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2015 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

REVISED

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CHAPTER ONE: OVERVIEW (Electric and Natural Gas)

The Connecticut Light and Power Company ("CL&P"), The United illuminating Company ("UI"), Connecticut Natural Gas Corporation , The Southern Connecticut Gas Company ("Southern Connecticut Gas"), and Yankee Gas Services Company ("YGS") (collectively "the Companies") are pleased to provide to the Department of Energy and Environmental Protection ("DEEP") the following 2015 Plan Update ("2015 Plan Update") to the 2013-2015 Electric and Natural Gas Conservation and Load Management Plan ("Plan" or "2013-2015 Plan"). The 2015 Plan Update includes specific changes occurring in the 2014 program year to address the overarching objectives envisioned in past DEEP Decisions, Compliance Items, current energy price forecasts, programmatic trends and results, and evaluation findings. The 2015 Plan Update is a continuation (third year) of the current approved three year plan; however there are noteworthy updates that are provided in the 2015 Plan Update.

THREE-YEAR PLAN

In 2011, Public Act 11-80, An Act Concerning the Establishment of the Department of Energy Environmental Protection and Planning for Connecticut's Energy Future, was passed. This landmark legislation laid the groundwork for pursuing all cost effective energy efficiency. In 2013, Public Act 13-298, An Act Concerning Implementation of Connecticut's Comprehensive Strategy and Various Revisions to the Energy Statutes, provided the framework for increased conservation spending in Connecticut for electric and natural gas conservation.

On October 31, 2013, DEEP approved the 2013-2015 Conservation and Load Management ("C&LM") Plan submitted by the Companies on November 1, 2012. The approval of this Plan marked a historic transition in Connecticut to a new desired 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. The Plan was based upon input from members of the public, industry groups and private enterprise, and was developed in collaboration with the Connecticut Energy Efficiency Board ("Energy Efficiency Board" or "EEB").

DEEP included certain modifications to the Plan and required certain compliance orders in its Final Decision (the "Decision") approving the 2013-2015 Plan. In response to the Decision, the Companies provided DEEP with an update ("2014 Plan Update") on February 28, 2014. On March 26, 2014, the Companies received an "Approval with Conditions" on the 2014 Plan Update ("2014 Approval"). In the 2014 Approval, DEEP approved the 2014 Plan Update and imposed conditions. On September, 22, DEEP issued a Resolution of Conditions which stated that the conditions were satisfactorily addressed. DEEP's Resolution of Conditions are stated (in summary) below:

1. The percentages used in the Companies' performance incentive ("PI") calculations were to shift in 2014 and 2015. For 2014, satisfactory completion of goals and metrics (100 percent of goal) resulted in a 4.5 percent performance incentive (instead of 5 percent). In 2015, a further shift

moved the success benchmark from 4.5 percent to 4 percent. Refer to the Companies' Exhibit 4's for more detail on the Performance Incentive calculation.

2. The Resolution of Conditions did not rule on the Evaluation or EEB Consultant budget topic. However, DEEP acknowledged that the EEB had filed an extension request. Subsequent to the Resolution of Conditions, the EEB approved the Evaluation and the EEB Consultant budgets which are reflected in the Companies' 2015 budget tables.

3. DEEP directed the Companies to use a 5.5 percent discount rate for all program benefit-cost screening. The Companies have screened the 2015 programs in the 2015 Plan Update with a 5.5 percent discount rate.

4. DEEP allowed the Companies to use all Demand Reduction Induced Price Effects ("DRIPE"), including new DRIPE values proposed in the 2014 Plan Update. DEEP however directed the Companies to cap the duration of DRIPE to 7 years.

5. DEEP directed the Companies to include both a traditional utility cost test and a modified utility cost test in program screening for residential programs. The traditional utility cost test includes electric benefits and costs, while the modified utility cost test includes oil and propane savings and costs. Refer to table B's and the Benefit-Cost Chapter for additional detail on Conditions 4 and 5.

2015 PLAN UPDATE

The 2015 Plan Update is a continuation of the approved 2013-2015 Three Year Plan. However, there are a number of specific and noteworthy refinements and updates included in the 2015 Plan Update which are summarized below. Most notably, response to anticipated high winter electric prices will have a profound impact on shaping the programs and offerings in the 2015 Plan Update. With the increase in gas-fired electrical generation in the New England region, natural gas is now the marginal fuel for over 90 percent of generation hours. During the winter of 2013, the pipeline system into New England was highly utilized resulting in some generators shutting down or burning oil to meet electricity demand. The result is that during the colder periods, the region experienced price peaks in excess of $1200/MWh.[1] The Companies believe that winter energy prices will continue to drive demand for programs to unprecedented levels.

In the 2015 Plan Update, the Companies have proposed high-level strategies and refinements to the programs. The common theme throughout the 2015 Plan Updates is that the updates are strongly influenced by high anticipated energy prices and demand for programs, and the need to focus on winter peak savings measures. In addition, DEEP decisions and evaluation results are reflected in the 2015 Plan Update. The key program updates are summarized below:

[1] Energy Efficiency Board May 14, 2014 memo. http://www.ctenergyinfo.com/about/eeboard/main-board

- **Promotional Activities and Program Enhancements to Mitigate Winter Energy Prices.** Promotional activities and program enhancements will be used to advance high efficiency technologies and behaviors for residential business customers. Residential promotional activities will focus on lighting measures and insulation measures in homes with natural gas or electric heat in response to winter peak energy prices. C&I programs will target serve facilities that have the highest potential for winter peak energy savings. Facilities that have long operating hours, operate in the evening, and have high load factors that will achieve the greatest winter season cost savings from investments in energy efficiency.

- **Managing to the Budget Available**. While the Companies are supportive of responsible program promotional activities, they may take active steps to control demand in order to prevent boom-bust cycles. For example, in 2015, the Companies future agreements with Home Energy Solutions ("Home Energy Solutions" or "HES") vendors may include a provision that will limit the number of oil/propane heated homes that they will be able to serve in order to manage to the budget available. This will provide equitable distribution of participation by heating fuel types and will increase utility benefit-cost ratios by curtailing oil and propane costs within HES and allowing the Companies to direct appropriate attention to homes heated with electricity or natural gas.

- **Residential Program Targeting.** Retail Products (primarily residential lighting) has the largest potential to reduce winter peak electric demand and to mitigate the effects of higher electric prices in the winter. The Residential Retail Products program will continue to shift the focus towards LED bulbs and will continue to provide consumer education and lighting products in hard-to-reach retail stores in addition to big-box retail channels. In addition, the value of the Home Energy Solutions program will be enhanced by shifting focus to more electrical and natural gas heated homes. Funding in 2015 includes higher Regional Green House Gas Initiative ("RGGI") funding levels to support oil and propane heated homes. However, the Companies may consider proposing modifications to co-pays for oil/propane homes in order to focus efforts on natural gas and electric heat homes.

- **Commercial Customers.** Since winter peak usage is driven by cold weather and can stretch across days, commercial and industrial ("C&I") electric programs are well positioned to achieve large peak reduction in magnitude and duration. C&I programs will target facilities that have long operating hours, operate in the evening, and have high load factors that will achieve the greatest cost savings from investments in energy efficiency. Therefore, the Companies will continue to promote lighting upgrades including new LED technologies and will focus efforts on Quartile 1 customers in general, and key customer segments such as retail establishments, hospitals and restaurants.

- **Gas Measures.** Natural gas efficiency programs provide good value for customers by reducing natural gas consumption. Virtually all natural gas measures will result in winter peak reduction;

therefore the proposed natural gas conservation programs will help mitigate the effects of, but not solve, the winter peak constraint issue. Continued refinement of the upstream HVAC discount program for water heaters, boilers and circulator pumps, with a focus on distributor and contractor outreach, will encourage the stocking and sale of high efficiency equipment and will further assist in reducing natural gas consumption.

- **Messaging.** The Companies recommend and have already implemented communication to customers that describe the potential winter peak impacts and also the energy efficiency offerings available to them to help mitigate the effects of the higher electric prices. Included in this messaging will continue to be the promotion of winter focused energy efficiency programs and conservation tips for customers to help reduce their winter energy burden and costs. Marketing will focus on messaging that provides actionable items for customers without creating boom/bust cycles in program activity as discussed previously.

- **Evaluations.** The 2015 Plan Update includes an Evaluation Chapter in response to the Energy Efficiency Board evaluation process. The Evaluation Chapter summarizes all evaluation findings and recommendations and provides responses from the Companies and their plans to incorporate evaluation results from completed evaluations, or anticipated results from draft evaluations. The Companies believe that the Evaluation Chapter will enhance the independence and transparency of C&LM evaluations and will provide DEEP with a clear road map of how evaluation results are incorporated into program designs and the Program Savings Documentation ("PSD"). In addition, the PSD will continue to include tables of realization rates which document all C&LM realization rates and their evaluation source.

- **Financing.** The Companies will continue to leverage financing options to help bring additional measures to customers and to alleviate funding constraints. In 2015, the Companies will continue to work with the EEB and Connecticut Green Bank (formerly, Clean Energy Finance and Investment Authority, "Green Bank") on optimizing the mix of financing and incentives to make the best use of ratepayer funds.

  The Companies are exploring options with the Green Bank and the Connecticut Housing Investment Fund, Inc. ("CHIF") on transitioning more of the comprehensive financing currently offered at 2.99% to the Green Bank's Smart-E loan product for credit-qualified customers. Green Bank has committed to support interest rate buy-down in 2015 using American Recovery and Reinvestment Act funds. Additionally, CHIF is working to recapitalize the outstanding HES Loans. The EEB, the Green Bank and the Companies will also work to simplify the loan offerings to customers.

  The Companies will continue to leverage attractive financing options where appropriate, such as Connecticut Property Assessed Clean Energy ("C-PACE"), Energy Savings Performance Contracting and third-party low-interest loans via RFP. In addition, CL&P is working to obtain

reduced interest costs and find alternate funding sources on the Small Business and Municipal Loan projects.

- **Budget Management.** The 2015 Plan Update reflects updates to budgets. The Companies worked with the Energy Efficiency Board to develop updated 2015 budgets which reflect changes in collections and funding sources, carry-over, and demand for programs. However, the programs likely will face budget pressures in 2015 and the Companies may face challenges with managing certain program budgets. In planning the 2015 budget, the Companies and the EEB reallocated some funding from "other" categories to program budgets in order to increase the funding available for programs in 2015. The Companies will be exploring ways to mitigate these budget impacts while preserving the programs' ability to achieve savings. Some of the strategies being evaluated are, but are not limited to: a) reducing dollars in under-performing initiatives; b) shifting dollars from "higher cost" programs to "lower cost" programs; c) modifying the incentive structures for comprehensive projects; d) strategically modifying incentives or customer copayments in order to throttle demand for measures; e) adjusting marketing and promotions based on program demand; f) as mentioned previously, future agreements with Home Energy Solutions vendors may include a provision that limits the number of oil and propane heated homes they will be able to serve; and g) continued collaboration with C-PACE, Connecticut's Lead by Example Energy Savings Performance Contracting program and other financing initiatives to better optimize the use of Connecticut Energy Efficiency Fund ("CEEF") incentives, financing and program services.

- **Customer Engagement.** In 2014, Northeast Utilities ("NU") (CL&P and Yankee Gas) began development of a Customer Engagement Platform ("CEP"). The CEP will be rolled out early in 2015 and 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 energy decisions. UIL Holdings Corporation ("UIL") (UI, SCG and CNG) is developing an enhanced CEP which will be built upon its existing platform. UIL will introduce an active behavioral component to customers by sending electronic Home Energy Reports to approximately 37,500 residential customers.

- **C&I Segmentation.** The Companies will continue to modify their "go-to-market" strategy by focusing on their Customers, evaluated via segmentation analyses, rather than attempting to force customers into pre-existing "program buckets". This customer-centric thought process allows for the Companies to use its "programs" as tools through which the "go-to-market" strategies can be implemented day-to-day. Segmentation efforts will focus on quartile 1 and 2 (larger) customers but will continue to trickle down to quartile 3 and 4 customers, including national accounts and franchise retailers, as the segmentation process continues to evolve. In addition, the Companies are in an ongoing collaboration with the C&I Committee of the EEB ("C&I Committee") and its business association partners to conduct market research and analysis for an improved real-time tracking of customer attitudes and facility improvement trends.

- **Strategic Energy Management**. The Companies will continue to focus on facilitating Strategic Energy Management ("SEM") practices by utilizing multi-year Memoranda 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.

- **Commercial & Industrial Portfolio Budgets.** The Companies are faced with divergent challenges relative to operating budgets in 2015. In the case of UIL, all program budgets are experiencing the impacts of exceeding the 2013 budget, late approvals for 2014, and reduced realization rates for gas measures (Especially in the Energy Opportunities program). The 2015 budgets incorporate reasonable mitigation strategies including, but not limited to, examining non – programmatic and programmatic line items for funds that can be moved into incentives.

- **CL&P's Small Business Energy Advantage ("SBEA") budget correction in 2015.** CL&P made a specific decision to decrease the percentage of C&I portfolio to be budgeted for SBEA down to a more appropriate 25% of C&I total budget from nearly 30% of total budget in 2014 to achieve parity on 2 fronts. The SBEA program is geared toward quartile 4 customers, which by definition; a "quartile" is defined as 25% of any given population. Also, this correction allows CL&P to be in parity with UI's SBEA percent of C&I Budget (also 25%). Another reason for reducing the SBEA percent of budget downward from 2014 levels is consistent with what the Companies are striving to accomplish with regard to winter peak pricing issues, as stated above. The C&I programs will target facilities that have long operating hours, operate in the evening, and have high load factors that will achieve the greatest cost savings from investments in energy efficiency. Therefore, the Companies will continue to focus additional efforts on Quartile 1 customers.

CHAPTER TWO: BUDGETS

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Combined Electric Companies 2015 Budget Tables

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Table A1 – Combined CL&P and UI Budgets

Table A1
2015 - 2016
CL&P/UI C&LM Budget

CL&P/UI C&LM BUDGET	2015 CL&P DEEP Approved Budget 02/20/15	2015 CL&P DEEP Approved Budget 03/20/15	2015 UI DEEP Approved Budget 02/20/15	2015 UI DEEP Approved Budget 03/20/15	2015 CL&P/UI Combined Total 02/20/15	2015 CL&P/UI Combined Total 03/20/15	2016 CL&P EEB Approved Budget 12/10/14	2016 UI EEB Approved Budget 12/10/14	2016 CL&P/UI Combined Total 12/10/14
RESIDENTIAL									
Residential Retail Products	$ 12,368,931	$ 12,368,931	$ 3,039,283	$ 3,014,546	$ 15,408,214	$ 15,383,477	$ 13,168,931	$ 3,547,835	$ 16,716,766
Total - Consumer Products	**$ 12,368,931**	**$ 12,368,931**	**$ 3,039,283**	**$ 3,014,546**	**$ 15,408,214**	**$ 15,383,477**	**$ 13,168,931**	**$ 3,547,835**	**$ 16,716,766**
Residential New Construction	$ 1,970,921	$ 2,370,504	$ 300,000	$ 300,000	$ 2,270,921	$ 2,670,504	$ 2,349,334	$ 250,000	$ 2,599,334
Home Energy Solutions (HVAC, Duct Sealing, Lighting)	$ 19,076,439	$ 20,276,439	$ 3,544,026	$ 3,536,654	$ 22,620,465	$ 23,813,093	$ 20,725,903	$ 3,923,595	$ 24,649,498
HES Income Eligible	$ 17,215,620	$ 17,365,620	$ 3,218,122	$ 3,216,123	$ 20,433,742	$ 20,581,743	$ 17,189,705	$ 3,643,910	$ 20,833,615
Residential Behavior	$ 2,700,000	$ 2,700,000	$ 584,199	$ 584,199	$ 3,284,199	$ 3,284,199	$ 2,700,000	$ 834,199	$ 3,534,199
Subtotal Residential	**$ 53,331,911**	**$ 55,081,494**	**$ 10,685,630**	**$ 10,651,522**	**$ 64,017,541**	**$ 65,733,016**	**$ 56,133,873**	**$ 12,199,539**	**$ 68,333,412**
COMMERCIAL & INDUSTRIAL									
C&I LOST OPPORTUNITY									
Energy Conscious Blueprint	$ 11,518,420	$ 11,637,117	$ 3,866,068	$ 3,834,602	$ 15,384,488	$ 15,471,719	$ 12,068,420	$ 4,363,213	$ 16,431,633
Total - Lost Opportunity	**$ 11,518,420**	**$ 11,637,117**	**$ 3,866,068**	**$ 3,834,602**	**$ 15,384,488**	**$ 15,471,719**	**$ 12,068,420**	**$ 4,363,213**	**$ 16,431,633**
C&I LARGE RETROFIT									
Energy Opportunities	$ 35,196,568	$ 35,559,267	$ 5,991,491	$ 5,954,598	$ 41,188,059	$ 41,513,865	$ 36,889,791	$ 6,761,948	$ 43,651,739
Business & Energy Sustainability (O&M, RetroCx, BSC)	$ 4,865,023	$ 4,915,157	$ 1,587,944	$ 1,575,020	$ 6,452,967	$ 6,490,177	$ 4,865,023	$ 1,799,973	$ 6,664,996
PRIME	$ 660,000	$ 666,801	$ 200,000	$ 200,000	$ 860,000	$ 866,801	$ 660,000	$ 200,000	$ 860,000
Total - C&I Large Retrofit	**$ 40,721,591**	**$ 41,141,225**	**$ 7,779,435**	**$ 7,729,619**	**$ 48,501,026**	**$ 48,870,844**	**$ 42,414,814**	**$ 8,761,921**	**$ 51,176,735**
Small Business	$ 17,207,951	$ 17,385,278	$ 3,916,157	$ 3,908,475	$ 21,124,108	$ 21,293,753	$ 17,207,951	$ 4,419,743	$ 21,627,694
Subtotal C&I	**$ 69,447,962**	**$ 70,163,620**	**$ 15,561,659**	**$ 15,472,696**	**$ 85,009,621**	**$ 85,636,316**	**$ 71,691,185**	**$ 17,544,877**	**$ 89,236,062**
OTHER - EDUCATION *									
SmartLiving Center® - Museum Partnerships	$ 570,486	$ 570,486	$ 413,514	$ 413,514	$ 984,000	$ 984,000	$ 570,486	$ 413,514	$ 984,000
Clean Energy Communities	$ 1,364,040	$ 1,364,040	$ 355,960	$ 355,960	$ 1,720,000	$ 1,720,000	$ 1,364,040	$ 355,960	$ 1,720,000
EE Smarts/K-12 Education	$ 479,126	$ 479,126	$ 320,874	$ 320,874	$ 800,000	$ 800,000	$ 479,126	$ 320,874	$ 800,000
Customer Engagement	$ 1,968,000	$ 1,968,000	$ 120,000	$ 120,000	$ 2,088,000	$ 2,088,000	$ 1,968,000	$ 120,000	$ 2,088,000
Science Center	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Subtotal Education	**$ 4,381,652**	**$ 4,381,652**	**$ 1,210,348**	**$ 1,210,348**	**$ 5,592,000**	**$ 5,592,000**	**$ 4,381,652**	**$ 1,210,348**	**$ 5,592,000**
OTHER - PROGRAMS/REQUIREMENTS									
Institute for Sustainable Energy (ECSU)	$ 396,800	$ 396,800	$ 89,600	$ 99,200	$ 486,400	$ 496,000	$ 396,800	$ 89,600	$ 486,400
ESPC Project Manager - Lead By Example	$ 96,000	$ 96,000	$ 19,200	$ 19,200	$ 115,200	$ 115,200	$ 96,000	$ 19,200	$ 115,200
Residential Loan Program (Includes ECLF and OBR)**	$ 2,053,121	$ 2,053,121	$ 382,560	$ 382,560	$ 2,435,681	$ 2,435,681	$ 2,053,121	$ 382,560	$ 2,435,681
C&I Loan Program	$ 1,087,227	$ 1,087,227	$ 43,123	$ 43,123	$ 1,130,350	$ 1,130,350	$ 1,087,227	$ 43,123	$ 1,130,350
C&LM Loan Defaults	$ 125,000	$ 125,000	$ 31,111	$ 31,111	$ 156,111	$ 156,111	$ 125,000	$ 31,111	$ 156,111
C&I Self Funding	$ 4,000,000	$ 4,000,000	$ -	$ -	$ 4,000,000	$ 4,000,000	$ 4,000,000	$ -	$ 4,000,000
Subtotal Programs/Requirements	**$ 7,758,148**	**$ 7,758,148**	**$ 565,594**	**$ 575,194**	**$ 8,323,742**	**$ 8,333,342**	**$ 7,758,148**	**$ 565,594**	**$ 8,323,742**
OTHER - LOAD MANAGEMENT									
ISO Load Response Program	$ 3,500,000	$ 3,850,000	$ -	$ -	$ 3,500,000	$ 3,850,000	$ 3,500,000	$ -	$ 3,500,000
Subtotal Load Management	**$ 3,500,000**	**$ 3,850,000**	**$ -**	**$ -**	**$ 3,500,000**	**$ 3,850,000**	**$ 3,500,000**	**$ -**	**$ 3,500,000**
OTHER - RENEWABLES & RD&D									
Research, Development & Demonstration	$ 442,308	$ 442,308	$ 132,692	$ 132,692	$ 575,000	$ 575,000	$ 442,308	$ 132,692	$ 575,000
Subtotal Renewables & RD&D	**$ 442,308**	**$ 442,308**	**$ 132,692**	**$ 132,692**	**$ 575,000**	**$ 575,000**	**$ 442,308**	**$ 132,692**	**$ 575,000**
OTHER - ADMINISTRATIVE & PLANNING									
Administration	$ 907,271	$ 907,271	$ 540,241	$ 540,241	$ 1,447,512	$ 1,447,512	$ 907,271	$ 540,241	$ 1,447,512
Marketing Plan	$ 726,667	$ 726,667	$ 659,000	$ 659,000	$ 1,385,667	$ 1,385,667	$ 726,667	$ 659,000	$ 1,385,667
Planning (UI Planning & Evaluation)	$ 703,170	$ 703,170	$ 256,830	$ 256,830	$ 960,000	$ 960,000	$ 703,170	$ 256,830	$ 960,000
Evaluation (UI Evaluation, Outside Services)	$ 2,356,256	$ 2,240,000	$ 602,944	$ 560,000	$ 2,959,200	$ 2,800,000	$ 2,356,256	$ 621,721	$ 2,977,977
Evaluation Consultant	$ 233,280	$ 160,000	$ 58,320	$ 40,000	$ 291,600	$ 200,000	$ 233,280	$ 58,320	$ 291,600
Information Technology	$ 1,338,112	$ 1,338,112	$ 261,888	$ 261,888	$ 1,600,000	$ 1,600,000	$ 1,338,112	$ 261,888	$ 1,600,000
Energy Efficiency Board	$ 408,108	$ 360,108	$ 272,072	$ 240,072	$ 680,180	$ 600,180	$ 408,108	$ 272,072	$ 680,180
Performance Management Fee	$ 5,795,738	$ 5,903,698	$ 1,219,073	$ 1,212,816	$ 7,014,811	$ 7,116,514	$ 5,997,546	$ 1,359,709	$ 7,357,255
Admin/Planning Expenditures	**$ 12,468,602**	**$ 12,339,026**	**$ 3,870,368**	**$ 3,770,847**	**$ 16,338,970**	**$ 16,109,873**	**$ 12,670,410**	**$ 4,029,781**	**$ 16,700,191**
PROGRAM SUBTOTALS									
Residential	$ 59,567,512	$ 61,317,096	$ 12,627,843	$ 12,593,735	$ 72,195,355	$ 73,910,831	$ 62,369,474	$ 14,141,752	$ 76,511,226
C&I	$ 79,182,027	$ 80,247,685	$ 15,964,788	$ 15,875,825	$ 95,146,815	$ 96,123,510	$ 81,425,250	$ 17,948,006	$ 99,373,256
Other	$ 12,581,043	$ 12,451,467	$ 3,433,660	$ 3,343,739	$ 16,014,704	$ 15,795,207	$ 12,782,851	$ 3,593,073	$ 16,375,924
TOTAL	**$ 151,330,583**	**$ 154,016,248**	**$ 32,026,291**	**$ 31,813,299**	**$ 183,356,874**	**$ 185,829,547**	**$ 156,577,576**	**$ 35,682,831**	**$ 192,260,407**

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

** Residential Loan Program budget includes $90,000 ($40,000 for CL&P and $50,000 for UI) for administrative costs to service Green Bank's On Bill Repayment (OBR)

Table A2

2015, 2016

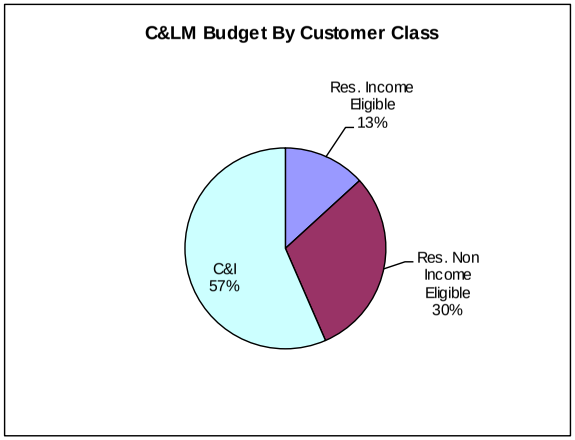
CL&P/UI C&LM Revenues

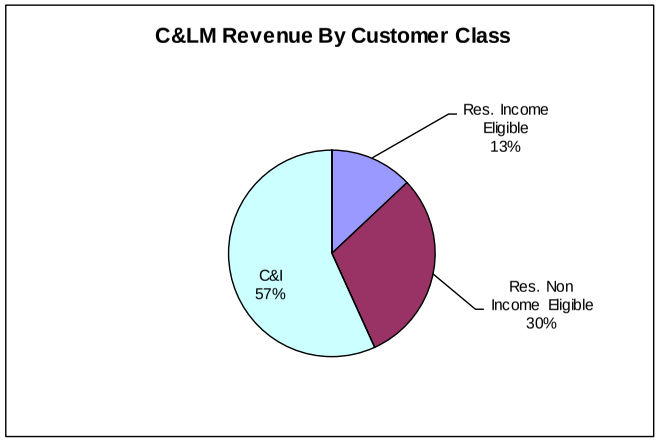
CL&P/UI C&LM REVENUES	2015 CL&P Revenues	2015 UI Revenues	2015 CL&P/UI Total	2016 CL&P Revenues	2016 UI Revenues	2016 CL&P/UI Total
Collections (Mill Rate)	$ 66,402,134	$ 15,978,000	$ 82,380,134	$ 67,421,860	$ 15,189,000	$ 82,610,860
ISO-NE Forward Capacity Market Energy Efficiency Revenues	$ 8,500,000	$ 2,800,000	$ 11,300,000	$ 8,500,000	$ 2,700,000	$ 11,200,000
ISO-NE Forward Capacity Market Demand Response Revenues	$ 3,500,000		$ 3,500,000	$ 3,500,000		$ 3,500,000
RGGI*	$ 10,837,793	$ 2,407,573	$ 13,245,366	$ 14,431,137	$ 3,607,784	$ 18,038,921
CAM (Net of Gross Receipts Tax)	$ 61,775,893	$ 14,922,948	$ 76,698,840	$ 62,724,579	$ 14,186,047	$ 76,910,626
Prior Period Carry Over/(Under Recovery)	$ 3,000,428	$ (3,837,354)	$ (836,926)			$ -
Estimated Interest Due to Company		$ (457,867)	$ (457,867)			$ -
Total - C&LM Revenues	**$ 154,016,248**	**$ 31,813,299**	**$ 185,829,547**	**$ 156,577,576**	**$ 35,682,831**	**$ 192,260,407**

*RGGI Budget is based on Public Act 13-247, revenues provided by DEEP on August 21, 2014

Table A1 – 2015 CL&P and UI 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	$22,474,898	12%	13%	13%	0%
Res. Non Income Eligible	$51,435,933	28%	30%	30%	0%
Residential Subtotal	$73,910,831	40%	43%	43%	0%
C&I	$96,123,510	52%	57%	57%	0%
C&I Subtotal	$96,123,510	52%	57%	57%	0%
Residential and C&I Subtotal	$170,034,341	92%	100%	100%	0%
Other Expenditures					
Other Expenditures	$15,795,207	8%			
Other Expenditures Subtotal	$15,795,207	8%			
C&LM TOTAL	**$185,829,547**	**100%**			
CL&P	$154,016,248	83%			
UI	$31,813,299	17%			

Totals may vary due to rounding

Table B-3

2015 Combined CL&P, UI, Yankee, CNG, SCG Totals

	Costs					Electricity Savings			Natural Gas Savings			Delivered Fuel Savings						
	Electric Cost	Gas Cost	Oil & Propane Cost	Customer Cost	Total Resource Cost	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	Total Annual Emissions Reduction (tons CO2)	Total Resource Benefit (000)
Program	(000)	(000)	(000)	(000)	(000)													
Residential																		
Residential Retail Products	$15,383	$0	$0	$9,819	$25,203	64,928	652,086	7,940	0	0	0	0	0	0	0	221,599	32,821	$106,636
Residential New Construction	$2,543	$1,734	$128	$1,394	$5,798	2,659	49,840	918	198,304	4,957,593	1,719	0	0	10,084	252,203	30,403	2,602	$11,673
Home Energy Solutions	$15,393	$12,876	$8,420	$12,162	$48,851	21,027	218,452	2,666	1,415,546	27,919,325	15,419	677,402	11,593,579	57,173	933,060	316,594	27,090	$103,480
HES Income Eligible	$9,603	$8,119	$10,979	$590	$29,291	15,294	165,073	1,236	762,159	15,026,400	7,948	371,558	7,099,486	9,474	193,217	183,021	16,535	$56,229
Water Heating	$0	$961	$0	$2,689	$3,650	0	0	0	151,092	2,800,265	485	0	0	0	0	15,547	910	$2,354
Residential Behavior	$3,284	$621	$0	$478	$4,382	47,865	100,157	11,929	145,424	1,454,241	1,421	264,266	4,783,282	10,223	209,250	215,911	28,092	$17,589
Subtotal Residential	$46,206	$24,310	$19,527	$27,132	$117,175	151,773	1,185,608	24,689	2,672,525	52,157,824	26,992	1,313,226	23,476,347	86,954	1,587,730	983,076	108,050	$297,961
Commercial & Industrial																		
Energy Conscious Blueprint	$15,472	$6,879	$0	$10,288	$32,639	38,171	578,838	6,504	1,141,024	17,526,077	9,004	0	0	0	0	247,690	26,164	$94,485
Energy Opportunities	$41,514	$3,804	$0	$65,664	$110,982	111,713	1,310,618	16,444	876,910	9,876,225	11,966	0	0	0	0	471,512	61,750	$198,881
Business & Energy Sustainability (O&M, RetroCx, BSC)	$6,490	$1,440	$0	$9,354	$17,285	31,923	212,968	3,251	589,900	3,690,202	6,651	0	0	0	0	169,653	19,688	$36,787
PRIME	$867	$0	$0	$46	$913	3,576	17,880	0	0	0	0	0	0	0	0	12,205	1,808	$7,341
Small Business	$21,294	$641	$0	$22,827	$44,761	46,944	586,165	6,553	165,849	1,868,073	1,900	0	0	0	0	177,286	24,729	$81,863
Subtotal C&I	$85,636	$12,765	$0	$108,178	$206,579	232,327	2,706,470	32,752	2,773,684	32,960,577	29,521	0	0	0	0	1,078,346	134,138	$419,358
Load Management																		
ISO Load Response Program	$3,850	$0	$0	$0	$3,850	0	0	95,000	0	0	0	0	0	0	0	0	0	$7,774
Other																		
Other	$30,610	$6,196	$0	$0	$36,806	0	0	0	0	0	0	0	0	0	0	0	0	$0
TOTAL C&LM BUDGET	$166,303	$43,271	$19,527	$135,311	$364,411	384,100	3,892,078	152,441	5,446,209	85,118,401	56,513	1,313,226	23,476,347	86,954	1,587,730	2,061,422	242,189	$725,093

The Connecticut Light and Power Company (CL&P) 2015 Budget Tables

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Table A - CL&P 2014-2016 Budget

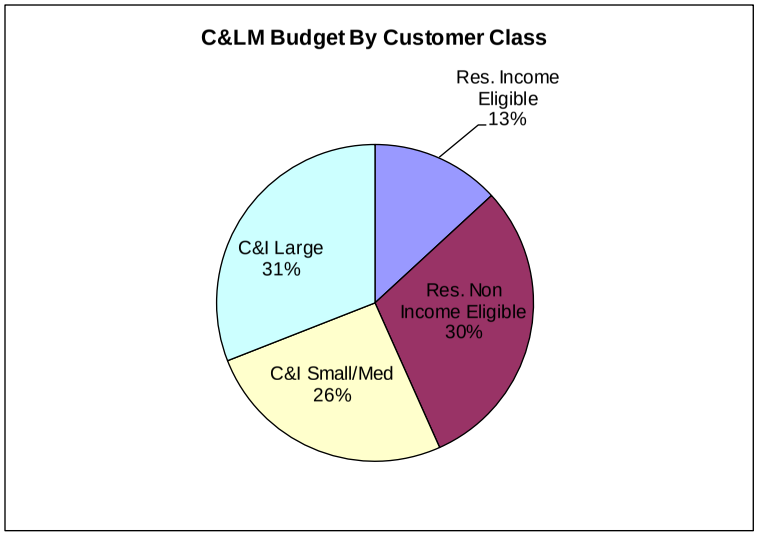
Table A

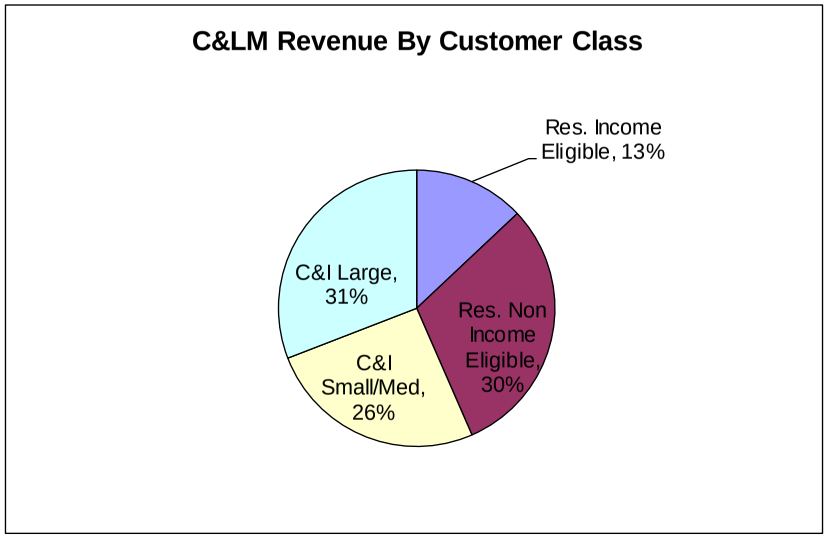
CL&P 2014-2016 C&LM Budget

CL&P C&LM BUDGET	2014 CL&P Actual Results 12/31/14	2015 CL&P DEEP Approved Budget 02/20/15	2015 CL&P DEEP Approved Budget 03/20/15	2016 CL&P EEB Approved Budget 12/10/14
RESIDENTIAL				
Residential Retail Products	$ 11,561,025	$ 12,368,931	$ 12,368,931	$ 13,168,931
Total - Consumer Products	**$ 11,561,025**	**$ 12,368,931**	**$ 12,368,931**	**$ 13,168,931**
Residential New Construction	$ 1,573,724	$ 1,970,921	$ 2,370,504	$ 2,349,334
Home Energy Solutions (HVAC, Duct Sealing, Lighting)	$ 22,290,930	$ 19,076,439	$ 20,276,439	$ 20,725,903
HES Income Eligible	$ 17,488,762	$ 17,215,620	$ 17,365,620	$ 17,189,705
Residential Behavior	$ 2,703,694	$ 2,700,000	$ 2,700,000	$ 2,700,000
Subtotal Residential	**$ 55,618,135**	**$ 53,331,911**	**$ 55,081,494**	**$ 56,133,873**
COMMERCIAL & INDUSTRIAL				
C&I LOST OPPORTUNITY				
Energy Conscious Blueprint	$ 13,875,080	$ 11,518,420	$ 11,637,117	$ 12,068,420
Total - Lost Opportunity	**$ 13,875,080**	**$ 11,518,420**	**$ 11,637,117**	**$ 12,068,420**
C&I LARGE RETROFIT				
Energy Opportunities	$ 29,217,060	$ 35,196,568	$ 35,559,267	$ 36,889,791
Business & Energy Sustainability (O&M, RetroCx, BSC)	$ 2,422,682	$ 4,865,023	$ 4,915,157	$ 4,865,023
PRIME	$ 476,451	$ 660,000	$ 666,801	$ 660,000
Total - C&I Large Retrofit	**$ 32,116,193**	**$ 40,721,591**	**$ 41,141,225**	**$ 42,414,814**
Small Business	$ 16,021,475	$ 17,207,951	$ 17,385,278	$ 17,207,951
Subtotal C&I	**$ 62,012,749**	**$ 69,447,962**	**$ 70,163,620**	**$ 71,691,185**
OTHER - EDUCATION *				
SmartLiving Center® - Museum Partnerships	$ 1,157,138	$ 570,486	$ 570,486	$ 570,486
Clean Energy Communities	$ 1,045,235	$ 1,364,040	$ 1,364,040	$ 1,364,040
EE Smarts/K-12 Education	$ 367,115	$ 479,126	$ 479,126	$ 479,126
Customer Engagement	$ 1,817,979	$ 1,968,000	$ 1,968,000	$ 1,968,000
Science Center	$ -	$ -	$ -	$ -
Subtotal Education	**$ 4,387,467**	**$ 4,381,652**	**$ 4,381,652**	**$ 4,381,652**
OTHER - PROGRAMS/REQUIREMENTS				
Institute for Sustainable Energy (ECSU)	$ 358,400	$ 396,800	$ 396,800	$ 396,800
ESPC Project Manager - Lead By Example	$ 82,586	$ 96,000	$ 96,000	$ 96,000
Residential Loan Program (Includes ECLF and OBR)**	$ 1,509,746	$ 2,053,121	$ 2,053,121	$ 2,053,121
C&I Loan Program	$ 188,838	$ 1,087,227	$ 1,087,227	$ 1,087,227
C&LM Loan Defaults	$ 75,809	$ 125,000	$ 125,000	$ 125,000
C&I Self-Funding	$ 4,019,676	$ 4,000,000	$ 4,000,000	$ 4,000,000
Subtotal Programs/Requirements	**$ 6,235,055**	**$ 7,758,148**	**$ 7,758,148**	**$ 7,758,148**
OTHER - LOAD MANAGEMENT				
ISO Load Response Program	$ 3,632,291	$ 3,500,000	$ 3,850,000	$ 3,500,000
Subtotal Load Management	**$ 3,632,291**	**$ 3,500,000**	**$ 3,850,000**	**$ 3,500,000**
OTHER - RENEWABLES & RD&D				
Research, Development & Demonstration	$ 267,317	$ 442,308	$ 442,308	$ 442,308
Subtotal Renewables & RD&D	**$ 267,317**	**$ 442,308**	**$ 442,308**	**$ 442,308**
OTHER - ADMINISTRATIVE & PLANNING				
Administration	$ 957,493	$ 907,271	$ 907,271	$ 907,271
Marketing Plan	$ 599,189	$ 726,667	$ 726,667	$ 726,667
Planning	$ 659,032	$ 703,170	$ 703,170	$ 703,170
Evaluation	$ 1,642,153	$ 2,356,256	$ 2,240,000	$ 2,356,256
Evaluation Consultant	$ 269,541	$ 233,280	$ 160,000	$ 233,280
Information Technology	$ 807,911	$ 1,338,112	$ 1,338,112	$ 1,338,112
Energy Efficiency Board	$ 401,216	$ 408,108	$ 360,108	$ 408,108
Performance Management Fee	$ 7,560,041	$ 5,795,738	$ 5,903,698	$ 5,997,546
Subtotal Admin/Planning Expenditures	**$ 12,896,576**	**$ 12,468,602**	**$ 12,339,026**	**$ 12,670,410**
PROGRAM SUBTOTALS				
Residential	$ 61,190,629	$ 59,567,512	$ 61,317,096	$ 62,369,474
C&I	$ 70,935,857	$ 79,182,027	$ 80,247,685	$ 81,425,250
Other	$ 12,923,104	$ 12,581,043	$ 12,451,467	$ 12,782,851
TOTAL C&LM BUDGET	**$ 145,049,590**	**$ 151,330,583**	**$ 154,016,248**	**$ 156,577,576**
TOTAL	**$ 145,049,590**	**$ 151,330,583**	**$ 154,016,248**	**$ 156,577,576**

***** OTHER -EDUCATION is primarily allocated to residential programs.
** Residential Loan Program budget includes $40,000 for CL&P for administrative costs to service Green Bank's On Bill Repayment (OBR)

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 Budget	% of Residential & C&I Revenue	Difference
Res. Income Eligible	$18,615,620	12%	13%	13%	0%
Res. Non Income Eligible	$42,701,476	28%	30%	30%	0%
Residential Subtotal	$61,317,096	40%	43%	43%	0%
C&I Small/Med	$36,432,449	24%	26%	26%	0%
C&I Large	$43,815,236	28%	31%	31%	0%
C&I Subtotal	$80,247,685	52%	57%	57%	0%
Residential and C&I Subtotal	$141,564,781	92%	100%	100%	0%
Other Expenditures					
Other Expenditures	$12,451,467	8%			
Other Expenditures Subtotal	$12,451,467	8%			
C&LM TOTAL	**$154,016,248**	100%			

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

TABLE B-1, Energy Savings
CL&P 2015

Program	Utility Costs (000)	Electric Costs (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 Rate $/kwh Annualize	Electric Cost Ratio $/LT-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	$12,369	$12,369	2,211,792	Products	51,420	524,925	6,300	$1,963	$192	$0.241	$0.024	0	0	0	0	175,498	1,791,569	$70.48	$6.90
Residential New Construction	$2,371	$2,243	1,598	Homes	2,255	44,262	768	$2,918	$149	$0.994	$0.051	0	0	8,007	200,163	8,429	169,347	$281.23	$14.00
Home Energy Solutions (Note 1)	$20,276	$13,061.89	11233 / 12723	Core Services/Other	17,760	182,675	2,107	$6,200	$603	$0.735	$0.072	546,570	9,296,333	51,574	828,612	141,128	1,988,457	$143.67	$10.20
HES Income Eligible	$17,366	$7,702	15,852	Homes	13,087	142,828	1,020	$7,554	$692	$0.589	$0.054	238,123	4,613,449	6,928	140,455	78,323	1,140,140	$221.72	$15.23
Residential Behavior (Note3)	$2,700	$2,700	330,000	Homes	44,935	89,870	10,696	$252	$126	$0.060	$0.030	0	0	0	0	153,362	306,725	$17.61	$8.80
Subtotal Residential	$55,081	$38,076			129,457	984,560	20,892	$1,823	$240	$0.294	$0.039	784,693	13,909,783	66,508	1,169,230	556,741	5,396,237	$98.94	$10.21
COMMERCIAL & INDUSTRIAL																			
Energy Conscious Blueprint	$11,637	$11,637	629	Projects	27,423	417,476	4,760	$2,445	$161	$0.424	$0.028	0	0	0	0	93,594	1,424,847	$124.34	$8.17
Energy Opportunities	$35,559	$35,559	1642	Projects	95,489	1,128,766	14,111	$2,520	$213	$0.372	$0.032	0	0	0	0	325,905	3,852,480	$109.11	$9.23
Business & Energy Sustainability (O&M, RetroCx, BSC)	$4,915	$4,915	255	Projects	23,705	151,575	2,300	$2,137	$334	$0.207	$0.032	0	0	0	0	80,906	517,326	$60.75	$9.50
PRIME	$667	$667	101	Projects	2,776	13,880	0	$0	$0	$0.240	$0.048	0	0	0	0	9,475	47,374	$70.38	$14.08
Small Business	$17,385	$17,385	2372	Projects	38,285	475,337	5,109	$3,403	$274	$0.454	$0.037	0	0	0	0	130,668	1,622,327	$133.05	$10.72
Subtotal C & I	$70,164	$70,164			187,679	2,187,036	26,279	$2,670	$229	$0.374	$0.032	0	0	0	0	640,548	7,464,354	$109.54	$9.40
LOAD MANAGEMENT																			
ISO Load Response Program	$3,850	$3,850	220	Customers	0	0	95,000	$41	$0	NA	NA	0	0	0	0	0	0	NA	NA
Subtotal Load Management	$3,850	$3,850			0	0	95,000	$41	$0	NA	NA	0	0	0	0	0	0	NA	NA
Other																			
Subtotal Other	$24,921	$24,921																	
TOTAL C&LM BUDGET	$154,016	$137,010			317,136	3,171,596	142,171	$964	$96	$0.432	$0.043					1,082,386	10,824,658	$142.29	$14.23

Note 1: Participant for HES are Total Number of Core Service Customers / Total Instances of Participation (Non-Core Services)

Table B-2
Benefits Table, CL&P 2015

	Program Costs			Program Benefits (000) and Benefit/Cost Ratios			
				Electric Benefit			
	a	b	c = b - a				
Program	Budget	Total Resource Cost	Customer Cost	Electric Energy	Transmission	Distribution	Capacity
Residential Retail Products	$12,368,931	$19,844,326	$7,475,395	$31,809,536	$89,861	$1,964,061	$4,407,433
Utility Benefit Cost Test	$12,368,931	n/a	n/a	2.57	0.01	0.16	0.36
Total Resource B/C	n/a	$19,844,326	n/a	1.60	0.00	0.10	0.22
Residential New Construction	$2,370,504	$2,715,246	$344,742	$2,374,051	$18,453.2	$1,114,138.6	$1,136,860.5
Modified Utility Benefit Cost Test	$2,370,504	n/a	n/a	1.00	0.01	0.47	0.48
Electric Utility Cost Test	$2,242,528	n/a	n/a	1.06	0.01	0.50	0.51
Total Resource Benefit Cost Test	n/a	$2,715,246	n/a	0.87	0.01	0.41	0.42
Home Energy Solutions	$20,276,439	$25,678,087	$5,401,648	$11,258,918	$31,383	$685,925	$1,524,754
Modified Utility Benefit Cost Test	$20,276,439	n/a	n/a	0.56	0.00	0.03	0.08
Electric Utility Cost Test	$13,061,895	n/a	n/a	0.86	0.00	0.05	0.12
Total Resource Benefit Cost Test	n/a	$25,678,087	n/a	0.44	0.00	0.03	0.06
HES Income Eligible	$17,365,620	$17,365,620	$0	$8,757,488	$12,387	$270,746	$512,832
Modified Utility Benefit Cost Test	$17,365,620	n/a	n/a	0.50	0.00	0.02	0.03
Electric Utility Cost Test	$7,702,167	n/a	n/a	1.14	0.00	0.04	0.07
Total Resource Benefit Cost Test	n/a	$17,365,620	n/a	0.50	0.00	0.02	0.03
Residential Behavior	$2,700,000	$2,700,000	$0	$5,432,368	$35,462	$775,071	$433,281
Electric Utility Cost Test	$2,700,000	n/a	n/a	2.01	0.01	0.29	0.16
Total Resource Benefit Cost Test	n/a	$2,700,000	n/a	2.01	0.01	0.29	0.16
Sub Total Residential	$55,081,494	$68,303,280	$13,221,785	$59,632,361	$187,546	$4,809,941	$8,015,161
Modified Utility Benefit Cost Test	$55,081,494	n/a	n/a	1.08	0.00	0.09	0.15
Electric Utility Cost Test	$38,075,521	n/a	n/a	1.57	0.00	0.13	0.21
Total Resource Benefit Cost Test	n/a	$68,303,280	n/a	0.87	0.00	0.07	0.12

Table B-2
Benefits Table, CL&P 2015

	Program Benefits (000) and Benefit/Cost Ratios									
	Electric Benefit						Fossil Fuel	Other Benefits		
Program	Intrastate DRIPE	Rest of Pool DRIPE	Capacity DRIPE	CT Cross-fuel DRIPE	Rest of Pool Cross fuel DRIPE	Emissions	Oil/Propane	Water	Non Resource	Benefit / Benefit/Cost
Residential Retail Products	$5,045,557	$4,713,611	$814,449	$223,972	$633,284	$19,617,184	$0	$0	$17,432,511	**$86,751,459**
Utility Benefit Cost Test	0.41	0.38	0.07	0.02	0.05	n/a	n/a	n/a	n/a	**4.02**
Total Resource B/C	0.25	0.24	0.04	0.01	0.03	0.99	0.00	0.00	0.88	**4.37**
Residential New Construction	$212,485	$224,113	$122,513	$10,728	$30,334.14	$1,090,233	$377,730	$0	$0	**$6,711,640**
Modified Utility Benefit Cost Test	0.09	0.09	0.05	0.00	0.01	n/a	0.16	n/a	n/a	**2.37**
Electric Utility Cost Test	0.09	0.10	0.05	0.00	0.01	n/a	n/a	n/a	n/a	**2.34**
Total Resource Benefit Cost Test	0.08	0.08	0.05	0.00	0.01	0.40	0.14	0.00	0.00	**2.47**
Home Energy Solutions	$1,878,105	$1,854,405	$321,730	$83,058	$234,847	$6,858,876	$35,321,948	$1,588,068	$3,357,996	**$65,000,014**
Modified Utility Benefit Cost Test	0.09	0.09	0.02	0.00	0.01	n/a	1.74	n/a	n/a	**2.62**
Electric Utility Cost Test	0.14	0.14	0.02	0.01	0.02	n/a	n/a	n/a	n/a	**1.37**
Total Resource Benefit Cost Test	0.07	0.07	0.01	0.00	0.01	0.27	1.38	0.06	0.13	**2.53**
HES Income Eligible	$1,378,034	$1,359,485	$150,225	$60,971	$172,397.83	$5,118,189	$13,988,599	$352,060	$111,963	**$32,245,378**
Modified Utility Benefit Cost Test	0.08	0.08	0.01	0.00	0.01	n/a	0.81	n/a	n/a	**1.54**
Electric Utility Cost Test	0.18	0.18	0.02	0.01	0.02	n/a	n/a	n/a	n/a	**1.65**
Total Resource Benefit Cost Test	0.08	0.08	0.01	0.00	0.01	0.29	0.81	0.02	0.01	**1.86**
Residential Behavior	$1,167,017	$1,173,281	$0	$59,117	$167,155	$4,593,115	$0	$0	$0	**$13,835,866**
Electric Utility Cost Test	0.43	0.43	0.00	0.02	0.06	n/a	n/a	n/a	n/a	**3.42**
Total Resource Benefit Cost Test	0.43	0.43	0.00	0.02	0.06	1.70	0.00	0.00	0.00	**5.12**
Sub Total Residential	$9,681,198	$9,324,896	$1,408,917	$437,846	$1,238,019	$37,277,597	$49,688,278	$1,940,128	$20,902,470	**$204,544,357**
Modified Utility Benefit Cost Test	0.18	0.17	0.03	0.01	0.02	n/a	0.90	n/a	n/a	**2.62**
Electric Utility Cost Test	0.25	0.24	0.04	0.01	0.03	n/a	n/a	n/a	n/a	**2.49**
Total Resource Benefit Cost Test	0.14	0.14	0.02	0.01	0.02	0.55	0.73	0.03	0.31	**2.99**

