$ 1,433,242
TOTAL	\$ 8,888,197	\$ 11,162,045	\$ 11,099,986

Table A – 2014 Pie

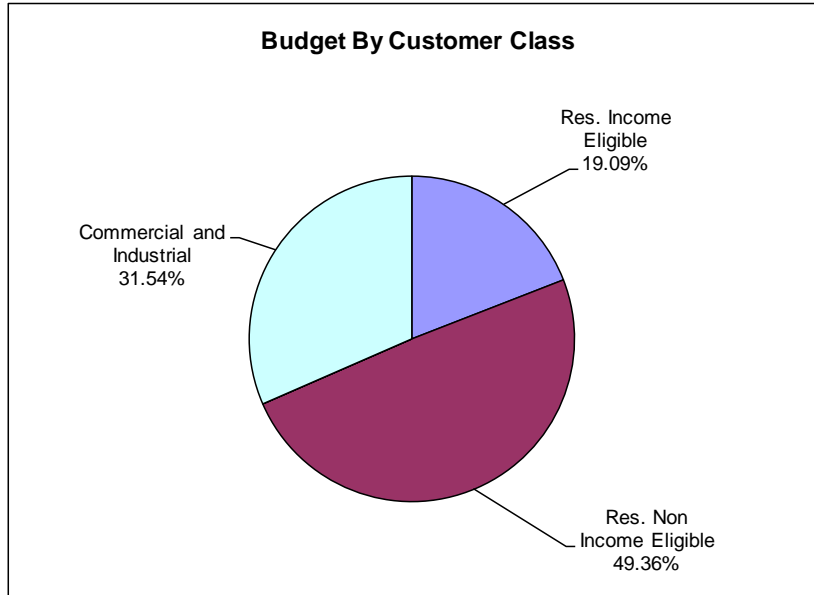
SCG 2014 Budget Analysis



Customer Class	Budget	% of Total Conservation Budget	% of Residential & C&I Budget
Res. Income Eligible	\$2,680,076	17.85%	20.03%
Res. Non Income Eligible	\$4,185,638	41.79%	46.88%
Residential Subtotal	\$6,865,714	59.64%	66.91%
Commercial and Industrial	\$2,876,968	29.49%	33.09%
C&I Subtotal	\$2,876,968	29.49%	33.09%
Residential and C&I Subtotal	\$9,742,682	89.13%	100.00%
Other Expenditures			
Other Expenditures	\$1,419,363	10.87%	
Other Expenditures Subtotal	\$1,419,363	10.87%	
TOTAL	\$11,162,045	100.00%	

Table A – 2015 Pie

SCG 2015 Budget Analysis



Customer Class	Budget	% of Total Conservation Budget	% of Residential & C&I Budget
Res. Income Eligible	\$3,815,862	17.06%	19.09%
Res. Non Income Eligible	\$2,914,057	44.10%	49.36%
Residential Subtotal	\$6,729,919	61.16%	68.46%
Commercial and Industrial	\$2,936,825	28.18%	31.54%
C&I Subtotal	\$2,936,825	28.18%	31.54%
Residential and C&I Subtotal	\$9,666,744	89.34%	100.00%
Other Expenditures			
Other Expenditures	\$1,433,242	10.66%	
Other Expenditures Subtotal	\$1,433,242	10.66%	
TOTAL	\$11,099,986	100.00%	

Table B – 2014 SCG Comparison of Program Energy Savings

Table B
2014 COMPARISON OF CONSERVATION PROGRAMS

Program	Program Costs 2014	Customer Cost 2014	Total Resource Cost 2014	Program Benefit (Gas & Oil)	Total Resource Benefit	% of Budget 2014	Program B/C Ratio	Total Resource B/C Ratio	Goals/ # Units	Units of Measure	Annualized Savings (ccf)	Lifetime Savings (ccf)	Peak Day Savings (ccf)
RESIDENTIAL													
CNG HES Income Eligible	\$ 2,744,857	\$ -	\$ 2,744,857	\$ 5,383,952	\$ 6,202,722	19.7%	1.96	2.26	4,124	Homes	341,437	6,706,839	2,985
SCG HES Income Eligible	\$ 2,680,076	\$ -	\$ 2,680,076	\$ 5,325,359	\$ 6,135,219	24.0%	1.99	2.29	4,080	Homes	337,721	6,633,849	2,953
Sub Total HES Income Eligible	\$ 5,424,933	\$ -	\$ 5,424,933	\$ 10,709,311	\$ 12,337,941	21.6%	1.97	2.27	8,204	Homes	679,158	13,340,688	5,938
CNG Home Energy Solutions	\$ 4,471,024	\$ 2,218,939	\$ 6,689,963	\$ 13,313,088	\$ 14,008,485	32.0%	2.98	2.09	5,553	Homes & HVAC Rebated Homes & HVAC	619,313	12,358,649	5,529
SCG Home Energy Solutions	\$ 2,545,354	\$ 1,006,537	\$ 3,551,891	\$ 6,141,533	\$ 6,473,533	22.8%	2.41	1.82	3,402	Rebated Homes	383,859	7,658,261	3,489
Sub Total Home Energy Solutions	\$ 7,016,378	\$ 3,225,476	\$ 10,241,854	\$ 19,454,621	\$ 20,482,018	27.9%	2.77	2.00	8,956	Homes	1,003,173	20,016,911	9,018
SCG Residential Behavior	\$ 541,800	\$ 412,268	\$ 954,068	\$ 1,337,714	\$ 1,337,714	4.9%	2.47	1.40	2,500	Thermostats	145,424	1,454,241	1,421
CNG New Construction	\$ 446,750	\$ 1,085,424	\$ 1,409,481	\$ 1,078,969	\$ 1,078,969	3.2%	2.42	0.77	206	Homes	55,291	1,382,277	206
SCG New Construction	\$ 351,535	\$ 774,564	\$ 1,008,403	\$ 770,921	\$ 770,921	3.1%	2.19	0.76	148	Homes	39,503	987,584	148
Sub Total New Construction	\$ 798,285	\$ 1,859,988	\$ 2,417,884	\$ 1,849,890	\$ 1,849,890	3.2%	2.32	0.77	354	Homes	94,794	2,369,861	354
CNG Water Heating	\$ 300,238	\$ 897,040	\$ 1,173,040	\$ 776,576	\$ 776,576	2.1%	2.59	0.66	2,280	Units	73,902	936,671	237
SCG Water Heating	\$ 300,238	\$ 897,040	\$ 1,173,040	\$ 776,576	\$ 776,576	2.7%	2.59	0.66	2,280	Units	73,902	936,671	237
Sub Total Water Heating	\$ 600,476	\$ 1,794,080	\$ 2,345,080	\$ 1,553,152	\$ 1,553,152	2.4%	2.59	0.66	4,560	Units	147,805	1,873,341	474
Subtotal Residential	\$ 14,381,872	\$ 7,291,812	\$ 21,384,820	\$ 34,904,688	\$ 37,560,716	57.2%	2.43	1.76	24,573	Homes/ Units	2,070,354	39,055,041	17,205
Commercial and Industrial C&I Lost													
CNG Energy Conscious Blueprint	\$ 1,957,423	\$ 762,476	\$ 2,719,899	\$ 3,738,115	\$ 3,738,115	14.0%	1.91	1.37	49	Projects	316,759	4,865,394	2,500
SCG Energy Conscious Blueprint	\$ 1,357,784	\$ 541,872	\$ 1,899,656	\$ 2,656,583	\$ 2,656,583	12.2%	1.96	1.40	35	Projects	225,112	3,457,711	1,776
Sub Total Lost Opportunity	\$ 3,315,207	\$ 1,304,348	\$ 4,619,555	\$ 6,394,698	\$ 6,394,698	13.2%	1.93	1.38	84	Projects	541,871	8,323,105	4,276
Commercial and Industrial Large Retrofit													
YGS Energy Opportunities	\$ 1,025,782	\$ 1,494,908	\$ 2,520,690	\$ 2,773,147	\$ 2,773,147	7.3%	2.70	1.10	20	Projects	294,351	3,316,691	3,365
CNG Energy Opportunities	\$ 628,862	\$ 797,971	\$ 1,426,833	\$ 1,480,286	\$ 1,480,286	5.6%	2.35	1.04	11	Projects	157,123	1,770,426	1,796
SCG Energy Opportunities	\$ 1,654,644	\$ 2,292,880	\$ 3,947,524	\$ 4,253,434	\$ 4,253,434	6.6%	2.57	1.06	31	Projects	451,474	5,087,117	5,162
Sub Total Energy Opportunities	\$ 574,201	\$ 915,630	\$ 1,489,831	\$ 1,653,016	\$ 1,653,016	4.3%	2.88	1.11	10	Projects	231,618	1,852,948	2,550
CNG O&M	\$ 477,726	\$ 771,064	\$ 1,248,790	\$ 1,392,028	\$ 1,392,028	4.3%	2.91	1.11	8	Projects	195,049	1,560,393	2,147
SCG O&M	\$ 1,051,927	\$ 1,686,694	\$ 2,738,621	\$ 3,045,044	\$ 3,045,044	4.2%	2.89	1.11	19	Projects	426,668	3,413,341	4,698
Sub Total O&M	\$ 160,008	\$ 196,502	\$ 356,510	\$ 364,524	\$ 364,524	1.1%	2.28	1.02	5	Projects	38,692	435,971	442
CNG Small Business	\$ 124,329	\$ 159,181	\$ 283,510	\$ 295,290	\$ 295,290	1.1%	2.38	1.04	4	Projects	31,343	353,167	358
SCG Small Business	\$ 284,337	\$ 355,683	\$ 640,020	\$ 659,813	\$ 659,813	1.4%	2.32	1.03	10	Projects	70,035	789,139	801
Sub Total Small Business	\$ 6,306,115	\$ 5,639,605	\$ 11,945,720	\$ 14,352,989	\$ 14,352,989	25.1%	2.28	1.20	143	Projects	1,490,047	17,612,701	14,936
Subtotal Commercial & Industrial													
OTHER													
CNG CHIF Residential, C&I Loan Program	\$ 301,645					2.2%							
SCG CHIF Residential, C&I Loan Program	\$ 301,645					2.7%							
Sub Total Other - Loan Program	\$ 603,290					2.4%							
CNG IT, Planning, Evaluation, and EEB	\$ 1,986,325					14.2%							
SCG IT, Planning, Evaluation, and EEB	\$ 1,852,696					16.6%							
Sub Total Other - Evaluation	\$ 3,839,021					15.3%							
Subtotal Other	\$ 4,442,311					17.7%							
PROGRAM SUBTOTALS													
CNG Residential	\$ 7,962,869	\$ 4,201,403	\$ 12,017,341	\$ 20,552,585	\$ 22,066,753	57.0%					1,089,944	21,384,436	8,958
SCG Residential	\$ 6,419,003	\$ 3,090,409	\$ 9,367,478	\$ 14,352,103	\$ 15,493,963	57.5%					980,410	17,670,606	8,247
Residential Total	\$ 14,381,872	\$ 7,291,812	\$ 21,384,820	\$ 34,904,688	\$ 37,560,716	57.2%					2,070,354	39,055,041	17,205
CNG C&I	\$ 3,717,414	\$ 3,369,516	\$ 7,086,930	\$ 8,528,803	\$ 8,528,803	26.6%					881,420	10,471,004	8,857
SCG C&I	\$ 2,588,701	\$ 2,270,089	\$ 4,858,790	\$ 5,824,187	\$ 5,824,187	23.2%					608,627	7,141,697	6,079
C&I Total	\$ 6,306,115	\$ 5,639,605	\$ 11,945,720	\$ 14,352,989	\$ 14,352,989	25.1%					1,490,047	17,612,701	14,936
CNG Other	\$ 2,287,970					16.4%							
SCG Other	\$ 2,154,341					19.3%							
Other Total	\$ 4,442,311	\$ -	\$ -	\$ -	\$ -	17.7%							
CNG TOTAL	\$ 13,968,253	\$ 7,570,919	\$ 19,104,272	\$ 29,081,387	\$ 30,595,555	55.6%					1,971,364	31,855,440	17,815
SCG TOTAL	\$ 11,162,045	\$ 5,360,498	\$ 14,226,268	\$ 20,176,290	\$ 21,318,150	44.4%					1,589,037	24,812,303	14,326
GRAND TOTAL	\$ 25,130,298	\$ 12,931,417	\$ 33,330,540	\$ 49,257,677	\$ 51,913,705	100.0%			1.56		3,560,402	56,667,743	32,141

Table B – 2014 SCG Comparison of Program Energy Savings (cont.)

Table B
2014 COMPARISON OF CONSERVATION PROGRAMS

Program	Annual Cost Rate (\$/ccf)	Lifetime Cost Rate (\$/ccf)	Annualized Savings Oil (gallons)	Lifetime Savings Oil (gallons)	Annualized Savings Propane (gallons)	Lifetime Savings Propane (gallons)	Annual MMBTU	Lifetime MMBTU	Cost per Annual MMBTU	Cost per Lifetime MMBTU
RESIDENTIAL										
CNG HES Income Eligible	\$ 8.04	\$ 0.41					35,134	690,134	\$ 78.13	\$ 3.98
SCG HES Income Eligible	\$ 7.94	\$ 0.40					34,752	682,623	\$ 77.12	\$ 3.93
Sub Total HES Income Eligible	\$ 7.99	\$ 0.41	0	0	0	0	69,885	1,372,757	\$ 77.63	\$ 3.95
CNG Home Energy Solutions	\$ 7.22	\$ 0.36	46,058	921,152	2,761	55,217	70,367	1,404,502	\$ 63.54	\$ 3.18
SCG Home Energy Solutions	\$ 6.63	\$ 0.33	0	0			39,499	788,035	\$ 64.44	\$ 3.23
Sub Total Home Energy Solutions	\$ 6.99	\$ 0.35	46,058	921,152	2,761	55,217	109,866	2,192,538	\$ 63.86	\$ 3.20
SCG Residential Behavior	\$ 6.56	\$ 0.66	0	0	0	0	14,964	149,641	\$ 36.21	\$ 6.38
CNG New Construction	\$ 8.08	\$ 0.32					5,689	142,236	\$ 78.52	\$ 3.14
SCG New Construction	\$ 8.90	\$ 0.36					4,065	101,622	\$ 86.48	\$ 3.46
Sub Total New Construction	\$ 8.42	\$ 0.34	0	0	0	0	9,754	243,859	\$ 81.84	\$ 3.27
CNG Water Heating	\$ 4.06	\$ 0.32					7,605	96,383	\$ 39.48	\$ 3.12
SCG Water Heating	\$ 4.06	\$ 0.32					7,605	96,383	\$ 39.48	\$ 3.12
Sub Total Water Heating	\$ 4.06	\$ 0.32	0	0	0	0	15,209	192,767	\$ 39.48	\$ 3.12
Subtotal Residential	\$ 6.95	\$ 0.37	46,058	921,152	2,761	55,217	219,679	4,151,561	\$ 65.47	\$ 3.46
Commercial and Industrial C&I Lost										
CNG Energy Conscious Blueprint	\$ 6.18	\$ 0.40					32,594	500,649	\$ 60.05	\$ 3.91
SCG Energy Conscious Blueprint	\$ 6.03	\$ 0.39					23,164	355,798	\$ 58.62	\$ 3.82
Sub Total Lost Opportunity	\$ 6.12	\$ 0.40	0	0	0	0	55,758	856,448	\$ 59.46	\$ 3.87
Commercial and Industrial Large Retrofit										
CNG Energy Opportunities	\$ 3.48	\$ 0.31					30,289	341,288	\$ 33.87	\$ 3.01
SCG Energy Opportunities	\$ 4.00	\$ 0.36					16,168	182,177	\$ 38.90	\$ 3.45
Sub Total Energy Opportunities	\$ 3.66	\$ 0.33	0	0	0	0	46,457	523,464	\$ 35.62	\$ 3.16
CNG O&M	\$ 2.48	\$ 0.31					23,834	190,668	\$ 24.09	\$ 3.01
SCG O&M	\$ 2.45	\$ 0.31					20,071	160,564	\$ 23.80	\$ 2.98
Sub Total O&M	\$ 2.47	\$ 0.31	0	0	0	0	43,904	351,233	\$ 23.96	\$ 2.99
CNG Small Business	\$ 4.14	\$ 0.37					3,981	44,861	\$ 40.19	\$ 3.57
SCG Small Business	\$ 3.97	\$ 0.35					3,225	36,341	\$ 38.55	\$ 3.42
Sub Total Small Business	\$ 4.06	\$ 0.36	0	0	0	0	7,207	81,202	\$ 39.46	\$ 3.50
Subtotal Commercial & Industrial	\$ 4.23	\$ 0.36	-	-	-	-	-	-	-	-
OTHER										
CNG CHIF - Residential, C&I Loan Program										
SCG CHIF - Residential, C&I Loan Program										
Sub Total Other - Loan Program	\$ 7.31	\$ 0.37	46,058	921,152	2,761	55,217	118,795	2,333,256	\$ 67.03	\$ 3.41
CNG IT, Planning, Evaluation, and EEB										
SCG IT, Planning, Evaluation, and EEB										
Sub Total Other - Evaluation	\$ 6.55	\$ 0.36	-	-	-	-	100,884	1,818,305	\$ 63.63	\$ 3.53
Subtotal Other	\$ 6.95	\$ 0.37	46,058	921,152	2,761	55,217	219,679	4,151,561	\$ 65.47	\$ 3.46
PROGRAM SUBTOTALS										
CNG Residential	\$ 7.31	\$ 0.37	46,058	921,152	2,761	55,217	118,795	2,333,256	\$ 67.03	\$ 3.41
SCG Residential	\$ 6.55	\$ 0.36	-	-	-	-	100,884	1,818,305	\$ 63.63	\$ 3.53
Residential Total	\$ 6.95	\$ 0.37	46,058	921,152	2,761	55,217	219,679	4,151,561	\$ 65.47	\$ 3.46
CNG C&I	\$ 4.22	\$ 0.36	-	-	-	-	90,698	1,077,466	\$ 40.99	\$ 3.45
SCG C&I	\$ 4.25	\$ 0.36	-	-	-	-	62,628	734,881	\$ 41.33	\$ 3.52
C&I Total	\$ 4.23	\$ 0.36	-	-	-	-	153,326	1,812,347	\$ 41.13	\$ 3.48
CNG Other							0	0		
SCG Other							0	0		
Other Total	\$ 7.09	\$ 0.44	46,058	921,152	2,761	55,217	209,493	3,410,722	\$ 66.68	\$ 4.10
CNG TOTAL	\$ 7.02	\$ 0.45	-	-	-	-	163,512	2,553,186	\$ 68.26	\$ 4.37
SCG TOTAL	\$ 7.06	\$ 0.44	46,058	921,152	2,761	55,217	373,005	5,963,908	\$ 67.37	\$ 4.21
GRAND TOTAL	\$ 7.06	\$ 0.44	46,058	921,152	2,761	55,217	373,005	5,963,908	\$ 67.37	\$ 4.21

Table B – 2015 SCG Comparison of Programs Energy Savings

Table B
2015 COMPARISON OF CONSERVATION PROGRAMS

Program	Program Costs 2015	Customer Cost 2015	Total Resource Cost 2015	Program Benefit (Gas & Oil)	Total Resource Benefit	% of 2015 Budget	Program B/C Ratio	Total Resource B/C Ratio	Goals/ # Units	Units of Measure	Annualized Savings (ccf)	Lifetime Savings (ccf)	Peak Day Savings (ccf)
RESIDENTIAL													
CNG HES Income Eligible	\$ 2,721,693	\$ -	\$ 2,721,693	\$ 5,184,996	\$ 6,012,181	19.0%	1.91	2.21	4,085	Homes	338,182	6,642,905	2,957
SCG HES Income Eligible	\$ 2,554,642	\$ -	\$ 2,554,642	\$ 4,907,703	\$ 5,690,650	23.0%	1.92	2.23	3,867	Homes	320,096	6,287,642	2,799
Sub Total HES Income Eligible	\$ 5,276,335	\$ -	\$ 5,276,335	\$ 10,092,699	\$ 11,702,831	20.7%	1.91	2.22	7,952	Homes	658,279	12,930,547	5,755
CNG Home Energy Solutions	\$ 4,742,979	\$ 2,353,092	\$ 7,096,071	\$ 13,772,321	\$ 14,545,049	33.1%	2.90	2.05	5,936	Homes & HVAC Rebated Homes & HVAC Rebated	661,144	13,194,092	49,973
SCG Home Energy Solutions	\$ 2,711,657	\$ 1,072,675	\$ 3,784,332	\$ 6,373,942	\$ 6,753,054	24.4%	2.35	1.78	3,638	Homes	409,714	8,174,441	0
Sub Total Home Energy Solutions	\$ 7,454,636	\$ 3,425,767	\$ 10,880,403	\$ 20,146,263	\$ 21,298,103	29.3%	2.70	1.96	9,574	Homes	1,070,859	21,368,533	49,973
SCG Residential Behavior	\$ 451,800	\$ 405,158	\$ 856,958	\$ 1,233,538	\$ 1,233,538	4.1%	2.73	1.44	2,500	Thermostats	145,424	1,454,241	1,421
CNG New Construction	\$ 425,376	\$ 351,484	\$ 776,860	\$ 993,674	\$ 993,674	3.0%	2.34	1.28	194	Homes	51,687	1,292,171	495
SCG New Construction	\$ 330,790	\$ 250,960	\$ 581,750	\$ 693,760	\$ 693,760	3.0%	2.10	1.19	133	Homes	36,089	902,223	317
Sub Total New Construction	\$ 756,166	\$ 602,444	\$ 1,358,610	\$ 1,687,434	\$ 1,687,434	3.0%	2.23	1.24	327	Homes	87,776	2,194,394	771
CNG Water Heating	\$ 307,471	\$ 897,040	\$ 1,204,511	\$ 737,170	\$ 737,170	2.1%	2.40	0.61	2,280	Units	73,902	936,671	237
SCG Water Heating	\$ 307,471	\$ 897,040	\$ 1,204,511	\$ 737,170	\$ 737,170	2.8%	2.40	0.61	2,280	Units	73,902	936,671	237
Sub Total Water Heating	\$ 614,942	\$ 1,794,080	\$ 2,409,022	\$ 1,474,341	\$ 1,474,341	2.4%	2.40	0.61	4,560	Units	147,805	1,873,341	474
Subtotal Residential	\$ 14,553,879	\$ 6,227,449	\$ 20,781,328	\$ 34,634,275	\$ 37,396,246	57.2%	2.38	1.80	24,913	Homes/ Units	2,255,566	41,275,296	59,815
Commercial and Industrial C&I Lost													
CNG Energy Conscious Blueprint	\$ 1,987,642	\$ 769,883	\$ 2,757,525	\$ 3,629,348	\$ 3,629,348	13.9%	1.83	1.32	50	Projects	319,835	4,912,656	2,524
SCG Energy Conscious Blueprint	\$ 1,336,803	\$ 527,038	\$ 1,863,841	\$ 2,484,540	\$ 2,484,540	12.0%	1.86	1.33	34	Projects	218,950	3,363,054	1,728
Sub Total Lost Opportunity	\$ 3,324,445	\$ 1,296,921	\$ 4,621,366	\$ 6,113,888	\$ 6,113,888	13.1%	1.84	1.32	84	Projects	538,785	8,275,710	4,252
Commercial and Industrial Large Retrofit													
CNG Energy Opportunities	\$ 1,039,762	\$ 1,489,861	\$ 2,529,623	\$ 2,603,769	\$ 2,603,769	7.3%	2.50	1.03	20	Projects	293,357	3,305,492	3,354
SCG Energy Opportunities	\$ 620,398	\$ 800,770	\$ 1,421,168	\$ 1,399,474	\$ 1,399,474	5.6%	2.26	0.98	11	Projects	157,674	1,776,636	1,803
Sub Total Energy Opportunities	\$ 1,660,160	\$ 2,290,631	\$ 3,950,791	\$ 4,003,243	\$ 4,003,243	6.5%	2.41	1.01	31	Projects	451,031	5,082,128	5,157
CNG O&M	\$ 707,186	\$ 1,289,601	\$ 1,996,787	\$ 1,685,406	\$ 1,685,406	4.9%	2.38	0.84	14	Projects	326,219	1,957,312	3,592
SCG O&M	\$ 575,811	\$ 956,773	\$ 1,532,584	\$ 1,250,426	\$ 1,250,426	5.2%	2.17	0.82	10	Projects	242,026	1,452,156	2,665
Sub Total O&M	\$ 1,282,997	\$ 2,246,374	\$ 3,529,371	\$ 2,935,832	\$ 2,935,832	5.0%	2.29	0.83	25	Projects	568,245	3,409,468	6,256
CNG Small Business	\$ 166,030	\$ 190,529	\$ 356,559	\$ 332,979	\$ 332,979	1.2%	2.01	0.93	5	Projects	37,516	422,718	429
SCG Small Business	\$ 127,147	\$ 164,808	\$ 291,955	\$ 288,028	\$ 288,028	1.1%	2.27	0.99	4	Projects	32,451	365,652	371
Sub Total Small Business	\$ 293,177	\$ 355,336	\$ 648,513	\$ 621,007	\$ 621,007	1.2%	2.12	0.96	10	Projects	69,967	788,370	800
Subtotal Commercial & Industrial	\$ 6,560,779	\$ 6,189,262	\$ 12,750,041	\$ 13,673,970	\$ 13,673,970	25.8%	2.08	1.07	149	Projects	1,628,028	17,555,676	16,465
OTHER													
CNG CHIF, Residential, C&I Loan Program	\$ 308,225	\$ -	\$ -	\$ -	\$ -								
SCG CHIF, Residential, C&I Loan Program	\$ 308,225	\$ -	\$ -	\$ -	\$ -								
Sub Total Other - Loan Program	\$ 616,450	\$ -	\$ -	\$ -	\$ -								
CNG IT, Planning, Evaluation, and EEB	\$ 1,929,323	\$ -	\$ -	\$ -	\$ -								
SCG IT, Planning, Evaluation, and EEB	\$ 1,775,242	\$ -	\$ -	\$ -	\$ -								
Sub Total Other - Evaluation	\$ 3,704,565	\$ -	\$ -	\$ -	\$ -								
Subtotal Other	\$ 4,321,015	\$ -	\$ -	\$ -	\$ -								
PROGRAM SUBTOTALS													
CNG Residential	\$ 8,197,519	\$ 3,601,616	\$ 11,799,135	\$ 20,688,162	\$ 22,288,074	57.2%					1,124,916	22,065,838	53,621
SCG Residential	\$ 6,356,360	\$ 2,625,833	\$ 8,982,193	\$ 13,946,113	\$ 15,108,172	57.3%					985,226	17,755,217	4,773
Residential Total	\$ 14,553,879	\$ 6,227,449	\$ 20,781,328	\$ 34,634,275	\$ 37,396,246	57.2%					2,110,142	39,821,055	58,394
CNG C&I	\$ 3,900,620	\$ 3,739,873	\$ 7,640,493	\$ 8,251,503	\$ 8,251,503	27.2%					976,927	10,598,178	9,898
SCG C&I	\$ 2,660,159	\$ 2,449,389	\$ 5,109,548	\$ 5,422,468	\$ 5,422,468	24.0%					651,100	6,957,498	6,566
C&I Total	\$ 6,560,779	\$ 6,189,262	\$ 12,750,041	\$ 13,673,970	\$ 13,673,970	25.8%					1,628,028	17,555,676	16,465
CNG Other	\$ 2,083,467	\$ -	\$ -	\$ -	\$ -	15.6%					15,676	-	-
SCG Other	\$ 4,321,015	\$ -	\$ -	\$ -	\$ -	18.8%					-	-	-
Other Total	\$ 14,335,687	\$ 7,341,490	\$ 19,439,629	\$ 28,939,665	\$ 30,639,577	17.0%					2,101,843	32,664,016	63,520
CNG TOTAL	\$ 11,099,886	\$ 5,075,222	\$ 14,091,741	\$ 19,368,580	\$ 20,530,639	43.6%					1,636,326	24,712,715	11,340
SCG TOTAL	\$ 25,435,673	\$ 12,416,711	\$ 33,551,369	\$ 48,308,245	\$ 51,070,217	100.0%	1.90	1.52			3,738,169	57,376,731	74,859
GRAND TOTAL													

Table B – 2015 SCG Comparison of Programs Energy Savings (cont.)

