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**ONCOR ELECTRIC DELIVERY  
COMPANY LLC**

**2011 Energy Efficiency Plan and Report**

**Substantive Rule §25.181 and §25.183**

**April 1, 2011**

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Project No. 39105

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## **INTRODUCTION**

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

- 20% reduction of the electric utility's annual growth in demand of residential and commercial customers for the 2010 and 2011 program years;
- 25% reduction of the electric utility's annual growth in demand of residential and commercial customers for the 2012 program year;
- 30% reduction of the electric utility's annual growth in demand of residential and commercial customers for the 2013 program year and for subsequent program years.

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. As outlined in the EE Rule, this EEPR covers the previous five years of demand savings goals and energy targets, including 2010 achievements, and reports plans for achieving 2011 and 2012 projected energy efficiency savings. The following section provides a description of what information is contained in each of the subsequent sections and appendices.

## **ENERGY EFFICIENCY PLAN AND REPORT ORGANIZATION**

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

- The Executive Summary highlights Oncor's reported achievements for 2010 and Oncor's plans for achieving its 2011 and 2012 projected energy efficiency savings.

### **Energy Efficiency Plan (EEP)**

- 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 (2006-2010).
- Section VI compares Oncor's projected energy and demand savings to its reported and verified savings by program for calendar year 2010.
- Section VII details Oncor's incentive and administration expenditures for the previous five years (2006-2010) broken out by program for each customer class.
- Section VIII compares Oncor's actual and budgeted program costs from 2010 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 MTPs. It compares existing baselines and existing milestones with actual results, and details any updates to those baselines and milestones.
- Section X provides details on Oncor's 2010 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 20% reduction in its annual growth in demand of residential and commercial customers for the 2011 program year and a 25% reduction for the 2012 program year. Oncor will also address the corresponding energy savings goal, which is calculated from its demand savings goal using a 20% 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 2010 Oncor successfully implemented SOPs and MTPs, as required by PURA §39.905, that met Oncor's 20% energy efficiency savings goal by procuring 101,119 kW in demand savings. These programs included the Home Energy Efficiency SOP, Commercial SOP, Small Commercial SOP, Hard-to-Reach SOP, Targeted Weatherization Low-Income SOP, Residential Demand Response SOP, and the Commercial Load Management SOP. In addition, Oncor also continued the ENERGY STAR<sup>®</sup> Homes MTP, Air Conditioning Distributor MTP, A/C Installer MTP, Air Conditioning Tune-Up MTP, Data Centers MTP, ENERGY STAR<sup>®</sup> Low-Rise Multifamily MTP, Government Facilities MTP, and the Educational Facilities MTP.

**Table 1: Summary of Goals, Projected Savings, and Projected Budgets<sup>1</sup>**

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)
2011	-26	20%	53.1	93,031	95.2	227,022	\$45,084
2012	-26	25%	53.1	93,031	108.9	250,856	\$49,223

\* The Demand Goal is actually -5.2 MW when calculated per the EE Rule. However, under the EE Rule, a utility's demand reduction goal shall not be less than the prior year's goal. Thus, the 2011 and 2012 goals are 53.1 MW. Please see Table 4 for information on the 2010 Actual Demand Goal.

\*\* Calculated using a 20% capacity factor.

In order to reach the above projected savings, Oncor proposes to continue implementation of the programs listed above (less the Data Centers MTP, Air Conditioning Distributor MTP, A/C Installer MTP, and Air Conditioning Tune-Up MTP). The Data Centers MTP will be rolled into the Commercial SOP in 2011 and the A/C Programs will be combined into one program, the Air Conditioning MTP, which will have a residential and a commercial component.

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 and program information will then be tailored to the types of specific participants. At a minimum this will include a program website,

<sup>1</sup> Projected data taken from Table 5 in this document. Budget data for 2010 is taken from Table 6 in this document.

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.

Oncor is continuing 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. This plan includes, but is not limited to, the following activities:

- Invite REPs to program outreach meetings with Service Providers.
- 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.
- Make contact with individual REPs at local, regional, and national conferences, trade shows and/or events as the opportunity is available.
- Continue to encourage the Service Providers and program implementers to contact REPs to cooperatively market the MTPs and SOPs.