Table B2 – 2015 CL&P Comparison of Program Benefits – Commercial & Industrial

Table B-2
Benefits Table, CL&P 2015

	Program Costs			Program Benefits (000) and Benefit/Cost Ratios			
				Electric Benefit			
	a	b	c = b - a				
Program	Budget	Total Resource Cost	Customer Cost	Electric Energy	Transmission	Distribution	Capacity
Energy Conscious Blueprint	$11,637,117	$13,922,848	$2,285,731	$26,258,430	$95,963	$2,097,436	$5,515,546
Electric Utility Cost Test	$11,637,117	n/a	n/a	2.26	0.01	0.18	0.47
Total Resource Benefit Cost Test	n/a	$13,922,848	n/a	1.89	0.01	0.15	0.40
Energy Opportunities	$35,559,267	$89,081,195	$53,521,928	$72,310,398	$236,971	$5,179,387	$12,424,789
Electric Utility Cost Test	$35,559,267	n/a	n/a	2.03	0.01	0.15	0.35
Total Resource Benefit Cost Test	n/a	$89,081,195	n/a	0.81	0.00	0.06	0.14
Business & Energy Sustainability (O&M, RetroCx, BSC)	$4,915,157	$10,702,792	$5,787,635	$9,126,879	$19,550	$427,299	$537,734
Electric Utility Cost Test	$4,915,157	n/a	n/a	1.86	0.00	0.09	0.11
Total Resource Benefit Cost Test	n/a	$10,702,792	n/a	0.85	0.00	0.04	0.05
PRIME	$666,801	$712,520	$45,719	$841,600	$0	$0	$0
Electric Utility Cost Test	$666,801	n/a	n/a	1.26	0.00	0.00	0.00
Total Resource Benefit Cost Test	n/a	$712,520	n/a	1.18	0.00	0.00	0.00
Small Business	$17,385,278	$34,335,167	$16,949,889	$29,096,672	$86,347	$1,887,261	$4,544,096
Electric Utility Cost Test	$17,385,278	n/a	n/a	1.67	0.00	0.11	0.26
Total Resource Benefit Cost Test	n/a	$34,335,167	n/a	0.85	0.00	0.05	0.13
Sub Total C&I	$70,163,620	$148,754,522	$78,590,902	$137,633,980	$438,832	$9,591,384	$23,022,166
Electric Utility Cost Test	$70,163,620	n/a	n/a	1.96	0.01	0.14	0.33
Total Resource Benefit Cost Test	n/a	$148,754,522	n/a	0.93	0.00	0.06	0.15
ISO Load Response	$3,850,000	$3,850,000	$0	$0	$154,850	$3,391,500	$4,227,500
Electric Utility Cost Test	$3,850,000	n/a	n/a	0.00	0.04	0.88	1.10
Total Resource Benefit Cost Test	n/a	$3,850,000	n/a	0.00	0.04	0.88	1.10
Other Costs	$24,921,136.60	$24,921,137	-				
Total	$154,016,251	$245,828,938	$91,812,687	$197,266,341	$781,228	$17,792,825	$35,264,827
Modified Utility Benefit Cost Test	$154,016,251	n/a	n/a	1.28	0.01	0.12	0.23
Electric Utility Cost Test	$137,010,277	n/a	n/a	1.44	0.01	0.13	0.26
Total Resource Benefit Cost Test	n/a	$245,828,938	n/a	0.80	0.00	0.07	0.14

Table B-2
Benefits Table, CL&P 2015

	Program Benefits (000) and Benefit/Cost Ratios									
	Electric Benefit						Fossil Fuel	Other Benefits		
Program	Intrastate DRIPE	Rest of Pool DRIPE	Capacity DRIPE	CT Cross-fuel DRIPE	Rest of Pool Cross fuel DRIPE	Emissions	Oil/Propane	Water	Non Resource	Benefit / Benefit/Cost
Energy Conscious Blueprint	$2,852,966	$3,585,158	$790,803	$131,675	$372,313.96	$14,099,759	$0	$0	$384,724	**$56,184,775**
Electric Utility Cost Test	0.25	0.31	0.07	0.01	0.03	n/a	n/a	n/a	n/a	**3.58**
Total Resource Benefit Cost Test	0.20	0.26	0.06	0.01	0.03	1.01	0.00	0.00	0.03	**4.04**
Energy Opportunities	$9,898,783	$12,573,937	$2,344,321	$458,507	$1,296,437.17	$42,896,885	$0	$0	$3,368,456	**$162,988,871**
Electric Utility Cost Test	0.28	0.35	0.07	0.01	0.04	n/a	n/a	n/a	n/a	**3.28**
Total Resource Benefit Cost Test	0.11	0.14	0.03	0.01	0.01	0.48	0.00	0.00	0.04	**1.83**
Business & Energy Sustainability (O&M, RetroCx, BSC)	$2,238,321	$2,845,265	$253,960	$106,369	$300,761	$6,855,272	$0	$0	$0	**$22,711,411**
Electric Utility Cost Test	0.46	0.58	0.05	0.02	0.06	n/a	n/a	n/a	n/a	**3.23**
Total Resource Benefit Cost Test	0.21	0.27	0.02	0.01	0.03	0.64	0.00	0.00	0.00	**2.12**
PRIME	$221,254	$281,947	$0	$11,235	$31,766	$654,262	$0	$0	$4,721,234	**$6,763,300**
Electric Utility Cost Test	0.33	0.42	0.00	0.02	0.05	n/a	n/a	n/a	n/a	**2.08**
Total Resource Benefit Cost Test	0.31	0.40	0.00	0.02	0.04	0.92	0.00	0.00	6.63	**9.49**
Small Business	$3,986,924	$4,985,216	$848,731	$183,834	$519,794	$17,192,227	$0	$0	$1,622,465	**$64,953,568**
Electric Utility Cost Test	0.23	0.29	0.05	0.01	0.03	n/a	n/a	n/a	n/a	**2.65**
Total Resource Benefit Cost Test	0.12	0.15	0.02	0.01	0.02	0.50	0.00	0.00	0.05	**1.89**
Sub Total C&I	$19,198,248	$24,271,523	$4,237,816	$891,620	$2,521,072	$81,698,406	$0	$0	$10,096,879	**$313,601,925**
Electric Utility Cost Test	0.27	0.35	0.06	0.01	0.04	n/a	n/a	n/a	n/a	**3.16**
Total Resource Benefit Cost Test	0.13	0.16	0.03	0.01	0.02	0.55	0.00	0.00	0.07	**2.11**
ISO Load Response	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$7,773,850**
Electric Utility Cost Test	0.00	0.00	0.00	0.00	0.00	n/a	n/a	n/a	n/a	**2.02**
Total Resource Benefit Cost Test	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**2.02**
Other Costs										
Total	$28,879,446	$33,596,419	$5,646,733	$1,329,466	$3,759,091	$118,976,004	$49,688,278	$1,940,128	$30,999,348	**$525,920,132**
Modified Utility Benefit Cost Test	0.19	0.22	0.04	0.01	0.02	n/a	0.32	n/a	n/a	**2.43**
Electric Utility Cost Test	0.21	0.25	0.04	0.01	0.03	n/a	n/a	n/a	n/a	**2.37**
Total Resource Benefit Cost Test	0.12	0.14	0.02	0.01	0.02	0.48	0.20	0.01	0.13	**2.14**

Table C – 2015 CL&P Budget Details

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									
Residential Retail Products	$ 171	$ 5	$ 1,754	$ -	$ 9,344	$ 1,026	$ 39	$ 28	$ 12,369
Total - Consumer Products	**$ 171**	**$ 5**	**$ 1,754**	**$ -**	**$ 9,344**	**$ 1,026**	**$ 39**	**$ 28**	**$ 12,369**
Residential New Construction	$ 168	$ 3	$ 73	$ -	$ 2,068	$ 43	$ 8	$ 8	$ 2,371
Home Energy Solutions (HVAC, Duct Sealing, Lighting)	$ 2,060	$ 21	$ 1,017	$ -	$ 16,462	$ 575	$ 70	$ 71	$ 20,276
HES Income Eligible	$ 1,442	$ 27	$ 380	$ -	$ 14,750	$ 652	$ 46	$ 68	$ 17,366
Residential Behavior / Engagement	$ 155	$ -	$ 2,001	$ -	$ -	$ 500	$ 25	$ 20	$ 2,700
Subtotal Residential	**$ 3,996**	**$ 56**	**$ 5,225**	**$ -**	**$ 42,624**	**$ 2,796**	**$ 189**	**$ 196**	**$ 55,081**
COMMERCIAL & INDUSTRIAL									
C & I LOST OPPORTUNITY									
Energy Conscious Blueprint	$ 1,969	$ 13	$ 529	$ -	$ 8,702	$ 265	$ 94	$ 64	$ 11,637
Total - Lost Opportunity	**$ 1,969**	**$ 13**	**$ 529**	**$ -**	**$ 8,702**	**$ 265**	**$ 94**	**$ 64**	**$ 11,637**
C & I LARGE RETROFIT									
Energy Opportunities	$ 3,091	$ 52	$ 760	$ -	$ 30,670	$ 628	$ 41	$ 318	$ 35,559
Business & Energy Sustainability (O&M, RetroCx, BSC)	$ 528	$ 10	$ 808	$ -	$ 3,426	$ 103	$ 15	$ 25	$ 4,915
PRIME	$ 103	$ 2	$ 25	$ -	$ 458	$ 62	$ 4	$ 12	$ 667
Total - C&I Large Retrofit	**$ 3,722**	**$ 65**	**$ 1,593**	**$ -**	**$ 34,554**	**$ 792**	**$ 60**	**$ 355**	**$ 41,141**
Small Business	$ 1,442	$ 18	$ 136	$ -	$ 12,358	$ 272	$ 34	$ 3,125	$ 17,385
Subtotal C&I	**$ 7,134**	**$ 96**	**$ 2,258**	**$ -**	**$ 55,614**	**$ 1,329**	**$ 188**	**$ 3,544**	**$ 70,164**
OTHER - EDUCATION									
SmartLiving Center® - Museum Partnerships	$ 52	$ 40	$ 464	$ -	$ -	$ 15	$ -	$ -	$ 570
Clean Energy Communities	$ 258	$ 20	$ 947	$ -	$ -	$ 100	$ 20	$ 20	$ 1,364
EE Smarts/K-12 Education	$ 52	$ 5	$ 370	$ -	$ -	$ 50	$ -	$ 3	$ 479
Customer Engagement	$ 52	$ -	$ 1,917	$ -	$ -	$ -	$ -	$ -	$ 1,968
Science Center	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Subtotal Education	**$ 412**	**$ 65**	**$ 3,697**	**$ -**	**$ -**	**$ 165**	**$ 20**	**$ 23**	**$ 4,382**
OTHER - PROGRAMS/REQUIREMENTS									
Institute for Sustainable Energy (ECSU)	$ -	$ -	$ -	$ -	$ -	$ -	$ 397	$ -	$ 397
ESPC Project Manager - Lead By Example	$ -	$ -	$ 96	$ -	$ -	$ -	$ -	$ -	$ 96
Residential Loan Program (includes ECLF and OBR)	$ -	$ -	$ 2,053	$ -	$ -	$ -	$ -	$ -	$ 2,053
C&I Loan Program	$ -	$ -	$ 1,087	$ -	$ -	$ -	$ -	$ -	$ 1,087
C&LM Loan Defaults	$ -	$ -	$ -	$ -	$ -	$ -	$ 125	$ -	$ 125
C&I Self Funding	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,000	$ -	$ 4,000
Subtotal Programs/Requirements	**$ -**	**$ -**	**$ 3,236**	**$ -**	**$ -**	**$ -**	**$ 4,522**	**$ -**	**$ 7,758**
OTHER - LOAD MANAGEMENT									
ISO Load Response Program	$ 257	$ 5	$ 743	$ -	$ 2,823	$ 10	$ -	$ 12	$ 3,850
Subtotal Load Management	**$ 257**	**$ 5**	**$ 743**	**$ -**	**$ 2,823**	**$ 10**	**$ -**	**$ 12**	**$ 3,850**
OTHER - RENEWABLES & RD&D									
Research, Development & Demonstration	$ 155	$ 2	$ 181	$ -	$ -	$ -	$ 100	$ 5	$ 442
Subtotal Renewables & RD&D	**$ 155**	**$ 2**	**$ 181**	**$ -**	**$ -**	**$ -**	**$ 100**	**$ 5**	**$ 442**
OTHER - ADMINISTRATIVE & PLANNING									
Administration	$ 821	$ 4	$ 46	$ -	$ -	$ -	$ 15	$ 21	$ 907
Marketing Plan	$ 340	$ -	$ -	$ -	$ -	$ 385	$ 1	$ 1	$ 727
Planning	$ 596	$ 6	$ 80	$ -	$ -	$ -	$ 10	$ 12	$ 703
Evaluation	$ 196	$ 5	$ 1,979	$ -	$ -	$ -	$ 55	$ 5	$ 2,240
Evaluation Consultant	$ -	$ -	$ 160	$ -	$ -	$ -	$ -	$ -	$ 160
Information Technology	$ -	$ 5	$ 1,213	$ -	$ -	$ -	$ -	$ 120	$ 1,338
Energy Efficiency Board	$ -	$ -	$ 360	$ -	$ -	$ -	$ -	$ -	$ 360
Performance Management Fee	$ -	$ -	$ -	$ -	$ -	$ -	$ 5,904	$ -	$ 5,904
Subtotal Admin/Planning Expenditures	**$ 1,952**	**$ 20**	**$ 3,838**	**$ -**	**$ -**	**$ 385**	**$ 5,985**	**$ 159**	**$ 12,339**
PROGRAM SUBTOTALS									
Residential	$ 4,607	$ 109	$ 10,309	$ -	$ 42,624	$ 3,246	$ 206	$ 216	**$ 61,317**
C&I	$ 7,530	$ 113	$ 4,850	$ -	$ 58,438	$ 1,439	$ 4,317	$ 3,560	**$ 80,248**
Other*	$ 1,767	$ 22	$ 4,019	$ -	$ -	$ -	$ 6,480	$ 163	**$ 12,451**
TOTAL C&LM BUDGET	**$13,905**	**$ 245**	**$ 19,178**	**$ -**	**$ 101,062**	**$ 4,685**	**$ 11,003**	**$ 3,939**	**$ 154,016**

* 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

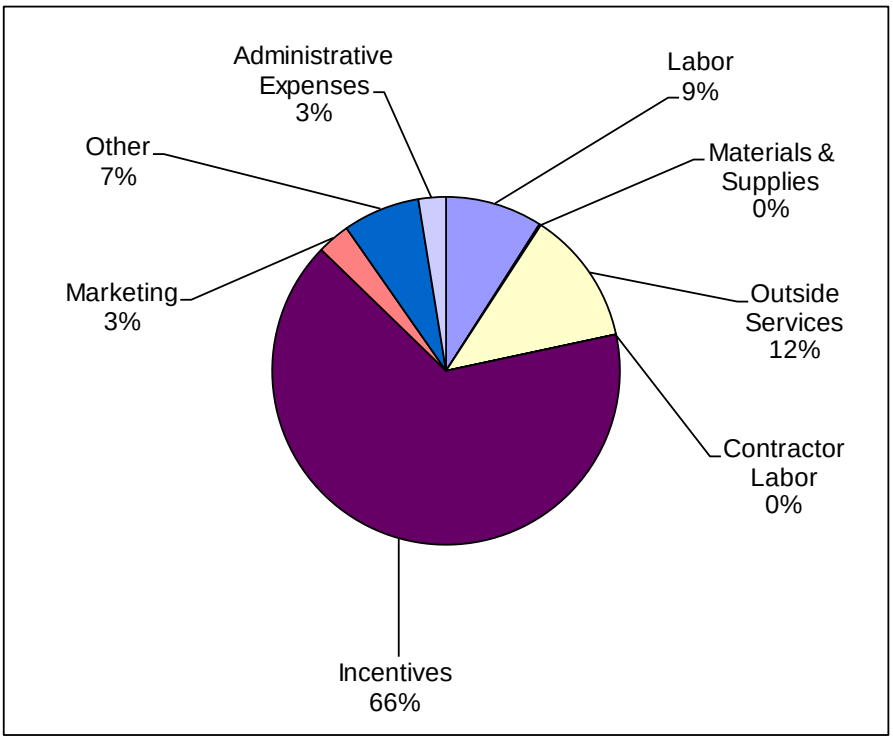
Table C – CL&P 2015 Pie

CL&P

2015 CONSERVATION & LOAD MANAGEMENT

C&LM Budget By Expense Class

Table C Pie Chart



Expense Classes		Budget	% of Budget
Labor	$	13,905	9%
Materials & Supplies	$	245	0%
Outside Services	$	19,178	12%
Contractor Labor	$	-	0%
Incentives	$	101,062	66%
Marketing	$	4,685	3%
Other	$	11,003	7%
Administrative Expenses	$	3,939	3%
Total	$	154,016	100%

Table D

CL&P Historical and Projected $

	Expenditures $														
RESIDENTIAL	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 Actual	2015 Budget
Residential Retail Products	8,178,824	6,955,000	3,154,881	6,001,655	6,440,269	5,626,761	5,961,939	4,903,424	3,223,833	8,764,502	7,782,387	6,859,521	6,509,496	11,561,025	12,368,931
Appliance Retirement	-			1,446,975	2,034,265	1,188,636		268,935							
Appliance Rebate Program										3,615,349	3,502				
Customer Initiated Projects	-			244,933	329,182										
Total - Consumer Products	**8,178,824**	**6,955,000**	**3,154,881**	**7,693,563**	**8,803,716**	**6,815,397**	**5,961,939**	**5,172,359**	**3,223,833**	**12,379,851**	**7,785,889**	**6,859,521**	**6,509,496**	**11,561,025**	**12,368,931**
Residential New Construction	1,951,289	1,646,000	1,115,726	767,514	1,187,496	1,688,185	1,414,189	1,563,639	494,394	1,034,433	1,638,211	1,338,928	1,433,966	1,573,724	2,370,504
Home Energy Solutions (HVAC, Duct Sealing, Lighting)	3,932,896	3,012,000	1,462,685	1,438,871	2,029,289	4,313,563	5,467,875	7,167,887	7,949,519	22,409,603	14,981,521	14,520,592	16,041,653	22,290,930	20,276,439
HES Income Eligible	5,035,856	4,716,000	3,180,815	4,590,734	4,682,547	5,298,638	7,112,363	7,035,693	7,758,362	9,361,764	12,900,111	12,143,928	9,593,140	17,488,762	17,365,620
Residential Behavior													-	2,703,694	2,700,000
Subtotal RESIDENTIAL	**19,098,865**	**16,329,000**	**8,914,107**	**14,490,682**	**16,703,048**	**18,115,783**	**19,956,366**	**20,939,578**	**19,426,108**	**45,185,651**	**37,305,732**	**34,862,969**	**33,578,255**	**55,618,135**	**55,081,494**
COMMERCIAL & INDUSTRIAL															
C&I LOST OPPORTUNITY															
Energy Conscious Blueprint	17,107,120	15,905,000	10,410,843	14,479,658	12,468,319	9,448,615	13,084,740	18,460,585	6,756,126	8,033,028	8,395,733	8,504,845	9,947,173	13,875,080	11,637,117
Total - Lost Opportunity	**17,107,120**	**15,905,000**	**10,410,843**	**14,479,658**	**12,468,319**	**9,448,615**	**13,084,740**	**18,460,585**	**6,756,126**	**8,033,028**	**8,395,733**	**8,504,845**	**9,947,173**	**13,875,080**	**11,637,117**
C&I LARGE RETROFIT															
C&I RFP	6,320,213	4,268,000	2,049,863	4,037,727	9,176,612										
Energy Opportunities	1,188,615	1,052,486	766,397	777,245	1,026,898	9,081,115	22,928,130	29,565,748	10,231,492	17,863,695	23,690,549	18,722,462	20,924,237	29,217,060	35,559,267
Business & Energy Sustainability (O&M, RetroCx, BSC)	2,822,027	617,000	450,905	933,762	1,833,005	1,435,302	1,113,822	1,929,890	1,100,065	1,347,241	2,617,944	1,696,269	1,649,654	2,422,682	4,915,157
PRIME									394,290	476,627	488,962	540,753	478,403	476,451	666,801
Municipal Energy & Schools	4,385,010	3,663,000	2,288,449	6,718,880	4,401,007										
Total - C&I Large Retrofit	**14,715,865**	**9,600,486**	**5,555,614**	**12,467,614**	**16,437,522**	**10,516,417**	**24,041,952**	**31,495,638**	**11,725,847**	**19,687,563**	**26,797,455**	**20,959,484**	**23,052,294**	**32,116,193**	**41,141,225**
Small Business	2,437,151	2,812,000	2,167,157	3,263,609	2,710,538	7,497,147	10,204,353	11,390,772	4,879,517	12,100,944	11,926,131	11,795,666	13,329,552	16,021,475	17,385,278
Subtotal C&I	**34,260,136**	**28,317,486**	**18,133,614**	**30,210,881**	**31,616,379**	**27,462,179**	**47,331,045**	**61,346,995**	**23,361,491**	**39,821,535**	**47,119,319**	**41,259,995**	**46,329,019**	**62,012,749**	**70,163,620**
OTHER -EDUCATION															
SmartLiving Center® - Museum Partnerships	1,050,950	891,000	292,526	61,519	80,760	86,739	207,200	107,047	92,465	131,950	188,881	507,403	274,908	1,157,138	570,486
Science Center					200,000	207,200	67,142	214,403	207,171	-		166,000	150,392	-	-
EE Smarts/K-12 Education	159,303	215,000	249,053	61,542	242,897	159,987	232,784	208,451	197,076	331,133	293,167	439,078	459,334	367,115	479,126
Clean Energy Communities / Behavior Pilot									46,308	960,047	436,205	313,211	729,253	1,045,235	1,364,040
Customer Engagement														1,817,979	1,968,000
Community Based Program (SWCT)	84,377	507,000	73,081	96,251	168,371	201,382	212,080								
Subtotal Education	**1,294,630**	**1,613,000**	**614,660**	**219,312**	**692,028**	**655,308**	**719,206**	**529,901**	**543,021**	**1,423,130**	**918,253**	**1,425,692**	**1,613,887**	**4,387,467**	**4,381,652**
OTHER -PROGRAMS/REQUIREMENTS															
Institute for Sustainable Energy (ECSU)	500,000	1,200,000	950,000	716,000	404,391	242,000	240,000	320,000	400,000	400,000	448,000	448,000	448,000	358,400	396,800
ESPC Project Manager - Lead By Example													38,734	82,586	96,000
Residential Loan Program (includes ECLF and OBR)									18,285	18,569,958	3,097,816	5,924,245	416,865	1,509,746	2,053,121
C&I Loan Program									9,634	204,898	56,800	702,603	147,078	188,838	1,087,227
Other Funding Requests										325,385	-	-	-	-	-
C&I Self Funding														4,019,676	4,000,000
C&LM Loan Defaults	-	-	-	139,710	128,126	71,592	57,267	37,923	105,822	110,056	77,739	93,127	170,077	75,809	125,000
Subtotal Other Programs/Requirements	**500,000**	**1,200,000**	**950,000**	**855,710**	**532,517**	**313,592**	**297,267**	**357,923**	**533,741**	**19,610,297**	**3,680,355**	**7,167,975**	**1,220,754**	**6,235,055**	**7,758,148**
OTHER - LOAD MANAGEMENT															
ISO Load Response Program	1,270,440	1,722,000	2,436,621	140,233	1,411,769	1,241,601	491,060	456,025	102,909	2,864,364	4,955,923	3,740,450	4,128,416	3,632,291	3,850,000
Demand Reduction	-			118,454	62,067	12,663	9,513								
Power Factor	-			33,000	477,007	123,615	144,901	64,128							
Wait Until 8:00	-			209,639	100,000										
Subtotal Load Management	**1,270,440**	**1,722,000**	**2,436,621**	**501,326**	**2,050,843**	**1,377,879**	**645,474**	**520,153**	**102,909**	**2,864,364**	**4,955,923**	**3,740,450**	**4,128,416**	**3,632,291**	**3,850,000**
OTHER - RENEWABLES & RD&D															
Renewables Incentives	-			7,898	3,019										
Research, Development & Demonstration	5,066,146	3,943,000	1,721,585	1,117,495	625,597	(22,769)	131,220	114,559	75,087	102,434	86,259	176,716	198,218	267,317	442,308
Subtotal Renewables & RD&D	**5,066,146**	**3,943,000**	**1,721,585**	**1,125,393**	**628,616**	**(22,769)**	**131,220**	**114,559**	**75,087**	**102,434**	**86,259**	**176,716**	**198,218**	**267,317**	**442,308**
OTHER - ADMINISTRATIVE & PLANNING															
Administration	1,325,247	931,000	2,330,603	852,550	504,237	728,465	663,411	586,204	747,757	835,729	951,467	1,539,439	1,985,104	957,493	907,271
Marketing Plan					284,419	67,020	420,292	3,618	5,804	63,349	17,056	568,324	41,274	599,189	726,667
Planning and Evaluation	1,589,736	1,304,000	812,535	827,799	2,008,477	1,138,717	750,975	1,433,843	1,617,773	2,053,326	908,537	2,860,865	2,724,463	2,301,185	2,943,170
Evaluation Consultant														269,541	160,000
Information Technology	1,070,723	1,278,000	307,548	701,153	811,572	1,812,738	1,656,432	1,636,204	1,268,936	1,810,543	1,764,932	2,244,144	1,934,732	807,911	1,338,112
Energy Efficiency Board	99,128	58,000	247,321	98,984	316,021	255,176	309,122	476,793	368,509	431,860	470,724	493,863	475,046	401,216	360,108
Audit	-				294,459										
Performance Management Fee	4,120,100	3,486,900	2,180,501	3,937,752	3,866,548	4,056,741	4,788,385	3,903,735	2,239,767	5,474,571	3,773,709	6,758,883	6,728,101	7,560,041	5,903,698
Admin/Planning Expenditures	**8,204,934**	**7,057,900**	**5,878,508**	**6,418,238**	**8,085,733**	**8,058,857**	**8,588,617**	**8,040,397**	**6,248,547**	**10,669,378**	**7,886,425**	**14,465,518**	**13,888,720**	**12,896,576**	**12,339,026**
PROGRAM SUB-TOTALS															
Residential	20,166,430	17,662,400	9,455,646	14,888,079	17,632,785	18,725,643	20,914,521	21,408,083	19,922,869	65,011,019	41,210,429	42,470,242	35,411,116	61,190,629	61,317,096
C&I	35,757,641	30,319,086	20,643,356	30,673,832	33,842,058	29,024,118	48,215,129	61,970,085	23,650,206	43,231,922	52,338,209	46,107,163	51,052,490	70,935,857	80,247,685
Other	13,771,080	12,200,900	8,550,093	8,259,631	8,834,321	8,211,068	8,539,545	8,471,338	6,717,830	11,433,848	8,403,628	14,521,910	14,493,665	12,923,104	12,451,467
TOTAL (includes ISO Load Response)	**69,695,151**	**60,182,386**	**38,649,095**	**53,821,542**	**60,309,164**	**55,960,829**	**77,669,195**	**91,849,506**	**50,290,904**	**119,676,789**	**101,952,266**	**103,099,315**	**100,957,271**	**145,049,590**	**154,016,248**
TOTAL (excludes ISO Load Response)	**68,424,711**	**58,460,386**	**36,212,474**	**53,681,309**	**58,897,395**	**54,719,228**	**77,178,135**	**91,393,481**	**50,187,995**	**116,812,425**	**96,996,343**	**99,358,865**	**96,828,854**	**141,417,299**	**150,166,248**

Table D1

CL&P Historical and Projected kW

	Load Savings kW														
RESIDENTIAL	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 Actual	2015 Goal
Residential Retail Products	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	5,710	6,300
Appliance Retirement	na			1,042	1,437	443		235							
Appliance Rebate Program															
Customer Initiated Projects	na			22	37										
Total - Consumer Products	**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**	**5,710**	**6,300**
Residential New Construction	364	818	476	268	1,885	2,225	505	521	256	339	564	574	562	977	768
Home Energy Solutions (HVAC, Duct Sealing, Lighting)	794	1,380	972	2,188	2,856	3,151	2,520	3,261	2,220	5,054	2,521	2,626	2,852	4,061	2,107
HES Income Eligible	611	740	427	652	806	1,110	1,067	1,271	1,172	1,146	996	749	610	1,002	1,020
Residential Behavior														7,473	10,696
Subtotal RESIDENTIAL	**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**	**19,222**	**20,892**
COMMERCIAL & INDUSTRIAL															
C&I LOST OPPORTUNITY															
Energy Conscious Blueprint	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	7,793	4,760
Total - Lost Opportunity	**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**	**7,793**	**4,760**
C&I LARGE RETROFIT															
C&I RFP	6,911	3,025	642	3,260	7,355										
Energy Opportunities	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	10,798	14,111
Business & Energy Sustainability (O&M, RetroCx, BSC)	2,498	548	142	774	2,208	504	432	711	376	531	145	977	789	1,269	2,300
PRIME															
Municipal Energy & Schools	2,947	2,941	1,219	761	1,147										
Total - C&I Large Retrofit	**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**	**12,067**	**16,411**
Small Business	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	3,169	5,109
Subtotal C&I	**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**	**23,029**	**26,279**
OTHER -EDUCATION															
SmartLiving Center® - Museum Partnerships															
Science Center															
EE Smarts/K-12 Education															
Clean Energy Communities / Behavior Pilot															
Customer Engagement															
Community Based Program (SWCT)															
Subtotal Education	**-**														
OTHER -PROGRAMS/REQUIREMENTS															
Institute for Sustainable Energy (ECSU)															
ESPC Project Manager - Lead By Example															
Residential Loan Program (includes ECLF and OBR)															
C&I Loan Program															
Other Funding Requests															
C&I Self Funding															
C&LM Loan Defaults															
Subtotal Other Programs/Requirements	**-**														
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	88,627	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**	**88,627**	**95,000**
OTHER - RENEWABLES & RD&D															
Renewables Incentives	-														
Research, Development & Demonstration															
Subtotal Renewables & RD&D	**-**														
OTHER - ADMINISTRATIVE & PLANNING															
Administration															
Marketing Plan															
Planning and Evaluation															
Evaluation Consultant															
Information Technology															
Energy Efficiency Board															
Audit															
Performance Management Fee															
Admin/Planning Expenditures	**-**														
PROGRAM SUB-TOTALS															
Residential	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	19,222	20,892
C&I	32,675	28,642	62,420	61,983	102,461	60,819	57,650	50,477	30,008	136,939	110,242	114,446	113,741	111,656	121,279
Other	-														
TOTAL (includes ISO Load Response)	**39,064**	**35,829**	**65,899**	**72,555**	**114,314**	**72,908**	**67,420**	**62,022**	**37,679**	**158,067**	**126,101**	**124,750**	**123,363**	**130,878**	**142,171**
TOTAL (excludes ISO Load Response)	**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**	**42,251**	**47,171**

Table D2

CL&P Historical and Projected Annual kWh

	Annual Savings kWh (000's)														
RESIDENTIAL	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 Actual	2015 Goal
Residential Retail Products	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	64,213	51,420
Appliance Retirement	-			4,577	7,653	3,197		138							
Customer Initiated Projects	-			284	476										
Total - Consumer Products	**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**	**64,213**	**51,420**
Residential New Construction	1,159	1,653	1,052	547	2,551	3,449	1,510	1,536	845	1,581	2,581	1,625	1,896	2,828	2,255
Home Energy Solutions (HVAC, Duct Sealing, Lighting)	7,233	5,353	576	1,343	1,862	5,324	7,868	9,367	6,595	22,724	16,190	15,494	16,559	24,010	17,760
HES Income Eligible	7,491	8,642	4,971	8,554	8,757	9,604	11,163	12,495	12,135	12,538	18,173	11,099	8,187	11,137	13,087
Residential Behavior														28,928	44,935
Subtotal RESIDENTIAL	**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**	**131,116**	**129,457**
COMMERCIAL & INDUSTRIAL															
C&I LOST OPPORTUNITY															
Energy Conscious Blueprint	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	43,422	27,423
Total - Lost Opportunity	**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**	**43,422**	**27,423**
C&I LARGE RETROFIT															
C&I RFP	40,444	18,394	3,447	20,606	45,530										
Energy Opportunities	6,981	9,821	5,785	5,832	11,656	94,067	103,936	94,799	48,645	62,208	62,521	73,331	56,899	82,319	95,489
Business & Energy Sustainability (O&M, RetroCx, BSC)	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	11,141	23,705
PRIME									1,233	2,147	3,364	2,344	1,948	1,671	2,776
Municipal Energy & Schools	14,574	11,380	6,220	4,120	15,658										
Total - C&I Large Retrofit	**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**	**95,132**	**121,971**
Small Business	11,639	11,798	13,109	19,269	13,428	32,492	37,334	37,254	23,250	30,392	29,681	28,943	26,801	32,546	38,285
Subtotal C&I	**164,581**	**127,375**	**71,494**	**133,527**	**155,525**	**178,785**	**188,875**	**191,258**	**99,470**	**120,071**	**120,344**	**149,728**	**128,713**	**171,100**	**187,679**
OTHER -EDUCATION															
SmartLiving Center® - Museum Partnerships															
Science Center															
EE Smarts/K-12 Education															
Clean Energy Communities / Behavior Pilot															
Customer Engagement															
Community Based Program (SWCT)															
Subtotal Education	**-**														
OTHER -PROGRAMS/REQUIREMENTS															
Institute for Sustainable Energy (ECSU)															
ESPC Project Manager - Lead By Example															
Residential Loan Program (includes ECLF and OBR)															
C&I Loan Program															
Other Funding Requests															
C&I Self Funding															
C&LM Loan Defaults															
Subtotal Other Programs/Requirements	**-**														
OTHER - LOAD MANAGEMENT															
ISO Load Response Program	-		670												
Demand Reduction	-			962	130	2									
Power Factor	-														
Wait Until 8:00	-														
Subtotal Load Management	**-**		**670**	**962**	**130**	**2**									
OTHER - RENEWABLES & RD&D															
Renewables Incentives	-														
Research, Development & Demonstration															
Subtotal Renewables & RD&D	**-**														
OTHER - ADMINISTRATIVE & PLANNING															
Administration															
Marketing Plan															
Planning and Evaluation															
Evaluation Consultant															
Information Technology															
Energy Efficiency Board															
Audit															
Performance Management Fee															
Admin/Planning Expenditures	**-**														
PROGRAM SUB-TOTALS															
Residential	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	131,116	129,457
C&I	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	171,100	187,679
Other	-														
TOTAL (includes ISO Load Response)	**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**	**302,216**	**317,136**
TOTAL (excludes ISO Load Response)	**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**	**302,216**	**317,136**

Table D3

CL&P Historical and Projected Lifetime kWh

	Lifetime Savings kWh (000's)														
RESIDENTIAL	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 Actual	2015 Goal
Residential Retail Products	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	565,647	524,925
Appliance Retirement	-			22,377	37,789	15,977		925							
Customer Initiated Projects	-			4,713	8,040										
Total - Consumer Products	**730,727**	**523,456**	**138,487**	**680,266**	**499,643**	**511,328**	**515,108**	**543,004**	**240,352**	**730,452**	**530,264**	**369,780**	**398,800**	**565,647**	**524,925**
Residential New Construction	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	43,056	44,262
Home Energy Solutions (HVAC, Duct Sealing, Lighting)	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	284,193	182,675
HES Income Eligible	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	150,565	142,828
Residential Behavior														57,856	89,870
Subtotal RESIDENTIAL	**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**	**1,101,316**	**984,560**
COMMERCIAL & INDUSTRIAL															
C&I LOST OPPORTUNITY															
Energy Conscious Blueprint	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	667,358	417,476
Total - Lost Opportunity	**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**	**667,358**	**417,476**
C&I LARGE RETROFIT															
C&I RFP	670,581	310,940	60,381	362,541	811,018										
Energy Opportunities	109,947	123,330	96,507	99,608	156,284	1,664,677	1,466,673	1,227,472	587,275	769,087	750,126	863,093	672,470	953,547	1,128,766
Business & Energy Sustainability (O&M, RetroCx, BSC)	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	83,564	151,575
PRIME									6,166	10,734	16,819	11,711	9,739	8,355	13,880
Municipal Energy & Schools	190,368	175,864	98,804	69,386	269,524										
Total - C&I Large Retrofit	**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**	**1,045,466**	**1,294,222**
Small Business	188,619	192,412	221,042	328,965	233,226	561,280	468,516	457,376	275,112	376,215	368,832	353,696	325,004	396,812	475,337
Subtotal C&I	**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**	**2,109,636**	**2,187,036**
OTHER -EDUCATION															
SmartLiving Center® - Museum Partnerships															
Science Center															
EE Smarts/K-12 Education															
Clean Energy Communities / Behavior Pilot															
Customer Engagement															
Community Based Program (SWCT)															
Subtotal Education	**-**														
OTHER -PROGRAMS/REQUIREMENTS															
Institute for Sustainable Energy (ECSU)															
ESPC Project Manager - Lead By Example															
Residential Loan Program (includes ECLF and OBR)															
C&I Loan Program															
Other Funding Requests															
C&I Self Funding															
C&LM Loan Defaults															
Subtotal Other Programs/Requirements	**-**														
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**									
OTHER - RENEWABLES & RD&D															
Renewables Incentives	-														
Research, Development & Demonstration															
Subtotal Renewables & RD&D	**-**														
OTHER - ADMINISTRATIVE & PLANNING															
Administration															
Marketing Plan															
Planning and Evaluation															
Evaluation Consultant															
Information Technology															
Energy Efficiency Board															
Audit															
Performance Management Fee															
Admin/Planning Expenditures	**-**														
PROGRAM SUB-TOTALS															
Residential	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	1,101,316	984,560
C&I	2,660,560	2,071,690	1,235,245	2,253,537	2,597,165	3,101,267	2,686,188	2,536,648	1,279,730	1,518,795	1,492,037	1,831,690	1,640,549	2,109,636	2,187,036
Other	-														
TOTAL (includes ISO Load Response)	**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**	**2,397,877**	**2,536,323**	**2,355,406**	**3,210,953**	**3,171,596**
TOTAL (excludes ISO Load Response)	**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**	**2,397,877**	**2,536,323**	**2,355,406**	**3,210,953**	**3,171,596**

Table D4
CL&P Historical and Projected Units

	Units														
RESIDENTIAL	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 Actual	2015 Budget
Residential Retail Products	448,880	369,090	112,417	1,795,372	1,444,142	1,980,791	2,409,313	2,368,034	1,606,793	4,046,226	3,384,219	2,322,287	2,176,584	2,910,409	2,211,792
Appliance Retirement	-			10,191	14,682	7,656	207	3,013	617	1,232	633				
Appliance Rebate Program		26,000	13,156	26,134	20,514	17,597	11,003	1,536				-			
Customer Initiated Projects	-			2	6	3									
Total - Consumer Products	**448,880**	**395,090**	**125,573**	**1,831,699**	**1,479,344**	**2,006,047**	**2,420,523**	**2,372,583**	**1,607,410**	**4,047,458**	**3,384,852**	**2,322,287**	**2,176,584**	**2,910,409**	**2,211,792**
Residential New Construction	416	698	738	718	992	1,289	690	638	537	604	706	870	770	1,486	1,598
Home Energy Solution (HES)															
HES Furnace											15	36	104	54	1,244
HES Heat Pump Water Heater	1,590	795									93	175	378	541	1,179
HES Insulation Rebate									99	1,058	1,034	1,180	1,840	3,592	2,245
HES Window Rebate											91	132	2,231	4,166	117
HES Appliance Retirement													165	278	177
HESHVAC											143	301	303	169	434
Home Energy Solutions (Duct Sealing, Lighting)	2,307	1,879	657			3,229	4,899	6,634	7,450	21,940	15,586	17,856	14,080	16,906	12,733
Residential HVAC	539	2,366	1,647	2,677	3,700	8,008	2,124	3,170	3,718	6,270	3,565	2,803	3,357	8,027	5,827
Energy Conservation Loan Program (ECLP)	202	139	58	192	173	250	245	235	373	272	236	169			
Total - Home Energy Solution (HES)	**4,638**	**5,179**	**2,362**	**2,869**	**3,873**	**11,487**	**7,268**	**10,039**	**11,640**	**29,540**	**20,763**	**22,652**	**22,458**	**33,733**	**23,956**
HES Income Eligible	6,736	6,022	3,683	8,765	9,818	10,481	11,244	8,521	10,282	10,797	14,609	8,424	7,824	14,711	15,852
Home Energy Reports															
Residential Behavior														339,218	330,000
Subtotal RESIDENTIAL	**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**	**3,299,557**	**2,583,198**
COMMERCIAL & INDUSTRIAL															
C&I LOST OPPORTUNITY															
Energy Conscious Blueprint	251	255	481	488	543	695	603	689	390	509	446	484	436	561	629
Total - Lost Opportunity	**251**	**255**	**481**	**488**	**543**	**695**	**603**	**689**	**390**	**509**	**446**	**484**	**436**	**561**	**629**
C&I LARGE RETROFIT															
C&I RFP	48	27	33	37	194	64									
Energy Opportunities	1,079	969	189	375	879	488	637	577	672	886	942	859	762	789	1,642
Business & Energy Sustainability (O&M, RetroCx, BSC)	111	54	14	18	30	26	18	64	22	20	17	38	23	55	255
PRIME									50	88	62	99	76	65	101
Municipal Energy & Schools	79	61	32	150	396	5									
Total - C&I Large Retrofit	**1,317**	**1,111**	**268**	**580**	**1,499**	**583**	**655**	**641**	**744**	**994**	**1,021**	**996**	**861**	**909**	**1,997**
Small Business	419	496	505	603	523	955	1,397	1,138	785	1,546	1,504	1,519	1,277	1,571	2,372
Subtotal C&I	**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**	**3,041**	**4,998**
OTHER -EDUCATION															
SmartLiving Center® - Museum Partnerships															
Science Center															
EE Smarts / K-12 Education															
EE Communities / Behavior Pilot															
Customer Engagement															
Community Based Program (SWCT)															
Subtotal Education	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OTHER -PROGRAMS/REQUIREMENTS															
Institute for Sustainable Energy (ECSU)															
ESPC Project Manager - Lead By Example															
Residential Loan Program (Includes ECLF and OBR)															
C&I Loan Program															
Other Funding Requests															
C&I Self Funding															
C&LM Loan Defaults	-	-	-												
Subtotal Other Programs/Requirements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OTHER - LOAD MANAGEMENT															
ISO Load Response Program			42	50					38	416	311	263	225	220	220
Demand Reduction	-														
Power Factor	-			1	26	9	10	1							
Wait Until 8:00	-														
Subtotal Load Management	-	-	**42**	**51**	**26**	**9**	**10**	**1**	**38**	**416**	**311**	**263**	**225**	**220**	**220**
OTHER - RENEWABLES & RD&D															
Renewables Incentives	-														
Research, Development & Demonstration															
Subtotal Renewables & RD&D	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OTHER - ADMINISTRATIVE & PLANNING															
Administration															
Marketing Plan															
Planning and Evaluation															
Evaluation Consultant															
Information Technology															
Energy Efficiency Board															
Audit															
Performance Management Fee															
Admin/Planning Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PROGRAM SUB-TOTALS															
Residential	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	3,299,557	2,583,198
C&I	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	3,041	4,998
Other	-	-	42	51	26	9	10	1	38	416	311	263	225	220	220
TOTAL (includes ISO Load Response)	**462,657**	**408,851**	**133,652**	**1,845,773**	**1,496,618**	**2,031,546**	**2,442,390**	**2,394,250**	**1,631,826**	**4,091,864**	**3,424,212**	**2,357,495**	**2,210,435**	**3,302,818**	**2,588,416**
TOTAL (excludes ISO Load Response)	**462,657**	**408,851**	**133,610**	**1,845,723**	**1,496,618**	**2,031,546**	**2,442,390**	**2,394,250**	**1,631,788**	**4,091,448**	**3,423,901**	**2,357,232**	**2,210,210**	**3,302,598**	**2,588,196**

THE CONNECTICUT LIGHT AND POWER COMPANY

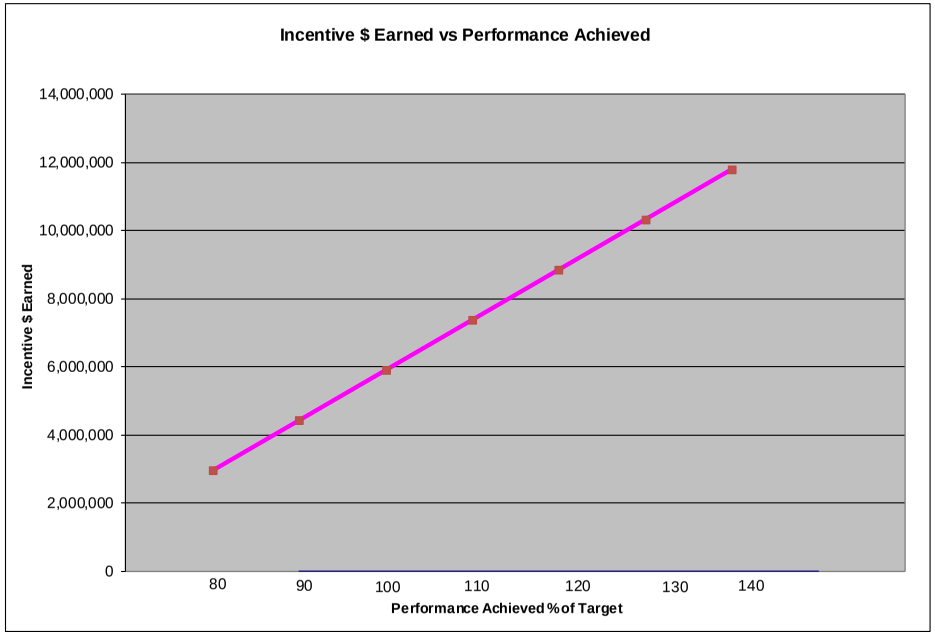
2015 Management Incentive Performance Indicators and Incentive Matrix

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 **$5,903,698** and is based on achieving **100%** of all performance targets and earning an incentive of **4%** of the total C&LM program budget of **$147,592,442** 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-

Performance % Minimum	Pretax Incentive	Pre-tax Incentive
80	2%	$2,951,849
90	3%	$4,427,773
100	**4%**	**$5,903,698**
110	5%	$7,379,622
120	6%	$8,855,547
130	7%	$10,331,471
140	8%	$11,807,395
Maximum		
Incentive Basis Budget	$147,592,442	

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 – Residential

SECTOR Program		Performance Indicators					Incentive Metrics: Incentive Metric	Incentive Metrics: Target Goal	Incentive Metrics: Weight	Incentive Metrics: Incentive
RESIDENTIAL		**Program Name**	**LT-kWh**		**kW**	**% (1)**				
Residential Programs (Sector Level) Sector Budget	**$55,081**	Retail Products	524,925,042		6,300	49.8%	Sum of Electric System Benefit from Residential programs	Electric System Benefit from Residential programs **$94,736**	0.1950	**$1,151,221**
		New Construction	44,261,883		768	4.4%				
		HES	182,675,446		2,107	17.3%				
		HES Income Eligible	142,828,309		1,020	13.0%				
		Residential Behavior	89,869,500		10,696	15.5%				
		Total	984,560,181		20,892					
		Savings Rate	$ 0.08157	/ kWh	$ 690.31	/ kW				
		Savings (000)	$ 80,314		$ 14,422					
		(1) percent of target goal								
Net Electric System Benefit - Res.		Electric System Benefit less Program Costs				$39,655		**$39,655**	0.1950	**$1,151,221**
Home Energy Solutions	**$20,276**	Electric Savings LTkWh :			182,675,446		Energy Savings included in appropriate sector level metric			
		Demand Savings kw :			2,107					
		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.					Increase HES savings Per Home	Achieve 8% average increase in HES per participant savings across all fuels	0.0200	**$118,074**
		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.					Increase HES savings Per Home	Achieve 8% average increase in HES per participant savings across all fuels	0.0100	**$59,037**
		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 - 2015. (24% was achieved in 2014)					% of homes with Add-Ons	26% or greater of the homes with add-on measures	0.0200	**$118,074**

CL&P Performance Incentive 2015 – Residential (cont.)

SECTOR Program		Performance Indicators	Incentive Metrics: Incentive Metric	Target Goal	Weight	Incentive
RESIDENTIAL						
Residential New Construction	**$2,371**	Electric Savings LTkWh : 44,261,883 Demand Savings kw : 768	Energy Savings included in appropriate sector level metric			
HES Income Eligible	**$17,366**	Electric Savings LTkWh : 142,828,309 Demand Savings kW : 1,020 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%. HES-IE - Annual MMBTU for electric, oil and propane measures	Energy savings included in appropriate sector level metric Expend 2015 HES-IE Budget Annual MMBTU	This is a penalty metric - 5% CL&P- 78,323 Annual MMBTU savings	0.0200	**$118,074**
Retail Products	**$12,369**	Electric Savings LTkWh : 524,925,042 Demand Savings kW : 6,300 Retail Products -Number of LED Products	Energy savings included in appropriate sector level metric Number of LED Products	Number of LED Products (CL&P- 1,124,973)	0.020	**$118,074**

CL&P Performance Incentive 2015 – Commercial & Industrial

SECTOR Program		Performance Indicators				Incentive Metrics: Incentive Metric	Target Goal	Weight	Incentive
COMMERCIAL & INDUSTRIAL (C&I)									
		Program Name	**LT-kWh**	**kW**	**% (1)**				
C&I Programs (Sector Level) Sector Budget	**$70,164**	Energy Conscious Blueprint	417,476,320	4,760	18.9%	Total Electric System Benefit from C&I programs	Electric System Benefit from C&I programs **$221,806**	0.2100	**$1,239,777**
		Energy Opportunities	1,128,766,476	14,111	52.0%				
		Business & Energy Sustainability (O&M, RetroCx, BSC)	151,575,298	2,300	7.2%				
		PRIME	13,880,491	-	0.5%				
		Small Business	475,337,430	5,109	21.3%				
		Total	2,187,036,015	26,279					
		Savings Rate	$ 0.08437 / kWh	$ 1,418.99 / kW					
		Savings (000)	$ 184,516	$ 37,290					
		(1) percent of target goal							
Net Electric System Benefit- C&I		Electric System Benefit less Program Costs			$151,642		**$151,642**	0.2100	**$1,239,777**
Energy Opportunities	**$35,559**	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 2. No 1 single End-Use can have more than 85% of the energy savings value of the total annual energy savings					**25%** of the signed projects	0.0200	**$118,074**
Energy Conscious Blueprint	**$11,637**	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 Net Zero Energy project shall include renewable energy technologies such as, but not limited to, Solar PV, Solar Thermal, Fuel Cells, CHP, and Wind					**50%** of signed projects	0.0200	**$118,074**

CL&P Performance Incentive 2015 – Commercial & Industrial (cont.)