Table B
2015 COMPARISON OF CONSERVATION PROGRAMS

Program	Annual Cost Rate (\$/ccf)	Lifetime Cost Rate (\$/ccf)	Annualized Savings Oil (gallons)	Lifetime Savings Oil (gallons)	Annualized Propane (gallons)	Lifetime Propane (gallons)	Annual MMBTU	Lifetime MMBTU	Cost per Annual MMBTU	Cost per Lifetime MMBTU
RESIDENTIAL										
CNG HES Income Eligible	\$ 8.05	\$ 0.41					34,799	683,555	\$ 78.21	\$ 3.98
SCG HES Income Eligible	\$ 7.98	\$ 0.41					32,938	646,998	\$ 77.56	\$ 3.95
Sub Total HES Income Eligible	\$ 8.02	\$ 0.41	0	0	0	0	67,737	1,330,553	\$ 77.89	\$ 3.97
CNG Home Energy Solutions	\$ 7.17	\$ 0.36	47,146	942,930	2,826	56,522	74,829	1,493,609	\$ 63.38	\$ 3.18
SCG Home Energy Solutions	\$ 6.62	\$ 0.33	0	0			42,160	841,150	\$ 64.32	\$ 3.22
Sub Total Home Energy Solutions	\$ 6.96	\$ 0.35	47,146	942,930	2,826	56,522	116,988	2,334,759	\$ 63.72	\$ 3.19
SCG Residential Behavior	\$ 3.11	\$ 0.59	0	0	0	0	14,964	149,641	\$ 30.19	\$ 5.73
SCG New Construction	\$ 8.23	\$ 0.33					5,319	132,964	\$ 79.98	\$ 3.20
SCG New Construction	\$ 9.17	\$ 0.37					3,714	92,839	\$ 89.08	\$ 3.56
Sub Total New Construction	\$ 8.61	\$ 0.34	0	0	0	0	9,032	225,803	\$ 83.72	\$ 3.35
CNG Water Heating	\$ 4.16	\$ 0.33					7,605	96,383	\$ 40.43	\$ 3.19
SCG Water Heating	\$ 4.16	\$ 0.33					7,605	96,383	\$ 40.43	\$ 3.19
Sub Total Water Heating	\$ 4.16	\$ 0.33	0	0	0	0	15,209	192,767	\$ 40.43	\$ 3.19
Subtotal Residential	\$ 6.45	\$ 0.35	47,146	942,930	2,826	56,522	223,930	4,233,524	\$ 64.99	\$ 3.44
Commercial and Industrial C&I Lost										
CNG Energy Conscious Blueprint	\$ 6.21	\$ 0.40					32,911	505,512	\$ 60.39	\$ 3.93
SCG Energy Conscious Blueprint	\$ 6.11	\$ 0.40					22,530	346,058	\$ 59.33	\$ 3.86
Sub Total Lost Opportunity	\$ 6.17	\$ 0.40	0	0	0	0	55,441	851,571	\$ 59.96	\$ 3.90
Commercial and Industrial Large Retrofit										
CNG Energy Opportunities	\$ 3.54	\$ 0.31					30,186	340,135	\$ 34.44	\$ 3.06
SCG Energy Opportunities	\$ 3.93	\$ 0.35					16,225	182,816	\$ 38.24	\$ 3.39
Sub Total Energy Opportunities	\$ 3.68	\$ 0.33	0	0	0	0	46,411	522,951	\$ 35.77	\$ 3.17
CNG O&M	\$ 2.17	\$ 0.36					33,568	201,407	\$ 21.07	\$ 3.51
SCG O&M	\$ 2.38	\$ 0.40					24,904	149,427	\$ 23.12	\$ 3.85
Sub Total O&M	\$ 2.26	\$ 0.38	0	0	0	0	58,472	350,834	\$ 21.94	\$ 3.66
CNG Small Business	\$ 4.43	\$ 0.39					3,860	43,498	\$ 43.01	\$ 3.82
SCG Small Business	\$ 3.92	\$ 0.35					3,339	37,626	\$ 38.08	\$ 3.38
Sub Total Small Business	\$ 4.19	\$ 0.37	0	0	0	0	7,200	81,123	\$ 40.72	\$ 3.61
Subtotal Commercial & Industrial	\$ 4.03	\$ 0.37	-	-	-	-	-	-	\$ 40.72	\$ 3.61
OTHER										
CNG CHF, Residential, C&I Loan Program										
SCG CHF, Residential, C&I Loan Program										
Sub Total Other - Loan Program										
CNG IT, Planning, Evaluation, and EEB										
SCG IT, Planning, Evaluation, and EEB										
Sub Total Other - Evaluation										
Subtotal Other										
PROGRAM SUBTOTALS										
CNG Residential	\$ 7.29	\$ 0.37	47,146	942,930	2,826	56,522	122,551	2,406,512	\$ 66.89	\$ 3.41
SCG Residential	\$ 6.45	\$ 0.36	-	-	-	-	101,380	1,827,012	\$ 62.70	\$ 3.48
Residential Total	\$ 6.90	\$ 0.37	47,146	942,930	2,826	56,522	223,930	4,233,524	\$ 64.99	\$ 3.44
CNG C&I	\$ 3.99	\$ 0.37	-	-	-	-	100,526	1,090,563	\$ 38.80	\$ 3.58
SCG C&I	\$ 4.09	\$ 0.38	-	-	-	-	66,998	715,927	\$ 39.70	\$ 3.72
C&I Total	\$ 4.03	\$ 0.37	-	-	-	-	167,524	1,806,479	\$ 39.16	\$ 3.63
CNG Other							0	0		
SCG Other							0	0		
Other Total							0	0		
CNG TOTAL	\$ 6.82	\$ 0.44	47,146	942,930	2,826	56,522	223,077	3,497,064	\$ 64.26	\$ 4.10
SCG TOTAL	\$ 6.78	\$ 0.45	-	-	-	-	168,378	2,542,938	\$ 65.92	\$ 4.37
GRAND TOTAL	\$ 6.80	\$ 0.44	47,146	942,930	2,826	56,522	391,454	6,040,003	\$ 64.98	\$ 4.21

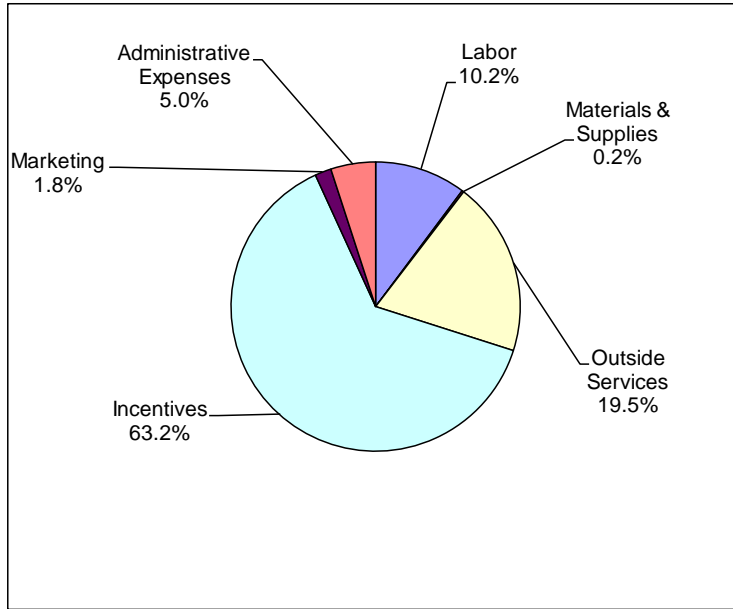
Table C – 2014 SCG Program Budget by Category

Table C
SCG 2014 Budget Details

GAS CONSERVATION BUDGET (\$000)	Labor	Materials & Supplies	Outside Services	Incentives	Marketing	Administrative Expenses	TOTAL
RESIDENTIAL							
HES Income Eligible - Weatherization	\$ 213,070	\$ 2,500	\$ 50,000	\$ 2,403,506	\$ 9,500	\$ 1,500	\$ 2,680,076
Home Energy Solutions (HES)	\$ 268,433	\$ 2,000	\$ 150,000	\$ 2,085,921	\$ 35,000	\$ 4,000	\$ 2,545,354
Residential Behavior	\$ 10,000	\$ 3,750	\$ 450,050	\$ -	\$ 75,000	\$ 3,000	\$ 541,800
Residential New Construction	\$ 30,928	\$ 720	\$ 24,762	\$ 271,545	\$ 22,080	\$ 1,500	\$ 351,535
Water Heating	\$ 14,053	\$ 300	\$ 2,900	\$ 276,800	\$ 5,000	\$ 1,185	\$ 300,238
Subtotal Residential	\$ 536,484	\$ 9,270	\$ 677,712	\$ 5,037,772	\$ 146,580	\$ 11,185	\$ 6,419,003
COMMERCIAL & INDUSTRIAL LOST OPPORTUNITY							
Energy Conscious Blueprint	\$ 161,852	\$ 2,500	\$ 50,000	\$ 1,113,432	\$ 25,000	\$ 5,000	\$ 1,357,784
Subtotal C&I - Lost Opportunity	\$ 161,852	\$ 2,500	\$ 50,000	\$ 1,113,432	\$ 25,000	\$ 5,000	\$ 1,357,784
COMMERCIAL & INDUSTRIAL LARGE RETROFIT							
Energy Opportunities	\$ 120,957	\$ 2,500	\$ 50,000	\$ 437,905	\$ 12,500	\$ 5,000	\$ 628,862
Operations & Maintenance	\$ 31,387	\$ 5,000	\$ 50,000	\$ 382,339	\$ 5,000	\$ 4,000	\$ 477,726
Subtotal C&I - Lost Opportunity	\$ 152,344	\$ 7,500	\$ 100,000	\$ 820,244	\$ 17,500	\$ 9,000	\$ 1,106,588
Small Business	\$ 23,975	\$ 500	\$ 5,000	\$ 87,354	\$ 2,500	\$ 5,000	\$ 124,329
Subtotal C&I	\$ 338,171	\$ 10,500	\$ 155,000	\$ 2,021,030	\$ 45,000	\$ 19,000	\$ 2,588,701
OTHER - PROGRAMS/REQUIREMENTS & PLANNING							
OTHER - EDUCATION							
SmartLiving Center® - Museum Partnerships	\$ 7,655	\$ 2,000	\$ 158,178	\$ -	\$ 5,000	\$ 500	\$ 173,333
Clean Energy Communities	\$ 36,905	\$ -	\$ 106,428	\$ -	\$ -	\$ -	\$ 143,333
EE Smarts/K-12	\$ 8,352	\$ 1,300	\$ 49,015	\$ -	\$ 7,000	\$ 1,000	\$ 66,667
Customer Engagement	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000
Subtotal Education	\$ 52,912	\$ 3,300	\$ 363,621	\$ -	\$ 12,000	\$ 1,500	\$ 433,333
OTHER - PROGRAMS/REQUIREMENTS							
ISE	\$ -	\$ -	\$ 37,333	\$ -	\$ -	\$ -	\$ 37,333
ESPC	\$ -	\$ -	\$ 9,600	\$ -	\$ -	\$ -	\$ 9,600
CHIF Loan Fund	\$ -	\$ -	\$ 100,045	\$ -	\$ -	\$ -	\$ 100,045
Residential Financing Subsidies	\$ -	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ 75,000
C&I Financing Subsidies	\$ -	\$ -	\$ 79,667	\$ -	\$ -	\$ -	\$ 79,667
Subtotal Programs/Requirements	\$ -	\$ -	\$ 301,645	\$ -	\$ -	\$ -	\$ 301,645
OTHER - RD&D							
Research, Development and Demonstration	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000
Subtotal Renewables & RD&D	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000
OTHER - ADMINISTRATIVE & PLANNING							
Administration	\$ 98,496	\$ -	\$ 22,833	\$ -	\$ -	\$ -	\$ 121,329
Marketing Plan	\$ -	\$ -	\$ 203,333	\$ -	\$ 5,000	\$ -	\$ 203,333
Information Technology	\$ 13,321	\$ -	\$ 120,012	\$ -	\$ -	\$ -	\$ 133,333
Planning	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 80,000
Evaluation	\$ 20,418	\$ -	\$ 208,465	\$ -	\$ -	\$ -	\$ 228,883
Evaluation Consultant	\$ -	\$ -	\$ 24,297	\$ -	\$ -	\$ -	\$ 24,297
Energy Efficiency Board	\$ -	\$ -	\$ 50,210	\$ -	\$ -	\$ -	\$ 50,210
Performance Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 527,978	\$ 527,978
Subtotal Other	\$ 212,235	\$ -	\$ 629,150	\$ -	\$ -	\$ 527,978	\$ 1,369,363
PROGRAM SUBTOTALS							
Residential	\$ 578,814	\$ 11,910	\$ 1,068,654	\$ 5,037,772	\$ 156,180	\$ 12,385	\$ 6,865,714
C&I	\$ 348,753	\$ 11,160	\$ 429,324	\$ 2,021,030	\$ 47,400	\$ 19,300	\$ 2,876,968
Other	\$ 212,235	\$ -	\$ 679,150	\$ -	\$ -	\$ 527,978	\$ 1,419,363
TOTAL BUDGET	\$ 1,139,802	\$ 23,070	\$ 2,177,128	\$ 7,058,802	\$ 203,580	\$ 559,663	\$ 11,162,045

Table C – 2014 Pie

**SCG
2014 Gas Conservation
Budget By Expense Class**



Expense Classes	Budget	% of Budget
Labor	\$ 1,139,802	10.2%
Materials & Supplies	\$ 23,070	0.2%
Outside Services	\$ 2,177,128	19.5%
Incentives	\$ 7,058,802	63.2%
Marketing	\$ 203,580	1.8%
Administrative Expenses	\$ 559,663	5.0%
Total	\$ 11,162,045	100.00%

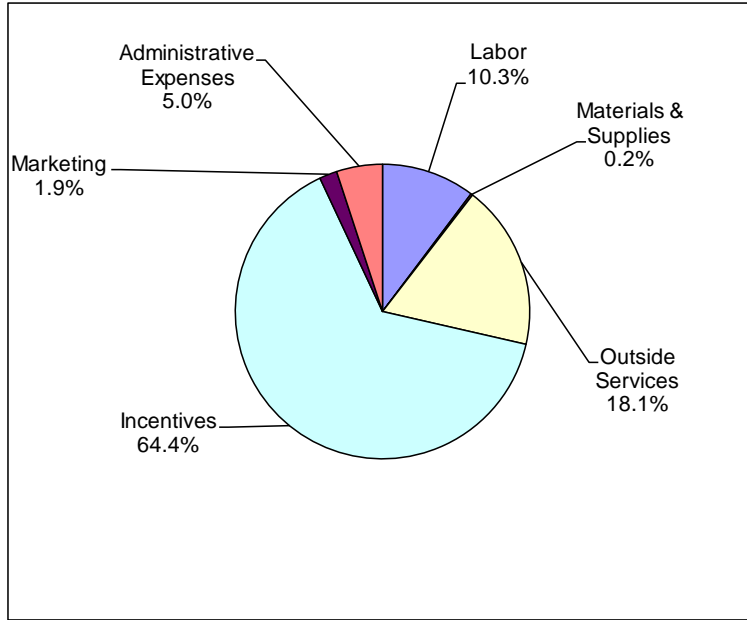
Table C – 2015 SCG Program Budget by Category

Table C
SCG 2015 Budget Details

GAS CONSERVATION BUDGET (\$000)	Labor	Materials & Supplies	Outside Services	Incentives	Marketing	Administrative Expenses	TOTAL
RESIDENTIAL							
HES Income Eligible - Weatherization	\$ 213,070	\$ 2,500	\$ 50,000	\$ 2,278,072	\$ 9,500	\$ 1,500	\$ 2,554,642
Home Energy Solutions (HES)	\$ 268,433	\$ 2,000	\$ 150,000	\$ 2,253,757	\$ 35,000	\$ 2,467	\$ 2,711,657
Residential Behavior	\$ 10,000	\$ 3,750	\$ 360,050	\$ -	\$ 75,000	\$ 3,000	\$ 451,800
Residential New Construction	\$ 30,928	\$ 720	\$ 24,762	\$ 250,800	\$ 22,080	\$ 1,500	\$ 330,790
Water Heating	\$ 14,053	\$ 300	\$ 3,000	\$ 282,400	\$ 6,533	\$ 1,185	\$ 307,471
Subtotal Residential	\$ 536,484	\$ 9,270	\$ 587,812	\$ 5,065,029	\$ 148,113	\$ 9,652	\$ 6,356,360
COMMERCIAL & INDUSTRIAL LOST OPPORTUNITY							
Energy Conscious Blueprint	\$ 161,852	\$ 2,500	\$ 50,000	\$ 1,082,951	\$ 30,000	\$ 9,500	\$ 1,336,803
Subtotal C&I - Lost Opportunity	\$ 161,852	\$ 2,500	\$ 50,000	\$ 1,082,951	\$ 30,000	\$ 9,500	\$ 1,336,803
COMMERCIAL & INDUSTRIAL LARGE RETROFIT							
Energy Opportunities	\$ 120,957	\$ 2,500	\$ 40,000	\$ 439,441	\$ 12,500	\$ 5,000	\$ 620,398
Operations & Maintenance	\$ 31,387	\$ 5,000	\$ 50,000	\$ 474,424	\$ 10,000	\$ 5,000	\$ 575,811
Subtotal C&I - Lost Opportunity	\$ 152,344	\$ 7,500	\$ 90,000	\$ 913,865	\$ 22,500	\$ 10,000	\$ 1,196,209
Small Business	\$ 23,975	\$ 500	\$ 5,000	\$ 90,442	\$ 2,500	\$ 4,730	\$ 127,147
Subtotal C&I	\$ 338,171	\$ 10,500	\$ 145,000	\$ 2,087,258	\$ 55,000	\$ 24,230	\$ 2,660,159
OTHER - PROGRAMS/REQUIREMENTS & PLANNING							
OTHER - EDUCATION							
SmartLiving Center@ - Museum Partnerships	\$ 7,655	\$ 2,000	\$ 66,845	\$ -	\$ 5,000	\$ 500	\$ 82,000
Clean Energy Communities	\$ 36,905	\$ -	\$ 106,428	\$ -	\$ -	\$ -	\$ 143,333
EESmarts/K-12	\$ 8,352	\$ 1,300	\$ 49,015	\$ -	\$ 7,000	\$ 1,000	\$ 66,667
Customer Engagement	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000
Subtotal Education	\$ 52,912	\$ 3,300	\$ 272,288	\$ -	\$ 12,000	\$ 1,500	\$ 342,000
OTHER - PROGRAMS/REQUIREMENTS							
ISE	\$ -	\$ -	\$ 37,333	\$ -	\$ -	\$ -	\$ 37,333
ESPC	\$ -	\$ -	\$ 9,600	\$ -	\$ -	\$ -	\$ 9,600
CHIF Loan Fund	\$ -	\$ -	\$ 99,959	\$ -	\$ -	\$ -	\$ 99,959
Residential Financing Subsidies	\$ -	\$ -	\$ 86,333	\$ -	\$ -	\$ -	\$ 86,333
C&I Financing Subsidies	\$ -	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ 75,000
Subtotal Programs/Requirements	\$ -	\$ -	\$ 308,225	\$ -	\$ -	\$ -	\$ 308,225
OTHER - RD&D							
Research, Development and Demonstration	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000
Subtotal Renewables & RD&D	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000
OTHER - ADMINISTRATIVE & PLANNING							
Administration	\$ 98,496	\$ -	\$ 22,833	\$ -	\$ -	\$ -	\$ 121,329
Marketing Plan	\$ 13,321	\$ -	\$ 203,333	\$ -	\$ -	\$ -	\$ 203,333
Information Technology	\$ 80,000	\$ -	\$ 120,012	\$ -	\$ -	\$ -	\$ 133,333
Planning	\$ 20,418	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 80,000
Evaluation	\$ -	\$ -	\$ 225,299	\$ -	\$ -	\$ -	\$ 245,717
Evaluation Consultant	\$ -	\$ -	\$ 24,297	\$ -	\$ -	\$ -	\$ 24,297
Energy Efficiency Board	\$ -	\$ -	\$ 50,210	\$ -	\$ -	\$ -	\$ 50,210
Performance Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 525,023	\$ 525,023
Subtotal Other	\$ 212,235	\$ -	\$ 645,984	\$ -	\$ -	\$ 525,023	\$ 1,383,242
PROGRAM SUBTOTALS							
Residential	\$ 578,814	\$ 11,910	\$ 905,601	\$ 5,065,029	\$ 157,713	\$ 10,852	\$ 6,729,919
C&I	\$ 348,753	\$ 11,160	\$ 407,724	\$ 2,087,258	\$ 57,400	\$ 24,530	\$ 2,936,825
Other	\$ 212,235	\$ -	\$ 695,984	\$ -	\$ -	\$ 525,023	\$ 1,433,242
TOTAL BUDGET	\$ 1,139,802	\$ 23,070	\$ 2,009,309	\$ 7,152,287	\$ 215,113	\$ 560,405	\$ 11,099,986

Table C – 2015 Pie

SCG
2015 Gas Conservation
Budget By Expense Class



Expense Classes	Budget	% of Budget
Labor	\$ 1,139,802	10.3%
Materials & Supplies	\$ 23,070	0.2%
Outside Services	\$ 2,009,309	18.1%
Incentives	\$ 7,152,287	64.4%
Marketing	\$ 215,113	1.9%
Administrative Expenses	\$ 560,405	5.0%
Total	\$ 11,099,986	100.00%

Table D – SCG Historical and Projected Program Expenditures and Units

Table D
SCG Historical and Projected \$ and Units

Expenditures \$ (000)												
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015		
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Goal	Goal
RESIDENTIAL												
HE-S Income Eligible - Weatherization	\$ 251	\$ 344	\$ 492	\$ 1,350	\$ 948	\$ 2,056	\$ 1,766	\$ 3,816	\$ 2,680	\$ 2,680	\$ 2,555	\$ 2,555
Home Energy Solutions (HES)	\$ 42	\$ 193	\$ 670	\$ 540	\$ 1,296	\$ 1,402	\$ 1,285	\$ 1,666	\$ 2,545	\$ 2,545	\$ 2,712	\$ 2,712
Residential Behavior	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 542	\$ 452
Residential New Construction	\$ -	\$ -	\$ -	\$ 188	\$ 94	\$ 365	\$ 120	\$ 596	\$ 352	\$ 352	\$ 331	\$ 331
Water Heating	\$ -	\$ -	\$ 48	\$ 91	\$ 73	\$ 40	\$ 54	\$ 39	\$ 300	\$ 300	\$ 307	\$ 307
Subtotal Residential	\$ 292	\$ 537	\$ 1,211	\$ 2,169	\$ 2,411	\$ 3,862	\$ 3,224	\$ 6,117	\$ 6,419	\$ 6,356		
COMMERCIAL & INDUSTRIAL												
Energy Conscious Blueprint	\$ -	\$ -	\$ 657	\$ 606	\$ 624	\$ 1,090	\$ 1,351	\$ 697	\$ 1,358	\$ 1,358	\$ 1,337	\$ 1,337
Total - Lost Opportunity	\$ -	\$ -	\$ 657	\$ 606	\$ 624	\$ 1,090	\$ 1,351	\$ 697	\$ 1,358	\$ 1,358	\$ 1,337	\$ 1,337
C&I LARGE RETROFIT												
Energy Opportunities	\$ -	\$ -	\$ 60	\$ 185	\$ 84	\$ 1,037	\$ 169	\$ 835	\$ 629	\$ 629	\$ 620	\$ 620
O&M (RetroCx, Training)	\$ -	\$ -	\$ 9	\$ 3	\$ 8	\$ 251	\$ 2	\$ (20)	\$ 478	\$ 478	\$ 576	\$ 576
Total - C&I Large Retrofit	\$ -	\$ -	\$ 70	\$ 188	\$ 93	\$ 1,288	\$ 171	\$ 815	\$ 1,107	\$ 1,107	\$ 1,196	\$ 1,196
Small Business	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 92	\$ 92	\$ 124	\$ 124	\$ 127	\$ 127
Subtotal C&I	\$ -	\$ -	\$ 726	\$ 794	\$ 716	\$ 2,378	\$ 1,613	\$ 1,604	\$ 2,589	\$ 2,589	\$ 2,660	\$ 2,660
PROGRAM SUB-TOTALS												
Residential	\$ 292	\$ 537	\$ 1,211	\$ 2,169	\$ 2,411	\$ 3,862	\$ 3,224	\$ 6,117	\$ 6,419	\$ 6,356		
C&I	\$ -	\$ -	\$ 726	\$ 794	\$ 716	\$ 2,378	\$ 1,613	\$ 1,604	\$ 2,589	\$ 2,589	\$ 2,660	\$ 2,660
TOTAL	\$ 292	\$ 537	\$ 1,937	\$ 2,963	\$ 3,127	\$ 6,240	\$ 4,838	\$ 7,721	\$ 9,008	\$ 9,017		

Units												
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015		
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Goal	Goal
RESIDENTIAL												
HE-S Income Eligible - Weatherization	253	545	1,910	3,511	2,034	3,268	2,479	3,647	4,080	3,867	3,867	3,867
Home Energy Solutions (HES)	88	430	1,149	1,421	2,538	2,368	2,049	2,619	3,402	3,638	3,638	3,638
Residential Behavior	-	-	-	-	-	-	-	-	2,500	2,500	2,500	2,500
Residential New Construction	-	-	-	71	32	114	40	116	148	133	133	133
Water Heating	-	-	109	266	236	235	80	155	2,280	2,280	2,280	2,280
Subtotal Residential	341	975	3,168	5,269	4,840	5,986	4,648	6,537	12,409	12,418		
COMMERCIAL & INDUSTRIAL												
Energy Conscious Blueprint	-	-	12	28	45	46	90	100	35	34	34	34
Total - Lost Opportunity	-	-	12	28	45	46	90	100	35	34	34	34
C&I LARGE RETROFIT												
Energy Opportunities	-	-	1	2	9	11	36	31	11	11	11	11
O&M (RetroCx, Training)	-	-	-	-	1	3	4	3	8	10	10	10
Total - C&I Large Retrofit	-	-	1	2	10	14	40	34	19	21	21	21
Small Business	-	-	-	-	-	-	27	72	4	4	4	4
Subtotal C&I	-	-	13	30	55	60	157	206	58	60	60	60
PROGRAM SUB-TOTALS												
Residential	341	975	3,168	5,269	4,840	5,986	4,648	6,537	12,409	12,418	12,418	12,418
C&I	-	-	13	30	55	60	157	206	58	60	60	60
TOTAL	341	975	3,181	5,299	4,895	6,046	4,805	6,743	12,468	12,478	12,478	12,478

Table D1 – SCG Historical and Projected Annual and Lifetime CCF

Table D
SCG Historical and Projected Annual and Lifetime ccf

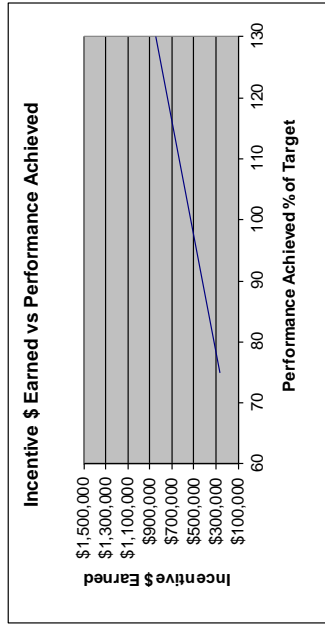
Annual ccf (000)												
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015		
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Goal	Goal		
RESIDENTIAL												
HES Income Eligible - Weatherization	34	72	88	463	214	361	264	635	338	320		
Home Energy Solutions (HES)	14	32	159	176	319	243	231	284	384	410		
Residential Behavior	-	-	-	-	-	-	-	-	-	145		
Residential New Construction	-	-	-	20	9	24	8	19	40	36		
Water Heating	-	-	7	16	14	13	6	7	74	74		
Subtotal Residential	48	103	254	675	557	641	509	945	980	985		
COMMERCIAL & INDUSTRIAL												
Energy Conscious Blueprint	-	-	127	133	233	165	387	290	225	219		
Total - Lost Opportunity	-	-	127	133	233	165	387	290	225	219		
C&I LARGE RETROFIT												
Energy Opportunities	-	-	13	31	37	126	261	222	157	158		
O&M (RetroCx, Training)	-	-	-	-	3	58	36	86	195	242		
Total - C&I Large Retrofit	-	-	13	31	40	185	297	308	352	400		
Small Business	-	-	-	-	-	-	27	11	31	32		
Subtotal C&I	-	-	140	164	273	350	711	609	609	651		
PROGRAM SUB-TOTALS												
Residential	48	103	254	675	557	641	509	945	980	985		
C&I	-	-	140	164	273	350	711	609	609	651		
TOTAL	48	103	394	839	830	991	1,220	1,554	1,589	1,636		
Lifetime ccf (000)												
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015		
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Goal	Goal		
RESIDENTIAL												
HES Income Eligible - Weatherization	579	976	957	7,965	3,551	5,637	4,942	13,533	6,634	6,288		
Home Energy Solutions (HES)	280	513	2,793	3,239	5,472	4,180	4,359	5,613	7,658	8,174		
Residential Behavior	-	-	-	-	-	-	-	-	1,454	1,454		
Residential New Construction	-	-	-	508	235	600	188	457	988	902		
Water Heating	-	-	137	323	287	263	111	136	937	937		
Subtotal Residential	860	1,488	3,887	12,035	9,545	10,680	9,600	19,739	17,671	17,755		
COMMERCIAL & INDUSTRIAL												
Energy Conscious Blueprint	-	-	1,907	2,009	3,152	2,555	5,325	4,484	3,458	3,363		
Total - Lost Opportunity	-	-	1,907	2,009	3,152	2,555	5,325	4,484	3,458	3,363		
C&I LARGE RETROFIT												
Energy Opportunities	-	-	195	629	399	1,834	3,087	2,322	1,770	1,777		
O&M (RetroCx, Training)	-	-	-	-	27	804	307	430	1,560	1,452		
Total - C&I Large Retrofit	-	-	195	629	426	2,638	3,394	2,752	3,331	3,229		
Small Business	-	-	-	-	-	-	378	152	353	366		
Subtotal C&I	-	-	2,102	2,638	3,579	5,193	9,097	7,388	7,142	6,957		
PROGRAM SUB-TOTALS												
Residential	860	1,488	3,887	12,035	9,545	10,680	9,600	19,739	17,671	17,755		
C&I	-	-	2,102	2,638	3,579	5,193	9,097	7,388	7,142	6,957		
TOTAL	860	1,488	5,989	14,674	13,124	15,873	18,697	27,127	24,812	24,713		

SCG Performance Incentive 2014

SOUTHERN CONNECTICUT GAS COMPANY 2014 Management Incentive Performance Indicators and Incentive Matrix

Provided below is the 2014 Incentive Matrix with Performance Indicators. The Utility Performance Incentive is \$527,978. 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). Goals will be prorated based on actual over/under spend of budget. 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:

<u>Performance %</u>	<u>Pre-tax Incentive</u>	<u>Pre-tax Incentive</u>
75	2.5%	\$263,989
80	3.0%	\$316,787
90	4.0%	\$422,382
100	5.0%	\$527,978
110	6.0%	\$633,574
120	7.0%	\$739,169
130	8.0%	\$844,765
Total Original Budget*		\$10,559,560



*Does not include Incentive, ECMB costs and Audit

SCG Performance Incentive 2014 (cont.)

SECTOR Program	Performance Indicators	Incentive Metrics			
		Incentive Metric	Target Goal	Weight	Incentive
Residential Program Budgets	Lifetime Savings (ccf): HES Income Eligible Home Energy Solutions Residential Behavior New Construction Water Heating Total Lifetime Savings (ccf) Present Value Lifetime Savings (ccf)	\$ 6,419,003 6,633,849 7,658,261 1,454,241 987,584 936,671 17,670,606 \$0.8122	Gas Benefit from all Residential programs \$14,352,103	0.195	\$102,956
	Total Residential Gas Benefit:	\$14,352,103			
	Net Residential Gas Benefit:	\$7,933,100	\$7,933,100	0.195	\$102,956
Water Heating	Number of Water Heating Units (tankless and condensing) per DEEP Final Decision	300,238	300	0.010	\$5,280
HES	Achieve ccf savings per single family home	2,545,354	116.6	0.050	\$26,399
HES-IE	Annual ccf savings	2,680,076	337,721	0.030	\$15,839

SCG Performance Incentive 2014 (cont.)

SECTOR Program	Performance Indicators	Incentive Metrics			
		Incentive Metric	Target Goal	Weight	Incentive
C&I Program Budgets	Lifetime Savings (ccf): Energy Conscious Blueprint 3,457,711 Energy Opportunities 1,770,426 O&M 1,560,393 Small Business 353,167 Total Lifetime Savings (ccf) 7,141,697 Present Value Lifetime Savings (ccf) \$0,8155 Total C&I Gas Benefit: \$5,824,187 Net C&I Gas Benefit: \$3,235,486	Total Gas Benefit from all C&I programs	Gas Benefit from all C&I programs \$5,824,187	0.210	\$110,875
Small Business	Number of gas projects that are comprehensive or implement measure bundles or Number of projects that consist of at least two gas measures Comprehensive is defined as 1. More than one End-Use, where End-Use is defined as Heating, Cooling, Lighting, Process, Refrigeration or EMS, and involves an End Use with a natural gas measure. 2. No 1 single End-Use can have more than 85% of the energy savings value of the total annual energy savings Only SBEA projects are eligible Calculations based on signed projects with gas, no Rebates: [(# of signed projects with gas - any rebate projects) / (total # of signed SBEA projects with gas - any rebate projects)] Small Business projects may also be comprehensive by utilizing "bundled measures". Bundled measures shall be defined generally as a list of measure types geared toward customer type categories. For example, the measure bundle for restaurants and commercial kitchens should include, but not be limited to, Lighting, Energy Star Natural Gas or Electric cooking equipment, CEEE rated Pre-Rinse Spray Valves, Energy Star Natural Gas or Electric Dishwashers.	% of Gas Projects	10% of signed projects	0.030	\$15,839

SCG Performance Incentive 2014 (cont.)

