ONCOR ELECTRIC DELIVERY COMPANY

2008 Energy Efficiency Plan and Report

Substantive Rule §25.181 and §25.183

May 1, 2008

Project No. 35440

Table of Contents

INTRODUCTION 3

ENERGY EFFICIENCY PLAN AND REPORT (EEPR) ORGANIZATION 3

EXECUTIVE SUMMARY 5

ENERGY EFFICIENCY PLAN 7

I. 2008 PROGRAMS 7

A. 2008 Program Portfolio 7
B. Existing Programs 9
C. New Programs for 2008 10
D. Existing DSM Contracts or Obligations 25

II. CUSTOMER CLASSES 25

III. PROJECTED ENERGY EFFICIENCY SAVINGS AND GOALS 26

IV. PROGRAM BUDGETS 30

ENERGY EFFICIENCY REPORT 32

V. HISTORICAL DEMAND SAVINGS GOALS AND ENERGY TARGETS FOR PREVIOUS FIVE YEARS 32

VI. PROJECTED, REPORTED AND VERIFIED DEMAND AND ENERGY SAVINGS 33

VII. HISTORICAL PROGRAM EXPENDITURES 34

VIII. PROGRAM FUNDING FOR CALENDAR YEAR 2007 35

IX. MARKET TRANSFORMATION PROGRAM RESULTS 37

X. CURRENT ENERGY EFFICIENCY COST RECOVERY FACTOR (EECRF) 41

ACRONYMS 42

GLOSSARY 43

APPENDICES

APPENDIX A: REPORTED DEMAND AND ENERGY REDUCTION BY COUNTY A-1

APPENDIX B: PROGRAM TEMPLATES B-1

APPENDIX C: EXISTING DSM CONTRACTS OR OBLIGATIONS C-1

APPENDIX D: OPTIONAL SUPPORT DOCUMENTATION D-1

INTRODUCTION

Oncor Electric Delivery Company LLC (Oncor) presents this Energy Efficiency Plan and Report (EEPR) to comply with Substantive Rules §25.181 and §25.183, which are the sections of the Energy Efficiency Rule (EE Rule) implementing Public Utility Regulatory Act (PURA) §39.905. PURA §39.905 requires that each investor owned electric utility achieve the following savings goals through market-based standard offer programs ("SOPs") and limited, targeted, market transformation programs ("MTPs"):

- 10% of the electric utility's total annual growth in demand by January 1, 2008, and
- 15% of the electric utility's annual growth in demand of residential and commercial customers by December 31, 2008, and
- 20% of the electric utility's annual growth in demand of residential and commercial customers by December 31, 2009.

The EE Rule includes specific requirements related to the implementation of SOPs and MTPs by investor-owned electric utilities that control the manner in which they must administer their portfolio of energy efficiency programs in order to achieve their mandated energy efficiency savings goals. Oncor's EEPR is intended to enable the Company to meet its statutory savings goals through implementation of energy efficiency programs in a manner that complies with PURA §39.905 and the EE Rule. This EEPR covers the periods of time outlined in Substantive Rule §25.181. The following section provides a description of what information is contained in each of the subsequent sections and appendices.

ENERGY EFFICIENCY PLAN AND REPORT (EEPR) ORGANIZATION

This EEPR consists of an executive summary, ten sections, a list of acronyms, a glossary and four appendices.

- Executive Summary highlights Oncor's reported achievements for 2007 and Oncor's plans for achieving its 2008 and 2009 projected energy efficiency savings.

Energy Efficiency Plan

- Section I describes Oncor's program portfolio. It details how each program will be implemented, discusses related informational and outreach activities, and provides an introduction to any programs not included in Oncor's previous EEP.
- Section II explains Oncor's targeted customer classes, specifying the size of each class and the method for determining those sizes.
- Section III presents Oncor's projected energy efficiency savings goals for the prescribed planning period broken out by program for each customer class.
- Section IV describes Oncor's proposed energy efficiency budgets for the prescribed planning period broken out by program for each customer class.

Energy Efficiency Report

- Section V documents Oncor's actual weather-adjusted demand savings goals and energy targets for the previous five years (2003-2007).

- Section VI compares Oncor's projected energy and demand savings to its reported and verified savings by program for calendar year 2007.
- Section VII details Oncor's incentive and administration expenditures for the previous five years (2003-2007) broken out by program for each customer class.
- Section VIII compares Oncor's actual and budgeted program costs from 2007 broken out by program for each customer class. It also explains any cost increases or decreases of more than 10 percent for Oncor's overall program budget.
- Section IX describes the results from Oncor's Market Transformation (MTP) programs. It compares existing baselines and existing milestones with actual results, and details any updates to those baselines and milestones.
- Section X documents Oncor's most recent Energy Efficiency Cost Recovery Factor (EECRF) and discusses any over- or under-recovery of energy efficiency costs.

Acronyms

- Abbreviations for a list of common terms.

Glossary

- Definitions for a list of common terms.

Appendices

- Appendix A – Reported kW and kWh Savings broken out by county for each program.
- Appendix B – Program templates for any new or newly-modified programs and any programs not included in Oncor's previous EEP.
- Appendix C – Description of Oncor's existing DSM contracts or obligations.
- Appendix D – Provides data, explanations, or documents supporting other sections of the EEPR.

EXECUTIVE SUMMARY

The Energy Efficiency Plan portion of this EEPR details Oncor's plans to achieve a 15% reduction in its annual growth in demand of residential and commercial customers by December 31, 2008, and a 20% reduction in its annual growth in demand of residential and commercial customers by December 31, 2009 and each year thereafter. In the process, Oncor will also address the corresponding energy savings goal, which is calculated from its demand savings goal using a 20 percent capacity factor. The goals, budgets and implementation plans that are included in this EEPR are highly influenced by requirements of the EE Rule and lessons learned regarding energy efficiency service provider and customer participation in the various energy efficiency programs. A summary of annual goals and budgets is presented in Table 1.

The Energy Efficiency Report portion of this EEPR demonstrates that in 2007 Oncor successfully implemented Standard Offer Programs (SOP) and Market Transformation Programs (MTP) required by the Public Utility Regulatory Act (PURA) §39.905 that met Oncor's 10% energy efficiency savings goal by procuring 89,233 kW in demand savings. These programs included the Residential and Small Commercial Standard Offer Program, Large Commercial and Industrial Standard Offer Program, the Hard-to-Reach Standard Offer Program, and the Emergency Load Management Standard Offer Program. In addition, Oncor also continued the ENERGY STAR® Homes Market Transformation Program, the Commercial Air Conditioning Distributor Market Transformation Program, the Air Conditioning Installer Information & Training Market Transformation Program, and the Texas SCORE Pilot Market Transformation Program. New programs added in 2007 include the Air Conditioning Tune-Up Pilot Market Transformation Program, the Refrigerator Recycling Pilot MTP, CitySmart Pilot Market Transformation Program and the CCET Residential Demand Response Pilot Market Transformation Program.

Table 1: Summary of Goals, Projected Savings, and Projected Budgets[1]

Calendar Year	Average Growth in Demand (MW at Source)	MW Goal (% of Growth in Demand)	Demand (MW) Goal (at Source)	Energy MWh Goal (at Source)*	Projected MW Savings (at Meter)**	Projected MWh Savings (at Meter)**	Projected Budget (000's)
2008	345	15%	51.8	90,754	92.0	250,892	$53,576
2009	345	20%	69.0	120,888	89.5	255,847	$53,579

* Calculated using a 20% capacity factor

** 2008 Projected Savings reflect Oncor's carryover of unspent energy efficiency funds from prior years. 2009 Projected Savings assume a cost recovery mechanism is in place.

In order to reach the above projected savings Oncor proposes to continue implementation of the programs listed above and add the following programs in 2008:

- Residential Demand Response Pilot MTP
- Statewide CFL Pilot MTP
- Air Conditioning Distributor MTP

[1] Projected data taken from Table 5 in this document; Budget data for 2008 is taken from Table 6 in this document.

- Data Centers Pilot MTP
- Pilot Targeted Partnership Weatherization Low-Income Program (Previously TDHCA related Program)
- Pilot Targeted Weatherization Low-Income Program (Previously TDHCA related Program)
- ENERGY STAR® Low-Rise MTP

The programs Oncor has chosen to implement target both broad market segments and specific market sub-segments that offer significant opportunities for cost-effective savings. Oncor plans to conduct ongoing informational activities to encourage participation in these SOPs and MTPs. For each program, potential participants will be identified. Program information will then be tailored to the types of participants, but at a minimum will include a program website, brochures, and an introductory meeting to explain the program prior to the program start-date. Furthermore, Oncor plans to participate in trade shows and conferences to provide information related to its Energy Efficiency Program. Notice of the meetings, trade shows and conferences will be posted on Oncor's Energy Efficiency Program website.

Oncor has also expanded its effort to increase Retail Electric Provider (REP) participation in the Energy Efficiency Programs it manages. This plan involves multiple activities and approaches that will reflect Oncor's commitment to this effort. These plans include, but are not limited to the following activities:

- REP outreach/recruitment meetings followed by REP workshops for those REPs wanting to participate.
- Meeting in a centrally located area with all REPs after the passage of the new Energy Efficiency Rule to discuss their participation going forward.
- Coordinated effort with Oncor's REP relations group to identify key REP contacts. Through REP Executive and on-site visits, Oncor will conduct Energy Efficiency discussions while sharing related program information and materials during these visits.
- Program flyers and marketing materials will be used to describe the programs to REPs and will be made available for inclusion with their marketing materials to promote participation in Energy Efficiency Programs.
- Local and Regional conferences, trade shows and/or events where REPs are participating.
- Encouragement of Service Providers to contact REPs to cooperatively market the Market Transformation Programs and Standard Offer Programs.

Once an energy efficiency program has been initiated, Oncor plans to offer the program on a continuous first-come, first-served basis, until new program priorities are identified. Oncor believes that it is important to maintain program availability to encourage energy efficiency service provider participation.

ENERGY EFFICIENCY PLAN

I. 2008 Programs

A. 2008 Program Portfolio

Oncor plans to implement nine market transformation and standard offer programs which are Commission approved program templates included in Substantive Rule §25.184. In addition, consistent with SB712, which was passed by the Texas legislature in 2005, and the Pilot Program Template adopted by the Public Utility Commission of Texas in November 2005, ten pilot programs will be funded in 2008. Two of the Pilot Programs, The Pilot Targeted Weatherization Low-Income Program and the Pilot Targeted Partnership Weatherization Low-Income Program are required pursuant to Senate Bill 712 and are discussed in detail in Section I.C.

These programs target both broad market segments and specific market sub-segments that offer significant opportunities for cost-effective savings. Oncor anticipates that outreach to a broad range of service provider types will be necessary in order to meet the savings goals required by PURA §39.905 on a continuing basis. Table 2 (shown on the following page) summarizes the programs and target markets.

Table 2: 2008 Energy Efficiency Program Portfolio

Program	Target Market	Application
Large Commercial & Industrial SOP	Large Commercial	Retrofit; New Construction
Residential & Small Commercial SOP	Residential and Small Commercial	Retrofit
Hard-to-Reach SOP	Hard-to-Reach residential	Retrofit
Emergency Load Management SOP	Large Commercial and existing Industrial	Load Management
ENERGY STAR® Homes MTP	Residential	New Construction
Commercial AC MTP*	Small Commercial	Retrofit; New Construction
Air Conditioning Installer Information & Training MTP	Residential	Retrofit; New Construction
Texas SCORE Pilot MTP	Large Commercial (K-12 & Higher Education Facilities)	Retrofit; New Construction
Refrigerator Recycling Pilot MTP	Residential	Retrofit
CitySmart Pilot MTP	Large Commercial (City/County; Government facilities)	Retrofit; New Construction
Air Conditioning Tune-Up Pilot MTP	Residential	Retrofit
CCET Residential Demand Response Pilot MTP	Residential	Load Management
New Programs for 2008		
Residential Demand Response Pilot MTP	Residential	Load Management
Statewide Residential CFL Pilot MTP	Residential	Retrofit
Air Conditioning Distributor MTP	Residential	Retrofit
Data Centers Pilot MTP	Large Commercial	Retrofit; New Construction
Pilot Targeted Partnership Weatherization Low-Income Program	Low-Income residential	Retrofit
Pilot Targeted Weatherization Low-Income Program	Low-Income residential	Retrofit
ENERGY STAR® Low-Rise MTP	Residential	New Construction

* Known as the Commercial A/C Distributor MTP in 2007

The programs listed in Table 2 are described in further detail on the following page.

B. Existing Programs

Large Commercial and Industrial Standard Offer Program (C&I SOP)

The C&I SOP targets Large Commercial customers with a maximum demand of more than 100 kW. This program is designed to achieve energy and demand savings in the commercial and governmental sectors with the installation of a wide range of energy-efficiency measures. The 2008 budget for this program is $8,096,504 with targeted impacts of 12,500 kW and 65,700,000 kWh.

Residential & Small Commercial Standard Offer Program (RES SOP)

The RES SOP targets residential and non-residential customers with a demand of less than 100 kW. This program is designed to achieve energy and demand savings in the residential and the under 100 kW commercial market with the installation of a wide range of energy-efficiency measures. The 2008 budget for this program is $6,725,679 with targeted impacts of 14,000 kW and 42,924,000 kWh.

Hard-to-Reach Standard Offer Program (HTR SOP)

The HTR SOP targets residences with household incomes at 200% and below the Federal Poverty Guidelines. This program is designed to achieve energy and demand savings with the installation of a wide range of energy-efficiency measures. The 2008 budget for this program is $12,726,815 with targeted impacts of 11,507 kW and 45,360,594 kWh.

Emergency Load Management Standard Offer Program (ELM SOP)

The ELM SOP targets non-residential customers with demands greater than 750 kW. Participating customers, office buildings, hospitals and industrial facilities must reduce load when called for by Oncor. The 2008 budget for this program is $2,076,667 with targeted impacts of 21,000 kW and 0 kWh.

ENERGY STAR® Homes Market Transformation Program (ENERGY STAR® MTP)

The ENERGY STAR® MTP targets new residential construction and is designed to increase energy and demand savings through increased sales of ENERGY STAR® homes and products, which use less energy than a home built to the Texas residential building code. The 2008 budget for this program is $2,732,533 with targeted impacts of 8,000 kW and 9,110,400 kWh.