SECTOR Program		Performance Indicators	Incentive Metrics			
			Incentive Metric	Target Goal	Weight	Incentive
COMMERCIAL & INDUSTRIAL (C&I)						
Small Business	**$17,385**	Electric Saving LTkWh : 475,337,430 Demand Saving kW : 5,109 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, Estar Natural Gas or Electric Dishwashers	Energy savings included in appropriate sector level metric	**20%** of the signed projects	0.0200	**$118,074**
Manufacturing/ Segmentation		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 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 are from the Manufacturing Sector	0.0200	**$118,074**
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		**100** Customers	0.0200	**$118,074**
Total of Incentives					**1.00000**	**$5,903,698**

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The United Illuminating Company (UI) 2015 Budget Tables

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Table A - UI 2014-2016 Budget

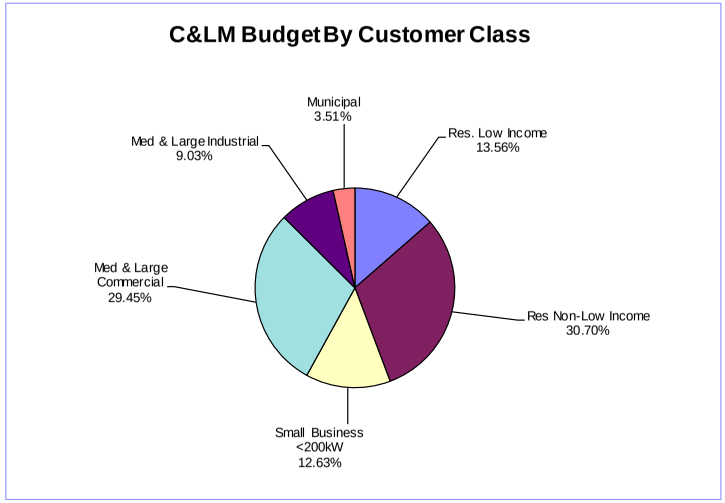
Table A
UI 2015 Update

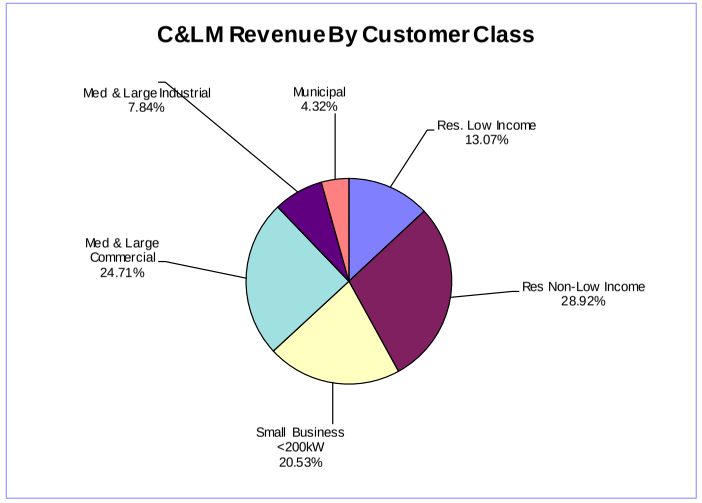
UI C&LM BUDGET	2014 UI ACTUAL EXPENDITURES	2015 UI EEB APPROVED BUDGET 12/10/2014	2015 UI MARCH 2015 BUDGET UPDATE
RESIDENTIAL			
Residential Retail Products	3,908,097	3,039,283	3,014,546
Total - Consumer Products	**$ 3,908,097**	**$ 3,039,283**	**$ 3,014,546**
Residential New Construction	$ 257,332	$ 300,000	$ 300,000
Home Energy Solutions (HES)	$ 4,591,451	$ 3,544,026	$ 3,536,654
HES Income Eligible	$ 3,896,850	$ 3,218,122	$ 3,216,123
Residential Behavior	$ 136,986	$ 584,199	$ 584,199
Subtotal RESIDENTIAL	**$ 12,790,716**	**$ 10,685,630**	**$ 10,651,522**
COMMERCIAL & INDUSTRIAL			
C&I LOST OPPORTUNITY			
Energy Conscious Blueprint	$ 3,960,785	$ 3,866,068	$ 3,834,602
Total - Lost Opportunity	**$ 3,960,785**	**$ 3,866,068**	**$ 3,834,602**
C&I LARGE RETROFIT			
Energy Opportunities	$ 7,260,596	$ 5,991,491	$ 5,954,598
O&M (Services, RetroCx, BSC)	$ 580,645	$ 1,587,944	$ 1,575,020
PRIME	$ 71,923	$ 200,000	$ 200,000
Total - C&I Large Retrofit	**$ 7,913,164**	**$ 7,779,435**	**$ 7,729,619**
Small Business	$ 2,552,819	$ 3,916,156	$ 3,908,475
Subtotal C&I	**$ 14,426,768**	**$ 15,561,659**	**$ 15,472,696**
OTHER - EDUCATION			
SmartLiving Center®/Science Center	$ 1,095,005	$ 413,514	$ 413,514
Clean Energy Communities	$ 360,090	$ 355,960	$ 355,960
K - 12 Education	$ 303,862	$ 320,874	$ 320,874
Customer Engagement	$ -	$ 120,000	$ 120,000
Subtotal Education	**$ 1,758,957**	**$ 1,210,348**	**$ 1,210,348**
OTHER - PROGRAMS/REQUIREMENTS			
Institute for Sustainable Energy (ECSU)	$ 89,600	$ 89,600	$ 99,200
Residential Loan Program (Includes ECLF and OBR*)	$ 919,546	$ 382,560	$ 382,560
C&I Loan Program	$ 15,549	$ 43,123	$ 43,123
C&LM Loan Defaults	$ -	$ 31,111	$ 31,111
C&I Self-Funding	$ 1,000,000	$ -	$ -
Subtotal Programs/Requirements	**$ 2,024,695**	**$ 546,394**	**$ 555,994**
OTHER - RENEWABLES & RD&D			
Research, Development & Demonstration	$ 59,331	$ 132,692	$ 132,692
Subtotal Renewables & RD&D	**$ 59,331**	**$ 132,692**	**$ 132,692**
OTHER - ADMINISTRATIVE & PLANNING			
Administration	$ 648,252	$ 540,241	$ 540,241
ESPCP Program Manager	$ 17,389	$ 19,200	$ 19,200
Planning	$ 314,263	$ 256,830	$ 256,830
Evaluation Studies	$ 486,143	$ 602,944	$ 560,000
Evaluation Consultant	$ 46,070	$ 58,320	$ 40,000
Information Technology	$ 191,683	$ 261,888	$ 261,888
EEB	$ 286,706	$ 272,072	$ 240,072
Performance Management Fee	$ 1,743,052	$ 1,219,073	$ 1,212,816
Marketing Plan	$ 247,327	$ 659,000	$ 659,000
Admin/Planning Expenditures	**$ 3,980,885**	**$ 3,889,568**	**$ 3,790,047**
PROGRAM SUB-TOTALS			
Residential	$ 15,376,062	$ 12,627,843	$ 12,593,735
C&I	$ 15,782,801	$ 15,945,588	$ 15,856,625
Other*	$ 3,882,489	$ 3,452,860	$ 3,362,939
TOTAL C&LM BUDGET	**$ 35,041,352**	**$ 32,026,291**	**$ 31,813,299**

Totals may vary due to rounding

*Residential Loan Program budget includes $50,000 for administrative costs to service Green Bank's On Bill Repayment (OBR)

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	$	3,859,278	12.13%	13.56%	13.07%	0.49%
Res Non-Low Income	$	8,734,457	27.46%	30.70%	28.92%	1.78%
Residential Sub-total	$	12,593,735	39.59%	44.27%	41.99%	2.28%
Small Business <200kW	$	3,908,475	12.29%	13.74%	21.14%	-7.40%
Med & Large Commercial	$	8,378,402	26.34%	29.45%	24.71%	4.74%
Med & Large Industrial	$	2,569,748	8.08%	9.03%	7.84%	1.19%
Municipal	$	1,000,000	3.14%	3.51%	4.32%	-0.81%
C & I Sub-total	$	15,856,625	49.84%	55.73%	58.01%	-2.28%
Sub-total for Residential and C&I	$	28,450,360	89.43%	100.00%	100.00%	0.00%
Other Expenditures	$	3,362,939	10.57%			
Other Expenditures Sub-total	$	3,362,939	10.57%			
GRAND TOTAL *	**$**	**31,813,299**	**100%**			

Totals may vary due to rounding

Table B1 – 2015 UI Comparison of Program Energy Savings

THE UNITED ILLUMINATING COMPANY

2015 CONSERVATION & LOAD MANAGEMENT

COMPARISON OF UI CONSERVATION PROGRAMS

INCLUDES DRIPE AND CO [2]

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	$ 3,014,546	$ 3,014,546	$ 2,343,628	$ 5,358,174	$ 11,606,788	$ 19,884,350	3.85	3.71	599,733	Bulbs, Fixtures	13,507,541	127,160,929	1,639.6
TOTAL - CONSUMER PRODUCTS	**$ 3,014,546**	**$ 3,014,546**	**$ 2,343,628**	**$ 5,358,174**	**$ 11,606,788**	**$ 19,884,350**	**3.85**	**3.71**			**13,507,541**	**127,160,929**	**1,639.6**
Residential New Construction	$ 300,000	$ 300,000	$ 242,433	$ 542,433	$ 769,643	$ 1,031,124	2.57	1.90	182	No. of Units	403,969	5,578,387	149.0
* Home Energy Solutions	$ 3,536,654	$ 2,331,029	$ 1,488,421	$ 5,025,075	$ 9,411,494	$ 11,245,927	2.66	2.24	4,568	No. of Ptcps.	3,266,739	35,776,257	559.2
HES Income Eligible	$ 3,216,123	$ 1,900,987	$ 590,432	$ 3,806,554	$ 8,108,475	$ 9,233,649	2.52	2.43	3,048	Customers	2,207,242	22,244,696	216.3
Residential Behavior	$ 584,199	$ 584,199	$ 164,628	$ 748,827	$ 1,164,753	$ 1,863,819	1.99	2.49	27,500	Customers	2,930,000	10,287,500	1,233.2
SUB-TOTAL RESIDENTIAL	**$ 10,651,522**	**$ 8,130,761**	**$ 4,829,542**	**$ 15,481,064**	**$ 31,061,154**	**$ 43,258,870**	**2.92**	**2.79**			**22,315,492**	**201,047,770**	**3,797.3**
Energy Conscious Blueprint (a)	$ 3,834,602	$ 3,834,602	$ 5,495,105	$ 9,329,707	$ 16,099,630	$ 21,244,131	4.20	2.28	178	Projects	10,748,519	161,361,542	1,743.8
TOTAL - LOST OPPORTUNITY	**$ 3,834,602**	**$ 3,834,602**	**$ 5,495,105**	**$ 9,329,707**	**$ 16,099,630**	**$ 21,244,131**	**4.20**	**2.28**	178		**10,748,519**	**161,361,542**	**1,743.8**
Energy Opportunities	$ 5,954,598	$ 5,954,598	$ 7,484,830	$ 13,439,429	$ 18,814,605	$ 24,726,879	3.16	1.84	77	Projects	16,224,222	181,851,974	2,333.5
O&M													
Services (BSC, Training, RetroX)	$ 1,575,020	$ 1,575,020	$ 1,227,702	$ 2,802,722	$ 5,973,988	$ 8,397,569	3.79	3.00	239	Projects	8,217,271	61,392,793	950.9
PRIME	$ 200,000	$ 200,000	$ -	$ 200,000	$ 399,232	$ 578,111	2.00	2.89	40	Projects	800,000	4,000,000	-
TOTAL - C&I LARGE RETROFIT	**$ 7,729,619**	**$ 7,729,619**	**$ 8,712,532**	**$ 16,442,151**	**$ 25,187,826**	**$ 33,702,558**	**3.26**	**2.05**	356		**25,241,493**	**247,244,767**	**3,284.4**
Small Business	$ 3,908,475	$ 3,908,475	$ 5,122,031	$ 9,030,507	$ 11,309,428	$ 14,783,998	2.89	1.64	413	Projects	8,658,515	110,827,703	1,444.2
SUB-TOTAL C&I	**$ 15,472,696**	**$ 15,472,696**	**$ 19,329,668**	**$ 34,802,364**	**$ 52,596,884**	**$ 69,730,687**	**3.40**	**2.00**	**947**	**Projects**	**44,648,527**	**519,434,012**	**6,472.4**
SmartLiving Center®	$ 413,514	$ 413,514							15,000	Customers			
Clean Energy Communities	$ 355,960	$ 355,960											
K-12 Education	$ 320,874	$ 320,874							2,000	Curriculum			
Customer Engagement	$ 120,000	$ 120,000											
SUB-TOTAL EDUCATION	**$ 1,210,348**	**$ 1,210,348**											
Institute for Sustainable Energy (ECSU)	$ 99,200	$ 99,200											
Residential Loan Program (Includes ECLF and OBR)	$ 382,560	$ 382,560											
C&I Financing	$ 43,123	$ 43,123											
C&LM Loan Defaults	$ 31,111	$ 31,111											
SUB-TOTAL PROGRAMS/REQUIREMENTS	**$ 555,994**	**$ 555,994**											
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	$ 560,000	$ 560,000											
Evaluation Consultant	$ 40,000	$ 40,000											
Information Technology	$ 261,888	$ 261,888											
EEB	$ 240,072	$ 240,072											
2015 Performance Management Fee	$ 1,212,816	$ 1,212,816											
Marketing Plan	$ 659,000	$ 659,000											
SUB-TOTAL ADMIN & PLANNING	**$ 3,790,047**	**$ 3,790,047**											
PROGRAM SUB-TOTALS													
RESIDENTIAL	**$ 12,593,735**	**$ 10,072,974**	**$ 4,829,542**	**$ 15,481,064**	**$ 31,061,154**	**$ 43,258,870**	**2.47**	**2.79**			**22,315,492**	**201,047,770**	**3,797.3**
COMMERCIAL & INDUSTRIAL	**$ 15,856,625**	**$ 15,856,625**	**$ 19,329,668**	**$ 34,802,364**	**$ 52,596,884**	**$ 69,730,687**	**3.32**	**2.00**			**44,648,527**	**519,434,012**	**6,472.4**
OTHER **	**$ 3,362,939**	**$ 3,362,939**	**$ -**	**$ -**	**$ -**	**$ -**							**-**
TOTAL C&LM BUDGET Note 2	**$ 31,813,299**	**$ 29,292,538**	**$ 24,159,210**	**$ 50,283,428**	**$ 83,658,038**	**$ 112,989,558**	**2.63**	**2.25**			**66,964,018**	**720,481,782**	**10,269.7**

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

Table B1 – 2015 UI Comparison of Program Energy Savings (cont.)

THE UNITED ILLUMINATING COMPANY

2015 CONSERVATION & LOAD MANAGEMENT

COMPARISON OF UI CONSERVATION PROGRAMS

INCLUDES DRIPE AND CO [2]

TABLE B

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	$ 1,839	$ 195	$ 0.2232	$ 0.024	-	-	-	-	46,101	434,000	$ 65.4	$ 6.95
TOTAL - CONSUMER PRODUCTS	**$ 1,839**	**$ 195**	**$ 0.2232**	**$ 0.024**	**-**	**-**	**-**	**-**	**46,101**	**434,000**	**$ 65.4**	**$ 6.95**
Residential New Construction	$ 2,013	$ 146	$ 0.7426	$ 0.054	-	-	2,078	52,040	1,569	23,792	$ 191.3	$ 12.61
* Home Energy Solutions	$ 4,168	$ 381	$ 0.7136	$ 0.065	130,832	2,297,246	5,599	104,448	29,806	450,249	$ 118.7	$ 7.85
HES Income Eligible	$ 8,788	$ 872	$ 0.8612	$ 0.085	133,435	2,486,036	2,546	52,762	26,272	425,528	$ 122.4	$ 7.56
Residential Behavior	$ 474	$ 135	$ 0.1994	$ 0.073	264,266	4,783,282	10,223	209,250	47,585	717,615	$ 12.3	$ 1.04
SUB-TOTAL RESIDENTIAL	**$ 2,141**	**$ 238**	**$ 0.3644**	**$ 0.040**	**528,533**	**9,566,564**	**20,445**	**418,500**	**151,332**	**2,051,184**	**$ 70.4**	**$ 5.19**
Energy Conscious Blueprint (a)	$ 2,199	$ 146	$ 0.3568	$ 0.024					36,685	550,727	$ 104.5	$ 6.96
TOTAL - LOST OPPORTUNITY	**$ 2,199**	**$ 146**	**$ 0.3568**	**$ 0.024**	**-**	**-**	**-**	**-**	**36,685**	**550,727**	**$ 104.5**	**$ 6.96**
Energy Opportunities	$ 2,552	$ 228	$ 0.3670	$ 0.033	-	-	-	-	55,373	620,661	$ 107.5	$ 9.59
O&M												
Services (BSC, Training, RetroX)	$ 1,656	$ 222	$ 0.1917	$ 0.026	-	-			28,046	209,534	$ 56.2	$ 7.52
PRIME	$ -	$ -	$ 0.2500	$ 0.050	-	-			2,730	13,652	$ 73.2	$ 14.65
TOTAL - C&I LARGE RETROFIT	**$ 2,353**	**$ 240**	**$ 0.3062**	**$ 0.031**	**-**	**-**	**-**	**-**	**86,149**	**843,846**	**$ 89.7**	**$ 9.16**
Small Business	$ 2,706	$ 211	$ 0.4514	$ 0.035					29,552	378,255	$ 132.3	$ 10.33
SUB-TOTAL C&I	**$ 2,391**	**$ 205**	**$ 0.3465**	**$ 0.030**	**-**	**-**	**-**	**-**	**152,385**	**1,772,828**	**$ 101.5**	**$ 8.73**
SmartLiving Center®												
Clean Energy Communities												
K-12 Education												
Customer Engagement												
SUB-TOTAL EDUCATION												
Institute for Sustainable Energy (ECSU)												
Residential Loan Program (Includes ECLF and OBR)												
C&I Financing												
C&LM Loan Defaults												
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												
RESIDENTIAL	**$ 2,653**	**$ 294**	**$ 0.4514**	**$ 0.050**	**528,533**	**9,566,564**	**20,445**	**418,500**	**151,332**	**2,051,184**	**$ 83.2**	**$ 6.14**
COMMERCIAL & INDUSTRIAL	**$ 2,450**	**$ 211**	**$ 0.3551**	**$ 0.031**	**0**	**0**	**0**	**0**	**152,385**	**1,772,828**	**$ 104.1**	**$ 8.94**
OTHER **												
TOTAL C&LM BUDGET Note 2	**$ 2,852**	**$ 265**	**$ 0.4374**	**$ 0.041**	**528,533**	**9,566,564**	**20,445**	**418,500**	**303,718**	**3,824,013**	**$ 104.7**	**$ 8.32**

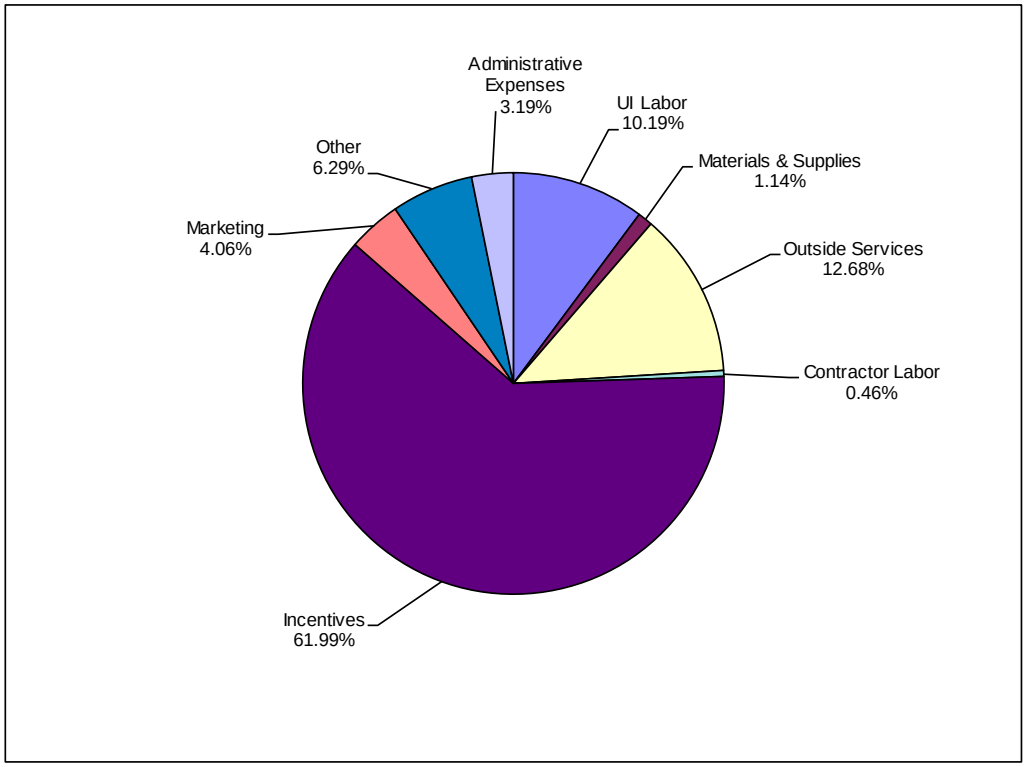
Notes:
(a) Energy Blueprint includes Motors and Cool
* HES values include contingent planning funding
* Other - Education is primarily allocated to Residential Programs

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	$ 5,000	$ 250,000	$ -	$ 2,381,060	$ 230,000	$ 5,000	$ 3,000	$ 3,014,546
TOTAL - CONSUMER PRODUCTS	**$ 140,486**	**$ 5,000**	**$ 250,000**	**$ -**	**$ 2,381,060**	**$ 230,000**	**$ 5,000**	**$ 3,000**	**$ 3,014,546**
Residential New Construction	$ 24,742	$ 1,500	$ 5,000	$ -	$ 248,258	$ 15,000	$ 3,000	$ 2,500	$ 300,000
Home Energy Solutions	$ 245,392	$ 15,000	$ 276,472	$ -	$ 2,867,734	$ 103,056	$ 10,000	$ 19,000	$ 3,536,654
HES Income Eligible	$ 306,517	$ 20,000	$ 60,000	$ -	$ 2,807,106	$ 10,000	$ 4,000	$ 8,500	$ 3,216,123
Residential Behavior	$ 17,497	$ 117,075	$ 434,139	$ -	$ -	$ 13,125	$ 1,313	$ 1,050	$ 584,199
SUB-TOTAL RESIDENTIAL	**$ 734,634**	**$ 158,575**	**$ 1,025,611**	**$ -**	**$ 8,304,158**	**$ 371,181**	**$ 23,313**	**$ 34,050**	**$ 10,651,522**
Energy Conscious Blueprint (a)	$ 502,305	$ 4,000	$ 250,000	$ 10,000	$ 2,956,297	$ 42,000	$ 10,000	$ 60,000	$ 3,834,602
TOTAL - LOST OPPORTUNITY	**$ 502,305**	**$ 4,000**	**$ 250,000**	**$ 10,000**	**$ 2,956,297**	**$ 42,000**	**$ 10,000**	**$ 60,000**	**$ 3,834,602**
Energy Opportunities	$ 536,259	$ 6,000	$ 371,472	$ 10,000	$ 4,596,367	$ 45,000	$ 5,000	$ 384,500	$ 5,954,598
O&M Services (RFP, BSC, Training, RetroX, PRIME)	$ 153,120	$ 1,320	$ 620,195	$ -	$ 966,060	$ 17,825	$ 4,000	$ 12,500	$ 1,775,020
TOTAL - C&I LARGE RETROFIT	**$ 689,379**	**$ 7,320**	**$ 991,667**	**$ 10,000**	**$ 5,562,427**	**$ 62,825**	**$ 9,000**	**$ 397,000**	**$ 7,729,618**
Small Business	$ 351,946	$ 2,000	$ 115,000	$ 25,000	$ 2,885,029	$ 37,000	$ 2,500	$ 490,000	$ 3,908,475
SUB-TOTAL C&I	**$ 1,543,630**	**$ 13,320**	**$ 1,356,667**	**$ 45,000**	**$ 11,403,753**	**$ 141,825**	**$ 21,500**	**$ 947,000**	**$ 15,472,695**
SmartLiving Center®	$ 45,470	$ 10,000	$ 20,000	$ 100,000	$ -	$ 25,000	$ 211,044	$ 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	$ 3,000	$ 241,925	$ -	$ 12,000	$ 16,000	$ 2,500	$ 4,000	$ 320,874
Customer Engagement	$ -	$ -	$ 120,000	$ -	$ -	$ -	$ -	$ -	$ 120,000
SUB-TOTAL EDUCATION	**$ 136,125**	**$ 18,000**	**$ 584,679**	**$ 100,000**	**$ 12,000**	**$ 120,000**	**$ 218,544**	**$ 21,000**	**$ 1,210,348**
Institute for Sustainable Energy (ECSU)	$ -	$ -	$ -	$ -	$ -	$ -	$ 99,200	$ -	$ 99,200
Residential Loan Program (Includes ECLF and OBR)	$ 30,451	$ -	$ -	$ -	$ -	$ -	$ 352,109	$ -	$ 382,560
C&I Loan Program	$ -	$ -	$ -	$ -	$ -	$ -	$ 43,123	$ -	$ 43,123
C&LM Loan Defaults	$ -	$ -	$ -	$ -	$ -	$ -	$ 31,111	$ -	$ 31,111
C&I Self Funding	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
SUB-TOTAL PROGRAMS/REQUIREMENTS	**$ 30,451**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 525,543**	**$ -**	**$ 555,994**
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	$ -	$ 480,881	$ -	$ -	$ -	$ -	$ -	$ 560,000
Evaluation Consultant	$ -	$ -	$ 40,000	$ -	$ -	$ -	$ -	$ -	$ 40,000
Information Technology	$ 26,643	$ 153,000	$ 79,645	$ -	$ -	$ -	$ -	$ 2,600	$ 261,888
EEB	$ -	$ -	$ 240,072	$ -	$ -	$ -	$ -	$ -	$ 240,072
Marketing Plan	$ -	$ -	$ -	$ -	$ -	$ 659,000	$ -	$ -	$ 659,000
2015 Performance Management Fee	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,212,816	$ -	$ 1,212,816
SUB-TOTAL ADMIN & PLANNING	**$ 797,510**	**$ 173,000**	**$ 935,121**	**$ -**	**$ -**	**$ 659,000**	**$ 1,212,816**	**$ 12,600**	**$ 3,790,047**
PROGRAM SUB-TOTALS									
RESIDENTIAL	$ 882,275	$ 173,575	$ 1,541,739	$ 80,000	$ 8,316,158	$ 997,581	$ 550,757	$ 51,650	$ 12,593,735
COMMERCIAL & INDUSTRIAL	$ 1,562,565	$ 16,320	$ 1,425,218	$ 65,000	$ 11,403,753	$ 294,425	$ 138,943	$ 950,400	$ 15,856,624
OTHER	$ 797,510	$ 173,000	$ 1,067,813	$ -	$ -	$ -	$ 1,312,016	$ 12,600	$ 3,362,939
TOTAL C&LM BUDGET	**$ 3,242,350**	**$ 362,895**	**$ 4,034,770**	**$ 145,000**	**$ 19,719,911**	**$ 1,292,006**	**$ 2,001,716**	**$ 1,014,650**	**$ 31,813,298**

Table C – UI 2015 Pie

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



Expense Classes		Budget	% of Budget
UI Labor	$	3,242,350	10.19%
Materials & Supplies	$	362,895	1.14%
Outside Services	$	4,034,770	12.68%
Contractor Labor	$	145,000	0.46%
Incentives	$	19,719,911	61.99%
Marketing	$	1,292,006	4.06%
Other	$	2,001,716	6.29%
Administrative Expenses	$	1,014,650	3.19%
Total	$	31,813,298	100.00%

Totals may vary due to rounding

Table D

UI Historical and Projected $ and kW

Expenditures $ (000)

RESIDENTIAL	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 Actual	2015 Goal
Residential Retail Products	1,589	1,303	592	1,267	1,592	1,664	1,247	1,282	1,344	2,430	2,632	2,401	2,084	3,908	3,015
Appliance Retirement	-	-	-	867	887	109	-	160	-	-	-	-	-	-	-
Total - Consumer Products	**1,589**	**1,303**	**592**	**2,134**	**2,479**	**1,773**	**1,247**	**1,442**	**1,344**	**2,430**	**2,632**	**2,401**	**2,084**	**3,908**	**3,015**
Residential New Construction	497	520	357	606	1,140	375	153	440	198	176	49	256	172	257	300
Home Energy Solutions	229	286	268	423	673	784	1,079	2,067	3,090	3,883	3,106	2,991	2,958	4,591	3,537
HES Income Eligible	1,500	1,168	799	803	1,086	1,250	1,107	939	3,448	2,976	3,107	2,738	4,776	3,897	3,216
Residential Behavior	-	-	-	-	-	-	-	-	-	-	-	-	-	137	584
Subtotal RESIDENTIAL	**3,815**	**3,277**	**2,016**	**3,966**	**5,378**	**4,182**	**3,586**	**4,888**	**8,080**	**9,465**	**8,894**	**8,386**	**9,990**	**12,790**	**10,652**
COMMERCIAL & INDUSTRIAL															
C&I LOST OPPORTUNITY															
Energy Conscious Blueprint	2,304	2,019	1,963	2,021	3,787	3,174	5,051	3,422	4,337	5,270	3,011	2,184	2,103	3,960	3,835
Total - Lost Opportunity	**2,304**	**2,019**	**1,963**	**2,021**	**3,787**	**3,174**	**5,051**	**3,422**	**4,337**	**5,270**	**3,011**	**2,184**	**2,103**	**3,960**	**3,835**
C&I LARGE RETROFIT															
C&I RFP	22	88	185	122	387	-	-	-	-	-	-	-	-	-	-
Energy Opportunities	3,401	1,271	1,169	2,259	3,917	2,977	5,843	3,119	4,789	4,845	4,912	3,377	4,124	7,261	5,955
O&M (RetroCx, BSC, RFP,PRIME)	-	-	70	184	108	72	141	17	133	188	123	252	358	653	1,775
Municipal Energy & Schools	934	775	573	625	828	-	-	-	-	-	-	-	-	-	-
Total - C&I Large Retrofit	**4,357**	**2,134**	**1,997**	**3,190**	**5,240**	**3,049**	**5,984**	**3,136**	**4,922**	**5,033**	**5,035**	**3,629**	**4,482**	**7,914**	**7,730**
Small Business	1,397	997	846	844	1,386	1,638	1,842	2,145	2,170	2,972	1,474	2,639	2,404	2,553	3,908
Subtotal C&I	**8,058**	**5,150**	**4,806**	**6,055**	**10,413**	**7,861**	**12,877**	**8,703**	**11,429**	**13,275**	**9,520**	**8,452**	**8,989**	**14,427**	**15,473**
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															
Residential	3,815	3,277	2,016	3,966	5,378	4,182	3,586	4,888	8,080	9,465	8,894	8,386	9,990	12,790	10,652
C&I	8,121	5,574	5,410	6,088	10,622	7,872	12,885	8,709	11,433	13,275	9,520	8,452	8,989	14,427	15,473
TOTAL	**11,936**	**8,851**	**7,426**	**10,054**	**16,000**	**12,054**	**16,471**	**13,597**	**19,513**	**22,740**	**18,414**	**16,838**	**18,979**	**27,217**	**26,124**

Load Savings kW

RESIDENTIAL	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 Actual	2015 Goal
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	1,907	1,640
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**	**1,907**	**1,640**
Residential New Construction	62	69	25	173	212	231	290	267	31	52	99	26	47	130	149
Home Energy Solutions	132	2,137	368	728	1,061	631	414	933	984	1,461	714	540	553	783	559
HES Income Eligible	655	597	283	294	416	474	338	229	277	324	263	188	473	268	216
Residential Behavior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,233
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**	**3,088**	**3,797**
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	1,344	1,744
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**	**1,344**	**1,744**
C&I LARGE RETROFIT															
C&I RFP	36	87	521	59	81	-	-	-	-	-	-	-	-	-	-
Energy Opportunities	4,799	2,467	2,191	3,180	3,850	3,345	3,993	3,530	2,977	2,303	1,840	1,844	1,164	2,171	2,333
O&M (RetroCx, BSC, RFP,PRIME)	-	-	-	-	674	237	55	-	27	-	34	11	20	93	951
Municipal Energy & Schools	859	1,107	1,317	1,019	427	-	-	-	-	-	-	-	-	-	-
Total - C&I Large Retrofit	**5,694**	**3,661**	**4,029**	**4,258**	**5,032**	**3,582**	**4,048**	**3,530**	**3,004**	**2,303**	**1,874**	**1,855**	**1,184**	**2,264**	**3,284**
Small Business	683	659	1,031	1,035	1,963	1,661	2,008	2,149	1,574	1,172	811	815	579	587	1,444
Subtotal C&I	**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**	**4,195**	**6,472**
OTHER - LOAD MANAGEMENT															
ISO Load Response Program Support	10,925	10,925	14,465	3,975	2,060	3,338	2,867	1,868	782	89	-	-	-	-	-
Subtotal Load Management	**10,925**	**10,925**	**14,465**	**3,975**	**2,060**	**3,338**	**-**	**-**	**782**	**89**	**-**	**-**	**-**	**-**	**-**
PROGRAM SUB-TOTALS															
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	3,088	3,797
C&I	22,436	19,006	23,340	13,448	13,422	13,265	11,545	9,884	7,980	4,893	3,756	4,209	3,030	4,195	6,472
TOTAL	**24,044**	**22,444**	**24,655**	**16,565**	**16,940**	**15,795**	**14,202**	**12,939**	**10,458**	**10,518**	**8,840**	**6,971**	**5,963**	**7,283**	**10,270**

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
RESIDENTIAL	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Goal
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	21,900	13,508
Appliance Retirement	-	-	-	2,667	2,567	261	-	7	-	-	-	-	-	-	-
Total - Consumer Products	**9,563**	**7,997**	**3,465**	**14,833**	**17,535**	**15,477**	**21,152**	**17,397**	**12,485**	**42,955**	**45,644**	**22,554**	**21,333**	**21,900**	**13,508**
Residential New Construction	208	230	297	385	1,038	1,038	1,672	802	62	123	296	101	180	203	404
Home Energy Solutions	75	1,216	231	415	517	455	1,063	3,331	2,515	5,134	3,541	3,582	2,344	4,492	3,267
HES Income Eligible	6,086	5,550	2,779	4,052	5,130	4,784	3,498	2,511	3,122	4,204	4,710	3,131	3,787	3,754	2,207
Residential Behavior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,930
Subtotal RESIDENTIAL	**15,932**	**14,993**	**6,772**	**19,685**	**24,220**	**21,754**	**27,385**	**24,041**	**18,184**	**52,416**	**54,191**	**29,368**	**27,644**	**30,349**	**22,315**
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	12,505	10,749
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**	**12,505**	**10,749**
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	20,668	18,128	16,948	16,012	14,860	10,833	19,506	16,224
O&M (RetroCx, BSC, RFP,PRIME)	-	-	-	-	2,206	1,453	2,386	-	498	453	137	750	1,939	3,112	9,017
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**	**20,668**	**18,626**	**17,401**	**16,149**	**15,610**	**12,772**	**22,618**	**25,241**
Small Business	6,506	6,279	3,578	4,399	7,590	5,830	7,644	9,480	7,914	7,789	5,115	6,321	5,131	7,114	8,659
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**	**42,237**	**44,649**
PROGRAM SUB-TOTALS															
Residential	15,932	14,993	6,772	19,685	24,220	21,754	27,385	24,041	18,184	52,416	54,191	29,368	27,644	30,349	22,315
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	42,237	44,649
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**	**72,586**	**66,964**

	Lifetime kWh (000)														
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
RESIDENTIAL	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Goal
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	181,837	127,161
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**	**181,837**	**127,161**
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	2,498	5,578
Home Energy Solutions	1,125	18,240	4,389	7,839	8,264	5,866	11,997	33,731	31,331	51,377	31,175	38,988	23,439	57,406	35,776
HES Income Eligible	60,860	55,500	24,412	17,352	36,581	36,749	32,294	20,676	24,878	40,905	52,757	35,418	46,117	50,273	22,245
Residential Behavior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10,288
Subtotal RESIDENTIAL	**181,250**	**166,120**	**68,949**	**161,572**	**180,330**	**185,855**	**248,556**	**203,015**	**141,390**	**297,607**	**268,785**	**193,529**	**195,951**	**292,014**	**201,048**
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	268,292	177,958	163,635	106,078	128,278	195,048	161,362
Total - Lost Opportunity	**383,520**	**280,965**	**164,910**	**336,293**	**343,568**	**191,708**	**224,566**	**203,135**	**268,292**	**177,958**	**163,635**	**106,078**	**128,278**	**195,048**	**161,362**
C&I LARGE RETROFIT															
C&I RFP	3,420	8,160	36,210	12,835	10,700	-	-	-	-	-	-	-	-	-	-
Energy Opportunities	383,196	190,038	178,935	278,872	409,048	310,557	291,700	272,595	233,761	209,052	205,701	183,875	137,393	230,606	181,852
O&M (RetroCx, BSC, RFP,PRIME)	-	-	-	-	22,061	21,790	35,790	-	3,640	2,855	854	5,177	14,596	24,020	65,393
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**	**478,468**	**332,347**	**327,490**	**272,595**	**237,401**	**211,907**	**206,555**	**189,052**	**151,989**	**254,626**	**247,245**
Small Business	97,600	94,200	53,670	65,987	119,909	76,975	92,649	99,684	88,186	97,574	63,381	79,627	65,167	88,661	110,828
Subtotal C&I	**931,906**	**656,028**	**497,325**	**776,438**	**941,945**	**601,030**	**644,705**	**575,414**	**593,879**	**487,439**	**433,571**	**374,757**	**345,434**	**538,335**	**519,434**
PROGRAM SUB-TOTALS															
Residential	181,250	166,120	68,949	161,572	180,330	185,855	248,556	203,015	141,390	297,607	268,785	193,529	195,951	292,014	201,048
C&I	931,906	656,028	497,325	776,438	941,945	601,030	644,705	575,414	593,879	487,439	433,571	374,757	345,434	538,335	519,434
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**	**830,349**	**720,482**

THE UNITED ILLUMINATING COMPANY

2015 Management Incentive Performance Indicators and Incentive Matrix

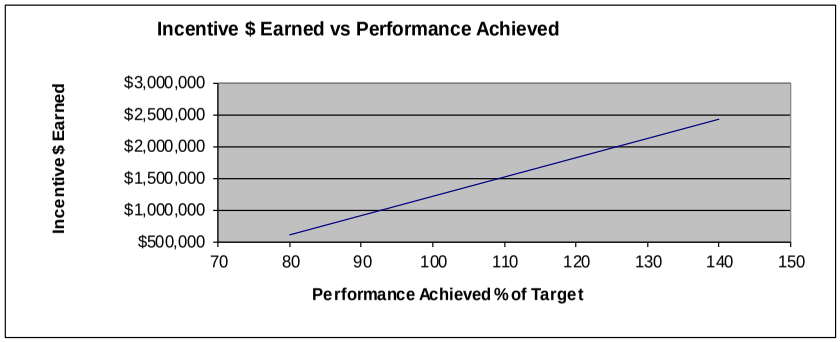
Provided below is the 2015 Incentive Matrix with Performance Indicators.

The weights applied to each of the individual and sector level metrics were developed in collaboration with EEB consultants. The Utility Performance Incentive is $1,212,816
This calculated is based on achieving 100% of all performance targets and earning a target incentive of 4% 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	2%	$606,408
90	3%	$909,612
100	4%	$1,212,816
110	5%	$1,516,021
120	6%	$1,819,225
130	7%	$2,122,429
140	8%	$2,425,633

Total Original Budget* $30,320,411

*Does not include Incentive, ECMB costs and Audit



UI Performance Incentive 2015 - Residential

SECTOR Program		Performance Indicators		Incentive Metrics: Incentive Metric	Target Goal	Weight	Incentive
RESIDENTIAL							
All Residential Programs (Sector Level) Sector Budget	$ 10,651,522	Residential Products & Services Lifetime kWh	127,160,929	Total Electric System Benefit from all Res programs	Electric System Benefit from all Res programs Total Electric System Benefit: $19,065,497	0.195	$236,499
		Residential Products & Services kW	1,640				
		Homes Lifetime kWh	5,578,387				
		Homes kW	149				
		Home Energy Solutions Lifetime kWh	35,776,257				
		Home Energy Solutions kW	559				
		HES Income Eligible Lifetime kWh	22,244,696				
		HES Income Eligible kW	216				
		Residential Behavior Lifetime kWh	10,287,500				
		Residential Behavior kW	1,233				
		Total Residential Lifetime kWh	201,047,770				
		Total Residential kW	3,797				
		Present Value of Res Lifetime kWh	$0.0781				
		Present Value of Res Lifetime kW @ Customer Meter	$885.62				
		Total Res Lifetime kWh @ Present Value Factor	$15,702,529				
		Total Res kW @ Present Value Factor	$3,362,968				
		Total Electric System Benefit	$19,065,497				
		The Net Electric System Benefit from all Res programs	$8,413,975				
All Residential Programs (Sector Level)		Total Net Electric System Benefit	$8,413,975		$8,413,975	0.195	$236,499
Residential New Construction	$ 300,000			Energy savings included in appropriate sector level metric			

UI Performance Incentive 2015 – Residential (cont.)

SECTOR Program		Performance Indicators		Incentive Metrics			
				Incentive Metric	Target Goal	Weight	Incentive
RESIDENTIAL							
HES	$ 3,536,654	Increase HES Savings (MMBTU) Per Single Family Home (1 to 4 units) over 2014. 4% over 2014 (or 16.82 MMBTU). Note that 2014 actual is adjusted for realization rates implemented in 2015. Increase HES Savings (MMBTU) Multi-Family (5 units and above) over 2014. 8% over 2014 (or 8.47 MMBTU). Note that 2014 actual is adjusted for realization rates implemented in 2015. 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).		Energy savings included in appropriate sector level metric Increase HES savings Per Participant Increase HES savings Per Home % of homes with Add-Ons	Achieve 4% average increase in HES per participant savings across all fuels (or 17.49 MMBTU) Achieve 8% average increase in HES per participant savings across all fuels (or 9.15 MMBTU) 26% of unique homes with at least one Add-On Measure, measured Jan 1, through Sept, 30, 2015	0.02 0.01 0.02	$24,256 $12,128 $24,256
HES - Income Eligible	$ 3,216,123	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 Expend 2015 HES-IE Budget Annual MMBTU	This is a penalty metric - 5% 26,272 MMBTU	0.02	$24,256
Retail Products	$ 3,014,546	Number of LED Products		Number of LED Products	287,372	0.02	$24,256

UI Performance Incentive 2015 – Commercial & Industrial

SECTOR Program		Performance Indicators		Incentive Metrics: Incentive Metric	Target Goal	Weight	Incentive
COMMERCIAL & INDUSTRIAL (C/I)							
All C/I Programs (Sector Level) Sector Budget	$ 15,472,696	Energy Blueprint Lifetime kWh	161,361,542	Total Electric System Benefit from all C&I programs.	Electric System Benefit from all C&I programs Total Electric System Benefit: $52,430,163	0.21	$254,691
		Energy Blueprint kW	1,744				
		Energy Opportunities Lifetime kWh	181,851,974				
		Energy Opportunities kW	2,333				
		O&M (RetroCx, BOC, RFP)	65,392,793				
		O&M RFP kW	951				
		Small Business Lifetime kWh	110,827,703				
		Small Business kW	1,444				
		Total C&I Lifetime kWh	519,434,012				
		Total C&I kW	6,472				
		Present Value of C&I Lifetime kWh	$0.0827				
		Present Value of C&I Lifetime kW @ Customer Meter	$1,462.44				
		Total C&I Lifetime kWh @ Present Value Factor	$42,964,613				
		Total C&I kW @ Present Value Factor	$9,465,550				
		Total Electric System Benefit	$52,430,163				
		The Net Electric System Benefit from all C&I programs:	$36,957,467				
All C/I Programs (Sector Level) Sector Budget		Total Net Electric System Benefit from all C&I programs.	$36,957,467		Total Program Benefit from all C&I programs.	0.21	$254,691
Small Business	$ 3,908,475	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-Rinse Spray Valves, Energy Star Natural Gas or Electric Dishwashers.			**20%** of signed projects will be comprehensive.	0.02	$24,256

UI Performance Incentive 2015 – Commercial & Industrial (cont.)