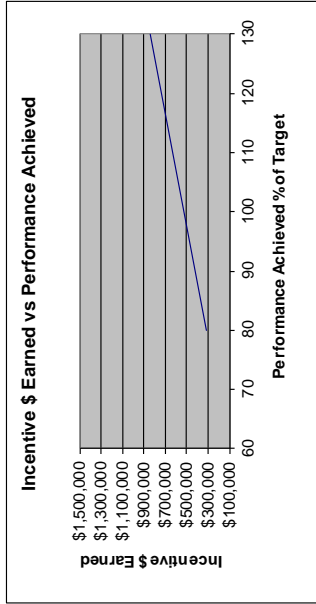
SECTOR Program	Performance Indicators	Incentive Metrics			
		Incentive Metric	Target Goal	Weight	Incentive
Energy Blueprint / Energy Opportunities	Percentage of signed gas only projects containing multiple measures Projects must fall within Energy Opportunities or Energy Conscious Blueprint programming; Projects must contain multiple gas measures; No restriction to the number of entituses; No SBEA projects are included. Calculations based on signed projects, no Rebates: [(# of signed projects - rebate projects) / (total # of signed projects from all large C&I - all rebate projects)]	% of Gas Projects	15% of signed projects	0.030	\$15,839
Manufacturing Customer Projects	Energy savings from Signed Manufacturing Customer projects. Energy Savings includes the gas energy savings from all end uses. Manufacturing customer projects of any size including those that are < 200 kW, Manufacturing customer is any with a NAICS manufacturing code or, Manufacturing projects within the following facility types from the tracking systems: industrial 1 shift, industrial 2 shift, industrial 3 shift, manufacturing or lite manufacturing. Calculations based on signed contracts, no Rebates: [(Savings from manufacturing Customers projects - savings from rebates) / (total savings from all C&I - savings from all rebates)]	% of Savings Via Signed Contracts	20% of Savings Via Signed Contracts	0.040	\$21,119
Total Incentive \$ Residential and C&I				1.000	\$527,978

SCG Performance Incentive 2015

SOUTHERN CONNECTICUT GAS COMPANY 2015 Management Incentive Performance Indicators and Incentive Matrix

Provided below is the 2015 Incentive Matrix with Performance Indicators. The Utility Performance Incentive is \$525,023. 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). Goals will be prorated based on actual over/under spend of budget. 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
80	3.0%	\$315,014
90	4.0%	\$420,018
100	5.0%	\$525,023
110	6.0%	\$630,027
120	7.0%	\$735,032
130	8.0%	\$840,036
Total Original Budget*		\$10,500,456



*Does not include Incentive, ECMB costs and Audit

SCG Performance Incentive 2015 (cont.)

SECTOR Program	Performance Indicators	Incentive Metrics			
		Incentive Metric	Target Goal	Weight	Incentive
Residential Program Budgets	Lifetime Savings (ccf): HES Income Eligible Home Energy Solutions Residential Behavior New Construction Water Heating Total Lifetime Savings (ccf) Present Value Lifetime Savings (ccf)	6,356,360 6,287,642 8,174,441 1,454,241 902,223 936,671 17,755,217 \$0.7855	Gas Benefit from all Residential programs \$13,946,113	0.195	\$102,379
	Total Residential Gas Benefit: \$13,946,113 Net Residential Gas Benefit: \$7,589,753		\$7,589,753	0.195	\$102,379
Water Heating	Number of Water Heating Units (tankless and condensing) per DEEP Final Decision	307,471	400	0.010	\$5,250
HES	Achieve ccf savings per single family home	2,711,657	128.3	0.050	\$26,251
HES-JE	Annual ccf savings	2,554,642	320,096	0.030	\$15,751

SCG Performance Incentive 2015 (cont.)

SECTOR Program	Performance Indicators	Incentive Metrics			
		Incentive Metric	Target Goal	Weight	Incentive
C&I Program Budgets	<p>Lifetime Savings (ccf):</p> <p>Energy Conscious Blueprint 3,363,054</p> <p>Energy Opportunities 1,776,636</p> <p>O&M 1,452,156</p> <p>Small Business 365,652</p> <p>Total Lifetime Savings (ccf) 6,957,498</p> <p>Present Value Lifetime Savings (ccf) \$0.7794</p> <p>Total C&I Gas Benefit: \$5,422,468</p> <p>Net C&I Gas Benefit: \$2,762,309</p>	Total Gas Benefit from all C&I programs	Gas Benefit from all C&I programs \$5,422,468	0.210	\$110,255
Small Business	<p>Number of gas projects that are comprehensive or implement measure bundles or Number of projects that consist of at least two gas measures</p> <p>Comprehensive is defined as</p> <p>1. More than one End-Use, where End-Use is defined as Heating, Cooling, Lighting, Process, Refrigeration or EMS, and involves an End Use with a natural gas measure.</p> <p>2. No 1 single End-Use can have more than 85% of the energy savings value of the total annual energy savings Only SBEA projects are eligible</p> <p>Calculations based on signed projects with gas, no Rebates: [(# of signed projects with gas - any rebate projects) / (total # of signed SBEA projects with gas - any rebate projects)]</p> <p>Small Business projects may also be comprehensive by utilizing "bundled measures". Bundled measures shall be defined generally as a list of measure types geared toward customer type categories. For example, the measure bundle for restaurants and commercial kitchens should include, but not be limited to, Lighting, Energy Star Natural Gas or Electric cooking equipment, CEEE rated Pre-Rinse Spray Valves, Energy Star Natural Gas or Electric Dishwashers.</p>	% of Gas Projects	12% of signed projects	0.030	\$15,751

SCG Performance Incentive 2015 (cont.)

SECTOR Program	Performance Indicators	Incentive Metrics			
		Incentive Metric	Target Goal	Weight	Incentive
Energy Blueprint / Energy Opportunities	Percentage of signed gas only projects containing multiple measures Projects must fall within Energy Opportunities or Energy Conscious Blueprint programming; Projects must contain multiple gas measures; No restriction to the number of enduses; No SBEA projects are included. Calculations based on signed projects, no Rebates: [(# of signed projects - rebate projects) / (total # of signed projects from all large C&I - all rebate projects)]	% of Gas Projects	17% of signed projects	0.030	\$15,751
Manufacturing Customer Projects	Energy savings from Signed Manufacturing Customer projects. Energy Savings includes the gas energy savings from all end uses. Manufacturing customer projects of any size including those that are < 200 kW, Manufacturing customer is any with a NAICS manufacturing code or, Manufacturing projects within the following facility types from the tracking systems: industrial 1 shift, industrial 2 shift, industrial 3 shift, manufacturing or like manufacturing. Calculations based on signed contracts, no Rebates: [(Savings from manufacturing Customers projects - savings from rebates) / (total savings from all C&I - savings from all rebates)]	% of Savings Via Signed Contracts	22% of Savings Via Signed Contracts	0.040	\$21,001
Total Incentive \$ Residential and C&I				1.000	\$525,023

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CHAPTER THREE: RESIDENTIAL PROGRAMS (Electric and Natural Gas)

Residential Retail Products (Electric)

Overview

The objective of the Residential Retail Products Program (“Retail Program”) is to increase consumer awareness, acceptance and market share of ENERGY STAR® lighting, appliances and consumer electronics. To date, the Retail Program has been the model market transformation program within the residential portfolio. Incentives are offered through three different vehicles including upstream payments to manufacturers, instant coupons and mail-in rebates. Providing incentives upstream through the Negotiated Cooperative Promotion (“NCP”) enables consumers to pay a discounted price at the point-of-purchase; thus reducing overall program expenses by reducing redemption costs and simplifying the consumer’s purchasing experience. Additionally, the Companies influence a large portion of the total market through fewer communication points while impacting the greatest number of purchase decisions. This strategy allows for incentives to have a greater impact when applied at the wholesale versus retail level.

Summary of 2014 Program Changes

The 2014 Retail Lighting objectives are to increase the market penetration of LEDs and provide enhanced consumer education and awareness about efficient lighting. These objectives are based upon the understanding that the retail lighting market is rapidly evolving: There is increased consumer awareness and acceptance of Compact Fluorescent Lamps (“CFLs”) coupled with an increased demand for LEDs, driven by the rapidly declining price of many LED products and adoption of LED technology becoming more mainstream. However, despite declining LED costs, they are still typically significantly more expensive than comparable incandescent or CFL technologies. At the same time, lighting products manufactured to comply with recently implemented Federal standards under the Energy Independence and Security Act of 2007 (“EISA”) are becoming available. The 2014 Retail Program will continue to focus on increasing socket penetration of efficient lighting products in homes, including CFLs but with a specific and enhanced focus on LEDs, as well as enhanced consumer education and awareness about efficient lighting choices, technologies, features and benefits. The Retail Program budget for 2014 and 2015 has therefore been increased to address the factors noted above including the higher cost for LED technologies.

Marketing, Outreach and Education

Overall, the consumer outreach of the Retail Program will be greatly increased in 2014. The Companies will expand education and targeted messaging to better inform consumers

about their efficient lighting options. Increased educational efforts about the diversity of efficient lighting options, the impact of EISA standards, dimmer compatibility, and the meaning of terms like lumens, cool white, warm white, etc. Visual and “hands on” displays will be utilized to help educate customers about the various efficient lighting options that are available.

The Companies will better target the “hard to reach” market segments that have not yet replaced incandescent bulbs throughout their home, including but not necessarily limited to elderly, low-income and bi-lingual customers through increased education and awareness.

Education will be increased at the point-of-purchase during high-traffic periods and at as many participating locations as possible, including in-store promotions to capture customer attention. The Companies will leverage the industry by encouraging retailers to include in-store promotions and marketing as part of the value of NCPs.

The Companies will work closely with retail store managers to inform them about the benefits of the program, and to offer additional training to retail staff about lighting technology. Improvements may include developing handouts for retail staff and customers (e.g. tear pad, pamphlet, retailer pocket guides) and working to creatively enhance retailer training experience and reduce training material printing cost through electronic media.

ENERGY STAR and TopTen Appliances

The Companies will work with their respective marketing departments and industry partners to develop strong appliance and consumer electronics collateral and to provide better store-level messaging about the benefits of ENERGY STAR and TopTen certified products. The Companies will continue to support TopTen by providing education on efficient products to customers through the Connecticut TopTen website (www.TopTenUSA.org/ct) and will continue to offer rebates for refrigerators, freezers and washers that meet TopTen criteria as well as an upstream rebate for heat pump water heaters. The Companies will also increase outreach to gas conversion customers to encourage weatherization and the installation of high-efficiency natural gas measures including water heaters, furnaces and boilers.

Focus on LEDs

The Retail Program will focus on providing incentives and marketing support for ENERGY STAR-certified LED bulbs and fixtures with the goal of increasing the sales of these products. Incentives will not be offered for dimmable CFLs. Incentive levels will be adjusted downward as competition transforms the market and retail price points decline. In addition, the Companies will work with their lighting events vendor to improve corporate and community lighting events, increase LED offerings and enhance the educational value to consumers.

The Companies will continue to closely monitor the LED and CFL markets. Future C&LM Plans will be guided by the latest market data and evaluation and study results.

2014 Incentive Levels

The Companies are refining incentives to help impact the sale of LEDs, while strategically monitoring and adjusting incentives of CFLs downward such that they remain competitive compared to their ESIA compliant alternatives. In order to adapt to rapidly changing market conditions, the Companies must have the flexibility to change rebate levels throughout the year as needed. This is particularly important in the Retail Program because the LED market and retail pricing is evolving very quickly.

In 2014, incentives will continue to be offered using mail-in rebates and NCPs. Mail-in rebates will be offered for various ENERGYSTAR certified LED bulbs, downlights and fixtures, as well as ENERGY STAR certified CFL bulbs and fixtures. NCP incentives are offered for general and non-general service CFLs, CFL fixtures, general and non-general service specialty or non A-line style, LEDs and LED fixtures. Incentives have been removed from dimmable CFLs. Rebate levels may be subject to change throughout the year based on market conditions and budget expenditures. Incentives will also be offered for TopTen Products including refrigerators, freezers, washers and heat pump water heaters.

Residential New Construction (Electric and Natural Gas)

Overview

The objective of the electric and natural gas Residential New Construction (“RNC”) program is to reduce the energy use and peak demand in new housing. Related objectives include increasing builder and consumer awareness of energy-efficient building practices, and to affect permanent market movement to more energy-efficient residential new construction in the State of Connecticut.

In 2013, the Companies offered a variety of incentives for new homes. A tiered rebate structure existed depending upon what Home Energy Rating System (“HERS”) Index value was achieved. Additionally, homes that reached ENERGY STAR certification could also obtain a bonus certification incentive for one of three approved certification programs, an additional low load homes incentive if a single family dwelling met the requirements, and various prescriptive incentives depending upon the thermal insulation, mechanical systems, and appliances installed. Homes heated with fuel oil and propane were only eligible for 30% of the listed incentives. Homes heated with natural gas were eligible for 100% payment for the ENERGY STAR and additional bonus certifications. Non-ENERGY STAR homes/units such as gut rehabilitation projects and homeowners/builders who choose not to build an ENERGY STAR home were entitled to “prescriptive measure” incentives on a per-measure basis for high performance insulation, heating, cooling, hot water system equipment, and specific TopTen appliances.

Summary of 2014 Program Changes

The Decision required the LDCs to make changes to the RNC program in order to make the program more cost effective. The Companies determined the best approach to be an adjustment of the RNC program requirements and incentives across all Companies in 2014 in order to improve cost effectiveness as a whole. In conjunction with this is our objective to offer a HERS Index path designed to help Connecticut builders become familiar with building practices that are going to be required once Connecticut adopts the 2012 International Energy Conservation Code (“2012 IECC”).

The 2012 IECC incorporates the HERS Rating index as an optional compliance path. In 2014, the Companies propose two separate “Tracks”: The HERS Index (Track 1) and the Prescriptive Path (Track 2), both of which require the home owner to hire a HERS rater. This streamlined approach aims to reduce costs and increase cost effectiveness.

Track 1, The HERS Index path, is an ideal path for all ground-up construction projects as well as gut-rehabilitation projects, as a HERS Rating can be performed on any age and size

residential structure. In this Track a certified HERS Rater designates an official HERS Index rating for the home/unit.

The Companies propose the following tiered incentive structure for Track 1:

Tier	2013 ENERGY STAR HERS Index	2014 Proposed HERS Index
1	74-65	70-61
2	64-55	60-50
3	54-50	<50
4	<50	-

As part of Track 1, the Companies propose to offer ENERGY STAR as a bonus incentive. With the change in the ENERGY STAR program to version 3.0, many builders around the country including Connecticut have stopped participating in ENERGY STAR due to an increase in the expense and complexity involved in meeting version 3.0 criteria. The Companies believe that offering a HERS Index path will help move the construction market towards future 2015 IECC compliance while also providing valuable contractor construction practice education through hiring HERS Raters. HERS Raters often offer needed advice to contractors during construction to achieve better HERS Index scores. The Companies propose to remove the “Rating Incentive” that existed in the 2013 program, since no actual energy savings are tied to hiring a HERS Rater. The Companies will also remove the “low load” home bonus incentive from the 2014 program. In lieu of that, the Companies plan to continue to offer a bonus incentive for Leadership in Energy & Environmental Design (“LEED”), DOE Challenge Home, or National Green Building Standard (“NGBS”) certification in the 2014 program as long as the home also meets ENERGY STAR v 3.0.

Track 2 is the Prescriptive Path. This path will be available for any homes that choose not to hire the full services of a HERS Rater, however they do require a HERS rater to inspect that insulation was installed to RESNET Grade 1 standard and to verify the home’s air tightness using a blower door test. The prescriptive HVAC and appliance rebates will be removed, with the exception of the geothermal rebate. In order to get the geothermal rebate the customer will need to go through RNC Track 1 or Track 2.

The companies are also working with Residential Energy Services Network (“RESNET”) and the industry approved modeling software called REM/Rate to give more credit for LED lighting in a HERS rating and modeling software.

In addition, delivered fuel homes will also be eligible for 100% of the listed incentives based upon the treatment of all fuels in the Decision and the anticipated cost effective savings.

The Companies will continue to promote the use of efficient lighting in new construction by requiring that at least 80% of the sockets contain either LEDs or CFLs, adhering to the Energy Star requirement. The Companies also plan to continue to offer an income eligible bonus incentive of 25% greater than listed incentives for dwellings that will house limited income customers. Finally, the companies also plan to research the feasibility of incorporating “renewable-readiness” criteria into future iterations of the RNC program.

Home Energy Solutions Program

Overview

HES is the flagship residential retrofit program serving all existing residential structures including single and multi-family properties. The objective of the HES program is to reduce total residential energy use through the comprehensive treatment of all single-family and multi-family residential dwellings, to make utility bills more affordable, to make homes more energy-efficient and comfortable, to provide energy efficiency education to raise customer awareness of conservation and to encourage those customers to take behavioral and other steps beyond weatherization. For income eligible customers specifically, the Home Energy Solutions – Income Eligible (“HES-IE”) program seeks to reduce their energy cost burden. HES and HES-IE will be the primary vehicle which will be used to fulfill the State of Connecticut’s goal of weatherizing 80% of existing homes by 2030 per Public Act No.11-80, Section 33.

In order for Connecticut to achieve the desired outcome of increased energy efficiency, the Companies will need to achieve significant levels of program participation. To obtain these results, the Companies will need to develop messaging to consumers about the importance of energy efficiency and living in a high performance home. To that end, the Companies will seek to engage market actors in the residential arena and work to increase contractor participation in the Home Performance path of HES. In addition, the Companies will continue to support the growth of a robust Home Performance with Energy Star program. In 2013, CEEF and the Companies won a prestigious ENERGY STAR partner of the Year award for its commitment to Home Performance. They also engaged with contractors through focus groups and other meetings in order to better understand the market opportunities and constraints for the Home Performance path. The Companies will build upon their current successes and lessons learned, to continue promoting the program to both existing HES contractors and outside contractors in an effort to increase participation in the Home Performance path.

As the Companies begin to build awareness of the importance of having a high performance home and drive demand for a variety of energy efficiency services from the marketplace, it is critical that Connecticut develop a license for residential energy efficiency work. Absent a formal program where there is oversight and quality control built into the program, consumers may have a real or perceived trust issue with vendors attempting to sell them services they may not be able to see. The potential for unscrupulous contractors preying on unsuspecting consumers will also exist. The Companies look forward to working with DEEP and other State agencies to develop a licensing requirement for residential energy efficiency. Through the creation of a self-policing industry, the stakeholders can begin the transition of the program offerings to a more market based collection of offerings.

In addition to the HES affiliated rebates, stand-alone HVAC and retrofit geothermal equipment, natural gas water heaters and heat pump water heaters, and HVAC Quality Installation and Verification (“QIV”) rebates are included under HES.

Summary of 2014 Program Changes

The Companies and LDCs took into consideration several factors when developing 2014 program changes; including directives from the Decision. Our key objectives for the 2014 program year include continuing to promote the adoption of deeper measures and savings for all fuels, promoting LED technology, educating consumers about the concept of home performance, and leveraging our state-of-the-art mobile field tool. Collectively the programmatic changes proposed will put us firmly on a path toward market transformation of the Home Performance industry in Connecticut. Public Act No. 11-80 required that 80% Connecticut homes are weatherized. A draft definition of “weatherized” was developed by the Companies and the EEB, and is currently being used in an evaluation of Connecticut single family homes. The definition is “asset based”, based on the physical attributes of the home rather than actual energy consumption. Draft results of this evaluation were released in September 2013 and a second phase is being planned.

One challenge, based on findings from the draft weatherization study, will be further insulating homes that have some (but not sufficient) insulation as it appears that many homes in Connecticut do not meet the weatherization criteria, based upon a prescriptive path. The existence of some insulation in many of these homes increases customer pay-backs and reduces program cost effectiveness while poorly insulated homes (homes with little or no insulation) can be addressed cost effectively to meet the weatherization goal through a prescriptive path. The Companies await the second phase of the weatherization baseline study and input from DEEP which will examine the cost effective potential for homes. Specifically, the second phase will provide guidance on the appropriateness of modifying the weatherization definition based on cost effectiveness criteria.

The final developed definition of weatherization and subsequent rating process will help meet this challenge. The Companies believe that it is prudent to develop a streamlined rating process to determine whether a home is weatherized. The streamlined process must allow for flexibility to reflect the diversity of homes, yet not entail a time consuming and expensive rating process. A ratings system similar to the DOE Home Energy Score may meet these requirements.

Program Savings and Accounting

HES will use a modified utility cost test to capture the benefits from delivered fuels savings achieved through the program (refer to Chapter Seven of the Plan on Cost Effectiveness Testing). In addition, the cost-shares between electric and gas companies for gas heated homes have been updated based on an allocation to gas or electric utility based upon the benefits. Developing the process to handle budget allocation of gas conversion customers and subsidy of

fuel oil customers once the Regional Greenhouse Gas Initiative (“RGGI”) has been exceeded was developed to allocate the cost of serving oil and propane customers equitably amongst all utilities as directed by DEEP. The companies will track the customers that convert to gas during the calendar year and/or receive a natural gas equipment rebate. The information will then be cross referenced to see if those customers participated in HES and, if so, reallocate the cost and savings to the gas companies. With regards to funding fossil fuel measures once RGGI has expired, 50% of the oil/propane costs will be allocated to the electric companies and 50% will be allocated to the gas companies. For CL&P customers, the 50% gas allocation will be split: 25% YGS, and 25% CNG. For UI customers, the 50% gas allocation will be 100% to SCG. The costs and savings are reflected in Table Bs.

Lighting Incentive Strategy

A new lighting incentive structure will be deployed in 2014 to help shift the residential lighting retrofit market from predominantly CFL based to LED based. The Companies issued a Request for Information (“RFI”) in late 2013 in order to better understand the pricing for LEDs and the feasibility moving more LEDs within the HES program. Based on the responses received through the RFI process, the Companies not only lowered co-pays but also plans to offer a prescribed amount of LEDs at no additional charge to customers through the HES program. Pricing is being finalized through a formal Request for Proposal (“RFP”) to distributors, and pricing will be extended to HES contractors by the second quarter of 2014.

Customers will receive a small amount of courtesy LEDs through the program in order to have LED technology more prevalent in CT homes and increase awareness of and satisfaction with the technology. 2014 changes include:

- Reducing the number of free CFLs per home and adding a cap for CFL specialty bulbs.
- Removing dimmable CFLs from the HES program.
- Provide each HES customer a prescribed amount of general service LEDs and LED downlights to replace existing incandescent bulbs (actual number to be determined based on a 2014 LED RFP.)
- Additional direct installation of LEDs will be available to customers for a cost-share (co-pay), with no cap on the amount installed other than the number of sockets in the home.

Insulation Incentives

With the preliminary results of the Draft Connecticut Weatherization Baseline Assessment, there is a significant opportunity to address unconditioned, un-insulated basements. For 2014, a floor insulation incentive is being added to the existing insulation incentive.

- Floor insulation (over unconditioned basements and attached garages) incentive available for existing unconditioned basements or attached garages that have less than an R-6

installed, and must install R-19 or higher to qualify, and if no insulation is present, customer must install R-13 to qualify.

- Ceiling insulation – the existing conditions for ceiling insulation will be changed. Previously, all homes with R-30 or less qualified for an incentive; now homes with R-19 or less will qualify.

Financing

For UI customers, the comprehensive, low-interest energy efficiency financing program will be funded and available, enabling the financing option to be consistent statewide.

- 2.99% on-bill financing available to HES customers who finance two or more qualifying measures with a total project cost greater than \$3,000 but less than \$25,000.

Home Energy Score and Marketing Home Performance

In the Decision, The Companies were directed to implement The DOE's Home Energy Score within HES by June of 2014. The DOE Home Energy Score is a residential asset label that will be deployed through the HES program in 2014 and it will be a significant step toward educating customers about a whole home approach to home performance. It will also help drive the Companies toward a future state, market-based approach to home performance. The launch of the label will incorporate the following milestones:

- All lead HES technicians will be required to become Qualified Assessors under the Home Energy Score program; this requires passing a two part proctored exam.
- The labeling program will be soft-launched in June of 2014.
- Messaging around building labeling will be tested in 2014 with existing messaging for the HES program.

Comprehensive and strategic marketing planning is underway for 2014. In conjunction with the DOE Energy Score launch, the Companies 2014 marketing efforts will focus broadly on educating residents about the concept of Home Performance so that residents understand the value of these services, including health, safety, comfort and savings. Strategic planning will rely on several very important factors, including the HES program evaluation, as well as a customer segmentation study which will allow targeted customer profiling for future marketing efforts. These factors combined will allow for the deployment of enhanced marketing initiatives around home performance in 2014.

HVAC Rebates

In 2014, the Companies will continue offering rebates for high efficiency HVAC equipment, including central air conditioning, air source heat pumps, ductless heat pumps, furnaces, boilers

and water heaters. These rebates may be offered as part of HES or as stand-alone rebates. The 2014 HVAC changes are summarized below:

- Removal of Early Retirement Incentives— Early retirement options were eliminated in 2014 for all natural gas boilers and furnaces as well as electric ducted equipment. This was due to a lower-than-anticipated realized energy savings.
- Furnace Qualification Criteria-The current minimum efficiency requirements for high efficiency furnaces will be simplified. Current rebate language reflects Consortium for Energy Efficiency (“CEE”) requirements of “Tier II, furnace fan efficiency “e” less than or equal to 2%”, which were made prior to ENERGY STAR’s last specification guidelines. Since ENERGY STAR now requires this same specification, the Companies can now remove the CEE specification language from our requirement, to simply state “ENERGY STAR qualified” equipment.
- Upstream Promotion—Third quarter 2013 began the Companies movement of the natural gas boiler and natural gas domestic water heaters to an “upstream” rebate redemption initiative, instead of the traditional “downstream” consumer mail-in rebate. The Companies are going to push for more upstream rebate redemption distributor participation throughout 2014. At the end of 2013, two distributors were working with the Companies to offer the upstream rebate. With increased natural gas and electric HVAC and water heating goals for 2014, additional measures will need to be incorporated into the upstream promotion soon. Customer mail-in rebates will only be available to customers who did not participate in the upstream rebate promotion.
 - Outdoor Temperature Reset: With the removal of early retirement measures, in 2014 a new measure added to the HES program to gain increased savings per home is the outdoor temperature reset measure available for existing natural gas boilers within a certain age. Findings show that many boilers over five years of age do not have an outdoor temperature reset installed.
 - Circulator Pump: Efficient water pumps utilize Electrically Commutate Motor (“ECM”) technology to circulate water in water-based heating systems more efficiently. This measure is specifically related to any fuel type boiler because the measure will realize electric savings. Many fuel oil and propane boiler customers in Connecticut are not able to receive a rebate related to replacing their equipment. As a result, this measure is a way to capture greater electric savings per home regardless of boiler fuel type.
- Ductless Heat Pump Program—The Companies are working to determine the best process to engage electric resistance customers into installing a ductless split heat pump. The 2013 program required a HES assessment prior to the installation, and the customer only had 120

days after HES to complete the install. This limited previous HES customers and customers who take longer than 120 days to install the equipment. The HES participation requirement is being removed in 2014 to allow greater participation from electric resistance customers. In addition, it is anticipated that a significant number of oil and propane heat customers, especially those not located on existing gas mains, will switch to electric heat. To address this, the Companies will increase the ductless heat pump rebate for fossil fuel heat homes. In 2013, electric heat customers installing a qualified ductless heat pump received a \$1,000 incentive, while the fossil fuel heat rebate was \$250. In 2014 and 2015, the Companies will offer a \$1,000 incentive for all qualifying high efficiency ductless heat pump units.

- Other Notes—UI and CL&P are going to evaluate alternative methods for implementing a Quality Installation and Verification (“QIV”) program during 2014. Alternatives to evaluate include adopting the ENERGY STAR Verified Installation (“ESVI”) which is set to launch in 2014 as well as reevaluate how the QIV program incentives are applied to insure an adequate incentive is in place for the contractor to participate.

Water Heating Program Overview

The objective of the Companies' Residential Water Heating Program is to encourage customers to purchase and install high-efficiency natural gas domestic water heaters, including on-demand tankless water heaters and high efficiency storage water heaters. For electric water heating, this program promotes the purchase and installation of electric heat pump domestic water heaters as a high efficiency option. As part of Connecticut's Comprehensive Energy Strategy ("CES") there is an emphasis to convert fuel oil heat customers to natural gas. A direct benefit to customers with this strategy is the opportunity that also exists with domestic hot water conversions through natural gas expansions. In October, the Decision set forth the following unit goals for the LDC's:

DEEP Final Decision Requirement (# of Units)

	2013	2014	2015
LDC	Units	Units	Units
Yankee	293	400	500
CNG	119	300	400
SCG	143	300	400
TOTAL	555	1,000	1,300

Summary of 2014 Program Changes

Because DEEP has added a water heating goal based on units in addition to the energy savings goals and cost effectiveness goals, the program design change is to maximize the number of units and promote efficiency in all viable technologies. In addition, the LDC's will increase outreach to gas conversion customers to encourage the purchase and installation of a high-efficiency natural gas water heater. Lastly, solar thermal water heating technology is being explored as an economically viable option for residential customers including multi-family facilities. If it is found to be cost effective, a residential solar thermal offering may be developed and offered to residential customers.

According to ENERGY STAR's 2011 market share report, only 6% of the tankless and storage tank market currently installs ENERGY STAR qualified water heaters. While the market share percentage of tankless water heaters has grown in recent years, it is estimated to be a very small part of the existing water heating market with stand-alone storage tanks dominating. Therefore, the program will be expanded to include ENERGY STAR natural gas (non-condensing) storage water heaters at 0.67 EF (ENERGY STAR threshold), tankless (0.82 EF and greater), and condensing water heaters.

It is difficult to predict participation levels because the program is moving to an upstream model and the inclusion of storage water heaters could boost participation dramatically based on their lower incremental cost. The Companies believe that the redesigned program should provide greater market penetration for high efficiency domestic water heaters. Therefore, the LDC's strive to increase participation goals above the mandated levels in the Decision for 2014 and meet the intent of this of this new goal of by increasing the promotion of efficiency in all viable technologies. Goals for 2015 will be addressed during the course of 2014 as more information becomes available on the implementation of the increased Federal Standards in 2015.

Upstream Promotion with Distributors

In October 2013, the Companies launched an upstream promotion with a Connecticut supply house. The consumer mail-in rebate for natural gas water heaters was converted into an instant discount activated at the point of sale. The objective of an upstream promotion is to ensure that high-efficiency equipment is stocked at the distributor level thereby influencing the contractor when purchasing for the customer. By mitigating the incremental cost between low and high efficiency equipment, the contractor has an opportunity to upsell energy-efficient equipment to the customer at a discounted rate. Licensed contractors are not required to submit an inspection report to be eligible for the instant discount.

Where appropriate, the Companies will continue to promote limited downstream consumer rebates as well as an upstream incentive promotion with various Connecticut supply houses and retailers who stock and sell high efficiency equipment. The companies plan to move to a full scale upstream approach whereas all supply houses will participate through that channel.