Commercial AC Market Transformation Program (CAC MTP)

The CAC MTP (known as the Commercial AC Distributor MTP in 2007) targets the commercial market for air conditioning units from 5.5 tons to 20 tons in size. The primary goal of this program is increasing the market penetration of high efficiency air conditioning units. The 2008 budget for this program is $535,514 with targeted impacts of 1.325 kW and 3,251,121 kWh.

Air Conditioning Installer Information & Training Market Transformation Program (AC Installer MTP)

The AC Installer MTP encourages improved installation practices for HVAC equipment and ductwork in the residential market through contractor training and certification programs. The 2008 budget for this program is $455,557 with targeted impacts of 832 kW and 1,384,800 kWh.

Texas SCORE Pilot Market Transformation Program (SCORE PMTP)

The SCORE PMTP provides support to participating school districts, colleges and universities through energy performance benchmarking, energy master planning, technical assistance and cash incentives for projects that reduce demand and energy use. The 2008 budget for this program is $3,975,214 with targeted impacts of 10,000 kW and 23,652,000 kWh.

Refrigerator Recycling Pilot Market Transformation Program (RR PMTP)

The RR PMPT provides for the early retirement, removal and disposal of old, inefficient refrigerators and freezers from households to reduce demand and energy use and improve the environment. The 2008 budget for this program is $1,110,452 with targeted impacts of 1,100 kW and 7,130,640 kWh.

CitySmart Pilot Market Transformation Program (CitySmart PMTP)

The CitySmart PMPT provides energy efficiency support to participating city and county governments through energy performance benchmarking, energy master planning, technical assistance and cash incentives for projects that reduce demand and energy use. The 2008 budget for this program is $993,803 with targeted impacts of 2,500 kW and 5,913,000 kWh.

Air Conditioning Tune-Up Pilot Market Transformation Program (AC Tune-Up PMTP)

The AC Tune-Up PMPT promotes improved energy efficiency in HVAC equipment through prescribed tune-up procedures for residential customers. The 2008 budget for this program is $172,301 with targeted impacts of 357 kW and 560,000 kWh.

CCET Residential Demand Response Pilot Market Transformation Program (CCET PMTP)

The CCET PMTP will explore demand response capabilities as a means to lessen resource adequacy concerns by combining Advanced Meter Infrastructure with Internet Addressable control devices. The 2008 budget for this program is $230,486 with targeted impacts of 667 kW and 0 kWh.

C. New Programs for 2008

Residential Demand Response Pilot MTP

Oncor's Residential Demand Response Pilot MTP is designed to explore residential demand response capabilities as a means to lessen peak electric demand. In this program, Retail Electric Providers (REPs) and/or Aggregators in the Oncor service territory will recruit customers to participate, wherein a direct control device will be installed in the customer homes. The REPs will have the ability to cycle customer air conditioning units.

The pilot program is intended to: (1) demonstrate the usefulness of residential demand response as a means to curtail peak demand, (2) evaluate customer reactions and participation by REPs and Aggregators in a residential demand response program, (3) measure and verify demand and energy savings and customer participation.

Target Audience
The pilot program will be operated in the Oncor service area at single family residential homes that operate central air conditioning and have a monthly Summer Peak Season consumption of at least 1,000 kWh.

Energy Savings
Similar programs that have utilized communicating thermostats and direct control devices have achieved savings of between 1 kW and 3 kW per home. The exact amount that will be saved by each unit controlled will be determined based on actual verified savings by Oncor. The pilot has a demand savings target of 1,500 kW. No energy savings are expected.

Program Design
This program will be marketed to the REPs and Aggregators that operate in the Oncor service area. They will take responsibility to design and implement customer marketing and customer acquisition activities, as well as on-going customer care. They will be contacted by Oncor when a demand event occurs and will be requested to curtail its participating customer load.

Research Plan
The pilot program will collect a substantial amount of information that will be used to evaluate the success of the program. It is intended to: (1) demonstrate the usefulness of residential demand response as a means to curtail peak demand, (2) evaluate customer reactions and participation by REP's and Aggregators in a residential demand response program, (3) measure and verify demand savings resulting from demand response events and customer participation.

Program Budget
The budget for the Residential Demand Response Pilot Program for 2008 is $325,000.

Program Timeline
The Residential Demand Response Pilot MTP will begin recruiting REPs and Aggregators in the 2nd quarter of 2008 and will continue through the 2008 Peak Demand Season. It is expected that the program will be operational by mid-summer 2008.

Impact on Other Programs
Funding for the 2008 Residential Demand Response Pilot MTP implementation and incentives will be allocated from the existing Emergency Load Management Program. No other existing energy efficiency SOP or MTP program will be affected.

Statewide Residential CFL Pilot MTP

Oncor will participate as one of the Electric Utility Marketing Managers of Texas (EUMMOT) member utilities in the Statewide Residential Compact Fluorescent Lighting Pilot Market Transformation Program. The primary goal of the statewide Compact Fluorescent Lighting (CFL) Program is to produce reductions in electrical peak demand and energy usage through verifiable incremental sales of ENERGY STAR® qualified CFLs throughout the service areas of the EUMMOT sponsor utilities. These sales are to result from a combination of economic incentives and customer education that will remove the market barriers that block the purchase of CFLs and will help to permanently shift the Texas residential lighting market towards CFLs. The high levels

of CFL sales and the grand promotional efforts in Texas make it difficult for this program to claim credit for 100% of documented increases in sales. As such, prospective implementers were encouraged to devise innovative strategies for ensuring that the program produces incremental sales of CFLs and minimizes free-ridership in a cost-effective and verifiable manner.

The implementer will be coordinating with other promotional programs, such as the ENERGY STAR® "Change a Light" Program and the Texas mayors' program, to increase the program's reach as well as to help find ways to ensure that this program produces incremental sales distinct from these other efforts. They will also attempt to enlist the help of Retail Electric Providers in promotional and educational efforts.

As a safeguard against free-riders, the program has the additional objective of increasing participation in the other energy efficiency programs of the sponsoring utility. The design of marketing and outreach activities will include an educational component aimed not only towards permanently shifting the residential lighting market in Texas towards CFLs, but also towards increasing residential customer awareness of other energy efficiency measures and the associated utility programs. Every customer that takes advantage of another utility program as a result of the information provided through the CFL program improves the program's cost-effectiveness and effectively lowers free-ridership.

To review, the objectives of the program are as follows:

- Motivate and help residential customers replace incandescent lights with CFLs
- To educate the consumer of the benefits of CFLs vs. incandescent lights and create a no-regret decision for the residential customer through incentives/discounts that makes the purchase of a CFL at parity to that of an incandescent bulb.
- Produce utility electricity savings through incremental sales of CFLs
- Deliver additional efficiency messages through a coordinated CFL program
- Expand customer awareness of the benefits of energy efficiency and direct them to participating vendors
- Co-brand with willing "partners"
- Offer "no-regret" partnership options
- Engage municipal utilities and electric cooperatives in the statewide effort to expand program reach and effectiveness

Target Audience

The 2008 Statewide Residential CFL Pilot MTP will target owners and renters of single-family homes, town-homes, and multifamily units such as apartments and condominiums residing in the sponsor utilities Texas service areas. The 2008 Oncor Residential CFL Pilot MTP will target those residential customers who live in Oncor's service area.

Non-Utility Sponsors/Participants

The 2008 Statewide Residential CFL Pilot MTP will utilize a proven third-party implementer with a proven track-record, appropriate licenses, certifications and affiliations to meet Federal and local laws in the distribution and promotion of the proper recycling and disposal of exhausted CFLs. The implementer will be encouraged to involve a wide-range of state-wide retailers to local

community-based retailers and organizations that have the ability to create a call to action in addition to educating homeowners about the benefits and lower operating costs of CFLs.

Energy Savings

The estimated savings to be achieved by the 2008 Statewide Residential CFL Program is 1.99 MW of peak load reduction and 37,750,000 kWh annual energy use reduction. Oncor's portion of this CFL Program is 1,330 kW of peak load reduction and 25,300,000 kWh annual energy use reduction. The goal of this program is to produce savings in the Oncor service area related to Oncor's contribution to the overall program budget.

Program Design

The implementer will promote the CFL program through various market intervention strategies, which will entail the use of point-of-purchase educational materials, advertising, and public and in-store special events, among other options. The implementer must obtain Frontier approval for all promotional materials prior to their release. The implementer will have the option of using several methods that include: instant rebate or mail-in coupons allowing for the procurement of useful tracking data by requiring each participating customer to insert his/her name and electric service billing address in order for the incentive to be applied; markdowns in which low price bulbs are available at select stores in the service areas of the sponsors or mailing coupons to customers through Retail Electric Providers (REPs).

Enlistment of retailers, distributors, and/or manufacturers, as well as coordination with the EPA's Change a Light Program, the mayors' challenge, other CFL campaigns, and REPs, will be utilized. The implementer will explain educational activities and literature. Educational materials will inform customers of the benefits of CFLs over incandescent light bulbs and the proper applications of CFLs. Additional educational efforts will include information about energy efficiency measures covered by Oncor's other market transformation and standard offer programs.

The implementer will provide field representatives that visit the stores to ensure that the retailer has product and signage displayed and that the sales staff is aware and trained on the promotion information.

The implementer will manage the delivery of all incentives for the program. Rebate coupons and/or sales data will be collected and processed by the implementer, who will pass on relevant information to Frontier on a monthly basis. The implementer is also responsible for the delivery of all educational and promotional materials. Oncor will not provide advertising.

Research Plan

The implementer will provide tracking of sales in order to provide a means to prove that the sales are incremental and to ensure that they are distributed proportionally (with respect to budget) throughout Oncor's service area.

The implementer will provide regular sales reports to inform Frontier of the status of the sales. The implementer will notify Oncor one week in advance if sales are expected to exceed the designated amount. Oncor is only obligated to provide funding for the designated sales estimate but may choose to increase the designated sales amount to accommodate the demand. The implementer will regularly provide Frontier with information that facilitates the following:

1. Determining the program impacts, including energy savings (kWh) and demand reduction (kW), and program value to customers
2. Assessing the program's cost-effectiveness based on various economic tests
3. Assessing the effectiveness of program delivery mechanisms
4. Determining and assessing free-ridership issues

Ideally, this information would include the number of each type of bulb sold, the location of the sales, the installation rates of the bulbs, the types of bulbs being replaced, and a percentage of purchases which can be attributed to the program. A breakdown of the sales by income level would be quite beneficial in claiming savings among low-income and hard-to-reach customers. Much of this data will be collected through a surveying process.

In addition, the implementer and/or third party evaluators will perform an annual evaluation in the 4th quarter of 2008 or by the first quarter of 2009 to determine the number of incremental sales in the Oncor service area and thoroughly demonstrate that the sales were indeed incremental. It is crucial that Oncor be able to claim accurate demand reduction and energy savings resulting from this program.

Any negative consumer attitudes towards the program will be documented, program design and delivery will be evaluated, and strategies will be developed to overcome any negative perceptions of the program.

Program Budget

The overall Statewide CFL Program Budget for 2008 is $3,431,000 of which Oncor's incentive portion is $2,320,221, with a total budget of $2,578,023 including administration. These budget dollars have been allocated in combination with other EUMMOT utilities contributing to the Program.

Program Timeline

The 2008 Statewide Residential CFL Pilot MTP will begin in the second quarter of 2008 and will continue through the end of 2008. Based on the 2008 pilot evaluation, the program is expected to be extended in 2009. The first quarter of the 2008 program year will focus on finalizing program details and refining the implementation process. The second through fourth quarters will consist of program implementation and the gathering of data for analysis. The final analysis of the pilot will be completed in December 2009 with a final program summary report being submitted to Frontier and the member utilities.

Impact on Other Programs

No Oncor energy efficiency programs will be directly affected by this pilot program however there could be some minor impacts to the existing Low-Income Weatherization Program SOP due to CFLs being an eligible measure. Additionally, educational efforts will include information about energy efficiency measures covered by Oncor's other market transformation and standard offer programs.

Air Conditioning Distributor MTP

The Air Conditioning Distributor MTP targets the residential market for retrofit applications. This program was last offered by Oncor in 2005. The primary objectives of this program are to increase market penetration of high-efficiency air conditioning units to achieve customer energy savings. The 2008 budget for this program is $1,111,570 with targeted impacts of 1,925 kW and 4,721,640 kWh.

Data Centers Pilot MTP

Oncor will offer a Data Centers Pilot MTP in its service territory in 2008. Many data centers are located in the Oncor service area and many new centers are added annually. Traditional configurations of data centers are extremely wasteful. New technologies in software, cooling equipment and data center layouts can greatly reduce this energy density and reduce the rapid increase in energy growth for these centers. This can offset the increase in power required to cool the new generation of processors that have doubled in power and cooling requirements.

One barrier to the use of new technologies is that many data center managers do not know how their technology consumes energy. It is important to overcome this barrier by providing the expertise to analyze the electrical consumption and technical solutions to these problems

Target Audience
The 2008 Oncor Data Center Pilot MTP will be targeting data centers with at least 1,000 servers and that have local decision makers.

Non-Utility Sponsors/Participants
The Pilot will utilize a third-party implementer with appropriate licenses, certifications and facilities to provide the results desired.

Energy Savings
The estimated demand and energy savings to be achieved by the Pilot MTP is 1,000 kW of peak load reduction and 7,466,000 kWh.

Program Design
The program will be marketed to data centers in the service area focusing on software for server virtualization, right size of non-IT equipment, migration to blade servers, technology retirement and/or consolidation of old servers, row-oriented cooling, best in class UPS systems, properly located floor ventilation, efficient lighting, blanking panels in servers, and other technologies as appropriate for each installation. Funds will be available for analysis, program services for the implementer and incentives for demand and energy reduction for the end use customer.

Research Plan
A summary analysis will be conducted at the end of 2008 that includes information on all activities conducted for the program. The analysis will include: number of requests for participation received by phone and on-line; number of cancellations received from consumers and a list of reasons reported for canceling; number of units removed from service; energy and demand reductions attributable to the program; and a summary of program results.

Consumer market barriers will be identified and a plan developed to overcome these barriers. Any negative consumer attitudes towards the program will be documented, marketing efforts will be evaluated, program design and delivery will be evaluated and strategies will be developed to overcome any negative perceptions of the program.

Program Budget
The budget for the Data Center Pilot MTP for 2008 is $634,230. The budget is being split between program implementation and payment of incentives for the upgrade of computing and cooling equipment and ancillary considerations.

Program Timeline
The 2008 Data Center Pilot MTP will begin in the second quarter of 2008 and will continue through December 2008. The first and second quarters will be devoted to program design, outreach and baseline activities. The second and third quarters will consist of on-site assessments to identify energy efficiency opportunities. During the third and fourth quarter program implementation will begin along with the gathering of data for analysis. The analysis of the pilot will be completed in December 2008 with a final program summary report being submitted to Oncor.