Once an energy efficiency program has been initiated, Oncor plans to offer the program on a first-come, first-served basis.

## ENERGY EFFICIENCY PLAN

### I. 2011 Programs

#### A. 2011 Program Portfolio

Oncor plans to implement 13 market transformation and standard offer programs that are based upon Commission-approved program templates. One program, the Targeted Weatherization Low-Income SOP, is required by Senate Bill 712, which was passed by the Texas Legislature in 2005.

As discussed below, the Company's 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 and the EE Rule on a continuing basis. Table 2 summarizes the programs and target markets.

**Table 2: 2011 Energy Efficiency Program Portfolio**

Program	Target Market	Application
Commercial SOP	Large Commercial	Retrofit; New Construction
Small Commercial SOP	Small Commercial Projects 20 kW or less	Retrofit
Hard-to-Reach SOP	Hard-to-Reach residential	Retrofit
Emergency Load Management SOP	Existing Industrial	Load Management
Commercial Load Management SOP	Large Commercial	Load Management
ENERGY STAR <sup>®</sup> Homes MTP	Residential	New Construction
Air Conditioning MTP	Small Commercial; Residential	Residential - Retrofit; Commercial – Retrofit & New Construction
Educational Facilities MTP	Large Commercial (K-12 & Higher Education Facilities)	Retrofit; New Construction
Government Facilities MTP	Large Commercial (City/County; Government facilities)	Retrofit; New Construction
Home Energy Efficiency SOP	Residential	Retrofit
Residential Demand Response SOP	Residential	Load Management
Targeted Weatherization Low-Income SOP	Low-Income residential	Retrofit
ENERGY STAR <sup>®</sup> Low-Rise Multifamily MTP	Residential	New Construction

## ***B. Existing Programs***

### **Commercial Standard Offer Program (CSOP)**

The Commercial SOP targets large commercial customers with a project of 20 kW or larger or 100,000 kWh or larger. Oncor provides incentives to Service Providers who install approved energy efficiency measures in business, government, nonprofit, and worship facilities in Oncor's service area. These include, but are not limited to, lighting, motors, cooling, ENERGY STAR<sup>®</sup> Roofs, window film, renewable energy projects, and process upgrades as well as new construction that exceeds existing energy code baselines. These energy-saving projects must be approved by Oncor prior to commencement. Once completed, Oncor verifies the savings and the Service Providers receive incentive payments based on the project's actual savings. The 2011 budget for this program is \$11,111,111 with targeted impacts of 21,000 kW and 119,000,000 kWh.

### **Home Energy Efficiency Standard Offer Program (HEE SOP)**

The HEE SOP targets existing residential customers. This program is designed to achieve energy and demand savings in the residential market with the installation of a wide range of energy-efficiency measures in homes built prior to January 2002. Incentives are paid to these Service Providers to help offset the cost of these energy efficiency measures. The incentives may cover the cost of some of the measures completed in the program, while not covering all of the cost of the more expensive measures. Oncor provides the incentive directly to the Service Provider. Charges to customers vary by Service Provider and no incentives for this program are paid directly to the consumer by Oncor. The 2011 budget for this program is \$7,777,778 with targeted impacts of 14,000 kW and 40,000,000 kWh.

The most common energy-efficient measures installed in the HEE SOP are attic insulation, duct sealing, and caulking/weather-stripping around doors and windows. Service Providers must test for air leakage before and after installation when performing the duct sealing and weather-stripping measures. Other eligible energy-efficient measures include replacement of air conditioning units, heat pumps, replacement of electric water heaters, installation of ENERGY STAR<sup>®</sup> windows, refrigerators, dishwashers, clothes washers, solar window screens, window film, wall insulation, floor insulation, water heater jackets and installation of renewable energy sources such as solar photovoltaic panels and solar water heating.

### **Small Commercial Standard Offer Program (SC SOP)**

The SC SOP provides incentives to Service Providers who implement energy-saving projects for commercial customers in Oncor's service area. A small commercial project is defined as energy saving measures completed at sites with an on-peak demand saving of 20 kW or less. Typical examples include restaurants, stores, and small office buildings. Qualifying measures include air conditioning and heat pump systems, high-efficiency lighting, solar photovoltaic systems, data center upgrades and window film.