Home Energy Solutions – Income Eligible (Electric and Natural Gas)

In 2014, the HES-IE program will include LEDs and basement and garage ceiling insulation in its list of product offerings. The LED offering will be based on the results of an RFP that will be released as part of the HES program in 2014. The LEDs will include interior dwelling unit lighting, common areas and some exterior lighting. Basement and garage ceiling insulation will use the program guidelines set forth within HES-IE program. In addition, the program will offer insulation up to a cost effective threshold in renter-occupied units (as opposed to requiring a 20% cost share) to further participation. HES-IE plans to migrate to the HES Mobile tool by the Third Quarter of 2014.

The EDCs will work closely with Community Action Agencies to increase HES-IE market penetration, and to consider opportunities for integrating HES-IE program implementation with implementation of the federal DOE Weatherization Assistance Program.

Residential Behavior Program (Electric and Natural Gas)

The objective of the Residential Behavior program is to propel behavioral residential conservation efforts to reduce energy consumption as well as increase participation in residential energy efficiency programs funded by Energize CT and offered by The Companies. The 2014-2015 Residential Behavior programs has evolved since the past Home Energy Report Pilots and have incorporated the past lessons learned into an enhanced customer behavior offering. This program will focus less on a separate stand-alone behavior project and instead on the larger and more impactful goal of ensuring that customers get meaningful and appropriately targeted energy efficiency information, advice and support to achieve savings while driving greater customer satisfaction.

The CL&P Behavior Program will expand upon the successful pilot initiated in January 2011 and resulted in 1.7% energy savings for participants. The enhanced behavior program will seek to maximize cost effectiveness while reaching a wider customer base. In addition, the expanded program will include a subset of HES and HES-IE participants with the objective of increasing savings for those customers. The program will include the following components:

- 17,000 customers from the initial pilot will continue to receive reports for two additional years. A total of seven reports will be delivered to these customers to maintain and increase the savings already achieved through the pilot.
- 200,000 high use customers will receive hardcopy reports in the mail for two years. A total of nine reports will be sent to these customers over the two year time frame.
- 100,000 high use customers will receive one paper report and electronic (email) follow up reports for two years.
- Up to 30,000 customers who have participated in HES or HES-IE will be enrolled in the program on a rolling basis. These customers will receive reports with customized tips intended to maintain energy savings from installed measures as well as to increase the adoption of add-on measures.
- All customers (347,000 comprised of 317,000 new plus 30,000 from the bullet above) will be provided access to a web portal that will provide them with web access to their home energy reports, energy saving tips, and a description of their home characteristics that have a major impact on comparing their home energy use with other similar types of homes. This web portal will ultimately be integrated into CL&P's customer engagement platform.

UI Wi-Fi Enabled Residential Thermostat Management Pilot

UI is embarking on a two year Wi-Fi Enabled Residential Thermostat Management Pilot program that brings together state of the art technology and a customer platform that enhances the effectiveness and savings of this technology. This pilot will bring together state of the art Wi-Fi

enabled thermostats and a user proven and friendly customer platform. This two year Pilot is designed to deliver verifiable gas and electric energy savings while empowering customers with enhanced home control, comfort and convenience.

- UI will deliver an integrated solution that leverages its vendor's expertise in customer engagement and home control, while delivering an engaging customer experience and delivering measurable energy savings.
- The pilot will target 5,000 UI gas heat and central air conditioning customers over a two year period. The Pilot will be marketed and delivered to customers through two primary channels. The first is through the existing HES program and the HES Vendor network. Installations through this avenue are ideal and will enable UI to keep installation costs down. In conjunction with the HES program, UI will also offer the Wi-Fi Enabled Residential Thermostat through a standalone direct install program.
- The program is designed to deliver measurable energy efficiency with an estimated savings of up to 15-20% on electric heating and cooling, and up to 10-15% savings on gas heating. This is accomplished by the enrollment process, the delivery of customized messages and the use of behavioral science to drive efficient and rewarding decisions.
- To participate, customers must have a Wi-Fi router in their home. The enrollment process walks the customer through the initial set up and creates a tailored thermostat schedule through an intuitive web interface. The enrollment process integrates the device scheduling into the program set up, ensuring 100% of thermostats have customized schedules at installation.
- Once enrolled the customer will be able to install a special app in their I-Phone or Android based phone, giving the customer a robust mobile platform that provides anytime, anywhere access to their thermostat. Customers will have the easy ability to switch to "Away" mode, manage their HVAC system to save energy and to make their homes comfortable upon return all through this App.
- When a customer makes any set point change to their heating or cooling system, the software platform will deliver real time recommendations and savings estimates tailored for each customer based on their actual energy usage and billing profile. This type of user friendly software and unique approach to real time behavioral science will drive efficiency and reward customer decisions to maximize savings and comfort. Customers will also receive alerts when they have set an inefficient temperature and can then remedy the situations and earn positive reinforcement.

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CHAPTER FOUR: COMMERCIAL AND INDUSTRIAL PROGRAMS

Overview

The Companies have been delivering energy efficiency programs to C&I customers for over two decades that are among the best in the nation. Despite that proven track record, the Companies continue to innovate and improve on the program delivery. The Plan, as well as the CES, calls for programs that provide the industrial sector with deeper energy savings. They also call for the Companies to integrate the CEFIA financing programs into the CL&M program offerings in a seamless fashion.

The C&I programs continue to mature and evolve with an expanded budget and expanded savings goals. The intent of the enhancements, discussed below, continue to support the much-discussed concept of “deeper and broader” energy reductions. The Companies will continue their efforts in customer segmentation, which helps to align programs and initiatives already in place with the specific customer segment need and, sometimes, the specific customer need. Segmentation is the first step in understanding how to go deeper with our larger customers in certain key segments. Segmentation also helps us to better know how to sell energy efficiency via our external sales force in quartile three independent trade allies or preferred trade allies, and to help us focus the sales and marketing efforts of our external sales force for quartile four via the SBEA contractors.

Introducing the market channel concept of “Upstream” will allow the Companies to go “broader” in the C&I marketplace. For C&I upstream, the channel partner is usually the preferred distributor, where the distributor becomes an extension of our ability to “market” or sell energy efficiency as opposed to the traditional model of only “marketing” directly to a customer or their contractor.

Deployment Strategy

The Companies are underway on the following strategies and tactics intended to both increase program participation and to identify and achieve deeper savings.

- The Companies will continue to refine their customer segmentation efforts by further analyzing their C&I customer base into meaningful segments and delivery approaches, especially critical for the largest quantity of customers within quartile four, which will require a very different market channel and go-to-market strategy. As a result of the Companies segmentation efforts, current operating models will require modification. CL&P believes that dedicated energy efficiency sales personnel are needed to penetrate certain key segments such as manufacturing. Likewise, UI has decided to realign its C&I team’s focus by targeting the largest customer segments while still continuing to address all market segments. The top ten segments representing the largest percentages of energy

consumption for both Companies are as follows: Manufacturing, Water/Wastewater, Government, Retail, Healthcare, Real Estate Management (Corporate Space), Education, Consumer Goods/ Foods, Data Centers, and Communication/Entertainment. Percentages vary depending on the EDC.

- The Companies will focus on facilitating Strategic Energy Management practices by utilizing multi-year MOU with their largest customers as a formal mechanism to lay out long-term goals for significant energy reduction. The multi-year plan is the basis of sound energy management practices which continuously evaluates the customer's energy efficiency opportunities. CL&P is also planning to enter into MOUs for certain quartile three manufacturing customers as a follow-up to kaizen events offered through the PRIME program. These MOUs will focus on BSC processes and practices. In addition, small-to-medium sized businesses will be increasingly targeted through "packaged SEM" and customer engagement tools.
- The Companies will continue the efforts of segmentation of the quartile four customers, which contains approximately 90% of the C&I customers. Continued evaluation and analysis of sub-segments SQ1 – SQ4 will provide valuable insight into objectives like increasing the closure rate for the existing SBEA program, integrating or "bundling" of certain measure mixes to key customer types and insight to facilitate the use of the customer engagement platform to better serve SQ4 micro-businesses.
- Incentive Caps per Customer Tax ID will be raised to a cumulative total of \$2,000,000 as directed by DEEP in its Decision.
- The Companies, in conjunction with the EEB's C&I Committee, are exploring the economic feasibility of offering an incentive for Solar Thermal systems.
- The Companies will continue to develop greater partnerships with CEFIA, and DEEP's Lead By Example initiative in providing programs that will intertwine and work in conjunction with each organization. These will include offering CPACE or performance contracting where it can be most beneficial to the customer. The Companies will also continue to work to improve the efficiency of State buildings.
- A commercial lighting upstream promotion will be launched in 2014 to promote low wattage T-8s and LED lamps, allowing the Companies to reach a broader base of customers. Additional products and strategies to promote efficient electric and gas HVAC equipment through manufacturers and distributors will be explored throughout the year. All upstream initiatives will be timed so as to minimize any negative impact on traditional downstream (customer) incentives with respect to the budgets.

- Industrial customers will be a continued focus in the coming years. The Companies will develop an offering to allow manufacturers the flexibility to embed efficiency into the core of their operations. The Companies will also work on DOE's Superior Energy Performance Accelerator as well as a revamped BSC with an eye towards developing best practices for C&I energy savings.

The bulleted items shown above increase the overall cost effectiveness of programs. In particular, segmentation, SEM and DEEP's LBE Initiative will improve gas cost effectiveness. However, the total resource cost test, includes customer costs. It is anticipated that the total resource benefit-cost ratio will improve for certain projects. Generally, C&I gas measures are cost effective based on energy savings. However, the higher equipment costs and thus the customer costs for some measures may result in a lower total resource benefit-cost ratio.

C&I NEW CONSTRUCTION

Energy Conscious Blueprint

Overview

The objective of the Energy Conscious Blueprint (“ECB”) program is to facilitate a more energy efficient building stock in Connecticut and maximize electric and natural gas energy savings for “lost opportunity” projects, at the time of initial construction/major renovation, or when equipment needs to be replaced or added.

ECB is structured to minimize “lost opportunities” involving new construction, major renovation, tenant fit-outs, and equipment replacement and additions by introducing energy efficiency concepts to customers, architects, engineering firms, contractors, commissioning agents, commercial realtors, trade allies, etc., demonstrating the benefits of selecting efficient options early in the design stage and, working with the design community to convince customers that more benefits are achievable by designing for whole-building operations and operating conditions.

Deployment Strategy

The Companies may implement the following strategies and tactics intended to both increase program participation and to identify and achieve broader and deeper savings relative to the new construction marketplace as well as equipment replacement.

- The Companies are developing an Upstream HVAC and Commercial Domestic Water Heating (“DHW”) Equipment initiative similar to the Upstream Lighting Initiative, which is described in the Energy Opportunities (“EO”) section. The goal is to capture sales of high efficiency gas heating, service water and rooftop cooling equipment to a broader base of customers, by using a more appropriate market channel (the distributors as opposed to individual contractors.) Savings and budget numbers are intended to be accounted for as “lost opportunities” in the electric and gas programs. As the initiative matures, it will be seen as a replacement of the equipment rebates.

C&I RETROFIT

Energy Opportunities

Overview

The EO program encourages customers and their contractors or Energy Service Companies (“ESCOs”) to save energy in existing commercial, industrial, and municipal facilities by offering incentives, financing and other resources to replace existing, inefficient equipment with energy-saving options.

Program Description

The EO program provides technical assistance (to identify and quantify opportunities), financial incentives based on project costs, quality assurance (“QA”) of energy savings calculations and analysis, verification of installed equipment efficiency, and financing options. In most EO projects, a customer voluntarily exchanges or modifies inefficient but functioning equipment with a high-efficiency alternative that meets or exceeds efficiency standards where applicable and provides the same level of functionality. The combination of financial incentives, technical assistance, and financing can help make energy efficiency projects meet the Customers’ payback and/or cash flow requirements. In addition to the financial offerings, the program relies on a robust collaboration with contractors, equipment vendors, suppliers, and ESCOs. The EO program will continue to focus on long-term, multi-year, strategic planning with customers in an effort to best understand their businesses and help to generate comprehensive energy efficiency projects to improve overall building performance to encourage multiple energy efficiency measures with multiple end-uses whenever it is practical.

Deployment Strategy

In 2014, the following enhancements are being developed to allow the Companies to facilitate more comprehensive projects geared toward generating “deeper” opportunities for optimizing the various energy consuming systems within a facility.

- Enhanced Customer Segmentation – As discussed in the Overview section, the Companies are focusing on customer segmentation by dividing the customer base into meaningful segments according to a variety of characteristics including but not limited to, industry classification, usage, and demand.
- Enhancing Services to Specific Market Segments - Based on the segmentation analyses, the Companies are considering targeted incentives and go-to-market strategies for particular customer segments. Two examples of this are: 1) offering unique incentives for emerging technologies and/or for specific manufacturing scenarios which have the potential for

significant savings, but are limited by the current incentive designs; and, 2) utilization of a customer-specific MOU to help drive strategic energy management practices with different levels of technical and financial support that is customized to the needs of that specific customer.

- The Companies will continue using a diverse portfolio of electric and gas rebates for energy efficient heating, water heating, commercial kitchen food service including refrigeration, and laundry equipment. In addition, prescriptive incentives along with the concept of “bundled packages” of equipment incentives for select customer segments will continue to be investigated and developed as additional “go-to-market” strategies for reaching the broader market of customers and trade allies.
- The Companies will implement an Upstream Lighting Initiative. This initiative utilizes a Third Party Program Manager and distributor incentives to facilitate capturing sales of energy efficient lamps (specifically, linear fluorescents and LED types) to a broader base of customers. Savings and budget numbers are intended to be accounted for in both the EO and Operations and Maintenance (“O&M”) programs. As the initiative matures, the offering will be seen as a replacement of the Express Lighting rebates.

Small Business Energy Advantage

Overview

The objective of the SBEA program is to provide cost-effective, turnkey C&LM services to a broad base of small commercial or industrial business customers.

Program Description

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

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 resulting in a cash positive scenario (where applicable.) The financed contract amount appears as a line item on the customer's electric bill (this includes costs for the portfolio of gas measures as well.) The loan repayment term, which is determined by the simple payback of the project, is set at a level which typically provides the customer with a positive annual cash flow based upon the estimated energy savings resulting from the installed measures.

Deployment Strategy

The Companies realize that in order to achieve the expanded goals, the SBEA Program will need to quickly act on several enhancements to the program, including:

- Focused Market Segmentation – The Companies are finalizing their targeted market segmentation achieving greater (broader) penetration in under-served sectors, not limited to small manufacturers and distressed urban areas. Additional efforts on segmentation will assist in identifying specific areas of focus for the SBEA contractors and may also result in “measure bundling” to help expedite the process of implementing comprehensive projects.
- The Companies have finalized a joint, competitive bid solicitation that will establish the SBEA vendor network for calendar years 2014 and 2015. It is anticipated that there will be approximately 22 vendors (up from 16 in 2013) serving both service territories and delivering SBEA program services for the 2014 and 2015 program years.
- Master Agreement (“MA”) with the State – The Companies have been working with DEEP on the MA which allows the SBEA vendors to install energy efficient measures and offer 0% on bill financing up to four years. CL&P is currently in the implementation phase.
- The development of the Upstream Lighting Initiative for 2014 will help the SBEA program by providing price points for specific lighting technologies which in turn can be implemented in the SBEA pricing structure to reduce cost.

- The Companies will develop a Certified Energy Auditor training program for the SBEA vendors which is similar to the BPI certifications that are available to the HES vendors. The dual strategy of this initiative is to instill a deeper, more comprehensive skill level in the existing auditing workforce and at the same time increase the number of auditors with a more diverse representation to better replicate the multilingual/multicultural small business customer.
- The Companies plan to work with their current third party C&I financing vendors or others, (i.e., CEFIA, etc.) to provide loan capital for the SBEA/Muni program in an effort to reduce the programs interest expense costs and continue to improve the overall program's cost effectiveness.
- Expanded outreach to hard-to-reach communities/market segments through local business/community organizations (i.e., Operation Fuel, Spanish American Merchants Association ("SAMA")) and the Office of Energy Efficiency Business.

BUSINESS & ENERGY SUSTAINABILITY

Retro-Commissioning (“RCx”)

Overview

The objective of the RCx program is to help building owners improve the efficiency of their building operations by offering incentives, quality control, and technical assistance by providing qualified building commissioning engineers to conduct the evaluation process and by supplying funding and oversight to support the RCx process.

The program is intended to help businesses identify low-cost/no cost non-capital, energy-efficient measures that will quickly and effectively result in energy savings for the owner of the building. This platform makes building owners & operators aware of operating inefficiencies in their facilities, improves the building staff’s ability to identify wasteful energy use and implements persistent corrective measures systematically to generate energy savings.

Deployment Strategy

In 2012, the Companies found that RCx produced significant benefits and that the future would require a greater emphasis on RCx projects. The Companies jointly released a Request for Qualifications (“RFQ”) with the objective of qualifying additional engineering talent to service this program. Throughout the fourth quarter of 2012 and into 2013, a new group of qualified engineers were approved and are ready to provide services for 2014 and 2015. In addition, the Companies are looking to enhance the program by developing a greater customer focus and a larger pool of Commissioning Agents (“CxP’s”) to allow the Companies to investigate and potentially develop an RCx or similar engineering study/audit and implementation program offering that is suitable for customers with smaller facility footprints (less than 100,000 sf).

Process Re-engineering for Increased Manufacturing Efficiency (“PRIME”)

Overview

The objective of the PRIME program is to teach manufacturers lean manufacturing techniques that will increase their productivity, improve workplace organization, reduce waste, reduce operating inefficiencies, and encourage a safer and cleaner workplace, thereby improving the ratio of energy used per product produced. Lean manufacturers are able to produce more with existing resources by eliminating non-value-added activities and waste, and by aligning production to meet actual customer demand. In addition, lean manufacturing results in the more efficient use of energy per product produced by reducing non-manufacturing related electricity consumption and by reducing losses in manufacturing equipment consumption.

Program Description

PRIME offers customers the opportunity to participate in up to four separate three-and-a-half day, team-based Kaizen events at their facility which teach the fundamentals of lean manufacturing and facilitates the implementation of quick changes to a process in order to eliminate waste and improve efficiency.

Deployment Strategy

- In 2014, the Companies are considering releasing an RFP in order to enlist the proper talent to serve an increased quantity of customer projects as well as to help introduce and implement the BSC to this key group of customers. Other changes being considered for inclusion into this RFP include holding vendors responsible for specific goals (i.e. annual kWh, costs saving, or other metrics), as well as incorporating the other items listed below.
- In 2014, efforts will be made to train the PRIME vendors to identify other energy savings opportunities like those found in an energy intensive technology like plastic mold machines, conveyor systems, heat-treating, process-cooling and compressed air systems. The Companies are exploring the feasibility of increasing the subsidies for the third and fourth events if the customer completes an energy conservation project of an agreed upon predetermined energy savings value.
- The Companies are investigating ways to expand the PRIME or Lean process to commercial non-manufacturing opportunities in 2014.

O&M Services

Overview

Provide customer solutions to a number of varying energy savings issues that do not typically require capital appropriations, as they are identified and presented for incentive funding.

Program Description

O&M services offers electric and natural gas incentives and analytical services for C&I customers to “tune-up” their operations and improve O&M of their facilities in order to make them more energy efficient. 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 such improvements are intended to maximize operational efficiency and optimize performance include things like compressed-air system leak studies and repairs, steam trap repairs and upgrades, modifications and/or repairs to building management system control components and software programming.

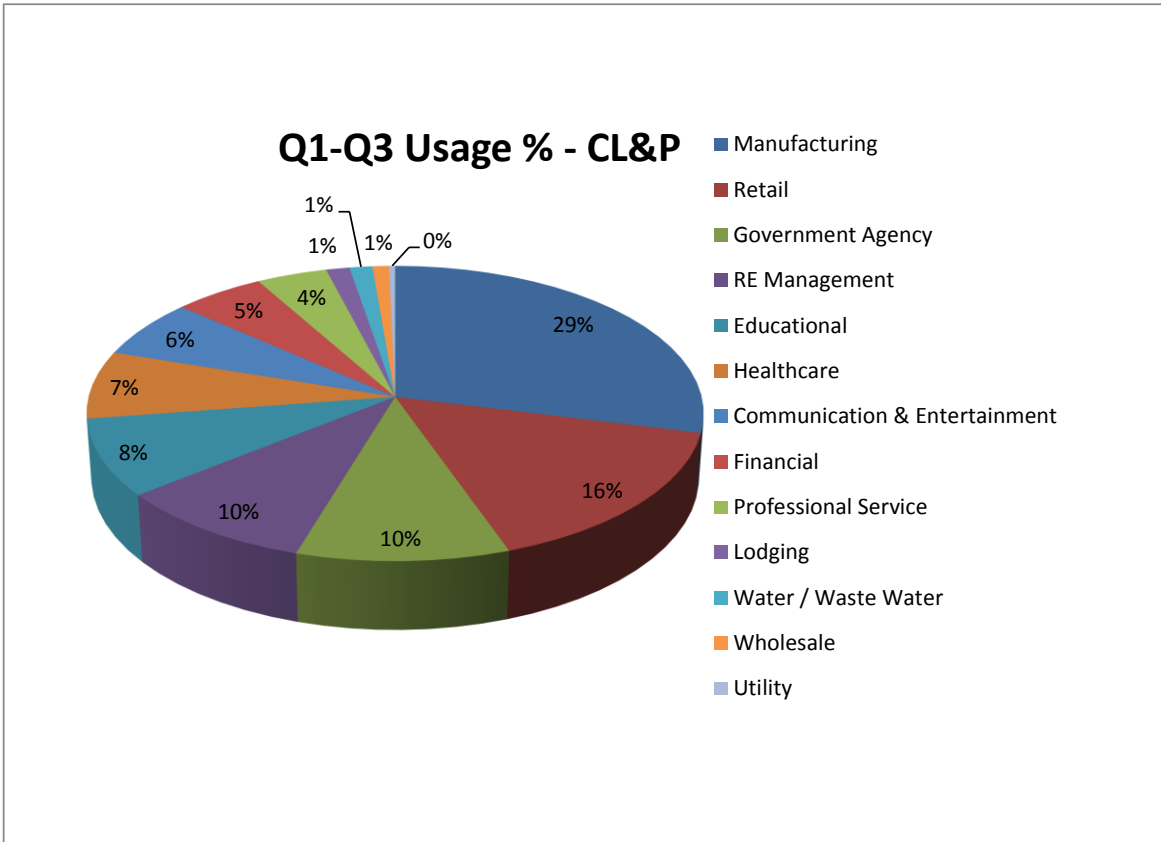
Deployment Strategy

- The development of the Upstream Lighting initiative will provide distributor incentives to facilitate capturing sales of energy efficient lamps (specific linear fluorescents) to a broader base of customer. Savings and budget numbers are intended to be accounted for in both the EO and O&M programs. The inclusion of linear fluorescents closely aligns with the proven practice of group re-lamping (an O&M activity).

Comprehensive Energy Strategy Support

In support of the CES, Strategic Energy Management Efforts for Industries will be employed. The Companies are investigating the use of unique technical and monetary assistance to improve comprehensiveness for the state’s industrial customers. Manufacturing companies have unique and difficult challenges and may require a unique approach involving a different incentive tactic and go-to-market strategy. This involves partnering with trade allies and certain industry experts who focus on building end-uses such as data centers, plastic extrusion, food and beverage and the aerospace-related technologies.

This is especially critical for CL&P's C&I customer base where almost a third of the annual energy consumed in the top three quartiles is from manufacturers as shown in the chart below.



Another example of CL&P's focus on the industrial sector is the MOU with the U.S. Department of Energy (" U.S. DOE") for their Industrial Strategic Energy Management Accelerator ("Accelerator") that CL&P , through its' parent Northeast Utilities, signed during the fourth quarter of 2013. Through the Accelerator, utilities and energy efficiency program administrators partner with the U.S. DOE to demonstrate robust energy management as a practical program offering to improve energy efficiency in industrial companies and facilities. Accelerator Utility Partners agree to actively promote Superior Energy Performance ("SEP") to manufacturers in their service territories and to assist them in its implementation.

Business Sustainability Challenge (“BSC”)

Overview

The objective of the BSC is to foster organizations’ transformation toward greater efficiency and sustainability. The program employs a holistic approach consisting of training, education, tools and resources to assist businesses in developing SEM and sustainability plans, create behavioral and cultural changes, reduce waste, improve operational efficiencies and increase market acceptance of the triple bottom line with business sustainability.

Program Description

The BSC is an umbrella approach to supporting companies in Connecticut becoming progressively more sustainable and competitive. It places energy efficiency within the broader context of sustainability and competitiveness. The BSC leverages energy efficiency ratepayer funding to synergistically achieve energy and non-energy benefits.

The BSC was redesigned in 2013 to guide companies through five strategically interwoven steps that make sustainability accessible, achievable, measurable and profitable for companies of all sizes and sectors. It now provides the structure and resources to help participants chart their own path towards sustainability and work together to achieve specific goals. Participants proceed through the steps (identified below) at their own pace to implement, measure, and communicate progress as part of the larger goal of becoming a resilient and competitive company.

Step One focuses on strategic energy management and improving a company’s bottom line through emphasizing both energy efficiency and waste reduction.

Step Two begins to integrate sustainability throughout a company, focusing on expanding management’s capacity to use sustainability as an aspect of its decision making, especially in risk mitigation. It extends sustainability performance indicators to include water and material use.

Step Three emphasizes growing sales through transparency around sustainability efforts and through engagement with customers. These changes create new sales opportunities and integrate sustainability as an aspect of both operational and quality management.

Step Four helps a company build a culture of innovation around sustainability. Evaluating and redesigning the value proposition from a sustainability perspective improves employee commitment and customer loyalty.

Step Five presents a long-term vision for industry leadership based on net-zero impact operations and inter-company alliances. It creates a resilient learning organization with

people and processes that thrive in an unpredictable future.

Deployment Strategy

In 2013, the Companies recognized that the existing model for BSC needed to be restructured for it to be an effective offering for Connecticut businesses. The Companies worked with a consultant to restructure the BSC into its present format. The Companies then introduced the changes to the EEB board to obtain both approval and support for the new program structure. These changes have created a fully vetted program for action replacing the pilot from the previous years.

The BSC serves as a customer focused umbrella for the other C&LM programs and encourages participants to maximize their energy savings. It frames sustainability from a business strategy perspective to achieve continuous improvement.

- The BSC integrates business sustainability with other opportunities for lean manufacturing (via the PRIME program), energy efficiency, renewable energy generation, and clean energy purchasing. Potential synergies include coordination with the Clean Energy Communities (“CEC”) Program, partnering with CEFIA to leverage creative financing options for customers for both energy efficient and renewable energy technologies, and developing strategies to move customers toward Net Zero Building designs.
- The BSC is currently exploring the development of peer networks such as, but not limited to, universities, small business manufacturing roundtables, and larger Cross-Community Engagement and Collaboration Forums sponsored by industry leaders.
- The program anticipates further integrating the BSC with other incentives and grants in the communities where the business operates.
- The program is developing metrics to measure both the success of individual customers as well as the success of the BSC program as a whole.

Self-Directed Customer Solutions

Overview

Self-directed solutions offer electric and natural gas incentives and analytical services for the largest C&I customers, primarily the largest manufacturers, to improve their facilities allowing them to become more energy efficient. This is now possible since DEEP ordered the Companies to increase the annual project incentive cap from \$1 million to \$2 million as well as eliminate it entirely for certain customer projects with prior Department approval.

Deployment Strategy

The Companies can provide evaluations and recommendations upon request, when the customer agrees to implement the improvements via the more typical Letter of Agreement or under an MOU. Either agreement mechanism will be used as part of a roadmap toward significant energy efficiency projects, tailored to the customer's needs and capital program. This solution encourages that, as the new energy-saving equipment and strategies are installed, facility staff will be provided with appropriate training to maintain equipment at maximum operational efficiency.

- The Companies are executing this large customer-specific efficiency project initiative through the collaborative effort between DEEP, the EEB, and the Companies.
- All incentives offered through the program will be subject to "benefit-to-cost" screening to insure continued cost effectiveness of the program offerings and subject to the current incentive structure.
- CL&P will look to use the additional tools and resources available through the signed MOU with the U.S. DOE for the SEP Accelerator for the very large manufacturing customers, discussed in the Overview section above.
- Continue ongoing collaborations with business/industry associations to ensure more effective program customization for larger customers (Connecticut Industrial Energy Consumers, Connecticut Business and Industry Association, Manufacturing Alliance of Connecticut etc.).

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CHAPTER FIVE: EDUCATION and OUTREACH

Overview

The Companies are committed to educating and informing Connecticut's businesses, municipalities, residents and schoolchildren on the importance of using energy efficiently. The Companies meet and surpass this educational mandate through a variety of programs including school-based programs (kindergarten through college), public forums, technical training and seminars, educational exhibits and centers, trade shows and community and grassroots outreach.

Connecticut's energy education programs and initiatives are necessary to provide individuals with the knowledge, skills and power needed to use energy efficiently. The educational programs are diverse in audience and delivery but share one common goal and that is to educate, empower and energize the state's businesses, municipalities, residents and schoolchildren to use energy wisely.

2014 Program Changes

eesmarts™

eesmarts is an energy efficiency and clean, renewable energy learning initiative. Created in 2002, the program's goal is to facilitate students' understanding of math, science and technology related to energy conservation, renewable energy resources and electricity in order to create an energy-efficient ethic among Connecticut's students. **eesmarts** offers teacher training workshops, curriculum materials, essay contest, sponsors sustainable resources category at the CT Science Fair, lights for learning fundraiser, on-site program, outreach and educational resources. New in 2014, under the **eesmarts** umbrella are the following programs in support of our educational objectives:

- **eesmarts Energy-Saving Challenge Pilot**

The goal of the 2013-2014 **eesmarts** Energy-Saving Challenge ("Challenge") is to implement **eesmarts** curriculum directly in the classroom to prepare students and educators to participate in the Challenge during the 2013-2014 school year. Students and their families will be challenged to save energy through various behavior changes. Students will be engaged directly through in-school presentations, monthly newsletters, as well as follow-up throughout the competition and an end-of-Challenge Celebration.

The **eesmarts** program is exploring additional programs and opportunities to capture energy savings from students and teachers including, but not limited to: surveys, opt-in energy tracking programs and weatherization kits.

- **CT Clean Trades (“CCTP”)**

The goal of CCTP is to implement innovative work-based curriculum from the *eesmarts* program to prepare Connecticut Technical High School System (“CTHSS”) students for jobs in the energy efficiency sector. The need to reduce our carbon footprint necessitates a widespread effort to conserve energy while creating new, cleaner alternative energy sources to sustain our world. To meet this challenge, workers in the electrical, carpentry, plumbing, and HVAC trades will need additional knowledge and skills needed for employment in the new “green jobs” marketplace.

CCTP offers students the opportunity to research, analyze, and implement energy efficiency strategies in their schools and communities. At the same time, they will gain knowledge of related career pathways by participating in unique real-world learning experiences.

During the 2013-2014 school year, approximately 50 CTHSS trade instructors will implement Project Learning Tree’s *GreenSchools! Investigations* at five technical high schools across the state. Over 400 students will participate in performing energy, waste and recycling, water and indoor air quality investigations (or “audits”) of their technical high schools. At the conclusion of their investigations, students will create an action plan to implement their recommendations and improve the sustainability of their school. The five technical high schools include: Platt Technical High School (Milford), E.C. Goodwin (New Britain), Norwich Tech (Norwich), Henry Abbott Technical High School (Danbury), and Ella T. Grasso Technical High School (Groton). Each of these technical high schools has constructed, or is working to construct, their schools’ E-House.