SECTOR Program		Performance Indicators		Incentive Metrics			
				Incentive Metric	Target Goal	Weight	Incentive
COMMERCIAL & INDUSTRIAL (C/I)							
Energy Conscious Blueprint	$ 3,834,602	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.			**50%** of signed projects	0.02	$24,256
Energy Opportunities	$ 5,954,598	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			**25%** of signed projects	0.02	$24,256
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.			**25** Customers	0.02	$24,256
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 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	$24,256
All C&I Programs		Electric Savings		Electric Savings include in appropriate sector level metric			
Total Incentive $ Residential and C&I						1.0000	$1,212,816

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Combined Natural Gas Companies 2015 Budget Tables

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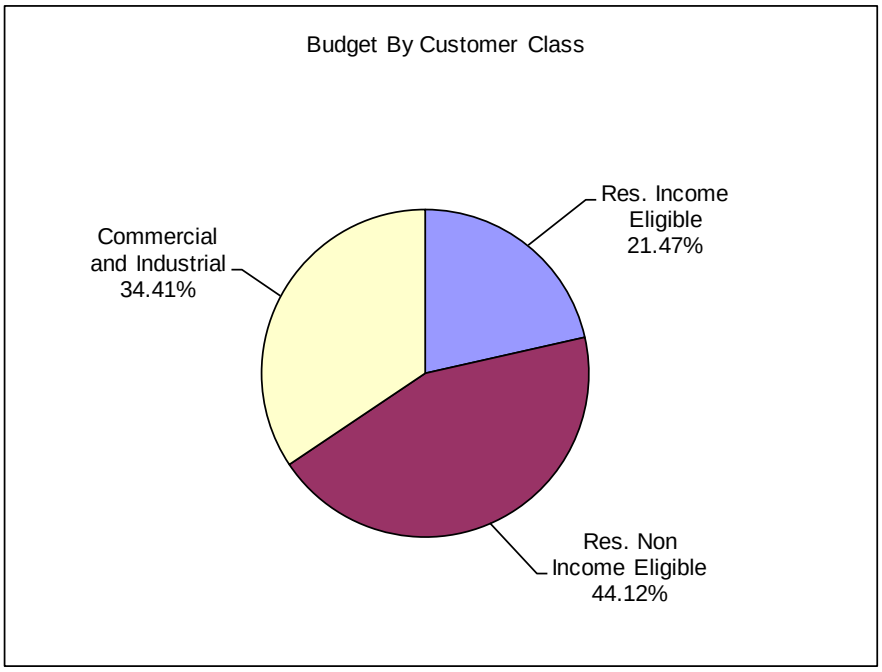
Table A1
YGS, CNG & SCG
2015-2016 Natural Gas Budget

Natural Gas C&LM Budget	2015 YGS DEEP Approved Budget 02/20/15	2015 YGS DEEP Approved Budget 03/20/15	2015 CNG DEEP Approved Budget 02/20/15	2015 CNG DEEP Approved Budget 03/20/15	2015 SCG DEEP Approved Budget 02/20/15	2015 SCG DEEP Approved Budget 03/20/15	2015 YGS/CNG/SCG Combined Total 02/20/15	2015 YGS/CNG/SCG Combined Total 03/20/15	2016 YGS EEB Approved Budget 12/10/14	2016 CNG EEB Approved Budget 12/10/14	2016 SCG EEB Approved Budget 12/10/14	2016 YGS/CNG/SCG Combined Total 12/10/14
	2015								2016			
RESIDENTIAL												
HES Income Eligible	$ 3,188,830	$ 3,215,847	$ 2,772,327	$ 3,156,970	$ 1,849,825	$ 1,745,752	$ 7,810,982	$ 8,118,568	$ 3,303,760	$ 3,058,572	$ 3,231,265	$ 9,593,596
Home Energy Solutions (HES)	$ 5,383,157	$ 5,383,157	$ 4,978,194	$ 5,663,176	$ 1,939,685	$ 1,829,981	$ 12,301,036	$ 12,876,314	$ 5,577,173	$ 5,476,914	$ 3,406,080	$ 14,460,166
Residential New Construction	$ 974,297	$ 974,297	$ 428,443	$ 428,443	$ 330,790	$ 330,790	$ 1,733,530	$ 1,733,530	$ 1,009,412	$ 428,443	$ 330,790	$ 1,768,645
Water Heating	$ 344,092	$ 344,092	$ 309,688	$ 309,688	$ 307,471	$ 307,471	$ 961,251	$ 961,251	$ 356,494	$ 309,688	$ 307,471	$ 973,653
Residential Behavior	$ -	$ -	$ -	$ -	$ 620,656	$ 620,656	$ 620,656	$ 620,656	$ -	$ -	$ 620,656	$ 620,656
Subtotal Residential	**$ 9,890,376**	**$ 9,917,393**	**$ 8,488,652**	**$ 9,558,276**	**$ 5,048,427**	**$ 4,834,650**	**$ 23,427,455**	**$ 24,310,319**	**$ 10,246,838**	**$ 9,273,616**	**$ 7,896,261**	**$ 27,416,715**
COMMERCIAL & INDUSTRIAL												
C&I LOST OPPORTUNITY												
Energy Conscious Blueprint	$ 3,546,292	$ 3,546,292	$ 2,065,072	$ 2,346,467	$ 1,049,044	$ 986,125	$ 6,660,409	$ 6,878,884	$ 3,674,105	$ 2,274,086	$ 1,771,767	$ 7,719,958
Total - Lost Opportunity	**$ 3,546,292**	**$ 3,546,292**	**$ 2,065,072**	**$ 2,346,467**	**$ 1,049,044**	**$ 986,125**	**$ 6,660,409**	**$ 6,878,884**	**$ 3,674,105**	**$ 2,274,086**	**$ 1,771,767**	**$ 7,719,958**
C&I LARGE RETROFIT												
Energy Opportunities	$ 2,051,277	$ 2,051,277	$ 1,099,558	$ 1,252,021	$ 530,293	$ 501,120	$ 3,681,127	$ 3,804,418	$ 2,129,352	$ 1,208,882	$ 865,615	$ 4,203,848
Business & Energy Sustainability (O&M, RetroCx, BSC)	$ 566,704	$ 566,704	$ 602,285	$ 684,354	$ 201,492	$ 189,407	$ 1,370,481	$ 1,440,465	$ 587,129	$ 676,398	$ 510,236	$ 1,773,763
Total - C&I Large Retrofit	**$ 2,617,981**	**$ 2,617,981**	**$ 1,701,843**	**$ 1,936,375**	**$ 731,785**	**$ 690,527**	**$ 5,051,608**	**$ 5,244,883**	**$ 2,716,481**	**$ 1,885,280**	**$ 1,375,851**	**$ 5,977,611**
Small Business	$ 266,392	$ 266,392	$ 199,458	$ 233,512	$ 142,730	$ 141,045	$ 608,581	$ 640,949	$ 275,993	$ 216,898	$ 211,384	$ 704,275
Subtotal C&I	**$ 6,430,665**	**$ 6,430,665**	**$ 3,966,373**	**$ 4,516,354**	**$ 1,923,559**	**$ 1,817,697**	**$ 12,320,598**	**$ 12,764,716**	**$ 6,666,579**	**$ 4,376,264**	**$ 3,359,002**	**$ 14,401,845**
OTHER - Education												
SmartLiving Center®-Museums Partnership	$ 82,000	$ 82,000	$ 82,000	$ 82,000	$ 82,000	$ 82,000	$ 246,000	$ 246,000	$ 82,000	$ 82,000	$ 82,000	$ 246,000
Clean Energy Communities / Behavior Pilot	$ 143,333	$ 143,333	$ 143,333	$ 143,333	$ 143,333	$ 143,333	$ 429,999	$ 429,999	$ 143,333	$ 143,333	$ 143,333	$ 429,999
EESmarts/K-12	$ 66,667	$ 66,667	$ 66,667	$ 66,667	$ 66,667	$ 66,667	$ 200,001	$ 200,001	$ 66,667	$ 66,667	$ 66,667	$ 200,001
Customer Engagement	$ 282,000	$ 282,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 382,000	$ 382,000	$ 282,000	$ 50,000	$ 50,000	$ 382,000
Subtotal Education	**$ 574,000**	**$ 574,000**	**$ 342,000**	**$ 342,000**	**$ 342,000**	**$ 342,000**	**$ 1,258,000**	**$ 1,258,000**	**$ 574,000**	**$ 342,000**	**$ 342,000**	**$ 1,258,000**
OTHER - PROGRAMS/REQUIREMENTS												
Institute for Sustainable Energy	$ 41,333	$ 41,333	$ 37,333	$ 41,333	$ 37,333	$ 41,333	$ 115,999	$ 123,999	$ 37,333	$ 37,333	$ 37,333	$ 112,000
ESPC Project Manager - Lead By Example	$ 9,600	$ 9,600	$ 9,600	$ 9,600	$ 9,600	$ 9,600	$ 28,800	$ 28,800	$ 9,600	$ 9,600	$ 9,600	$ 28,800
Residential Financing (includes ECLF)	$ 145,083	$ 145,083	$ 99,959	$ 99,959	$ 99,959	$ 99,959	$ 345,001	$ 345,001	$ 145,083	$ 99,959	$ 99,959	$ 345,000
C&LM Loan Defaults	$ 86,333	$ 86,333	$ 86,333	$ 86,333	$ 86,333	$ 86,333	$ 258,999	$ 258,999	$ 86,333	$ 86,333	$ 86,333	$ 259,000
C&I Loan Program	$ 109,000	$ 109,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 259,000	$ 259,000	$ 109,000	$ 75,000	$ 75,000	$ 259,000
Subtotal Programs/Requirements	**$ 391,349**	**$ 391,349**	**$ 308,225**	**$ 312,225**	**$ 308,225**	**$ 312,225**	**$ 1,007,799**	**$ 1,015,799**	**$ 387,349**	**$ 308,225**	**$ 308,225**	**$ 1,003,800**
OTHER - RD&D												
Research, Development and Demonstration	$ 72,000	$ 72,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 172,000	$ 172,000	$ 72,000	$ 50,000	$ 50,000	$ 172,000
Subtotal RD&D	**$ 72,000**	**$ 72,000**	**$ 50,000**	**$ 50,000**	**$ 50,000**	**$ 50,000**	**$ 172,000**	**$ 172,000**	**$ 72,000**	**$ 50,000**	**$ 50,000**	**$ 172,000**
OTHER - ADMINISTRATIVE & PLANNING												
Administration	$ 119,220	$ 119,220	$ 121,329	$ 121,329	$ 121,329	$ 121,329	$ 361,878	$ 361,878	$ 119,220	$ 121,329	$ 121,329	$ 361,878
Marketing Plan	$ 75,333	$ 75,333	$ 58,000	$ 58,000	$ 58,000	$ 58,000	$ 191,333	$ 191,333	$ 75,333	$ 58,000	$ 58,000	$ 191,333
Information Technology	$ 133,333	$ 133,333	$ 133,333	$ 133,333	$ 133,333	$ 133,333	$ 399,999	$ 399,999	$ 133,333	$ 133,333	$ 133,333	$ 399,999
Planning	$ 80,000	$ 80,000	$ 80,000	$ 80,000	$ 80,000	$ 80,000	$ 240,000	$ 240,000	$ 80,000	$ 80,000	$ 80,000	$ 240,000
Evaluation	$ 246,600	$ 233,333	$ 246,600	$ 233,333	$ 246,600	$ 233,333	$ 739,800	$ 699,999	$ 246,600	$ 254,279	$ 254,279	$ 755,158
Evaluation Consultant	$ 24,300	$ 16,667	$ 24,300	$ 16,667	$ 24,300	$ 16,667	$ 72,900	$ 50,001	$ 24,300	$ 24,300	$ 24,300	$ 72,900
Energy Efficiency Board	$ 56,682	$ 50,015	$ 56,682	$ 50,015	$ 56,682	$ 50,015	$ 170,046	$ 150,045	$ 56,682	$ 56,682	$ 56,682	$ 170,046
Performance Fee	$ 720,515	$ 721,065	$ 551,781	$ 616,194	$ 332,459	$ 319,303	$ 1,604,755	$ 1,656,562	$ 744,050	$ 599,882	$ 504,097	$ 1,848,029
Subtotal Other - Administrative & Planning	**$ 1,455,983**	**$ 1,428,966**	**$ 1,272,025**	**$ 1,308,871**	**$ 1,052,703**	**$ 1,011,980**	**$ 3,780,711**	**$ 3,749,817**	**$ 1,479,518**	**$ 1,327,805**	**$ 1,232,020**	**$ 4,039,343**
PROGRAM SUBTOTALS												
Residential	$ 10,568,259	$ 10,595,276	$ 8,921,945	$ 9,991,569	$ 5,481,719	$ 5,267,942	$ 24,971,923	$ 25,854,786	$ 10,924,721	$ 9,706,908	$ 8,329,553	$ 28,961,182
C&I	$ 6,752,132	$ 6,752,132	$ 4,203,973	$ 4,753,954	$ 2,161,159	$ 2,055,296	$ 13,117,263	$ 13,561,382	$ 6,988,045	$ 4,613,864	$ 3,596,602	$ 15,198,511
Other	$ 1,493,984	$ 1,466,967	$ 1,301,358	$ 1,342,204	$ 1,082,036	$ 1,045,313	$ 3,877,378	$ 3,854,484	$ 1,513,519	$ 1,357,138	$ 1,261,353	$ 4,132,010
TOTAL	**$ 18,814,374**	**$ 18,814,374**	**$ 14,427,276**	**$ 16,087,727**	**$ 8,724,914**	**$ 8,368,551**	**$ 41,966,564**	**$ 43,270,652**	**$ 19,426,285**	**$ 15,677,910**	**$ 13,187,508**	**$ 48,291,703**

Table A1 Pie– 2015 CNG, SCG, YGS Budgets

Statewide 2015 Update Budget Analysis
Table A1 Pie Chart



Customer Class	Budget ($,000)	% of Total Conservation Budget	% of Residential & C&I Budget
Res. Income Eligible	$8,463,569	19.56%	21.47%
Res. Non Income Eligible	$17,391,217	40.19%	44.12%
Residential Subtotal	$25,854,786	59.75%	65.59%
Commercial and Industrial	$13,561,382	31.34%	34.41%
C&I Subtotal	$13,561,382	31.34%	34.41%
Residential and C&I Subtotal	$39,416,168	91.09%	100.00%
Other Expenditures			
Other Expenditures	$3,854,484	8.91%	
Other Expenditures Subtotal	$3,854,484	8.91%	
TOTAL	**$43,270,652**	**100.00%**	
Yankee	$18,814,374	43.48%	
CNG	$16,087,727	37.18%	
SCG	$8,368,551	19.34%	
	$0		

Table A2
YGS, CNG & SCG
2015 - 2016 Natural Gas Revenues

Natural Gas C&LM Revenues	2015 Yankee Revenues	2015 CNG Revenues	2015 SCG Revenues	2015 Combined YGS/CNG/SCG Total	2016 Yankee Revenues	2016 CNG Revenues	2016 SCG Revenues	2016 Combined YGS/CNG/SCG Total
Conservation Adjustment Mechanism (CAM)	$ 18,814,374	$ 16,087,727	$ 8,368,551	$ 43,270,652	$ 19,426,285	$ 15,677,910	$ 13,187,508	$ 48,291,703
Total Revenues	**$ 18,814,374**	**$ 16,087,727**	**$ 8,368,551**	**$ 43,270,652**	**$ 19,426,285**	**$ 15,677,910**	**$ 13,187,508**	**$ 48,291,703**

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The Yankee Gas Services Company (YGS) 2015 Budget Tables

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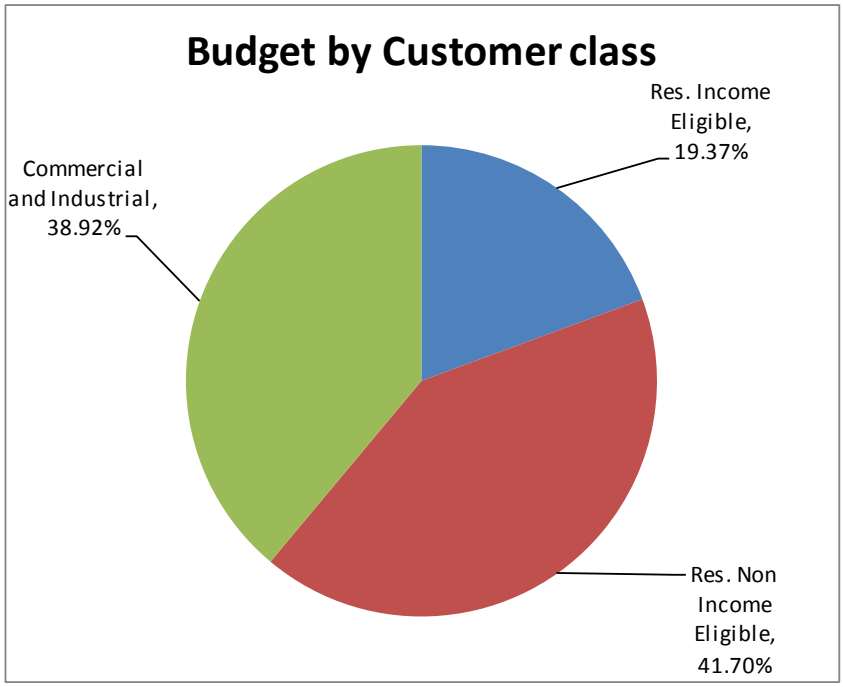
Table A – YGS 2014-2016 Budget

Table A
Yankee Gas Service Company
2014-2016 Natural Gas Conservation Budget

YGS C&LM Budget	2014 YGS Actual Results 12/31/14	2015 YGS DEEP Approved Budget 02/20/15	2015 YGS DEEP Approved Budget 03/20/15	2016 YGS EEB Approved Budget 12/10/14
RESIDENTIAL				
HES Income Eligible	$ 5,614,632	$ 3,188,830	$ 3,215,847	$ 3,303,760
Home Energy Solutions (HES)	$ 4,493,416	$ 5,383,157	$ 5,383,157	$ 5,577,173
Residential New Construction	$ 677,845	$ 974,297	$ 974,297	$ 1,009,412
Water Heating	$ 329,133	$ 344,092	$ 344,092	$ 356,494
Subtotal Residential	**$ 11,115,025**	**$ 9,890,376**	**$ 9,917,393**	**$ 10,246,838**
COMMERCIAL & INDUSTRIAL				
C&I LOST OPPORTUNITY				
Energy Conscious Blueprint	$ 3,034,664	$ 3,546,292	$ 3,546,292	$ 3,674,105
Total - Lost Opportunity	**$ 3,034,664**	**$ 3,546,292**	**$ 3,546,292**	**$ 3,674,105**
C&I LARGE RETROFIT				
Energy Opportunities	$ 2,053,847	$ 2,051,277	$ 2,051,277	$ 2,129,352
Business & Energy Sustainability (O&M, RetroCx, BSC)	$ 299,105	$ 566,704	$ 566,704	$ 587,129
Total - C&I Large Retrofit	**$ 2,352,952**	**$ 2,617,981**	**$ 2,617,981**	**$ 2,716,481**
Small Business	$ 218,468	$ 266,392	$ 266,392	$ 275,993
Subtotal C&I	**$ 5,606,084**	**$ 6,430,665**	**$ 6,430,665**	**$ 6,666,579**
OTHER - Education				
SmartLiving Center®-Museums Partnership	$ 165,067	$ 82,000	$ 82,000	$ 82,000
Clean Energy Communities	$ 49,106	$ 143,333	$ 143,333	$ 143,333
EESmarts/K-12	$ 8,790	$ 66,667	$ 66,667	$ 66,667
Customer Engagement	$ 284,008	$ 282,000	$ 282,000	$ 282,000
Subtotal Education	**$ 506,972**	**$ 574,000**	**$ 574,000**	**$ 574,000**
OTHER - PROGRAMS/REQUIREMENTS				
Institute for Sustainable Energy	$ 37,333	$ 41,333	$ 41,333	$ 37,333
ESPC Project Manager - Lead By Example	$ 34,825	$ 9,600	$ 9,600	$ 9,600
Residential Financing (includes ECLF)	$ 69,591	$ 145,083	$ 145,083	$ 145,083
C&LM Loan Defaults	$ -	$ 86,333	$ 86,333	$ 86,333
C&I Loan Program	$ -	$ 109,000	$ 109,000	$ 109,000
Subtotal Programs/Requirements	**$ 141,749**	**$ 391,349**	**$ 391,349**	**$ 387,349**
OTHER - RD&D				
Research, Development and Demonstration	$ -	$ 72,000	$ 72,000	$ 72,000
Subtotal RD&D	$ -	$ 72,000	$ 72,000	$ 72,000
OTHER - ADMINISTRATIVE & PLANNING				
Administration	$ 94,752	$ 119,220	$ 119,220	$ 119,220
Marketing Plan	$ 65,930	$ 75,333	$ 75,333	$ 75,333
Information Technology	$ 72,683	$ 133,333	$ 133,333	$ 133,333
Planning	$ 147,774	$ 80,000	$ 80,000	$ 80,000
Evaluation	$ 169,462	$ 246,600	$ 233,333	$ 246,600
Evaluation Consultant	$ 34,068	$ 24,300	$ 16,667	$ 24,300
Energy Efficiency Board	$ 77,207	$ 56,682	$ 50,015	$ 56,682
Performance Fee	$ 920,771	$ 720,515	$ 721,065	$ 744,050
Subtotal Other - Administrative & Planning	**$ 1,582,648**	**$ 1,455,983**	**$ 1,428,966**	**$ 1,479,518**
PROGRAM SUBTOTALS				
Residential	$ 11,644,696	$ 10,568,259	$ 10,595,276	$ 10,924,721
C&I	$ 5,753,731	$ 6,752,132	$ 6,752,132	$ 6,988,045
Other	$ 1,554,050	$ 1,493,984	$ 1,466,967	$ 1,513,519
TOTAL	**$ 18,952,478**	**$ 18,814,374**	**$ 18,814,374**	**$ 19,426,285**

Table A – YGS 2015 Pie

YGS 2015 Budget Analysis



Customer Class	Budget	% of Total Conservation Budget	% of Residential & C&I Budget
Res. Income Eligible	$3,360,930	17.86%	19.37%
Res. Non Income Eligible	$7,234,346	38.45%	41.70%
Residential Subtotal	$10,595,276	56.31%	61.08%
Commercial and Industrial	$6,752,132	35.89%	38.92%
C&I Subtotal	$6,752,132	35.89%	38.92%
Residential and C&I Subtotal	$17,347,407	92.20%	100.00%
Other Expenditures			
Other Expenditures	$1,466,967	7.80%	
Other Expenditures Subtotal	$1,466,967	7.80%	
TOTAL	**$18,814,374**	100.00%	

TABLE B-1, Energy Savings
Yankee Gas 2015

Program	Utility Costs (000)	Gas Costs (000)	# of Units	Units	Annualized Savings (ccf)	Lifetime Savings (ccf)	Peak Savings (ccf)	Cost Rate $/ccf Annualize	Utility Cost Ratio $/LT-ccf	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	$3,216	$3,216	2,633	Homes	293,092	5,802,476	2,544	$10.97	$0.55	0	0	0	0	30,159	597,075	$106.63	$5.39
Home Energy Solutions (Notes 1)	$5,383	$5,383	2976 / 4339	Core Services/Other	640,369	12,758,484	7,387	$8.41	$0.42					65,894	1,312,848	$81.69	$4.10
Residential New Construction	$974	$974	724	Homes	118,172	2,954,306	1,027	$8.24	$0.33	0	0	0	0	12,160	303,998	$80.12	$3.20
Water Heating	$344	$344	1,160	Units	56,300	1,054,373	181	$6.11	$0.33	0	0	0	0	5,793	108,495	$59.39	$3.17
Subtotal Residential	**$9,917**	**$9,917**			**1,107,934**	**22,569,639**	**11,138**	**$8.95**	**$0.44**		-	-	-	**114,006**	**2,322,416**	**$86.99**	**$4.27**
COMMERCIAL & INDUSTRIAL																	
Energy Conscious Blue Print	$3,546	$3,546	90.73	Projects	581,627	8,933,764	4,590	$6.10	$0.40	0	0	0	0	59,849	919,284	$59.25	$3.86
Energy Opportunities	$2,051	$2,051	39	Projects	460,271	5,181,622	6,295	$4.46	$0.40	0	0	0	0	47,362	533,189	$43.31	$3.85
Business & Energy Sustainability (O&M, RetroCx, BSC)	$567	$567	18	Projects	230,624	1,534,542	2,696	$2.46	$0.37	0	0	0	0	23,731	157,904	$23.88	$3.59
Small Business	$266	$266	16.34	Projects	63,569	715,603	730	$4.19	$0.37	0	0	0	0	6,541	73,636	$40.72	$3.62
Subtotal C&I	**$6,431**	**$6,431**			**1,336,091**	**16,365,530**	**14,310**	**$4.81**	**$0.39**	0	0	0	0	**137,484**	**$ 1,684,013**	**$46.77**	**$3.82**
Other																	
Other	**$2,466**	**$2,466**															
TOTAL C&LM BUDGET	**$18,814**	**18,814**			**2,444,025**	**38,935,169**	**25,449**	**$7.70**	**$0.48**	**0**	**0**	**0**	**0**	**251,490**	**4,006,429**	**$74.81**	**$4.70**

Note 1: Participant for HES are Total Number of Core Service Customers / Total Instances of Participation (Non-Core Services)

Table B2 – 2015 YGS Comparison of Program Benefits

Table B-2
Benefits Table, Yankee 2015

	Program Costs			Program Benefits and Benefit/Cost Ratios							
				Gas Program Benefit					Other Benefits		
	a	b	c = b - a								
Program	Budget	Total Resource Cost	Customer Cost	Gas Benefit	Gas DRIPE (CT)	Gas ROP DRIPE	CT Gas Cross-Fuel DRIPE	Rest of NE Gas Cross Fuel DRIPE	Water	Non Resource	Benefit / Benefit/Cost
HES Income Eligible	$3,215,847	$3,215,847	$0	$3,108,438	$13,945	$43,055.26	$493,105	$1,392,358	$78,270	$0	**$5,129,170**
Utility Benefit Cost Test	$3,215,847	n/a	n/a	0.97	0.00	0.01	0.15	0.43			**1.57**
Total Resource Benefit Cost Test	n/a	$3,215,847	n/a	0.97	0.00	0.01	0.15	0.43	0.02	0.00	**1.59**
Home Energy Solutions (HES)	$5,383,157	$7,171,336	$1,788,179	$6,884,489	$31,052	$95,877	$1,169,198	$3,301,410	$694,875	$0	**$12,176,900**
Utility Benefit Cost Test	$5,383,157	n/a	n/a	1.28	0.01	0.02	0.22	0.61			**2.13**
Total Resource Benefit Cost Test	n/a	$7,171,336	n/a	0.96	0.00	0.01	0.16	0.46	0.10	0.00	**1.70**
Residential New Construction	$974,297	$1,178,035	$203,738	$1,506,046	$5,730	$17,693	$201,071	$567,755	$0	$0	**$2,298,294**
Utility Benefit Cost Test	$974,297	n/a	n/a	1.55	0.01	0.02	0.21	0.58			**2.36**
Total Resource Benefit Cost Test	n/a	$1,178,035	n/a	1.28	0.00	0.02	0.17	0.48	0.00	0.00	**1.95**
Water Heating	$344,092	$1,155,842	$811,750	$561,212	$2,730	$8,429	$58,994	$166,580	$0	$0	**$797,945**
Utility Benefit Cost Test	$344,092	n/a	n/a	1.63	0.01	0.02	0.17	0.48			**2.32**
Total Resource Benefit Cost Test	n/a	$1,155,842	n/a	0.49	0.00	0.01	0.05	0.14	0.00	0.00	**0.69**
Sub Total Residential	$9,917,393	$12,721,061	$2,803,668	$12,060,184	$53,457	$165,055	$1,922,368	$5,428,102	$773,145	$0	**$20,402,310**
Utility Benefit Cost Test	$9,917,393	n/a	n/a	1.22	0.01	0.02	0.19	0.55			**1.98**
Total Resource Benefit Cost Test	n/a	$12,721,061	n/a	0.95	0.00	0.01	0.15	0.43	0.06	0.00	**1.60**
Energy Conscious Blueprint	$3,546,292	$4,824,649	$1,278,357	$5,016,410	$28,204	$87,082	$1,007,634	$2,845,210	$0	$0	**$8,984,540**
Utility Benefit Cost Test	$3,546,292	n/a	n/a	1.41	0.01	0.02	0.28	0.80			**2.53**
Total Resource Benefit Cost Test	n/a	$4,824,649	n/a	1.04	0.01	0.02	0.21	0.59	0.00	0.00	**1.86**
Energy Opportunities	$2,051,277	$4,230,695	$2,179,419	$2,941,260	$22,319	$68,912	$757,348	$2,138,490	$0	$0	**$5,928,330**
Utility Benefit Cost Test	$2,051,277	n/a	n/a	1.43	0.01	0.03	0.37	1.04			**2.89**
Total Resource Benefit Cost Test	n/a	$4,230,695	n/a	0.70	0.01	0.02	0.18	0.51	0.00	0.00	**1.40**
Business & Energy Sustainability (O&M, RetroCx, BSC)	$566,704	$1,517,093	$950,388	$903,483	$11,183	$34,529	$371,284	$1,048,378	$0	$0	**$2,368,858**
Utility Benefit Cost Test	$566,704	n/a	n/a	1.59	0.02	0.06	0.66	1.85			**4.18**
Total Resource Benefit Cost Test	n/a	$1,517,093	n/a	0.60	0.01	0.02	0.24	0.69	0.00	0.00	**1.56**
Small Business	$266,392	$516,419	$250,028	$391,317	$3,083	$9,518	$114,001	$321,900	$0	$0	**$839,819**
Utility Benefit Cost Test	$266,392	n/a	n/a	1.47	0.01	0.04	0.43	1.21			**3.15**
Total Resource Benefit Cost Test	n/a	$516,419	n/a	0.76	0.01	0.02	0.22	0.62	0.00	0.00	**1.63**
Sub Total C&I	$6,430,665	$11,088,856	$4,658,191	$9,252,470	$64,788	$200,041	$2,250,268	$6,353,978	$0	$0	**$18,121,547**
Utility Benefit Cost Test	$6,430,665	n/a	n/a	1.44	0.01	0.03	0.35	0.99			**2.82**
Total Resource Benefit Cost Test	n/a	$11,088,856	n/a	0.83	0.01	0.02	0.20	0.57	0.00	0.00	**1.63**
Other Costs	$2,466,316	$2,466,316	$0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Total	$18,814,374	$26,276,233	$7,461,859	$21,312,654	$118,245	$365,096	$4,172,636	$11,782,080	$773,145	$0	**$38,523,856**
Utility Benefit Cost Test	$18,814,374	n/a	n/a	1.13	0.01	0.02	0.22	0.63			**2.01**
Total Resource Benefit Cost Test	n/a	$26,276,233	n/a	0.81	0.00	0.01	0.16	0.45	0.03	0.00	**1.47**

Table C
YGS 2015 C&LM Budget Details

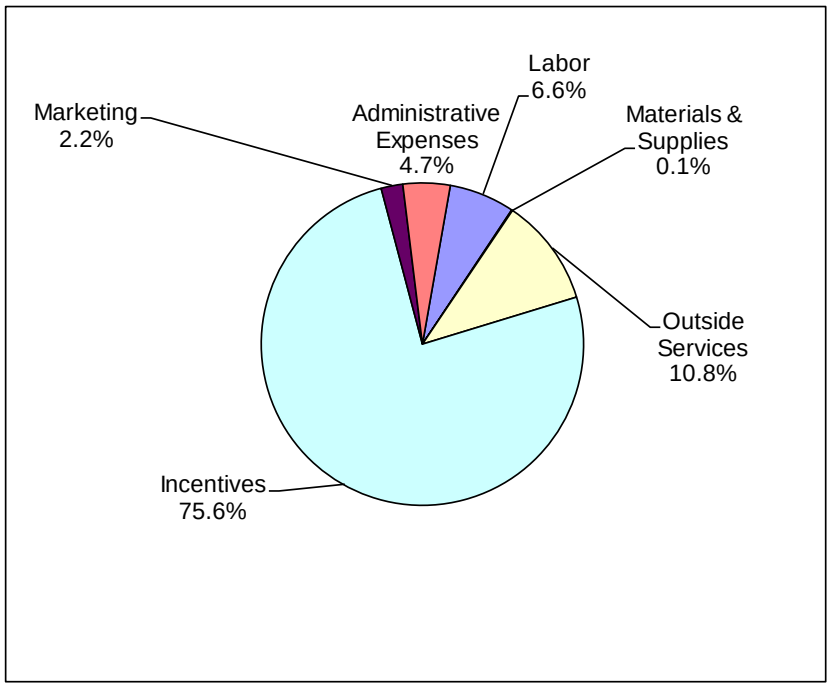
YGS C&LM BUDGET	Labor	Materials & Supplies	Outside Services	Incentives	Marketing	Administrative Expenses	TOTAL
RESIDENTIAL							
HES Income Eligible	$ 254,550	$ 1,712	$ 71,757	$ 2,827,123	$ 52,101	$ 8,605	$ 3,215,847
Home Energy Solutions (HES)	$ 345,270	$ 2,443	$ 160,720	$ 4,762,367	$ 101,855	$ 10,502	$ 5,383,157
Residential New Construction	$ 24,024	$ 470	$ 49,110	$ 886,515	$ 9,953	$ 4,226	$ 974,297
Water Heating	$ 8,853	$ 484	$ 2,231	$ 329,447	$ 2,162	$ 915	$ 344,092
Subtotal Residential	**$ 632,697**	**$ 5,108**	**$ 283,817**	**$ 8,805,452**	**$ 166,071**	**$ 24,248**	**$ 9,917,393**
COMMERCIAL & INDUSTRIAL							
C&I LOST OPPORTUNITY							
Energy Conscious Blueprint	$ 221,517	$ 6,185	$ 190,317	$ 3,046,406	$ 67,593	$ 14,274	$ 3,546,292
Total - Lost Opportunity	**$ 221,517**	**$ 6,185**	**$ 190,317**	**$ 3,046,406**	**$ 67,593**	**$ 14,274**	**$ 3,546,292**
C&I LARGE RETROFIT							
Energy Opportunities	$ 167,859	$ 912	$ 147,929	$ 1,681,650	$ 47,229	$ 5,697	$ 2,051,277
Business & Energy Sustainability (O&M, RetroCx, BSC)	$ 43,980	$ 2,165	$ 17,575	$ 472,258	$ 20,472	$ 10,254	$ 566,704
Total C&I - Large Retrofit	**$ 211,839**	**$ 3,076**	**$ 165,505**	**$ 2,153,908**	**$ 67,701**	**$ 15,952**	**$ 2,617,981**
Small Business	$ 16,070	$ 1,135	$ 5,267	$ 215,507	$ 23,589	$ 4,825	$ 266,392
Subtotal C&I	**$ 449,426**	**$ 10,397**	**$ 361,088**	**$ 5,415,821**	**$ 158,884**	**$ 35,050**	**$ 6,430,665**
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
EESmarts/K-12	$ 4,176	$ 1,300	$ 49,015	$ -	$ 7,000	$ 5,176	$ 66,667
Customer Engagement	$ -	$ -	$ 282,000	$ -	$ -	$ -	$ 282,000
Subtotal Education	**$ 30,284**	**$ 2,246**	**$ 512,274**	**$ -**	**$ 9,365**	**$ 19,831**	**$ 574,000**
OTHER - PROGRAMS/REQUIREMENTS							
Institute for Sustainable Energy	$ -	$ -	$ 41,333	$ -	$ -	$ -	$ 41,333
ESPC Project Manager - Lead By Example	$ -	$ -	$ 9,600	$ -	$ -	$ -	$ 9,600
Residential Financing (includes ECLF)	$ -	$ -	$ 145,083	$ -	$ -	$ -	$ 145,083
C&LM Loan Defaults	$ -	$ -	$ 86,333	$ -	$ -	$ -	$ 86,333
C&I Loan Program	$ -	$ -	$ 109,000	$ -	$ -	$ -	$ 109,000
Subtotal Programs/Requirements	**$ -**	**$ -**	**$ 391,349**	**$ -**	**$ -**	**$ -**	**$ 391,349**
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	$ -	$ -	$ -	$ -	$ 75,333	$ -	$ 75,333
Information Technology	$ 13,333	$ -	$ 120,000	$ -	$ -	$ -	$ 133,333
Planning	$ 44,689	$ -	$ -	$ -	$ -	$ 35,311	$ 80,000
Evaluation	$ -	$ -	$ 233,333	$ -	$ -	$ -	$ 233,333
Evaluation Consultant	$ -	$ -	$ 16,667	$ -	$ -	$ -	$ 16,667
Energy Efficiency Board	$ -	$ -	$ 50,015	$ -	$ -	$ -	$ 50,015
Performance Fee	$ -	$ -	$ -	$ -	$ -	$ 721,065	$ 721,065
Subtotal Other	**$ 123,593.33**	**$ -**	**$ 420,015**	**$ -**	**$ 75,333**	**$ 810,025**	**$ 1,428,966**
PROGRAM SUBTOTALS							
Residential	$ 657,759	$ 7,165	$ 848,522	$ 8,805,452	$ 235,230	$ 41,148	$ 10,595,276
C&I	$ 454,648	$ 10,586	$ 658,673	$ 5,415,821	$ 174,423	$ 37,981	$ 6,752,132
Other	$ 123,593	$ -	$ 533,348	$ -	$ -	$ 810,025	$ 1,466,967
TOTAL BUDGET	**$ 1,236,000**	**$ 17,751**	**$ 2,040,543**	**$ 14,221,273**	**$ 409,653**	**$ 889,154**	**$ 18,814,374**

Table C – YGS 2015 Pie

YGS

2015 Gas Conservation

Budget By Expense Class



Expense Classes		Budget	% of Budget
Labor	$	1,236,000	6.6%
Materials & Supplies	$	17,751	0.1%
Outside Services	$	2,040,543	10.8%
Incentives	$	14,221,273	75.6%
Marketing	$	409,653	2.2%
Administrative Expenses	$	889,154	4.7%
Total	**$**	**18,814,374**	**100.0%**

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 Actual	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	$5,614,632	$3,215,847
Home Energy Solutions (HES)	$94,816	$510,401	$796,046	$515,716	$1,311,466	$1,197,146	$1,637,539	$1,724,523	$4,493,416	$5,383,157
Residential New Construction				$314,517	$439,898	$769,583	$267,891	$193,667	$677,845	$974,297
Water Heating			$62,859	$104,091	$60,847	$49,946	$55,706	$41,069	$329,133	$344,092
Subtotal Residential	**$499,265**	**$983,899**	**$1,571,706**	**$1,886,065**	**$2,867,163**	**$3,910,936**	**$3,645,131**	**$5,097,684**	**$11,115,025**	**$9,917,393**
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	$3,034,664	$3,546,292
Total - Lost Opportunity	**$0**	**$0**	**$390,328**	**$804,505**	**$1,001,519**	**$2,014,498**	**$1,247,518**	**$1,152,025**	**$3,034,664**	**$3,546,292**
C&I LARGE RETROFIT										
Energy Opportunities			$49,283	$1,045,286	$491,898	$1,599,794	$1,133,274	$870,585	$2,053,847	$2,051,277
Business & Energy Sustainability (O&M, RetroCx, BSC)			$8,249	$17,886	$123,338	$25,478	$55,381	$94,554	$299,105	$566,704
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**	**$2,352,952**	**$2,617,981**
Small Business							$65,653	$422,844	$218,468	$266,392
Subtotal C&I	**$0**	**$11,288**	**$508,740**	**$1,867,677**	**$1,616,755**	**$3,639,770**	**$2,501,826**	**$2,540,008**	**$5,606,084**	**$6,430,665**
OTHER - Education										
SmartLiving Center®-Museums Partnership									$165,067	$82,000
Clean Energy Communities / Behavior Pilot									$49,106	$143,333
EESmarts/K-12									$8,790	$66,667
Customer Engagement									$284,008	$282,000
Subtotal Education	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$506,972**	**$574,000**
OTHER - PROGRAMS/REQUIREMENTS										
Institute for Sustainable Energy									$37,333	$41,333
ESPC Project Manager - Lead By Example									$34,825	$9,600
Residential Financing (includes ECLF)	$63,935	$35,438	$43,478	$55,386	$67,085	$66,744	$70,297	$70,112	$69,591	$145,083
C&LM Loan Defaults									$0	$86,333
C&I Loan Program								$294	$0	$109,000
Subtotal Programs/Requirements	**$63,935**	**$35,438**	**$43,478**	**$55,386**	**$67,085**	**$66,744**	**$70,297**	**$70,406**	**$69,591**	**$391,349**
OTHER - RD&D										
Research, Development and Demonstration								-	-	72,000
Subtotal RD&D	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 72,000**
OTHER - ADMINISTRATIVE & PLANNING										
Administration								$51,486	$94,752	$119,220
Marketing Plan								$8	$65,930	$75,333
Information Technology				$28,126	$29,679	$36,337	$39,953	$51,196	$72,683	$133,333
Planning	$4,526	$25,023	$100,679	$35,323	$34,581	$50,197	$67,396	$103,533	$147,774	$80,000
Evaluation			$960	$48,155	$27,057	$257,425	$126,001	($17,049)	$169,462	$233,333
Evaluation Consultant								$0	$34,068	$16,667
Energy Efficiency Board	$7,551	$6,466	$3,070	$28,232	$13,905	$10,605	$18,161	$38,924	$77,207	$50,015
Performance Fee								$605,725	$920,771	$721,065
Subtotal Other - Administrative & Planning	**$12,077**	**$31,489**	**$104,709**	**$139,836**	**$105,222**	**$354,564**	**$251,511**	**$833,824**	**$1,582,648**	**$1,428,966**
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	$11,644,696	$10,595,276
C&I	$0	$11,288	$508,740	$1,867,677	$1,616,755	$3,639,770	$2,501,826	$2,540,303	$5,753,731	$6,752,132
Other	$12,077	$31,489	$104,709	$139,836	$105,222	$354,564	$251,511	$833,816	$1,554,050	$1,466,967
TOTAL	**$575,277**	**$1,062,114**	**$2,228,633**	**$3,948,964**	**$4,656,225**	**$7,972,014**	**$6,468,765**	**$8,541,922**	**$18,952,478**	**$18,814,374**

Table D2

YGS - Units

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 Actual	2015 Budget
RESIDENTIAL										
HES Income Eligible - Weatherization	574	1,238	1,350	1,932	2,497	2,347	1,579	2,052	4,070	2,633
Home Energy Solutions (HES)	393	1,351	1,824	798	2,768	1,811	3,918	2,869	3,048	3,876
Insulation Rebate	-	-	-	-	-	-		140	333	772
HES Early Retirement Furnace Rebate	-	-	-	-	-	-		34	394	1,828
Res High Eff Natural Gas Furnace Replace Rebate	-	-	-	-	-	-		247	1,334	713
Window Rebate	-	-	-	-	-	-		217	529	126
Home Energy Solution (HES) - Total	**393**	**1,351**	**1,824**	**798**	**2,768**	**1,811**	**3,918**	**3,507**	**5,638**	**7,315**
Residential New Construction				326	206	235	356	634	792	724
Water Heating			160	303	179	128	112	54	752	1,160
Subtotal Residential	**967**	**2,589**	**3,334**	**3,359**	**5,650**	**4,521**	**5,965**	**6,247**	**11,252**	**11,832**
COMMERCIAL & INDUSTRIAL										
C&I LOST OPPORTUNITY										
Energy Conscious Blueprint	-	-	14	30	64	85	92	136	153	91
Total - Lost Opportunity	**0**	**0**	**14**	**30**	**64**	**85**	**92**	**136**	**153**	**91**
C&I LARGE RETROFIT										
Energy Opportunities	-	-	2	18	28	42	50	42	55	39
Business & Energy Sustainability (O&M, RetroCx, BSC)	-	-	0	1	3	1	5	4	8	18
Process Retrofit Pilot			1							
Total - C&I Large Retrofit	**0**	**0**	**3**	**19**	**31**	**43**	**55**	**46**	**63**	**57**
Small Business	-	-	-			0	20	50	62	16
Subtotal C&I	**0**	**0**	**17**	**49**	**95**	**128**	**167**	**232**	**278**	**164**
PROGRAM SUBTOTALS										
Residential	967	2,589	3,334	3,359	5,650	4,521	5,965	6,247	11,252	11,832
C&I	0	0	17	49	95	128	167	232	278	164
Other										
TOTAL	**967**	**2,589**	**3,351**	**3,408**	**5,745**	**4,649**	**6,132**	**6,479**	**11,530**	**11,996**

Tables D3 & D4 – YGS Historical and Projected Annual and Lifetime ccf

Table D3
YGS - Annual Savings (CCF)
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 Actual	2015 Budget
RESIDENTIAL										
HES Income Eligible - Weatherization	45,734	101,407	94,054	195,280	194,946	359,607	248,413	415,930	593,667	293,092
Home Energy Solutions (HES)	11,295	86,333	98,698	55,728	222,581	172,026	282,453	238,395	303,919	640,369
Insulation Rebate	-	-	-	-	-	-	-	17,015	45,588	-
HES Early Retirement Furnace Rebate	-	-	-	-	-	-	-	7,132	48,552	-
Res High Eff Natural Gas Furnace Replace Rebate	-	-	-	-	-	-	-	41,477	133,167	-
Window Rebate	-	-	-	-	-	-	-	2,516	5,078	-
Home Energy Solution (HES) - Total	**11,295**	**86,333**	**98,698**	**55,728**	**222,581**	**172,026**	**282,453**	**306,535**	**536,304**	**640,369**
Residential New Construction				31,287	41,991	47,744	38,642	53,957	89,997	118,172
Water Heating			9,728	18,422	10,883	7,168	6,129	2,812	49,272	56,300
Subtotal Residential	**57,029**	**187,740**	**202,480**	**300,717**	**470,401**	**586,545**	**575,637**	**779,234**	**1,269,239**	**1,107,934**
COMMERCIAL & INDUSTRIAL										
C&I LOST OPPORTUNITY										
Energy Conscious Blueprint			43,558	112,046	287,670	359,929	327,306	259,919	505,346	581,627
Total - Lost Opportunity	**0**	**0**	**43,558**	**112,046**	**287,670**	**359,929**	**327,306**	**259,919**	**505,346**	**581,627**
C&I LARGE RETROFIT										
Energy Opportunities			17,218	639,931	205,653	404,921	255,394	481,474	614,294	460,271
Business & Energy Sustainability (O&M, RetroCx, BSC)			0	6,683	66,979	15,429	52,488	53,261	164,777	230,624
Process Retrofit Pilot			27,997							
Total - C&I Large Retrofit	**0**	**0**	**45,215**	**646,614**	**272,632**	**420,350**	**307,882**	**534,735**	**779,072**	**690,894**
Small Business						0	23,405	72,422	57,987	63,569
Subtotal C&I	**0**	**0**	**88,773**	**758,660**	**560,302**	**780,279**	**658,593**	**867,076**	**1,342,405**	**1,336,091**
PROGRAM SUBTOTALS										
Residential	57,029	187,740	202,480	300,717	470,401	586,545	575,637	779,234	1,269,239	1,107,934
C&I	-	-	88,773	758,660	560,302	780,279	658,593	867,076	1,342,405	1,336,091
Other	-	-	-	-	-	-	-	-	-	-
TOTAL	**57,029**	**187,740**	**291,253**	**1,059,377**	**1,030,703**	**1,366,824**	**1,234,230**	**1,646,309**	**2,611,644**	**2,444,025**

Table D4
YGS - Lifetime Savings (CCF)
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 Actual	2015 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	11,276,075	5,802,476
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	5,536,786	12,758,484
Insulation Rebate								425,386	1,139,707	-
HES Early Retirement Furnace Rebate								35,662	940,461	-
Res High Eff Natural Gas Furnace Replace Rebate								829,533	2,615,788	-
Window Rebate								52,674	101,568	-
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**	**10,334,310**	**12,758,484**
Residential New Construction				782,194	1,049,784	1,193,609	952,273	1,171,781	2,045,134	2,954,306
Water Heating			194,560	368,448	217,664	143,360	84,305	56,244	944,742	1,054,373
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**	**24,600,260**	**22,569,639**
COMMERCIAL & INDUSTRIAL										
C&I LOST OPPORTUNITY										
Energy Conscious Blueprint			670,160	1,770,613	4,371,511	5,637,483	5,074,442	4,012,514	7,665,291	8,933,764
Total - Lost Opportunity	**0**	**0**	**670,160**	**1,770,613**	**4,371,511**	**5,637,483**	**5,074,442**	**4,012,514**	**7,665,291**	**8,933,764**
C&I LARGE RETROFIT										
Energy Opportunities			191,374	9,216,030	2,347,874	4,168,922	3,017,300	5,870,925	7,136,800	5,181,622
Business & Energy Sustainability (O&M, RetroCx, BSC)				66,830	669,798	77,145	369,200	398,693	958,524	1,534,542
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**	**8,095,324**	**6,716,164**
Small Business							290,172	835,602	693,581	715,603
Subtotal C&I	**0**	**0**	**1,421,474**	**11,053,473**	**7,389,183**	**9,883,550**	**8,751,114**	**11,117,734**	**16,454,196**	**16,365,530**
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	24,600,260	22,569,639
C&I	-	-	1,421,474	11,053,473	7,389,183	9,883,550	8,751,114	11,117,734	16,454,196	16,365,530
Other	-	-	-	-	-	-	-	-	-	-
TOTAL	**1,155,154**	**2,721,099**	**5,003,400**	**16,911,356**	**16,041,296**	**20,420,436**	**18,408,014**	**24,415,626**	**41,054,456**	**38,935,169**

Yankee Gas Service Company

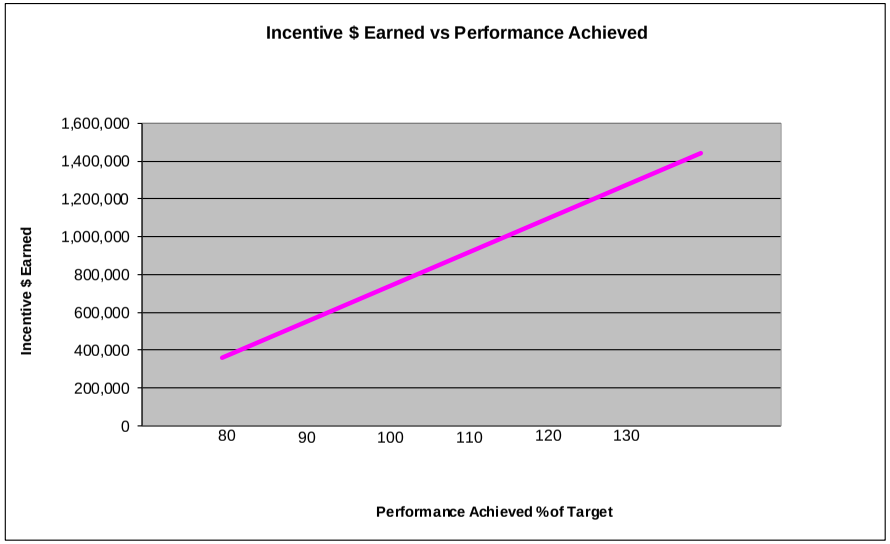
2015 Management Incentive Performance Indicators and Incentive Matrix

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 **$721,065** and is based on achieving **100%** of all performance targets and earning an incentive of **4%** of the total C&LM program budget of **$18,026,627** 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-

Performance %	Pretax Incentive	**Pre-tax Incentive**
Minimum		
80	2%	$360,533
90	3%	$540,799
100	4%	**$721,065**
110	5%	$901,331
120	6%	$1,081,598
130	7%	$1,261,864
140	8%	$1,442,130
Maximum		
Incentive Basis Budget	$18,026,627	

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 2015 - Residential

SECTOR Program		Performance Indicators			Incentive Metrics: Incentive Metric	Target Goal	Weight	Incentive
RESIDENTIAL								
		Program Name	**LT-CCF**	**% (1)**				
Residential Programs (Sector Level) Sector Budget	$9,917,393	HES Income Eligible	5,802,476	25.71%	Sum of Gas System Benefit from Residential programs	Gas System Benefit from Residential programs $19,629,165	0.1950	$140,608
		Home Energy Solutions (HES)	12,758,484	56.53%				
		Residential New Construction	2,954,306	13.09%				
		Water Heating	1,054,373	4.67%				
		Total	22,569,639					
		Savings Rate	$0.8697	/ CCF				
		Savings	**$19,629,165**					
		(1) percent of target goal						
Net Residential Gas Benefit :		Net Residential Gas Benefit :	**$9,711,771**			$9,711,771	0.1950	$140,608
Water Heating	$344,092	Water Heating - Number of Water Heating Units (tankless & condensing units) per DEEP Final Decision			**Units**	500	0.0100	$7,211
Home Energy Solutions	$5,383,157	Achieve adjusted CCF savings per single family home as per DEEP Final Decision			CCF/home	128.3	0.0500	$36,053
HES Income Eligible	$3,215,847	Annual CCF savings			Annual CCF Savings	293,092	0.0300	$21,631.95

YGS Performance Incentive 2015 – Commercial & Industrial

SECTOR Program		Performance Indicators			Incentive Metrics: Incentive Metric	Target Goal	Weight	Incentive
COMMERCIAL & INDUSTRIAL (C&I)								
		Program Name	**LT-CCF**	**% (1)**				
C&I Programs (Sector Level) Sector Budget	$6,430,665	Energy Conscious Blueprint	8,933,764	54.59%	Total Gas System Benefit from C&I programs	Gas System Benefit from C&I programs	0.2100	$151,424
		Energy Opportunities	5,181,622	31.66%		$18,121,546		
		Business & Energy Sustainability (O&M, RetroCx, BSC)	1,534,542	9.38%				
		Small Business	715,603	4.37%				
		Total	16,365,530					
		Savings Rate	$1.1073 / CCF					
		Savings	**$18,121,546**					
		(1) percent of target goal						
Net C&I Gas System Benefit:		Net C&I Gas System Benefit:	**$11,690,881**			$11,690,881	0.2100	$151,424
Small Business	$266,392	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	$21,632

YGS Performance Incentive 2015 – Commercial & Industrial (cont.)