Impact on Other Programs
The only program that could be affected is the Large Commercial & Industrial Standard Offer Program. Since there have been no projects of this type submitted there should be little or no effect. Based on the 2008 pilot evaluation, consideration will be given to making this a part of a Standard Offer Program in the future.

Pilot Targeted Weatherization Low-Income Program

As a result of the passage of Senate Bill 712 and the many proceedings that followed, an Agreement was developed to implement the Pilot Targeted Weatherization Low-Income Program.

Oncor agreed to provide $3,412,941 annually to the Texas Department of Housing and Community Affairs (TDHCA) for the Targeted Low-Income Program.

TDHCA and its weatherization organizations were to operate the Program within the Department of Energy's ("DOE") income eligibility guidelines, currently based on total household income at or below 125% of the federal poverty level. TDHCA could also employ its DOE administrative guidelines to implement the Program in coordination with the DOE Weatherization Assistance Program. The weatherization organizations were to select measures to be installed on the savings-to-investment ratio ("SIR") method prescribed in TDHCA's guidelines and TDHCA was to compensate the weatherization organizations for expenditures required to achieve energy savings using this method for measures that save electricity.

Due to TDHCA's inability to execute the agreement and the provision in the agreement that required that if at least 60% of a utility's funds allocated for the program year are not spent or encumbered by the weatherization organizations by August 31, 2007, a utility may, after notice and consultation with TDHCA, reduce the funding allocated to TDHCA by the amount that was not spent or encumbered (defined as invoiced by the weatherization organization, or obligated by a

weatherization organization's commitment to complete specific projects) and redirect that amount to other programs.

Oncor proactively initiated efforts in June 2007 to develop and implement a pilot program to meet the SB 712 Weatherization Program requirements. Oncor began discussions with Frontier Associates LLC to develop a strategy to work directly with local community action agencies and include additional agencies that were not TDHCA Weatherization Assistance Providers (WAPs), in an effort to reach more qualified customers. As a result of these discussions, an agreement between Frontier Associates, LLC and Oncor became effective on August 20, 2007.

Target Audience

This program is targeted to Oncor's low-income residential customers who meet DOE's income eligibility guidelines which are at or below 125% of the federal poverty level and are connected to Oncor's electric system. The Commission's final order in Docket No. 32103 envisioned that the TDHCA would distribute the funds and oversee the activities of participating sub grantees. The agreement also, however, anticipated the need for, and established procedures to invoke an alternative funding mechanism.

While the agreement in Docket No. 32103 allows utilities to automatically redirect funds to the Hard-to-Reach program, the PUCT Commission Staff has asked the utilities to determine whether it is feasible to establish a program whereby utility funding could be provided directly to community action agencies (thereby bypassing the TDHCA), in order to reach the program's original target audience. Oncor believes this program provides Frontier the opportunity to implement an innovative program that will leverage the skills and experience of existing community action agencies and other local not-for-profits.

Non-Utility Sponsors/Participants

Frontier, as the program implementer will be responsible for conducting outreach to local community agencies to enlist their participation in the program. The implementer will work with local government agencies, and organizations currently providing weatherization, home repair or energy bill assistance. The implementer will solicit the participation of a sufficient number of agencies to provide services to customers in all parts of Oncor's electric distribution service territory. These agencies may include but are not limited to TDHCA sub grantees. A standardized partnership agreement will be developed and executed by the implementer and each participating organization. The program will exclude Dallas and Tarrant counties in order to strengthen Oncor's energy efficiency program reach to areas outside the Metroplex.

Energy Savings

The estimated energy savings to be achieved by Oncor's 2008 Pilot Targeted Weatherization Low-Income Program is 1,630 kW of peak load reduction and 6,422,977 kWh in annual energy use reduction.

Program Design

The objective of the program is to develop the infrastructure and new market channels for the delivery of energy efficiency services to low-income customers. As the capabilities of the participating organizations are developed, two long-term market effects are anticipated. One of these anticipated effects is the availability of additional sources of funding. As the infrastructure

for providing energy efficiency services to low-income customers becomes more highly developed, the potential for the involvement of other businesses and organizations in the sponsorships of these efforts may be expected to increase.

Another objective of the program is to encourage comprehensive retrofits of eligible customers' homes. It is anticipated that the average amount spent per home will be between $3,000 and $4,000. Based on the cost effectiveness criteria to be utilized by participating agencies, this level of investment in energy efficiency improvements should provide for significant reductions in the energy bills of participating customers.

Frontier, as the program implementer, will be responsible for conducting outreach to local community agencies to enlist their participation in the program. The implementer will work with local government agencies, and organizations currently providing weatherization, home repair or energy bill assistance. The implementer will solicit the participation of a sufficient number of agencies to provide services to customers in all parts of Oncor's electric distribution service territory. A standardized partnership agreement will be developed and executed by the implementer and each participating organization.

The implementer is also responsible for the development of software and online databases for use by participating agencies.

To address this requirement, the implementer will develop an analysis tool that utilizes PUCT-approved deemed savings values. Deemed savings values have been approved for each of the measures contemplated for installation under this program, with the exception of the ENERGY STAR® ceiling fan. The primary inputs to the program will be:

- Annual deemed kWh savings.
- Avoided cost. The EASY Audit uses present value electricity savings instead of avoided cost. The proposed tool will adopt this approach.
- Measure life. The implementer will develop an initial set of measure cost data based on data reported by standard offer program project sponsors, local contractors, and other sources. These measure cost estimates will be reviewed and modified, if necessary, by the implementer and participating organizations.
- Discount rate. Consistent with EASY Audit and the TDHCA Agreement developed in Docket No. 32103, a discount rate of 3.0% will be used.

Using the above inputs, the software tool will provide savings-to-investment ratio (SIR) values for each of the project's applicable measures (for the purposes of determining which measures are to be installed, a "project" is defined herein as an individual home). Each measure will be based on applicability criteria established by the implementer. The tool will prioritize measures based on SIR, and evaluate the cost-effectiveness of incremental energy efficiency measures until either a whole house of 1.0 or greater is achieved or the maximum allowable expenditure per home is approached. The end result of this analysis will be a package of applicable measures that will be implemented as a whole.

Measure Installation costs may include incidental home repair costs, provided that: (a) these repairs are necessary to ensure the performance and service life of the measure or measures, and

(b) whole house SIR remains at or above 1.0, inclusive of the repair costs. In addition to the measure installation costs, the SIR will incorporate a per-home energy audit fee that will be paid to the participating partner. As with the TDHCA program, the maximum total expenditure per home is $4,000. Oncor will only reimburse Frontier Associates, LLC for expenditures required to achieve electrical savings. Frontier Associates, LLC will not be reimbursed for projects that do not result in electrical energy savings.

Participating Not-For-Profit Agencies:

The participating agencies' responsibilities will include:

- Conducting outreach to eligible customers
- Verifying customer eligibility
- Conducting energy assessments using the software tool provided by the implementer
- Arranging for measure installation, using agency staff and/or subcontractor personnel
- Verifying measure installation
- Reporting energy assessment and measure installation data to implementer and Oncor via an online database developed by implementer

Service Providers have historically installed the one or two most profitable or cost-effective measures on as many homes as possible. This leads to a lack of diversity in the types of measures installed, a concentration of projects in certain areas and a lack of comprehensiveness. With this new approach, it is anticipated that the list of measures included in projects will include:

- Attic insulation
- Solar screens
- Compact fluorescent lamps
- ENERGY STAR® air conditioners
- ENERGY STAR® ceiling fans
- ENERGY STAR® refrigerators
- Duct efficiency improvement
- Air infiltration control
- Wall insulation
- Water heater efficiency measures (for electric water heaters)
- Water Saving devices

At their option, the participating agencies may use in-house staff or subcontractors to install the recommended measures. It is anticipated that initially, participating agencies may choose to use subcontractors for the installation of most of the measures. Participating agencies will be responsible for hiring and negotiating terms with subcontractors. Over time, participating agencies may develop (either individually or collectively) the resources required to install many, if not most, of the commonly-recommended energy-efficiency measures.

Payments to participating agencies will be based on the measures actually installed at each project site and their resultant deemed savings, as reported to the implementer and Oncor via an online database. Only completed projects will be included on a monthly report. Participating agencies will invoice Frontier directly and Oncor will provide payment directly to Frontier for these agencies invoices.

Research Plan
Data collection is described in the prior paragraphs.

Program Budget
Oncor's energy efficiency budget for the 2008 program year is $3,333,333.

Program Timeline
This pilot program is scheduled to run from August 20, 2007 through December 31, 2008.

Impact on Other Programs
The program is designed to have minimal impact on other programs because it serves customers at or below 125% of the federal poverty level and is targeted at the rural areas of Oncor's service area. Historically, the Hard-to-Reach program has served customers at or below 200% of the federal poverty level and most work has been done in the Metroplex area.

Pilot Targeted Partnership Weatherization Low-Income Program

The Pilot Targeted Partnership Weatherization Low-Income program is an extension of the Senate Bill 712 Pilot Targeted Weatherization Low-Income Program that will target Dallas and Tarrant counties.

Oncor will provide $412,941 for the 2008 Program Year for agencies and/or weatherization organizations (Service Providers) in Dallas and Tarrant Counties to implement the Program. Through offering these partnerships Oncor will provide funding assistance so that more residential customers (Customer Sites) can be reached that have already been qualified through the agencies income guidelines in Dallas and Tarrant Counties.

These agencies and weatherization organizations will operate the Program within the Department of Energy's (DOE) income eligibility guidelines, currently based on total household income at or below 125% of the federal poverty level. These agencies and organizations can also employ DOE administrative guidelines to implement the Program in coordination with the programs they are currently implementing.

Only measures in the Oncor Low-Income Weatherization (LIW) Program Database (Program Database) are allowed for consideration in the Program. The Program Database is part of Oncor's reporting tool where the Service Provider is required to log-in and complete the deemed savings measures information for each measure installed at a Customer Site.

Target Audience
The 2008 Oncor Pilot Targeted Partnership Weatherization Low-Income Program is targeted to Oncor's low-income residential customers who meet DOE's income eligibility guidelines which are at or below 125% of the federal poverty level, are connected to Oncor's electric system, and have been qualified through the Service Providers guidelines in Dallas and Tarrant Counties.

While the Agreement provided for in Docket No. 32103 allowed utilities to automatically redirect funds to the Hard-to-Reach program, the PUCT Commission Staff has asked the utilities to determine whether it is feasible to establish a program whereby utility funding could be provided

directly to agencies, in order to reach the program's original target audience. Oncor believes this Program provides the opportunity for Service Providers to implement an innovative program that will leverage the skills and experience of existing agencies and provide the required services to the target audience.

Non-Utility Sponsors/Participants

Oncor as the Program Manager will be responsible for conducting outreach to these county agencies to enlist their participation in the program. The Program will utilize the Service Providers list of residential customers already qualified through Dallas and Tarrant Counties in which the household income is at or below 125% of the federal poverty guidelines. The Counties will supplement their existing programs which receive funding from the Department of Energy (DOE) and the Low-Income Home Energy Assistance Program (LIHEAP) by participating in this Program. The Service Providers have agreed to adhere to the standards and guidelines applicable to its existing DOE and LIHEAP funded Weatherization Assistance Program.

A standardized partnership agreement will be developed and executed by Oncor with each participating Service Provider. The Program will only include Dallas and Tarrant Counties in order to strengthen Oncor's energy efficiency program reach to areas inside the DFW Metroplex.

Energy Savings

The estimated energy savings to be achieved by the Program is 400 kW of peak demand reduction and 1,576,800 kWh in annual energy use reduction.

Program Design

The objective of the Program is to develop the infrastructure and new market channels for the delivery of energy efficiency services to low-income customers in Dallas and Tarrant Counties. As the capabilities of the participating organizations are developed, two long-term market effects are anticipated. One of these anticipated effects is the availability of additional sources of funding. As the infrastructure for providing energy efficiency services to low-income customers becomes more highly developed, the potential for the involvement of other businesses and organizations in the sponsorships of these efforts may be expected to increase.

Another objective of the Program is to encourage comprehensive retrofits of eligible customers' homes utilizing approved energy efficient measures. It is anticipated that the average amount spent per home will be between $3,000 and $4,000. Based on the cost effectiveness criteria to be utilized by participating agencies, this level of investment in energy efficiency improvements should provide for significant reductions in the energy bills of participating customers.

Oncor, as the Program Manager, will be responsible for conducting outreach to the county agencies to enlist their participation in the Program. The Program Manager will work with county agencies, and organizations currently providing weatherization services. The Program Manager will solicit the participation of agencies in Dallas and Tarrant Counties to provide services to customers in Oncor's electric distribution service territory.

The Program Manager will also provide access to the Program Database for use by the participating Service Providers.

To address this requirement, the Service Provider will utilize the Program Database that uses PUCT approved deemed savings values. Deemed savings values have been approved for each of the measures contemplated for installation under this Program with the exception of the ENERGY STAR® ceiling fan. Should an ENERGY STAR® ceiling fan with a light kit be installed it will be part of the CFL lighting package. The primary inputs will be:

- Customer Site information (Customer name, ESI ID, address, meter number, phone numbers).
- Energy efficient measure(s) installed.

Using the EASY Audit, the Service Provider will provide Savings-to-Investment Ratio (SIR) values for each of the Customer Site's applicable measures (for the purposes of determining which measures are to be installed, at the "Customer Site" is defined herein as an individual home). Each measure will be based on applicability criteria established by the Service Provider. The EASY Audit will prioritize measures based on SIR, and evaluate the cost-effectiveness of incremental energy efficiency measures until either a whole house of 1.0 or greater is achieved or the maximum allowable expenditure per home is approached. The end result of this analysis will be a package of applicable measures that will be implemented as a whole.

Measure installation costs may include incidental home repair costs, provided that: (a) these repairs are necessary to ensure the performance and service life of the measure or measures, and (b) whole house SIR remains at or above 1.0, inclusive of the repair costs. In addition to the measure installation costs, the SIR will incorporate a per home energy audit fee that will be paid to the participating partner. The maximum total expenditure per individual home is $4,000. Oncor will only reimburse Dallas and Tarrant County participating agencies for expenditures required to achieve electrical savings. Dallas and Tarrant County participating agencies will not be reimbursed for projects that do not result in electrical energy savings.