Partners:

- Connecticut Technical High Schools
- Connecticut Department of Energy and Environmental Protection (DEEP)
- Connecticut Energy Efficiency Fund (*eesmarts* & *Clean Energy Communities*)
- The Connecticut Light & Power Company
- The United Illuminating Company
- Connecticut Business & Industry Association
- American Forest Foundation- Project Learning Tree
- Siemens

- **CT Green LEAF Schools Program**

The Companies will continue to support the CT Green LEAF Schools program through the CEC Program, *eesmarts* and the C&I programs and its partnership with ISE. As the program is a collaborative effort of four Connecticut state agencies (DEEP, the Department of Construction Services, the Department of Education, and the Department of Public Health), along with several other statewide partner organizations, the Companies will support the energy efficiency component of the CT Green LEAF Schools program. The Companies will

provide assistance for the CT Green LEAF Schools program utilizing the educational, community-based and commercial/industrial program resources in the following manner:

- **CT Green LEAF School Requirement: The school must complete the U.S. EPA's Portfolio Manager benchmarking.** Through the CEC Program all public schools in the state will be benchmarked if they have signed the CEC Pledge to reduce their energy consumption by 20%. If the school is private, parochial, charter or a regional school, the CEC Program administrators will handle coordinating technical assistance on a case-by-case basis.
- **CT Green LEAF School Requirement: Provide environmental and sustainable education.** Through the *eesmarts* energy education program, all educators from schools participating in the CT Green LEAF Schools program are eligible to participate in program offerings. All Connecticut educators are eligible to participate in *eesmarts* professional development and gain access to the corresponding *eesmarts* lessons and materials. Participants in the CT Green LEAF Schools program will also be eligible to host an *eesmarts* Event at their school or in their classroom. Program participants will also be eligible to visit the SmartLiving Center for a free educational tour and bus reimbursements.
- **CT Green LEAF School Requirement: Reduce energy building use and greenhouse gas emissions.** Through the C&I programs, all CT Green LEAF Schools have access to incentives and financing available for retrofits and upgrades that may be identified through commercial audits and/or investigations.
- **Additional support for CT Green LEAF Schools: Scholastic Bright Idea Grants.** Through the CEC Program, there will be Scholastic Bright Idea Grants available to CT Green LEAF Schools. Connecticut schools that have signed up to be a CT Green LEAF School are eligible to apply for funding to make further energy-saving improvements and/or enhance energy programming within the school. Scholastic Bright Idea Grant criteria, applications for funding and technical assistance will be managed through the CEC Program by the Companies.

SmartLiving™ Center

The SmartLiving Center relocation project is currently in progress. The Companies are in formal negotiations to secure a larger, more centrally located facility in North Haven and plan to open the new center in the fall of 2014.

The Companies are investigating the options available for customers to opt-in for energy tracking programs. Additionally, The Companies are investigating other ways to capture behavioral changes and the associated energy savings including, but not limited to: surveys,

weatherization kits and lighting and/or programmable thermostat giveaways. The SmartLiving Center will also explore opportunities for tracking program participation as a result of a customer's visit to the Center.

CHAPTER SIX: BENEFIT/COST ANALYSIS

The Decision approved the programs, adjusted the budgets levels and requested certain changes to individual programs. The Decision also found the 2013-2015 programs to be cost effective. The Decision further instructed the companies to include all cost and benefits in the cost effectiveness tests in all future submittals (Compliance Order 6).¹

While previously approved and deemed cost effective, the programs have been rescreened for the Plan Update to include or account for the following factors, as well as the programmatic changes described in the program changes summaries.

- **Budget Levels, Incentive Levels and Program Savings**

The Decision modified the budget levels. As a result, the incentive amounts for the programs were adjusted, affecting the program participation rate and the resultant program savings.

Table A and Table C provide details on the changes to budgets. Table B's reflect the all of the above changes and their impacts on the programs costs rates, savings and benefit cost ratios.

- **Updated avoided costs based upon the Avoided Cost Study**

Per the Compliance Schedule in the DEEP Final Decision (Order 6), all costs and benefits are included in the benefit cost testing for 2014 and 2015. The majority of the avoided costs used to analyze the cost effectiveness of the efficiency programs come from a regional avoided energy cost study sponsored by program administrators throughout the New England region. The study, *Avoided Energy Supply Costs in New England: 2013 Report (AESC)*, Synapse Energy Economics, Inc. (Synapse) was published July 2013. The avoided costs in the screening of the programs were updated to reflect the changes in the avoided costs.

This report provides a variety of avoided costs for both electric and gas. The gas avoided costs have been further developed in the 2013 avoided cost study. A summary of the benefits and costs used in 2014 and 2015 benefit-cost screening are shown in the following table.

- **Costs and Benefits**

Per Order 6 in the Decision (pp30-31), all costs and benefits are to be included in the benefit cost testing for 2014 and 2015, which results in a change to the utility benefit cost test. The

¹ DEEP requires that all costs and benefits be included in the cost-effectiveness tests in all future submittals.

oil and propane measures installed in electric and gas programs are now counted as benefits under the Utility Cost and Total Resource Cost Test.

The Companies look forward to the discussion of this topic in the cost effectiveness review proceeding identified by DEEP in the Decision (pp 27). To help facilitate this discussion, CL&P and YGS have included a modified Table B-2 which itemizes each of the benefits and costs on a program level for both the modified Utility Cost Test and the Total Resource Cost Test.

Benefits and Costs Table

Utility Test (Electric, Gas)	Benefit (Note 1)	Utility Benefit	Total Resource Benefit
Benefits			
Electric	Electric Energy	X	X
Electric	Transmission	X	X
Electric	Distribution	X	X
Electric	Capacity	X	X
Electric	Intrastate DRIPE	X	X
Electric	Rest of Pool DRIPE	X (Note 2)	X (Note 2)
Electric	Capacity DRIPE	X	X
Electric	Cross-Fuel DRIPE	X	X
Electric	Emissions		X
Electric/Gas	Oil	X (Note 3)	X (Note 3)
Electric/Gas	Propane	X (Note 3)	X (Note 3)
Electric/Gas	Water		X
Electric/Gas	Non-Resource		X
Gas	Gas	X	X
Gas	Gas DRIPE	X	X
Gas	Gas Cross-fuel	X	X
Utility	Cost	Utility Cost	Total Resource Cost (Note 4)
Costs			
Electric/Gas	Program Cost	X	X
Electric/Gas	Customer Cost		X

Note 1: Rest of Pool DRIPE, Cross-Fuel DRIPE, Gas DRIPE and Gas Cross-Fuel DRIPE were not reported in 2013. Cross-Fuel DRIPE, Gas DRIPE and Gas Cross-Fuel DRIPE are new avoided costs that are included in the 2013 Avoided Cost Study but not included in the 2011 Study or included in 2013 Program Screening.

Note 2: UI table B for 2014 and 2015 do not include Rest of Pool DRIPE. CL&P table B-2 presents all benefits shown above including Rest of Pool DRIPE.

Note 3: Oil and Propane Benefits reported in gas programs are a result of gas programs assuming oil and propane costs for HES participants per the DEEP Final Decision on the 2013-2015 Plan.

Note 4: The Total Resource Cost Test includes all costs associated with a measure i.e. both program costs and any customer out-of-pocket costs not covered through the program.

- **Changes to the Program Savings Documentation (“PSD”)**

The PSD manual provides detailed, comprehensive documentation of resource and non-resource savings corresponding to the Energy Efficiency Fund program and individual C&LM program technologies.

The Companies have worked together during the past decade to develop common engineering assumptions regarding measured savings for all types of energy-efficient measures. This manual is a compilation of those efforts. In addition, the results of program impact evaluations have been incorporated by the Program Administrators.

The manual is reviewed annually and updated to reflect changes in technology, baselines, measured savings, evaluation work, and impact factors. The Ninth Annual Edition for the 2014 Program Year will be filed separately on March 1, 2014. The changes in this edition have been included in the updated screening for the 2014 Plan Update.

- **Addition of a modified Utility Cost Test (“UCT”)**

Since the programs have already been found cost effective, the Companies used this opportunity to develop and use a modified utility cost test, labeled Program B/C Ratio in Table B. The primary difference between the modified UCT used in 2014 and 2015 versus the 2013 UCT is the 2014/15 modified UCT includes the benefits arising from oil and propane savings. The Companies look forward to participating in the DEEP cost effectiveness review proceeding identified by DEEP in the Decision (pp 27).

The modified utility cost test is the utility cost test with the addition of the costs and savings benefits of oil and propane installed measures. This primarily affects the residential sector and is not included in the C&I section. The benefits of oil and propane have always been included as a non-electric resource and included in the Total Resource Cost test.

- **Discount Rate**

The Plan used a discount rate of 7.52% for the EDC screening and 7% for the LDC screening, based upon the Companies weighted after tax average cost of capital, and no less than minimum rate of 7% stated in Docket 08-10-02, *DPUC Review of The Connecticut Gas Utilities Forecasts of Demand and Supply 2009-2013 and Joint Conservation Plans* and 09-10-03, *DPUC Review of The Connecticut Energy Efficiency Fund's 2010 Conservation and Load Management Plan for 2010*.

In this 2014 Annual Screening, UI has chosen to utilize the same long-term nominal discount rate as the regional avoided cost study of 3.39%. CL&P and YGS continue to use a 7.52% nominal discount rate for EDC screening and 7% nominal discount rate LDC screening as directed by the DPUC.

The differences in discount rates have a significant impact on the value of the benefits and the benefit/cost ratios. The use of a 7.52% percent discount rate compared to a 3.39%

discount rate for the electric programs results in approximately a 22 percent lower value of the claimed benefits and on the benefit-cost ratios. On the gas side, the comparable reduction is 27 percent.

- **Cost Splits**

Per the Decision, cost splits for residential programs have been re-calculated based on the new avoided cost study. The following tables summarize the cost splits that will be used in 2014 and 2015 for residential programs. For C&I programs and custom projects, cost splits are calculated based on the relative benefit of each fuel using the modified utility cost criteria which includes all the benefits shown above.

Costs for "single-fuel" measures are assigned to the appropriate budget based on the fuel type. For example, lighting is an "electric only" (the benefit is limited to electric savings). Therefore, 100% of the cost for lighting measures is allocated to the electric program. Costs for multi-fuel measures (e.g. Measures that save electricity and fossil fuel) are allocated to the respective budget based on the average dollar benefit realized for each fuel for those measures using the modified utility cost test benefits. Cost components for fossil fuel measures do not include any electrical components.

Residential Cost Splits

STATEWIDE, 2014 - 2015					
HES	all electric	gas heat w/CAC	gas heat no CAC	oil+pro w/CAC	oil+pro no CAC
		ELE/GAS	ELE/GAS	ELE/OIL	ELE/OIL
Administration	100%	50/50	30/70	30/70	15/85
Blower Door	100%	15/85	0/100	10/90	0/100
Air Flow / Heat Rise test	100%	60/40	25/75	35/65	10/90
Duct Blaster	100%	60/40	25/75	35/65	10/90
Installation of lighting	100% to Electric				
DHW & Pipe Insulation	100% to the DHW source				
Clothes Washer	100% to Electric				
Appliances	100% to Electric				
Windows	100%	25/75	0/100	5/95	0/100
Insulation	100%	10/90	0/100	5/95	0/100
HES-IE	all electric	gas heat w/CAC	gas heat no CAC	oil+pro w/CAC	oil+pro no CAC
		ELE/GAS	ELE/GAS	ELE/OIL	ELE/OIL
Administration	100%	35/65	25/75	10/90	10/90
Blower Door	100%	15/85	0/100	10/90	0/100
Air Flow / Heat Rise test	100%	60/40	25/75	35/65	10/90
Duct Blaster	100%	60/40	25/75	35/65	10/90
Installation of lighting	100% to Electric				
DHW & Pipe Insulation	100% to the DHW source				
Clothes Washer	100% to Electric				
Appliances	100% to Electric				
Windows	100%	25/75	0/100	5/95	0/100
Insulation	100%	10/90	0/100	5/95	0/100
RNC	all electric	gas heat w/CAC	gas heat no CAC	oil+pro w/CAC	oil+pro no CAC
		ELE/GAS	ELE/GAS	ELE/OIL	ELE/OIL
RNC - Single Family	100%	30/70	30/70	25/75	25/75
RNC - Multi Family	100%	45/55	45/55	25/75	25/75
HVAC	all electric	gas heat w/CAC	gas heat no CAC	oil+pro w/CAC	oil+pro no CAC
		ELE/GAS	ELE/GAS	ELE/OIL	ELE/OIL
Furnaces	100%	35/65	35/65	\$200 for ECM only	

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APPENDICIES

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Appendix I - Compliance Items

Order #	Description	Page # Reference
1	The Department requires the Companies to revise and resubmit 2014 and 2015 budgets for educational and administrative program costs no later than the 2014 Annual Update with proportionately adjusted budgets, or defaulting to an 80/20 basis between the EDC and the LDC budgets.	Chapter 2 Table A1 EDCs Combined Table A1 LDCs Combined
2	The Companies must ensure proper allocation of the cost for gas heating measures, minus any electrical components such as fans, to gas customers.	Chapter 6 PP 190-191
3	The Companies must propose an update to the Plan a mechanism that properly allocates the costs of HES core services between natural gas and electric budgets for any HES participant who becomes a gas customer (or newly converts their home heating equipment to natural gas).	Chapter 3 PP 156-157
4	The Department will require that natural gas program funding be used to support HES measures that save fuel oil or propane. This funding support will apply to all fuel oil and propane measure costs beyond those received from RGGI for fuel oil measures and the cost share will be split 50/50 between EDC and LDC budgets.	Chapter 3 PP 157
5	DEEP requires the Companies to detail any proposals to spend forward in the Annual Updates submitted to DEEP in the interim years of any three-year C&LM plan period. The EEB may monitor and approve any forward spending of 15% or less of the subsequent year's budget. Any forward spending above the 15% threshold amount may not proceed without prior authorization by DEEP, which authorization could be requested at any time by the EDCs and LDCs. Response: At the time of this plan filing, the companies do not anticipate spending forward into 2015.	See Response in this section
6	DEEP requires that all costs and benefits be included in the cost-effectiveness tests in all future submittals.	Chapter 2 All Table Bs and CL&P/YGS Table B2, text in Chapter 6 PP 187-188
7	The Companies should explain in their 2014 Annual Update the extent to which gas C&I program improvements could improve the Total Resource benefit-cost ratio.	Chapter 4 PP 169
8	DEEP directs the Companies to track relevant data on a census tract basis or report to DEEP what steps they are taking to comply with the requirement to track data on this basis. After the 6-1-14 Filing change the annual date to March 1st.	Not applicable to this filing. Due 6/1/2014

9	<p>On or before June 1, 2014, and thereafter annually on March 1, each EDC shall submit to DEEP and the EEB a table containing data for the prior calendar year that includes, on a census tract basis or, if not available by census tract, on a town-by-town basis, the amount of conservation program funds assessed and the amount of incentives expended, disaggregated as small or large customers according to the 100 kW peak demand threshold, and further disaggregated by customer class (i.e., Residential and C&I). Additionally, on or before June 1, 2014, and thereafter annually on March 1, each EDC shall submit to DEEP and the EEB a table further disaggregating the residential data component for small customers as follows: specifically, the residential data component for small customers shall be disaggregated by the HES and HES-IE programs, and identify the total number of projects participating in each program, and disaggregate those project numbers by housing stock (i.e., single family, multi-family (2-4 units), and multi-family (>4 units)). The EDCs shall work together to produce a table format that presents the data from each of the companies in a consistent manner. After the 6-1-14 Filing change the annual date to March 1st.</p>	<p>Not applicable to this filing. Due 6/1/2014</p>
10	<p>The EDCs shall submit revised performance incentive tables and a narrative to reflect the revisions described in the Decision. This submittal should include a proposal for identifying performance targets and the consequences for failing to meet those targets.</p>	<p>Chapter 2 CL&P/UI Performance Incentive exhibit</p>
11	<p>DEEP finds that the performance incentives proposed in the Plan should be adjusted for the EDCs and LDCs to increase savings and to ensure that estimated energy savings translate to deeper measures, including insulation and equipment installation. DEEP directs the EDCs and LDCs to work with the EEB to establish readily measurable specific goals for insulation, high efficiency equipment, and appliances for 2014 and 2015.</p>	<p>Chapter 2 All Companies Performance Incentive exhibit</p>
12	<p>DEEP requires that performance incentives be calculated based upon the actual expenditures and the savings achieved, which are to be scaled proportionally from the projected budget and savings goals to the actual budget at year's end. The Department's intent is for both EDC and LDC performance incentives mechanisms to operate identically. These calculations shall be done when year- end actual data is available and submitted in an Annual Update to the Department no later than March 1 of interim years. Response: The Companies (EDCs and LDCs) will also comply with the Decision in Docket No. 09-10-03 which directed the EDCs to prorate incentives when they over/under spend their budget by 5% or more.</p>	<p>Filed Separately</p>

13	DEEP finds that the gas performance incentives proposed in the Plan must be adjusted to be more aggressive, to focus on installation of deeper measures, such as insulation, equipment, and gas appliances. DEEP directs the Companies to work with the EEB to establish for 2014 and 2015 specific, readily measurable performance goals for measures installation, such as insulation and high efficiency equipment. The LDCs' ability to earn a performance incentive for HES will be based, among other things, on meeting the targets in Table 16. DEEP directs the Companies to work with the EEB to establish for 2014 and 2015 specific, readily measurable performance goals, including the goals in the above table.	Chapter 2 YGS/CNG/SCG Performance Incentive exhibit
14	For 2014 and 2015, the performance incentive for the lighting component of the Retail Products Program must be revised to move from the broad estimate of energy savings to more targeted metrics, such as overall saturation of efficient lighting, market share, general awareness, etc. The Companies and EEB will be required to determine alternative incentive strategies to advance efficient lighting. If this issue is not addressed the EDCs will not earn a performance incentive for this program in those years.	Chapter 2 CL&P/UI Performance Incentive exhibit
15	The EDCs shall better target the market segment that has not yet replaced incandescent bulbs throughout their home. The Department directs the EDCs to update the Plan to focus on the LED market, which would also be more reflective of the actual progress the EDCs are making in advancing LED market share. The Department agrees and directs the EDCs to revise their strategy going forward and include it in their 2014 Annual Update in the Retail Products Program section. In addition, the LDCs must include a discussion of efforts to emphasize to industry and retail stakeholders the importance of cooperating to ensure the most efficient lighting products are readily available. The Department notes that effective August 2013, the EDCs discontinued providing incentives for dimmable CFLs. The EDCs should instead use these funds, as well as funds available due to the reduction in CFL incentives, to support expansion of the LED market. The EDCs must work with the Evaluation Committee to develop a strategy to monitor this market, through the use of carefully scoped evaluations. Therefore, the EDCs must examine this matter and submit revisions for program delivery in 2014 and 2015. For 2014 and 2015, the EDCs must demonstrate that the Retail Products Program has been modified to address changing market conditions. Such demonstration shall be submitted in accordance with the Compliance Schedule included in this Decision. The Retail Products Program for 2014 and 2015 must be redesigned by the EDCs and EEB to address the findings and recommendations contained in the Lighting Evaluation as well as the directives in this Decision.	Chapter 3 PP 149-151

16	The Department directs that appliance rebates shall continue under HES as well as through the Retail Products Program to increase consumer awareness about the Top Ten USA website. Consumers should be fully informed about available technologies and their relative efficiencies regardless of fuel type. The Companies must develop information for use in HES and other programs.	Chapter 3 PP 150
17	The LDCs and EEB must propose program design changes to improve the cost-effectiveness of the Residential New Construction Program and submit recommendations to DEEP.	Chapter 3 PP 152-154
18	DEEP requires that an evaluation of the HES program be completed, and/or program design changes developed through the HES Innovation proceeding be adopted, before contingent funds are approved for use in 2014 and 2015. This evaluation must be submitted in accordance with the Compliance Schedule in this Decision.	Chapter 1 PP 2
19	DEEP therefore requests that the EEB reconsider whether the current co-pay for HES is appropriate, and whether such co-pay amounts should be increased in order to reduce the ratepayer subsidy for the program while not negatively impacting participation levels. Response: 2014 and 2015 Planning models that have been reviewed by EEB consultants and reflect current customer co-pays (\$75 for electric and natural gas; \$99 for deliverable fuels).	See Response in this section
20	The Companies and EEB must develop marketing analyses and campaigns targeted to specific residential segments that are designed to foster a home performance industry, not just drive program participation in HES. The efforts should also encourage uptake of deeper measures, use of financing, and understanding of the concept and value of home performance. ¹⁶⁶ Therefore, the Department directs the Companies to include a plan in the 2014 Annual Update for the implementation of a marketing campaign to increase awareness about the concept and value of home performance.	Appendix II PP 201
21	The Companies and EEB should advance efforts to level the playing field by establishing standards for home energy performance professionals through licensing or registrations, requiring third-party certification, or an alternative standard-setting mechanism. The Companies must provide a progress report in the 2015 Annual Update.	Not applicable to this filing. Due 2015
22	The Companies must establish targets, as soon as practicable, for the number and type of deeper measures they intend to achieve through the HES program in 2014 and 2015.	Chapter 2 All Companies Table Bs and Performance Incentive exhibit
23	Based on the foregoing, the Department directs that the hundred cubic feet (ccf) savings per home goal increase by 8% in 2014 and by 10% in 2015. These goals are intended to be met through customer investment, not by increasing the number of homes served under the program.	Chapter 2 YGS/CNG/SCG Performance Incentive exhibit
24	The Companies and EEB must provide a plan to both certify HES service providers and integrate home energy labeling as part of the HES program.	Chapter 3 PP 155-156

25	The Department approves an increased budget for the HES-IE program, in order to ensure that more income- eligible residents can access energy savings. The EDCs must work closely with the Community Action Agencies to increase HES-IE market penetration, and to consider opportunities for integrating HES-IE program implementation with implementation of the federal DOE Weatherization Assistance Program.	Chapter 3 PP 163
26	DEEP provisionally approves the budget for Residential Behavior and a separate budget for Customer Engagement funding for the EDCs subject to the following conditions: The Department directs CL&P to roll out a behavioral energy efficiency program in its service territory. However, to resolve the lack of clarity regarding cost effectiveness, prior to rolling out this program CL&P must verify the Residential Behavior program's cost effectiveness and report to the EEB and the Department about how this program will incorporate the Residential Committee's recommendations on program design and delivery. UI needs to clarify to the Department and the EEB their program plans for their Residential Behavior program and their Customer Engagement program in a summary of their program which distinguishes between its behavioral program aspects and customer engagement system aspects and identify which budget items UI intends to fund the UI program. Distinguishing between Residential Behavior spending and Customer Engagement spending will assist in future evaluations of cost effectiveness.	Chapter 2 CL&P/UI Table Bs And Chapter 3 PP 164-165
27	For 2013, the Department finds that CL&P's revolving loan fund balance is adequate to support this program. For 2013 the Department finds that UI's revolving loan fund balance is inadequate to support this program and directs UI to allocate \$500,000 from the HES potential allocation to support loan activity through the end of the first quarter of 2014.	Chapter 2 UI Table A And Chapter 3 PP 158
28	The Companies are directed to review the results of program delivery customization with the C&I Committee. This review shall summarize the progress of the self- directed program, identifying the key parameters, the degree of consistency with the best practices described above, and whether additional steps or practices need to be taken in the implementation of self-directed programs. The Companies shall include a progress report of the program and summarize coordination efforts with the C&I Committee in the Annual Update to DEEP.	Chapter 4 PP 181
29	The Department directs that, as part of an expanded plan, a total of \$5 million in ratepayer funds be allocated as finance capital for the SBEA loan program for each of the program years 2014 and 2015.	Chapter 2 Table A1 (C&I self-funding line)
30	The Marketing Committee should ensure that the scope and terms of this marketing services contract furthers the objectives outlined in the 2013 CES and in this Decision, and is harmonized with marketing efforts undertaken by CEFIA. To maximize efficiency, the Companies should be responsible for the day-to-day administration of the contract, with regular oversight and direction on major milestones from the Marketing Committee.	Appendix II PP 201

31	<p>The EDCs must develop tools to measure, for example, increased understanding of energy efficiency, peak demand, the benefits of lowering peak demand, time-of-day rates, renewable energy options, blower door testing, etc., pre and post SLC visit. The EDCs must also consider ways to track the energy consumption (electricity, gas, propane, and oil) of SLC visitors, potentially through an opt-in energy tracking program. Continued operation of the SLC beyond the initial term of the lease will include a review of the EDCs' ability to demonstrate that the center is achieving these goals, including a review of the extent to which the SLC is used as a training center for other educators, such as interpretive staff at the museums in the Museum Partnerships. The EDCs must develop components of this program to encourage students and educators to reduce their energy consumption and bills, and track actual progress towards that goal. The Department recommends that the EDCs allocate sustained funding for Green LEAF and develop a plan to integrate the various school-based education programs to ensure that strengths from each program are maximized and any actual or perceived redundancies are minimized. The EDCs may determine an appropriate budget and report back to the Department within their 2014 Annual Update.</p>	Chapter 5 PP 183-186
32	<p>DEEP requires the Companies to submit to the Commissioner, no later than in the 2014 Annual Update, an updated proposal which revises, as appropriate, the consultant budget for the balance of 2014 and for 2015.</p>	Chapter 2 All Companies Table As
33	<p>By March 1, 2014, and annually thereafter, the Companies shall provide a summary of actual data for the previous program (calendar) year. If possible and practical, the Companies may provide such information prior to this deadline. This will allow more time for the Board to consider if any adjustments are warranted. If it is determined that the March 1, 2014 is not practical, then in future years the Companies and the EEB can develop a revised submittal schedule. www.ctenergydashboard.com</p>	Chapter 2 All Companies Table As and Table Ds Also available on the dashboard website.

Appendix II – Marketing Plan

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STATEWIDE MARKETING PLAN

FEB 28, 2014

I. INTRODUCTION

In 1977, President Jimmy Carter declared that facing our nation’s energy issues would require a level of effort that was “the moral equivalent of war.” He also said that “if we fail to act soon, we will face an economic, social, and political crisis that will threaten our free institutions.” While his sentiments may have been accurate, his punitive tone did not resonate with American consumers, and 37 subsequent years of exhorting, cajoling and scaring consumers has still not produced the needed results. The failure to achieve the deep energy savings goals that President Carter described has had a direct impact on our stakeholders with the most to gain – or lose –Connecticut’s families and businesses. These primary stakeholders in the quest for a better energy future need to be *convinced* before they will buy into and act on the mission. The 2013 Connecticut Comprehensive Energy Strategy (CES) recognizes this challenge and states:

“The goal is to create a culture that understands the value of and therefore demands energy efficiency, establishes standards that enable consumers to easily ascertain the efficiency profile of their own homes or buildings, and makes financing for energy efficiency measures both easily accessible and affordable.”²

In support of this overarching goal, the Department of Energy and Environmental Protection (DEEP) has directed the Energy Efficiency Board (EEB) to develop and execute a Statewide Marketing Plan to enhance and support the ongoing Energy Efficiency Fund program marketing, complement the marketing efforts of the Clean Energy Finance and Investment Authority (CEFIA), and support the newly created Energize Connecticut brand and website. This Statewide Marketing Plan will include the building blocks needed to foster a culture change and will provide the supporting foundation for the program and measure-specific marketing addressed by Connecticut Light and Power, The United Illuminating Company and the gas utilities (the Companies) throughout the year. The development of this plan is timely for two reasons. First, Connecticut is on the cusp of a major ramp-up in program delivery, and expanded marketing and outreach is necessary to drive customer action. Second, Connecticut recently created the Energize Connecticut brand and website. These components are now at our disposal to aid in a strategic and vigorous marketing effort aimed at spurring customer action and shaping customer behavior. As such, this statewide marketing plan is part of a larger marketing investment (which includes ongoing program marketing) that is designed to help Connecticut deliver upon its aggressive energy saving goals.

The “building blocks” in this plan include:

- Customer Research

² Page 18 http://www.ct.gov/deep/lib/deep/energy/cep/2013_ces_final.pdf

- Customer Segmentation and Analysis
- EnergizeCT.com enhancements
- Utilities' online energy efficiency customer engagement platforms

The building blocks will inform and influence all our marketing efforts – those detailed in this plan, as well as program marketing.

This Statewide Marketing Plan will also include two public-facing communication campaigns:

- Energize Connecticut Enhanced Launch/Brand Awareness
- Demonstrating the Value of Energy Efficiency/Home Performance

Additionally, there are several specific marketing objectives detailed in the 2013-2015 C&LM Plan Final Decision. (See Appendix A.) In essence, most of them are variations on a theme – *to provide customers with information that is relevant to their individual needs and lifestyle so that they can make energy-efficient decisions*. A very strong start towards realizing the overall goal of creating a culture that values energy efficiency was made by the Marketing Services Committee (MSC) with the creation of the Energize Connecticut brand and website. The building blocks of this Statewide Marketing Plan are the essential next steps to the implementation of that goal and the program-specific objectives. Before we can influence thought and precipitate action within our programs, we need a thorough understanding of who our customers are and what they are thinking. Both residential and business segmentation analysis are already underway and are providing valuable insights that will enable us to target and differentiate our program messages. The research proposed in this plan will reveal what our customers are thinking at various points of exposure to our messaging, and the website enhancements and the customer engagement platform will make it easier for them to take action.

The two communication campaigns detailed in the following pages are based on communication objectives that will shape how customers think about energy efficiency (and the Energize Connecticut brand), how they feel after encountering our messaging, and ultimately, what they will do with the information. A “think-feel-do” communication strategy is also known as a high-involvement model because it works best with product categories or situations where there is a need for information or where there is significant product differentiation; energy efficiency has both of those characteristics.

While the two communication campaigns included in this statewide plan have specific objectives and strategies, they should be considered in a broader context which includes existing and planned program promotions, CEFIA's financing promotions, and the marketing communications messaging being produced by authorized contractors and certain trade allies. The Energize Connecticut brand is, for the most part, embedded into all of those entities' messaging. This provides a platform for multiple customer touch points with certain unifying attributes. The communication campaigns detailed in this plan provide an opportunity to leverage the impact of the smaller-reach campaigns implemented by the individual market actors to a larger statewide audience. Promoting the values of the brand (including the credibility of the sponsors) and the values and benefits of energy efficiency and home performance reinforce all the other touch points, as illustrated in Figure 1.



Figure 1. Multiple Touch Points Result in Customers Taking Action

Not only should we view the customer touch points of this plan in a broader context, the funding associated with this Statewide Marketing Plan is also part of a larger marketing investment, which includes ongoing C&LM program marketing and an energy efficiency customer engagement platform. Although these are separate line items in the 2013-2015 C&LM Plan Final Decision, the funding for this Statewide Marketing Plan was intended as a mechanism to enhance the overall marketing effort needed to support expanded C&LM programs and increased energy savings goals, as illustrated in Figure 2.