Incentives vary by the efficiency measure life, and air conditioning incentives vary based on BTUH (British Thermal Units per Hour) range and building type. Service Providers undergo an application process and enter into a standard contract with Oncor. The 2011 program budget is \$711,111 with targeted impacts of 640 kW and 1,800,000 kWh.



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

The HTR SOP targets residences with household incomes at or below 200% of 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. Service Providers implement energy saving projects in homes located in Oncor's service area. Incentives are paid to these Service Providers to help offset the cost of these energy efficiency measures. The most common measures, such as duct sealing, insulation, weather-stripping and caulking are installed at low or no cost to the customer. Oncor provides the incentive directly to the Service Provider. The 2011 budget for this program is \$10,777,778 with targeted impacts of 9,700 kW and 36,000,000 kWh. Qualifying measures are similar to those described above for the HEE SOP, as well as water-saving devices and Compact Fluorescent Lighting (CFLs).

### **Emergency Load Management Standard Offer Program (ELM SOP)**

The ELM SOP targets industrial customers with demands greater than 700 kW. This program is grandfathered under the provisions of Substantive Rule §25.181(t). The program is offered to transmission level end-use customers, which includes large industrial sites. Participants are requested to reduce load when called for by Oncor. The demand reductions must be verified by Oncor in order for the incentives to be paid. This is accomplished by reviewing data recorded on Interval Data Recorders (IDRs) and calculating the amount of demand savings achieved through the "curtailment" during the summer on-peak season. The incentive is paid directly to the program participant and a ten-year contract is required to participate in the program. No customers are expected to participate in this program in 2011.

### **Commercial Load Management Standard Offer Program (CLM SOP)**

The CLM SOP targets commercial customers with demands greater than 700 kW. Oncor pays incentives to Service Providers who work with local commercial and manufacturing facilities to achieve documented, on-peak demand reductions in those facilities. The program is designed to assist businesses reduce their on-peak energy demand and help meet the state's energy efficiency goals. The demand reductions must be verified by Oncor in order for the incentives to be paid. This is accomplished by reviewing data recorded on IDRs and calculating the amount of demand savings achieved through the "curtailment" during the summer on-peak season. The incentive is paid directly to the Service Provider. Each project must achieve a total estimated demand savings of at least 100 kW during the on-peak demand period. Participating customers, such as office buildings and hospitals, must reduce load when called for by Oncor. The 2011 budget for this program is \$1,000,000 with targeted impacts of 30,000 kW.

### **ENERGY STAR<sup>®</sup> Homes Market Transformation Program (ENERGY STAR<sup>®</sup> MTP)**

The ENERGY STAR<sup>®</sup> Homes MTP targets new residential construction and is designed to increase energy and demand savings through increased sales of ENERGY STAR<sup>®</sup> homes and products, which use less energy than a home built to the Texas residential building code. Certified ENERGY STAR<sup>®</sup> homes are at least 15% more energy efficient than a home built to the Texas building code and requires a Home Energy Rating System Index score of 85 or less. A home meets this standard through installation of measures such as additional insulation, higher efficiency air conditioning and efficient windows. The 2011 budget for this program is

\$1,111,111 with targeted impacts of 1,700 kW and 1,700,000 kWh. Please see Section IX for additional information on this program.

### **Air Conditioning Market Transformation Program (AC MTP)**

**Residential** - Oncor's AC MTP offers three options. Option 1 offers incentives to Distributors of residential air conditioning replacement systems. The air conditioning replacement systems must be a new 1.5 to 5-ton matched indoor-to-outdoor unit with an AHRI (Air Conditioning, Heating and Refrigeration Institute) rating of 16 SEER (Seasonal Energy Efficiency Ratio) / 12 EER (Energy Efficiency Ratio) or higher. Heat pump replacement systems must be a new 1.5 to 5-ton unit with an AHRI of 16 SEER / 12 EER and 8.2 HSPF (Heating Seasonal Performance Factor) or higher. Installation must be completed in residential homes that are connected to the Oncor distribution system. Geo Thermal systems must have an EER of 14.1 or greater. Option 2 offers incentives for qualifying AC systems that meet the Energy Star® Quality Installation Standards. These incentives are paid to the participating AC Contractors who have met specific training requirements for participation in this option. Option 3 offers incentives to participating AC contractors who have met specific training requirement that complete qualifying tune-up's on residential AC system. This tune-up verifies that the system is producing 85% or greater of the actual nominal design capacity of the installed system.