The participating agencies' responsibilities will include:

- Conducting outreach to eligible customers
- Verifying customer income eligibility
- Arranging for measure installation, using agency staff and/or subcontractor personnel
- Verification and inspection of measure(s) installation
- Reporting installed measures to Program Manager (Oncor) via the Program Database, a signed Customer Certificate and Audit Report for each Customer Site.

Service Providers have historically installed the one or two most profitable or cost-effective measures on as many homes as possible. This leads to a lack of diversity in the types of measures installed, a concentration of projects in certain areas and a lack of comprehensiveness. With this new approach, it is anticipated that the list of measures included in projects will include:

- Attic insulation
- Solar screens
- Compact fluorescent lamps
- ENERGY STAR® air conditioners
- ENERGY STAR® ceiling fans
- ENERGY STAR® refrigerators

- Duct efficiency improvement
- Air infiltration control
- Wall insulation
- Water heater efficiency measures (for electric water heaters)
- Water saving devices

At their option, the participating Service Providers may use in-house staff or subcontractors to install the recommended measures. It is anticipated that initially, participating Service Providers may choose to use subcontractors for the installation of most of the measures. Participating Service Providers will be responsible for hiring and negotiating terms with subcontractors. Over time, participating Service Providers may develop (either individually or collectively) the resources required to install many, if not most, of the commonly-recommended energy-efficiency measures.

Payments to participating Service Providers will be based on the measures actually installed at each Customer Site and their resultant deemed savings, as reported to Oncor via the Program Database. Only completed Customer Sites reported to the Program Database and accompanied by a signed Customer Certificate and Audit Report will be included on a monthly report submitted by the Service Provider. Participating Service Providers will directly invoice and Oncor will provide payment directly to these Service Providers. Funds may be paid to Service Providers in installments. In some cases Oncor may advance the first installment of funding to a Service Provider prior to the performance of services under the Agreement. After the first installment, the Service Provider or a designated representative of the Service Provider shall notify Oncor when the next installment is needed to continue performance of services. Oncor will advance the requested installment to the Service Provider within thirty (30) days of such request. Seventy-five percent (75%) of the previous installment funding must be invoiced and conservation measures entered in to the Program Database prior to Oncor releasing additional installments.

Research Plan
Data collection is described in the prior paragraphs.

Program Budget
Oncor's energy efficiency total budget for the 2008 program year is $458,823.

Program Timeline
This pilot program is scheduled to run from April 1, 2008 through November 30, 2008.

Impact on Other Programs
The program is designed to have minimal impact on other programs because it serves customers at or below 125% of the federal poverty level and is targeted to Customer Sites that have been qualified through the Service Providers guidelines (standards and guidelines applicable to its existing DOE and LIHEAP funded Weatherization Assistance Program) in Dallas and Tarrant Counties in Oncor's service area. Historically, the Hard-to-Reach SOP has served customers at or below 200% of the federal poverty level.

ENERGY STAR® Low-Rise MTP

The objective of this program is to conduct a census of current building standards and efficiency levels. Any attached Low-Rise multifamily dwelling, three stories or less, can earn the ENERGY STAR® label if it has been verified to meet the Environmental Protection Agency's (EPA) guidelines. Low-Rise multifamily units can qualify for ENERGY STAR® if the end-unit with the most exposed wall area qualifies. EPA has developed a new Builder Option Package (BOP) that allows builders to select additional energy efficiency features in exchange for not installing a high-efficiency HVAC system.

Attached housing is defined as one dwelling that shares a common floor, ceiling, or wall with one or more adjacent dwellings. Common examples include condominiums, apartments, townhouses and duplexes.

This sector of housing has certain characteristics that make it unique with consideration to energy efficiency. First, the common surfaces are generally adiabatic, making the homes more efficient than an equivalent detached home. Second, due to fewer windows, smaller conditioned floor areas, and the common surfaces, HVAC loads are typically small, making high efficiency HVAC systems less cost-effective.

Target Audience
Targeted new multifamily projects of three stories or less that are individually metered (i.e., condominiums, town homes or low-rise apartments).

Non-Utility Sponsors/Participants
This program will include a third party implementer, participating builders for new multi-family construction and Home Energy Raters.

Energy Savings
The estimated energy savings to be achieved by Oncor's 2008 Pilot Low-Rise ENERGY STAR® program is 385 kW of peak load reduction and 438,438 kWh in annual energy use reduction.

Program Design
The objective of this program is to conduct a census of current building standards and efficiency levels. The program design will also determine; builder attitudes including any barriers to participation; demand and energy savings potential, and recommendations for developing an expanded program if a significant savings potential exists.

Research Plan
A sample of new multi-family units utilizing current construction standards will be tested by certified HERS raters to determine the current energy efficiency levels and the savings potential for meeting ENERGY STAR® certification.

- Energy Efficiency measures and improved building standards will be identified and recommended to multi-family builders to meet the improved energy efficiency levels required for ENERGY STAR® certification.

- A cost benefit analysis will be conducted to determine the cost-effectiveness of the additional investment by builders to meet ENERGY STAR® certification.

Program Budget
Oncor's total budget for this program in 2008 is $168,071.

Program Timeline
This pilot program is scheduled to run from March 20, 2008 through November 20, 2008.

Impact on Other Programs
This program will not impact other Oncor programs.

D. Existing DSM Contracts or Obligations

There were no new projects installed under Oncor's existing DSM contracts as of January 1, 2006 forward and, thus, there will be no additional savings reported from the existing DSM contracts, although the contracts will require payments through 2010. A description of each existing DSM contract, including information about the type and duration of the energy efficiency project(s) implemented pursuant to the contract and the customer class that the project(s) serves, is included in Appendix C.

II. Customer Classes

Customer classes targeted by Oncor's energy efficiency programs are the Hard-to-Reach, Residential, and Commercial customer classes. The annual demand goal will be allocated to customer classes by examining historical program results, evaluating economic trends, and taking into account Substantive Rule §25.181, which states that no less than 5% of the utility's total demand reduction savings goal should be achieved through programs for hard-to-reach customers. Table 3 summarizes the number of customers in each of the customer classes, which was used to determine budget allocations for those classes. Oncor used year end 2007 Customer Information System (CIS) premise level data to estimate the number of customers in each class. The Hard-to Reach class was estimated by multiplying the total number of residential customers by 32.5%. According to the U.S. Census Bureau's 2007 Current Population Survey (CPS), 32.5% of Texas families fall at or below 200% of the poverty threshold. Applying that percentage to Oncor's residential customer totals, the number of HTR customers is estimated at 846,052. This calculation is only an estimate. Oncor does not have access to its residential customer's income levels. The actual percentage may be higher or lower.

It should be noted, however, that the actual distribution of the goal and budget must remain flexible based upon the response of the marketplace, the potential interest that a customer class may have toward a specific program and the overriding objective of meeting the legislative goal. Oncor will offer a portfolio of Standard Offer and Market Transformation Programs that will be available to all customer classes.

Table 3: Summary of Customer Classes

Program	Number of Customers
Commercial	483,931
Residential	1,757,186
Hard-to-Reach	846,052
Total	3,087,169

III. Projected Energy Efficiency Savings and Goals

As prescribed by Substantive Rule §25.181, Oncor's demand goal is specified as a percent of its historical five-year average rate of growth in demand. As an example, the annual growth in demand defined for the December 31, 2008 goal reflects the average annual growth in peak demand from 2003 to 2007 (the most recent historical load growth data available). The demand goals are based on meeting 15% of the electric utility's annual growth in demand of residential and commercial customers by December 31, 2008, and on meeting 20% of the electric utility's annual growth in demand of residential and commercial customers by December 31, 2009, and each year thereafter. The corresponding energy savings goals are determined by applying a 20 percent capacity factor to the applicable demand savings goals.

Table 4 presents historical annual growth in demand for the previous five years. Total System numbers include all customers (including transmission) while Residential & Commercial totals include residential and non-residential customers taking delivery at a distribution voltage and non-profit customers and government entities, including educational institutions. Table 5 presents the projected demand and energy savings broken out by program for each customer class for 2008 and 2009. The program level goals presented in Table 5 take into account transmission and distribution line losses.

Table 4: Annual Growth in Demand and Energy Consumption

Calendar Year	Peak Demand (MW) (at Source)				Energy Consumption (MWh) (at Meter)				Residential & Commercial	
	Total System		Residential & Commercial		Total System		Residential & Commercial		Growth (MW)	Avg (MW) Growth [2]
	Actual	Actual Weather Adjusted [3]	Actual	Actual Weather Adjusted [3]	Actual	Actual Weather Adjusted [3]	Actual	Actual Weather Adjusted [3]	Actual Weather Adjusted [3]	Actual Weather Adjusted [3]
2002	22,257	24,136	21,540	23,420	97,132,558	97,164,987	93,317,248	93,349,678	NA	NA
2003	25,003	25,354	24,178	24,529	102,708,362	102,398,468	95,261,584	94,951,690	1,109	NA
2004	24,438	25,585	23,527	24,674	101,640,384	102,932,488	93,981,365	95,273,470	145	NA
2005	25,115	25,646	24,333	24,864	106,184,587	104,495,175	97,770,825	96,081,413	191	NA
2006	25,916	26,289	24,907	25,280	106,827,224	105,269,342	98,306,302	96,748,420	416	NA
2007	25,885	26,111	24,916	25,142	105,428,707	103,808,598	96,776,938	95,156,830	-138	NA
2008[4]	NA	NA	NA	NA	NA	NA	NA	NA	NA	2003-2007
2009[4]	NA	NA	NA	NA	NA	NA	NA	NA	NA	2003-2007

[2] "Average Growth" for previous 5 years. NA = Not Applicable; Average MW growth from 2003-2006 is not applicable to any of the calculations or forecasts in this EEPR.

[3] "Actual Weather Adjusted" Peak Demand and "Energy Consumption" are adjusted for weather fluctuations using weather data for the most recent ten years.

[4] NA = Not Applicable; Energy efficiency goals are calculated based upon the actual weather-adjusted growth in demand, so peak demand and energy consumption forecasts for 2008 and 2009 are not applicable.

Table 5: Projected Demand and Energy Savings Broken Out by Program for Each Customer Class (at Meter)

	2008 Projected Savings		2009 Projected Savings	
Customer Class and Program	**(kW)**	**(kWh)**	**(kW)**	**(kWh)**
Commercial	**48,605**	**106,820,601**	**49,540**	**120,359,181**
Large Commercial & Industrial SOP	12,500	65,700,000	13,625	71,613,000
Emergency Load Management SOP	21,000	0	18,000	0
Texas SCORE Pilot MTP	10,000	23,652,000	11,100	26,253,720
CitySmart Pilot MTP	2,500	5,913,000	4,000	9,460,800
Data Centers Pilot MTP	1,000	7,446,000	1,190	8,860,740
Third Party DSM Contracts	0	0	0	0
Residential & Small Commercial SOP	280	858,480	300	919,800
Commercial AC MTP	1,325	3,251,121	1,325	3,251,121
Residential	**29,816**	**90,711,438**	**28,840**	**91,615,828**
Residential & Small Commercial SOP	13,720	42,065,520	14,700	45,070,200
ENERGT STAR® Homes MTP	8,000	9,110,400	5,860	6,673,368
Air Conditioning Installer Information & Training MTP	832	1,384,800	1,250	2,080,500
Refrigerator Recycling Pilot MTP	1,100	7,130,640	1,000	6,482,400
Air Conditioning Tune-Up Pilot MTP	357	560,000	600	946,080
CCET Residential Demand Response Pilot MTP	667	0	NA	NA
Residential Demand Response Pilot MTP	1,500	0	1,500	0

Statewide Residential CFL Pilot MTP	1,330	25,300,000	1,330	25,300,000
Air Conditioning Distributor MTP	1,925	4,721,640	1,600	3,924,480
ENERGY STAR® Low-Rise MTP	385	438,438	1,000	1,138,800
Hard-to-Reach	**13,537**	**53,360,371**	**11,130**	**43,871,977**
Hard-to-Reach SOP	11,507	45,360,594	9,100	35,872,200
Pilot Targeted Partnership Weatherization Low Income	400	1,576,800	400	1,576,800
Pilot Targeted Weatherization Low Income	1,630	6,422,977	1,630	6,422,977
Total Annual Savings Goals	**91,958**	**250,892,410**	**89,510**	**255,846,986**

IV. Program Budgets

Table 6 presents total proposed budget allocations required to achieve the projected demand and energy savings shown in Table 5. The budget allocations are defined by the overall demand and energy savings presented above, allocation of demand savings goals among customer classes, projected costs for existing DSM contracts and SB 712 Targeted Low-Income mandates. The budget allocations presented in Table 6 below are first broken down by customer class and program, and are then further subdivided into the incentive payments and administration categories.

Oncor has created a separate budgeting category for each group of customers. While Oncor has estimated budgets by customer class, Oncor plans to track and report budgets by program, since individual programs may serve multiple customer classes.