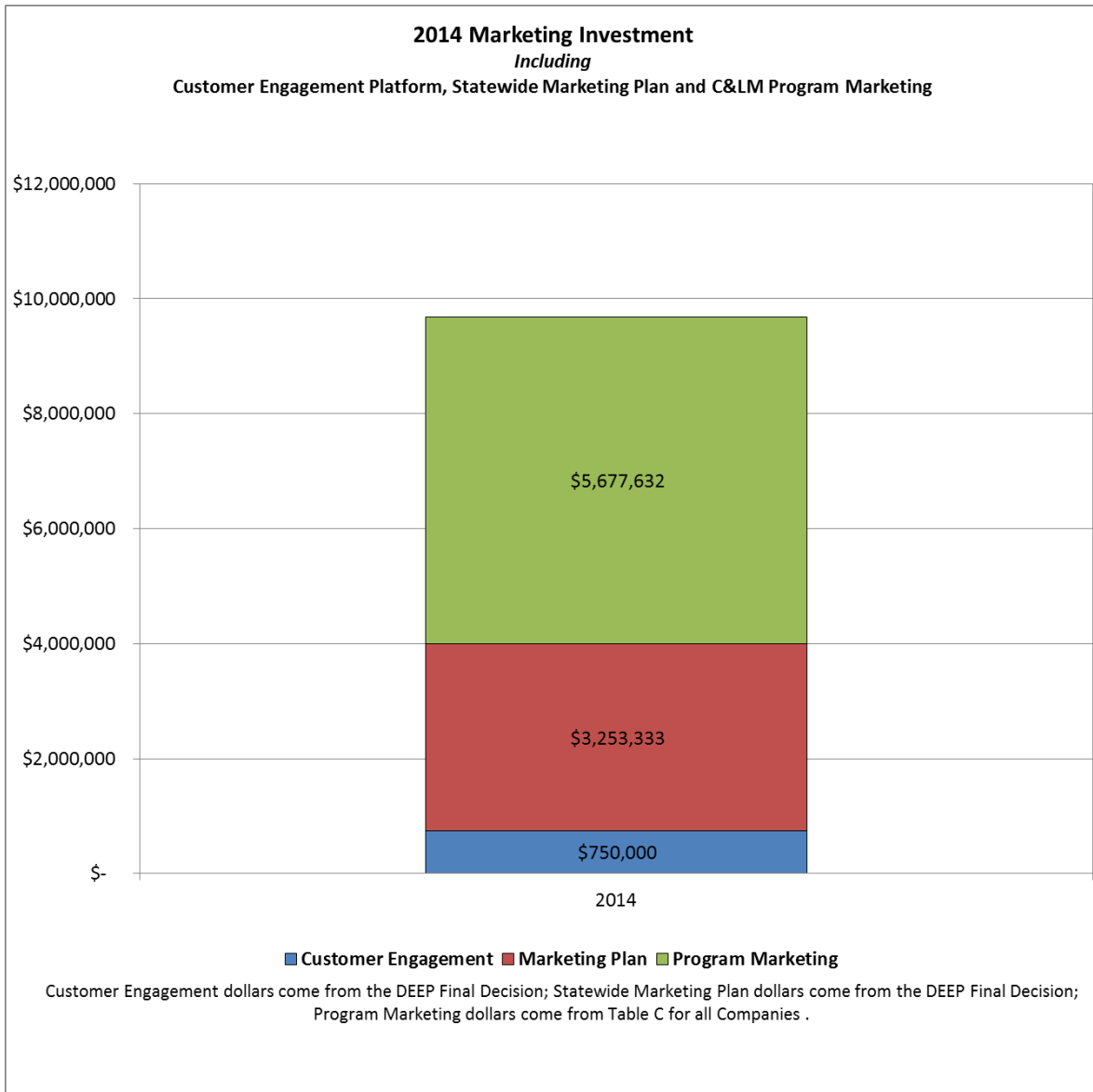


Figure 2. Overall 2014 Energy Efficiency Marketing Investment

A summary of the Statewide Marketing Plan budget, including supporting resources, is shown in Figure 3. Additional details can be found in Section VIII of the Plan.

STATEWIDE MARKETING PLAN BUDGET, INCLUDING SUPPORTING RESOURCES					
2014 STATEWIDE MARKETING PLAN TASK	BUDGETING CATEGORIES				TOTAL
	Energy Efficiency Customer Engagement Platform	2014 Statewide Marketing Plan	Program Marketing resources used to support Statewide Marketing Plan	CEFIA contribution to Satewide Marketing Plan*	
EE Customer Engagement Platform	\$ 750,000	\$ 1,659,099	\$ 770,000	\$ -	\$ 3,179,099
Research	\$ -	\$ 59,300	\$ 37,200	\$ 11,500	\$ 108,000
Segmentation	\$ -	\$ 78,400	\$ -	\$ -	\$ 78,400
Website Enhancements	\$ -	\$ 101,983	\$ 95,267	\$ 65,750	\$ 263,000
Website Yearly Maintenance	\$ -	\$ 90,000	\$ -	\$ 30,000	\$ 120,000
Enhanced Brand Launch	\$ -	\$ 961,550	\$ -	\$ 274,250	\$ 1,235,800
Value of EE/Home Performance Campaign	\$ -	\$ 100,000	\$ -	\$ -	\$ 100,000
TOTAL	\$ 750,000	\$ 3,050,332	\$ 902,467	\$ 381,500	\$ 5,084,299
Funding Available:					
Approved in DEEP Final Decision	\$ 750,000	\$ 3,050,000			
Approved Electric (EDCs)	\$ 600,000	\$ 2,440,000			
Approved Gas (LDCs)	\$ 150,000	\$ 610,000			
Total Available Funding	\$ 750,000	\$ 3,050,000			\$ 3,800,000
				*Proposed CEFIA co-funding for the enhanced brand launch campaign is being proposed to the CEFIA Board and is contingent on CEFIA Board review and approval.	

Figure 3. Statewide Marketing Plan Budget Summary with Supporting Resources

An estimated timeline showing the months when the major activities of the Statewide Marketing Plan will occur is shown below on Figure 4.

2014 Statewide Marketing Plan Timeline of Activities												
2014 STATEWIDE MARKETING PLAN ACTIVITY	January	February	March	April	May	June	July	August	September	October	November	December
MARKET SEGMENTATION & ANALYSIS												
MARKET RESEARCH			General Awareness Pre-Campaign Survey			General Awareness Post-Campaign Survey						Program End of Year Survey
WEBSITE OPERATIONS, ENHANCEMENTS, & TECHNICAL SUPPORT						Part 1025 Participant Survey						
DEVELOPMENT OF UTILITY CUSTOMER ENGAGEMENT PLATFORMS												
ENERGIZE CONNECTICUT™ ENHANCED LAUNCH/BRAND AWARENESS CAMPAIGN												
VALUE OF ENERGY EFFICIENCY/HOME PERFORMANCE CAMPAIGN												

Figure 4. 2014 Statewide Marketing Plan Estimated Timeline

II. MARKET SEGMENTATION AND ANALYSIS

a. Overview

Data mining, deep-dive analytics, and customer segmentation capabilities are being leveraged to gain a deep understanding of our customers' energy usage behaviors, past program participation, demographic attributes and building profiles to better target customers with relevant bundles of products and services and to develop more compelling messaging and communications. A strong analytics foundation will enable us to continually test our marketing strategies and to hone our knowledge in order to improve both our product offerings and the ways in which we communicate programs and services.

Recognizing this opportunity, the Companies have already begun building these capabilities. The Companies have added experienced staff, developed customer databases and acquired best of breed analysis tools. As part of this marketing plan, we will continue this work and leverage our findings to optimize messaging, marketing and communication efforts.

b. Situation Analysis

The Companies have embarked on robust segmentation strategies in both the commercial/industrial and residential arenas. The goal of this work is to develop segments of likeminded and behaving customers in order to focus and tailor our programs and drive customer action within those programs. While segmentation and analysis is an ongoing activity, commercial and industrial efforts to date have included both quartile and sector-based segmentation. (See Figure 5.) This work has enabled us to develop highly effective go-to-market strategies and tailored communication plans. Residential segmentation efforts are currently underway and will incorporate both a customer propensity to participate dimension and a physical structure opportunity dimension. (See Figure 6.) Residential segmentation will enable us to develop relevant bundles of products and services for each of the identified customer groups. (See Figure 7.) We will then optimize messaging, communication vehicles and calls to action for each of the segments. Leveraging robust segmentation strategies will aid the Companies in delivering increased and deeper program participation in a cost efficient manner.

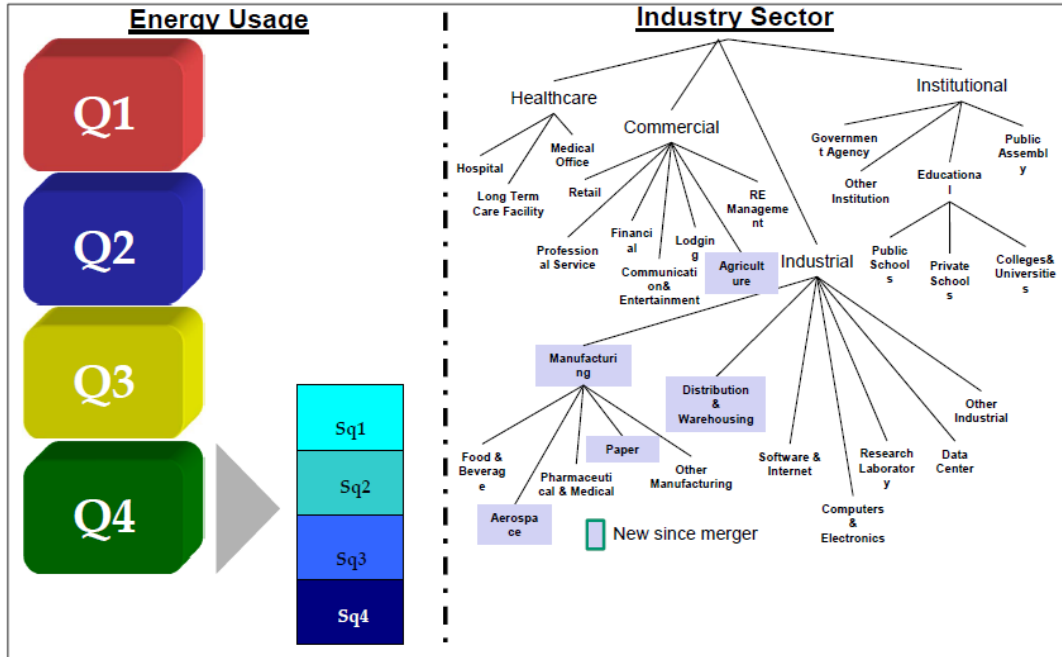


Figure 5: NU C&I Customer Quartile and Sector Example

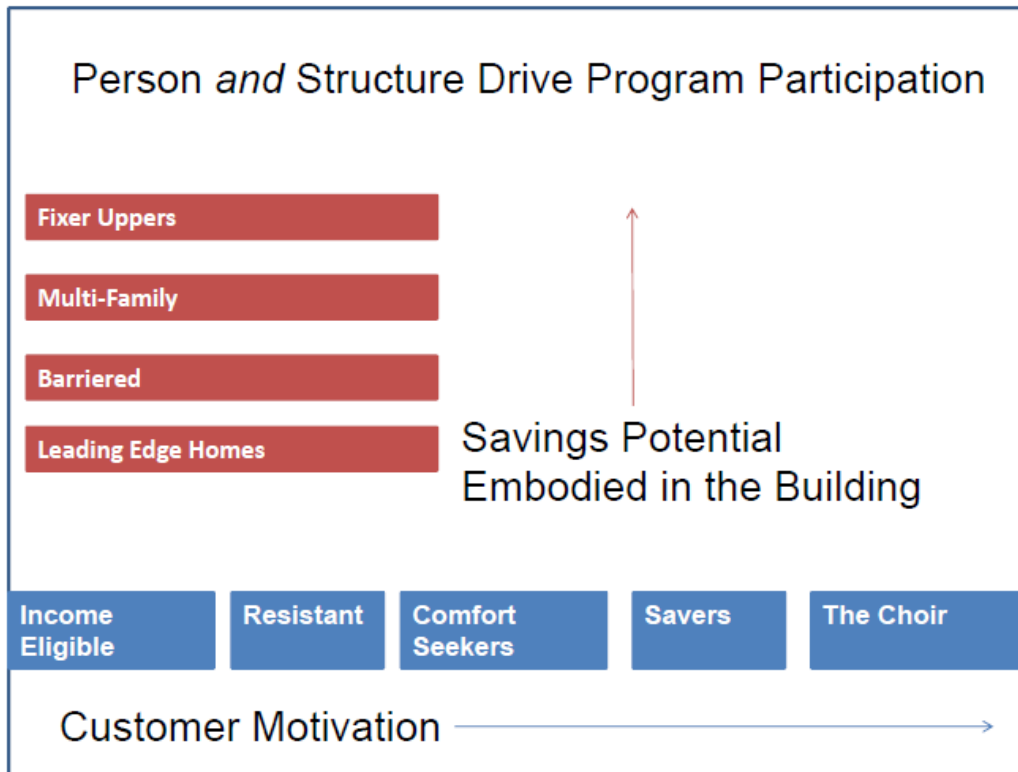


Figure 6: The Type of Home Influences a Customer's Motivation to Act

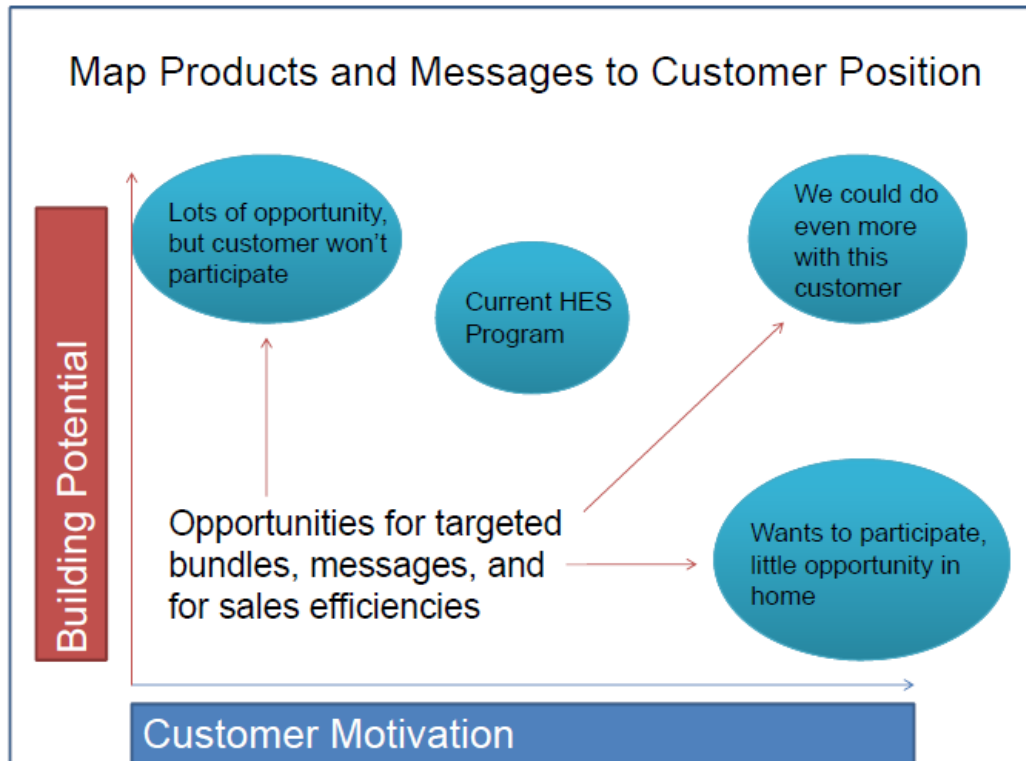


Figure 7: Targeted Marketing

III. MARKET RESEARCH

a. Overview

Building brand awareness allows an entity to create a position in the marketplace, build a relationship with the customer and provide a product promise associated with a brand's products. Since the launch of the Energize Connecticut brand in 2012, three surveys have been completed to measure change in awareness of and interest in energy efficiency, renewable energy, and Connecticut's various clean energy brands. We will conduct additional research to measure pre- and post- campaign brand awareness to determine the effectiveness of the campaigns, to understand opportunities to strengthen the Energize Connecticut brand, and to improve current and future marketing efforts and campaigns.

We will also conduct research to determine Connecticut consumers' perceptions of efficiency and add-on measures. This research will help us to understand what factors can and will motivate consumers to increase their participation in programs, including Home Energy Solutions (HES), and in the adoption of add-on measures.

Specifically, we will undertake the following research activities:

1. **Research – General Awareness:** The EEB's 2013 study was a follow-up to the baseline survey conducted in August 2012. The 2013 survey saw minimal change in awareness on almost all levels measured.
 - I. **Pre-Campaign Survey:** Prior to the launch of the Energize Connecticut Enhanced Launch/Brand Awareness Communication campaign (see Section V), a new awareness survey will be conducted. The survey will include questions from the 2013 surveys, along with additional questions pertinent to campaign content. This survey will launch approximately one week prior to campaign execution.
 - II. **Post-Enhanced Launch/Brand Awareness Campaign Survey:** The same survey will then be executed one to two weeks after the close of the brand awareness campaign to determine any lift in awareness and/or the impact of the campaign's content. This information will assist the Companies in determining if messaging and media were on point with the objectives of the campaign and allow for adjustments to create more effective marketing in 2014 and 2015.
 - III. **Program End-of-Year Survey:** A modified survey measuring program awareness will be executed in November 2014 to determine any lift in awareness of overall program marketing for the year. This survey will focus more on key messaging within program marketing such as Energize Connecticut, EnergizeCT.com, program awareness and recognition, and overall information awareness.

2. **Research – Customer Perception and Motivation:** Consumers evaluate products on several levels including basic characteristics, advantages to the purchaser and value-added features and benefits, including intangibles. Consumers are motivated to purchase based on their evaluation of determined value measured against the perceived risk. Personal values and characteristics also affect this evaluation. We will undertake research to explore these issues as it relates to participation in HES and add-on measures and to improve marketing and communications efforts accordingly.
 - I. **HES Past Participant Survey:** Research will be done to determine possible deterrents to program participation as well as positive motivators with the current HES and Home Performance customer participants. This research will include in-depth phone surveys of recent HES participants who were recommended additional efficiency measures, surveyed equally between those who have and have not chosen to participate in additional measures. Additionally, it will seek to determine how consumers' beliefs and values affect this choice as well as any product factors that may have hindered or accelerated participation. For additional insight, the Companies will overlay demographic information over these research participants to determine any similarities or anomalies. This research will define current market effects on participation.
 - II. **HES Past Participant Focus Groups:** Once the quantitative research described above is complete, focus group(s) will be utilized to gain deeper insight. This information will allow the EEB and the Companies to determine if product adjustments or marketing refocus may be required in order to increase participation. In addition, some online surveying may be executed to test the effectiveness of messaging and product features.

IV. WEBSITE OPERATIONS AND ENHANCEMENTS, AND TECHNICAL SUPPORT: EnergizeCT.com

a. Overview

As more and more consumers go online to seek information to inform their daily decisions, the role of digital media becomes increasingly more important. Maintaining a viable web presence is more than just having a website. The site needs to accommodate changes to consumers' browsing technologies, be readily findable in engine searches, meet consumers' expectations for content quality and timeliness, and improve the overall end user experience.

The EnergizeCT.com website went live in January of 2013. During the past year the Companies, CEFIA, and DEEP have focused on transitioning from the original site developer to a site maintenance and development firm, addressing back-end functionality needs, establishing routine reporting, and implementing critical enhancements as identified by the EnergizeCT Web Committee.

The EnergizeCT Web Committee is composed of staff from CL&P, UI, CEFIA and DEEP, with input from the EEB consultants. Throughout the year, the EnergizeCT Web Committee members maintain the website's content and graphics to ensure site freshness and support campaigns; and to integrate findings from segmentation, market research and website traffic analyses. Issues and enhancements identified during these day-to-day operations are immediately addressed or prioritized as an enhancement for implementation at a later date.

b. Objectives

For 2014, the efforts will focus on website maintenance and completing those identified enhancements that will:

1. Increase site traffic;
2. Reduce percent exits³;
3. Increase average visit duration;
4. Enhance usability to facilitate consumers and contractors finding information; and
5. Enhance back-end functionality to facilitate day-to-day maintenance of the website.

³ The "exit rate" reveals how many people leave a site from a particular webpage.

c. Target Market

The primary target market for 2014 continues to be residential consumers, followed by business consumers. An additional new market is contractors. With the shift toward upstream incentives, a portal for supporting contractors is planned to facilitate timely communication of program information.

d. Project Implementations

During 2013, the EnergizeCT Web Committee identified 27 enhancements recommended for the website. Of these, 6 have been completed and 2 are no longer needed, leaving a list of 19 enhancements. These enhancements include implementation of Search Engine Optimization (SEO); development of a Content Management System WIKI to provide online guidance to website Content Managers; implementation of responsive design to support website browsing on mobile devices; the creation of two wizards (financing and guided assistance to help visitors find the right programs); the development of a Contractor Portal; expansion of the Find a Professional feature; Air Qualify Widget upgrades; implementation of multi-lingual options; development of document and image libraries; implementation of a publishing and expiration date feature; and changes to solution and segment pages to facilitate finding programs.

These enhancements will help to: 1) Improve the user experience; and 2) facilitate website maintenance.

The Website Committee hopes to be able to complete all enhancements during 2014. In the event that economics, technical or other issues impede the implementation of all planned enhancements, the Web Committee has prioritized the enhancements. This prioritization, in combination with other marketing (brand launch) and seasonal factors, will help to guide the schedule for developing and launching the enhancements.

In addition, other content development and refinement changes are planned for 2014. These, in general, can be done by the Website Committee members and therefore do not require additional funding.

During the first half of 2014, a usability study will be conducted to help inform planned and future user experience enhancements. Key questions related to the ability of the user to find the information they were looking for, ease of use of the navigation system, identification of missing features and content, and broad suggestions for changes, can all help to inform user-facing changes to the website.

Major Website Enhancements Planned for 2014

Enhancement/Benefit	Improve the User Experience	Facilitate Website	Content Development & Refinement
<p>1. SEO – Optimizes a website based on how search engines work, what people search for, the actual search terms or keywords typed into search engines and which search engines are preferred by the targeted audience in order to facilitate users finding the website. This may include editing content, HTML and coding to both increase the website’s relevance to specific keywords and to remove barriers to the indexing activities of search engines. This may also include promoting the website to increase the number of links. The Web Committee has two proposals and is in the process of seeking a proposal from SAI.</p>	X		X
<p>2. Wizards – With more than 200 pages, and multiple entities contributing to the website content, assisting users in finding information and programs specific to their needs is needed. Two wizards have been identified to assist in the customer experience.</p> <p>I. The Finance Committee has requested a finance wizard to assist users in finding the right loan product for their project.</p> <p>II. With many residential consumers unaware of program specifics, a guided assistance wizard is proposed to help them find the right program. This would be a series of questions that result in a display of appropriate programs.</p>			
<p>I. The Finance Committee has requested a finance wizard to assist users in finding the right loan product for their project.</p>	X		
<p>II. With many residential consumers unaware of program specifics, a guided assistance wizard is proposed to help them find the right program. This would be a series of questions that result in a display of appropriate programs.</p>	X		
<p>3. Find a Professional - This feature is being expanded to include lenders, loan programs, and restrict contractor demographic information to one record. Currently each contractor has a separate record for each program they participate in, which makes day-to-day maintenance of this information difficult. Other changes include the ability to upload and download partial lists of contractors. This enhancement will allow for better management of the information and maintain contractor data.</p>	X	X	
<p>4. Air Quality Widget – The current map and graph were developed a number of years ago, and the code needs to be updated.</p>	X	X	
<p>5. Contractor Portal – With an increased emphasis on upstream incentives, having a section of the website with programmatic information for contractors will be very useful. In addition to forms and training materials, this may also include an eNewsletter. This enhancement will be key in keeping the contractor base informed and engaged.</p>	X		
<p>6. Responsive Design – Our Google Analytics reports show an exit rate of 50% for mobile users. More and more users are searching on mobile devices and the website needs to accommodate these users. This enhancement will keep Energize CT up-to-date with the growing population of mobile device users.</p>	X		

Enhancement/Benefit	Improve the User Experience	Facilitate Website	Content Development & Refinement
<p>7. Document and Image Library – To facilitate day-to-day management of site content, a more robust document and image library is needed. This enhancement will allow administrators to keep the site from getting stale or redundant in use of content or imagery.</p>	X	X	
<p>8. Publishing and Expiration Date – This feature will allow pages and supplier choice rates to be set to automatically publish and expire on selected dates. This will facilitate yearly updates to program pages, time sensitive marketing content, and frequent supplier choice rate changes.</p>	X	X	
<p>9. Landing and program pages modifications – Informed by segmentation and market research, these change will highlight key program information and customer steps to take action.</p>			X
<p>10. Supplier Choice Cross Marketing – Add cross marketing features to the supplier choice pages to encourage these visitors to engage with the entirety of the website.</p>	X		
<p>11. What is Smart Energy section expansion – Expand this section of the website to accommodate non energy efficiency and renewal energy program information, such as Energy Assistance, Comprehensive Energy Strategy summary information, transportation information, Natural Gas Expansion, etc.</p>			X
<p>12. Energy efficiency and renewal energy house feature - This feature will display recommended measures and programs when a visitor hovers over sections of the home.</p>	X		

IV. DEVELOPMENT AND LAUNCH OF UTILITY CUSTOMER ENGAGEMENT PLATFORMS

a. Northeast Utilities (NU) Energy Efficiency Customer Engagement Platform Overview

The NU energy efficiency customer engagement platform (CEP) is a tool that will allow NU to effectively reach all of its customers with energy usage information that is tailored to the customer and their situation, and includes self-service assessments (where applicable), as well as benchmarking. It will provide the customer with targeted, customized recommendations and actionable steps to reduce costs and save energy based on the customer's situation and profile. A customer, business or residential, will be able to see energy use over time, compare it with like customers in the area and segment, and learn about solutions that will save energy and money. The customer will also receive information about incentives tailored to them, which will help make these changes. The CEP will provide savings in the most efficient manner to each group of customers. It will enable NU to develop targeted messaging for these customers driving deeper and broader savings and improving customer satisfaction. The CEP will enable NU to close the marketing loop to learn more about these customers and develop better targeted products and services for them going forward, leading to additional savings over the long term. It will also provide a place the NU call centers can refer customers to for self-service. Additionally, with the CEP, NU will be able to collect metrics for reporting and analytics for evaluating program reach and effectiveness.

By providing easy, intuitive and accessible resources and tools for customers to engage in transactional activities, informational searches and efficiency measures, NU will be able to keep pace with customers' service expectations or industry norms.

While NU customers are currently able to access their usage information via the "Green Button"⁴, they do not have access to self-service tools to learn about energy efficiency information or access to customized program information. Current methods NU utilizes in providing customers with energy efficiency information is labor-intensive and costly, and does not reach all customer segments, nor do they provide customers with the control and immediacy they expect. This affects their ability to take actions that would save them energy and money. The magnitude of energy efficiency measures enacted is therefore affected, and adoption is not widespread across certain segments, especially smaller business, due to the costs of reaching this segment. This negatively impacts NU's ability to meet ambitious energy efficiency goals.

The NU energy efficiency customer engagement platform will be implemented in 2014.

⁴ CL&P example of the Green Button at http://www.cl-p.com/Home/SaveEnergy/Green_Button/

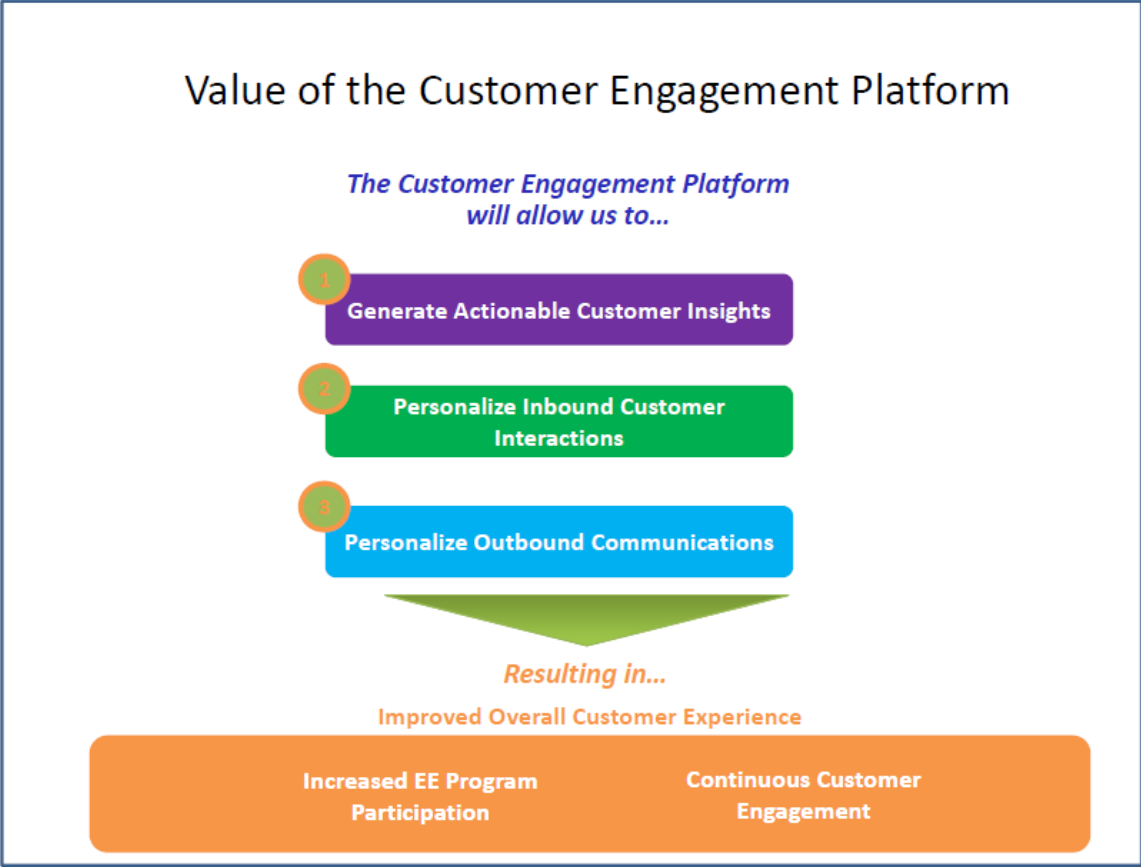


Figure 8. NU Energy Efficiency Customer Engagement Platform

- b. The United Illuminating Company customer engagement platform is under review and development, and is expected to be implemented in 2014.

V. ENERGIZE CONNECTICUTSM ENHANCED LAUNCH/BRAND AWARENESS COMMUNICATION CAMPAIGN

a. Situation Analysis

The new brand was developed by the Marketing Services Committee (MSC), which is made up of representatives from DEEP, the EEB, CEFIA and the Companies. Energize Connecticut was announced in the Spring of 2012 by Governor Malloy at the NEEP Summit and EnergizeCT.com went live in January, 2013. By the end of the first quarter of 2013, almost all of the Energy Efficiency Fund program collateral and advertising materials featured the new logo. As part of the new brand standards, the MSC developed a text “descriptor” that appears on most printed materials and on media releases to describe the initiative represented by the brand. By virtue of the volume of materials produced and distributed to the public and the frequency and reach of advertising and public relations pushed out via the Companies’ program marketing, CEFIA, and the trade allies, the new brand was introduced to Connecticut’s residents, businesses and legislators.