The 2011 budget for the Air Conditioning MTP (residential component) is \$1,111,111 with targeted impacts of 1,500 kW and 4,000,000 kWh.

**Commercial** - Oncor's Air Conditioning MTP is designed to offer incentives to Distributors for commercial air conditioning replacement systems and new installations. The air conditioning systems must be a new 1.5 to 5-ton matched indoor-to-outdoor unit with an AHRI rating of 14 SEER / 12 EER or higher. Heat pump replacement systems must be a new 1.5 to 5-ton unit with an AHRI of 14 SEER / 12 EER and 8.2 HSPF or higher. For systems ranging from 65,001 to 135,000 BTUH, the AHRI rating requires a minimum rating of 11.21 EER or higher, and for systems ranging from 135,001 to 250,000 BTUH, the minimum rating required is 11.1 EER. Installation must be completed in commercial sites that are connected to the Oncor distribution system.

The 2011 budget for the Air Conditioning MTP (commercial component) is \$411,111 with targeted impacts of 620 kW and 1,700,000 kWh.

### **Educational Facilities Market Transformation Program (EF MTP)**

Oncor's Educational Facilities MTP was created to provide viable energy efficiency and demand side reduction solutions for private and public schools K-12, charter schools, colleges and universities located within Oncor's service area. The program also helps educate organizations on energy management, bridges the gap in communication between energy managers and finance officials to help initiate greater investment in energy efficiency opportunities, and provides technical and communications assistance to evaluate opportunities and publicize successes. The program works to transform how organizations think and act toward energy use and helps them minimize the impact of volatile energy costs, ease budget pressures through energy savings and incentives, and provides suggested infrastructure improvements to provide optimum learning environments for students. The 2011 budget for this program is \$4,333,333 with targeted impacts of 8,300 kW and 15,000,000 kWh.

### **Government Facilities Market Transformation Program (GF MTP)**

Oncor's Government Facilities MTP was created to help city and county governments reduce energy use and expenditures through energy efficiency upgrade projects. The program is available to local government entities in Oncor's service area and helps them minimize the impact of volatile energy costs, ease budget pressures, and improve infrastructure by transforming how they think and act toward energy use. It educates organizations on energy management, bridges the communication gap between energy managers and finance officials, and provides technical and communications assistance to evaluate opportunities and publicize successes. The 2011 budget for this program is \$1,444,444 with targeted impacts of 1,300 kW and 3,000,000 kWh.

### **Residential Demand Response SOP**

Oncor's Residential Demand Response SOP is designed to offer residential demand response capabilities as a means to lessen on-peak electric demand. This program encourages participation by residential customers through their REP or a participating Aggregator, to reduce peak demand on Oncor's transmission and/or distribution system. The Residential Demand Response Program will allow the Service Providers to curtail and/or cycle residential customer's central air conditioner (A/C) compressor(s) with technology attached to the customer's equipment. Only central air conditioning units and single-family homes are eligible to participate in the program. The 2011 budget for this program is \$388,889 with targeted impacts of 5,000 kW.

### **Targeted Weatherization Low-Income SOP**

This program is targeted to Oncor's low-income residential customers who meet DOE's income eligibility guidelines which are at or below 200% of the federal poverty level guidelines and are connected to Oncor's electric system. Incentive funds are provided to the Texas Department of Housing and Community Affairs (TDHCA) sub-recipient agencies and other not-for-profit or local government agencies, enabling them to provide weatherization services to qualifying customers. Participating agencies provide outreach, eligibility verification, assessments, and will either install or contract for the installation of cost-effective energy-efficient measures. Agencies receive reimbursement for conducting assessments and installing the measures, plus an administrative fee equal to eight percent of the measure installation costs. The maximum expenditure per home is \$6,500.