Table 6: Proposed Annual Budget Broken Out by Program for Each Customer Class

2008 Customer Class and Program	Incentives	Administration	Total Budget
Commercial	**$18,613,928**	**$2,068,214**	**$20,682,142**
Large Commercial & Industrial SOP	$7,286,854	$809,650	$8,096,504
Emergency Load Management SOP	$1,869,000	$207,667	$2,076,667
Texas SCORE Pilot MTP	$3,577,693	$397,521	$3,975,214
CitySmart Pilot MTP	$894,423	$99,380	$993,803
Data Centers Pilot MTP	$570,807	$63,423	$634,230
Third Party DSM Contracts	$3,812,126	$423,570	$4,235,696
Residential & Small Commercial SOP	$121,062	$13,452	$134,514
Commercial AC MTP	$481,963	$53,551	$535,514
Residential	**$13,927,643**	**$1,547,515**	**$15,475,158**
Residential & Small Commercial SOP	$5,932,049	$659,116	$6,591,165
ENERGY STAR® Homes MTP	$2,459,280	$273,253	$2,732,533
AC Installer Information & Training MTP	$410,001	$45,556	$455,557
Refrigerator Recycling Pilot MTP	$999,407	$111,045	$1,110,452
Air Conditioning Tune-Up Pilot MTP	$155,071	$17,230	$172,301
CCET Res. Demand Response PMTP	$207,437	$23,049	$230,486
Residential Demand Response PMTP	$292,500	$32,500	$325,000
Statewide Residential CFL Pilot MTP	$2,320,221	$257,802	$2,578,023
Air Conditioning Distributor MTP	$1,000,413	$111,157	$1,111,570
ENERGY STAR® Low-Rise MTP	$151,264	$16,807	$168,071
Hard-to-Reach	**$14,867,075**	**$1,651,896**	**$16,518,971**
Hard-to-Reach SOP	$11,454,134	$1,272,681	$12,726,815

Pilot Targeted Partnership Weatherization Low Income	$412,941	$45,882	$458,823
Pilot Targeted Weatherization Low Income	$3,000,000	$333,333	$3,333,333
Research & Development*	**$0**	**$900,000**	**$900,000**
Total Budgets by Category	**$47,408,646**	**$6,167,625**	**$53,576,271**
2009 Customer Class and Program	**Incentives**	**Administration**	**Total Budget**
Commercial	**$21,294,299**	**$2,366,033**	**$23,660,332**
Large Commercial & Industrial SOP	$9,859,050	$1,095,450	$10,954,500
Emergency Load Management SOP	$1,602,000	$178,000	$1,780,000
Texas SCORE Pilot MTP	$3,971,239	$441,249	$4,412,488
CitySmart Pilot MTP	$1,431,077	$159,009	$1,590,086
Data Centers Pilot MTP	$679,260	$75,473	$754,733
Third Party DSM Contracts	$3,140,000	$348,889	$3,488,889
Residential & Small Commercial SOP	$129,710	$14,412	$144,122
Commercial AC MTP	$481,963	$53,551	$535,514
Residential	**$13,779,949**	**$1,531,105**	**$15,311,054**
Residential & Small Commercial SOP	$6,355,768	$706,197	$7,061,965
ENERGY STAR® Homes MTP	$1,801,423	$200,158	$2,001,581
AC Installer Information & Training MTP	$615,982	$68,442	$684,424
Refrigerator Recycling Pilot MTP	$908,552	$100,950	$1,009,502
Air Conditioning Tune-Up Pilot MTP	$261,097	$29,011	$290,108
Residential Demand Response PMTP	$292,500	$32,500	$325,000
Statewide Residential CFL Pilot MTP	$2,320,221	$257,802	$2,578,023
Air Conditioning Distributor MTP	$831,512	$92,390	$923,902
ENERGY STAR® Low-Rise MTP	$392,894	$43,655	$436,549
Hard-to-Reach	**$12,471,507**	**$1,385,722**	**$13,857,229**
Hard-to-Reach SOP	$9,058,566	$1,006,507	$10,065,073
Pilot Targeted Partnership Weatherization Low Income	$412,941	$45,882	$458,823
Pilot Targeted Weatherization Low Income	$3,000,000	$333,333	$3,333,333
Research & Development*	**$0**	**$750,000**	**$750,000**
Total Budgets by Category	**$47,545,755**	**$6,032,860**	**$53,578,615**

*Research and Development expenditures are budgeted 60% to the residential class and 40% to the commercial class.

Energy Efficiency Report

V. Historical Demand Savings Goals and Energy Targets for Previous Five Years

Table 7 documents Oncor's projected demand savings, actual demand goals and projected energy savings for the previous five years (2003-2007) calculated in accordance with Substantive Rule §25.181.

Table 7: Historical Demand Savings Goals and Energy Targets (at Meter)

Calendar Year	Projected Savings (MW)	Actual Demand Goal (MW)	Projected Energy Savings (MWh)
2007 [5]	104.1	75.5	265,732
2006 [6]	79.1	79.1	296,403
2005 [7]	86.0	86.0	209,072
2004 [8]	100.7	100.7	238,979
2003 [9]	87.4	87.4	317,112

[5] Projected MW Savings, Actual Demand Goal and Projected Energy Savings as reported in the Annual Energy Efficiency Plan (EEP) filed in April of 2007 under Project No. 33884.
[6] Projected Savings and Goals from EEP, Project No. 32107.
[7] Projected Savings and Goals from EEP, Project No. 30739.
[8] Projected Savings and Goals from EEP, Project No. 29440.
[9] Projected Savings and Goals from EEP, Project No. 27541.

VI. Projected, Reported and Verified Demand and Energy Savings

Table 8: Projected versus Reported and Verified Savings for 2007 and 2006[10] (at Meter)

2007	Projected Savings		Reported and Verified Savings	
Customer Class and Program	**kW**	**kWh**	**kW**	**kWh**
Commercial	**53,847**	**144,011,246**	**41,857**	**84,449,819**
Large Commercial & Industrial SOP	28,337	138,412,122	14,594	73,228,171
Third Party DSM Contracts	0	0	0	0
Emergency Load Management SOP	21,510	0	21,510	0
Texas Score Pilot MTP	3,000	2,906,308	5,615	10,721,468
CitySmart Pilot MTP	1,000	2,692,816	138	500,180
Residential & Small Commercial	**38,908**	**77,953,939**	**30,351**	**66,498,466**
Residential & Small Commercial SOP	11,320	40,203,932	14,746	44,875,076
ENERGY STAR® Homes MTP	14,000	15,073,997	10,937	12,639,955
A/C Installer Info. & Training MTP	8,945	12,640,019	4,460	8,474,000
A/C Tune-Up Pilot MTP	300	985,490	0	0
Refrigerator Recycling Pilot MTP	300	985,495	4	27,244
CCET Res. Demand Response Pilot MTP	643	0	0	0
Commercial A/C Distributor MTP	3,400	8,065,006	204	482,191
Hard-to-Reach	**11,320**	**43,766,581**	**17,026**	**65,423,205**
Hard-to-Reach SOP	11,320	43,766,581	17,026	65,423,205
TDHCA Weatherization	0	0	0	0
Total Annual Savings Goals	**104,075**	**265,731,766**	**89,233**	**216,371,490**
2006 [11]	**Projected Savings**		**Reported and Verified Savings**	
Customer Class and Program	**kW**	**kWh**	**kW**	**kWh**
Commercial	**47,094**	**147,838,082**	**37,212**	**70,871,000**
Large Commercial & Industrial SOP	20,579	130,417,191	11,680	66,613,517
Third Party DSM Contracts	0	0	0	0
Emergency Load Management SOP	23,745	0	23,745	0
Texas Score Pilot MTP	2,770	17,420,891	1,787	4,257,483
Residential & Small Commercial	**28,098**	**138,821,955**	**49,469**	**72,403,197**
Residential & Small Commercial SOP	8,706	53,352,487	11,970	35,717,210
ENERGY STAR® Homes MTP	8,311	31,122,284	28,114	25,187,935
A/C Installer Info. & Training MTP	7,124	23,712,216	8,925	10,386,000
Commercial A/C Distributor MTP	3,957	30,634,968	460	1,112,052
Hard-to-Reach	**3,957**	**9,742,686**	**4,805**	**16,198,046**
Hard-to-Reach SOP	3,957	9,742,686	4,805	16,198,046
Total Annual Savings Goals	**79,149**	**296,402,723**	**91,486**	**159,472,243**

[10] Projected Savings data for 2007 and 2006 from Table 7; See Footnote 5 for a discussion of the calculation. 2006 and 2007 A/C Installer savings reflect the results of Market Effects Study's. 2007 total reported kW does not add due to rounding.

[11] Reported and Verified Savings data for 2006 taken from EER, Project No. 33884.

VII. Historical Program Expenditures

This section documents Oncor's incentive and administration expenditures for the previous five years (2003-2007) broken out by program for each customer class.

Table 9: Historical Program Incentive and Administrative Expenditures for 2003 through 2007

	2007		2006		2005		2004		2003	
	Incentive ($)	Admin ($)	Incentive ($)	Admin ($)	Incentive ($)	Admin ($)	Incentive ($)	Admin ($)	Incentive ($)	Admin ($)
Commercial	**12,667,933**	**1,047,882**	**6,878,679**	**861,742**	**16,298,899**	**841,548**	**20,183,804**	**810,250**	**9,076,527**	**935,027**
Large Commercial & Industrial SOP	4,666,458	369,590	2,609,314	322,313	8,209,344	353,728	8,452,502	287,015	5,534,881	426,949
Third Party DSM Contracts	4,557,195	237,043	2,740,445	265,449	7,491,747	464,436	11,327,094	511,809	3,366,969	459,813
Emergency Load Management SOP	1,255,281	173,492	977,729	153,793	597,808	23,384	404,208	11,426	174,677	48,265
Texas Score Pilot MTP	1,903,461	244,313	551,191	120,187	NA	NA	NA	NA	NA	NA
CitySmart Pilot MTP	285,538	23,444	NA	NA	NA	NA	NA	NA	NA	NA
Res. & Small Commercial	**10,459,889**	**1,337,226**	**10,655,488**	**1,725,674**	**19,910,582**	**1,351,904**	**22,803,858**	**941,618**	**20,264,132**	**1,037,614**
Res. & Small Commercial SOP	6,380,882	620,420	5,096,074	689,986	8,258,590	546,943	11,909,700	485,607	8,013,255	415,464
ENERGY STAR® Homes MTP	3,331,736	367,043	4,512,251	697,779	6,397,907	318,558	6,867,478	211,910	9,493,297	302,955
A/C Installer Info. & Training MTP	527,206	216,583	889,120	250,592	1,345,735	261,357	1,141,982	39,794	454,690	119,544
A/C Tune-Up Pilot MTP	117,678	5,366	NA	NA	NA	NA	NA	NA	NA	NA
Refrigerator Recycling Pilot MTP	30,495	3,087	NA	NA	NA	NA	NA	NA	NA	NA
CCET Res. Demand Response MTP	0	2,036	NA	NA	NA	NA	NA	NA	NA	NA
Commercial A/C Distributor MTP (Prior to 2006, known as AC Distributor MTP)	71,892	122,691	158,043	87,317	3,562,825	211,254	2,297,426	187,255	2,302,890	199,651
Multi-Family Water & Space Heating Pilot MTP	NA	NA	NA	NA	345,525	13,792	587,272	17,052	NA	NA
Hard-to-Reach	**15,902,313**	**1,176,910**	**4,230,410**	**505,981**	**10,703,808**	**662,120**	**13,682,570**	**550,813**	**6,433,171**	**392,711**
Hard-to-Reach SOP	15,902,313	1,124,630	4,230,410	505,981	10,703,808	662,120	13,682,570	550,813	6,433,171	392,711
TDHCA Weatherization	0	52,280	0	0	NA	NA	NA	NA	NA	NA
Total Program Expenditures	**39,030,135**	**3,562,018**	**21,764,577**	**3,093,397**	**46,913,289**	**2,855,572**	**56,670,232**	**2,302,681**	**35,773,830**	**2,365,352**

VIII. Program Funding for Calendar Year 2007

Oncor exceeded its 2007 mandated 10% demand goal of 75,466 kW by obtaining 89,233 kW in energy efficiency savings. As shown on the following table, funds were either spent or committed by contracts with energy efficiency service providers in excess of the total overall 2007 budget of the SOP's and MTP's in order to ensure attainment of the goal.

A large portion of Oncor's total program cost decrease of more than 10% can be attributed to unspent dollars that were set aside as part of Senate Bill 712 requirements to fund research and development activities and the Texas Department of Housing and Community Affairs (TDHCA) Low-Income Weatherization Program. Oncor spent $2,827,632 of the $4,266,355 budgeted for research and development, but TDHCA was unable to implement the contract, resulting in minimal expenditures in 2007.

The ENERGY STAR® Homes MTP was under budget primarily due to the down turn in the housing market that occurred in 2007. Additionally, a new program requirement required by EPA, the thermal bypass checklist, caused many production builders to drop out of the program in 2007 due to the additional cost associated with completing the checklist.

The Commercial A/C Distributor Market Transformation Program was under budget despite having an additional eight Distributors participate in the program in 2007. For 2008, Oncor will pursue additional distributor participation and focus efforts outside of the Metroplex to try and increase participation. As with all programs, Oncor will continue to evaluate the potential of this program.

The A/C Installer Information & Training Market Transformation Program performed at a level lower than projected because of a major down turn in the housing market in 2007. The program will take a different marketing approach in 2008 to increase participation not only in new construction but also pursuing the retrofit market, featuring the new retrofit ENERGY STAR® Quality Installation.

The Large Commercial & Industrial Standard Offer Program came in under budget primarily due to two factors. First, projects came in with results lower than was originally projected after the measurement and verification was completed. Second, there is a timing difference between when funds are committed to projects and when the projects are actually completed and paid. Between the $2,745,956 carryover from the previous year's commitments and the $7,833,131 submitted by participating contractors in 2007, Oncor had funds committed in excess of the 2007 budget of $10,874,167.

Table 10: Program Funding for Calendar Year 2007

	Numbers of Customers	Total Projected Budget[12]	Actual Funds Expended (Incentives)	Actual Funds Expended (Admin)	Total Funds Expended	Funds Committed (Not Expended)	Funds Remaining (Not Committed)
Commercial	**456**	**$17,342,654**	**$12,667,933**	**$1,047,882**	**$13,715,815**	**$6,584,561**	**$(2,957,722)**
Large Commercial & Industrial SOP	430	$10,874,167	$4,666,458	$369,590	$5,036,048	$6,471,321	$(633,202)
Third Party DSM Contracts	0	$3,734,883	$4,557,195	$237,043	$4,794,238	$0	$(1,059,355)
Emergency Load Management SOP*	4	$1,432,914	$1,255,281	$173,492	$1,428,773	$0	$4,141
Texas Score Pilot MTP	15	$878,468	$1,903,461	$244,313	$2,147,774	$0	$(1,269,306)
CitySmart Pilot	7	$422,222	$285,538	$23,444	$308,982	$113,240	$0
Residential & Small Commercial	**23,989**	**$15,548,276**	**$10,459,889**	**$1,337,226**	**$11,797,115**	**$4,153,485**	**$(402,324)**
Residential & Small Commercial SOP	16,751	$5,879,159	$6,380,882	$620,420	$7,001,302	$0	$(1,122,143)
ENERGY STAR® Homes MTP	6,510	$4,491,491	$3,331,736	$367,043	$3,698,779	$1,601,900	$(809,188)
A/C Installer Info. & Training MTP	651	$3,111,116	$527,206	$216,583	$743,789	$2,256,211	$111,116
A/C Tune-Up Pilot MTP	0	$200,000	$117,678	$5,366	$123,044	$149,956	$(73,000)
Refrigerator Recycling Pilot MTP	13	$200,000	$30,495	$3,087	$33,582	$145,418	$21,000
CCET Res. Demand Response Pilot MTP	0	$222,407	$0	$2,036	$2,036	$0	$220,371
Commercial A/C Distributor MTP	64	$1,444,103	$71,892	$122,691	$194,583	$0	$1,249,520
Hard-to-Reach	**22,782**	**$19,971,413**	**$15,902,313**	**$1,176,910**	**$17,079,223**	**$3,000,000**	**$(107,810)**
Hard-to-Reach SOP	22,782	$12,387,100	$15,902,313	$1,124,630	$17,026,943	$0	$(4,639,843)
TDHCA Weatherization	0	$7,584,313	$0	$52,280	$ 52,280	$3,000,000	$4,532,033
Research & Development	**NA**	**$4,266,355**	**$2,690,996**	**$136,636**	**$ 2,827,632**	**$0**	**$1,438,723**
General Energy Efficiency Administrative Costs	**NA**	**$0**	**$0**	**$964,924**	**$ 964,924**	**$0**	**$(964,924)**
Total	**47,227**	**$57,128,698**	**$41,721,131**	**$4,663,578**	**$ 46,384,709**	**$13,738,046**	**$(2,994,057)**

[12]Projected Budget taken from the Energy Efficiency Plan (EEP) filed in April 2007 under Project No. 33884.