Now, with the major effort and investment of creating the brand and launching the website in place, and with the approval of an expanded C&LM budget, the stage is set for a larger brand launch. All of the brand’s stakeholders have a vested interest in raising public awareness. The Energize Connecticut website is the primary call to action on all energy efficiency and finance program promotions. The public face of the Connecticut Energy Efficiency Fund has virtually disappeared. We need the public – both residents and businesses – to know and understand what the brand represents, as defined in our Brand Promise and Brand Pillars.

Brand Promise: Empowering Connecticut to make smart energy choices, now and in the future

Brand Pillars: Accessible, Inclusive, Trustworthy, Empowering

The Opinion Dynamics telephone survey fielded in September 2013 reported that approximately half of Connecticut residents were aware of energy efficiency programs and one-fifth to one-quarter was aware of renewable programs. This result is largely unchanged from a 2012 survey. We can therefore conclude that the awareness of many of our mature energy efficiency programs has topped out. The survey also reported that just eight percent of residential customers were “very” or “somewhat” familiar with the new brand. Considering that only a limited brand launch was done, it can be assumed that eight percent awareness was generated primarily via program marketing. The new brand offers us an opportunity to start moving that needle. The new brand gives us something “new” to talk about and an opportunity to introduce concepts that will ignite a renewed interest in past participants who may think they have “been there, done that”, and a chance to engage with people who have not been thinking much about energy usage.

b. Target Audiences

While everyone who lives and works in Connecticut is a potential audience member, applying segmentation will enable us to match the message to the medium and to the appropriate geographic audience.

c. Marketing Communications Objectives

1. To increase brand awareness.
2. To increase EnergizeCT.com traffic (primary call to action) and promote the statewide telephone information resource, WISE-USE (secondary call to action).
3. To position Energize CT as a trustworthy, credible endorser of smart energy resources.

b. Marketing Communications Strategy

The overall brand awareness marketing communications strategy is simple – it is all about reach and frequency. In a concentrated period of time (early Spring), we will “carpet bomb” the public with the brand. While this intensity is time-constrained, the boost in brand awareness will support the concurrent and ongoing program marketing and energy efficiency/home performance campaigns, and, in turn, those campaigns will continue to extend brand awareness.

1. **Media Sponsor.** Implement a powerful multi-platform sponsorship (on TV, online, and through events) with one of the Connecticut television broadcast affiliates. A sponsorship would (a) provide broad reach to every demographic, (b) utilize a “trusted messenger”, and (c) have an immediate impact with a quick ramp up. *NOTE: A TV affiliate sponsorship will complement the Companies’ program marketing, which includes a substantial increase in radio advertising in 2014. The program radio ads also feature the Energize CT brand and website. These radio spots will provide additional coverage in regions where the TV reach is light.*

This approach is recommended because:

- i. Production of a branding spot(s) produced by the sponsor would be far less expensive than creating them with an agency.
- ii. Purchasing traditional TV advertising on a station-by-station basis fractures the overall buying power and incurs more expense.
- iii. With a media sponsor, it is easier to control the flow of messaging – short duration promotions can be launched and turned off easily.

- iv. With a media sponsor, we can incorporate the demand response/Wait 'til 8 messaging in anticipation of the summer peak.
- 2. **Public Appearance Opportunities with Brand Representatives.** Seek out opportunities with the Governor, other legislators, commissioners and representatives from the EEB CEFIA, and the Companies to speak about Energize Connecticut at business locations and residential events (including those that are part of the media sponsorship).
- 3. **Transit Advertising.** Transit advertising (buses, train stations) is most effective for short, simple messaging. Deployment of the signage will be in urban locations.
- 4. **Social Media.** Social media will be the primary vehicle to announce new web enhancements – the web is an extension of the brand.
- 5. **Paid Search.** Complement SEO efforts with paid search (keyword, content network – general awareness/brand search. Technology and program search will stay with the program marketing budget).
- 6. **Digital Display Advertising.** In key sites including Facebook, Yahoo, Yahoo mobile media sites and on Connecticut sites where possible (DMV, dept of Revenue Services, etc.)
- 7. **Direct Mail.** Include logo and messaging in existing mail opportunities such as Motor Vehicle registration notices and Company utility bills.

c. Monitoring

Monitoring of this campaign to evaluate the change in customer brand awareness will be performed via a pre-campaign survey and an end of year survey. (See Section III. Market Research)

VI. VALUE OF ENERGY EFFICIENCY/HOME PERFORMANCE CAMPAIGN

a. Situation Analysis

The Home Energy SolutionsSM (HES) core services are a great entre to a household. As the program brochure states, it is the first step. However, all the Energize Connecticut stakeholders agree that these homes can and should be yielding deeper energy savings. The program administrators have collaborated with the EEB Residential Committee and the authorized contractors to create better tools to communicate the value proposition of upgrades to lighting, insulation, space heating and cooling, and water heating. Sales training has also been provided to the contractors to help with the upsell. Energy savings per home is now tracked on a contractor scorecard and there are penalties for contractors with low ratings. The expansion of the Clean Energy Communities program is also proving to be a useful communication channel. The multiple navigation options on EnergizeCT.com – enabling customers to search by programs, solutions, or segments – are another way to educate consumers on what is possible. All of these engagement strategies are working. In 2013, the comprehensive energy savings per home has increased⁵. However, the Weatherization Baseline Assessment⁶, commissioned by the Energy Efficiency Board, states “that the evaluators determined 26% of the sampled homes (with a confidence interval of 21% to 31%) comply with the weatherization standard”. So, we are faced with the challenge of modest increases not keeping pace with ambitious goals.

The program administrators are facing a similar scenario in the small business customer segment. With increased savings goals in 2014 and beyond, more customers need to participate, but more importantly, greater savings need to be extracted from each project. Small business customers share many residential attributes – particularly the lack of energy-saving information. Unlike large businesses with facility managers and sustainability strategies, many small businesses simply aren’t aware of savings opportunities, or they believe that if they have installed CFLs in the past decade, there is nothing else they can do. Promoting the concepts of value and performance with small businesses is also necessary.

The “Value of Energy Efficiency/home performance” campaign is about planting a seed. Messaging and sales pitches about add-on measures and ROI mostly resonate with consumers who are predisposed to act (i.e., their equipment has failed or is likely to, or they are concerned about comfort or safety, and possibly they have environmental concerns). Promoting the concept of home performance (defined later in this document) lays the groundwork, or, to

⁵ The average single family home saved 12. MMBTU in 2012 and 14.1 MMBTU in 2013

⁶ Weatherization Baseline Assessment, NMR Group Inc., January 2014

extend the previous metaphor, tills the soil and helps to create a receptive audience who is more likely make a smart energy choice when the opportunity arises.

As with the branding campaign, this campaign plays off of the Companies' program marketing, which has modified their program-specific messaging to include more experiential messaging as well.

b. Target Audiences

This is primarily a residential campaign. Small businesses are a secondary audience, but share enough of the same information gaps that a similar approach is warranted. The audiences for this campaign are the same as for the brand awareness campaign. Additional psychographic segmenting utilizing Experian data and other available resources will also be employed and will be useful in creating themes and identifying the Unique Selling Proposition (USP) as materials are being developed. (Filters may include categories such as “do it yourselfers”, “environmentally sensitive”, etc.) The insights we gained from completed surveys and the proposed past-customer survey (see Section III) will also help to match the campaign content to the correct segment.

Additionally, while the messaging will be aimed at the end user, trade allies (including, but not limited to, home improvement contractors, property managers, realtors and landlords) are also both audiences *and* a vehicle to deliver the campaign messages to the end user.

c. Marketing Communications Objectives

1. Increase number of engaged users on EnergizeCT.com
2. Generate media stories
3. Create a video library

d. Marketing Communications Strategy

In order to communicate the actions and resulting benefits of the value of energy efficiency and home performance to residential (and certain small business) consumers, we need to define the concept in terms of what we want our campaign outcomes to be. Home performance is an amorphous statement – its overuse is starting to rival that of “green energy”, turning it from a useful phrase to a less meaningful buzzword.

The Federal Department of Energy (DOE) defines home performance as: *“A whole house process using diagnostic measurements to determine calculated energy savings predictions for packages*

of measures that are verified through post-retrofit testing and reviewed for quality installation.⁷
This definition is useful for contractors and energy efficiency program administrators, but how would it translate to consumer messaging?

Efficiency First, a nonprofit trade association representing the home performance workforce, does a better job of turning the DOE description into a consumer-friendly concept: *“Home Performance – A comprehensive whole-house approach to identifying and fixing comfort and energy efficiency problems in a home. A drafty house, rooms that are too hot or too cold, and high energy bills are all common issues for homeowners. A quality installation of a new heating or air conditioning system, buying replacement windows, or adding more insulation may fix part of the problem, but home performance looks at the entire package, including energy efficiency, comfort, durability, cost and health and safety.⁸”*

Ed Voytovich, contributor to Remodeler magazine may have the definition that best describes what we need to convey to Connecticut residential consumers. *“Home performance is the science and practice of building and improving homes according to a comprehensive package of measures that make the home as safe, comfortable, efficient, and durable as possible. Each home is a distinctive system involving the building itself, the mechanical equipment, and the occupants.⁹”*

The Voytovich description aptly lists the topics that we need to focus on: **the building itself, the mechanical equipment and the occupants**. Our communications strategy needs to be built around the **value, benefits and opportunities** associated with all three of those main topics, rather than the promotion of the phrase “home performance”. The inclusion of the occupants is the “X factor” that is often left out of energy-related messaging. Traditional energy efficiency promotions center on **saving** energy. By adding the human X factor, we can focus on how our customers **use** energy.

Susan Mazur-Stommen, Behavior and Human Dimensions Program Director for the American Council for an Energy-Efficient Economy (ACEEE), is an advocate of utilities providing a more customized energy efficiency experience that delivers a branded product rather than an invisible commodity. At an E-Source conference presentation¹⁰, she explained the importance of the “User Experience”, or “UX”, where the “constraints are assumed to be solely technical or

⁷ http://www.energystar.gov/ia/home_improvement/HPwES_2013_ProgramReport.pdf

⁸ http://www.energystar.gov/ia/home_improvement/HPwES_2013_ProgramReport.pdf

⁹ <http://www.remodeling.hw.net/energy-efficient-construction/homes-are-systems.aspx>

¹⁰ http://www.esource.com/system/files/files/2012-04/Esource_UMC2012_BehaviorChange_Mazur-Stommen.pdf

economic in nature”, when in reality, customer behavior is dictated more by user needs. She suggests that we “fold into the user experience (UX) and integrate with the user’s pre-existing complex of behaviors and activities, rather than forcing users to change them to accommodate a new product, service, or process.”

In other words, the concept that we want to express to customers is that *your* household – the structure -- including everything and everyone in it – is a system. How the system performs is effected by many things (structure, equipment, usage), and that performance has value. Our communications strategy will be *user-based and personal*.

1. **Produce and promote video library.** A series of very short videos on topics centered on the use of technology, equipment, human behavior, and resources (including financing). Videos should put the savings into real-life context – “If you replace your 15-year old washer with Top Ten USA rated model, in 6 months you could save enough to pay for XX bottles of laundry detergent (showing the bottles stacked up). Videos will include available resources – financing, instant or traditional rebates, learn more resources (ENERGY STAR, Top Ten, etc.). Videos on renewable solutions could also be produced and tied to a lifestyle message that would include other smart strategies (such as tips to reduce consumption, or weatherization before going solar, etc.).

The videos become the content for most of the campaign. Descriptions and excerpts of the scripts can be used in the promos (in blurbs on web pages, in media releases, as Facebook and Twitter content).

This video strategy will complement the program-specific marketing campaigns executed by the Companies and CEFIA’s financing communications. Those campaigns include similar messaging. The creation and promotion of this video library gives us a vehicle to go deeper with information, and an opportunity to provide the information in a way that is engaging and easy to access. Energy Efficiency program advertising always includes a call to action to go to EnergizeCT.com or 877-WISE-USE to learn more. Now, when visitors get to the site, they will have substantially more information and a better understanding of the value of energy efficiency and how it factors into their home’s performance. These videos will also provide an opportunity to include financing as a support message with many of the topics.

The videos will be produced using the NU in-house video facilities and the production capabilities of the Companies’ marketing specialists. Using those resources rather than bringing in an outside production company will enable the budget to support the creation of approximately twice as many videos, resulting in a campaign that will provide big results without “big bucks”.

Sample Video Topics -- more to be added as necessary.

Topic	Primary Audience
HES Overview	Residential customers
Weatherization/Sealing	Residential customers
Insulation and energy savings	Residential customers
Hot water and hot water equipment	Residential customers
Lighting and Top Ten appliances	Residential customers
Heating equipment/Rebates	Residential customers
Cooling equipment/Rebates	Residential customers
Behavioral changes of the homeowner	Residential customers
Financing efficiency upgrades	Residential customers
Windows	Residential customers
Building energy efficient homes	Residential customers
Low-cost/no-cost actions for small businesses	Small Business Customers
Renewable topic	Residential customers
About EnergizeCT.com	Residential & Business customers
About customer engagement platform	Residential & Business customers
Energy Efficiency and Natural Gas Conversions	Residential customers
Building Energy Labeling	Residential & Business Customers

- i. Include links from Energize CT You Tube channel to the webs site (or directly to the appropriate customer engagement tool). Users visiting the site directly will have a reason to stay longer (i.e., increasing engagement).
 - ii. Promote videos via existing or new e-newsletters.
 - iii. Promote videos via social media.
 - iv. Promote videos via authorized HES and SBEA contractors (i.e., links on their company pages and newsletters).
 - v. Promote videos via PR (see No. 3 below).

2. **Promote EnergizeCT.com user tools and the Utilities' online customer engagement platforms.** As with the video library, these engagement tools are another way to reinforce the value message. This campaign will provide the means to promote these new customer resources.
 - i. Via external affiliate links, internal links, social media and PR.

3. **Public Relations.** The PR efforts of the Companies will continue to focus on program participation. This value campaign is a separate – *complementary* – strategy, based on promoting the concept via the videos. We will distribute the videos with accompanying articles to:

- i. Legislators
- ii. Contractors (matching content to appropriate trade)
- iii. Trade and professional associations (including chambers)
- iv. Community action agencies
- v. Local media
- vi. Municipal energy task forces via the Clean Energy Communities program.

e. Monitoring

Monitoring of this communications campaign will include web traffic analysis, earned media tracking, and the execution of a mid-campaign internet panel survey to determine interest in the completed/released videos and gauge interest in additional topics.

VII. ORGANIZATION, IMPLEMENTATION, AND MARKETING RESOURCES

A. Statewide Marketing Plan Implementation Team & Resources

The Northeast Utilities' and United Illuminating's marketing teams, as administrators of the Energy Efficiency Fund/C&LM programs, will implement the 2014 Statewide Marketing Plan, in coordination with DEEP and CEFIA, and with the EEB Marketing Committee providing regular and ongoing oversight and direction of the Marketing Plan's major activities and milestones. For detailed information on the Companies' marketing staff, resources, and capabilities, please see Attachment B. In addition to these resources and capabilities, the Companies will complement their teams with expertise provided by the following firms:

1. SAI Systems (SAIS), a technology consulting services firm based in Shelton, Connecticut. SAIS brings expertise in website maintenance and development. Since the summer of 2013, SAIS has worked in partnership with the Website Committee to support and enhance the Energize Connecticut website. SAIS will continue this work, including website technical support and implementation of website enhancements.
2. Gaffney Bennett Public Relations (GBPR), a full-service public relations and strategic communications firm based in New Britain, Connecticut. GBPR brings expertise in media relations, social media, online communications, and public opinion research. NU currently engages GBPR to support program marketing. As part of the Statewide Marketing Plan, GBPR will support public relations and certain research activities.
3. Boathouse Group, Inc., NU's integrated marketing communications agency of record. Boathouse provides broadcast media strategy and purchasing services for all of NU, including the C&LM department, and also produces and manages digital display, paid search and print advertising campaigns that support energy efficiency programs.
4. Mason, Inc., UI's integrated marketing communications agency of record. Mason provides broadcast media strategy, paid search, radio, TV and print advertising purchasing services for UI's C&LM department. Additionally, Mason provides public relations services and social media support for the energy efficiency programs on a joint level for Energize Connecticut.
5. Market Research Services: Competitive quotes will be obtained from market research firms with prior experience working with the Companies and the EEB for the execution of the studies listed in the Statewide Marketing Plan.

In addition to these firms, the Companies plan to engage the following additional resources:

1. A media sponsor will be engaged for the Enhanced Brand Launch in order to implement a multi-platform sponsorship (on TV, online, and through events) with one of Connecticut's television broadcast affiliates.
2. A visual design firm will be engaged to provide creative support for website enhancements, including the look and feel of web-based guided assistance wizards.

B. Statewide Marketing Plan Monitoring and Oversight

1. Role of the EEB Marketing Committee

As directed in DEEP's 2013-2015 C&LM Plan Final Decision, the EEB Marketing Committee will provide regular and ongoing oversight and direction of the Statewide Marketing Plan's major activities and milestones.¹¹ In order to provide this regular oversight, the EEB Marketing Committee will convene *at least* once monthly. More frequent review, monitoring, and supervision will occur through: a) EEB and EEB consultant participation in the Marketing Services Committee, the Website Committee, and other relevant Committees; and b) regular communications and meetings between the EEB's marketing consultants and the Companies.

2. Role of the Marketing Services Committee

The Marketing Services Committee (MSC) was established during the Energize Connecticut brand and website development project and includes representatives from the DEEP, CEFIA, EEB, and the Companies. During the height of the project, the Committee convened weekly to discuss project developments and to coordinate work between all participating entities. The MSC also created several subcommittees (such as the Website Committee and Social Media Committee) to further coordination. These subcommittees continue to meet regularly.

As the Statewide Marketing Plan activities commence, the MSC will again serve as the forum for regular marketing coordination and communication, especially for the three activities jointly-funded by CEEF and CEFIA (research, website enhancements and technical support, and the enhanced brand launch). During the height of the Statewide Marketing Plan activities, it is anticipated that the MSC will meet weekly. The MSC subcommittees will also continue to meet regularly to coordinate on the website and social media. Additional subcommittees may form, as appropriate.

¹¹ See Page 104 or the 2013-2015 C&LM Plan Final Decision.

Finally, the EEB Marketing Committee understands that DEEP may secure additional resources as necessary to help integrate the Statewide Marketing Plan activities with other agency efforts and to facilitate the harmonization of the Statewide Marketing Plan activities with CEFA's marketing efforts.

C. Role of Potential Additional Marketing Consultant per the 2013-2015 C&LM Plan Final Decision

The 2013-2015 C&LM Plan Final Decision directs the EEB Marketing Committee to consider a marketing services contract to further the objectives of the Final Decision and the Comprehensive Energy Strategy.¹² In place of executing a contract with an outside marketing firm, the EEB Marketing Committee recommends that the Companies' marketing teams implement the Statewide Marketing Plan, with the additional support and expertise provided by the outside marketing firms outlined above. This recommendation is informed by the following considerations:

1. The Companies' marketing teams, in coordination with CEFA, and with the additional support and expertise provided by the outside marketing firms, bring considerable marketing expertise to implement the Statewide Marketing Plan, including familiarity and experience with the Connecticut marketplace, the Connecticut consumer, and Connecticut's energy efficiency and renewable energy programs.
2. The Companies' marketing teams have a track record of working collaboratively and closely with DEEP, CEFA, and the EEB Marketing Committee. This history will help to facilitate the EEB Marketing Committee's oversight of the 2014 Statewide Marketing Plan's major activities and milestones as directed in the 2013-2015 C&LM Plan Final Decision.¹³ Furthermore, prior collaboration will aid in the harmonization of CEFA's existing marketing efforts with the Statewide Marketing Plan activities (as directed in the Final Decision¹⁴).
3. Leveraging the marketing staff, resources, and capabilities of the Companies will be more cost efficient than engaging an outside marketing firm. The two public-facing communication campaigns detailed in this plan rely heavily on those resources and abilities. In particular, the video strategy of the "value" campaign is budgeted on the

¹² See Pages 78-79 or the 2013-2015 C&LM Plan Final Decision.

¹³ Ibid.

¹⁴ Ibid.

assumption of using the NU in-house video facilities and the production capabilities (including storyboards and scripting) of the Companies' marketing specialists.

4. Implementation of the Statewide Marketing Plan by the Companies will ensure a more timely execution of proposed activities, as engaging an outside marketing firm will require time for a solicitation and approval. More significantly, a substantial (and costly) block of time would be needed to educate the selected firm on Connecticut's audiences (including a review of the recent public awareness studies), past marketing activities, current objectives (including the relevant legislation), the programs themselves, and the current, ongoing program marketing activities.
5. Implementation of the Statewide Marketing Plan by the Companies will ensure seamless integration with the ongoing program marketing campaigns that they currently plan and execute.
6. An outside marketing firm was previously engaged to develop the Energize Connecticut brand and website. Very comprehensive messaging and graphic guidelines were produced as part of that effort. Those foundational components were developed so that Connecticut's award winning smart energy programs and partners would have consistent, cohesive and effective turnkey marketing tools that could be applied to all public-facing communications. Now that they are fully developed, they are at the Companies' disposal and are ready to be applied to the Statewide Marketing Plan in order to spur customer action and shape customer behavior.

VIII. BUDGET

STATEWIDE MARKETING PLAN BUDGET, INCLUDING SUPPORTING RESOURCES

2014 STATEWIDE MARKETING PLAN TASK	BUDGETING CATEGORIES				TOTAL	
	Energy Efficiency Customer Engagement Platform	2014 Statewide Marketing Plan	Program Marketing resources used to support Statewide Marketing Plan	CEFIA contribution to Statewide Marketing Plan*		
EE Customer Engagement Platform	\$ 750,000	\$ 1,659,099	\$ 770,000	\$ -	\$ 3,179,099	
Research	\$ -	\$ 59,300	\$ 37,200	\$ 11,500	\$ 108,000	
Segmentation	\$ -	\$ 78,400	\$ -	\$ -	\$ 78,400	
Website Enhancements	\$ -	\$ 101,983	\$ 95,267	\$ 65,750	\$ 263,000	
Website Yearly Maintenance	\$ -	\$ 90,000	\$ -	\$ 30,000	\$ 120,000	
Enhanced Brand Launch	\$ -	\$ 961,550	\$ -	\$ 274,250	\$ 1,235,800	
Value of EE/Home Performance Campaign	\$ -	\$ 100,000	\$ -	\$ -	\$ 100,000	
TOTAL	\$ 750,000	\$ 3,050,332	\$ 902,467	\$ 381,500	\$ 5,084,299	
Funding Available:				*Proposed CEFIA co-funding for the enhanced brand launch campaign is being proposed to the CEFIA Board and is contingent on CEFIA Board review and approval.		
Approved in DEEP Final Decision	\$ 750,000	\$ 3,050,000				
Approved Electric (EDCs)	\$ 600,000	\$ 2,440,000				
Approved Gas (LDCs)	\$ 150,000	\$ 610,000				
Total Available Funding	\$ 750,000	\$ 3,050,000			\$ 3,800,000	

CL&P, YANKEE GAS

2014 STATEWIDE MARKETING PLAN TASK	BUDGETING CATEGORIES				TOTAL
	Energy Efficiency Customer Engagement Platform	2014 Statewide Marketing Plan	Program Marketing resources used to support Statewide Marketing Plan	CEFIA contribution to Statewide Marketing Plan*	
EE Customer Engagement Platform	\$ 530,000	\$ 950,000	\$ 770,000	\$ -	\$ 2,250,000
Research	\$ -	\$ 27,600	\$ 37,200	\$ 5,750	\$ 70,550
Segmentation	\$ -	\$ -	\$ -	\$ -	\$ -
Website Enhancements	\$ -	\$ 62,533	\$ 95,267	\$ 32,875	\$ 190,675
Website Yearly Maintenance	\$ -	\$ 72,000	\$ -	\$ 15,000	\$ 87,000
Enhanced Brand Launch	\$ -	\$ 658,200	\$ -	\$ 137,125	\$ 795,325
Value of EE/Home Performance Campaign	\$ -	\$ 60,000	\$ -	\$ -	\$ 60,000
TOTAL	\$ 530,000	\$ 1,830,333	\$ 902,467	\$ 190,750	\$ 3,453,550

UI, CNG, & SCG

2014 STATEWIDE MARKETING PLAN TASK	BUDGETING CATEGORIES				TOTAL
	Energy Efficiency Customer Engagement Platform	2014 Statewide Marketing Plan	Program Marketing resources used to support Statewide Marketing Plan	CEFIA contribution to Statewide Marketing Plan*	
EE Customer Engagement Platform	\$ 220,000	\$ 709,099	\$ -	\$ -	\$ 929,099
Research	\$ -	\$ 31,700	\$ -	\$ 5,750	\$ 37,450
Segmentation	\$ -	\$ 78,400	\$ -	\$ -	\$ 78,400
Website Enhancements	\$ -	\$ 39,450	\$ -	\$ 32,875	\$ 72,325
Website Yearly Maintenance	\$ -	\$ 18,000	\$ -	\$ 15,000	\$ 33,000
Enhanced Brand Launch	\$ -	\$ 303,350	\$ -	\$ 137,125	\$ 440,475
Value of EE/Home Performance Campaign	\$ -	\$ 40,000	\$ -	\$ -	\$ 40,000
TOTAL	\$ 220,000	\$ 1,219,999	\$ -	\$ 190,750	\$ 1,630,749

IX. APPENDIX

A. Language And Compliance Schedule From The 2013-2015 C&LM Plan Final Decision Pertaining To Marketing

Page Numbers	Sector (if applicable)	Program, Activity or Initiative (if applicable)	Language from the 2013-2015 C&LM Plan Final Decision Pertaining to Marketing
42	Residential	Retail Products	The Department believes that a significant increase in the budget for the Residential Retail Products program for 2014 and 2015 is warranted. Specifically, the budget needs to be increased to allow for a concerted educational and marketing effort to catalyze investment in efficient lighting especially solid state lighting, more commonly referred to as light emitting diodes (LEDs). With enough progress in market movement, ratepayer support for residential lighting might be able to be reduced in 2016.
44, 47	Residential	Retail Products	The Evaluation also recommended increased educational efforts about the diversity of efficient lighting options, the impact of Federal lighting standards, and the meaning of terms like lumens, cool white, warm white, etc., utilizing visual and “hands on” displays....The Retail Products Program for 2014 and 2015 must be redesigned by the EDCs and EEB to address the findings and recommendations contained in the Lighting Evaluation as well as the directives in this Decision.
45	Residential	Retail Products	The Lighting Evaluation reveals that that assumption is no longer the case. Of particular concern is the Lighting Evaluation’s finding that socket penetration has not significantly increased despite the sale of 12.6 million program supported CFLs over the last three years. This finding suggests that much of the lighting being discounted under the program is being purchased to replace existing CFLs (i.e., repeat sales). This finding requires the EDCs to better target the market segment that has not yet replaced incandescent bulbs throughout their home.
45	Residential	Retail Products	Education should also be increased at the point-of-purchase during high-traffic periods and at as many locations as

			possible. Although this effort will initially be done by the EDCs and their support staff (e.g., lighting vendors), to achieve economies of scale the staff at retail outlets must also be trained.
46	Residential	Retail Products	NCPs should place greater emphasis on stakeholder marketing support and assignment of higher markdown incentives for partners who support efficiency efforts.
47	Residential	Retail Products	The Department supports the continued use of incentives to affect transformation of the residential lighting market in the near term. Repeating past marketing strategies may not be targeting the market segment that is unlikely to invest in CFLs. Therefore, the EDCs must examine this matter and submit revisions for program delivery in 2014 and 2015. The Department supports expanding education and targeting marketing to better inform consumers about their lighting options. Expanding education should increase awareness and in turn drive consumer demand for these products, providing additional opportunities to reduce incentives. Lighting Fairs may need to shift their focus from CFLs to LEDs and education as their primary mission.
49	Residential	Appliance Rebate Program	The Department directs that appliance rebates shall continue under HES as well as through the Retail Products Program to increase consumer awareness about the Top Ten USA website.
49	Residential	Appliance Rebate Program	Consumers should be fully informed about available technologies and their relative efficiencies regardless of fuel type...The Connecticut Energy Efficiency Fund should then offer incentives for efficient equipment regardless of the existing fuel. Therefore, the Companies must develop information for use in HES and other programs.
51	Residential	Home Energy Solutions	The Companies state that an increase in the marketing of the program will be required at every junction so as to continually attract more customers to utilize the program and to better use that initial engagement to make the value proposition that will get customers to directly invest in or finance the additional efficiency measures recommended by the vendors without as much or any ratepayer subsidy.

55	Residential	Home Energy Solutions	The Companies and EEB must develop marketing analyses and campaigns targeted to specific residential segments that are designed to foster a home performance industry, not just drive program participation in HES. The efforts should also encourage uptake of deeper measures, use of financing, and understanding of the concept and value of home performance. Therefore, the Department directs the Companies to include a plan in the 2014 Annual Update for the implementation of a marketing campaign to increase awareness about the concept and value of home performance. DEEP has increased the annual marketing budget to implement such a campaign and other marketing/educational efforts discussed throughout this Decision.
59	Residential	Deeper Measures & Natural Gas Conservation	Although there are some savings associated with deeper measures (e.g., additional insulation, HVAC equipment) that are embedded in the totals, the Department believes much more can be done to encourage the investment in additional deeper measures and thereby achieve greater savings, i.e., increased goals. This effort must be supported by a significant marketing campaign to be undertaken around residential energy efficiency, specifically Home Performance.
60	Residential	Home Energy Solutions Income Eligible	Improving the marketing of this program will be critical to ensure that customer demand increases with the availability of increased funding for the program. The Department believes that one of the best ways to target HES-IE customers and inform them of the services available is for the EDCs to work closely with the Community Action Agencies. The Community Action Agency staff members have had lengthy interactions with clients and can discuss HES-IE services and benefits in depth and can act as an important liaison between the customer and the EDC. The EDCs must work closely with the Community Action Agencies to increase HES-IE market penetration, and to consider opportunities for integrating HES-IE program implementation with implementation of the federal DOE Weatherization Assistance Program.

61	Residential	Home Energy Solutions Income Eligible	UI currently contacts its Matching Payment Program (MPP) participants by mail. The company does this on a monthly basis and all new MPP participants are contacted. CL&P stated that it would consider a similar marketing effort. The Department recommends that CL&P undertake such a direct mail campaign for MPP customers and notes that CL&P is in the process of segmenting its residential customer data so that it can more strategically target its residential customers.
61	Residential	Home Energy Solutions Income Eligible	CL&P is presently holding strategic planning sessions to determine how to better use customer contact interactions, both via the web and its customer call center, to present efficiency programs and opportunities to all customer segments including HES-IE customers. UI is utilizing its DROID field tool to provide accurate, timely information to customers in the hope of encouraging deeper efficiency measures. UI is also in the process of adapting its DROID tool so that it can be used as a Department of Energy approved assessment tool for the Weatherization Assistance Program (WAP) and income eligible customers. The Department supports these efforts and encourages the EDCs to share the results of these efforts with each other to increase services to HES-IE customers.
62	Residential	Home Energy Solutions Income Eligible	Both companies agree that the success rate of efforts to reach absentee landlords will continue to make access to all eligible households difficult, but that renewed attempts to make contact and inform landlords of the benefits of high efficiency equipment and reduced maintenance costs may improve the situation.
61-62	Residential	Home Energy Solutions Income Eligible	Marketing, outreach, and education should be cornerstones of the HES-IE program and the use of a multi-prong approach that includes Community Action Agency involvement, vocational-technical education programs, door-to-door canvassing, local housing authority contacts, CHFA quarterly meetings, educational events, MPP participant education, and customer contact information are all necessary to ensure that conservation programs are equitably serving all classes of customers.