Energy-efficient measures installed include attic insulation, duct sealing and caulking/weatherstripping around doors and windows, central air conditioning units, central heat pumps, window air conditioning units, replacement of electric water heaters, installation of ENERGY STAR<sup>®</sup> refrigerators, solar window screens, wall insulation, CFLs, water heater jackets and ENERGY STAR<sup>®</sup> ceiling fans with light kit. The 2011 budget for this program is \$3,792,157 with targeted impacts of 1,200 kW and 3,800,000 kWh.

Prior to 2005, the TDHCA administered a targeted energy efficiency program that was funded through the System Benefit Fund (SBF). When appropriations from the SBF were discontinued for TDHCA's program in 2005, the Texas Legislature enacted SB 712. SB 712 amended PURA §39.905(f), requiring unbundled utilities like Oncor to fund through rates a targeted low-income energy efficiency program that would be administered by TDHCA. In the summer of 2006, the Commission approved (in Docket No. 32103) an agreement among TLSC/Texas ROSE, the Commission Staff, Oncor (then TXU Electric Delivery Company), AEP Texas Central Company, AEP Texas North Company, CenterPoint Energy Houston Electric, LLC, and Texas-New Mexico

Power Company, that reflected a plan for implementing SB 712's requirements in calendar years 2006 and 2007 (the Docket No. 32103 Agreement). Oncor agreed to provide \$3,412,941 annually to TDHCA for the Company's SB 712 obligation. Among other terms, the Docket No. 32103 Agreement provided that the program would be targeted to households with income at or below 125% of the federal poverty guidelines.

On May 23, 2007, TDHCA informed Oncor that it was not authorized to spend the funds paid by Oncor due to a ruling by the Office of Comptroller of Public Accounts, and that Oncor should make alternative arrangements to complete the program that did not involve TDHCA. Thus, Oncor promptly entered into talks with Frontier Associates LLC (Frontier) and ultimately reached an agreement with Frontier for it to administer the SB 712 program in Oncor's service area, *i.e.*, the Pilot Targeted Weatherization Low-Income Program.

On July 27, 2007, TLSC/Texas ROSE filed a petition with the Commission seeking to have TACAA designated as the sole administrator for the SB 712 programs of all the unbundled utilities, including Oncor. TLSC/Texas ROSE's petition was litigated in Docket No. 34630, *Petition of Texas Legal Services Center and Texas Ratepayers' Organization to Save Energy to Modify the Commission's Final Order in Docket No. 32103 and to Reform the Agreement to Implement Weatherization Programs*. The Commission found that the utilities should have the flexibility to contract with a provider of their choice, as Oncor did with Frontier, to implement SB 712 programs.

### **ENERGY STAR® Low-Rise Multifamily MTP**

Based on the results of the baseline survey and developer survey conducted in 2008, it was determined that there was a strong desire for market differentiation by developers in the multifamily market. Developers expressed a strong interest in converting their units to ENERGY STAR®. Along with recruiting developers, the program focuses on architects, general contractors and apartment management companies. The program provides an integrated approach to achieving peak demand and energy savings with a long-term goal of transforming the multifamily construction market to deliver more efficient units. It encourages developers to improve the design and construction practices for new multifamily residential complexes to achieve increased energy efficiency. The program also educates developers about energy efficiency construction practices and increases customer awareness of ENERGY STAR® multifamily units. In order to meet ENERGY STAR® requirements, developers must switch to an up-flow air conditioning system or properly seal the building cavity for pancake air conditioning systems. The 2011 budget for this program is \$364,444 with targeted impacts of 250 kW and 1,022,000 kWh.

### **Research and Development**

During 2011, Oncor will continue to fund the programs at Electric Power Research Institute (EPRI) that were funded in 2010. These programs include Program 170 – End-Use Energy Efficiency and Demand Response in a Low-Carbon Future, and the Energy Efficiency Demonstration project that will demonstrate six hyper-efficient technologies. For more details on these programs, please see Section IX.

### ***C. New Programs for 2011***

Oncor has no new programs in 2011.