IX. Market Transformation Program Results

Commercial Air Conditioning Distributor MTP

The objective of this program is to increase the market penetration of high efficiency air conditioning units in order to provide cost-effective reduction in peak summer demand. Additional objectives of this program are to achieve consumer demand and energy cost savings and encourage private sector delivery of energy efficiency products and services. Informal interviews were conducted with air conditioning distributors and air conditioning contractors to identify market barriers. The results of these investigations revealed that higher first costs to consumers, lack of understanding of energy efficiency by contractors and a lack of consumer information are market barriers.

As of January 23, 2006, new air conditioning standards took effect for the National Appliance Energy Conservation Act (NAECA) with increased standards for residential-sized equipment. The minimum standards increased from 10.0 SEER to 13.0 SEER. As a result of this and the baseline used in deemed savings, residential units of 65,000 BTUH and below result in limited on-peak demand savings. Therefore the program will focus on commercial units between 65,000 and 240,000 BTUH and the air conditioning contractors who install them.

Program results for 2007 were 204 kW and 482,191 kWh. Program goals and milestones for 2008 are to continue implementing strategies to overcome the market barriers, increase outreach to air conditioning contractors and increase the penetration rate of small commercial high efficiency units within the range of 5.5 to 20 tons.

ENERGY STAR® Homes MTP

The objective of this program is to achieve peak demand reductions and energy savings through increased sales of ENERGY STAR® homes and products. Additionally, the program is designed to condition the market so that consumers are aware of and demand ENERGY STAR® homes and products and builders have the technical capacity to supply them. A baseline study was conducted in the fourth quarter of 2006 to determine the existing level of efficiency typical of new home construction in Oncor's service territory. The study, which included homes built by builders participating in the Oncor 2006 ENERGY STAR® Homes Program but not included in the program, showed the average Home Energy Rating System (HERS) Index for homes not in the program to be 93. This compares to a minimum qualifying ENERGY STAR® Index of 85.

Based on 2007 data from the Real Estate Center at Texas A&M University, there were approximately 31,323 single-family building permits issued in the Oncor service territory Metropolitan Statistical Areas (MSAs), with 6,510 receiving ENERGY STAR® certification through the program. During the 2007 Program Year, the Environmental Protection Agency (EPA) only allowed homes to be certified using a HERS Index rating.

There were two significant changes to the 2007 EPA ENERGY STAR® Program requirements. All homes had to be certified using the HERS Index and a Thermal Bypass Inspection Checklist was to be completed on each home. There was a perception among some builders that these new requirements would require additional costs and some elected not to participate in the Program in

2007. Therefore, the 2007 Program focused on the benefits of ENERGY STAR® homes to builders and consumers in an effort to continue making an energy saving impact in the new home market.

The EPA recognized Oncor's accomplishments in the ENERGY STAR® Homes Program by awarding it the ENERGY STAR® Partner of the Year – New Homes in 2003, 2004, 2005 and 2006. These awards are a result of training and certifying HERS raters, educating and recruiting builders, consumer education and involving market actors associated with new home sales. In 2007, the EPA recognized Oncor's accomplishments in the ENERGY STAR® Homes Program by awarding it the ENERGY STAR® Sustained Excellence Award.

The milestones for 2008 are to certify 7,300 ENERGY STAR® homes, provide 10 continuing education courses for realtors on the advantages of ENERGY STAR® homes and support the training and certification of additional HERS raters.

Air Conditioning Installer Information & Training MTP

Oncor first implemented the Air Conditioning Installer Information & Training Program in 2003. The program is designed to encourage improved installation practices for heating, ventilation and air conditioning (HVAC) equipment, including measures designed to reduce leakage in air ducts. A baseline study was conducted during the second quarter of 2002 to determine current air conditioner installation practices and to identify practices that, if modified, would improve the overall efficiency of HVAC systems throughout the service territory, resulting in lower peak demand and energy savings. Results of the study identified the need for consumer education, training for contractors, registering qualifying contractors, best practices incentives and the implementation of a formal program.

From 2003 through 2006, the Texas Air Conditioning Contractors of America (TACCA) and the North Texas Chapter of Air Conditioning Contractors of America (NTACCA) served as program administrators. In 2006, a Request for Proposals (RFP) was sent to various program administrators and ICF International was selected to market and administer the program. NTACCA continues to provide the required training for HVAC contractors who wish to participate in the program. This new approach will enhance the program by utilizing the expertise and knowledge of these highly qualified organizations in a coordinated effort.

Training will be conducted in both English and Spanish, covering new and replacement HVAC installation, system design, duct sealing and sales training for high efficiency equipment. HVAC technicians certified by TACCA and NTACCA can qualify for incentives for installations meeting program specifications. In 2007, there were 9 contractors, 62 technicians and sales staff trained and 76 builders participating in the program. ICF International will focus on the overall program administration, HVAC contractor recruiting, consumer education and quality assurance/quality control.

Program market impacts of 4,460 kW were reported in 2007, based upon a Market Effects Study of both participating and non-participating air conditioning contractors. The market effects were derived by combining study results with deemed savings methodology and installation data from

units reported in 2007. Therefore, the market impact savings include units whose installation was influenced by the program, but were not submitted for incentive payments.

Milestones for 2008 are to build upon the success of the new home market and increase the penetration rate of "high performance" installations in the retrofit market, train 100 technicians, continue consumer education efforts and realize savings impacts of 832 kW before consideration of market effects. Consumers will be referred to contractors who have successfully completed training on the dedicated program website: www.saveuenergy.org.

Texas SCORE Pilot MTP

The Texas SCORE Pilot MTP was implemented in 2006 to partner with selected Independent School Districts to work together to identify and assess energy efficiency measures that would assist the district in reducing it's peak usage. The program helps the district develop an Energy Master Plan that outlines administrative and financial decision-making criteria for energy efficiency improvements, installation of energy efficiency measures, and maintenance and operation procedures in order to succeed in implementing a cost-effective energy program in a timely manner. Texas SCORE also helped identify and assess capital-intensive energy projects which will produce energy cost savings. The districts were also encouraged to implement energy-efficient operations and maintenance practices and procedures that were identified during the process.

The SCORE Program helps the district by facilitating a focused look at what can be done to use energy efficiently. In order to achieve the program goals, SCORE involves administrators from all departments in the decision making process. For instance, the SCORE Program helps the districts financial department understand that spending more in the design and construction phase of a project can lead to a bigger payback in the utility savings for years to come. Qualified work could include retrofitting existing facilities and also new construction projects.

The SCORE Program set a pilot goal of 3,000 kW in 2007. Nineteen school districts were contacted and thirteen districts signed up to participate in 2007, joining seven districts from 2006. The twenty districts installed measures that resulted in savings of 5,615 kW and 10,721,468 kWh.

Air Conditioning Tune-Up Pilot MTP

The objective of this program was to conduct, on a limited-scale, a pilot program in 2007-2008 that will measure and rate the operating performance of HVAC systems in existing homes within the Oncor service territory. The pilot is being undertaken at this time to determine the feasibility of offering this program to HVAC contractors on a wider scale in 2009 and beyond. The program will involve air balancing testing, which pinpoints HVAC defects and enables the contractor to prescribe and make specific repairs and immediately measure the increase in delivered system BTU. In addition to correcting air flow, an additional 30 units will receive instrumentation and data loggers necessary to measure kW load impacts. This information will be used to create a baseline for an A/C Tune-Up Program and the study will be completed in the summer of 2008.

Program goal and milestones for 2008 are to continue implementing strategies to overcome market barriers, continue to emphasize the objective of this study to the participating contactors, encourage continued training and continue marketing efforts to the homeowner.

CitySmart Pilot MTP

The CitySmart Pilot MTP was implemented in 2007 to partner with selected cities and counties in the Oncor service area to work together to identify and assess energy efficiency measures that would assist in reducing its peak usage. The program helps the government entity develop an Energy Master Plan that outlines administrative and financial decision-making criteria for energy efficiency improvements, installation of energy efficiency measures, and maintenance and operation procedures in order to succeed in implementing a cost-effective energy program in a timely manner. CitySmart also helped identify and assess capital-intensive energy projects which produce energy cost savings. Most of these measures will qualify for incentive payments. They were also encouraged to implement energy-efficient operations and maintenance practices and procedures that were identified during the process.

The CitySmart Program helps the participant by facilitating a focused look at what can done to use energy efficiently. In order to achieve the incentive earning goals, the program involves city and county employees at all levels in the decision making process. The CitySmart Program helps the entity's financial department understand that sometimes spending more in the design and construction phase of a project can lead to a bigger payback in the utility savings for years to come. Qualified work could include retrofitting existing facilities and also for new construction projects.

The CitySmart Program set a pilot goal of 1,000 kW in 2007. Eleven counties or cities were contacted and seven signed up to participate. The four cities and three counties installed measures that resulted in savings of 138 kW and 500,180 kWh.

Refrigerator Recycling Pilot MTP

The objective of this program is to remove operating spare refrigerators and freezers from customer's homes. This will result in energy savings for the customer and load reduction for Oncor. Oncor has contracted with Appliance Recycling Centers of America (ARCA) to manage the recycling services for the program within the service territory. ARCA offers an incentive to the customer for the collection, disabling and proper disposal of working, eligible refrigerators and freezers.

Program goals and milestones for 2008 are to recycle 3,500 to 4,000 units and complete a baseline study to identify approximate age of units recycled and estimated energy savings to support the load reduction goals of the pilot program.

CCET Residential Demand Response Pilot MTP

The CCET Residential Demand Response Pilot MTP was launched by the Center for the Commercialization of Electric Technologies ("CCET") with Oncor's participation. The program was initiated with a study, followed immediately by early planning that called for the project to be launched late in the summer of 2007 so the effects of the demand response could be measured during the peak demand period of 2007. The program goal is for the participating Retail Electric Providers (REP's) to sign up 500 residential customers in the initial footprint of Oncor's implementation of the Broadband over Power Line Advanced Metering System. It was anticipated

that the demand reductions experienced during the control period of the 2007 Peak Season would give us a better understanding of the working relationships among market participants and prepare participants to launch larger Demand Response programs during 2008. A number of unanticipated issues caused the launch period to be delayed.

This Pilot Project was undertaken by Oncor with the following objectives:

- Demonstrate that demand response technology solutions can be cost-effectively implemented for residential customers by leveraging advanced meter and intelligent grid technology.

- Measure and verify demand response data to determine energy and demand impacts of demand response offerings and allow estimates of the potential market size.

Oncor and all the pilot participants are working toward implementation of the pilot during the 2008 peak demand season. The 2008 goal is 667 kW of peak demand reduction.

X. Current Energy Efficiency Cost Recovery Factor (EECRF)

Oncor will apply for its first Energy Efficiency Cost Recovery Factor (EECRF) rate schedule by July 1, 2008 and anticipates that it will take effect in January 2009.

Revenue Collected
Not Applicable

Over- or Under-recovery
Not Applicable

ACRONYMS

C&I	Commercial and Industrial
CCET	Center for the Commercialization of Electric Technologies
DR	Demand Response
DSM	Demand Side Management
EEP	Energy Efficiency Plan, which was filed as a separate document prior to April 2008
EEPR	Energy Efficiency Plan and Report
EER	Energy Efficiency Report, which was filed as a separate document prior to April 2008
EE Rule	Energy Efficiency Rule, PUCT Substantive Rules §25.181 and §25.183
ERCOT	Electric Reliability Council of Texas
HTR	Hard-To-Reach
M&V	Measurement and Verification
MTP	Market Transformation Program
PUCT	Public Utility Commission of Texas
REP	Retail Electrical Provider
RES	Residential
SCORE	Schools Conserving Resources
SOP	Standard Offer Program

GLOSSARY

Actual Weather Adjusted -- "Actual Weather Adjusted" peak demand and energy consumption is the historical peak demand and energy consumption adjusted for weather fluctuations using weather data for the most recent ten years.

At Meter -- Demand (kW/MW) and Energy (kWh/MWh) figures reported throughout the EEPR are reflective of impacts at the customer meter. This is the original format of the measured and deemed impacts which the utilities collect for their energy efficiency programs. Goals are necessarily calculated "at source" (generator) using utility system peak data at the transmission level. In order to accurately compare program impacts, goals and projected savings have been adjusted for the line losses (7%) that one would expect going from the source to the meter.

Average Growth -- Average historical growth in demand (kW) over the prior 5 years for residential and commercial customers adjusted for weather fluctuations.

Capacity Factor -- The ratio of the annual energy savings goal, in kWh; to the peak demand goal for the year, measured in kW, multiplied by the number of hours in the year, or the ratio of the actual annual energy savings, in kWh, to the actual peak demand reduction for the year, measured in kW, multiplied by the number of hours in the year.

Commercial customer -- A non-residential customer taking service at a metered point of delivery at a distribution voltage under an electric utility's tariff during the prior calendar year and a non-profit customer or government entity, including an educational institution. For purposes of this section, each metered point of delivery shall be considered a separate customer.

Deemed savings -- A pre-determined, validated estimate of energy and peak demand savings attributable to an energy efficiency measure in a particular type of application that an electric utility may use instead of energy and peak demand savings determined through measurement and verification activities.

Demand -- The rate at which electric energy is used at a given instant, or averaged over a designated period, usually expressed in kilowatts (kW) or megawatts (MW).

Demand savings -- A quantifiable reduction in demand.

Energy efficiency -- Improvements in the use of electricity that are achieved through facility or equipment improvements, devices, or processes that produce reductions in demand or energy consumption with the same or higher level of end-use service and that do not materially degrade existing levels of comfort, convenience, and productivity.