SECTOR Program		Performance Indicators	Incentive Metrics			
			Incentive Metric	Target Goal	Weight	Incentive
COMMERCIAL & INDUSTRIAL (C&I)						
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	$21,632
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	**22%** of savings via signed contracts.	0.0400	$28,843
Total Incentive $ Residential and C&I					**1.00000**	$721,065

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Connecticut Natural Gas Corporation (CNG) 2015 Budget Tables

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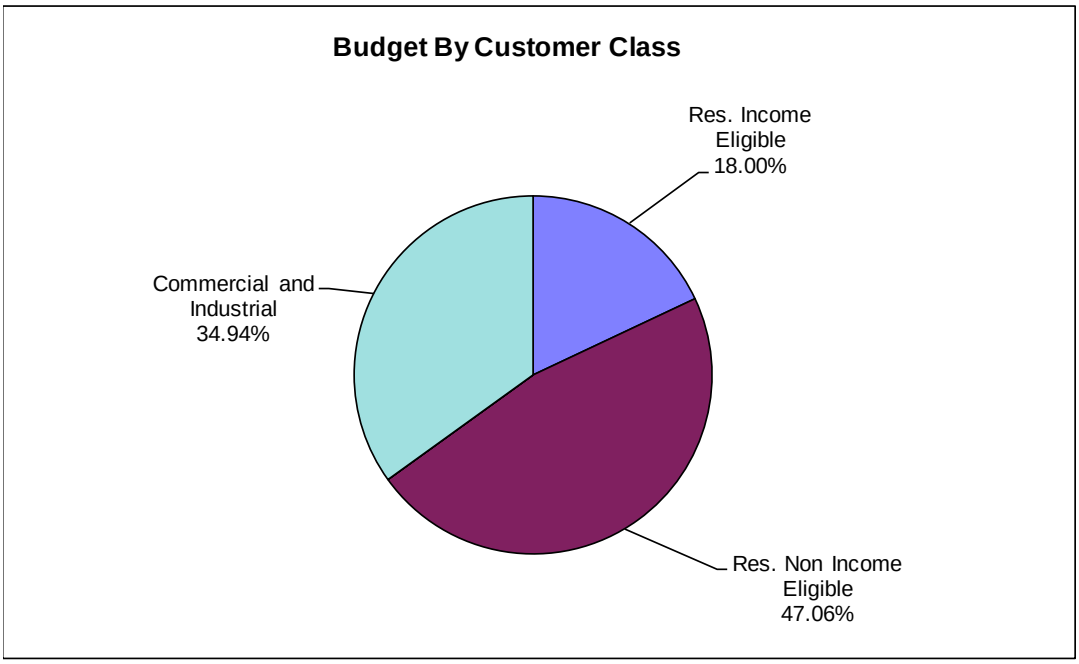
Table A – CNG 2014-2016 Budget

Table A
CNG
Proposed Natural Gas Conservation Plan Budget

Natural Gas C&LM Budget	2014 CNG Actual Expenditures	2015 CNG EEB Approved Budget 12/10/2014	2015 CNG March 2015 Budget Update
RESIDENTIAL			
HES Income Eligible	$ 2,911,972	$ 2,772,327	$ 3,156,970
Home Energy Solutions (HES)	$ 4,584,440	$ 4,978,194	$ 5,663,176
Residential New Construction	$ 448,060	$ 428,443	$ 428,443
Water Heating	$ 97,282	$ 309,688	$ 309,688
Subtotal Residential	**$ 8,041,754**	**$ 8,488,652**	**$ 9,558,276**
COMMERCIAL & INDUSTRIAL			
C&I LOST OPPORTUNITY			
Energy Conscious Blueprint	$ 1,885,116	$ 2,065,072	$ 2,346,467
Total - Lost Opportunity	**$ 1,885,116**	**$ 2,065,072**	**$ 2,346,467**
C&I LARGE RETROFIT			
Energy Opportunities	$ 814,173	$ 1,099,558	$ 1,252,021
O&M (RetroCx, Training)	$ 384,968	$ 602,285	$ 684,354
Total - C&I Large Retrofit	**$ 1,199,141**	**$ 1,701,843**	**$ 1,936,375**
Small Business	$ 199,250	$ 199,458	$ 233,512
Subtotal C&I	**$ 3,283,507**	**$ 3,966,373**	**$ 4,516,354**
OTHER - Education			
SmartLiving Center®-Museums Partnership	$ 166,953	$ 82,000	$ 82,000
EE Communities	$ 40,793	$ 143,333	$ 143,333
EESmarts/K-12	$ 25,791	$ 66,667	$ 66,667
Customer Engagement	$ -	$ 50,000	$ 50,000
Subtotal Education	**$ 233,537**	**$ 342,000**	**$ 342,000**
OTHER - PROGRAMS/REQUIREMENTS			
ISE	$ 37,333	$ 37,333	$ 41,333
ESPC	$ 5,918	$ 9,600	$ 9,600
Resi Financing/CHIF Loan Fund	$ 55,745	$ 99,959	$ 99,959
C&LM Loan Defaults	$ -	$ 86,333	$ 86,333
C&I Financing Subsidies	$ -	$ 75,000	$ 75,000
Subtotal Programs/Requirements	**$ 98,996**	**$ 308,225**	**$ 312,225**
Research, Development and Demonstration	$ -	$ 50,000	$ 50,000
Subtotal RD&D	$ -	$ 50,000	$ 50,000
OTHER - ADMINISTRATIVE & PLANNING			
Administration	$ 129,993	$ 121,329	$ 121,329
Marketing Plan	$ 96,997	$ 58,000	$ 58,000
Information Technology	$ 101,056	$ 133,333	$ 133,333
Planning	$ 99,445	$ 80,000	$ 80,000
Evaluation	$ 132,229	$ 246,600	$ 233,333
Evaluation Consultant	$ 25,516	$ 24,300	$ 16,667
Energy Efficiency Board	$ 24,398	$ 56,682	$ 50,015
Performance Fee	$ 598,292	$ 551,781	$ 616,194
Subtotal Other - Administrative & Planning	**$ 1,207,926**	**$ 1,272,025**	**$ 1,308,871**
PROGRAM SUBTOTALS			
Residential	$ 8,284,329	$ 8,862,211	$ 9,931,835
C&I	$ 3,373,465	$ 4,243,039	$ 4,797,020
Other	$ 1,207,926	$ 1,322,025	$ 1,358,871
TOTAL	**$ 12,865,720**	**$ 14,427,276**	**$ 16,087,727**

Table A - CNG 2015 Pie

CNG 2015 Budget Analysis



Customer Class	Budget	% of Total Conservation Budget	% of Residential & C&I Budget
Res. Income Eligible	$3,156,970	16.15%	18.00%
Res. Non Income Eligible	$6,774,866	42.22%	47.06%
Residential Subtotal	$9,931,835	58.36%	65.06%
Commercial and Industrial	$4,797,020	31.34%	34.94%
C&I Subtotal	$4,797,020	31.34%	34.94%
Residential and C&I Subtotal	$14,728,856	89.71%	100.00%
Other Expenditures			
Other Expenditures	$1,358,871	10.29%	
Other Expenditures Subtotal	$1,358,871	10.29%	
TOTAL	**$16,087,727**	100.00%	

Table B1 – 2015 CNG Comparison of Program Energy Savings

Table B

2015 COMPARISON OF CONSERVATION PROGRAMS

Program	Program Costs 2015	Customer Cost 2015	Total Resource Cost 2015	Program Benefit	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)	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	$ 3,156,970	$ -	$ 3,156,970	$ 5,476,004	$ 6,314,609	19.6%	1.73	2.00	4,917	Homes	307,883	6,054,336	3,547	$ 10.25	$ 0.52					31,681	622,991	$ 99.65	$ 5.07
SCG HES Income Eligible	$ 1,745,752	$ -	$ 1,745,752	$ 2,866,818	$ 3,305,848	20.9%	1.64	1.89	2,574	Homes	161,184	3,169,589	1,857	$ 10.83	$ 0.55					16,586	326,151	$ 105.26	$ 5.35
Sub Total HES Income Eligible	**$ 4,902,721**	**$ -**	**$ 4,902,722**	**$ 8,342,822**	**$ 9,620,458**	**20.0%**	**1.70**	**1.96**	**7,492**	**Homes**	**469,067**	**9,223,925**	**5,404**	**$ 10.45**	**$ 0.53**	**0**	**0**			**48,267**	**949,142**	**$ 101.58**	**$ 5.17**
CNG Home Energy Solutions	$ 5,663,176	$ 2,750,914	$ 8,414,090	$ 10,740,462	$ 11,597,604	35.2%	1.90	1.38	4,634	Homes & HVAC Rebated	592,063	11,550,525	5,898	$ 9.57	$ 0.49	0	0	0	0	60,923	1,188,549	$ 92.96	$ 4.76
SCG Home Energy Solutions	$ 1,829,981	$ 732,691	$ 2,562,672	$ 3,285,349	$ 3,459,698	21.9%	1.80	1.35	1,306	Homes & HVAC Rebated	183,113	3,610,316	2,134	$ 9.99	$ 0.51	0	0			18,842	371,501	$ 97.12	$ 4.93
Sub Total Home Energy Solutions	**$ 7,493,157**	**$ 3,483,605**	**$ 10,976,762**	**$ 14,025,810**	**$ 15,057,301**	**30.6%**	**1.87**	**1.37**	**5,940**	**Homes**	**775,177**	**15,160,841**	**8,032**	**$ 9.67**	**$ 0.49**	**0**	**0**	**0**	**0**	**79,766**	**1,560,051**	**$ 93.94**	**$ 4.80**
SCG Residential Behavior	$ 620,656	$ 312,971	$ 933,627	$ 1,889,169	$ 1,889,169	7.4%	3.04	2.02	2,500	Thermostats	145,424	1,454,241	1,421	$ 4.27	$ 0.64	0	0	0	0	14,964	149,641	$ 41.48	$ 6.24
CNG New Construction	$ 428,443	$ 356,393	$ 784,836	$ 965,349	$ 965,349	2.7%	2.25	1.23	170	Homes	47,405	1,185,135	409	$ 9.04	$ 0.36					4,878	121,950	$ 87.83	$ 3.51
SCG New Construction	$ 330,790	$ 246,911	$ 577,701	$ 666,505	$ 666,505	4.0%	2.01	1.15	116	Homes	32,726	818,152	283	$ 10.11	$ 0.40					3,368	84,188	$ 98.23	$ 3.93
Sub Total New Construction	**$ 759,233**	**$ 603,304**	**$ 1,362,537**	**$ 1,631,854**	**$ 1,631,854**	**3.1%**	**2.15**	**1.20**	**286**	**Homes**	**80,131**	**2,003,287**	**692**	**$ 9.47**	**$ 0.38**	**0**	**0**	**0**	**0**	**8,246**	**206,138**	**$ 92.08**	**$ 3.68**
CNG Water Heating	$ 309,688	$ 940,640	$ 1,250,328	$ 779,947	$ 779,947	1.9%	2.52	0.62	1,061	Units	47,494	874,914	152	$ 6.52	$ 0.35					4,887	90,029	$ 63.37	$ 3.44
SCG Water Heating	$ 307,471	$ 936,620	$ 1,244,091	$ 776,558	$ 776,558	3.7%	2.53	0.62	1,058	Units	47,297	870,978	152	$ 6.50	$ 0.35					4,867	89,624	$ 63.18	$ 3.43
Sub Total Water Heating	**$ 617,159**	**$ 1,877,260**	**$ 2,494,419**	**$ 1,556,505**	**$ 1,556,505**	**2.5%**	**2.52**	**0.62**	**2,119**	Units	**94,792**	**1,745,892**	**304**	**$ 6.51**	**$ 0.35**	**0**	**0**	**0**	**0**	**9,754**	**179,652**	**$ 63.27**	**$ 3.44**
Subtotal Residential	**$ 14,392,926**	**$ 6,277,140**	**$ 20,670,067**	**$ 27,446,160**	**$ 29,755,286**	**58.9%**	**1.91**	**1.44**	**18,337**	**Homes/ Units**	**1,564,591**	**29,588,185**	**15,854**	**$ 9.20**	**$ 0.49**	**0**	**0**	**0**	**0**	**160,996**	**3,044,624**	**$ 89.40**	**$ 4.73**
Commercial and Industrial C&I Lost																							
CNG Energy Conscious Blueprint	$ 2,346,467	$ 847,899	$ 3,194,366	$ 5,668,248	$ 5,668,248	14.6%	2.42	1.77	61	Projects	392,822	6,033,722	3,100	$ 5.97	$ 0.39					40,421	620,870	$ 58.05	$ 3.78
SCG Energy Conscious Blueprint	$ 986,125	$ 380,826	$ 1,366,951	$ 2,403,612	$ 2,403,612	11.8%	2.44	1.76	26	Projects	166,575	2,558,591	1,315	$ 5.92	$ 0.39					17,141	263,279	$ 57.53	$ 3.75
Sub Total Lost Opportunity	**$ 3,332,592**	**$ 1,228,725**	**$ 4,561,317**	**$ 8,071,860**	**$ 8,071,860**	**13.6%**	**2.42**	**1.77**	**87**	**Projects**	**559,397**	**8,592,313**	**4,414**	**$ 5.96**	**$ 0.39**	**0**	**0**	**0**	**0**	**57,562**	**884,149**	**$ 57.90**	**$ 3.77**
Commercial and Industrial Large Retrofit																							
CNG Energy Opportunities	$ 1,252,021	$ 1,825,011	$ 3,077,031	$ 3,923,396	$ 3,923,396	7.8%	3.13	1.28	25	Projects	312,139	3,517,117	4,248	$ 4.01	$ 0.36					32,119	361,911	$ 38.98	$ 3.46
SCG Energy Opportunities	$ 501,120	$ 652,798	$ 1,153,918	$ 1,313,503	$ 1,313,503	6.0%	2.62	1.14	8	Projects	104,500	1,177,486	1,422	$ 4.80	$ 0.43					10,753	121,163	$ 46.60	$ 4.14
Sub Total Energy Opportunites	**$ 1,753,141**	**$ 2,477,809**	**$ 4,230,949**	**$ 5,236,899**	**$ 5,236,899**	**7.2%**	**2.99**	**1.24**	**33**	**Projects**	**416,639**	**4,694,603**	**5,671**	**$ 4.21**	**$ 0.37**	**0**	**0**	**0**	**0**	**42,872**	**483,075**	**$ 40.89**	**$ 3.63**
CNG O&M	$ 684,354	$ 1,076,514	$ 1,760,869	$ 2,593,340	$ 2,593,340	4.3%	3.79	1.47	12	Projects	281,527	1,689,160	3,100	$ 2.43	$ 0.41					28,969	173,815	$ 23.62	$ 3.94
SCG O&M	$ 189,407	$ 311,835	$ 501,242	$ 716,210	$ 716,210	2.3%	3.78	1.43	3	Projects	77,750	466,500	856	$ 2.44	$ 0.41					8,000	48,003	$ 23.67	$ 3.95
Sub Total O&M	**$ 873,761**	**$ 1,388,349**	**$ 2,262,111**	**$ 3,309,549**	**$ 3,309,549**	**3.6%**	**3.79**	**1.46**	**16**	**Projects**	**359,277**	**2,155,660**	**3,956**	**$ 2.43**	**$ 0.41**	**0**	**0**			**36,970**	**221,817**	**$ 23.63**	**$ 3.94**
CNG Small Business	$ 233,512	$ 318,849	$ 552,361	$ 827,633	$ 827,633	1.5%	3.54	1.50	9	Projects	65,845	741,929	753	$ 3.55	$ 0.31					6,775	76,344	$ 34.46	$ 3.06
SCG Small Business	$ 141,045	$ 185,891	$ 326,935	$ 457,964	$ 457,964	1.7%	3.25	1.40	5	Projects	36,435	410,541	417	$ 3.87	$ 0.34					3,749	42,245	$ 37.62	$ 3.34
Sub Total Small Business	**$ 374,557**	**$ 504,739**	**$ 879,296**	**$ 1,285,597**	**$ 1,285,597**	**1.5%**	**3.43**	**1.46**	**14**	**Projects**	**102,280**	**1,152,470**	**1,169**	**$ 3.66**	**$ 0.33**	**0**	**0**	**0**	**0**	**10,525**	**118,589**	**$ 35.59**	**$ 3.16**
Subtotal Commercial & Industrial	**$ 6,334,051**	**$ 5,599,622**	**$ 11,933,673**	**$ 17,903,906**	**$ 17,903,906**	**25.9%**	**2.83**	**1.50**	**150**	**Projects**	**1,437,593**	**16,595,046**	**15,210**	**$ 4.41**	**$ 0.38**	**-**	**-**						
OTHER																							
CNG CHIF, Residential, C&I Loan Program	$ 312,225																						
SCG CHIF, Residential, C&I Loan Program	$ 312,225																						
Sub Total Other - Loan Program	**$ 624,450**																						
CNG IT, Planning, Evaluation, and EEB	$ 1,700,871																						
SCG IT, Planning, Evaluation, and EEB	$ 1,403,980																						
Sub Total Other - Evaluation	**$ 3,104,851**																						
Subtotal Other	**$ 3,729,301**																						
PROGRAM SUBTOTALS																							
CNG Residential	$ 9,558,276	$ 4,047,947	$ 13,606,224	$ 17,961,761	$ 19,657,508	59.4%					994,846	19,664,910	10,007	$ 9.61	$ 0.49	-	-	-	-	102,370	2,023,519	$ 93.37	$ 4.72
SCG Residential	$ 4,834,650	$ 2,229,193	$ 7,063,843	$ 9,484,399	$ 10,097,778	57.8%					569,745	9,923,275	5,847	$ 8.49	$ 0.49	-	-			58,627	1,021,105	$ 82.46	$ 4.73
Residential Total	**$ 14,392,926**	**$ 6,277,140**	**$ 20,670,067**	**$ 27,446,160**	**$ 29,755,286**	**58.9%**					**1,564,591**	**29,588,185**	**15,854**	**$ 9.20**	**$ 0.49**	**-**	**-**	**-**	**-**	**160,996**	**3,044,624**	**$ 89.40**	**$ 4.73**
CNG C&I	$ 4,516,354	$ 4,068,272	$ 8,584,627	$ 13,012,616	$ 13,012,616	28.1%					1,052,332	11,981,928	11,201	$ 4.29	$ 0.38	-	-			108,285	1,232,940	$ 41.71	$ 3.66
SCG C&I	$ 1,817,696	$ 1,531,350	$ 3,349,046	$ 4,891,290	$ 4,891,290	21.7%					385,261	4,613,118	4,009	$ 4.72	$ 0.39	-	-			39,643	474,690	$ 45.85	$ 3.83
C&I Total	**$ 6,334,051**	**$ 5,599,622**	**$ 11,933,673**	**$ 17,903,906**	**$ 17,903,906**	**25.9%**					**1,437,593**	**16,595,046**	**15,210**	**$ 4.41**	**$ 0.38**	**-**	**-**			**147,928**	**1,707,630**	**$ 42.82**	**$ 3.71**
CNG Other	$ 2,013,096					12.5%														0	0		
SCG Other	$ 1,716,205					20.5%														0	0		
Other Total	**$ 3,729,301**	**$ -**	**$ -**	**$ -**	**$ -**	**15.2%**					-	-	-							**0**	**0**		
CNG TOTAL	$ 16,087,727	$ 8,116,220	$ 22,190,850	$ 30,974,377	$ 32,670,125	65.8%					2,047,179	31,646,838	21,208	$ 7.86	$ 0.51	-	-	-	-	210,655	3,256,460	$ 76.37	$ 4.94
SCG TOTAL	$ 8,368,551	$ 3,760,543	$ 10,412,889	$ 14,375,689	$ 14,989,068	34.2%					955,006	14,536,393	9,856	$ 8.76	$ 0.58	-	-	-	-	98,270	1,495,795	$ 85.16	$ 5.59
GRAND TOTAL	**$ 24,456,278**	**$ 11,876,762**	**$ 32,603,739**	**$ 45,350,066**	**$ 47,659,192**	**100.0%**	**1.85**	**1.46**			**3,002,184**	**46,183,231**	**31,064**	**$ 8.15**	**$ 0.53**	**-**	**-**	**-**	**-**	**308,925**	**4,752,255**	**$ 79.17**	**$ 5.15**

Table C – 2015 CNG Program Budget Details

Table C
CNG 2015 Budget Details

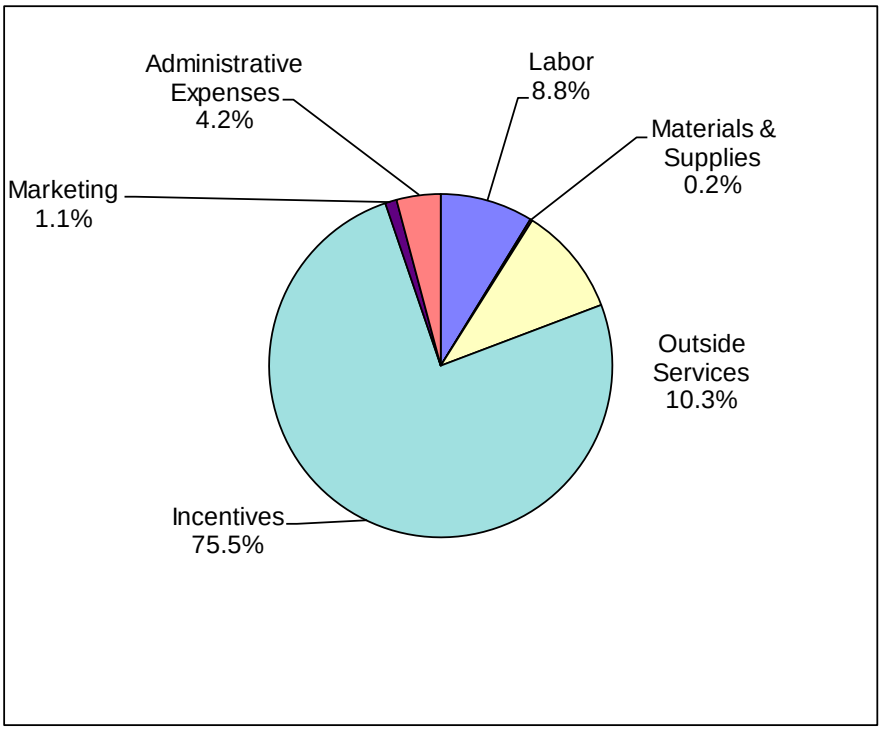
GAS CONSERVATION BUDGET ($000)	Labor	Materials & Supplies	Outside Services	Incentives	Marketing	Administrative Expenses	TOTAL
RESIDENTIAL							
HES Income Eligible	$ 234,806	$ 2,500	$ 10,000	$ 2,897,064	$ 10,000	$ 2,600	$ 3,156,970
Home Energy Solutions (HES)	$ 296,754	$ 4,000	$ 256,634	$ 5,049,761	$ 50,000	$ 6,027	$ 5,663,176
Residential New Construction	$ 38,975	$ 1,000	$ 15,000	$ 358,468	$ 12,500	$ 2,500	$ 428,443
Water Heating	$ 14,053	$ 300	$ 18,000	$ 268,332	$ 8,003	$ 1,000	$ 309,688
Subtotal Residential	**$ 584,588**	**$ 7,800**	**$ 299,634**	**$ 8,573,625**	**$ 80,503**	**$ 12,127**	**$ 9,558,277**
COMMERCIAL & INDUSTRIAL LOST OPPORTUNITY							
Energy Conscious Blueprint	$ 335,000	$ 10,251	$ 125,000	$ 1,814,710	$ 41,004	$ 20,502	$ 2,346,467
Subtotal C&I - Lost Opportunity	**$ 335,000**	**$ 10,251**	**$ 125,000**	**$ 1,814,710**	**$ 41,004**	**$ 20,502**	**$ 2,346,467**
COMMERCIAL & INDUSTRIAL LARGE RETROFIT							
Energy Opportunities	$ 128,000	$ 5,000	$ 58,633	$ 1,025,388	$ 30,000	$ 5,000	$ 1,252,021
Operations & Maintenance	$ 65,000	$ 5,000	$ 45,000	$ 551,854	$ 10,000	$ 7,500	$ 684,354
Subtotal C&I - Lost Opportunity	**$ 193,000**	**$ 10,000**	**$ 103,633**	**$ 1,577,242**	**$ 40,000**	**$ 12,500**	**$ 1,936,375**
Small Business	$ 28,000	$ 2,000	$ 10,000	$ 183,512	$ 5,000	$ 5,000	$ 233,512
Subtotal C&I	**$ 556,000**	**$ 22,251**	**$ 238,633**	**$ 3,575,464**	**$ 86,004**	**$ 38,002**	**$ 4,516,354**
OTHER - PROGRAMS/REQUIREMENTS & PLANNING							
OTHER - EDUCATION							
SmartLiving Center® - Museum Partnerships	$ 7,655	$ 1,000	$ 67,845		$ 5,000	$ 500	$ 82,000
Clean Energy Communities	$ 36,905		$ 106,428				$ 143,333
EESmarts/K-12	$ 8,352	$ 1,300	$ 53,015		$ 3,000	$ 1,000	$ 66,667
Customer Engagement	$ -		$ 50,000				$ 50,000
Subtotal Education	**$ 52,912**	**$ 2,300**	**$ 277,288**	**$ -**	**$ 8,000**	**$ 1,500**	**$ 342,000**
OTHER - PROGRAMS/REQUIREMENTS							
ISE	$ -	$ -	$ 41,333	$ -	$ -	$ -	$ 41,333
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	**$ -**	**$ -**	**$ 312,225**	**$ -**	**$ -**	**$ -**	**$ 312,225**
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	$ -	$ -	$ 58,000	$ -	$ -		$ 58,000
Information Technology	$ 13,321	$ -	$ 120,012	$ -	$ -		$ 133,333
Planning	$ 80,000	$ -	$ -	$ -	$ -		$ 80,000
Evaluation	$ 20,418	$ -	$ 212,915	$ -	$ -		$ 233,333
Evaluation Consultant	$ -	$ -	$ 16,667	$ -	$ -		$ 16,667
Energy Efficiency Board	$ -	$ -	$ 50,015	$ -	$ -		$ 50,015
Performance Fee	$ -	$ -	$ -	$ -	$ -	$ 616,194	$ 616,194
Subtotal Other	**$ 214,393**	**$ -**	**$ 478,284**	**$ -**	**$ -**	**$ 616,194**	**$ 1,308,871**
PROGRAM SUBTOTALS							
Residential	$ 626,918	$ 9,640	$ 621,423	$ 8,573,625	$ 86,903	$ 13,327	**$ 9,931,836**
C&I	$ 566,582	$ 22,711	$ 506,357	$ 3,575,464	$ 87,604	$ 38,302	**$ 4,797,020**
Other	$ 214,393	$ -	$ 528,284	$ -	$ -	$ 616,194	**$ 1,358,871**
TOTAL BUDGET	**$ 1,407,893**	**$ 32,351**	**$ 1,656,064**	**$ 12,149,089**	**$ 174,507**	**$ 667,823**	**$ 16,087,727**

Table C – 2015 CNG Pie

CNG

2015 Gas Conservation

Budget By Expense Class



Expense Classes		Budget	% of Budget
Labor	$	1,407,893	8.8%
Materials & Supplies	$	32,351	0.2%
Outside Services	$	1,656,064	10.3%
Incentives	$	12,149,089	75.5%
Marketing	$	174,507	1.1%
Administrative Expenses	$	667,823	4.2%
Total	**$**	**16,087,727**	**100.00%**

Table D – CNG Historical and Projected Program Expenditures and Units

Table D

CNG Historical and Projected $ and Units

Expenditures $ (000)	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Goal
RESIDENTIAL										
HES Income Eligible - Weatherization	$ 443	$ 401	$ 431	$ 666	$ 805	$ 1,035	$ 838	$ 904	$ 2,912	$ 3,157
Home Energy Solutions (HES)	$ 52	$ 428	$ 795	$ 520	$ 1,368	$ 1,518	$ 1,548	$ 2,014	$ 4,584	$ 5,663
Residential New Construction	$ -	$ -	$ -	$ 179	$ 422	$ 905	$ 477	$ 1,374	$ 448	$ 428
Water Heating	$ -	$ -	$ 38	$ 92	$ 59	$ 45	$ 45	$ 22	$ 97	$ 310
Subtotal Residential	**$ 496**	**$ 829**	**$ 1,264**	**$ 1,456**	**$ 2,654**	**$ 3,503**	**$ 2,908**	**$ 4,314**	**$ 8,041**	**$ 9,558**
COMMERCIAL & INDUSTRIAL										
Energy Conscious Blueprint	$ -	$ -	$ 242	$ 572	$ 727	$ 873	$ 1,262	$ 1,177	$ 1,885	$ 2,346
Total - Lost Opportunity	**$ -**	**$ -**	**$ 242**	**$ 572**	**$ 727**	**$ 873**	**$ 1,262**	**$ 1,177**	**$ 1,885**	**$ 2,346**
C&I LARGE RETROFIT										
Energy Opportunities	$ -	$ -	$ 17	$ 140	$ 325	$ 471	$ 778	$ 1,536	$ 814	$ 1,252
O&M (RetroCx, Training)	$ -	$ -	$ 3	$ 8	$ 14	$ 29	$ 160	$ 90	$ 385	$ 684
Process Retrofit Project			$ 22							
Total - C&I Large Retrofit	**$ -**	**$ -**	**$ 42**	**$ 148**	**$ 339**	**$ 500**	**$ 938**	**$ 1,626**	**$ 1,199**	**$ 1,936**
Small Business	$ -	$ -	$ -	$ -	$ -	$ -	$ 51	$ 210	$ 199	$ 234
Subtotal C&I	**$ -**	**$ -**	**$ 284**	**$ 721**	**$ 1,067**	**$ 1,374**	**$ 2,251**	**$ 3,013**	**$ 3,283**	**$ 4,516**
PROGRAM SUB-TOTALS										
Residential	$ 496	$ 829	$ 1,264	$ 1,456	$ 2,654	$ 3,503	$ 2,908	$ 4,314	$ 8,041	$ 9,558
C&I	$ -	$ -	$ 284	$ 721	$ 1,067	$ 1,374	$ 2,251	$ 3,013	$ 3,283	$ 4,516
TOTAL	**$ 496**	**$ 829**	**$ 1,548**	**$ 2,177**	**$ 3,721**	**$ 4,877**	**$ 5,159**	**$ 7,327**	**$ 11,324**	**$ 14,075**

Units	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Goal
RESIDENTIAL										
HES Income Eligible - Weatherization	582	531	963	1,492	1,428	1,720	1,112	800	3,766	4,917
Home Energy Solutions (HES)	366	988	1,918	1,064	3,251	1,895	2,709	4,543	4,872	4,634
Residential New Construction	-	-	-	116	152	204	276	345	163	170
Water Heating	-	-	84	269	193	250	88	26	288	1,061
Subtotal Residential	**948**	**1,519**	**2,965**	**2,941**	**5,024**	**4,069**	**4,185**	**5,714**	**9,089**	**10,782**
COMMERCIAL & INDUSTRIAL										
Energy Conscious Blueprint	-	-	9	26	33	46	93	125	97	61
Total - Lost Opportunity	**-**	**-**	**9**	**26**	**33**	**46**	**93**	**125**	**97**	**61**
C&I LARGE RETROFIT										
Energy Opportunities	-	-	2	12	23	44	20	24	31	25
O&M (RetroCx, Training)	-	-	-	-	1	3	9	8	19	12
Process Retrofit Project			1							
Total - C&I Large Retrofit	**-**	**-**	**3**	**12**	**24**	**47**	**29**	**32**	**50**	**37**
Small Business	-	-	-	-	-	-	9	20	24	9
Subtotal C&I	**-**	**-**	**12**	**38**	**57**	**93**	**131**	**177**	**171**	**107**
PROGRAM SUB-TOTALS										
Residential	948	1,519	2,965	2,941	5,024	4,069	4,185	5,714	9,089	10,782
C&I	-	-	12	38	57	93	131	177	171	107
TOTAL	**948**	**1,519**	**2,977**	**2,979**	**5,081**	**4,162**	**4,316**	**5,891**	**9,260**	**10,889**

Table D – CNG Historical and Projected Annual and Lifetime ccf

Table D

CNG Historical and Projected Annual and Lifetime ccf

Annual ccf (000)	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Goal
RESIDENTIAL										
HES Income Eligible - Weatherization	44	62	67	136	149	211	124	95	423	308
Home Energy Solutions (HES)	14	57	104	68	267	196	269	403	607	592
Residential New Construction	-	-	-	28	39	35	34	74	90	47
Water Heating	-	-	5	16	12	14	8	1	16	47
Subtotal Residential	**58**	**119**	**176**	**248**	**467**	**456**	**435**	**573**	**1,136**	**995**
COMMERCIAL & INDUSTRIAL										
Energy Conscious Blueprint	-	-	24	89	106	154	308	399	274	393
Total - Lost Opportunity	**-**	**-**	**24**	**89**	**106**	**154**	**308**	**399**	**274**	**393**
C&I LARGE RETROFIT										
Energy Opportunities	-	-	6	72	122	140	217	403	264	312
O&M (RetroCx, Training)	-	-	-	-	8	34	200	91	245	282
Process Retrofit Project			22							
Total - C&I Large Retrofit	**-**	**-**	**27**	**72**	**130**	**174**	**417**	**494**	**509**	**594**
Small Business	-	-	-	-	-	-	19	33	14	66
Subtotal C&I	**-**	**-**	**52**	**161**	**237**	**328**	**744**	**926**	**797**	**1,052**
PROGRAM SUB-TOTALS										
Residential	58	119	176	248	467	456	435	573	1,136	995
C&I	-	-	52	161	237	328	744	926	797	1,052
TOTAL	**58**	**119**	**228**	**408**	**703**	**783**	**1,180**	**1,499**	**1,933**	**2,047**

Lifetime ccf (000)	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Goal
RESIDENTIAL										
HES Income Eligible - Weatherization	905	962	890	2,161	2,062	2,752	2,500	1,612	8,285	6,054
Home Energy Solutions (HES)	214	903	1,971	1,419	5,414	3,416	4,997	7,461	12,033	11,551
Residential New Construction	-	-	-	693	980	878	820	1,675	2,078	1,185
Water Heating	-	-	102	327	235	280	146	25	285	875
Subtotal Residential	**1,118**	**1,864**	**2,963**	**4,599**	**8,691**	**7,325**	**8,463**	**10,773**	**22,681**	**19,665**
COMMERCIAL & INDUSTRIAL										
Energy Conscious Blueprint	-	-	361	1,351	1,578	2,343	4,294	6,670	4,233	6,034
Total - Lost Opportunity	**-**	**-**	**361**	**1,351**	**1,578**	**2,343**	**4,294**	**6,670**	**4,233**	**6,034**
C&I LARGE RETROFIT										
Energy Opportunities	-	-	56	832	1,439	1,483	2,094	4,517	2,793	3,517
O&M (RetroCx, Training)	-	-	-	-	84	327	1,172	466	1,700	1,689
Process Retrofit Project			327							
Total - C&I Large Retrofit	**-**	**-**	**383**	**832**	**1,523**	**1,809**	**3,267**	**4,983**	**4,493**	**5,206**
Small Business	-	-	-	-	-	-	193	442	217	742
Subtotal C&I	**-**	**-**	**744**	**2,183**	**3,101**	**4,153**	**7,753**	**12,095**	**8,943**	**11,982**
PROGRAM SUB-TOTALS										
Residential	1,118	1,864	2,963	4,599	8,691	7,325	8,463	10,773	22,681	19,665
C&I	-	-	744	2,183	3,101	4,153	7,753	12,095	8,943	11,982
TOTAL	**1,118**	**1,864**	**3,707**	**6,782**	**11,792**	**11,478**	**16,216**	**22,868**	**31,624**	**31,647**

CONNECTICUT NATURAL GAS CORPORATION

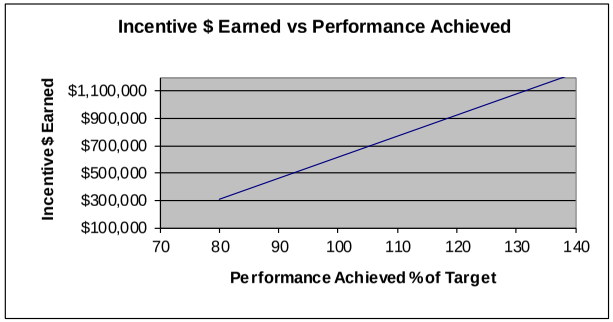
2015 Management Incentive Performance Indicators and Incentive Matrix

Provided below is the 2015 Incentive Matrix with Performance Indicators.
The Utility Performance Incentive is $616,194
This calculated is based on achieving 100% of all performance targets and earning a target incentive of 4% 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	2.0%	$308,097
90	3.0%	$462,146
100	4.0%	$616,194
110	5.0%	$770,243
120	6.0%	$924,291
130	7.0%	$1,078,340
140	8.0%	$1,232,388

Total Original Budget* $15,404,851

*Does not include Incentive, ECMB costs and Audit



CNG Performance Incentive 2015 - Residential

SECTOR Program		Performance Indicators		Incentive Metrics: Incentive Metric	Target Goal	Weight	Incentive
Residential Program Budgets	$ 9,558,276	Lifetime Savings (ccf):		Total Gas Benefit from all Residential programs	Gas Benefit from all Residential programs $17,961,761	0.195	$120,158
		HES Income Eligible	6,054,336				
		Home Energy Solutions	11,550,525				
		New Construction	1,185,135				
		Water Heating	874,914				
		Total Lifetime Savings (ccf)	19,664,910				
		Present Value Lifetime Savings (ccf)	$0.9134				
		Total Residential Gas Benefit:	$17,961,761				
		Net Residential Gas Benefit:	$8,403,485		$8,403,485	0.195	$120,158
Water Heating	$ 309,688	Number of Water Heating Units (tankless and condensing) per DEEP Final Decision		Number of Units	400	0.010	$6,162
HES	$ 5,663,176	Achieve ccf savings per single family home. Note that target goal is adjusted for realization rates implemented in 2015.		ccf/home	108.0	0.050	$30,810
HES-IE	$ 3,156,970	Annual ccf savings		Annual ccf savings	307,883	0.030	$18,486

CNG Performance Incentive 2015 – Commercial & Industrial

SECTOR Program		Performance Indicators		Incentive Metrics: Incentive Metric	Target Goal	Weight	Incentive
C&I Program Budgets	$ 4,516,354	Lifetime Savings (ccf):		Total Gas Benefit from all C&I programs	Gas Benefit from all C&I programs $13,012,616	0.210	$129,401
		Energy Conscious Blueprint	6,033,722				
		Energy Opportunities	3,517,117				
		O&M	1,689,160				
		Small Business	741,929				
		Total Lifetime Savings (ccf)	11,981,928				
		Present Value Lifetime Savings (ccf)	$1.0860				
		Total C&I Gas Benefit:	$13,012,616				
		Net C&I Gas Benefit:	$8,496,262		$8,496,262	0.210	$129,401
Small Business	$ 233,512	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	0.030	$18,486

CNG Performance Incentive 2015 – Commercial & Industrial (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	$18,486
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	$24,648
Total Incentive $ Residential and C&I						1.000	$616,194

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Southern Connecticut Gas Company (SCG) 2015 Budget Tables

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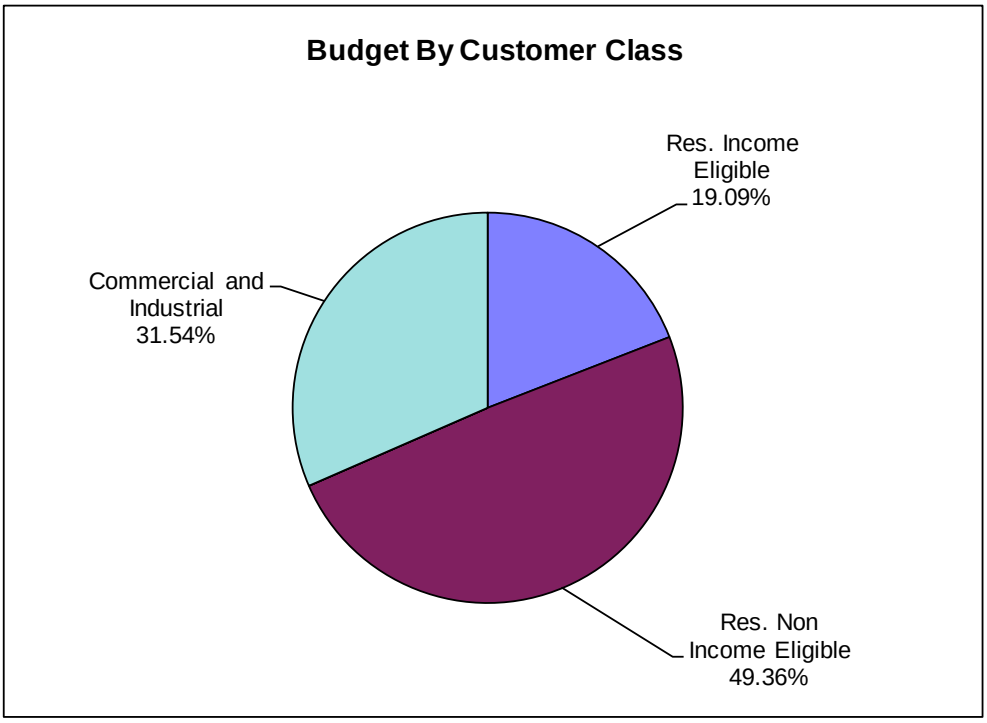
Table A – SCG 2014-2016 Budget

Table A
SCG
Proposed Natural Gas Conservation Plan Budget

Natural Gas C&LM Budget	2014 SCG Actual Expenditures	2015 SCG EEB Approved Budget 12/10/2014	2015 SCG March 2015 Budget Update
RESIDENTIAL			
HES Income Eligible - Weatherization	$ 3,541,077	$ 1,849,825	$ 1,745,752
Home Energy Solutions (HES)	$ 3,344,527	$ 1,939,685	$ 1,829,981
Residential Behavior	$ 113,523	$ 620,656	$ 620,656
Residential New Construction	$ 281,062	$ 330,790	$ 330,790
Water Heating	$ 265,909	$ 307,471	$ 307,471
Subtotal Residential	**$ 7,546,098**	**$ 5,048,427**	**$ 4,834,650**
COMMERCIAL & INDUSTRIAL			
C&I LOST OPPORTUNITY			
Energy Conscious Blueprint	$ 1,483,390	$ 1,049,044	$ 986,125
Total - Lost Opportunity	**$ 1,483,390**	**$ 1,049,044**	**$ 986,125**
C&I LARGE RETROFIT			
Energy Opportunities	$ 808,083	$ 530,293	$ 501,120
O&M (RetroCx, Training)	$ 46,493	$ 201,492	$ 189,407
Total - C&I Large Retrofit	**$ 854,576**	**$ 731,785**	**$ 690,527**
Small Business	$ 113,253	$ 142,730	$ 141,045
Subtotal C&I	**$ 2,451,219**	**$ 1,923,559**	**$ 1,817,696**
OTHER - Education			
SmartLiving Center®-Museums Partnership	$ 166,951	$ 82,000	$ 82,000
EE Communities	$ 47,129	$ 143,333	$ 143,333
EESmarts/K-12	$ 25,790	$ 66,667	$ 66,667
Customer Engagement	$ -	$ 50,000	$ 50,000
Subtotal Education	**$ 239,870**	**$ 342,000**	**$ 342,000**
OTHER - PROGRAMS/REQUIREMENTS			
ISE	$ 37,333	$ 37,333	$ 41,333
ESPC	$ 5,918	$ 9,600	$ 9,600
Resi Financing/CHIF Loan Fund	$ 86,915	$ 99,959	$ 99,959
C&LM Loan Defaults	$ -	$ 86,333	$ 86,333
C&I Financing Subsidies	$ -	$ 75,000	$ 75,000
Subtotal Programs/Requirements	**$ 130,166**	**$ 308,225**	**$ 312,225**
Research, Development and Demonstration	$ -	$ 50,000	$ 50,000
Subtotal RD&D	$ -	$ 50,000	$ 50,000
OTHER - ADMINISTRATIVE & PLANNING			
Administration	$ 126,966	$ 121,329	$ 121,329
Marketing Plan	$ 96,997	$ 58,000	$ 58,000
Information Technology	$ 101,057	$ 133,333	$ 133,333
Planning	$ 99,443	$ 80,000	$ 80,000
Evaluation	$ 141,055	$ 246,600	$ 233,333
Evaluation Consultant	$ 25,516	$ 24,300	$ 16,667
Energy Efficiency Board	$ 24,402	$ 56,682	$ 50,015
Performance Fee	$ 694,347	$ 332,459	$ 319,303
Subtotal Other - Administrative & Planning	**$ 1,309,783**	**$ 1,052,703**	**$ 1,011,980**
PROGRAM SUBTOTALS			
Residential	$ 7,824,909	$ 5,421,986	$ 5,208,209
C&I	$ 2,542,444	$ 2,200,225	$ 2,098,362
Other	$ 1,309,783	$ 1,102,703	$ 1,061,980
TOTAL	**$ 11,677,136**	**$ 8,724,914**	**$ 8,368,551**

Table A - SCG 2015 Pie

SCG 2015 Budget Analysis



Customer Class	Budget	% of Total Conservation Budget	% of Residential & C&I Budget
Res. Income Eligible	$1,745,752	17.06%	19.09%
Res. Non Income Eligible	$3,462,457	44.10%	49.36%
Residential Subtotal	$5,208,209	61.16%	68.46%
Commercial and Industrial	$2,098,362	28.18%	31.54%
C&I Subtotal	$2,098,362	28.18%	31.54%
Residential and C&I Subtotal	$7,306,571	89.34%	100.00%
Other Expenditures			
Other Expenditures	$1,061,980	10.66%	
Other Expenditures Subtotal	$1,061,980	10.66%	
TOTAL	**$8,368,551**	100.00%	