## ***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 required payments through 2010. A description of the final 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. The approved 2010 budget for this program was \$1,050,000 as shown in Table 6. However, due to early completion of Planergy Services and MC2 Energy Management's annual Measurement and Verification Reports, a portion of the contract payments projected to occur in 2010 were distributed in 2009, leaving a remaining obligation of \$278,467 as shown in Appendix C. The difference between the approved budget and the remaining obligation was allocated among other commercial programs during 2010.

## **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 complying with 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 2010 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 33%. According to the U.S. Census Bureau's 2010 Current Population Survey (CPS), 33% 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 890,016. This calculation is only an estimate. Oncor does not have access to its residential customers' 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**

<b>Program</b>	<b>Number of Customers</b>
Commercial	473,886
Residential	1,807,001
Hard-to-Reach	890,016
Total	3,170,903

### **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, 2011 goal reflects the average annual growth in peak demand from 2006 to 2010 (the most recent historical load growth data available). The demand goals are based on meeting 20% of the electric utility's annual growth in demand of residential and commercial customers for the 2010 and 2011 program years, and on meeting 25% of the electric utility's annual growth in demand of residential and commercial customers for the 2012 program year. The corresponding energy savings goals are determined by applying a 20% 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 and 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 2011 and 2012. 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 <sup>2</sup>		
	Actual	Actual Weather Adjusted <sup>3</sup>	Actual	Actual Weather Adjusted <sup>3</sup>	Actual	Actual Weather Adjusted <sup>3</sup>	Actual Weather Adjusted <sup>3</sup>	Actual Weather Adjusted <sup>3</sup>		
2005	23,381	23,983	22,419	23,021	106,184,587	104,726,922	96,458,595	95,000,930	-425	NA
2006	24,092	23,971	22,975	22,854	106,827,224	105,552,518	96,903,803	95,629,097	-167	NA
2007	23,377	23,574	22,314	22,511	105,428,707	105,276,379	95,152,782	95,000,454	-343	NA
2008	23,753	23,592	22,679	22,518	107,828,724	106,484,089	97,222,302	95,877,667	7	NA
2009	23,604	23,421	22,544	22,361	103,375,708	103,925,805	94,933,030	95,483,127	-157	NA
2010	24,642	23,810	23,724	22,892	109,323,278	105,778,763	100,201,592	96,657,077	531	NA
2011 <sup>4</sup>	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2012 <sup>4</sup>	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

\* Table 4 values will differ from prior years due to restatement of historic demands from a method based on 4CP demand to using ERCOT Settlement interval data. Additional variance is due to changing the weather adjustment process to better match the ERCOT Settlement method.

<sup>2</sup> "Average Growth" for previous 5 years. "NA" = Not Applicable. Average MW growth from 2005-2010 is not applicable to any of the calculations or forecasts in this EEPR.

<sup>3</sup> "Actual Weather Adjusted" Peak Demand and "Energy Consumption" are adjusted for weather fluctuations using weather data for the most recent ten years.

<sup>4</sup> "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 2011 and 2012 are not applicable.

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

Customer Class and Program	2011 Projected Savings		2012 Projected Savings	
	(kW)	(kWh)	(kW)	(kWh)
<b>Commercial</b>				
Commercial SOP	61,860	140,500,000	78,195	143,569,507
Emergency Load Management SOP	21,000	119,000,000	19,468	111,748,811
Commercial Load Management SOP	0	0	0	0
Educational Facilities MTP	30,000	0	50,000	0
Government Facilities MTP	8,300	15,000,000	6,169	23,311,338
Small Commercial SOP	1,300	3,000,000	1,139	4,346,213
Air Conditioning MTP*	640	1,800,000	812	2,676,292
Home Energy Efficiency SOP	620	1,700,000	607	1,486,853
ENERGY STAR® Homes MTP	22,450	46,722,000	19,117	63,179,128
Residential Demand Response SOP	14,000	40,000,000	15,446	56,144,903
Air Conditioning MTP*	1,700	1,700,000	1,560	1,560,000
Hard-to-Reach SOP	5,000	0	0	0
ENERGY STAR® Low-Rise Multifamily MTP	1,500	4,000,000	1,919	4,632,425
Targeted Weatherization Low-Income SOP	250	1,022,000	192	841,800
<b>Hard-to-Reach</b>	<b>10,900</b>	<b>39,800,000</b>	<b>11,635</b>	<b>44,107,841</b>
Targeted Weatherization Low-Income SOP	9,700	36,000,000	10,433	39,999,752
<b>Total Annual Savings Goals</b>	<b>95,210</b>	<b>227,022,000</b>	<b>108,947</b>	<b>250,856,476</b>

\* Please see the AC MTP Program Descriptions in Section I.B of this document.