65	Residential	Residential Behavioral Energy Efficiency, Customer Engagement	DEEP supports a behavioral energy efficiency program which is harmonized with the Companies' respective customer engagement programs, particularly if integrated into utilities' existing customer relationship systems.
68	Residential	Residential Financing	A variety of financing products with slightly different eligibility criteria and credit requirements are becoming available to Connecticut's residents. These products include, but are not limited to, the Energy Conservation Loan and Connecticut Energy Efficiency Fund Revolving Residential Loan Fund, described below; the Smart-E residential financing product recently developed by CEFIA and offered through credit unions and community banks through most of the state; the Cozy Home Loan, launched as a pilot by HDF for income-eligible homeowners; a residential furnace and boiler replacement program slated to launch in the 2013-2014 heating season, pursuant to Connecticut Public Act 13-247; and an on-bill financing program to be developed and administered by CEFIA pursuant to Connecticut Public Act 13-298...The presentation of these multiple financing options must be made as simple and seamless as possible for the customer, through vendor training, coordinated marketing, and simplified presentation on www.energizeCT.com . The ratepayer-supported C&LM financing products should be positioned in the market in such a way that they do not undermine financing products offered by the private market.
69-70	Commercial & Industrial	N/a	The 2013 CES determined that the C&LM programs should focus on broader participation in hard-to-reach sectors. This includes medium-to-small customers and small manufacturing. The 2013 CES established a priority to provide the industrial sector with deeper, comprehensive energy services and specialized efficiency programs to improve industrial processes... To achieve "broader and deeper" savings, the EEB, the Companies and the Department have developed the following strategic priorities to accomplish these aims...Customer segmentation and enhanced customer focus to reach underserved markets...Promotion of strategic

			energy management for businesses
70	Commercial & Industrial	N/a	The 2013-2015 C&LM Plan prioritizes reaching customer segments and improving customer focus as a means to reach underserved markets...Clearly, the challenge is to ensure that all commercial and industrial customers are aware of the energy efficiency programs and their benefits and are encouraged to participate...The Companies and the C&I Committee have taken important steps toward reaching underserved markets by providing market data analyses as part of monthly C&I meetings. As part of this data analysis, a market analysis study by Energy Market Innovations, Inc. (EMI) provided key information to enable the Energy Opportunities (EO) and Energy Conscious Blueprint (ECB) programs to target remaining savings opportunities and to encourage additional comprehensive energy efficiency projects. Additionally, the Companies must address the need to provide separate accountings that distinguish the different cost and benefits of participation in efficiency programs for public-sector institutions and private-sector businesses.
71	Commercial & Industrial	N/a	Based on its market analysis, EMI's findings and recommendations include...The Companies should increase efforts to engage manufacturing facilities to complete additional comprehensive projects as a part of the ECB program...Educational and health care facility's segments present additional opportunities for the ECB program to achieve cost-effective savings...Retail and office building segments account for a significant portion of savings in the EO program. Although it is possible that there are limited opportunities, given retail and office building operations, the Companies should target these segments as part of the comprehensive initiative...Industrial facilities have had lower participation rates in comprehensive projects in the ECB program, and represent a potential area of increased participation...
71	Commercial & Industrial	Small Business Energy	Small Business Energy Advantage (SBEA) Data Mining Evaluation...The purpose of the study is to assess market sectors that are highly represented and underrepresented among SBEA participants, characterize the composition of

		Advantage	installed measures (lighting only, comprehensive, etc.), evaluate the customer experience, and measure the levels of savings by SBEA sector.
72	Commercial & Industrial	N/a	The Department supports continued use of market trend analyses by independent evaluators and by the Companies as an important component in broadening participation among all market segments, sizes and types of business customers.
74	Commercial & Industrial	N/a	It is important that the OEEB be closely coordinated with the C&LM C&I programs. This will ensure that underserved businesses are incorporated into C&LM program administration, and also ensure that the market segment analysis currently being developed for the C&LM program is shared to enable the OEEB to target underserved communities.
77-78	N/a	2014 Marketing Plan	The 2013-2015 Marketing Plan centers on the newly-created Energize Connecticut brand. This public-facing brand represents programs and services supported by the Energy Efficiency Fund, the State, and CEFIA...Existing and new materials will carry the Energize Connecticut brand in 2013 and beyond.
78	N/a	2014 Marketing Plan	Several stakeholders expressed concern that expanded marketing, especially around HES, would increase program participation beyond that which can be supported under available funding. The increased marketing budget is not solely for program marketing. These funds are meant for improvements to the website, to increase awareness about the benefits of energy efficiency, educate consumers about the concept of home performance, peak electric demand and to develop the tools and market segmentation data necessary to drive deeper savings.
78	N/a	2014 Marketing Plan	Increased investment in market research and marketing tools like the Energize Connecticut brand will be needed to increase customer awareness of the value of the services currently provided through HES. This effort must also begin to educate consumers about the value of energy labeling. This in turn should drive demand for these services allowing an increase to the co-payment as the market transforms. The home

			performance industry must participate in and support this effort.
78	N/a	2014 Marketing Plan	The Energize Connecticut brand and website are important, foundational steps towards the 2013 CES goal of developing the marketing and communications tools needed to reach ambitious energy efficiency goals.
78-79	N/a	2014 Marketing Plan	DEEP, therefore, approves an increased budget for the Marketing Program above the amount requested by the Companies. This increased budget should be used to fund the next phase of...the improvements to www.EnergizeCT.com, and particularly for the residential sector. As acknowledged in the 2013 CES, "different sub-segments of consumers face different barriers that prevent them from benefiting from programs and incentives that could help lower their energy costs." ¹³⁸ This strategy should inform all aspects of C&LM program implementation, including the design of programs (e.g., positioning rebates or financing products to encourage bundling of deeper measures), the delivery of programs (e.g., through community-based approaches, time-limited and seasonally-tailored campaigns, partnerships with state and local government), and the development of collateral and messages targeted to persuade specific customer segments, especially those customer segments that are traditionally underserved by the C&LM programs. The Marketing Committee should ensure that the scope and terms of this marketing services contract furthers the objectives outlined in the 2013 CES and in this Decision, and is harmonized with marketing efforts undertaken by CEFIA. To maximize efficiency, the Companies should be responsible for the day-to-day administration of the contract, with regular oversight and direction on major milestones from the Marketing Committee.
80	N/a	Education, SmartLiving Center	The EDCs must develop tools to measure, for example, increased understanding of energy efficiency, peak demand, the benefits of lowering peak demand, time-of-day rates, renewable energy options, blower door testing, etc., pre and post SLC visit.

81	N/a	Education, SmartLiving Center	Education must be expanded to increase awareness among consumers about energy efficiency and to transform markets for the products needed to achieve the state's energy goals. Therefore, the Department finds that continuation of the SLC will provide a significant and necessary educational resource in Connecticut's efforts to achieve its goals.
82	N/a	Education, eesmarts, Green LEAF Schools	Similar to the performance requirements identified for the SmartLiving Center the EDCs must develop components of this program to encourage students and educators to reduce their energy consumption and bills, and track actual progress towards that goal.

Compliance Schedule from the 2013-2015 C&LM Plan Final Decision Pertaining to Marketing

Page Number	Compliance Item	Program, Activity or Initiative (if applicable)	Condition
100	14	Retail Products	The EDCs shall better target the market segment that has not yet replaced incandescent bulbs throughout their home.
100	14	Retail Products	The Department directs the EDCs to update the Plan to focus on the LED market
100	15	Retail Products	The Retail Products Program for 2014 and 2015 must be redesigned by the EDCs and EEB to address the findings and recommendations contained in the Lighting Evaluation as well as the directives in this Decision.
101	16	Appliance Rebates	The Department directs that appliance rebates shall continue under HES as well as through the Retail Products Program to increase consumer awareness about the Top Ten USA website.
101	16	Appliance Rebates	Consumers should be fully informed about available technologies and their relative efficiencies regardless of fuel type. The Companies must develop information for use in HES and other programs.

101	20	Home Energy Solutions	The Companies and EEB must develop marketing analyses and campaigns targeted to specific residential segments that are designed to foster a home performance industry, not just drive program participation in HES. The efforts should also encourage uptake of deeper measures, use of financing, and understanding of the concept and value of home performance. ¹⁶⁶ Therefore, the Department directs the Companies to include a plan in the 2014 Annual Update for the implementation of a marketing campaign to increase awareness about the concept and value of home performance.
102	25	Home Energy Solutions Income Eligible	The Department approves an increased budget for the HES-IE program, in order to ensure that more income-eligible residents can access energy savings. The EDCs must work closely with the Community Action Agencies to increase HES-IE market penetration, and to consider opportunities for integrating HES-IE program implementation with implementation of the federal DOE Weatherization Assistance Program.
104	30	2014 Marketing Plan	The Marketing Committee should ensure that the scope and terms of this marketing services contract furthers the objectives outlined in the 2013 CES and in this Decision, and is harmonized with marketing efforts undertaken by CEFIA. To maximize efficiency, the Companies should be responsible for the day-to-day administration of the contract, with regular oversight and direction on major milestones from the Marketing Committee
104	31	Education	The EDCs must develop tools to measure, for example, increased understanding of energy efficiency, peak demand, the benefits of lowering peak demand, time-of-day rates, renewable energy options, blower door testing, etc., pre and post SLC visit.
104	31	Education	The EDCs must develop components of this program to encourage students and educators to reduce their energy consumption and bills, and track actual progress towards that goal.

B. Utility Capability Documents

1. Northeast Utilities (reproduction of brochure)



DEPARTMENT OVERVIEW

INTERNAL & EXTERNAL
RESOURCES

PERSONNEL

NORTHEAST UTILITIES ENERGY EFFICIENCY MARKETING CAPABILITIES AND RESOURCES



TARGETED, CUSTOMER-CENTRIC MARKETING SOLUTIONS



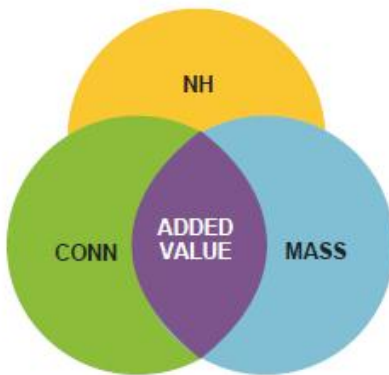
NU ENERGY EFFICIENCY MARKETING

The NU marketing team is responsible for gaining a deep understanding of customers, energy efficiency measures, markets and channels in order to develop comprehensive go-to-market strategies.



“The aim of marketing is to know and understand the customer so well the product or service fits him and sells itself.” ~ Peter F. Drucker

NU's push strategy is creating a market-based energy efficiency industry through upstream and midstream incentives and segment-specific measure bundles. Targeted messaging in ads, literature, PR, web content, social media and direct response pulls customers to the energy solution that's right for them.



LEVERAGING NU'S FOOTPRINT

NU's energy efficiency marketing team supports both Connecticut and Massachusetts. In addition to the benefits of shared experiences and best practices, energy efficiency marketing also can draw upon enterprise-wide resources from outside of the department including corporate communications, purchasing and IT.

PRODUCT MANAGEMENT TEAM

The team is comprised of experienced marketers and strategists that are tasked with developing the benefits and features of programs, the level of incentives required to move the market, and which channels to target for influence. The team works closely with the Marketing Communications team to provide insights into the audience and with the Data Analytics team in order to get information needed to size opportunities and more precisely target programs to customers. Overall, the Product Management team works to quantify, qualify and bundle energy efficiency opportunities in line with strategic goals. They also work on customer segmentation and on understanding the value chain to promote market transformation.

ANALYTICS & DATA MINING TEAM

The Analytics and Data Mining team is tasked with gaining a deeper understanding of our customers' behaviors, attributes and past program participation. The team is currently engaged in developing a segmentation framework for CL&P and Yankee Gas residential customers.

EMERGING TECHNOLOGIES

The emerging technologies role involves identifying and qualifying technologies that will help meet the future energy efficiency goals of the NU companies. This role includes a seat on the Massachusetts Technology Assessment Committee, and collaborating with the Policy Working Group (PWG) led by Connecticut Light and Power.

“Customers buy for their reasons, not yours.” ~ Orvel Ray Wilson

MARKETING COMMUNICATIONS TEAM

The Marketing Communication team plans and executes all promotional campaigns and supporting materials needed to drive program participation and extend the statewide umbrella brands. Through collaboration with the Product Management and Analytics teams, and with input from trade allies, community groups, program administrators, and other stakeholders, the team crafts messaging and content that is deployed through an integrated marketing communications mix of advertising, sales promotion, public relations (including social media and events), sales force support, and direct marketing. The team is also responsible for content development and maintenance of the energy efficiency pages on the utility and statewide websites.



2013 NU MARKETING HIGHLIGHTS

- Segmentation — NU has added staff, developed customer databases and acquired best of breed analysis tools.
- Customer Intelligence — Overlaid demographic and psychographic information from Experian onto energy usage and program participation data.
- Upstream Incentives — Worked with commercial lighting and HVAC manufacturers in Massachusetts and HVAC distributors in Connecticut to apply energy efficiency incentives at the wholesale level to increase product availability and adoption into the market.
- Residential Radio Advertising — Increased reach and frequency through the creation of the “Efficient Eddy” radio spots. Four new spots focused on air conditioning, LED bulbs, insulation and HES assessment.
- Search Advertising — Increased web traffic by implementing the Google Content Network and adding a C&I keyword campaign.
- Follow-Up Email — Instituted campaign that reminds residential customers to move forward on the upgrades recommended during their HES visit.
- Public Relations — Stepped up activity resulted in 440 stories, 135 million impressions, and a earned media value of nearly \$9 million (Jan-Oct).

SUPPORT RESOURCES

NU directs a variety of professional outside sources to implement our marcom tactics. These resources are up-to-speed on all the branding requirements and can execute with a minimal learning curve. With the buying power of NU through our corporate procurement services, we enjoy competitive rates and excellent vendor relationships.



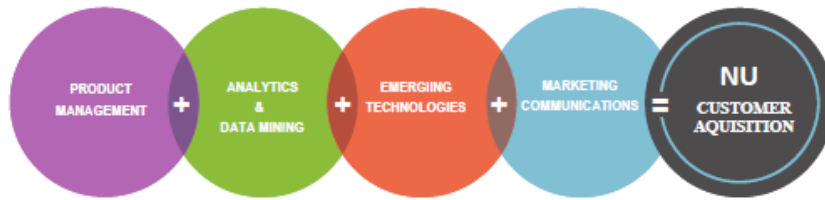
CREATIVE SERVICES

- Boathouse Group — NU’s agency of record creating digital display, search, print and broadcast advertising campaigns.
- APT — In addition to providing ‘circuit rider’ services in Connecticut for retail products, APT has full graphic capabilities and creates most of our point-of-purchase materials.
- Small Shops — NU has longstanding relationships with a variety of small creative firms providing graphic services, photography and copywriting as needed.
- NU Videography — Located in Berlin, this team produces promotional, documentary, and training videos both on location and in-house.



MEDIA & PRINTING

- Media Buyer — The Boathouse Group provides media buying services. Energy efficiency ad buys are leveraged with all of NU’s advertising for the best rates.
- Commercial Printing — NU has PO’s with a variety of printers specializing in both long and short-run jobs, along with print-on-demand resources.
- NU Print Services — The Berlin copy center provides quick, low volume printing, binding, and mailing services.



Jeff Pollock

Jeff Pollock has more than 25 years of marketing and business intelligence experience in a myriad of industries including: financial services, consumer packaged goods and online retail and business services. Jeff leads the Northeast Utilities energy efficiency marketing communications, product management, analytics and education teams. Jeff earned his undergraduate degree in economics and business from Skidmore College and has an MBA from Boston University.

PRODUCT MANAGEMENT TEAM

Geoff Phillips

Geoff has over twenty years of experience developing products for consumer markets. He has a BS in Mechanical Engineering from UC Berkeley, an MS in Engineering from Stanford, and an MBA from the University of Michigan. He spent nearly 15 years in the automotive industry in product development, corporate strategy, and marketing roles. He also has spent time in management consulting at Price Waterhouse Coopers developing business strategies for the internet.

Kara Rodgers

Kara Rodgers joined Northeast Utilities as Product Manager in 2013. From 2007 to 2013 she was the Consortium for Energy Efficiency's Senior Program Manager, Natural Gas where she brought natural gas efficiency program administrators together to design more effective programs. Prior to CEE, she created marketing plans for industrial applications as Manager of Marketing and Strategy for Praxair, the largest supplier of industrial gases in North and South America. She earned both her undergraduate degree and her MBA from Yale University.

Rishi Sondhi

Rishi has over 12 years of experience in various industries serving in product management, engineering, strategy and finance roles. Rishi's NU responsibilities include, new program development and marketing strategy for the C&I and Residential sectors. Rishi leads statewide initiatives in developing "upstream" programs for both lighting and HVAC. Rishi holds a Masters degree in Chemical Engineering from the University of Cincinnati and an MBA (Magna Cum Laude) from Babson College.

James Siegel

James earned both a bachelor's degree and an MBA from Tufts University. Prior to receiving his MBA, James worked for D&R International—an energy efficiency consulting firm—where he helped clients at the U.S. DOE and EPA implement the ENERGY STAR program and other energy efficiency initiatives. His areas of expertise include; marketing, technical analysis, program implementation, and strategic planning.

ANALYTICS & DATA MINING TEAM

Pamela Rowles

Pamela has more than 20 years of experience in statistical analysis, marketplace analytics, customer satisfaction, loyalty research and market segmentation. Pamela also has expertise in designing research projects including: one-to-one interviews, ethnography, focus groups, questionnaire design, survey, and observational research. Pamela earned her undergraduate degree from Rutgers University and a Masters Degree from the University of Massachusetts at Amherst.

Anhua Song

Anhua has expertise in database administration and data processing as well as web and desktop application development and programming. Anhua earned his undergraduate degree in engineering and computer science from the Nanjing Institute of Technology. He also has a Ph.D. in engineering from the Chinese Academy of Sciences.

EMERGING TECHNOLOGIES

Peter Klimt

Before joining NU, Peter worked at Fraunhofer where he supported the development of emerging energy technologies coming out of leading universities and start-up incubators. Prior to Fraunhofer, he supported private equity business development in the energy, telecommunications and information technology sectors. Peter holds a Mechanical Engineering degree from Northeastern University.

MARKETING COMMUNICATIONS TEAM

Ellen Rosenthal

Ellen has more than 25 years of marketing experience. Prior to joining NU, she was a partner and Vice President of Carol Marketing Associates, Inc., an award-winning full service integrated marketing communications agency specializing in business-to-business and non-profit communication solutions. Ellen's area of expertise includes marcom strategy and planning, message development, public relations, media planning and ad development, copywriting and print production. Ellen holds a BA in English from the University of Connecticut and an MS in Marketing from New York University.

Emily Buffum

Emily has more than 15 years of event coordination and marketing experience with a concentration in face-to-face marketing programs. Emily has experience in several industries including technology, publishing and finance, prior to joining NU. Emily earned her BA in Communications from Regis College.

Violette Radomski

Violette is a graduate of Central Connecticut State University where she earned her BS in Communication with a focus in Public Relations and a minor in Biology. During her 12 year tenure with Northeast Utilities her responsibilities have included; vendor relationship management, event coordination and execution, program content creation for both business and residential audiences, and database management. Violette's current responsibilities include developing direct mail campaigns for customer and vendor communication, coordinating PR events, social media, and customer newsletters.

COMMUNITY OUTREACH (Extending the Marketing Message)

Rebecca Meyers

Rebecca has 15 years' experience in legal/policy research, technical writing, marketing, outreach, and program implementation. Rebecca leads NU's initiatives on K-12 energy education in the classroom and with museums/science centers regarding energy exhibit design. Rebecca leads NU's community outreach to grassroots/grasstops organizations and launched Connecticut's behavioral programs. Rebecca holds a Master's in Environmental & Natural Resources Policy from George Washington University and a BA in Political Science from NC State University.

Diana McCarthy-Bercury

Diana joins the energy efficiency team with 8 years of experience in renewable energy outreach, marketing and community education. Her NU responsibilities include helping municipalities reduce energy consumption, adopt conservation practices and integrate alternative energy. She is currently working on her Masters degree in Sustainability Management at Columbia University of New York City and holds a BFA from Central CT State University.



Northeast Utilities

Connecticut Light & Power
NSTAR Electric
Public Service of New Hampshire
Western Massachusetts Electric
NSTAR Gas
Yankee Gas

2. UIL Holdings Corporation

UIL Marketing Team Capabilities

Strategy & Planning

At the core of any successful marketing plan is a well-defined strategy built on a deep understanding of customers, energy efficiency measures, markets and channels. The UIL team builds strategies based on this information, we then create plans to execute these strategies allowing us to concentrate our resources and optimize results.

- In 2013, a marketing plan was created for each of the 8 residential programs and 3 commercial and industrial programs along with accompanying communications plans.

Branding

A brand should be trustworthy, flexible while influencing and creating a positive customer experience and be able to create desired behaviors. In total, the UIL Marketing Team has been involved in the creation of over 10 different brands in various industries. In addition, the team has the ability to manage existing brands and increase their awareness leading to desired customer experiences and behaviors. UIL works with various external agencies in creating or rejuvenating a brand (backbeat, Mason, Cashman+Katz).

Direct Response

Direct Response is a unique form of marketing that is intended to generate immediate response from the consumer that is measurable and attributed to a particular creative execution. Direct Response is one of UIL's best performing forms of marketing to solicit customer action, due to the UIL team's extensive experience in creating, testing, measuring and analyzing direct response marketing. The team has won numerous marketing awards in this arena, both in and out of the energy industry. UIL utilizes DMW Direct for direct response needs when appropriate.

Customer Communications

Customer communication is key to establishing a relationship with your customers, providing an opportunity to not only tell the story, but paint the picture that goes along with the words. The UIL Team consistently paints a vivid picture to accompany Program stories within Energize CT brand guidelines helping to build brand awareness and incite action within our customer base. The team has won numerous marketing awards in this arena, both in and out of the energy industry. UIL works with various external agencies (backbeat, Mason, Cashman+Katz and various freelancers) on various aspects of customer communications based on the agencies' strengths.

- Over 100 pieces of collateral and customer communications created in 2013.

Event Promotions

The entire UIL Marketing Team has managed event promotions in at least one point of their careers. The level of attention to detail providing attendees with a unique and memorable experience is unmatched.

- **Earth Day & Family Science Day 2013:** The most successful events in SLC history; record attendance with 2,373 attendees from all over Connecticut ages K through adult taking

advantage of all of the events' offerings. The highlights of the events included a magic show about electricity, Bash the Trash musical workshops, an ENERGY STAR washing machine raffle and a petting zoo. Attendees also had the opportunity to meet face-to-face with some of our insulation, HES and solar vendors and purchase energy efficient lighting at a discounted price.

- **EnergizeCT Presence Events:** UI organized and/or attended over 50 events in 2013 promoting EnergizeCT and CLM programs.
- **eeSmarts Essay Contest:** With Grades 3-12 contest entries accepted online for first time ever, over 1,000 entries were received; 30 print, online and broadcast media hits and over a dozen Twitter hits reaching more than 30,000 users. Mark Dixon from Channel 3 was the MC for the event with four Senators, three State Representatives and over 100 attendees at the awards ceremony. Additionally, two senators and four State Representatives sent citations and/or letters for presentation to the winners in their districts.

Product Positioning

Product positioning can be as important as the product itself. The UIL Marketing Team works in conjunction with the Program Team to ensure appropriate up and down stream placement and promotions.

- **HVAC:** Successfully launched a midstream high efficiency natural gas boiler and natural gas water heater buy down program at 27 HVAC distributor locations throughout Connecticut. Working to increase the buy down program participation to another 20+ locations and add more qualified HVAC equipment into the program in 2014.
- **Retail Products:** Successfully launched negotiated cooperative promotions with 14 retailers and over 17 manufacturers, expending an incentive budget in 2013 of approximately \$1.3 M year to date.

Segmentation

Segmentation provides insight into customer groups, outlining their characteristics, behaviors, communication channel preferences and actions. Segmentation is an extremely helpful tool to address customer needs at a point in time and in a way the customer will response. Not everyone loves puppies and babies! The UIL team has worked on numerous segmentation projects resulting in many successfully executed marketing campaigns.

Research

The UIL Team recognizes the value research can provide in building successful marketing communications, campaigns, promotions and products. The UIL team has extensive knowledge and experience in surveys and focus groups, analyzing industry and market trends and monitor third party data.

Production

The best idea can fail in the market if the production of the ad, be it print, radio, TV or online fails to hit its mark, both literally and figuratively. The UIL Team has overseen the production of thousands of advertisements in all mediums; that's thousands of thousands of hours in dark production suites and staring at computer screens so that visual gets cut at just the right spot, to have that actor reread that line just one more time to get the right inflection, to slow down the interactive ad so the reader has time to react or to lighten that photo so it produces better in that particular magazine.

- In 2013, the UIL team produced dozens of different advertisements involving production needs.

Advertising

The UIL Team uses the strategies they developed to create compelling and action oriented advertising and promotions. UIL works with various external agencies (backbeat, Mason, Cashman+Katz and various freelancers) on various aspects of advertising based on the agencies' strengths.

- 10 Program advertising campaigns including radio, print and online components for a variety of residential and commercial and industrial programs were executed in 2013. Execution includes all production for all components.

Public Relations

The UIL Marketing Team works with Program Managers to determine compelling public relations stories and opportunities, optimizing program participation and awareness through community, customer and promotional opportunities. The UIL Team works with Mason Inc., CJ Public Relations, and Gaffney Bennett to assist in media relations.

- In 2013, 19 residential program stories were pitched to media producing 118 story pickups and 16 commercial industrial program stories were pitched with 35 pickups as of 12.6.2013.

Interactive

The UIL Marketing Team manages online marketing from social and new media to geo-targeted advertising. The team tracks, monitors and adjusts strategies on all interactive fronts to achieve optimal results. The UIL team manages the Energize Connecticut Facebook, You Tube and Twitter accounts, creating monthly content strategies that actively engage our community on behalf of UI, CLP, CEFIA and DEEP. UI utilizes Mason Inc., for support in social media monitoring and administration.

- Nine out of the ten campaigns executed included digital media.
- Managed all social media outlets in 2013, including the integration of EnergizeCT branding and the inclusion of CEFIA and DEEP.
- UI oversees the web maintenance contractor and has managed over two dozen change requests over a six month period, including the redirect of CTEnergyInfo.com to EnergizeCT.com, enhancements to the Success Story and News features, resolutions for IE7 compatibility and importer issues.

Media Planning

The UIL Team has over 50 years collaborative experience in media planning and purchasing. We strive for strategically placed advertising with high levels of negotiated value-added opportunities for every single campaign. UIL works with Mason Inc., for media buying.

- Media buys were planned and executed for all 10 advertising campaigns executed, these buys included value add opportunities to increase campaign value. Value add components totaled over \$29,500 as of 12.6.13.

Meet the UIL – CLM Marketing Team

Marketing Management

Barb Arusiewicz Roderick: Product and Marketing Manager

Education: Quinnipiac University, CT, MBA, Marketing, Magna Cum Laude

Summary: 15 years in agency and corporate marketing with numerous marketing industry awards in various disciplines; 8 years in energy industry. In-depth, extensive experience in all major disciplines including Strategy, Planning, Advertising, Branding, Direct Response, Interactive, Public Relations, Customer Communications, Media Planning, Event Promotions, Product Placement, Segmentation, Research and Production.

Other: Public Relations Society of America Member, Southern Connecticut Chapter Board since 2007 and the Immediate Past President in 2013; American Marketing Association member.

Mark F. Grindell: Marketing and Communications Specialist

Education: Paier College of Art, CT, BFA (Academics completed at Albertus Magnus College)

Summary: 23 years in corporate and agency marketing with awards in various disciplines; 6+ years in energy industry. Extensive experience in Advertising, Branding, Direct Response, Interactive, Public Relations, Customer Communications, Media Planning, Event Promotions, Product Placement, and Research.

Other: CT Art Directors Club; American Marketing Association member

Cheryl Mattson: Marketing Specialist

Education: Roger Williams University, RI, BS with MA ABT

Summary: 15 years of marketing experience with in-depth knowledge in Strategy, Planning, Advertising, Branding, Direct Response, Interactive, Customer Communications, Media Planning, Event Promotions, and Research; with awards within the energy industry.

Heidi Dragonette: Marketing Services Specialist

Education: Post University, CT, BS, Marketing; AS, Business Management

Summary: 16 years of progressive marketing experience with concentrations in Planning, Advertising, Branding, Interactive, Customer Communications, Event Promotions, Product Placement, and Production; 5 years within energy industry.

Lisa Romano: Senior Marketing Technical Support Specialist

Education: Norwalk Community College, CT, Associate of Science

Summary: 2 years in energy marketing, serving as Marketing support to Staff in various disciplines concentrating on Customer Communications, Event Promotions and Research.

Program Management

Jennifer Cranshaw Parsons: Program Administrator, Residential New Construction and HVAC

Education: University of New England, ME, BS Environmental Science, Summa Cum Laude

Summary: 5 years involvement with utility CLM program implementation in MA and CT with substantial customer, weatherization installer, and equipment manufacturer communication and in-person outreach experience. Experience in media communications via social presentations, television, radio, and print.

Other: Connecticut Green Building Council New Home Committee member; Connecticut Heating and Cooling Contractors Association involvement

Elizabeth Murphy: Program Administrator, Retail Products Program

Education: RPI – BS in Economics; UCONN - MS in Resource Economics

Summary: Approximately 5 years as a program administrator in the energy industry, 2 year administering the Retail Products and water heating programs, has successfully launched negotiated cooperative promotions with retailers and manufacturers. She was also a Program Administrator for geothermal, solar PV and solar thermal programs at CEFIA.

Other: Northeast Energy Efficiency Partnership, Consortium for Energy Efficiency involvement

Paul Gray: Senior Business Development Professional, CLM

Education: University of New Haven, MBA

Summary: 25+ years' experience in the technical, operational, marketing/sales, management, business development, project management with more recent experience in program evaluation facets of the utility industry including program evaluations, program design, emerging technology demonstrations and customer engagement programs.

Other: Masters Certificate in Project Management from G. Washington University and is a Certified Energy Manager

William Riddle: Program Administrator, CLM

Education: Texas A&M University, MBA

Summary: Over 13 years of leadership and management experience as a Field Artillery Officer in the US Army. His UIL responsibilities include program administration of electric and gas rebate programs, the PRIME lean manufacturing program, and new program development.