Table B1 – 2015 SCG Comparison of Program Energy Savings

Table B

2015 COMPARISON OF CONSERVATION PROGRAMS

Program	Program Costs 2015	Customer Cost 2015	Total Resource Cost 2015	Program Benefit	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)	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	$ 3,156,970	$ -	$ 3,156,970	$ 5,476,004	$ 6,314,609	19.6%	1.73	2.00	4,917	Homes	307,883	6,054,336	3,547	$ 10.25	$ 0.52					31,681	622,991	$ 99.65	$ 5.07
SCG HES Income Eligible	$ 1,745,752	$ -	$ 1,745,752	$ 2,866,818	$ 3,305,848	20.9%	1.64	1.89	2,574	Homes	161,184	3,169,589	1,857	$ 10.83	$ 0.55					16,586	326,151	$ 105.26	$ 5.35
Sub Total HES Income Eligible	**$ 4,902,721**	**$ -**	**$ 4,902,722**	**$ 8,342,822**	**$ 9,620,458**	**20.0%**	**1.70**	**1.96**	**7,492**	**Homes**	**469,067**	**9,223,925**	**5,404**	**$ 10.45**	**$ 0.53**	**0**	**0**			**48,267**	**949,142**	**$ 101.58**	**$ 5.17**
CNG Home Energy Solutions	$ 5,663,176	$ 2,750,914	$ 8,414,090	$ 10,740,462	$ 11,597,604	35.2%	1.90	1.38	4,634	Homes & HVAC Rebated	592,063	11,550,525	5,898	$ 9.57	$ 0.49	0	0	0	0	60,923	1,188,549	$ 92.96	$ 4.76
SCG Home Energy Solutions	$ 1,829,981	$ 732,691	$ 2,562,672	$ 3,285,349	$ 3,459,698	21.9%	1.80	1.35	1,306	Homes & HVAC Rebated	183,113	3,610,316	2,134	$ 9.99	$ 0.51	0	0			18,842	371,501	$ 97.12	$ 4.93
Sub Total Home Energy Solutions	**$ 7,493,157**	**$ 3,483,605**	**$ 10,976,762**	**$ 14,025,810**	**$ 15,057,301**	**30.6%**	**1.87**	**1.37**	**5,940**	**Homes**	**775,177**	**15,160,841**	**8,032**	**$ 9.67**	**$ 0.49**	**0**	**0**	**0**	**0**	**79,766**	**1,560,051**	**$ 93.94**	**$ 4.80**
SCG Residential Behavior	$ 620,656	$ 312,971	$ 933,627	$ 1,889,169	$ 1,889,169	7.4%	3.04	2.02	2,500	Thermostats	145,424	1,454,241	1,421	$ 4.27	$ 0.64	0	0	0	0	14,964	149,641	$ 41.48	$ 6.24
CNG New Construction	$ 428,443	$ 356,393	$ 784,836	$ 965,349	$ 965,349	2.7%	2.25	1.23	170	Homes	47,405	1,185,135	409	$ 9.04	$ 0.36					4,878	121,950	$ 87.83	$ 3.51
SCG New Construction	$ 330,790	$ 246,911	$ 577,701	$ 666,505	$ 666,505	4.0%	2.01	1.15	116	Homes	32,726	818,152	283	$ 10.11	$ 0.40					3,368	84,188	$ 98.23	$ 3.93
Sub Total New Construction	**$ 759,233**	**$ 603,304**	**$ 1,362,537**	**$ 1,631,854**	**$ 1,631,854**	**3.1%**	**2.15**	**1.20**	**286**	**Homes**	**80,131**	**2,003,287**	**692**	**$ 9.47**	**$ 0.38**	**0**	**0**	**0**	**0**	**8,246**	**206,138**	**$ 92.08**	**$ 3.68**
CNG Water Heating	$ 309,688	$ 940,640	$ 1,250,328	$ 779,947	$ 779,947	1.9%	2.52	0.62	1,061	Units	47,494	874,914	152	$ 6.52	$ 0.35					4,887	90,029	$ 63.37	$ 3.44
SCG Water Heating	$ 307,471	$ 936,620	$ 1,244,091	$ 776,558	$ 776,558	3.7%	2.53	0.62	1,058	Units	47,297	870,978	152	$ 6.50	$ 0.35					4,867	89,624	$ 63.18	$ 3.43
Sub Total Water Heating	**$ 617,159**	**$ 1,877,260**	**$ 2,494,419**	**$ 1,556,505**	**$ 1,556,505**	**2.5%**	**2.52**	**0.62**	**2,119**	Units	**94,792**	**1,745,892**	**304**	**$ 6.51**	**$ 0.35**	**0**	**0**	**0**	**0**	**9,754**	**179,652**	**$ 63.27**	**$ 3.44**
Subtotal Residential	**$ 14,392,926**	**$ 6,277,140**	**$ 20,670,067**	**$ 27,446,160**	**$ 29,755,286**	**58.9%**	**1.91**	**1.44**	**18,337**	**Homes/ Units**	**1,564,591**	**29,588,185**	**15,854**	**$ 9.20**	**$ 0.49**	**0**	**0**	**0**	**0**	**160,996**	**3,044,624**	**$ 89.40**	**$ 4.73**
Commercial and Industrial C&I Lost																							
CNG Energy Conscious Blueprint	$ 2,346,467	$ 847,899	$ 3,194,366	$ 5,668,248	$ 5,668,248	14.6%	2.42	1.77	61	Projects	392,822	6,033,722	3,100	$ 5.97	$ 0.39					40,421	620,870	$ 58.05	$ 3.78
SCG Energy Conscious Blueprint	$ 986,125	$ 380,826	$ 1,366,951	$ 2,403,612	$ 2,403,612	11.8%	2.44	1.76	26	Projects	166,575	2,558,591	1,315	$ 5.92	$ 0.39					17,141	263,279	$ 57.53	$ 3.75
Sub Total Lost Opportunity	**$ 3,332,592**	**$ 1,228,725**	**$ 4,561,317**	**$ 8,071,860**	**$ 8,071,860**	**13.6%**	**2.42**	**1.77**	**87**	**Projects**	**559,397**	**8,592,313**	**4,414**	**$ 5.96**	**$ 0.39**	**0**	**0**	**0**	**0**	**57,562**	**884,149**	**$ 57.90**	**$ 3.77**
Commercial and Industrial Large Retrofit																							
CNG Energy Opportunities	$ 1,252,021	$ 1,825,011	$ 3,077,031	$ 3,923,396	$ 3,923,396	7.8%	3.13	1.28	25	Projects	312,139	3,517,117	4,248	$ 4.01	$ 0.36					32,119	361,911	$ 38.98	$ 3.46
SCG Energy Opportunities	$ 501,120	$ 652,798	$ 1,153,918	$ 1,313,503	$ 1,313,503	6.0%	2.62	1.14	8	Projects	104,500	1,177,486	1,422	$ 4.80	$ 0.43					10,753	121,163	$ 46.60	$ 4.14
Sub Total Energy Opportunites	**$ 1,753,141**	**$ 2,477,809**	**$ 4,230,949**	**$ 5,236,899**	**$ 5,236,899**	**7.2%**	**2.99**	**1.24**	**33**	**Projects**	**416,639**	**4,694,603**	**5,671**	**$ 4.21**	**$ 0.37**	**0**	**0**	**0**	**0**	**42,872**	**483,075**	**$ 40.89**	**$ 3.63**
CNG O&M	$ 684,354	$ 1,076,514	$ 1,760,869	$ 2,593,340	$ 2,593,340	4.3%	3.79	1.47	12	Projects	281,527	1,689,160	3,100	$ 2.43	$ 0.41					28,969	173,815	$ 23.62	$ 3.94
SCG O&M	$ 189,407	$ 311,835	$ 501,242	$ 716,210	$ 716,210	2.3%	3.78	1.43	3	Projects	77,750	466,500	856	$ 2.44	$ 0.41					8,000	48,003	$ 23.67	$ 3.95
Sub Total O&M	**$ 873,761**	**$ 1,388,349**	**$ 2,262,111**	**$ 3,309,549**	**$ 3,309,549**	**3.6%**	**3.79**	**1.46**	**16**	**Projects**	**359,277**	**2,155,660**	**3,956**	**$ 2.43**	**$ 0.41**	**0**	**0**			**36,970**	**221,817**	**$ 23.63**	**$ 3.94**
CNG Small Business	$ 233,512	$ 318,849	$ 552,361	$ 827,633	$ 827,633	1.5%	3.54	1.50	9	Projects	65,845	741,929	753	$ 3.55	$ 0.31					6,775	76,344	$ 34.46	$ 3.06
SCG Small Business	$ 141,045	$ 185,891	$ 326,935	$ 457,964	$ 457,964	1.7%	3.25	1.40	5	Projects	36,435	410,541	417	$ 3.87	$ 0.34					3,749	42,245	$ 37.62	$ 3.34
Sub Total Small Business	**$ 374,557**	**$ 504,739**	**$ 879,296**	**$ 1,285,597**	**$ 1,285,597**	**1.5%**	**3.43**	**1.46**	**14**	**Projects**	**102,280**	**1,152,470**	**1,169**	**$ 3.66**	**$ 0.33**	**0**	**0**	**0**	**0**	**10,525**	**118,589**	**$ 35.59**	**$ 3.16**
Subtotal Commercial & Industrial	**$ 6,334,051**	**$ 5,599,622**	**$ 11,933,673**	**$ 17,903,906**	**$ 17,903,906**	**25.9%**	**2.83**	**1.50**	**150**	**Projects**	**1,437,593**	**16,595,046**	**15,210**	**$ 4.41**	**$ 0.38**	**-**	**-**						
OTHER																							
CNG CHIF, Residential, C&I Loan Program	$ 312,225																						
SCG CHIF, Residential, C&I Loan Program	$ 312,225																						
Sub Total Other - Loan Program	**$ 624,450**																						
CNG IT, Planning, Evaluation, and EEB	$ 1,700,871																						
SCG IT, Planning, Evaluation, and EEB	$ 1,403,980																						
Sub Total Other - Evaluation	**$ 3,104,851**																						
Subtotal Other	**$ 3,729,301**																						
PROGRAM SUBTOTALS																							
CNG Residential	$ 9,558,276	$ 4,047,947	$ 13,606,224	$ 17,961,761	$ 19,657,508	59.4%					994,846	19,664,910	10,007	$ 9.61	$ 0.49	-	-	-	-	102,370	2,023,519	$ 93.37	$ 4.72
SCG Residential	$ 4,834,650	$ 2,229,193	$ 7,063,843	$ 9,484,399	$ 10,097,778	57.8%					569,745	9,923,275	5,847	$ 8.49	$ 0.49	-	-			58,627	1,021,105	$ 82.46	$ 4.73
Residential Total	**$ 14,392,926**	**$ 6,277,140**	**$ 20,670,067**	**$ 27,446,160**	**$ 29,755,286**	**58.9%**					**1,564,591**	**29,588,185**	**15,854**	**$ 9.20**	**$ 0.49**	**-**	**-**	**-**	**-**	**160,996**	**3,044,624**	**$ 89.40**	**$ 4.73**
CNG C&I	$ 4,516,354	$ 4,068,272	$ 8,584,627	$ 13,012,616	$ 13,012,616	28.1%					1,052,332	11,981,928	11,201	$ 4.29	$ 0.38	-	-			108,285	1,232,940	$ 41.71	$ 3.66
SCG C&I	$ 1,817,696	$ 1,531,350	$ 3,349,046	$ 4,891,290	$ 4,891,290	21.7%					385,261	4,613,118	4,009	$ 4.72	$ 0.39	-	-			39,643	474,690	$ 45.85	$ 3.83
C&I Total	**$ 6,334,051**	**$ 5,599,622**	**$ 11,933,673**	**$ 17,903,906**	**$ 17,903,906**	**25.9%**					**1,437,593**	**16,595,046**	**15,210**	**$ 4.41**	**$ 0.38**	**-**	**-**			**147,928**	**1,707,630**	**$ 42.82**	**$ 3.71**
CNG Other	$ 2,013,096					12.5%														0	0		
SCG Other	$ 1,716,205					20.5%														0	0		
Other Total	**$ 3,729,301**	**$ -**	**$ -**	**$ -**	**$ -**	**15.2%**					-	-	-							**0**	**0**		
CNG TOTAL	$ 16,087,727	$ 8,116,220	$ 22,190,850	$ 30,974,377	$ 32,670,125	65.8%					2,047,179	31,646,838	21,208	$ 7.86	$ 0.51	-	-	-	-	210,655	3,256,460	$ 76.37	$ 4.94
SCG TOTAL	$ 8,368,551	$ 3,760,543	$ 10,412,889	$ 14,375,689	$ 14,989,068	34.2%					955,006	14,536,393	9,856	$ 8.76	$ 0.58	-	-	-	-	98,270	1,495,795	$ 85.16	$ 5.59
GRAND TOTAL	**$ 24,456,278**	**$ 11,876,762**	**$ 32,603,739**	**$ 45,350,066**	**$ 47,659,192**	**100.0%**	**1.85**	**1.46**			**3,002,184**	**46,183,231**	**31,064**	**$ 8.15**	**$ 0.53**	**-**	**-**	**-**	**-**	**308,925**	**4,752,255**	**$ 79.17**	**$ 5.15**

Table C – 2015 SCG Program Budget Details

Table C
SCG 2015 Budget Details

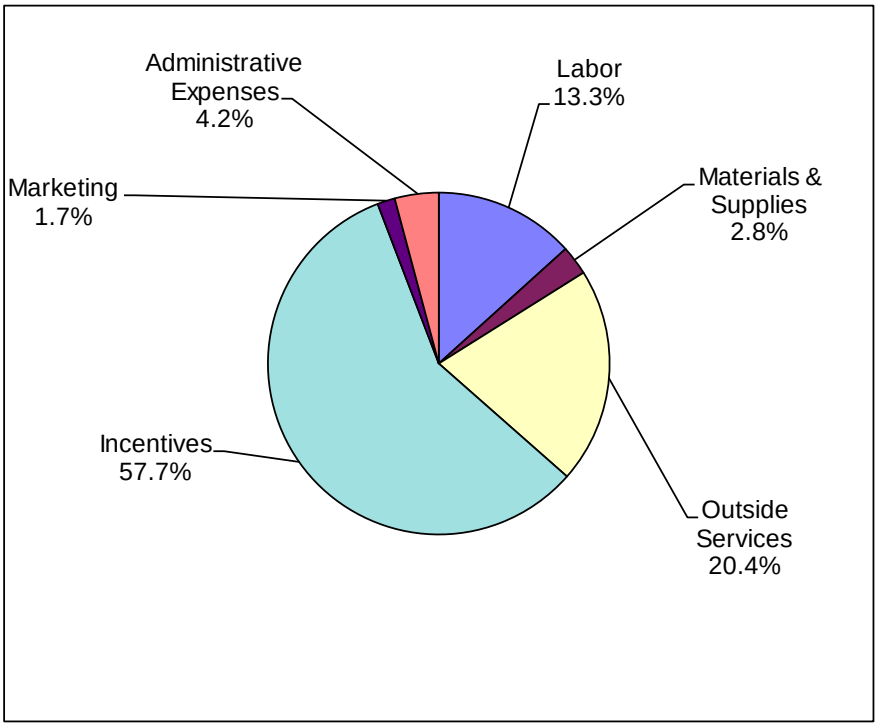
GAS CONSERVATION BUDGET ($000)	Labor	Materials & Supplies	Outside Services	Incentives	Marketing	Administrative Expenses	TOTAL
RESIDENTIAL							
HES Income Eligible - Weatherization	$ 213,070	$ 2,500	$ 10,000	$ 1,516,682	$ 2,000	$ 1,500	$ 1,745,752
Home Energy Solutions (HES)	$ 268,433	$ 2,000	$ 96,634	$ 1,425,447	$ 35,000	$ 2,467	$ 1,829,981
Residential Behavior	$ 32,495	$ 217,425	$ 341,974	$ -	$ 24,375	$ 4,387	$ 620,656
Residential New Construction	$ 30,928	$ 720	$ 24,762	$ 250,800	$ 22,080	$ 1,500	$ 330,790
Water Heating	$ 14,053	$ 300	$ 18,000	$ 267,400	$ 6,533	$ 1,185	$ 307,471
Subtotal Residential	**$ 558,979**	**$ 222,945**	**$ 491,370**	**$ 3,460,329**	**$ 89,988**	**$ 11,039**	**$ 4,834,650**
COMMERCIAL & INDUSTRIAL LOST OPPORTUNITY							
Energy Conscious Blueprint	$ 143,000	$ 2,000	$ 40,000	$ 769,525	$ 23,600	$ 8,000	$ 986,125
Subtotal C&I - Lost Opportunity	**$ 143,000**	**$ 2,000**	**$ 40,000**	**$ 769,525**	**$ 23,600**	**$ 8,000**	**$ 986,125**
COMMERCIAL & INDUSTRIAL LARGE RETROFIT							
Energy Opportunities	$ 101,500	$ 2,000	$ 39,633	$ 343,287	$ 10,500	$ 4,200	$ 501,120
Operations & Maintenance	$ 16,000	$ 2,000	$ 12,000	$ 152,407	$ 5,000	$ 2,000	$ 189,407
Subtotal C&I - Lost Opportunity	**$ 117,500**	**$ 4,000**	**$ 51,633**	**$ 495,694**	**$ 15,500**	**$ 6,200**	**$ 690,527**
Small Business	$ 29,000	$ 1,000	$ 5,000	$ 101,545	$ 2,500	$ 2,000	$ 141,045
Subtotal C&I	**$ 289,500**	**$ 7,000**	**$ 96,633**	**$ 1,366,764**	**$ 41,600**	**$ 16,200**	**$ 1,817,697**
OTHER - PROGRAMS/REQUIREMENTS & PLANNING							
OTHER - EDUCATION							
SmartLiving Center® - Museum Partnerships	$ 7,655	$ 1,000	$ 67,845		$ 5,000	$ 500	$ 82,000
Clean Energy Communities	$ 36,905		$ 106,428				$ 143,333
EESmarts/K-12	$ 8,352	$ 1,300	$ 53,015		$ 3,000	$ 1,000	$ 66,667
Customer Engagement	$ -		$ 50,000				$ 50,000
Subtotal Education	**$ 52,912**	**$ 2,300**	**$ 277,288**	**$ -**	**$ 8,000**	**$ 1,500**	**$ 342,000**
OTHER - PROGRAMS/REQUIREMENTS							
ISE	$ -	$ -	$ 41,333	$ -	$ -	$ -	$ 41,333
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	**$ -**	**$ -**	**$ 312,225**	**$ -**	**$ -**	**$ -**	**$ 312,225**
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			$ 58,000				$ 58,000
Information Technology	$ 13,321		$ 120,012				$ 133,333
Planning	$ 80,000		$ -				$ 80,000
Evaluation	$ 20,418		$ 212,915				$ 233,333
Evaluation Consultant			$ 16,667	$ -			$ 16,667
Energy Efficiency Board			$ 50,015				$ 50,015
Performance Fee			$ -			$ 319,303	$ 319,303
Subtotal Other	**$ 212,235**	**$ -**	**$ 480,442**	**$ -**	**$ -**	**$ 319,303**	**$ 1,011,980**
PROGRAM SUBTOTALS							
Residential	$ 601,309	$ 224,785	$ 813,159	$ 3,460,329	$ 96,388	$ 12,239	**$ 5,208,209**
C&I	$ 300,082	$ 7,460	$ 364,357	$ 1,366,764	$ 43,200	$ 16,500	**$ 2,098,363**
Other	$ 212,235	$ -	$ 530,442	$ -	$ -	$ 319,303	**$ 1,061,980**
TOTAL BUDGET	**$ 1,113,626**	**$ 232,245**	**$ 1,707,958**	**$ 4,827,093**	**$ 139,588**	**$ 348,042**	**$ 8,368,552**

Table C – 2015 SCG Pie

SCG

2015 Gas Conservation

Budget By Expense Class



Expense Classes		Budget	% of Budget
Labor	$	1,113,626	13.3%
Materials & Supplies	$	232,245	2.8%
Outside Services	$	1,707,958	20.4%
Incentives	$	4,827,093	57.7%
Marketing	$	139,588	1.7%
Administrative Expenses	$	348,042	4.2%
Total	**$**	**8,368,552**	**100.00%**

Table D – SCG Historical and Projected Program Expenditures and Units

Table D

SCG Historical and Projected $ and Units

Expenditures $ (000)	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Goal
RESIDENTIAL										
HES Income Eligible - Weatherization	$ 251	$ 344	$ 492	$ 1,350	$ 948	$ 2,056	$ 1,766	$ 3,816	$ 3,541	$ 1,746
Home Energy Solutions (HES)	$ 42	$ 193	$ 670	$ 540	$ 1,296	$ 1,402	$ 1,285	$ 1,666	$ 3,344	$ 1,830
Residential Behavior	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 114	$ 621
Residential New Construction	$ -	$ -	$ -	$ 188	$ 94	$ 365	$ 120	$ 596	$ 281	$ 331
Water Heating	$ -	$ -	$ 48	$ 91	$ 73	$ 40	$ 54	$ 39	$ 265	$ 307
Subtotal Residential	**$ 292**	**$ 537**	**$ 1,211**	**$ 2,169**	**$ 2,411**	**$ 3,862**	**$ 3,224**	**$ 6,117**	**$ 7,545**	**$ 4,835**
COMMERCIAL & INDUSTRIAL										
Energy Conscious Blueprint	$ -	$ -	$ 657	$ 606	$ 624	$ 1,090	$ 1,351	$ 697	$ 1,483	$ 986
Total - Lost Opportunity	**$ -**	**$ -**	**$ 657**	**$ 606**	**$ 624**	**$ 1,090**	**$ 1,351**	**$ 697**	**$ 1,483**	**$ 986**
C&I LARGE RETROFIT										
Energy Opportunities	$ -	$ -	$ 60	$ 185	$ 84	$ 1,037	$ 169	$ 835	$ 808	$ 501
O&M (RetroCx, Training)	$ -	$ -	$ 9	$ 3	$ 8	$ 251	$ 2	$ (20)	$ 46	$ 189
Process Retrofit Project			$ 47							
Total - C&I Large Retrofit	**$ -**	**$ -**	**$ 117**	**$ 188**	**$ 93**	**$ 1,288**	**$ 171**	**$ 815**	**$ 854**	**$ 691**
Small Business	$ -	$ -	$ -	$ -	$ -	$ -	$ 92	$ 92	$ 113	$ 141
Subtotal C&I	**$ -**	**$ -**	**$ 774**	**$ 794**	**$ 716**	**$ 2,378**	**$ 1,613**	**$ 1,604**	**$ 2,450**	**$ 1,818**
PROGRAM SUB-TOTALS										
Residential	$ 292	$ 537	$ 1,211	$ 2,169	$ 2,411	$ 3,862	$ 3,224	$ 6,117	$ 7,545	$ 4,835
C&I	$ -	$ -	$ 774	$ 794	$ 716	$ 2,378	$ 1,613	$ 1,604	$ 2,450	$ 1,818
TOTAL	**$ 292**	**$ 537**	**$ 1,985**	**$ 2,963**	**$ 3,127**	**$ 6,240**	**$ 4,838**	**$ 7,721**	**$ 9,995**	**$ 6,652**

Units	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Goal
RESIDENTIAL										
HES Income Eligible - Weatherization	253	545	1,910	3,511	2,034	3,268	2,479	3,647	2,395	2,574
Home Energy Solutions (HES)	88	430	1,870	1,421	2,538	2,369	2,049	2,619	3,957	1,306
Residential Behavior	-	-	-	-	-	-	-	-	-	2,500
Residential New Construction	-	-	-	71	32	114	40	116	336	116
Water Heating	-	-	109	266	236	235	80	155	747	1,058
Subtotal Residential	**341**	**975**	**3,889**	**5,269**	**4,840**	**5,986**	**4,648**	**6,537**	**7,435**	**7,555**
COMMERCIAL & INDUSTRIAL										
Energy Conscious Blueprint	-	-	12	28	45	46	90	100	87	26
Total - Lost Opportunity	**-**	**-**	**12**	**28**	**45**	**46**	**90**	**100**	**87**	**26**
C&I LARGE RETROFIT										
Energy Opportunities	-	-	1	2	9	11	36	31	40	8
O&M (RetroCx, Training)	-	-	1	-	1	3	4	3	4	3
Process Retrofit Project			2							
Total - C&I Large Retrofit	**-**	**-**	**4**	**2**	**10**	**14**	**40**	**34**	**44**	**12**
Small Business	-	-	-	-	-	-	27	72	57	5
Subtotal C&I	**-**	**-**	**16**	**30**	**55**	**60**	**157**	**206**	**188**	**43**
PROGRAM SUB-TOTALS										
Residential	341	975	3,889	5,269	4,840	5,986	4,648	6,537	7,435	7,555
C&I	-	-	16	30	55	60	157	206	188	43
TOTAL	**341**	**975**	**3,905**	**5,299**	**4,895**	**6,046**	**4,805**	**6,743**	**7,623**	**7,597**

Table D – SCG Historical and Projected Annual and Lifetime ccf

Table D

SCG Historical and Projected Annual and Lifetime ccf

Annual ccf (000)	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Goal
RESIDENTIAL										
HES Income Eligible - Weatherization	34	72	88	463	214	361	264	635	459	161
Home Energy Solutions (HES)	14	32	159	176	319	243	231	284	501	183
Residential Behavior	-	-	-	-	-	-	-	-	-	145
Residential New Construction	-	-	-	20	9	24	8	19	30	33
Water Heating	-	-	7	16	14	13	6	7	46	47
Subtotal Residential	**48**	**103**	**254**	**675**	**557**	**641**	**509**	**945**	**1,036**	**570**
COMMERCIAL & INDUSTRIAL										
Energy Conscious Blueprint	-	-	127	133	233	165	387	290	201	167
Total - Lost Opportunity	**-**	**-**	**127**	**133**	**233**	**165**	**387**	**290**	**201**	**167**
C&I LARGE RETROFIT										
Energy Opportunities	-	-	13	31	37	126	261	222	508	105
O&M (RetroCx, Training)	-	-	1	-	3	58	36	86	2	78
Process Retrofit Project			62							
Total - C&I Large Retrofit	**-**	**-**	**77**	**31**	**40**	**185**	**297**	**308**	**510**	**182**
Small Business	-	-	-	-	-	-	27	11	37	36
Subtotal C&I	**-**	**-**	**204**	**164**	**273**	**350**	**711**	**609**	**748**	**385**
PROGRAM SUB-TOTALS										
Residential	48	103	254	675	557	641	509	945	1,036	570
C&I	-	-	204	164	273	350	711	609	748	385
TOTAL	**48**	**103**	**457**	**839**	**830**	**991**	**1,220**	**1,554**	**1,784**	**955**

Lifetime ccf (000)	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Goal
RESIDENTIAL										
HES Income Eligible - Weatherization	579	976	957	7,965	3,551	5,637	4,942	13,533	9,680	3,170
Home Energy Solutions (HES)	280	513	2,793	3,239	5,472	4,180	4,359	5,613	10,147	3,610
Residential Behavior	-	-	-	-	-	-	-	-	-	1,454
Residential New Construction	-	-	-	508	235	600	188	457	705	818
Water Heating	-	-	137	323	287	263	111	136	861	871
Subtotal Residential	**860**	**1,488**	**3,887**	**12,035**	**9,545**	**10,680**	**9,600**	**19,739**	**21,393**	**9,923**
COMMERCIAL & INDUSTRIAL										
Energy Conscious Blueprint	-	-	1,907	2,009	3,152	2,555	5,325	4,484	3,339	2,559
Total - Lost Opportunity	**-**	**-**	**1,907**	**2,009**	**3,152**	**2,555**	**5,325**	**4,484**	**3,339**	**2,559**
C&I LARGE RETROFIT										
Energy Opportunities	-	-	195	629	399	1,834	3,087	2,322	5,158	1,177
O&M (RetroCx, Training)	-	-	14	-	27	804	307	430	10	466
Process Retrofit Project			1,246							
Total - C&I Large Retrofit	**-**	**-**	**1,455**	**629**	**426**	**2,638**	**3,394**	**2,752**	**5,168**	**1,644**
Small Business	-	-	-	-	-	-	378	152	408	411
Subtotal C&I	**-**	**-**	**3,362**	**2,638**	**3,579**	**5,193**	**9,097**	**7,388**	**8,915**	**4,613**
PROGRAM SUB-TOTALS										
Residential	860	1,488	3,887	12,035	9,545	10,680	9,600	19,739	21,393	9,923
C&I	-	-	3,362	2,638	3,579	5,193	9,097	7,388	8,915	4,613
TOTAL	**860**	**1,488**	**7,249**	**14,674**	**13,124**	**15,873**	**18,697**	**27,127**	**30,308**	**14,536**

SOUTHERN CONNECTICUT GAS COMPANY

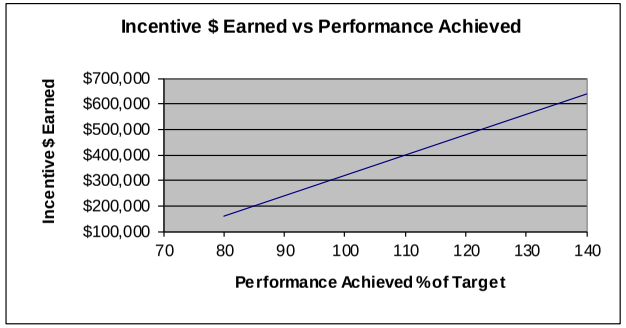
2015 Management Incentive Performance Indicators and Incentive Matrix

Provided below is the 2015 Incentive Matrix with Performance Indicators.
The Utility Performance Incentive is $319,303
This calculated is based on achieving 100% of all performance targets and earning a target incentive of 4% 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	2.0%	$159,651
90	3.0%	$239,477
100	4.0%	$319,303
110	5.0%	$399,128
120	6.0%	$478,954
130	7.0%	$558,780
140	8.0%	$638,605

Total Original Budget* $7,982,566

*Does not include Incentive, ECMB costs and Audit



SCG Performance Incentive 2015 - Residential

SECTOR Program		Performance Indicators		Incentive Metrics			
				Incentive Metric	Target Goal	Weight	Incentive
Residential Program Budgets	$ 4,834,650	Lifetime Savings (ccf):		Total Gas Benefit from all Residential programs	Gas Benefit from all Residential programs $9,484,399	0.195	$62,264
		HES Income Eligible	3,169,589				
		Home Energy Solutions	3,610,316				
		Residential Behavior	1,454,241				
		New Construction	818,152				
		Water Heating	870,978				
		Total Lifetime Savings (ccf)	9,923,275				
		Present Value Lifetime Savings (ccf)	$0.9558				
		Total Residential Gas Benefit:	$9,484,399				
		Net Residential Gas Benefit:	$4,649,749		$4,649,749	0.195	$62,264
Water Heating	$ 307,471	Number of Water Heating Units (tankless and condensing) per DEEP Final Decision		Number of Units	400	0.010	$3,193
HES	$ 1,829,981	Achieve ccf savings per single family home. Note that target goal is adjusted for realization rates implemented in 2015.		ccf/home	109.6	0.050	$15,965
HES-IE	$ 1,745,752	Annual ccf savings		Annual ccf savings	161,184	0.030	$9,579

SCG Performance Incentive 2015 – Commercial & Industrial

SECTOR Program		Performance Indicators		Incentive Metrics			
				Incentive Metric	Target Goal	Weight	Incentive
C&I Program Budgets	$ 1,817,696	Lifetime Savings (ccf):		Total Gas Benefit from all C&I programs	Gas Benefit from all C&I programs $4,891,290	0.210	$67,054
		Energy Conscious Blueprint	2,558,591				
		Energy Opportunities	1,177,486				
		O&M	466,500				
		Small Business	410,541				
		Total Lifetime Savings (ccf)	4,613,118				
		Present Value Lifetime Savings (ccf)	$1.0603				
		Total C&I Gas Benefit:	$4,891,290				
		Net C&I Gas Benefit:	$3,073,593		$3,073,593	0.210	$67,054
Small Business	$ 141,045	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	0.030	$9,579

SCG Performance Incentive 2015 – Commercial & Industrial (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	$9,579
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	$12,772
Total Incentive $ Residential and C&I						1.000	$319,303

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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. 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 decreasing redemption costs and simplifying the consumer's purchasing experience. Additionally, by reaching consumers where they shop, the Companies influence a large portion of the total market and impact 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 2015 Program Changes

The primary objectives of the Retail Lighting Program in 2015 are to increase the market penetration of LEDs and provide enhanced consumer education and awareness about efficient lighting. In 2014, sales of LED lighting products greatly exceeded the program goal due to higher than expected availability and lower cost of products. 2015 is the first post-EISA year, which means that general incandescent lamps should be entirely off retail shelves in 2015. In 2015, the Companies will increase estimates of LED lighting products including raising the LED product goal. Energy savings for the program will be adjusted accordingly based on the higher LED projections. In addition, in 2015 the Companies will discontinue incentives for specialty compact fluorescent ("CFL") lamps such as candelabras, reflector lamps, globes and 3-way CFLs because there are better performing LED alternatives on the market at good price points.

In 2014, significant strides were made in introducing low-cost LEDs to retailers that serve hard-to-reach customers (e.g. discount stores, ethnic food markets, resale retail, etc.), including Goodwill, Dollar Tree, Ocean State Job Lot, Family Dollar, and Big Lots. The Companies provided education about LED technology through community events and bi-lingual point of purchase material. In 2015, the Companies are planning to establish more partnerships with retailers that serve hard-to-reach customers.

From 2011 through 2014, TopTen USA (www.toptenusa.org/CT) was a marketing platform used to educate customers about the most energy-efficient products available on the market including appliances, water heaters, electronics and lighting. Beginning in 2012, customer rebates were available for TopTen qualifying refrigerators, freezers, and clothes washers. In the second quarter of 2014, the Companies began to transition from TopTen to a new web platform supported by Enervee to fulfill the

function of promoting high efficiency products and offering rebates because TopTen was unable to secure funding to continue operating in the United States. The transition is expected to be completed in 2015. The Companies expect the transition to Enervee to be smooth and will not result in a disruption of services to customers, who, when visiting the TopTen website, will automatically be rerouted to the new Enervee platform. It is anticipated that Enervee will offer enhanced services including a closed loop marketing approach allowing the Companies to identify customers as they begin their shopping journeys and stay with them through purchase, incentive delivery, and rebate redemption, taking full advantage of the targeting and cost-saving potential of the web. The appliances rebates offered through the Enervee platform include refrigerators, freezers and clothes washers, and potentially clothes dryers. Incentives will be offered for the most efficient products, and the website will also note which products are ENERGY STAR or ENERGY STAR Most Efficient.

The Companies have been active in the Super Efficient Dryer Initiative (SEDI) since 2012. This regional initiative is a collaboration between manufacturers, retailers and program administrators to bring high efficiency clothes dryers to the US market, including heat pump dryers. Until recently, the market for efficient clothes dryers was limited primarily to Europe. ENERGY STAR will soon begin labelling dryers, including electric and gas dryers, that meet the newly created specification and it is expected that at least three manufacturers will have ENERGY STAR models available to customers in Connecticut in 2015. In anticipation of this, the Companies will be offering new tiered rebates on high efficiency clothes dryers in 2015.

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, building official and consumer awareness of energy-efficient building practices, and to create permanent market movement to more energy-efficient residential new construction in the State of Connecticut.

Summary of 2015 Program Changes

In 2014, the Companies streamlined the RNC offering by limiting the program to two tracks: The Home Energy Rating System ("HERS") Index (Track 1) and the Prescriptive Path (Track 2), both of which require the home owner to hire a HERS rater. The Companies will continue with this same approach in 2015. Because both of these paths required the use of a HERS rater, it helped builders become more familiar with the building practices that are going to be required once Connecticut adopts the 2012 International Energy Conservation Code (" IECC") and forthcoming 2015 IECC. This streamlined approach was designed to reduce costs and increase cost effectiveness. The Companies also removed 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, Department Of Energy ("DOE") Challenge Home, Passive House, or National Green Building Standard certification in the 2015 program as long as the home also meets ENERGY STAR v 3.0.

There are no major programmatic changes anticipated in 2015. However in 2014, participation in the RNC program exceeded projected levels, especially for the electric program. RNC budgets have been adjusted accordingly for 2015 to reflect anticipated participation levels.

In 2015, 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 will evaluate the potential to institute a requirement for LEDs and begin to phase out CFLs within the program. 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. Lastly, the Companies will continue developing a "renewable ready" criteria for homes that have a Home Energy Rating of 50 or less (Tier 3 homes). Currently, the Renewable Energy Ready Home DOE checklist is being evaluated for this purpose.

Home Energy Solutions Program

Overview

Home Energy Solutions (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. For single family homes, HES achieves this by offering comprehensive direct install services ("core services") to customers including air and duct sealing, direct install lighting and water measures, and the opportunity for participating core services customers to pursue additional comprehensive measures such as insulation, HVAC and appliance upgrades. In addition to direct install services, the HES program umbrella includes a market based Home Performance with Energy Star participation track and stand-alone HVAC and domestic hot water ("DHW") rebate offerings, including boilers, furnaces, central air conditioning, ductless heat pumps, ground source heat pumps, and heat pump water heaters. In 2014 rebates for certain HVAC equipment including boilers, furnaces, and circulator pumps were moved upstream and are being offered as point of purchase discount through Connecticut's distributor network, with approximately 90-95% coverage throughout the state. Fuel conversions represent a unique opportunity to engage the customer on efficiency. Energy Efficiency will work with the fuel conversion staff of the natural gas companies to market and promote the benefits of high efficiency equipment.

Summary of 2015 Program Changes

In 2014, several evaluations were completed which provided information to help enhance the HES program. These evaluations include an impact evaluation of the HES/HES-Income Eligible ("IE") program; a central air conditioner impact evaluation; a ground source heat pump impact and process evaluation; and a lighting hours-of-use assessment (refer to the Evaluation Section of the 2015 Plan Update for specific findings, recommendations and savings adjustments). These evaluations resulted in some modifications to savings algorithms and realization rates in the 2015 PSD, which will be applied beginning in 2015. The adjustments will have an impact on the cost effectiveness of certain measures but it is not anticipated that the result of these studies will change the menu of options that are available through the program. However, incentive amounts for certain measures such as insulation and ductless heat pumps may be modified in order to maintain cost effectiveness criteria. In addition, customer co-payments for core services may be increased to maintain cost effectiveness levels. The Companies will work with the EEB and DEEP when making any changes to customer copayments. Lastly, the ground source heat pump impact evaluation recommended that the Companies consider modification to the current Verification of Installed Performance (VIP) tool which is used to assess proper operation and installation of units. Based on this recommendation, the Companies will work with EEB consultants, installation contractors, and industry representatives to assess the benefits and cost of modifying the VIP tool. MMBTU metrics will continue to increase in 2015 as well as the number of follow-on measures after the home energy assessment is completed.

Public Act No. 11-80 required that 80% of Connecticut homes be weatherized by 2030. A draft definition of "weatherized" for single family homes was developed by the Companies and the EEB, and in 2014 an evaluation was completed to assess the state's progress towards this goal. The evaluation estimated that approximately 27 percent of single family homes met the standard, with newer homes having a much higher compliance rate. For example, 87 percent of single family homes built after 2000 met the standard. The results from this study will help the Companies in current segmentation efforts and provide data for effective targeting of homes. In addition, the evaluation recommended some minor adjustments to the definition, including removal of slab insulation and the inclusion of floors over unheated or outdoor spaces other than basements. Based on the results of this evaluation, DEEP will issue a final definition of "weatherized" for single family homes, and the Companies will begin to determine how to assess and track "weatherized" homes with the guidance of the EEB and DEEP. In addition, the evaluation recommended that a streamlined process be developed to assess "weatherized" homes.

In 2014, the DOE Home Energy Score (DOE HEScore) was "soft" launched through Home Energy Solutions. The objective is to leverage the existing program infrastructure to generate awareness about energy consumption and home performance, seed the market with scores at no additional cost to customers, and thereby generate awareness about the DOE HEScore. As the DOE HEScore gains traction, the vision is that it will become a commodity that is requested during energy improvements or when buying or selling a home. This is a significant step towards being able to provide useful bench-marking information about the performance of our customers' homes and will help drive the program toward a future market based state. In 2014, the Companies finalized an updated Partner Agreement with DOE, continued training and qualifying technicians, integrated the necessary IT features into the mobile applications and worked to enhance messaging to customers. Beginning in January 2015, the DOE HEScore will be fully rolled out and provided to HES participants that have core services completed through the HES program. To successfully make this full scale transition, all lead HES technicians will be required to pass an exam to become Qualified Assessors under the DOE HEScore program.

In 2014, spending on oil and propane measures within HES has exceeded planned estimates. This was driven by higher than anticipated participation and over-indexing of homes with oil/propane heat relative to the current residential heating fuel mix in Connecticut, as well as higher than expected participation in the ductless heat pump offering by customers with oil/propane primary heat. While RGGI funding is expected to increase in 2015 to cover the cost of oil/propane measures, the Companies are concerned that higher levels of oil/propane spending may inhibit their ability to reach electric and natural gas energy savings goals. Therefore, the Companies will be taking steps to address this situation in 2015. First, for ductless heat pumps, the Companies have raised the qualifying criteria and a tiered rebate structure will be offered for electric heat (to be verified through HES assessment) and non-electric heat customers. Ducted Heat pumps will also have a tiered rebate structure based on the HSPF.

Secondly, future agreements with HES vendors may include a provision that would limit oil/propane heated homes that they will be able to serve. This will provide equitable distribution of participation by heating fuel types and will increase utility benefit-cost ratios by curtailing oil and propane costs within HES. The Companies are also evaluating a bi-level copayment for HES that would have a lower

copayment for electric and gas heated homes and a higher copay for oil and propane heated homes. This proposal will be presented to the EEB when the analysis is completed.

Solar thermal is a proven energy savings technology but currently there are limited programs for contractors and customers to leverage. Recently, the Connecticut Green Bank offered solar thermal incentives funded through ARRA, and program activity was brisk: approximately 400 projects were completed with about ¾ of those projects being residential in nature. Since the ending of that program, Green Bank has offered a solar thermal leasing program, and solar thermal can be financed through several existing offerings. However, solar thermal activity installations have dropped off sharply since the ending of the Green Bank incentive program. Therefore, the Companies will continue work on developing a solar thermal rebate analysis to determine if there is a cost-effective and appropriate incentive to address this market barrier that could help bolster this market and build off the momentum from the Green Bank offering. If a solar thermal incentive is determined to be appropriate, it will be provided to customers who participate in Home Energy Solutions and will be available to customers displacing natural gas or electric domestic hot water and potentially where other energy sources are displaced. Any Company Solar DHW ("SDHW") offering in 2015 is contingent on the completion of analysis comparing different residential characteristics including limited income and multifamily, hot water options which demonstrate its appropriateness, available budget, and the establishment of project caps. This analysis will be undertaken with the participation of the EEB's consultants, and any residential SDHW incentive will be contingent on EEB approval.

Wi-Fi thermostats offer promising savings for customers, as evidenced by several independent studies which estimate that Wi-Fi thermostats can help reduce energy consumption by up to 15 percent (includes both the technology and behavioral components). Many energy efficiency programs, including programs in the northeast United States, have incorporated Wi-Fi thermostats into direct install and/or rebate programs for residential customers. In 2014, Southern Connecticut Gas and UI began a behavioral-based Wi-Fi thermostat pilot which is offered to Southern Connecticut Gas customers who heat with natural gas and have central air conditioning and valid UI electric accounts. Currently through that pilot, thermostats are installed by a licensed HVAC contractor and behavioral based messaging to customers is coordinated through a third party vendor via smart phone apps. In 2015, CL&P will begin an installation offering of Wi-Fi thermostats to its customers through Home Energy Solutions. CL&P will be working with the EEB consultants on the details of this offering as it unfolds.

The Companies will also continue to assess the residential LED market and shift to as many LEDs installed through the HES program as possible with an end goal of phasing out CFLs from HES entirely. In 2014, specialty CFLs were removed from HES, and four courtesy LEDs were offered per home, with an option to purchase more bulbs with a co-payment. In 2015, this lighting incentive strategy will continue and, based on the pricing received from the HES Vendor RFP, the Companies will attempt to increase the courtesy LED bulb count and decrease the CFL program maximum.

In 2015 the Companies will continue the upstream HVAC discounts for boilers, furnaces and circulator pumps. No changes to this program are anticipated; however, the Companies will focus on engaging the remaining 5-10% of distributors not currently participating, and will focus on enhancing outreach and

education to both participating distributors and contractors throughout the state. As a critical mass of 90-95% of distributors was reached in 2014, the Companies will be discontinuing paper rebates for boilers, furnaces and circulator pumps. In addition the Companies will continue to work with the gas conversion contractor networks to provide training on the available rebates and distributor discounts, as well as HES and other programs and financing opportunities.

In 2015, the Companies will continue to work with the EEB and Green Bank on optimizing the mix of financing and incentives to make the best use of ratepayer funds. The Companies are exploring options with the Green Bank and CHIF on transitioning more of the comprehensive financing currently offered at 2.99% to the Green Bank's Smart-E loan product for credit qualified customers. Green Bank has committed to support interest rate of 2.99% expires in the second quarter of buy-down in 2015 using ARRA funds. Additionally, CHIF is working to recapitalize the outstanding HES Loans. The EEB, the Green Bank and the Companies will also work to simplify the loan offerings to customers.

The Residential Loan Program line item in the tables has been modified to include the On Bill Repayment program with the Green Bank. This line item will include incremental costs with the development and administration of the OBR program as agreed to with the Green Bank, the Companies and the EEB.

Home Energy Solutions – Income Eligible

Overview

Home Energy Solutions serves income eligible customers through HES Income Eligible ("HES-IE"). The primary objective of the HES-IE program is to reduce the energy cost burden for income eligible customers by providing free in-home direct install weatherization services, including air sealing, insulation, duct sealing, water savings measures, refrigerator replacements and lighting. In some situations, projects or measures may require a nominal customer or landlord copayment based on cost-effectiveness screening.

Summary 2015 Program Changes

For some customers, certain energy measures have historically been postponed or deferred due to the presence of health and/or safety issues present within the home. In 2010, the Companies, in partnership, were awarded a $3 million grant from the United States Department of Energy to perform weatherization plus health and safety measures. Utilizing this program, the Connecticut Efficient and Healthy Homes Initiative ("CTEHHI") was created. Over the course of the 3-year program, CTEHHI was successful in helping to weatherize and perform health and safety services on 968 households statewide. In December 2013, however, the funding was fully exhausted leaving a gap in funding for health and safety measures that create a barrier to weatherization.

In 2014, $1.5 million of funding from the Northeast Utilities – NSTAR merger settlement was allocated by DEEP to fund health and safety measures. The newly created Clean Energy & Healthy Homes Initiative ("CEHHI") will be rolled out in 2015 to customers currently enrolled in the HES-IE program when barriers to weatherization are found within the home. The goal of the CEHHI program is to reduce the frequency of postponement and/or deferral of HES-IE weatherization services due to health and/or safety hazards present within the home.

Another primary goal for the 2015 HES-IE program is to continue to integrate the delivery of HES-IE services with the Weatherization Assistance Program ("WAP") in an effort to streamline the two primary weatherization programs currently serving income eligible individuals in the State. The HES-IE program will be rolling out the mobile field tool, already being used in HES, to more effectively collect information and deliver services to the income eligible community. The mobile field tool will provide the Companies with the ability to create many synergies with the current WAP program, including the ability to collect additional information needed for the current WAP audit tool. HES-IE vendors will be required to obtain the same certifications as those required by the WAP program to achieve the ultimate goal of enabling energy auditors in both HES-IE and WAP to collect the same information on the customer's home, and seamlessly run the customer through either program depending on the customer's eligibility.

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 2013, the DEEP Decision set forth the following water heating unit goals for the gas companies:

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 2015 Program Changes

In 2014, the Companies launched a residential upstream incentive program for both high efficiency natural gas and heat pump water heaters. The Companies do not anticipate any program changes in 2015, and will continue to focus on outreach and education to distributors, contractors and homeowners.

Residential Behavior Program (Electric and Natural Gas)

Overview

The objective of the Residential Behavior program is to encourage residential conservation behavior to reduce energy consumption as well as increase participation in residential energy efficiency programs funded by Energize CT and offered by the Companies. The 2015 Residential Behavior programs have incorporated lessons from the Home Energy Report ("HER") Pilots into an enhanced customer behavior offering. These programs are designed as a means for customers to obtain meaningful and appropriately targeted energy efficiency information, advice and support to achieve savings while driving greater customer satisfaction.

Summary of 2015 Program Changes

The Companies will continue to expand and enhance their successful behavioral program offerings for 2015 and beyond.

The Year 2 Evaluation of the CL&P Behavioral Pilot recommended that the program continue to emphasize neighbor comparisons and have a strong plan to engage web-only customers online. CL&P has taken these recommendations into consideration and has launched and continued to improve the behavioral program. One refinement this year will be savings campaigns – targeted, achievable goals for the highest users encouraging incremental improvement.

In 2015, UILs enhanced Web Customer Engagement Program will be incorporating a behavioral change HER with the end goal of ensuring that customers get meaningful and appropriately targeted energy efficiency information, advice and support to achieve savings while driving greater customer satisfaction. This program design goes beyond the industry standard HER to leverage a multiple channel customer engagement platform to cost-effectively induce the types of actions that generate the most savings – investments in energy-efficient appliances, behavior changes, devices and materials for all customers segments – ultimately empowering the customer to be in control of their usage. In 2015, UIL will introduce a customer-targeted direct electronic HER to approximately 37,500 residential customers who are registered or existing UIL "My Account" Customers. UIL will also be adding approximately 12,500 unregistered customers annually with the goal of switching these customers to electronic reports for the start of each following year to continually grow our family of "My Account" Customers.

UIL launched its new Energize CT Smart Thermostat Pilot Program in the fourth quarter of 2014, with a goal of installing up to 5,000 Wi-Fi thermostats that have a behavioral component over the course of 24 months. This program was designed to give customers control of their HVAC systems through a mobile application on their smart phones. The program will drive energy savings through the optimization of the customer's HVAC systems and also through behavioral messages that give the customer real time information and a call to action each time a temperature set point is changed. All interested customers will qualify for participation on-line and set up their smart thermostat schedule and temperature set points prior to installation. Once qualified and enrolled, the UIL installation vendor for this effort will

perform the installation and make the customer's Wi-Fi connection to the thermostat. Smart thermostats will be marketed and promoted through various channels and Energy Efficiency programs.

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CHAPTER FOUR: COMMERCIAL AND INDUSTRIAL PROGRAMS

Overview

The Companies have been delivering energy efficiency programs to C&I customers that are among the best in the nation for over two decades. Building upon this proven track record, the Companies will continue to innovate and improve on the program delivery with the long-standing objective of "going deeper and broader" [2] while remaining cost-effective.

For the programmatic overviews and deployment strategy discussions, please refer to the Companies' initial multi-year (3) Plan filed with the Public Utilities Regulatory Authority ("PURA") on November 1, 2012 or the 2014 Plan Update filed with DEEP on February 28, 2014, as the program general descriptions have not substantively changed. Because the initial multi-year (3) Plan filed on November 1, 2012 or the 2014 Plan Update filed on February 28, 2014 will experience very few substantive changes, please refer to the aforementioned documents for the programmatic overviews and deployment strategy discussions. As has been discussed at length in many EEB C&I Committee meetings, the Companies have modified their "go-to-market" strategy by focusing on their respective customers, evaluated via segmentation analyses, rather than attempting to force customers into pre-existing "program buckets". This customer-centric thought process allows for the Companies to use their "programs" as tools through which the "go-to-market" strategies can be implemented day-to-day.

In 2015, the Companies will be challenged with managing program budgets which experienced diverse impacts, primarily an overwhelming demand from customers in 2013 and 2014. The Companies will be exploring ways to mitigate these budget impacts while preserving the programs' ability to achieve savings. The greatest concerns reside with the gas budgets, specifically Southern Connecticut Gas. Some of the strategies being evaluated, include, but are not limited to, a) reducing dollars in under-performing initiatives, b) shifting dollars from "higher cost" programs to "lower cost" programs, c) modifying the incentive structures for Whole Building Performance projects, and d) reducing the gas cap ($/ccf). These types of modifications will allow broader penetration with limited resources.

The Companies are also exploring ways to leverage other funding sources such as financing. Some specific examples currently in existence are greater collaboration with C-PACE and the Green Bank (for

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[2] "Going Deeper" is being defined as obtaining as much energy reduction as possible over a period of time ***in any one customer facility or operation*** while doing so cost-effectively. The Companies' comprehensive incentive approach allows for bundling as many measures as possible into one comprehensive project. This often includes leveraging better payback ***retrofit*** measures (such as lighting or steam traps) with longer payback ***lost opportunity***, early-retirement measures (such as chillers or boilers) into one incentive package that helps reduce the financial barriers for Customers.

"Going Broader" is being defined as ***bringing energy efficiency measures to as many customers as possible***, especially when the more traditional direct-sales channels or indirect-sales channels are not successfully reaching those customers. The Companies' Up-Stream incentive approach allows for incentives to be introduced into the market channel Up-Stream, usually through distributors or even manufacturers, as opposed to Down-Stream at the customer, contractor, or project level.

example, the C-PACE Boiler Lite initiative). Other strategies being explored, include but are not limited to, leveraging the external segment-oriented funds offered through DEEP (i.e. the Clear Water Fund), the State (i.e. the Manufacturers Reinvestment Account or the CT Farm Energy Program), and Federal grants, as well as potential public/private partnerships available to offset non-energy related sustainability costs. In addition the Companies are exploring ways to lower the cost of capital for the SBEA financing. None of these leveraging opportunities, however, will allow the Companies to reduce incentives to customers in the programs.

Summary of 2015 Program & Strategic Updates

The following list outlines the main substantive C&I programmatic and strategic updates:

1. National and local economic business environment – what's new or meaningful?
2. Customer Segmentation update – this analysis is never completed, but continually refined
3. Customer Engagement Platform – engaging with business on THEIR terms
4. SEM and Strategic Partnership Agreements – covering all 4 Quartiles
5. Lead-by-Example – SBEA Master Agreement and Performance Contracting update
6. New developments for small businesses – outreach partners and CEP
7. Up-Stream Lighting and HVAC
8. Solar Thermal and Solar PV-assisted lighting technologies
9. Financing and access to capital – insights from secondary & primary research
10. Workforce Development & education – technical & sales training for all market channels
11. Benchmarking/energy management strategies
12. The Road to Zero Net Energy

1. <u>National and local economic business environment – what's new or meaningful?</u>

In order to successfully administer the CEEF portfolio and improve customer centricity, the Companies will continue to focus on customers and recognize how they perceive the economic conditions in which our customers are making investment decisions at home and especially at work. Our customers balance economic and geopolitical pressures that have an impact in the way they run their businesses. This plan update seeks to gain greater understanding in the initial 3-year Plan, whether the Companies believe the economic headlines or the economists, themselves, is not really important. What is important and relevant to this 2015 Plan Update is to understand how customers perceive economic and geopolitical uncertainty and how they, in turn, invest their time and money. There exist a number of economic survey instruments that can help understand how Connecticut's business owners and leaders are thinking about investing capital, hiring new employees, expanding their businesses. This 2015 Plan Update references five (5) relevant sources of business climate data which can be found in the Appendix; Institute for Supply Management (ISM), National Federation of Independent Business (NFIB) and CBIA's quarterly survey, the Connecticut Manufacturing Survey (April 2014) developed by Gaffney Bennett, for The

Manufacturers Alliance of Connecticut (MAC), who partnered with CL&P and UI, and a September 2013 report by the Economist Intelligence Unit sponsored by ABB.

2. **Customer Segmentation update – this analysis is never completed, but continually refined**

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 3 independent trade allies or preferred trade allies, and to help us focus the sales and marketing efforts of our external sales force for quartile 4 via the SBEA contractors.

The Companies have performed, and will continue to refine, their Customer segmentation analysis as it is critical to helping understand how different Customer sizes and business segments require different go-to-market strategies. A presentation [3] by the Companies to the EEB at the June 25th EEB retreat included some recent updates to the segmentation analysis and results. For example, when listing CL&P's C&I businesses in descending order of their total consumption by business and then breaking those businesses into quartiles [4], the result is that only 3.5% of CL&P's businesses (not account numbers) consume 75% of the total energy consumed by all C&I businesses. While this general statistic is likely common to many utilities, the differentiation is that NU is using its programs as tools or resources to have different go-to-market strategies for the different customer quartiles. Similarly, segmenting its customers into various business categories, CL&P shows that nearly one third of its quartiles 1-2-3 businesses are manufacturing (by count and consumption) while for Yankee Gas, the business count is also approximately one-third, but the manufacturing business percentage becomes more than 50% when evaluated by consumption of ccf of natural gas.