#### 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, 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.

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**

<b>2011 Customer Class and Program</b>	<b>Incentives</b>	<b>Administration</b>	<b>Total Budget</b>
<b>Commercial</b>	<b>\$17,110,000</b>	<b>\$1,901,110</b>	<b>\$19,011,110</b>
Commercial SOP	\$10,000,000	\$1,111,111	\$11,111,111
Emergency Load Management SOP	\$0	\$0	\$0
Commercial Load Management SOP	\$900,000	\$100,000	\$1,000,000
Educational Facilities MTP	\$3,900,000	\$433,333	\$4,333,333
Government Facilities MTP	\$1,300,000	\$144,444	\$1,444,444
Small Commercial SOP	\$640,000	\$71,111	\$711,111
AC MTP	\$370,000	\$41,111	\$411,111
<b>Residential</b>	<b>\$9,678,000</b>	<b>\$1,075,333</b>	<b>\$10,753,333</b>
Home Energy Efficiency SOP	\$7,000,000	\$777,778	\$7,777,778
ENERGY STAR® Homes MTP	\$1,000,000	\$111,111	\$1,111,111
AC MTP	\$1,000,000	\$111,111	\$1,111,111
Residential Demand Response SOP	\$350,000	\$38,889	\$388,889
ENERGY STAR® Low-Rise MTP	\$328,000	\$36,444	\$364,444
<b>Hard-to-Reach</b>	<b>\$13,112,941</b>	<b>\$1,456,994</b>	<b>\$14,569,935</b>
Hard-to-Reach SOP	\$9,700,000	\$1,077,778	\$10,777,778
Targeted Weatherization Low Income SOP	\$3,412,941	\$379,216	\$3,792,157
<b>Research &amp; Development</b>	<b>\$0</b>	<b>\$750,000</b>	<b>\$750,000</b>
<b>Total Budgets by Category</b>	<b>\$39,900,941</b>	<b>\$5,183,437</b>	<b>\$45,084,378</b>
<b>2012 Customer Class and Program</b>	<b>Incentives</b>	<b>Administration</b>	<b>Total Budget</b>
<b>Commercial</b>	<b>\$18,160,500</b>	<b>\$2,476,431</b>	<b>\$20,636,931</b>
Commercial SOP	\$10,000,000	\$1,363,636	\$11,363,636

Emergency Load Management SOP	\$0	\$0	\$0
Commercial Load Management SOP	\$2,000,000	\$272,727	\$2,272,727
Educational Facilities MTP	\$4,100,000	\$559,091	\$4,659,091
Government Facilities MTP	\$1,000,000	\$136,364	\$1,136,364
Small Commercial SOP	\$672,000	\$91,636	\$763,636
AC MTP	\$388,500	\$52,977	\$441,477
<b>Residential</b>	<b>\$11,286,860</b>	<b>\$1,475,878</b>	<b>\$12,762,738</b>
Home Energy Efficiency SOP	\$8,861,860	\$1,145,196	\$10,007,056
ENERGY STAR® Homes MTP	\$1,000,000	\$136,364	\$1,136,364
AC MTP	\$1,050,000	\$143,182	\$1,193,182
ENERGY STAR® Low-Rise MTP	\$375,000	\$51,136	\$426,136
<b>Hard-to-Reach</b>	<b>\$13,112,941</b>	<b>\$1,710,598</b>	<b>\$14,823,539</b>
Hard-to-Reach SOP	\$9,700,000	\$1,245,197	\$10,945,197
Targeted Weatherization Low Income SOP	\$3,412,941	\$465,401	\$3,878,342
<b>Research &amp; Development</b>	<b>\$0</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>
<b>Total Budgets by Category</b>	<b>42,560,301</b>	<b>\$6,662,907</b>	<b>\$49,223,208</b>

## 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 (2006-2010) 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)
2010 <sup>5</sup>	78.3	53.1	234,807
2009 <sup>6</sup>	89.5	53.1	255,847
2008 <sup>7</sup>	92.0	53.1	250,892
2007 <sup>8</sup>	104.1	75.5	265,732
2006 <sup>9</sup>	79.1	79.1	296,403

<sup>5</sup> Projected MW Savings and Projected Energy Savings as reported in the 2010 Energy Efficiency Plan & Report (EEPR) filed in April of 2010 under Project No. 37982. Actual Demand Goal as discussed in Table 4.