Energy efficiency measures -- Equipment, materials, and practices at a customer's site that result in a reduction in electric energy consumption, measured in kilowatt-hours (kWh), or peak demand, measured in kilowatts (kWs), or both. These measures may include thermal energy storage and removal of an inefficient appliance so long as the customer need satisfied by the appliance is still met.

Energy efficiency program -- The aggregate of the energy efficiency activities carried out by an electric utility under this section or a set of energy efficiency projects carried out by an electric utility under the same name and operating rules.

Energy Efficiency Rule (EE Rule) -- §25.181 and §25.183, which are the sections of the Public Utility Commission of Texas' Substantive Rules implementing Public Utility Regulatory Act (PURA) §39.905.

Energy savings -- A quantifiable reduction in a customer's consumption of energy that is attributable to energy efficiency measures.

Growth in demand -- The annual increase in demand in the Texas portion of an electric utility's service area at time of peak demand, as measured in accordance with the Energy Efficiency Rule.

Hard-to-reach (HTR) customers -- Residential customers with an annual household income at or below 200% of the federal poverty guidelines.

Incentive payment -- Payment made by a utility to an energy efficiency service provider under an energy-efficiency program.

Inspection -- Examination of a project to verify that an energy efficiency measure has been installed, is capable of performing its intended function, and is producing an energy saving or demand reduction.

Load control -- Activities that place the operation of electricity-consuming equipment under the control or dispatch of an energy efficiency service provider, an independent system operator or other transmission organization or that are controlled by the customer, with the objective of producing energy or demand savings.

Load management -- Load control activities that result in a reduction in peak demand on an electric utility system or a shifting of energy usage from a peak to an off-peak period or from high-price periods to lower price periods.

Market transformation program (MTP) -- Strategic programs to induce lasting structural or behavioral changes in the market that result in increased adoption of energy efficient technologies, services, and practices, as described in this section.

Measurement and verification (M&V) -- Activities intended to determine the actual energy and demand savings resulting from energy efficiency projects as described in this section.

Peak demand -- Electrical demand at the times of highest annual demand on the utility's system.

Peak demand reduction -- Reduction in demand on the utility system throughout the utility system's peak period.

Peak period -- For the purpose of this section, the peak period consists of the hours from one p.m. to seven p.m., during the months of June, July, August, and September, excluding weekends and Federal holidays.

Projected Demand and Energy Savings -- Peak demand reduction and energy savings for the current and following calendar year that Oncor is planning and budgeting for in the EEPR.

Project sponsor -- An energy efficiency service provider or customer who installs energy efficiency measures or performs other energy efficiency services under the Energy Efficiency Rule. An energy efficiency service provider may be a retail electric provider or commercial customer, provided that the commercial customer has a peak load equal to or greater than 50kW.

Renewable demand side management (DSM) technologies -- Equipment that uses a renewable energy resource (renewable resource), as defined in §25.173(c) of this title (relating to Goal for Renewable Energy) that, when installed at a customer site, reduces the customer's net purchases of energy, demand, or both.

Standard offer program (SOP) -- A program under which a utility administers standard offer contracts between the utility and energy efficiency service providers.

APPENDICES

APPENDIX A: REPORTED DEMAND AND ENERGY REDUCTION BY COUNTY

Appendix A: Demand and Energy Reduction by County

COUNTY	A/C Installer Info & Training MTP		Hard-to Reach SOP		Energy Stars Home MTP		Commercial & Industrial SOP		Commercial A/C Distributor MTP		Emergency Load Management SOP		Residential & Small Commercial SOP		Texas SCORE Pilot MTP		City Smart Pilot MTP		Refrigerator Pilot MTP
ANDERSON	kW Impact		kW Impact	67.3	kW Impact		kW Impact		kW Impact		kW Impact		kW Impact	27.0	kW Impact		kW Impact		kW Impact
	kWh Impact		kWh Impact	304,480.7	kWh Impact		kWh Impact		kWh Impact		kWh Impact		kWh Impact	124,170.5	kWh Impact		kWh Impact		kWh Impact
ANDREWS	kW Impact		kW Impact		kW Impact		kW Impact		kW Impact		kW Impact		kW Impact		kW Impact		kW Impact		kW Impact
	kWh Impact		kWh Impact		kWh Impact		kWh Impact		kWh Impact		kWh Impact		kWh Impact		kWh Impact		kWh Impact		kWh Impact
ANGELINA	kW Impact		kW Impact	282.2	kW Impact		kW Impact	7.1	kW Impact		kW Impact		kW Impact	221.9	kW Impact		kW Impact		kW Impact
	kWh Impact		kWh Impact	1,164,531.8	kWh Impact		kWh Impact	30,202.0	kWh Impact		kWh Impact		kWh Impact	730,276.0	kWh Impact		kWh Impact		kWh Impact
ARCHER	kW Impact	7.3	kW Impact	15.2	kW Impact		kW Impact		kW Impact		kW Impact		kW Impact	58.2	kW Impact		kW Impact		kW Impact
	kWh Impact	14,200.0	kWh Impact	57,955.6	kWh Impact		kWh Impact		kWh Impact		kWh Impact		kWh Impact	198,870.3	kWh Impact		kWh Impact		kWh Impact
BASTROP	kW Impact		kW Impact		kW Impact		kW Impact	30.4	kW Impact		kW Impact		kW Impact	0.8	kW Impact		kW Impact		kW Impact
	kWh Impact		kWh Impact		kWh Impact		kWh Impact	129,751.0	kWh Impact		kWh Impact		kWh Impact	4,038.7	kWh Impact		kWh Impact		kWh Impact
BELL	kW Impact		kW Impact	1,085.0	kW Impact	318.4	kW Impact	423.8	kW Impact		kW Impact		kW Impact	325.4	kW Impact	44.6	kW Impact	30.9	kW Impact
	kWh Impact		kWh Impact	4,851,541.1	kWh Impact	443,645.0	kWh Impact	3,532,790.0	kWh Impact		kWh Impact		kWh Impact	1,281,852.7	kWh Impact	100,050.0	kWh Impact	53,754.0	kWh Impact
BROWN	kW Impact		kW Impact	71.2	kW Impact		kW Impact	299.4	kW Impact		kW Impact		kW Impact	44.1	kW Impact		kW Impact		kW Impact
	kWh Impact		kWh Impact	285,595.7	kWh Impact		kWh Impact	1,306,815.0	kWh Impact		kWh Impact		kWh Impact	157,967.6	kWh Impact		kWh Impact		kWh Impact
CHEROKEE	kW Impact		kW Impact	40.2	kW Impact		kW Impact		kW Impact		kW Impact		kW Impact	69.0	kW Impact		kW Impact		kW Impact
	kWh Impact		kWh Impact	170,218.6	kWh Impact		kWh Impact		kWh Impact		kWh Impact		kWh Impact	225,164.5	kWh Impact		kWh Impact		kWh Impact
CLAY	kW Impact	8.7	kW Impact	10.7	kW Impact		kW Impact		kW Impact		kW Impact		kW Impact	15.6	kW Impact		kW Impact		kW Impact
	kWh Impact	18,900.0	kWh Impact	21,329.8	kWh Impact		kWh Impact		kWh Impact		kWh Impact		kWh Impact	54,879.5	kWh Impact		kWh Impact		kWh Impact
COLEMAN	kW Impact		kW Impact		kW Impact		kW Impact		kW Impact		kW Impact		kW Impact		kW Impact		kW Impact		kW Impact
	kWh Impact		kWh Impact		kWh Impact		kWh Impact		kWh Impact		kWh Impact		kWh Impact		kWh Impact		kWh Impact		kWh Impact
COLLIN	kW Impact	486.2	kW Impact	517.0	kW Impact	1,378.0	kW Impact	752.2	kW Impact	16.7	kW Impact		kW Impact	1,918.7	kW Impact	63.5	kW Impact		kW Impact
	kWh Impact	917,100.0	kWh Impact	1,654,604.3	kWh Impact	1,445,230.0	kWh Impact	4,227,051.0	kWh Impact	44,521.6	kWh Impact		kWh Impact	3,691,911.5	kWh Impact	128,021.0	kWh Impact		kWh Impact
COMANCHE	kW Impact		kW Impact	12.8	kW Impact		kW Impact		kW Impact		kW Impact		kW Impact	12.5	kW Impact		kW Impact		kW Impact
	kWh Impact		kWh Impact	45,933.0	kWh Impact		kWh Impact		kWh Impact		kWh Impact		kWh Impact	40,012.3	kWh Impact		kWh Impact		kWh Impact
COOKE	kW Impact		kW Impact		kW Impact		kW Impact		kW Impact		kW Impact		kW Impact	0.8	kW Impact		kW Impact		kW Impact
	kWh Impact		kWh Impact		kWh Impact		kWh Impact		kWh Impact		kWh Impact		kWh Impact	965.3	kWh Impact		kWh Impact		kWh Impact
CORYELL	kW Impact		kW Impact	108.7	kW Impact	3.0	kW Impact	46.5	kW Impact		kW Impact		kW Impact	28.7	kW Impact	187.5	kW Impact		kW Impact
	kWh Impact		kWh Impact	456,962.2	kWh Impact	4,316.0	kWh Impact	198,688.0	kWh Impact		kWh Impact		kWh Impact	100,525.0	kWh Impact	352,364.0	kWh Impact		kWh Impact
CRANE	kW Impact		kW Impact		kW Impact		kW Impact		kW Impact		kW Impact		kW Impact		kW Impact		kW Impact		kW Impact
	kWh Impact		kWh Impact		kWh Impact		kWh Impact		kWh Impact		kWh Impact		kWh Impact		kWh Impact		kWh Impact		kWh Impact
DALLAS	kW Impact	1,904.6	kW Impact	4,751.6	kW Impact	2,434.6	kW Impact	7,001.1	kW Impact	85.6	kW Impact	5,929.0	kW Impact	2,857.1	kW Impact	3,967.2	kW Impact		kW Impact
	kWh Impact	3,598,500.0	kWh Impact	17,467,854.3	kWh Impact	2,915,288.0	kWh Impact	37,154,270.0	kWh Impact	201,910.2	kWh Impact		kWh Impact	9,366,927.5	kWh Impact	7,245,254.0	kWh Impact		kWh Impact
DAWSON	kW Impact		kW Impact		kW Impact		kW Impact	59.7	kW Impact		kW Impact		kW Impact	0.4	kW Impact		kW Impact		kW Impact
	kWh Impact		kWh Impact		kWh Impact		kWh Impact	-733,194.0	kWh Impact		kWh Impact		kWh Impact	550.1	kWh Impact		kWh Impact		kWh Impact

DELTA	kW impact		kW impact	4.7	kW impact		kW impact		kW impact		kW impact		kW impact	3.8	kW impact		kW impact		kW impact			
	kWh impact		kWh impact	19,449.1	kWh impact		kWh impact		kWh impact		kWh impact		kWh impact	14,482.0	kWh impact		kWh impact		kWh impact			
DENTON	kW impact	38.0	kW impact	170.1	kW impact	150.3	kW impact	174.2	kW impact		kW impact		kW impact	227.4	kW impact		kW impact		kW impact			
	kWh impact	71,900.0	kWh impact	816,749.3	kWh impact	173,717.0	kWh impact	990,588.0	kWh impact		kWh impact		kWh impact	577,549.3	kWh impact		kWh impact		kWh impact			
EASTLAND	kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact	3.1	kW impact		kW impact		kW impact			
	kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact	12,728.9	kWh impact		kWh impact		kWh impact			
ECTOR	kW impact		kW impact	135.5	kW impact		kW impact	49.1	kW impact		kW impact		kW impact	44.1	kW impact	413.5	kW impact	3.2	kW impact			
	kWh impact		kWh impact	651,829.1	kWh impact		kWh impact	209,738.0	kWh impact		kWh impact		kWh impact	114,319.8	kWh impact	903,087.0	kWh impact	8,240.0	kWh impact			
ELLIS	kW impact	36.7	kW impact	167.2	kW impact	148.4	kW impact	420.5	kW impact	12.3	kW impact	10,837.0	kW impact	124.6	kW impact	42.8	kW impact		kW impact			
	kWh impact	68,600.0	kWh impact	641,303.7	kWh impact	194,347.0	kWh impact	941,239.0	kWh impact	32,284.5	kWh impact		kWh impact	437,103.6	kWh impact	73,430.0	kWh impact		kWh impact			
ERATH	kW impact		kW impact	1.8	kW impact		kW impact		kW impact		kW impact		kW impact	0.7	kW impact		kW impact		kW impact			
	kWh impact		kWh impact	9,607.4	kWh impact		kWh impact		kWh impact		kWh impact		kWh impact	3,863.6	kWh impact		kWh impact		kWh impact			
FALLS	kW impact		kW impact	3.9	kW impact		kW impact		kW impact		kW impact		kW impact	9.6	kW impact		kW impact		kW impact			
	kWh impact		kWh impact	23,098.2	kWh impact		kWh impact		kWh impact		kWh impact		kWh impact	36,608.5	kWh impact		kWh impact		kWh impact			
FANNIN	kW impact		kW impact	50.5	kW impact		kW impact		kW impact		kW impact		kW impact	6.1	kW impact		kW impact		kW impact			
	kWh impact		kWh impact	158,189.7	kWh impact		kWh impact		kWh impact		kWh impact		kWh impact	18,978.9	kWh impact		kWh impact		kWh impact			
FREESTONE	kW impact		kW impact	14.7	kW impact		kW impact		kW impact		kW impact		kW impact	10.6	kW impact		kW impact		kW impact			
	kWh impact		kWh impact	63,958.5	kWh impact		kWh impact		kWh impact		kWh impact		kWh impact	44,853.2	kWh impact		kWh impact		kWh impact			
GLASSCOCK	kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact			
	kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact			
GRAYSON	kW impact		kW impact	246.9	kW impact	2.5	kW impact	179.5	kW impact		kW impact		kW impact	591.1	kW impact		kW impact		kW impact			
	kWh impact		kWh impact	755,167.3	kWh impact	2,366.0	kWh impact	1,391,954.0	kWh impact		kWh impact		kWh impact	1,327,260.0	kWh impact		kWh impact		kWh impact			
HARRIS	kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact			
	kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact			
HENDERSON	kW impact		kW impact	117.4	kW impact	1.4	kW impact		kW impact		kW impact		kW impact	29.9	kW impact	45.4	kW impact		kW impact			
	kWh impact		kWh impact	453,834.8	kWh impact	1,228.0	kWh impact		kWh impact		kWh impact		kWh impact	152,660.1	kWh impact	78,242.0	kWh impact		kWh impact			
HILL	kW impact		kW impact	55.0	kW impact		kW impact		kW impact		kW impact		kW impact	13.0	kW impact		kW impact		kW impact			
	kWh impact		kWh impact	188,771.9	kWh impact		kWh impact		kWh impact		kWh impact		kWh impact	34,573.5	kWh impact		kWh impact		kWh impact			
HOOD	kW impact	8.7	kW impact		kW impact	3.4	kW impact		kW impact		kW impact		kW impact	1.7	kW impact		kW impact		kW impact			
	kWh impact	15,900.0	kWh impact		kWh impact	4,751.0	kWh impact		kWh impact		kWh impact		kWh impact	5,042.0	kWh impact		kWh impact		kWh impact			
HOPKINS	kW impact		kW impact	254.4	kW impact		kW impact		kW impact		kW impact		kW impact	183.3	kW impact		kW impact		kW impact			
	kWh impact		kWh impact	1,026,305.5	kWh impact		kWh impact		kWh impact		kWh impact		kWh impact	573,651.2	kWh impact		kWh impact		kWh impact			
HOUSTON	kW impact		kW impact	5.0	kW impact		kW impact	72.2	kW impact		kW impact		kW impact		kW impact		kW impact		kW impact			
	kWh impact		kWh impact	18,382.3	kWh impact		kWh impact	181,762.0	kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact			
HOWARD	kW impact		kW impact	8.9	kW impact		kW impact	24.4	kW impact		kW impact		kW impact	7.7	kW impact		kW impact		kW impact			
	kWh impact		kWh impact	16,350.7	kWh impact		kWh impact	104,565.0	kWh impact		kWh impact		kWh impact	18,859.9	kWh impact		kWh impact		kWh impact			