As a result of segmenting the markets by customer type, both Companies have examined their resource needs and have implemented some restructuring to service the marketplace. NU, for example, has hired 2 full-time energy efficiency sales executives to focus on engaging with and setting multi-year, strategic map of efficiency projects for quartile 1 and 2 businesses. They are technically supported by project managers ("PMs") and segmented into 4 support teams; one team located in Stamford to serve the 10 key cities and towns in southwest Connecticut, and the other three teams located in Berlin, structured by customer segment. As the Companies have stated previously, the process of segmentation is never really complete, but rather, as more time and effort is placed on refining customer data, especially in terms of aggregating multiple customer accounts into single "businesses," the segmentation analysis gets continually refined. Another example of refined customer segmentation data is assigning better suited categories and

[3] https://app.box.com/files/0/f/1991983455/06-10-14_C_I_Committee_Meeting
File name: 2.C&I_Update_for_EEB_Retreat_tvs.rwh_06.24.14 slides: 19-23
[4] for example, quartile 1 represents 52 businesses that make up 25% of the total C&I consumption and quartile 4 represents ~54,000 business that make up the last 25% of the total consumption for CL&P.

relationships between groups and sub-groups of businesses. For instance, the State of Connecticut, with its many agencies, and municipalities, whose different departments (i.e. department of education and waste-water-treatment departments) may each be treated differently.[5]

3. Customer Engagement Platform (CEP) – engaging with business on THEIR terms

The Companies continue to develop customer-facing web engagement platforms which will allow the Companies to generate actionable customer insights, personalize inbound customer interactions and personalize outbound communications, resulting in increased program participation and continuous customer engagement. Benefits to customers include personalized experiences, relevant equipment or operational recommendations, 24/7 access to information, and effectively bundled energy solutions. Vendor portals are also being designed to allow easier access to project submittals and basic equipment rebate forms seeking quicker payments.

4. SEM and Strategic Partnership Agreements

Quartiles 1 and 2: On September 26, 2013, DEEP approved the Companies' approach to engage with their largest customers in a unique, customer-specific manner which goes well beyond traditional self-directed initiatives in other states. The approach, referred to as Customized Solutions Partnership ("CSP") includes a multi-year MOU, which is directed toward specific customers. The CSP will include, but not be limited to, multi-year strategic energy management plans, annual savings targets, streamlined access to the CEEF C&I Program incentives and technical services, such as tools to assist the customer with benchmarking, monitoring, tracking, and reporting facility energy use. The MOU will be designed to be customer-specific to provide necessary flexibility to accommodate the customer's unique issues such as capital planning process, financial hurdle rates, focus on manufacturing processes (if applicable), and inclusion of outside engineering or technical services.

The cornerstone of these partnerships is strategic energy management ("SEM"), a systematic framework for businesses to sustainably manage their energy and resource use through a continuous improvement cycle of goal setting, monitoring, tracking, reporting, strategic improvements (both through operations and capital upgrades) and reassessments. By promoting SEM, the C&I Programs hope to assist Connecticut business to improve their energy management and sustainability programs and become self-sufficient practitioners.

Quartiles 3 and 4: As stated above, one significant conclusion of the segmentation analysis is that approximately one-third of the customers in quartile 3 are in the manufacturing business. While the segmentation data is not as clear in quartile 4 as it is in the first three quartiles, the Companies' assumption about manufacturing is the same. In an effort to engage with the tens of thousands of customers in quartiles 3 and 4 on issues relating to strategic energy management and business

[5] https://app.box.com/files/0/f/1991983455/06-10-14_C_I_Committee_Meeting
File name: 2.C&I_Update_for_EEB_Retreat_tvs.rwh_06.24.14 slide: 9

sustainability, the Companies issued an RFP looking for indirect sales vendors having subject matter expertise in the three areas of 1) PRIME, 2) technical assessments (e.g. energy use assessments) and 3) sustainability plan development, all with a focus on the manufacturing segment. The RFP was issued to 43 vendors and received 23 vendor responses that are being evaluated at this time.

In an effort to achieve "broader and deeper" penetration within the National Accounts and Franchise customers, the Companies will continue to expand services to this sector on a limited scale. CL&P is already engaged on an MOU with a large (Tier 1) National Account customer doing business in all three states in which NU delivers energy. In 2015, it is expected that a similar SEM arrangement will occur with a targeted Tier 3 National Account franchise in an effort to develop a consistent message, engagement and go-to-market strategy amongst the three states in which NU operating companies provide services. The specific focus will be soliciting comprehensive projects from previous poor performing retail sectors, including, but not limited to food service, hospitality and box style retail.

5. <u>Lead-by-Example ("LBE")– SBEA Master Agreement and Performance Contracting update</u>

The Companies continued to collaborate and provide technical support services in 2014 toward DEEP's LBE initiative of Energy Savings Performance Contracting ("ESPC") for the larger state and municipal customers. In addition to funding a state-wide ESPC Program Manager, the Companies assisted with the development and implementation of an RFP and issued ultimate purchase orders to a pool of seven (7) engineering companies known as Technical Service Providers ("TSPs") or Owners' Reps. These TSPs have the responsibility of helping to ensure that Connecticut's LBE ESPC standardized processes are being followed and implemented by the Energy Service Companies ("ESCOs") in an effort to ensure that the contracted savings predicted by the ESCOs will ultimately be realized.

The Companies recently drafted and presented to DEEP a strategic partnership agreement intended to (a) help streamline the ESPC incentive process for installed measures and (b) assist the TSPs to evaluate the energy savings measures within the ESCOs Investment Grade Energy Audits. This strategic partnership agreement also identifies a reduced incentive structure and is expected to be executed in late 2014 and carry into 2015 and then into the next 3-year planning cycle.

Between October 7, 2013 and the 2nd Quarter of 2014 the Companies entered into separate SBEA Master Agreements with the State of Connecticut. The intent of the Master Agreement is to assist the State and the Companies to achieve the goals outlined in PA 11-80, specifically for smaller sized state agency facilities which have not historically participated in energy efficiency projects. Utilizing the SBEA indirect sales, turn-key delivery channel, approximately 40 state agency facilities will have been upgraded to a higher level of operational electric and natural gas efficiency in 2014. Based on increased demand and improved implementation rates, the Companies expect that approximately 150 facilities will be upgraded in 2015. The Companies will consider extending this multi-year agreement into the next multi-year plan period.

The third component of the "Lead by Example" initiative is utilizing bond funding for the project installation. The Companies are members of the Technical Advisory Committee ("TAC") which reviews project requests brought to the TAC by the individual agencies. This third LBE component facilitates the implementation of energy efficiency projects that are not served by the SBEA Master Agreement or the ESPC initiative. The Companies have allocated approximately $850K for State SBEA projects in 2015.

6. **New developments for small businesses – outreach partners and expanding Customer Engagement**

Regarding the degree to which the Companies' SBEA networks of turn-key vendors have been serving economically underserved neighborhoods, there may be conflicting insights between two recently published program evaluations. Evaluation Report C-12, "CT Small Business Energy Advantage Program Low-Income and Limited English Business Owner Study" states that all of the (business outreach organizations) respondents interviewed felt that there would be barriers to participation by these small business owners. Barriers identified were: language/cultural barriers, cost, lack of trust, and lack of knowledge about the program. However, according to a more recent SBEA Program Evaluation (C10: CT SBEA Data Mining Report Review Draft, September 19, 2014), when "… under comparison to eligible population, the (SBEA) program appears to be doing a good job of serving all customer segments. SBEA participation is a very good representation of Connecticut businesses of this size (by kW usage). Therefore, there does not seem to be underserved business segments that need to be targeted. So in general no change is recommended regarding changing market targets."

Regardless of the relative significance of, or potential conflicting observations between, these recent evaluations, the Companies are constantly working on efforts to improve the service delivery and outreach of the SBEA program. For example, the Companies had established several relationships with community partners to supply outreach services on a "pay for performance" basis. This approach offered a strategy for broader penetration in urban areas and a methodology for compensating the partners based on qualified leads that resulted in installed projects. As 2014 closes, the Companies are evaluating the costs and success rates to determine which partnerships should be continued, modified or eliminated. The Companies will be exploring other opportunities, such as but not limited to improving the relationships with existing partners, leveraging any external funding sources available to partners, or possibly offering an enhanced compensation and on-bill financing package to the existing SBEA vendors who will be asked to focus on specific business sub-districts (streets or neighborhoods) which tend to include low income and limited English business owners.

As stated on page 235 of the Companies' original 3-year Plan (filed on November 1, 2012), the Companies are continuing to investigate customer segmentation aspects in quartile 4, which could potentially be served through the SBEA programmatic "go-to-market" process, but which are above the traditional 200 kW billing demand threshold. This issue has been a topic of conversation many

times in C&I Committee meetings where the guidance and recommendations have suggested that the Companies develop and propose a better criterion that re-defines what a "small business customer" truly is, moving away from the traditional billing demand definition. Redefining this customer segment allows us to better serve this quartile of our customer base, going "broader" into the small business marketplace.

7. <u>Up-Stream Lighting and HVAC</u>

In 2014, the Companies successfully introduced the "Upstream" market channel concept which allows the Companies to go "broader" in the C&I marketplace. For the C&I upstream efforts, the channel partner is usually the preferred distributor, where the distributor becomes an extension of the Companies' ability to "market" or sell energy efficiency as opposed to the traditional model of only marketing directly to a customer or their contractor.

The Companies have partnered with lighting manufacturers and distributors to provide an Upstream incentive on reduced wattage linear fluorescent replacement lamps and Energy Star screw-in LED lamps. . The Companies have put in place a minimum customer contribution for each product type. This in effect sets a floor price ($7.50 for LED's, $1.50 for LFL's) for all lamps sold through this program. This feature allows the Program Administrators ("PAs") to avoid a situation where the product, net of the incentive, can be provided by the distributor to the end use consumer for free. The drawback of this mechanism is that the distributor can potentially receive more than the asking price for a particular product. For example, if a PAR38 LED is priced at $25, the distributor receives $7.50 from the customer and $22.00 for the incentive. That distributor has now been paid $29.50 for a product that was priced at $25.00.

The upstream program was launched during the spring of 2014. To date, the program has been successful with twenty-five electrical supply distribution companies participating at sixty-one different locations and providing discounted pricing on twelve different types of products. During the first five months of operation, the program has averaged a net of approximately 3.4 million kWh per month at a cost rate of less than $0.13 per kWh.

Looking to 2015, the Companies anticipate exploring the potential expansion of the "Upstream" concept to mechanical technologies such as high efficiency heating, water heating, cooling and ventilation equipment, while making necessary tweaks to Upstream incentive levels and improving contractual language being used with the participating distributors.

8. <u>Solar Thermal and Solar PV-assisted lighting technologies</u>

Through collaboration with the EEB's C&I Committee, the Companies will allow solar thermal measures to receive incentives under the same incentive mechanisms as other more common measures, as long as the energy being displaced is natural gas (Firm rate customers) or electric heat. To date, the Companies have not had any solar thermal projects submitted for review, however, it is expected that the marketplace will begin to show interest in the programs. Further, the Companies

plan to evaluate the cost effectiveness of solar PV-assisted devices, such as customer-owned street lights and security parking lot lights, which devices are not considered a Distributed Generator in the traditional sense relying on interconnection requirements. It is anticipated that these technologies would be incorporated into any cross promotion with financing.

9. <u>Financing and access to capital – insights from secondary & primary research</u>

The Companies will continue to collaborate with the Green Bank, the EEB's C&I Committee and their market partners on a) efficiency project financing initiatives, such as C-PACE, b) a preferred method for effective seeding of revolving working capital funds for state agencies to take the necessary initial steps of ESPC, and c) addressing the financing priorities identified by the Energy Efficiency Board in February 2014[6] and comparing those priorities with actual customer market intelligence and financing related trends obtained later in the fourth quarter of 2014 via primary market research and secondary market research as summarized below. The February 2014 EEB financing priorities included:

- Using financing products like C-PACE to stretch ratepayer funds where possible,
- Securing a lower "all-in" cost of capital for SBEA financing,
- Building on market research to identify financing gaps and potential solutions for customers who are not effectively served by existing program offerings.

Key findings from studies such as Evaluation C-11 "Barriers to Program Participation with a Focus on Financing and Cancellations" survey, as well as quarterly surveys of the Connecticut Business and Industry Association ("CBIA") members and readily available secondary research, will be integrated with other sources of information, and further research will be conducted, in collaboration with the C&I Committee, to better understand (a) what, if any, additional specific financial products are needed by the marketplace, and (b) if there is an actual specific efficiency financing need from the marketplace, how to develop additional specific, effective financing solutions for customers.

The Companies will also continue to work with The Connecticut Green Bank to identify an effective financing solution for capital equipment efficiency measures as well as project expenses such as metering, project management databases and engineering services to help state agencies participate in the LBE-ESPC program

While the Companies see a niche for C-PACE financing for non-governmental entities (i.e. small-to-medium sized businesses), it is important to cite recently published economic indicators and program evaluation reports which may help to paint a slightly different picture than has been discussed at length during EEB C&I Committee meetings. For example, the monthly publication from NFIB (referenced in more detail in the Appendix) states that "… Only 2 percent (of the respondents) reported that financing was their top business problem compared to 21 percent citing

[6] "EEBFinancingPrioritiesforCEFIA_EEBapproved021914F.doc" @ https://app.box.com/s/drkjp0g9a1p90k1ukw4h

taxes, 22 percent citing regulations and red tape and 14 percent citing weak sales." Another example comes from the recent draft program evaluation C11: "Barriers to Commercial and Industrial Program Participation with a Focus on Financing and Cancellations" Review Draft Report - November 3, 2014. According to this draft report, suggested financing does not appear to be a key solution to overcoming the identified barriers. The majority of nonparticipants stated that financing was only of moderate or lower importance in their decision to move forward with an energy efficiency project. Finally, the recently published CBIA quarterly survey[7] reveals the following useful insight:

- the top three types of financing used are bank loans, vendor credit, and earnings of business
- most firms do not need any financing, although some need financing of working capital
- most firms have no problem with credit availability
- most firms have not used financing specifically for credit needs
- most firms have not experienced a change in the terms of loans by their lending institutions
- most respondents believe the lending climate in Connecticut to be at least average, and some thought it was good

Currently, CL&P is reviewing potential opportunities to reduce the cost of capital for their 0%, on-bill Municipal project and SBEA project loans.

10. <u>Workforce Development & education – technical & sales training for all market channels</u>

Beginning in 2013, the Companies recognized the value of increasing both the technical and sales capabilities in the vendor community. As a result, the Companies have developed a robust energy audit certification course designed for Small Business vendors in which over 100 individuals have been certified. In addition, internal electric distribution company personnel and Small Business vendors have undergone training on selling energy efficiency projects. For 2015, the Companies are planning continued training opportunities in areas including, but not limited to selling energy efficiency, strategic management opportunities and business sustainability, high efficiency technologies, new construction code and building performance issues.

11. <u>Benchmarking / Energy Management Strategy</u>

The Companies have worked with the C&I Committee, DEEP, the Institute for Sustainable Energy ("ISE") and other allied agencies to better coordinate benchmarking services and to lay the groundwork for sustainable energy management practices in State and municipal buildings. As part of this strategy, the Companies are upgrading their ability to support benchmarking and sustainable energy management through the CEEF C&I programs, eeCommunities, ISE's CEEF-funded initiatives with municipalities and schools, and collaboration with DEEP and municipalities. ISE will be providing coordination among the CEEF programs, state agencies, educational institutions and other partners in support of this effort.

[7] Courtesy of Peter M. Gioia, VP & Economist, Connecticut Business & Industry Association (October, 2014)

Beginning with the first multi-year plan (2013-2015), the Companies began collaborating with the EPA, EBB, and DEEP to develop an Electronic Download Interface ("EDI") that would enable state agencies, municipalities (including boards of education) and the utilities to electronically supply consumption data directly into EPA's Portfolio Manager. The advantage of having the EDI in place and being utilized by all entities is that it provides a greater capability for benchmarking throughout the state. It is anticipated that having the energy data accessible in EPA's Portfolio Manager will lead to informed decisions which will reduce municipal and state energy consumption and lead to stronger proactive strategic energy management.

In addition to the EDI interface, the Companies are collaborating with the Connecticut Green Bank, DEEP, ISE, and EEB on ways to increase the number of municipal customers benchmarking their facilities. Once the results of the benchmarking are presented the customers begin working with the utilities to identify potential energy efficiency projects and developing a longer range energy plan.

12. <u>The Road to Zero Net Energy</u>

The Whole Building Performance initiative was developed as part of our strategy to continually drive down consumption in new building construction. The current incentive structure significantly supports exceeding the State Energy Code by 30% while facilitating building performance. Unfortunately, the adoption of the 2012 IECC and the ANSI/ASHRAE/IES 90.1 – 2013 standard has been delayed with the adoption not anticipated to occur until late 2015. With respect to the late adoption, the Companies anticipate increasing the Whole Building Performance criteria as a strategy to mitigate budget impacts and at the same time increase awareness of Zero Net Energy opportunities. The Companies also anticipate that the 2016 -2018 multiyear plan will be the platform for focusing in on ways we can promote Zero Net Energy construction. As an example, modifying program criteria and incorporating incentive opportunities for Combined Heat and Power ("CHP") or Solar applications into Whole Building Performance would be a positive improvement. This and other potential strategies will be explored in preparation of the new plan.

CHAPTER FIVE: EDUCATION AND OUTREACH

eesmarts

Overview

eesmarts is an energy efficiency and clean, renewable energy learning initiative. Created in 2002 and administered by CL&P and UI, 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, an annual student contest, sponsors the sustainable resources category of the CT Science Fair, holds eeEvents, and offers the Energy-Saving Challenge. In addition, ***eesmarts*** has partnered with the Connecticut Technical High School System to offer the E-House initiative and the CT Clean Trades program.

Summary of 2015 Program Changes

Energy-Savings Challenge

The Energy-Savings Challenge ("the Challenge") provides direct education and outreach to students while tracking the resulting behavioral-related energy savings. In the 2013-2014 school year, the Challenge was conducted with five schools, reaching over 350 students, and received positive feedback. For the 2014-2015 school year, the Challenge is integrating lessons learned from the previous year. The program will target 10 schools, and aims to reach at least 600 students. To allow CL&P and UI to accommodate 10 schools, teachers will instruct 4 ***eesmarts*** lessons and the CL&P and UI will present 3 ***eesmarts*** lessons throughout the October-May program. Teachers were offered the opportunity to participate in a summer workshop on the Challenge and will also receive guidance from the ***eesmarts*** educator on the required lessons. Other enhancements include Spanish opt-in forms for electricity usage tracking, mid-year updates on electricity data for opt-in students and more accurate behavior change tracking.

CT Clean Trades Program

The CT Clean Trades program is a partnership with the CBIA, and is in the second year of a two year pilot during the 2014-2015 school year. In the second year, participating students will follow one of two tracks. The first track is for 12th grade carpentry students, who will complete BPI Building Science Principles training and participate in a lecture from a guest HES vendor on weatherization and working in the energy efficiency field. The second track, consisting of 11th grade plumbing/HVAC/electrical students, will participate in a sustainability workshop and work to create sustainability plans for their schools. The sustainability plans will incorporate recommended energy saving changing from the first year of the program. All students will participate in workforce development workshops including energy efficiency sales training and resume/interview workshops. The goal is to provide students with paths

into the workforce through the partnership with the CBIA. Year two will culminate in presentations and an employer panel at each school. Four technical high schools will participate in the second year of the program: Platt Technical High School (Milford), E.C. Goodwin Tech (New Britain), Norwich Tech (Norwich) and Henry Abbot Technical High School (Danbury).

***Energize Connecticut Center* and Museum Partnerships**

Overview

The objective of the Energize Connecticut Center *(*former *SmartLiving* Center) and Museum Partnerships program is to educate Connecticut residents about the importance of energy efficiency through educational centers, exhibits and partnerships with museums. For several years, the Energize Connecticut's strategic partnerships with learning centers and museums have created cohesive branding and educational opportunities throughout Connecticut.

Energize Connecticut Center

The Energize Connecticut Center will be located at 122 Universal Drive in North Haven, CT. The new resource center will be a centrally located, statewide resource for energy efficiency, targeted broadly to residential and business customers, architects, builders, designers, formal and informal educators, students, trade allies, and not for profit organizations. The Center is targeted to open in early 2015. The Companies are continuing to investigate ways to capture behavioral changes and the associated energy savings including surveys, an energy jeopardy game, weatherization kits and lighting and/or programmable thermostat giveaways. With enhanced exhibits and an enlarged meeting space, the new center will host events, seminars, and tours.

Museum Partnerships

Energize Connecticut provides funding to museums for energy-related exhibits. Current partnered exhibits are located at The Connecticut Science Center, Stepping Stones Museum for Children, The Trash Museum and The Discovery Museum. Beginning in late 2014, The Discovery Museum's Energy Neighborhood will be undergoing a complete upgrade of the existing Energy Gallery, to be completed in 2016. The Energy Neighborhood was conceived as an immersive learning experience in which visitors enter a realistic environment consisting of "streets," a small home, surrounded by familiar kinds of local businesses and institutions. A special area of the gallery space is devoted to energy generation, both traditional and alternative. The hands-on lessons, experiences and take-home messages will support the evolving missions of both Energize Connecticut and Discovery Museum regarding energy use, conservation and generation opportunities. The upgrades to the exhibit are based on feedback and observations of the current exhibit. The Companies will provide funding for the upgrade, which will run from the fourth quarter of 2014 into 2016.

CHAPTER SIX: BENEFIT/COST ANALYSIS

DEEP's October 31, 2013 Decision on the 2013-2015 Three Year Plan approved the programs and found them to be cost effective. The 2014 Approval approved the adjusted 2015 budget and savings goals presented in the 2014 Plan Update.

While previously approved and deemed cost effective, the programs have been rescreened for the 2015 Plan Update to include or account for the following factors, as well as the programmatic changes described in the program changes summaries.

- **DEEP letter dated September 26, 2014 on Resolution of Conditions 1, 3, 4, 5.**
  - Updated Performance Management Incentives target amounts to reflect the DEEP 2014 Approval.
  - A 5.5% discount rate was used for 2015 electric and gas program screening.
  - The duration of the DRIPE benefit was capped at 7 years.
  - Additional DRIPE categories including cross-fuel DRIPES and rest-of-pool DRIPE benefits are included in the benefits calculations for programs.
  - Modified utility cost tests (includes oil/propane savings and costs) and unmodified utility cost tests (excludes oil/propane savings and costs) are included for electric residential programs that save oil and propane.

- **Winter Peak Impacts.** Natural gas is the marginal fuel for over 90 percent of generation hours. However, during winter periods, the pipeline system into New England can become constrained causing some generators to shut down or burn oil to meet electricity demand. During the winter of 2013-14, the region experienced unprecedented electricity prices in excess of $1200/MWh. While conservation programs alone cannot solve the winter natural gas pipeline constraint issues, they can help mitigate the problem through both natural gas and electric conservation programs. In an effort to quantify and better reflect the all benefits of electric and natural gas conservation programs, the Companies have expanded the benefits included in program screening in the 2015 Plan Update. These additional benefits include two additional gas benefits and one additional electric benefit:

  - **Gas Benefit.** Cross fuel DRIPE, Rest of Pool: The estimated reduction in electricity prices outside of Connecticut (but within New England) that result from natural gas conservation within Connecticut. In 2014, the Companies only included the Connecticut portion of this benefit in program screening.

  - **Gas Benefit:** Rest of Pool DRIPE: The estimated reduction in natural gas prices outside of Connecticut (but within New England) that result from natural gas conservation. In 2014, the Companies only included the Connecticut portion of this benefit in program screening.

  - **Electric Benefit, Cross Fuel DRIPE, Rest of Pool**: The estimated reduction in natural gas prices outside of Connecticut (but within New England) that result from electric conservation programs

in Connecticut. In 2014, the Companies only included the Connecticut portion of this benefit in program screening.

As was the case in 2014, all electric and gas benefits are itemized on table B-2 for electric and gas programs.

The following table summarizes the benefits and costs used for program screening in 2015.

		Benefit				Cost		
Utility (Electric/Gas)	**Benefit Type**	**Unmodified Utility Test (Gas,Electric)**	**Modified Utility Test (Electric)**	**Total Resource Cost Test**	**Included in 2014**	**Unmodified Utility Test (Gas, Electric)**	**Modified Utility Test (Electric)**	**Total Resource Cost Test**
Electric	Electric Energy	X	X	X	X	All program costs except those costs that are allocated to oil and propane measures.	Includes all program costs including costs allocated to oil and propane measures.	Includes all program costs plus estimated customer co-payments for installed measures.
Electric	Transmission	X	X	X	X			
Electric	Distribution	X	X	X	X			
Electric	Capacity	X	X	X	X			
Electric	Instrastate DRIPE	X	X	X	X			
Electric	Rest of Pool DRIPE	X	X	X	X			
Electric	Capacity DRIPE	X	X	X	X			
Electric	Cross-Fuel DRIPE (CT)	X	X	X	X			
Electric	Cross-Fuel DRIPE (ROP)	X	X	X	**New for 2015**			
Electric	Emissons			X	X			
Electric	Oil		X	X	X			
Electric	Propane		X	X	X			
Electric/Gas	Water			X	X			
Electric/Gas	Non-Resource			X	X			
Gas	Gas	X	N/A	X	X			
Gas	Gas DRIPE (CT)	X	N/A	X	X			
Gas	Gas DRIPE (ROP)	X	N/A	X	**New for 2015**			
Gas	Gas Cross-fuel (CT)	X	N/A	X	X			
Gas	Gas Cross-fuel (ROP)	X	N/A	X	**New for 2015**			

Table 1: Benefits and Costs for 2015 electric and gas program screening.

The following pie-charts illustrate the relative magnitude of benefits for both natural gas and electric programs. Please refer to the 2015 Plan Update Tables B-2 for CL&P and Yankee for the source of these charts.

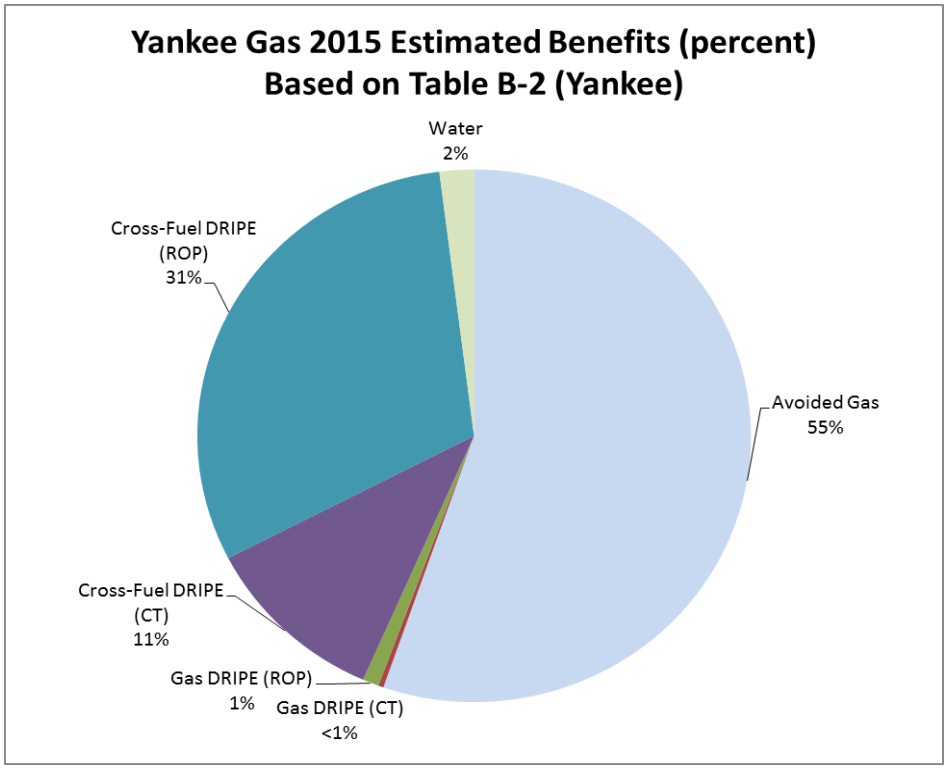


Figure 1: Estimated percent of benefits for Natural Gas Programs, based on Yankee Gas benefit-cost screening.

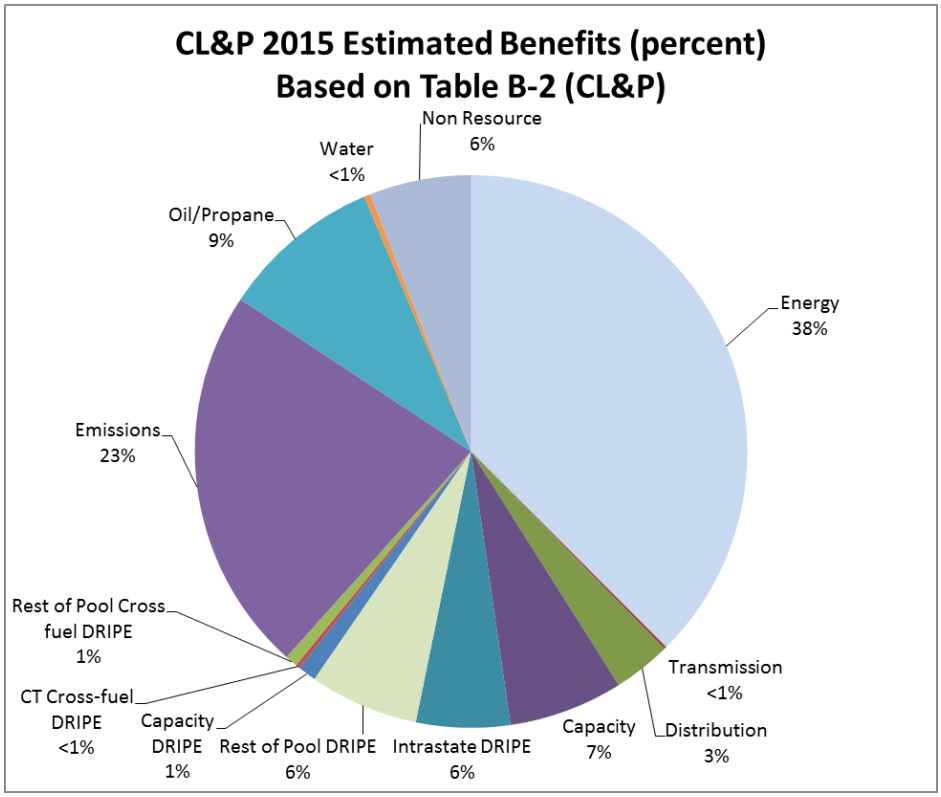


Figure 2: Estimated percent of benefits for Electric Programs, based on CL&P benefit-cost testing.

Other 2015 Benefit-Cost Refinements

- **Budget Levels, Incentive Levels and Program Savings**
  The 2015 Plan Update reflects changes to the budgets from updated CL&M revenues forecast (see Tables A2). Programs and incentives have been adjusted for 2015 as discussed in this 2015 Plan Update.

- **Changes to the Program Savings Documentation ("PSD")**
  The PSD manual provides detailed, comprehensive documentation of resource and non-resource savings corresponding to the CEEF program and individual C&LM program technologies.

  The Tenth Annual Edition (2015 PSD) for the 2015 Program Year will be filed separately in January, 2015. The changes in the 2015 PSD have been incorporated into the updated screening for the 2015 Plan Update. The changes to the PSD as a result of evaluations are summarized in this Plan in the Evaluation Chapter.

CHAPTER SEVEN: EVALUTION RECOMMENDATIONS (Electric and Natural Gas)

Overview

One of the outcomes of the Energy Efficiency Board evaluation process is a set of recommendations for the Companies on how to improve the programs. The table below details the recommendations issued in 2014 and how the Companies plan to incorporate these recommendations into their future program offerings. The Companies have carefully considered and responded to all evaluation recommendations. In many cases, recommendations had been implemented prior to the evaluation.

Additionally, several 2014 evaluations produced new realization rates and other estimates intended for use in the 2015 PSD. These updated figures have been incorporated faithfully, and planned savings for 2015 reflect these final evaluations.

Evaluation	Recommendation	Response
Energy Opportunities Program Impact and Process Evaluation	The evaluation team recommends that the program administrators investigate the feasibility of offering qualifying organizations some form of subsidized energy audit.	The Companies currently offer energy audits. The Companies feel that energy audits have value and help some customers build confidence, but emphasize that they need to be reviewed for cost-effectiveness and offered with a reasonable expectation that they will lead to a completed project.
Energy Opportunities Program Impact and Process Evaluation	The evaluation team recommends that the PAs consider expanding the timeframe for determining which energy efficiency projects qualify for the added comprehensive projects incentive.	Historically, customers have not been denied a multi-year time frame to complete a set of measures in any given LOA. The Companies extend LOA expiration dates based on the needs of the customer.
Energy Opportunities Program Impact and Process Evaluation	The evaluation team recommends that the PAs continue to improve vendors' awareness of the comprehensive project incentive.	The Companies frequently conduct vendor training sessions and believes that there is strong awareness among many vendors of comprehensive incentives. Simply educating these vendors about incentives may not be sufficient encouragement for them to change their business model, although the Companies will continue their strong focus on vendor education.
Energy Opportunities Program Impact and Process Evaluation	The evaluation team recommends that program designers and implementers should re-consider whether increasing uptake in ESPC should be a goal in its own right.	The Companies agree with this recommendation, and note that the current C&LM Plan does not include such a metric.

Evaluation	Recommendation	Response
Energy Opportunities Program Impact and Process Evaluation	The evaluation team recommends that the PAs continue to support the "Lead by Example" ESPC program that targets municipalities and state agencies.	The Companies have been extremely collaborative and very helpful with the Lead by Example program, led by DEEP, providing incentives and program staff, and will continue to assist this program in the future.
Energy Opportunities Program Impact and Process Evaluation	The evaluation team recommends that the PAs provide additional marketing of the utility-sponsored financing in order to raise awareness of this specific program component.	The Companies have continued to market and refine these programs since the 2011 program year and increase awareness of utility financing options. The Companies hope that pending market research will better illuminate what gaps currently exist in financing and how best to fill them.
Energy Opportunities Program Impact and Process Evaluation	The evaluation team recommends that the PAs provide materials designed to raise customers' awareness of the benefits of strategic energy planning in addition to existing personal interactions by program staff.	The Companies continue to work in the Energy Opportunities program, as well as the Business Energy Sustainability (BES) program, to raise awareness of strategic energy planning through direct communication as well as through distribution of education materials such as case studies.
Energy Opportunities Program Impact and Process Evaluation	The evaluation team recommends that the PAs consider straightforward methods for supporting customers to benchmark their buildings and operations.	The Companies recognize the importance of energy benchmarking as one of the first steps toward making energy efficiency investment decisions, and will continue to encourage customers in benchmarking their facilities as one step toward strategic energy management.
Energy Opportunities Program Impact and Process Evaluation	Set clear guidance on when vendors should use the PSD and what inquiries and assumptions that should be used in different circumstances.	The Companies guide vendors to use the PSD in all applicable circumstances. While custom calculations are sometimes used, these calculations should be guided by the assumptions and general algorithms of the PSD, where appropriate.
Energy Opportunities Program Impact and Process Evaluation	Require sufficient project documentation from vendors as a condition of payment.	The Companies require project and savings documentation from vendors as a condition of payment. The Companies will continue to work to provide evaluators with all data necessary to conduct evaluations.

Evaluation	Recommendation	Response
Energy Opportunities Program Impact and Process Evaluation	Consider improvements to program processes for application review to mitigate documentation errors.	The Companies continue to refine their processes to avoid errors and have conducted review since the program period on a regular basis to further standardize program submissions.
Energy Opportunities Program Impact and Process Evaluation	Consider "Pay for Performance" for at least part of incentive on larger complex projects.	The Companies have considered "Pay for Performance" as a part of incentive payments. The Companies note that the risk involved in this option makes it highly unpopular with customers.
Energy Opportunities Program Impact and Process Evaluation	Require documentation on EMS projects that includes the programming for controls and implementation.	The Companies work to obtain all possible documentation on EMS projects. While the Companies support efforts to document the initial state of controls, and work to ensure that control programming is clearly understood by customers, customers ultimately have control over these settings.
Ground Source Heat Pump Impact Evaluation	Consider advanced training in GSHP design, installation and performance for program staff, particularly if the CEFIA incentive returns.	The Companies will continue training program staff in GSHP design, installation, and performance through the IGSHPA.
Ground Source Heat Pump Impact Evaluation	Consider redesigning the VIP spreadsheet to allow for more flexibility.	While the Companies understand that working with the VIP tool can be frustrating for some contractors, ensuring installation to manufacturer specifications is a critical element of the program and provides assurance of quality installation to customers. The Companies will continue to maintain and redesign the VIP spreadsheet as necessary to keep pace with technology and assure quality installation.
Ground Source Heat Pump Impact Evaluation	If the CEFIA incentive returns in the future, consider ways in which the program could be offered more seamlessly to both contractors and customers.	If the CEFIA incentive returns, the Companies will continue to make sure requirements for each incentive are clear while maintaining a high standard of quality, and work with CEFIA to integrate any available financing offerings.

Evaluation	Recommendation	Response
SBEA Impact and Process Evaluation	To the extent the EEB desires a billing analysis as an evaluation method for the SBEA Program; we recommend that program vendors and implementers establish a system of ensuring the acquisition of all meters and accounts associated with each treated premise.	The Companies agree with the conclusion of evaluators that the SBEA Program is not a good candidate for billing analysis. Since the evaluation period, the Companies have improved meter acquisition and billing data provision, and will continue to review this process to ensure that evaluators have as many tools as possible to measure program outcomes.
SBEA Impact and Process Evaluation	Although we do not believe that connected demand or winter demand are important metrics for CT filing or ISO-NE FCM purposes, we recommend that the sponsors take steps to more closely follow the PSD in calculating these values in the tracking system.	The Companies have improved the PSD and tracking of these values since the period covered by the evaluation. Measures likely to provide savings no longer use zero as a conservative estimate.
SBEA Impact and Process Evaluation	We recommend that the cooling credit calculation only be applied to lighting retrofits that occur in spaces that are mechanically cooled. We also recommend that consideration be given to assuming an interactive COP that is more consistent with the cooling systems used in small businesses today.	The Companies agree that the COP assumption of 2.4 is no longer applicable. As noted by evaluators, this assumption was changed to 3.5 in the 2013 PSD. While The Companies work to ensure that cooling credit is only taken for mechanically cooled spaces, occasionally errors in data entry occur and a space is marked as cooled that should not be.
SBEA Impact and Process Evaluation	We recommend that a renewed effort be undertaken to calculate savings for ECMs and cooler curtains per the PSD.	The Companies now calculate savings for these measures within the tracking system in order to verify that calculations follow the PSD.

Evaluation	Recommendation	Response
Lighting Hours of Use	The evaluation team recommends that the program administrators in Connecticut adopt the combined hours-of-use room-by-room estimates for Connecticut, Massachusetts, Rhode Island and upstate New York with no differentiation between customer classes (limited income versus non-limited income).	The Companies agree with this recommendation and will incorporate Table ES-5 from the study into the 2015 Program Savings Documentation (PSD) for residential direct install and retail lighting.
Lighting Hours of Use	Based on the Study results, the evaluation team recommends that the program administrators in Connecticut use coincidence factor estimates for Connecticut, Massachusetts, Rhode Island and upstate New York.	The Companies agree with this recommendation and will incorporate Table ES-7 from the study into the 2015 Program Savings Documentation (PSD) for direct install and retail lighting.
SBEA Low-Income & Limited English	We recommend that specific data are collected if the utilities and program designers create a SBEA subcomponent or special marketing effort with the organizations.	The Companies will work to collect this information on any special marketing efforts undertaken with these organizations.
SBEA Low-Income & Limited English	If it is an important policy to seek SBEA participation from the above referenced type of businesses then it is recommended that: Variables be added to the SBEA program database to identify participants that are owned by (1) limited English speakers or (2) a low-income individual.	The Companies will work to construct a definition of low-income and/or limited English businesses for use in categorizing program participants.
HES & HES-IE Impact Evaluation	Measure-specific inputs require better tracking within the utility program tracking systems to calculate savings based on PSD algorithms.	The Companies have improved tracking of measure data since the 2011 program year, and will continue to ensure that all data is collected. In some cases, this data was provided, but evaluators appear to have had difficulty handling it (e.g. insulation location).

Evaluation	Recommendation	Response
HES & HES-IE Impact Evaluation	Consistency should increase between utility tracking systems for programs and measures.	The Companies are reviewing upgrades to tracking systems. However, investments in improvements to tracking systems directly reduce program spending and savings achieved, and enhanced ease of evaluation must be weighed against this reduction in program savings.
HES & HES-IE Impact Evaluation	Specifically for insulation, QA checks should determine whether installed square footage quantities surpass reasonable values relative to a reported, total, conditioned floor area.	The Companies currently compare installed square footage of insulation to recommended amounts and to home square footage during the rebate redemption process and QA.
HES & HES-IE Impact Evaluation	Reporting should be consistent at the unit level. The Evaluation Team observed that tracking data and billing data could not always be directly mapped.	The Companies did their best to comply with the data needs of the evaluation, which greatly exceeded those of past evaluations. Accurate and comprehensive mapping of multi-family usage to units is inherently difficult, and the Companies will continue working to improve this linkage.
HES & HES-IE Impact Evaluation	Improve ability to easily export program tracking data for specific programs in isolation.	Since 2011, the Companies have improved the level of detail available on specific programs.
HES & HES-IE Impact Evaluation	Ensure program tracking of both electric and gas account numbers.	Where available, the Companies collect both gas and electric account numbers, and coverage of this field has greatly improved since 2011.
HES & HES-IE Impact Evaluation	More detailed analysis should be performed, specific to [ductless heat pumps], for HES and HES-IE participants.	The Companies agree that further research is warranted on ductless heat pumps.
HES & HES-IE Impact Evaluation	Based on the engineering review and benchmarking performed on the faucet aerator measure, the savings algorithms and inputs used for the energy-savings calculation should be adjusted.	The Companies have updated this measure accordingly in the 2015 PSD.

Evaluation	Recommendation	Response
HES & HES-IE Impact Evaluation	Much like faucet aerators, the utility should use the water heater recovery efficiency rather than the energy factor when determining energy savings for showerheads.	The Companies have updated this measure accordingly in the 2015 PSD.
HES & HES-IE Impact Evaluation	The Evaluation Team finds that savings for hot water pipe insulation should only be received for the installation of six feet of pipe insulation.	Program guidelines exist restricting the amount of pipe insulation incentivized and installed. The Companies have updated the 2015 PSD to clarify that savings for this measure are capped.
HES & HES-IE Impact Evaluation	Utilities should ensure that window AC replacements installed through the program meet minimum efficiency requirements, and claimed savings should account for the installed efficiency collected through tracking data (rather than assuming a constant installed efficiency from the PSD).	Window AC units are no longer a program measure.
Year 2 Behavioral Evaluation	The team recommends that CL&P calculate program savings for high-use households to include the savings achieved during treatment period plus another 2.0% for at least one year after the households stop receiving reports.	CL&P agrees that it is appropriate to account for some level of persistence savings in behavior programs. Any estimate of persistence savings should reflect the duration and frequency of reports.
Year 2 Behavioral Evaluation	Expanding the program to all households may not achieve desirable expenditures to savings ratios.	CL&P is confident that any expanded program will achieve desirable benefit-cost ratios, consistent with other residential programs.
Year 2 Behavioral Evaluation	Given its integral role in inducing energy-saving behavior, the neighbor comparison should remain a critical component of the program design.	CL&P agrees with this recommendation, and the neighbor comparison will remain a critical component of future program designs.

Evaluation	Recommendation	Response
Year 2 Behavioral Evaluation	CL&P should be hesitant to move to a web-based design unless they have a strong plan in place to convince households to visit the website initially and then to continue to engage the website on a regular basis.	CL&P agrees that a web based program should include plans to convince households to visit the website and to continue to engage the customer.

Realization Rates

The Companies have incorporated updated realization rates from all evaluations into Appendix 3 of the 2015 PSD. For the SBEA program and Energy Opportunities program, realization rates have been applied at the program level. For the HES and HES-IE programs, realization rates have been applied at the measure and measure group level.

PSD Savings Calculations

In addition to realization rate changes, savings calculations for residential central air conditioning, faucet aerators, and showerheads have been updated based on completed evaluations.

CHAPTER EIGHT: 2015 STATEWIDE MARKETING PLAN

1. INTRODUCTION

Marketing energy efficiency solutions in many ways is analogous to marketing "better health". Consumers know that it's good for them, but unless they're "bleeding", they often put it off in favor of other concerns. The 2013-2015 Plan and the 2013 Comprehensive Energy Strategy for Connecticut ("2013 CES") are aggressive "treatment protocols" that will result in better energy health in the long run, but require commitment and resources along the way. Marketing – in all its facets – is a key lever in advancing that objective. In the absence of a product or service that most residents and many businesses *perceive* as absolutely necessary, and in an economic climate that fosters caution and restraint rather than investment, marketing of energy efficiency takes on a greater role.

The Energize Connecticut brand is being positioned as the statewide enabler of "healthier" energy use behavior that will lead to deeper, more comprehensive energy actions by our residents, businesses, and communities.

However, the Statewide marketing plan will need to demonstrate flexibility and scalability. Issues around increased winter demand for natural gas resulting in peaking winter electric rates has the potential to drive demand for energy efficiency programs. In fact, in Connecticut specifically and in the New England region at large, energy efficiency is the most viable resource consumers have to offset rising costs. As the Companies educate and prepare customers for these increases, we expect a greater than usual uptake in program participation. It is therefore important to note that the 2015 activities detailed in this Statewide Marketing Plan are subject to change, based on what is needed to meet energy saving goals within the available C&LM budget.

The savings generated from the Energy Efficiency Fund portfolio of services is keeping pace with the 2013 CES's expanded commitment to "all cost-effective energy efficiency". The ramp-up in savings laid out in the 2013-2015 Plan was supported in 2014 with an increase in both energy efficiency program marketing and statewide marketing.

The statewide marketing efforts in 2014 focused primarily on an introduction of the new Energize Connecticut brand and its website to the general public, promotion of whole home performance, refinements and enhancements to the website, market research, and initial construction of the utilities' Companies' customer engagement platforms.

The 2014 statewide communication campaigns ("Enhanced Brand Launch", "Value of Energy Efficiency/Home Performance", "Wait 'til 8", and "Winterize with Energize") all achieved various objectives and levels of success, but the overriding takeaway from 2014 marketing was that *integrated marketing communications works*. The statewide communication campaigns worked with the program marketing campaigns, the messaging across all platforms was with one voice and united under the Energize Connecticut brand, and the call to action took customers to a website

that reinforced similar messaging. The end result was a cohesive user experience that afforded customers multiple opportunities to receive energy efficiency and renewable messaging on a variety of mediums. The multiple touch points resulted in specific goals being met – a 68% increase in familiarity with the new brand and a 60% increase in traffic to the energy efficiency and renewable pages on EnergizeCT.com. Additionally, there were marketing successes across the board as evidenced by nearly $19 million of earned media, more than 115 cities and towns participating in Clean Energy Communities, and, most significantly, enough customer participation to meet our energy-saving goals.[8]

Our 2015 marketing strategy will build upon this layered, multi-touch approach. The third-party market research done in 2014 supports this strategy and has provided additional insight that we will capitalize on in 2015. The statewide marketing activities will provide the broader "air cover", the energy efficiency and Green Bank program marketing will drive customers to the savings and financing opportunities, and the 2015 roll out of the Companies' customer engagement platforms will provide customized, targeted solutions that deliver on the brand promise and the expectations established by the marketing tactics.

The Energy Efficiency Board (EEB) Marketing Committee will continue to collaborate with the Green Bank to ensure that all marketing communications campaigns – both statewide and program-specific – are coordinated in order to leverage frequency and reach, and avoid duplicated efforts and missed opportunities for joint promotions.

A calendar view of the major 2015 marketing campaigns (subject to change pending program participation and available funds) through Statewide Marketing and utility company program marketing is shown in in the Appendix.

2. STATEWIDE MARKETING PLAN OBJECTIVES

a. Raise awareness of the Energize Connecticut brand and the smart energy resources associated with the brand and the brand promise.

b. Ongoing improvement and refinement of EnergizeCT.com.

c. Promote the value of home performance via tools, techniques and communications that provide a meaningful customer experience and are validated by ongoing market segmentation analysis and market research.

[8] For Enhanced Brand Launch campaign results see: https://app.box.com/s/jby61zsxg0jjqf7qrtlb/1/2424314531/20762757581/1; For Winterize with Energize campaign results see: https://app.box.com/s/g3e1w7kqla3wvamfscrf/1/2592127835/22116954857/1. For 2014 social media, website, and program campaign results see: http://energizect.com/about/eeb/marketingreports

In support of these objectives, the activities included in this Statewide Marketing plan are organized into the following main categories and are described in the subsequent sections of this Plan.

a. Market Research

b. Website Operations, Enhancements and Technical Support for EnergizeCT.com

c. Customer Engagement Platform

d. Integrated Marketing Communications

3. MARKET RESEARCH

a. Overview

In 2014, a series of professional, independent third-party research studies were completed to measure the level of brand awareness and smart energy resource awareness, to examine the effectiveness of our marketing campaigns, and to better understand customer motivational factors.

One of the 2014 studies (via telephone and focus groups) focused on Home Energy Solutions (HES) program participants. The results revealed a disconnect at the HES contractor touch point. The research also suggested that customers saw little need for future engagement with Energize Connecticut once the HES visit was completed and the rebates in the HES booklet expired[9]. This confirmed the need for energy efficiency value messaging; continued consumer outreach and engagement following the initial HES visit; and contractor brand and sales training. Therefore, there is a plan to expand HES materials to include stronger messaging focused on additional measures to strengthen and improve the perception of the programs, to leverage customer engagement platforms, and to offer brand training for authorized contractors. Moving forward, the Companies recommend that any future HES research focus on programmatic opportunities and such research be conducted through the EEB Residential Committee and HES administrators, rather than through the EEB Marketing Committee.

b. 2015 Market Research Activities

In 2015, the Companies will continue measurement of awareness of the Energize Connecticut brand and the effectiveness of our marketing communications campaigns, via the following research activities.

i. **Brand Awareness Surveys:** Connecticut customers were surveyed by telephone before and after the 2014 spring brand campaign to gauge changes in brand awareness and awareness of various smart energy resources. The post campaign survey revealed a 68% increase in familiarity with the Energize Connecticut brand and an increase in energy efficiency program

[9] Results from the HES Past Participant Telephone Survey and Focus Groups can be reviewed at https://app.box.com/s/kvsp2p13w0tg0nukhlbk/1/2230101805

awareness and familiarity. The survey also showed that saving money is the primary driver for program interest and participation. The Companies will conduct two similar brand awareness surveys in 2015, one early in the year before any heightened branding campaigns and the second at the close of the year. These surveys will measure brand familiarity and reveal opportunities for improved marketing efforts. The 2015 surveys will also include questions on the awareness and user experience of EnergizeCT.com.

ii. **Message Testing**: In November 2014, message testing was done on the advertising associated with the 2014 Statewide "Enhanced Brand Launch" campaign and the 2014 fall "Winterize with Energize" campaign. Analysis of those messages will influence the materials and messages prepared for the various communication campaigns in 2015. If that analysis reveals that the materials need to be substantially changed, then message testing will be performed again in 2015, on the new materials.

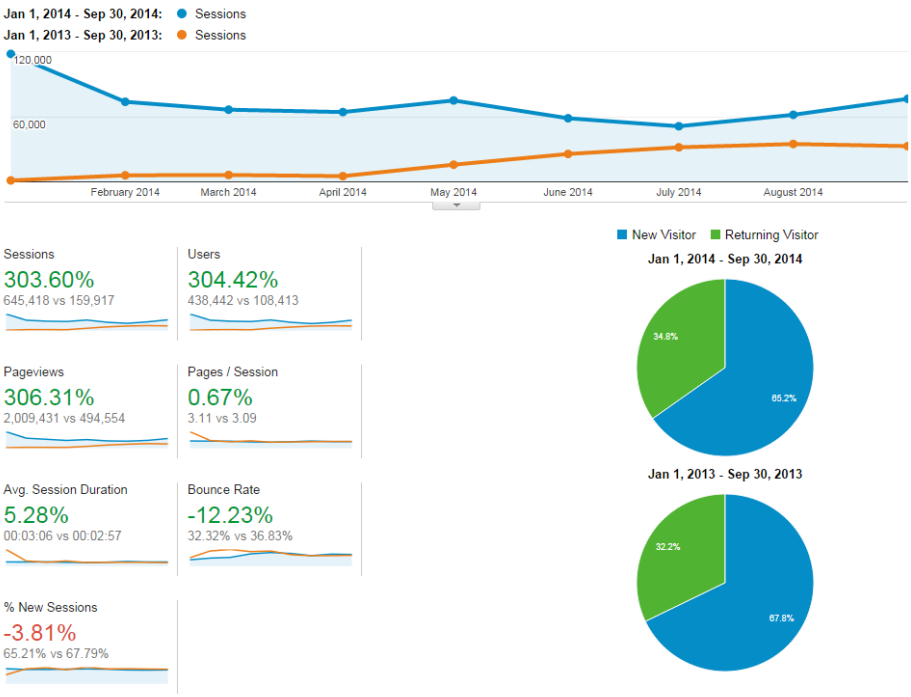
c. Budget Estimate: $70,000

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

a. Overview

Since launch in January of 2013, EnergizeCT.com has achieved over 1 million sessions and approximately 3 million page views. Consumers, businesses, and municipalities are not only able to find information about Connecticut's energy efficiency and renewable energy programs, but access to contractors and lenders in their area.

Site traffic grew three fold in 2014. A comparison of the first three quarters of 2014 to those of 2013 shows key indicators moving in the right direction. Sessions, users and page views have tripled. Pages per session and session duration have increased, bounce rate is declining, and the number of repeat users is on the rise -- all good indicators of a healthy website.



Use of the contractor and lender locator feature increased tenfold in 2014, with more than 50,000 page views.

One of the critical enhancements to the website Content Management System now provides all partner administrators the ability to update and add new content while minimizing programmer costs. The Companies anticipate that all partners will manage their associated content areas with oversight from the EEB's Marketing Services Web Sub-Committee to maintain a unified voice.

b. Usability Study

In 2014 the EEB's Marketing Services Committee ("(MSC")) engaged an independent third-party to begin a comprehensive usability assessment of the Energize Connecticut website. The purpose of this study is to identify and prioritize opportunities to improve the user experience and overall effectiveness of the website moving forward. Based on the information gained from these research activities (which will be completed in early 2015), planned activities for 2015 may evolve.

c. Planned 2015 Activities

i. Ongoing management of **site maintenance** and readiness to ensure that this state-of-the-art energy efficiency and renewable energy website is available 24 hours a day, 7 days a week as a trusted resource for Connecticut consumers and businesses.

ii. Conduct quarterly **Search Engine Optimization ("(SEO")**) reviews to elevate the Energize Connecticut website in search engine results in order to ensure that Connecticut consumers and businesses can find available smart energy programs and solutions.

iii. Implement **Responsive Web Design** ("(RWD"). Providing an optimal viewing experience across a wide range of devices from mobile phones to desktop computer monitors has been increasingly more critical for EnergizeCT.com. Tablet and mobile device categories now comprise 27% of all user sessions. While the bounce rate has declined in 2014; it is still relatively high at 44 to 66 percent. Given the increase use of tablets *and* phones, the older option to add a mobile version to a website isn't sufficient. RWD allows for easy reading and navigation with a minimum of resizing, panning, and scrolling on all devices. A site designed with RWD adapts the layout to the viewing environment by using fluid, proportion-based grids, and flexible images. To ensure quality and integrity of information, moving EnegizeCT.com to RWD will be accomplished in phases, commencing in the fourth quarter of 2014 and continuing into 2015.

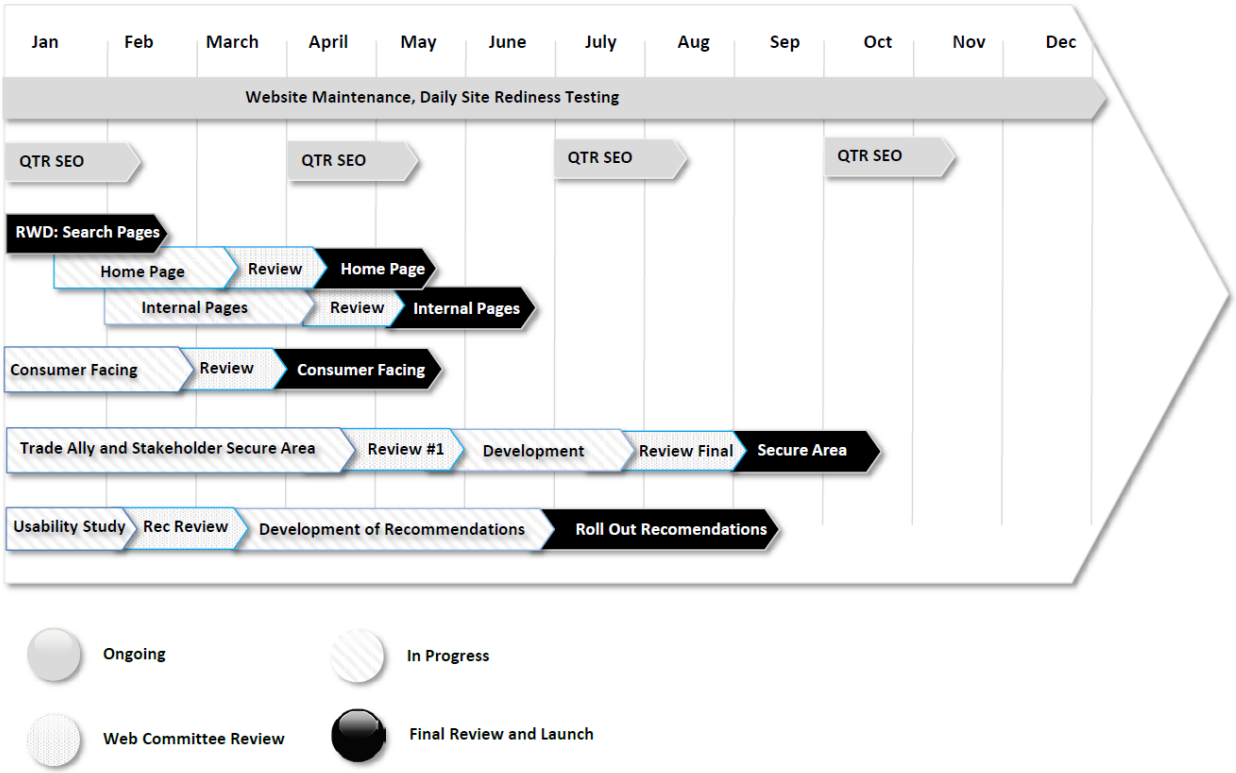
iv. Focus **on consumer-facing enhancements** including exploring alternate navigation options, streamlining program sign-up, creating linkages between the Energize CT website and the Companies' customer engagement platforms, and graphical interactive elements to further illustrate benefits of energy efficiency and renewable energy. The MSC Website Committee, a subcommittee of the MSC, strives to advance consumer-facing enhancements in a timely manner and intends to take specific steps to streamline its review and approval of enhancements.

v. Focus on **trade allies and other partners** by building out a secure area of the website to provide key programmatic implementation materials, as well as other materials for key stakeholders.

vi. Implement **usability assessment** recommendations. (Extent and scope budget dependent.)

d. Budget Estimate: $300,000

e. EnergizeCT.com Web Maintenance and Enhancement Projects --2015 Implementation Plan and Schedule. (Timeline is for illustrative purposes, dates are approximate.)


Jan
Feb
March
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May
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July
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Sep
Oct
Nov
Dec
Website Maintenance, Daily Site Rediness Testing
QTR SEO
QTR SEO
QTR SEO
QTR SEO
RWD: Search Pages
Home Page
Review
Home Page
Internal Pages
Review
Internal Pages
Consumer Facing
Review
Consumer Facing
Trade Ally and Stakeholder Secure Area
Review #1
Development
Review Final
Secure Area
Usability Study
Rec Review
Development of Recommendations
Roll Out Recomendations
Ongoing
In Progress
Web Committee Review
Final Review and Launch

5. CUSTOMER ENGAGEMENT PLATFORM

a. 2015 Overview/Status

The design and implementation of digital Customer Engagement Platforms is underway at both NU and UIL. The Companies remain committed to sharing key findings and customer intelligence gleaned from the platforms. The powerful data analytics tools, contained within both CEPs, will be leveraged to benefit all customers in Connecticut and results from marketing campaigns, database analyses and go-to-market strategies will be shared regularly by the companies. Each of the Companies' CEPs will allow customers to utilize the Green Button or manually input other fuel information to calculate usage data and recommend savings opportunities – enabling customers to be engaged regardless of which system they are on and resulting in an empowering energy-savings experience.

b. Northeast Utilities

The NU Customer Engagement Platform is a tool being implemented across all of our operating companies to provide customers with targeted and customized energy efficiency recommendations. The platform will provide tools that will enable NU to more efficiently identify, target, and reach all customer segments. The three customer-facing tools we are implementing are: C3 Residential, for all our residential customers; C3 Commercial, for our micro, small, and medium business customers, and C3 Enterprise, for our largest customers. The project kicked-off in June 2014. The project plan calls for a phased roll-out of functionality. Phase I will launch the C3 Residential and Commercial products with partial functionality. The second phase, Phase II, will launch the C3 Enterprise product with partial functionality. The final phase, Phase III, will bring all the products to the full functionality envisioned in the project proposal.

Phase 1 is scheduled to go live early in the first quarter of 2015. Project scoping and design have been completed and development of the tools to transfer data from our legacy systems to the vendor so that customers can access the information is in process. The first review and transfer of the program content information has also been completed and limited content and functionality testing has begun.

Phase II will launch approximately one month after the launch of Phase I. Much of the work completed to implement Phase I will be leveraged for Phases II and III. Phase III will be rolled out in stages by the third quarter of 2015.

The MSC Website Committee and the Companies will work to identify ways to create linkages between the Energize CT website and the Customer Engagement Platforms.

c. UIL

UIL's enhanced Customer Engagement Program was designed with the end goal of ensuring that customers get meaningful and appropriately targeted energy efficiency information, advice and

support to achieve savings while driving greater customer satisfaction. This program design goes beyond the industry standard home energy report to leverage a multiple channel customer engagement platform to cost-effectively induce the types of actions that generate the most savings – investments in energy-efficient appliances, behavior changes, devices and materials for all customers segments – ultimately empowering the customer to be in control of their usage. The UIL Customer Engagement Program was designed to change consumer behavior through marketing, education, and outreach by engaging consumers, both emotionally and functionally, and encouraging them to enter a small amount of information in order to receive a valuable energy savings action plan.

The UIL Customer Engagement Program will bring together an enhanced Customer Engagement Web Application that will interact and share data with the UI EnerNet conservation program database to provide a single powerful solution with customized energy efficiency recommendations and promotions to help raise the customer's energy management awareness. Customized energy efficiency offerings will inform and educate consumers so that they feel that they are in control of their utility bills and behave in a way that reduces consumption on a permanent basis.

In conjunction with the Customer Engagement Web Application online tools, UIL will utilize the vendor expertise to create customer-targeted direct electronic Home Energy Reports for the residential customers who are registered or existing UIL "My Account" Customers. UIL will also be adding approximately 12,500 unregistered customers annually with the goal of switching these customers to electronic reports for the start of each following year to continually grow our family of "My Account" Customers.

UIL is currently seeking approval of budget allocation for the C&LM funded portion of this project set to begin in early 2015.

d. Budget: NU $2,250,000; UIL $486,000

6. ADVANCING WHOLE HOME SOLUTIONS & BUSINESS SOLUTIONS THROUGH BRANDING: AN INTEGRATED MARKETING COMMUNICATIONS APPROACH

a. Overview

The primary communications objective for the 2014 statewide marketing communications efforts was to introduce the Energize Connecticut brand and position the brand as a credible resource for home and business solutions. When designing the communications campaign to support that objective, frequency and reach was the primary driver. The statewide "Enhanced Brand Launch" campaign utilized an eight-week media partnership with NBC Connecticut that included television advertising and "advertorial" opportunities, web advertising, and social media. The NBC CT partnership was supported by additional radio, billboard, and cable TV ads. This time-limited, highly saturated campaign afforded the statewide frequency, reach and impressions that were needed to increase brand familiarity by 68% and increase traffic to the non-supplier pages of EnergizeCT.com by 60%.

Solutions-based, targeted energy efficiency communications were executed via the ongoing statewide "Value of Energy Efficiency and Home Performance" campaign and the Companies' program marketing campaigns. These campaigns utilized a thorough marketing communications mix of radio, public relations, direct response, events, digital advertising and paid search. In 2014, the paid advertising and PR messaging focused *less on the initial HES assessment, and more on deeper measures*. Specifically, ads, videos, billboards, and articles (for associations and legislators) were created for residential hot water equipment, HVAC equipment, lighting and insulation; and business promotion focused on similar measure-specific messaging.

Analysis of residential focus groups completed in spring, 2014 confirmed the need to continue, and even enhance, the promotion of energy efficiency beyond the initial HES assessment. That analysis factored into the Companies' decision to primarily employ measure-specific advertising in the Fall, 2014 winter demand campaign, as opposed to general branding or HES-only advertising.

The net result of combining the broader, statewide brand messaging with the measure-specific promotions resulted in increased customer participation nearly across the board, as evidenced by solution-specific page session increases on EnergizeCT.com.

Jan 1, 2014 – Nov 7, 2014 vs. previous 10 months

Page Visited	2014 page views	2013 page views	% Increase
Residential heating, cooling, hot water landing page	28,846	2,160	1,235%
Residential Natural gas boiler rebate	12,158	4,252	186%
Residential Lighting	12,385	1,003	1,135%
Residential Heat Pump Water Heater	11,924	1,789	567%
Business rebates landing page	4,978	241	1,966%

b. 2015 Overall Statewide marketing communications objectives

   i. To increase brand familiarity

   ii. To increase customer association/understanding of the clean energy resources associated with the brand

   iii. To communicate the value of the brand and provide brand resources to our trade allies

c. Marketing communications strategy

In 2014 the statewide marketing emphasis was to build an understanding of "who *we* are and what *we* stand for." In 2015, work will be completed to integrate more of the user perspective, including messaging that answers the customer's question, "why is this important to *me*?" (e.g., the value proposition.)

This is a more layered messaging strategy, and will require consideration and coordination between the general statewide awareness efforts and the targeted energy efficiency and Green Bank program campaigns focusing on technology/measures, behavior, and financing solutions.

The following matrix outlines the 2015 marketing mix and the audience and objective associated with each medium, via funding source.

Medium	Audience	Objective	Funding Source
Broadcast and Cable TV	Mass Market (includes small business), minimal audience differentiation	Brand awareness	Statewide Marketing Budget, including Green Bank
Radio, including Pandora	Mass Market (includes small business), minimal audience differentiation	Value of EE, measure/solution-specific	EE Program Marketing
Digital Display	Mass Market (includes small business), minimal audience differentiation	Brand awareness	Statewide Marketing Budget, including Green Bank
	Targeted residential small business, lg C&I	Value of EE, measure/solution-specific	EE Program Marketing Budgets
Paid Search	Mass Market (includes small business)	Branding Terms	Statewide Marketing Budget, including Green Bank
	Mass Market (including small business), lg C&I	Solution-Specific	EE Program Marketing
			Green Bank Marketing
Public Relations	Mass Market (including small business), lg C&I	Brand awareness, event opportunities, OEEB support	Statewide Marketing Budget, including Green Bank
	Mass Market (Including small business) & Associations	Continuation of video library and promotion of solution-specific videos	Statewide Marketing Budget
	Targeted Residential, small business, lg C&I, Associations, Trade Allies	Solution-Specific	EE Program Marketing
Direct Response	Targeted Residential, small business, Lg C&I, Associations, trade Allies	Solution Specific, utilizing traditional mail, email, and CEP tools	EE Program Marketing
Social Media	Mass Market (including small business), lg C&I	Brand awareness, solution-specific, event & promotions opportunities	Statewide Marketing budget, including Green Bank
Out-of-Home	Mass Market (including small business)	Brand awareness	Statewide Marketing budget
Events	Targeted Residential, Small business, Lg C&I, Associations, Trade Allies	Brand awareness & solution-specific	EE Program Marketing
			Green Bank Marketing
Co-op	Targeted Residential &Small Business via Authorized Contractors	Solution Specific	EE Program Marketing
Brand Training	Authorized Contractors	Brand awareness and brand integrity	Statewide Marketing budget, including Green Bank
Energy Efficiency Sales Training	Authorized Contractors & Trade Allies	Enhanced sales of deeper measures	EE Program Marketing

d. Statewide Marketing Communication Tactics (campaign specific)

(All tactics/campaigns are subject to change pending program participation and available programmatic resources.)

i. <u>Late Winter Campaign: February – March</u>

Tactic	Primary Message	Supporting Message	Audience	Estimated budget
Display Ads on top CT sites	Value of Energy Efficiency	Financing, environment	Mass market residential	$30,000
Display Ads on top CT sites	Business Energy Solutions	Financing, sustainability, competitive advantage	Small to mid sized businesses, all industries	$30,000
Social Media	Supports ad messaging		Mass market	$10,000
Google Search	Energize CT general branding keywords		Mass market	$3,000
Video Library (including promotion – year long effort)	Whole Home Solutions Series (Value of EE)	Financing, environment	Mass market residential, associations, legislative	$11,000
			Total:	$84,000

ii. Spring Campaign: April – May

Tactic	Primary Message	Supporting Message	Audience	Estimated budget
Media partnership with NBC –CT (on air, online, events) (tentative)	Energize CT Brand Awareness	Family-friendly brand messaging – tie-in to families at home using energy – learn about energy/environment/ opportunities Financing Renewable opportunities Small business messaging with reference to "no matter how large or small…"	Mass market	$225,000
Cable Vision media buy to support Fairfield County	Energize CT Brand Awareness	(same as above)	Mass market	$40,000
Pandora Radio	Energize CT Brand Awareness	(same as above)	Mass market	$40,000
Digital Display Ads on WFSB, WTIC, WTNH combined with additional negotiated opportunities (social media, video pre-roll)	Energize CT Brand Awareness	(Same as above)	Mass market	$60,000
Event/Venue/ Sponsorship opportunities	Energize CT Brand Awareness	(Same as above)	Mass market	$45,000
Billboards/Bus/ Metro North	Energize CT Brand Awareness	(Same as above)	Mass market	$100,00
Social Media	Supports ad messaging		Mass market	$10,000
Google Search	Energize CT general branding keywords		Mass market	$3,000
Video Library (including promotion – year long effort)	Whole Home Solutions Series (Value of EE)	Financing, environment	Mass market residential, associations, legislative	$11,000
			Total	$534,000

iii. Late Spring-Summer Campaign: June-August

Tactic	Primary Message	Supporting Message	Audience	Estimated budget
Display Ads on top CT sites	Wait 'til 8	Energy Efficiency	Mass market residential	$80,000
Social Media	Supports ad messaging		Mass market	$10,000
Google Search	Energize CT general branding keywords		Mass market	$3,000
Video Library (including promotion – year long effort)	Whole Home Solutions Series (Value of EE)	Financing, environment	Mass market residential, associations, legislative	$11,000
			Total:	$104,000

iv. Fall Campaign: September--November:

Tactic	Primary Message	Supporting Message	Audience	Estimated budget
Radio	Get ready for winter & solution-specific	Financing	Mass market residential	$300,000
Pandora Radio	Get ready for winter & solution-specific	Financing	Mass market residential	$40,000
Social Media	Supports ad messaging		Mass market	$10,000
Billboards/Bus/ Metro North	Get ready for winter		Mass market residential	$100,000
Google Search/Facebook Search	EnergizeCT general branding keywords	Get ready for winter		$3,000
Video Library (including promotion)	Whole Home Solutions Series (Value of EE)	Financing, environment	Mass market residential, associations, legislative	$11,000
Event/Venue/ Sponsorship opportunities	Energize CT Brand Awareness		Mass market	$45,000
			Total:	$509,000

v. Brand Training: The Energize Connecticut brand is now extensively used by a variety of trade allies. While many of these companies have been given a set of written guidelines and electronic logo files, the application of those guidelines varies considerably. Additionally, the value of the brand and the brand promise has not been adequately communicated to those smart energy partners. In 2015 those guidelines will be

enhanced, repackaged, and presented to a variety of trade allies, including the authorized contractors for energy efficiency programs (HES, HES-IE, SBEA), other energy efficiency service providers including Home Performance with ENERGY STAR® contractors, oil to gas conversion contractors, and select insulation and HVAC installers; plus authorized and affiliated contractors and lenders working within the Connecticut Green Bank program portfolio.

7. STATEWIDE MARKETING PLAN IMPLEMENTATION TEAM & RESOURCES

a. The Northeast Utilities and UIL Holdings Corporation marketing teams, as administrators of the Energy Efficiency Fund/C&LM programs, will implement the 2015 Statewide Marketing Plan, in coordination with DEEP and the Green Bank, and with the EEB Marketing Committee providing regular and ongoing oversight and direction of the Statewide Marketing Plan's major milestones, goal setting and achievement. Detailed information on the Companies' and the Green Bank's marketing staff, resources, and capabilities can be found in the Appendix.

In addition to these resources and capabilities, the Companies will complement their teams with expertise provided by the following firms:

i. Website and Graphic Design Services: Competitive quotes will be obtained from website maintenance and development firms to support and enhance the Energize Connecticut website. The selected supplier will provide website technical support, implement website enhancements, and provide creative design support for website enhancements.

ii. 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. Northeast Utilities and CEFIA currently engage GBPR to support program marketing. As part of the Statewide Marketing Plan, GBPR will support research and public relations activities.

iii. 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.

The EEB Marketing Committee is again confident in the Companies' marketing team's ability to implement the Statewide Marketing Plan. This recommendation is informed by the following considerations:

iv. The Companies' marketing teams, in coordination with DEEP, CEFIA, and the EEB Marketing Committee, successfully implemented the 2014 Statewide Marketing Plan activities.

v. The Companies' marketing teams, with the additional support and expertise provided by the outside marketing firms, bring considerable marketing expertise, including familiarity and experience with the Connecticut marketplace, the Connecticut consumer, and Connecticut's EE and renewable energy programs.

vi. The Companies' marketing teams have a track record of working collaboratively and closely with DEEP, the Green Bank, and the EEB Marketing Committee. This prior collaboration will aid the in the harmonization of Green Bank's marketing efforts with Statewide Marketing Plan activities (which is also directed in the Final Decision).

vii. Leveraging the marketing staff, resources, and capabilities of the Companies has proven to be more cost efficient than engaging an outside marketing firm. If necessary, the Companies can procure additional outside marketing and research firms for specific tasks, as they have done with the outside firms identified herein.

viii. 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 process and to educate the selected firm on Connecticut's objectives and programs.

ix. Implementation by the Companies will ensure that the Statewide Marketing Plan activities integrate seamlessly with and build upon program marketing (as the Companies currently oversee and execute marketing and outreach for the EE programs).

b. Statewide Marketing Plan Monitoring and Oversight, Including Goal Setting and Tracking

i. Role of the EEB Marketing Committee

As directed in DEEP's Final Decision approving the 2013-2015 Plan, the EEB Marketing Committee will provide regular and ongoing oversight and direction of the Statewide Marketing Plan's major milestones. In order to provide this regular oversight, the EEB Marketing Committee will convene at least once monthly. More frequent review 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.

ii. 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 DEEP, the Green Bank, the EEB, and the Companies. The MSC includes the two subcommittees: the Website Committee and Social Media Committee. These subcommittees continue to meet regularly. Additional subcommittees may form, as appropriate.

c. Program Marketing Coordination

i. In 2015 DEEP, the Green Bank, the EEB Marketing Committee, and the NU and UIL marketing teams will work to improve the coordination of program marketing activities. This improved coordination will help to boost the overall effectiveness of marketing activities and support the Energize Connecticut brand. This coordination will be facilitated via MSC meetings.

d. Goal Setting and Tracking for Statewide and Program Marketing

i. In 2014 the EEB Marketing Committee, DEEP, the Green Bank, and the NU and UIL marketing teams established goals, metrics, and measureable targets to define success and set expectations for Statewide Marketing activities. The Companies also began producing monthly reports to demonstrate how program marketing, website, and social media activities contribute to program participation and actions. In 2015, these entities will work together again to establish goals for statewide campaigns. The Companies and the EEB Marketing Committee will also work together to enhance the reporting of program marketing activities.

8. Appendix:

a. Budget Overview (Subject to change.) Note:

2015 Statewide Marketing Plan Estimated Costs				
Statewide Marketing Plan Task	**NU**	**UIL**	***Green Bank**	**Total**
Energy Efficiency Customer Engagement Platform	$2,250,000	$486,000		$2,736,000
Research	$35,000	$17,500	$17,500	$70,000
Website Maintenance & Enhancements	$150,000	$75,000	$75,000	$300,000
Marketing Communications(including brand training)	$617,000**	$682,500**	$140,500*	$1,440,000**
Total:	**$3,052,000**	**$1,261,000**	**$233,000**	**$4,546,000**
*Pending Green Bank commitment ** Subject to change, pending Green Bank participation				

b. High-level marketing communications tactical calendar including Statewide and EE program promotional activities. All activity is pending program participation and market factors.

2015 Communications Calendar Overview

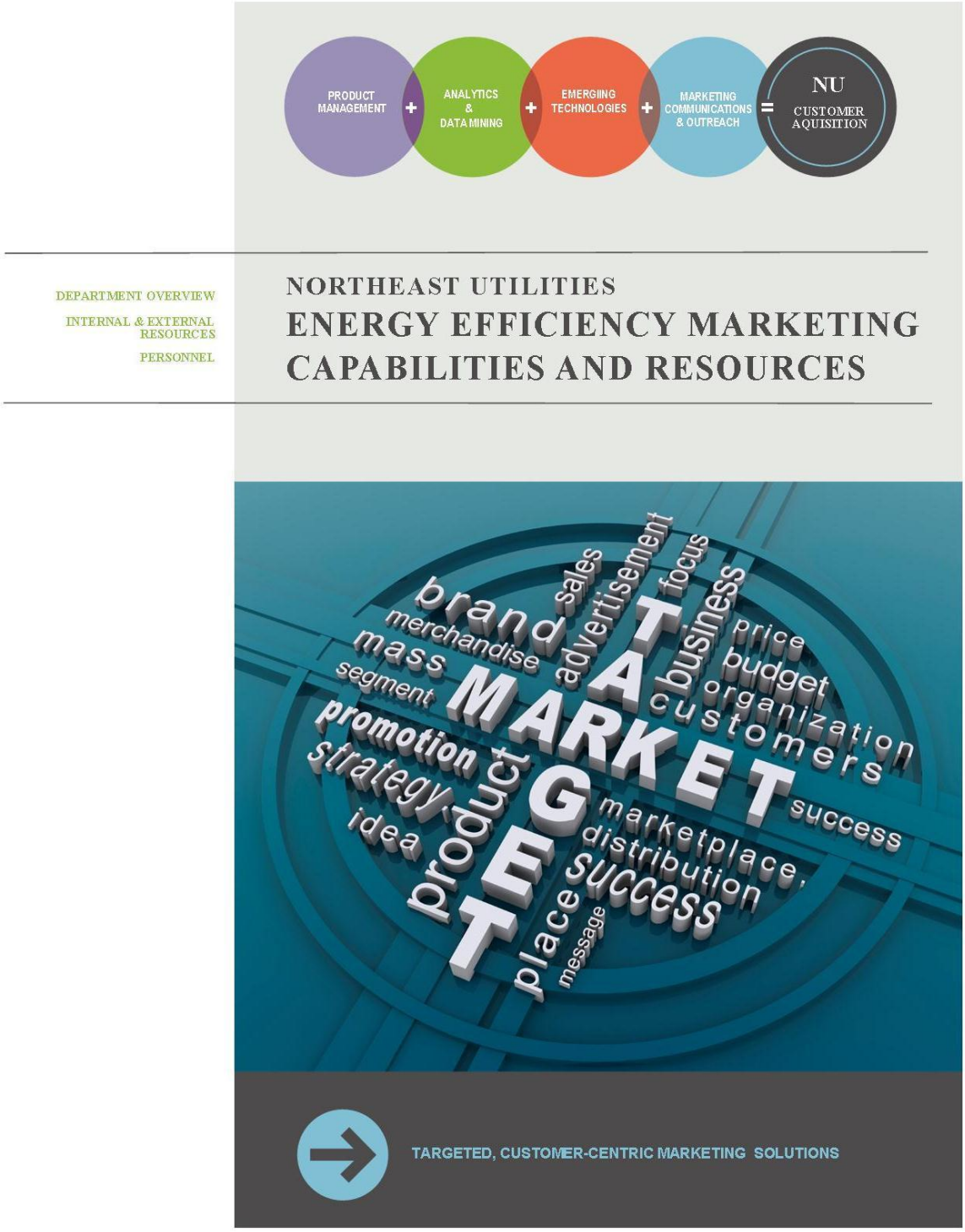
Statewide Energize Connecticut Awareness Tactics with Program/Solution-Specific Tactics

Tactic (Tentative)	January 2015	February 2015	March 2015	April 2015	May 2015	June 2015	July 2015	August 2015	September 2015	October 2015	November 2015	December 2015
Statewide Digital Display Ads - Residential & Business		Value of EE Res/Business Solutions		Energize CT Branding		Wait ' Til 8						
NU Digital Display Ads - Residential solution-specific		S/HES-IE/Insulation/Heating/Hot Wat		HES/HES-IE/Insulation/Air Conditioning/Hot Water					HES/HES-IE/Hot Water/Heating/Insulation			
UIL Digital Display Ads - Residential solution-specific				HES	HVAC	Applianaces		HPWH		Lighting		
NU Digital Display Ads - Business solution-specific		Commercial Kitchen, Hot Water, HVAC, SBEA Audits										
UIL Digital Media and Search - Business solution-specific				Commercial messaging					Commercial messaging			
Statewide Pandora Radio				Energize CT Branding					Winterize with Energize			
Statewide Radio									Winterize with Energize			
UIL Radio -Residential Solution-specific				HES	HVAC	Applianaces		HPWH		Lighting		
NU Radio -Residential Solution-specific					HES/HES-IE, Hot Water, AC/ Insulation		Lighting			Lighting		
Statewide Broadcast TV/Cable				Energize CT Branding								
Statewide Billboards/Bus/Metro North				Energize CT Branding					Winterize with Energize			
NU/UIL Energize CT Center Grand Opening				PR/Event Activities								
NU/UIL eesmarts Contest Ceremony & PR												
NU/UIL C&I Association Outreach & Advertising												
NU/UILResidential Association Outreach & Advertising												
NU/UIL Residential Direct Response				Ongoing - Via Customer engagement platform interface, via email, via traditional mail,								
NU/UIL Small Business Direct Response				Ongoing - Via Customer engagement platform interface, via email, via traditional mail,								
NU/UIL Business Print Advertising												
Statewide Event/Venue/Sponsorship Opportunities												
NU/UIL Residential Public Relations - solution and event specific												
NU/UIL Business Public Relations - solution and event specific												
NU/UIL CEC Outreach												
Statewide Video Library Including Promotion												
Statewide Google/Facebook Paid Search												
NU Google Paid Search				Residential New Construction / Energy Audits / Lighting								
NU Google Paid Search				Small Business Audits								
Statewide Social Media												

Residential Tactic	
Commercial Tactic	
Statewide Marketing	

c. Northeast Utilities, UIL Holdings Corporation, and the Connecticut Green Bank capabilities overviews

i. Northeast Utilities

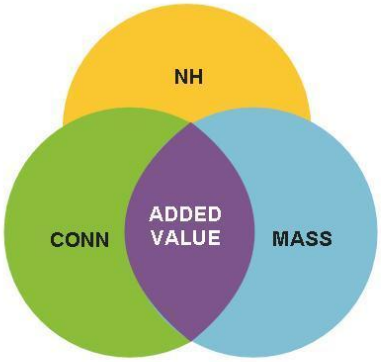


NU ENERGY EFFICIENCY MARKETING

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.



LEVERGING 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

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.

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.

2014 NU MARKETING HIGHLIGHTS

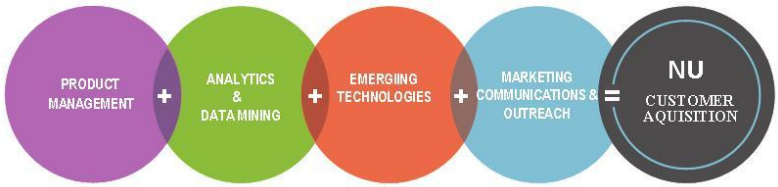
- Customer Intelligence & Segmentation— Overlaid demographic and psychographic information from Experian onto energy usage and program participation data.
- Upstream Incentives — Worked with commercial lighting, HVAC manufacturers and hot water equipment manufacturers and distributors in Massachusetts and Connecticut to apply energy efficiency incentives at the wholesale level to increase product availability and adoption into the market.
- Residential Mass Market Advertising — Increased reach and frequency in Connecticut through the expanded use of the "Efficient Eddy" campaign. Created new solution-specific radio and digital advertisements.
- Search Advertising and Look-Alike Retargeting— Increased web traffic through keyword searches and targeted, solution and segment-specific digital display advertising.
- Contractor Advertising — Instituted campaign directed to commercial and industrial contractors in the tri-state area.
- Public Relations — Activity in Connecticut resulted in approximately 400 stories and a earned media value of nearly $5 million (Jan-Oct).

CREATIVE SERVICES

- Boathouse Group — NU's agency of record creating digital display, search, print and broadcast advertising campaigns.
- CleaResults (formerly 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 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 Klint

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 26 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.

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 13 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.

Tarsha Galloway

Tarsha has 14 years of marketing and communications experience with a focus on event management in several industries, including law and financial services. Her current NU responsibilities include vendor relations, production coordination, website maintenance, and lead tracking and reporting. Tarsha holds a BS in Business from Bay Path College and is currently pursuing her Master's in Communications and Information Management from Bay Path University.

Emily Buffum

Emily has more than 15 years of event marketing experience. By learning the industry, the go-to-market strategy and the company goals, event planning becomes an integral part of the sales and marketing strategy. Emily has additional marketing experience in direct response, campaign management, and sponsorships. Prior to joining NU, Emily worked in several industries including technology, publishing and finance. Emily earned her BA in Communications from Regis College.

Brienna Reitmayr

Brienna has ten years of marketing experience, primarily in a sales and media buying capacity. She has worked for Tribune Company and Hearst Corporation as well as a direct response media buying agency. Her primary responsibilities at Northeast Utilities include association advertising, database management, trafficking and timelines and support of other Marketing Communications team members. Brienna earned a B.A in Communications from University of Hartford.

Ani C. Kelly

Ani has over seven years of experience in event planning in corporate, non-profit and academic sectors. Ani has an undergraduate degree in Political Science from Northeastern University and her Masters in Urban Planning and Regional Development from Boston University.

COMMUNITY OUTREACH (Extending the Marketing Message)

Diana McCarthy-Bercury

Diana has 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 through the Clean Energy Communities program. 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.

Natalia Studyka

Natalia is responsible for identifying and implementing residential and commercial outreach campaigns by utilizing the grassroots and grasstops approach within the Clean Energy Communities program. Natalia holds a BA in Economics and a minor in Business from the University of Connecticut.

Northeast Utilities

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

ii. UIL Holding 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, and then creates plans to execute these strategies allowing the team to concentrate our resources and optimize results.

- In 2014, a marketing plan was created for each of the 9 residential programs and large and small 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 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 2014.

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 2014: Continued with attendance success with 1200** attendees from all over Connecticut ages K through adult taking advantage of all of the events' offerings. The highlights of the events included Linda Peck Physical Movement Artist, Bash the Trash musical workshops, and energy efficiency product and service vendors such as insulation, HES and solar, and energy efficient lighting at a discounted price.
- **Energize CT Presence Events:** UI organized and/or attended over 45 events in 2014 promoting Energize CT and CLM programs.
- **eeSmarts Essay Contest:** With Grades 3-12 contest entries accepted online, over 1,000 entries were received; 25 print, online and broadcast media hits and over a dozen Twitter hits reaching more than 16,000 users. Mark Dixon from Channel 3 was the MC for the event and over 100 attendees were present at the awards ceremony.

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.

- **Water Heating:** Successfully launched a midstream high efficiency heat pump water heater program.
- **Retail Products:** Expanded the LED market and raised sales to approximately 150% above the 2014 goal. .

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 respond to. 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 starring 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 2014, the UIL team produced dozens of different advertisements involving production needs, including the Energize CT brand launch.

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.

- 9 Program advertising campaigns including radio, print and online components for a variety of residential and commercial and industrial programs were executed in 2014. 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 2014, 20+ residential program stories were pitched to media, producing 210 story pickups, and 15 commercial industrial program stories were pitched with 36 pickups as of November 1, 2014.

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, CL&P, CEFIA and DEEP. UI utilizes Mason Inc., for support in social media monitoring and administration.

- All of the campaigns executed included digital media.
- Managed all social media outlets in 2014, including the integration of Energize CT branding and the inclusion of CEFIA and DEEP.
- UI oversees the web maintenance contractor and has managed almost four dozen change requests over a twelve month period, including the automatic routing of Contact Us forms, Find a Professional enhancements, new Find a Lender feature, CT Power Update widget, Supplier Choice and Rate Board enhancements, Accordion display of information, and Social Media Share Icons. Another 15 change requests are in various stages of development.

Media Planning

The UIL Team has over 50 years of collaborative experience in media planning and purchasing. The team strives 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 9 advertising campaigns executed, these buys included value add opportunities to increase campaign value. Value-add components totaled over $80,000 as of November 1, 2014.

Meet the UIL – C&LM Marketing Team

Marketing Management

Barb Arusiewicz Roderick: Product and Marketing Manager
Education: Quinnipiac University, CT, MBA, Marketing, Magna Cum Laude
Summary: 16 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: 24 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: 16 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: 17 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: 3 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: 6 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 6 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: 26+ 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 14 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.

iii The Connecticut Green Bank

In May of 2014, through Public Act 14-94, the Clean Energy Finance and Investment Authority ("(CEFIA")) became the Connecticut Green Bank ("(CGB").). Through its many efforts, the Green Bank is attracting more and more private capital in our state to deploy greater amounts of clean energy. By leveraging channels such as our utility partners, local lenders and contractors, along with on-the-ground and online community efforts, Connecticut consumers are receiving access to cleaner, cheaper and more reliable sources of energy than ever before.

The Green Bank's marketing team is not only driven to discover and address unmet customer needs, wants and preferences, it also embraces the responsibility of positioning CGB's differentiated value to customers and stakeholders. With a newly minted name and a rapidly expanding marketplace, expressing and keeping the Connecticut Green Bank brand promise has never been more critical. With over 75 years combined experience, CGB's marketing team is adept at managing the promotional, segmentation and distribution strategies necessary to build and sustain a strong Connecticut Green Bank brand.

The CGB Marketing Team

Craig Connolly: Director of Marketing
Education: Northwestern University, MS IMC / University of Connecticut, BA
Summary: 20 years' experience in the creation and execution of integrated marketing strategies focused on product marketing, brand planning & development in fields as diverse as managed care, banking and retail.

Bob Wall: Associate Director, Outreach
Education: Wesleyan University, B.A.; Fordham University School of Law, J.D.
Summary: 10+ years in marketing and outreach. Extensive experience in community-based campaigns, program administration, strategy, planning, branding, public relations, customer communications and event promotions and nearly two decades as an attorney specializing in environmental and public health issues.

John Murphy: Senior Marketing Manager
Education: Eastern Connecticut State University, BS, Communications, Broadcasting
Summary: 25+ years of marketing / communications experience with the most recent 10 years focused on renewable energy and financing at CCEF / CEFIA / CT Green Bank. Areas of focus include strategy, planning, graphic design, advertising, web development, video production and photography.

Gladys Rivera: Senior Marketing Manager
Summary: 25+ years in service and product marketing with extensive experience in strategic event management, project management, marketing strategies & campaigns, corporate communications, product positioning & branding, web & print content development, development of training materials, public & media relations, new product launch.

Other: American Marketing Association member (Past Board member), Meeting Professionals International Board member, MPI Certified Meeting Planner

Robert Schmitt: Senior Associate, Marketing
Education: Central Connecticut State University, BS in Environmental Interpretation – West Virginia University, MS in Integrated Marketing Communications (expected December, 2014)
Summary: 3 years' experience in energy outreach campaigns and marketing

Andrea Mancini Janecko: Marketing Assistant, Government & External Relations
Education: Bay Path University, BS Business Administration, Executive Management
Summary: 3 years of communications experience including the coordination, development, distribution and tracking of CEFIA's communications

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APPENDIX I

On the manufacturing front, the September 2014 Manufacturing ISM® Report On Business® PMI® was at 56.6% [10], a decrease of 2.4 percentage points from August's reading of 59 percent, indicating continued expansion in manufacturing. Further, comments from the ISM survey panel reflect a generally positive business outlook, while noting some labor shortages and continuing concern over geopolitical unrest and Of the 18 manufacturing industries, 15 are reporting growth in September. The table below summarizes the various ISM indices.

MANUFACTURING AT A GLANCE SEPTEMBER 2014						
Index	Series Index Sep	Series Index Aug	Percentage Point Change	Direction	Rate of Change	Trend* (Months)
PMI®	56.6	59.0	-2.4	Growing	Slower	16
New Orders	60.0	66.7	-6.7	Growing	Slower	16
Production	64.6	64.5	+0.1	Growing	Faster	7
Employment	54.6	58.1	-3.5	Growing	Slower	15
Supplier Deliveries	52.2	53.9	-1.7	Slowing	Slower	16
Inventories	51.5	52.0	-0.5	Growing	Slower	2
Customers' Inventories	44.5	49.0	-4.5	Too Low	Faster	34
Prices	59.5	58.0	+1.5	Increasing	Faster	14
Backlog of Orders	47.0	52.5	-5.5	Contracting	From Growing	1
Exports	53.5	55.0	-1.5	Growing	Slower	22
Imports	53.0	56.0	-3.0	Growing	Slower	20
OVERALL ECONOMY				Growing	Slower	64
Manufacturing Sector				Growing	Slower	16

Switching gears to the general business sentiment, according to NFIB's Optimism Index [11] "September's optimism index gave up 0.8 points, falling to 95.3. At 95.3, the Index is now 5 points below the pre-

[10] http://www.ism.ws/ismreport/mfgrob.cfm (The PMI, the Report's composite index, gives the earliest indication each month of the health of the manufacturing sector. It is an essential component for assessing the state of the economy)

[11] http://www.nfib.com/surveys/small-business-economic-trends/ ( )

recession average (from 1973 to 2007). Four Index components improved, six declined. Two declined by 10 points total, accounting for the entire decline in the Index score. Unfortunately, the two that fell drastically were job openings and planned capital outlays, which are directly relevant to GDP growth and hiring. "Other business reaction to NFIB's survey includes the following excerpts:

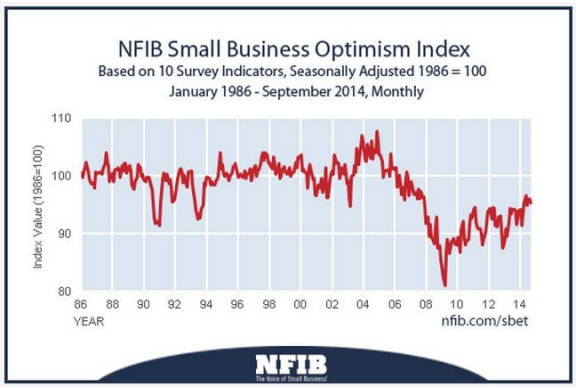
CAPITAL SPENDING

The percent of owners planning capital outlays in the next 3 to 6 months fell 5 points to 22, an unfortunate reversal for this important measure. Inconsistent with this decline was a 4 point rise in the percent of owners viewing the current period as a good time to expand substantially, the best reading since December 2007, the peak of the last expansion. Fifty-six percent reported outlays, down 2 points from August, not a very encouraging reading. Of those making expenditures, 38 percent reported spending on new equipment (down 4 points), 23 percent acquired vehicles (up 1 point), and 12 percent improved or expanded facilities (down 2 points). Five percent acquired new buildings or land for expansion (down 2 points) and 9 percent spent money for new fixtures and furniture (down 2 points). Overall, spending remains in "replacement mode", not a lot of expansion except in selected markets including Texas and North Dakota.

CREDIT MARKETS

Six percent of the owners reported that all their credit needs were not met, up 2 points from the historic low. Twenty-eight percent reported all credit needs met, and 51 percent explicitly said they did not want a loan. Only 2 percent reported that financing was their top business problem compared to 21 percent citing taxes, 22 percent citing regulations and red tape and 14 percent citing weak sales. The net percent of owners expecting credit conditions to ease in the coming months was a seasonally adjusted negative 7 percent, 2 points worse than August. Interest rates are low, but prospects for putting borrowed money profitably to work are not great and so loan demand remains weak among small business owners. Low rates have not triggered the growth in spending that would promise a good cash flow on business investments.

The following tables are excerpts from the August NFIB survey:



Single Most Important Small Business Problem in Sept. 2014

Problem	Current	One Year Ago	Survey High	Survey Low
Govt. Reqs. & Red Tape	22	24	27	4
Taxes	21	18	32	8
Poor Sales	14	17	34	2
Quality of Labor	9	10	24	3
Cost/Avail. of Insurance	9	8	29	4
Other	8	7	31	1
Comp. From Large Bus.	8	5	14	4
Cost of Labor	4	4	9	2
Inflation	3	5	41	0
Fin. & Interest Rates	2	2	37	1

NFIB nfib.com/sbet

Key Findings from the April 2014 MAC Survey as presented to the April EEB C&I Committee meeting[12] :

- Manufacturers express strong interest in & success with sustainable manufacturing strategies.
- A wide range of sustainable strategies are currently in use or under consideration by manufacturers.
- Cost and ROI are the primary drivers for manufacturers when considering sustainable manufacturing strategies.
- A solid majority of manufacturers have made recent energy efficiency improvements to their facilities.
- Strong majorities are interested in currently available energy efficiency programs.
- Alternative/renewable energy resources garner limited support from manufacturers.

Key findings from a September 2013 report by the Economist Intelligence Unit sponsored by ABB, titled, "Intelligent manufacturing: Targeting better energy efficiency" [13]

- Industry executives say that more energy efficiency is critical to their businesses, continuing for 2 decades.
- Growing numbers of companies are seeing energy efficiency as a key part of sustainability.
- Seeing an increase investing in efficient lighting & HVAC, but investing in efficient plant and equipment remains static.
- Although barriers to investment in energy efficiency remain, they appear to be lifting for some industries and manufacturers.
- Industry is embracing better practices around energy management.
- The key to improved energy efficiency will increasingly lie in software rather than in hardware. As advances in technology allow better management of equipment and processes, the challenge for industry will be to develop analytics capabilities in order to interpret data and report performance. Over time, it is likely that improvements in energy efficiency will be driven more by software and apps, and less by equipment and plant.

[12] https://app.box.com/files/0/f/1771624278/04-08-14_C_I_Committee_Meeting
[13] http://www.slideshare.net/GaldeMerkline/eiu-abb-energy-efficiency-2013

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APPENDIX II - 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.	Combined Table A1s P. 11 & 55
2	The Companies must ensure proper allocation of the cost for gas heating measures, minus any electrical components such as fans, to gas customers.	2014 Update P 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).	P 107-108
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.	P 107-108
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.	UIL Approval to spend forward approved by EEB vote 9/30/14
6	DEEP requires that all costs and benefits be included in the cost-effectiveness tests in all future submittals.	Table Bs, B2 & P 127-130
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
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.	Separate filing due March 1, 2015 – Appendix III
9	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,	Separate filing due March 1, 2015- Appendix III

	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.	
10	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.	Performance Incentive exhibits
11	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.	Performance Incentive exhibits
12	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.	Separate filing due March 1, 2015
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.	Performance Incentive exhibits
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.	Performance Incentive exhibits
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 2014Annual Update in	P 103

	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.	
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.	P 103-104
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.	P 105
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.	P 106-107
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.	P 106-108
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. 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.	Chapter 8

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.	P 107
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.	Table Bs & Performance Incentive exhibits
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.	Performance Incentive exhibits
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.	P 107
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.	P 110
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.	Table Bs & P 112
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.	UI Table A & P 109
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	Chapter 4

	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.	
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.	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.	Chapter 8
31	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.	Chapter 5
32	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.	Combined Table A1s P. 11 & 55
33	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.	Separate filing due March 1, 2015