HUNT	kW impact		kW impact	2.3	kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact	
	kWh impact		kWh impact	12,064.8	kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact	
JACK	kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact	
	kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact	
JASPER	kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact	1.0	kW impact		kW impact		kW impact		kW impact	
	kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact	5,481.2	kWh impact		kWh impact		kWh impact		kWh impact	
JOHNSON	kW impact	55.0	kW impact	96.3	kW impact	464.3	kW impact	47.6	kW impact		kW impact		kW impact	74.6	kW impact	7.3	kW impact		kW impact		kW impact	
	kWh impact	103,600.0	kWh impact	373,359.3	kWh impact	635,112.0	kWh impact	380,314.0	kWh impact		kWh impact		kWh impact	260,747.0	kWh impact	18,302.0	kWh impact		kWh impact		kWh impact	
KAUFMAN	kW impact	126.9	kW impact	56.9	kW impact	326.3	kW impact		kW impact		kW impact		kW impact	11.2	kW impact	35.2	kW impact		kW impact		kW impact	
	kWh impact	240,200.0	kWh impact	196,332.4	kWh impact	413,439.0	kWh impact		kWh impact		kWh impact		kWh impact	35,467.9	kWh impact	62,992.0	kWh impact		kWh impact		kWh impact	
LAMAR	kW impact		kW impact	257.7	kW impact		kW impact	101.0	kW impact	7.6	kW impact		kW impact	272.4	kW impact		kW impact		kW impact		kW impact	
	kWh impact		kWh impact	924,084.0	kWh impact		kWh impact	823,102.0	kWh impact	19,017.3	kWh impact		kWh impact	1,001,156.6	kWh impact		kWh impact		kWh impact		kWh impact	
LAMPASSAS	kW impact		kW impact	1.4	kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact	
	kWh impact		kWh impact	7,648.8	kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact	
LEON	kW impact		kW impact	43.4	kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact	
	kWh impact		kWh impact	118,850.4	kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact	
LIMESTONE	kW impact		kW impact	4.2	kW impact		kW impact	21.4	kW impact		kW impact		kW impact	1.2	kW impact		kW impact		kW impact		kW impact	
	kWh impact		kWh impact	15,481.6	kWh impact		kWh impact	91,508.0	kWh impact		kWh impact		kWh impact	1,708.8	kWh impact		kWh impact		kWh impact		kWh impact	
MARTIN	kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact	0.6	kW impact		kW impact		kW impact		kW impact	
	kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact	885.7	kWh impact		kWh impact		kWh impact		kWh impact	
MCLENNAN	kW impact		kW impact	1,047.3	kW impact	13.6	kW impact	298.9	kW impact	3.8	kW impact		kW impact	921.9	kW impact	261.6	kW impact		kW impact		kW impact	
	kWh impact		kWh impact	3,802,520.0	kWh impact	19,700.0	kWh impact	1,071,044.0	kWh impact	9,545.8	kWh impact		kWh impact	3,430,176.1	kWh impact	451,063.0	kWh impact		kWh impact		kWh impact	
MIDLAND	kW impact		kW impact	83.5	kW impact	3.2	kW impact	60.4	kW impact		kW impact		kW impact	96.7	kW impact	195.6	kW impact	16.8	kW impact		kW impact	
	kWh impact		kWh impact	290,475.4	kWh impact	3,032.0	kWh impact	258,289.0	kWh impact		kWh impact		kWh impact	196,197.1	kWh impact	481,776.0	kWh impact	45,779.0	kWh impact		kWh impact	
MILAM	kW impact		kW impact	7.9	kW impact		kW impact		kW impact		kW impact		kW impact	3.1	kW impact		kW impact		kW impact		kW impact	
	kWh impact		kWh impact	37,463.0	kWh impact		kWh impact		kWh impact		kWh impact		kWh impact	14,735.4	kWh impact		kWh impact		kWh impact		kWh impact	
MITCHELL	kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact	8.0	kW impact		kW impact		kW impact		kW impact	
	kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact	23,839.3	kWh impact		kWh impact		kWh impact		kWh impact	
NACODOCHES	kW impact		kW impact	44.3	kW impact		kW impact		kW impact		kW impact		kW impact	231.2	kW impact		kW impact		kW impact		kW impact	
	kWh impact		kWh impact	176,733.6	kWh impact		kWh impact		kWh impact		kWh impact		kWh impact	610,562.2	kWh impact		kWh impact		kWh impact		kWh impact	
NAVARRO	kW impact		kW impact	47.0	kW impact		kW impact	45.3	kW impact		kW impact		kW impact	1.0	kW impact		kW impact		kW impact		kW impact	
	kWh impact		kWh impact	134,278.5	kWh impact		kWh impact	114,282.0	kWh impact		kWh impact		kWh impact	5,192.7	kWh impact		kWh impact		kWh impact		kWh impact	
NOLAN	kW impact		kW impact	10.1	kW impact		kW impact		kW impact		kW impact		kW impact	15.6	kW impact		kW impact		kW impact		kW impact	
	kWh impact		kWh impact	33,241.5	kWh impact		kWh impact		kWh impact		kWh impact		kWh impact	52,750.2	kWh impact		kWh impact		kWh impact		kWh impact	
PALO PINTO	kW impact		kW impact	7.0	kW impact		kW impact	154.2	kW impact		kW impact		kW impact	2.0	kW impact		kW impact		kW impact		kW impact	
	kWh impact		kWh impact	40,307.2	kWh impact		kWh impact	1,447,949.0	kWh impact		kWh impact		kWh impact	10,673.9	kWh impact		kWh impact		kWh impact		kWh impact	

PARKER	kW impact	19.2	kW impact	11.6	kW impact	86.8	kW impact		kW impact		kW impact		kW impact	29.6	kW impact		kW impact	
	kWh impact	35,900.0	kWh impact	59,020.7	kWh impact	116,983.0	kWh impact		kWh impact		kWh impact		kWh impact	120,779.5	kWh impact		kWh impact	
PECOS	kW impact		kW impact		kW impact		kW impact		kW impact		kW impact	2,222.0	kW impact		kW impact		kW impact	
	kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact	
RED RIVER	kW impact		kW impact	4.6	kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact	
	kWh impact		kWh impact	16,247.6	kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact	
REEVES	kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact	
	kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact	
ROCKWALL	kW impact	151.7	kW impact	54.4	kW impact	415.9	kW impact	115.3	kW impact	31.1	kW impact		kW impact	45.4	kW impact		kW impact	
	kWh impact	286,600.0	kWh impact	233,322.2	kWh impact	436,436.0	kWh impact	492,142.0	kWh impact	59,958.9	kWh impact		kWh impact	149,466.5	kWh impact		kWh impact	
RUSK	kW impact		kW impact	1.4	kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact	
	kWh impact		kWh impact	7,655.8	kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact	
SCURRY	kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact	0.8	kW impact		kW impact	
	kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact	2,549.2	kWh impact		kWh impact	
SMITH	kW impact		kW impact	337.1	kW impact	100.3	kW impact	309.7	kW impact	4.7	kW impact		kW impact	338.4	kW impact		kW impact	
	kWh impact		kWh impact	1,298,604.3	kWh impact	109,365.0	kWh impact	1,610,159.0	kWh impact	12,381.2	kWh impact		kWh impact	1,215,261.9	kWh impact		kWh impact	
STEPHENS	kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact	0.3	kW impact		kW impact	
	kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact	358.0	kWh impact		kWh impact	
TARRANT	kW impact	1,354.7	kW impact	6,106.0	kW impact	4,202.0	kW impact	3,035.1	kW impact	41.8	kW impact	2,522.0	kW impact	3,978.1	kW impact	350.8	kW impact	86.7
	kWh impact	2,578,000.0	kWh impact	24,009,215.9	kWh impact	4,610,100.0	kWh impact	14,071,574.0	kWh impact	102,541.1	kWh impact		kWh impact	12,421,058.8	kWh impact	826,887.0	kWh impact	392,407.0
TERRY	kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact	
	kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact	
TOM GREEN	kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact	
	kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact	
TRAVIS	kW impact	32.1	kW impact	48.2	kW impact	163.6	kW impact	116.9	kW impact		kW impact		kW impact	360.6	kW impact		kW impact	
	kWh impact	60,700.0	kWh impact	188,547.3	kWh impact	168,272.0	kWh impact	303,039.0	kWh impact		kWh impact		kWh impact	1,045,248.4	kWh impact		kWh impact	
TRINITY	kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact	
	kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact	
TYLER	kW impact		kW impact	1.4	kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact	
	kWh impact		kWh impact	7,646.5	kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact	
UPTON	kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact	
	kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact	
VAN ZANDT	kW impact		kW impact	9.6	kW impact	2.9	kW impact		kW impact		kW impact		kW impact	1.7	kW impact		kW impact	
	kWh impact		kWh impact	47,084.5	kWh impact	4,341.0	kWh impact		kWh impact		kWh impact		kWh impact	8,908.3	kWh impact		kWh impact	
WARD	kW impact		kW impact	0.1	kW impact		kW impact		kW impact		kW impact		kW impact	3.6	kW impact		kW impact	
	kWh impact		kWh impact	121.7	kWh impact		kWh impact		kWh impact		kWh impact		kWh impact	6,592.4	kWh impact		kWh impact	

WICHITA	kW impact	120.5	kW impact	497.7	kW impact	3.9	kW impact	211.0	kW impact		kW impact		kW impact	584.5	kW impact		kW impact		kW impact			
	kWh impact	255,800.0	kWh impact	1,869,545.6	kWh impact	3,615.0	kWh impact	447,741.0	kWh impact		kWh impact		kWh impact	2,043,611.7	kWh impact		kWh impact		kWh impact			
WILLIAMSON	kW impact	109.7	kW impact	42.9	kW impact	696.2	kW impact	536.7	kW impact		kW impact		kW impact	914.8	kW impact		kW impact		kW impact	4.2		
	kWh impact	208,100.0	kWh impact	189,900.4	kWh impact	703,957.0	kWh impact	2,450,819.0	kWh impact		kWh impact		kWh impact	2,827,548.6	kWh impact		kWh impact		kWh impact	27,244.0		
WINKLER	kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact	2.0	kW impact		kW impact		kW impact			
	kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact	2,877.9	kWh impact		kWh impact		kWh impact			
WISE	kW impact		kW impact	3.3	kW impact	20.6	kW impact		kW impact		kW impact		kW impact	6.1	kW impact		kW impact		kW impact			
	kWh impact		kWh impact	10,047.5	kWh impact	28,515.0	kWh impact		kWh impact		kWh impact		kWh impact	23,935.5	kWh impact		kWh impact		kWh impact			
YOUNG	kW impact		kW impact		kW impact		kW impact		kW impact		kW impact		kW impact	2.3	kW impact		kW impact		kW impact			
	kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact		kWh impact	6,671.4	kWh impact		kWh impact		kWh impact			
Total Sum of kW impact		4,460		17,026		10,937		14,594		204		21,510		14,746		5,615		138		4		
Total Sum of kWh impact		8,474,000		65,423,205		12,639,955		73,228,171		482,191		-		44,875,076		10,721,468		500,180		27,244		

APPENDIX B: PROGRAM TEMPLATES

Oncor has no new Program Templates for 2008

APPENDIX C: EXISTING DSM CONTRACTS OR OBLIGATIONS

Existing DSM Contracts

Name of Contract Program Termination Date	Type of Program	2008	2009	2010
MC2 Energy Management	Solicited lighting			
November 12, 2009	and HVAC program			
Incremental Kw Impact	targeted to large	-	-	-
Incrementral kWh impact	C&I customers	-	-	-
Contract Payments		$ 330,361	$ 300,000	$ 269,373
Planergy Services	Solicited lighting			
November 12, 2009	and HVAC program			
Incremental Kw Impact	targeted to large	-	-	-
Incrementral kWh impact	C&I customers	-	-	-
Contract Payments		$ 919,500	$ 1,100,000	-
Princeton Development	Solicited lighting			
July 21, 2009	and HVAC program			
Incremental Kw Impact	targeted to large	-	-	-
Incrementral kWh impact	C&I customers	-	-	-
Contract Payments		$ 944,929	$ 140,000	-
Honeywell Buildings Services*	Solicited lighting			
November 12, 2009	and HVAC program			
Incremental Kw Impact	targeted to large	-	-	-
Incrementral kWh impact	C&I customers	-	-	-
Contract Payments		$ 1,617,336	$ 1,600,000	$ -
Total Incremental kW Impact				
Total Incremental kWh Impact				
Total Contract Payment		$ 3,812,126	$ 3,140,000	$ 269,373

* Formerly Sempra Energy Services

APPENDIX D: OPTIONAL SUPPORT DOCUMENTATION

ONCOR HAS NO OPTIONAL SUPPORT DOCUMATION FOR 2008