<sup>6</sup> Projected MW Savings and Projected Energy Savings as reported in the 2009 Energy Efficiency Plan & Report (EEPR) filed in April of 2009 under Project No. 36689. Actual Demand Goal as discussed in Table 4.

<sup>7</sup> Projected MW Savings and Projected Energy Savings as reported in the 2008 Energy Efficiency Plan & Report (EEPR) filed in May of 2008 under Project No. 35440. Actual Demand Goal as discussed in Table 4.

<sup>8</sup> Projected Savings and Goals from EEP, Project No. 33884.

<sup>9</sup> Projected Savings and Goals from EEP, Project No. 32107.

## VI. Projected, Reported and Verified Demand and Energy Savings

**Table 8: Projected versus Reported and Verified Savings for 2010 and 2009<sup>10</sup> (at Meter)**

2010	Projected Savings		Reported and Verified Savings	
Customer Class and Program	kW	kWh	kW	kWh
<b>Commercial</b>	<b>45,125</b>	<b>143,414,918</b>	<b>67,294</b>	<b>136,304,942</b>
Commercial SOP	20,811	116,492,486	19,883	108,914,129
Emergency Load Management SOP	0	0	0	0
Educational Facilities MTP	5,193	11,509,142	6,409	16,098,534
Government Facilities MTP	624	2,765,917	400	1,777,984
Data Centers MTP	944	8,699,451	820	7,649,167
Third Party DSM Contracts	0	0	0	0
Small Commercial SOP	628	1,743,906	286	1,390,835
Air Conditioning Distributor MTP	925	2,204,016	188	474,293
Commercial Load Management SOP	16,000	0	39,308	0
<b>Residential</b>	<b>22,932</b>	<b>54,531,885</b>	<b>22,137</b>	<b>46,185,124</b>
Home Energy Efficiency SOP	14,545	42,683,757	12,893	39,319,090
ENERGY STAR <sup>®</sup> Homes MTP	2,845	3,090,353	3,475	3,982,986
A/C Installer MTP	472	735,980	61	147,215
Refrigerator/Freezer Recycle MTP	820	4,877,393	0	0
Air Conditioning Tune-Up MTP	125	144,540	1	1,388
Res.Demand Response SOP	3,000	0	4,885	0
Air Conditioning Distributor MTP	900	2,743,632	584	1,753,201
ENERGY STAR <sup>®</sup> Low-Rise MTP	225	256,230	238	981,244
<b>Hard-to-Reach</b>	<b>10,220</b>	<b>36,859,978</b>	<b>11,690</b>	<b>43,295,349</b>
Hard-to-Reach SOP	9,000	33,033,960	10,757	40,679,086
Targeted Weatherization LI SOP	1,220	3,826,018	933	2,616,263
<b>Total Annual Savings Goals</b>	<b>78,277</b>	<b>234,806,781</b>	<b>101,119</b>	<b>225,785,412</b>
2009 <sup>11</sup>	Projected Savings		Reported and Verified Savings	
Customer Class and Program	kW	kWh	kW	kWh
<b>Commercial</b>	<b>49,540</b>	<b>120,359,181</b>	<b>55,803</b>	<b>133,916,019</b>
Commercial SOP	13,625	71,613,000	19,205	111,386,443
Emergency Load Management SOP	9,000	0	0	0
Educational Facilities MTP	11,100	26,253,720	8,860	19,459,076
Government Facilities MTP	4,000	9,460,800	841	2,339,052
Data Centers MTP	1,190	8,860,740	0	0
Third Party DSM Contracts	0	0	0	0
Small Commercial SOP	300	919,800	157	664,056

<sup>10</sup> Projected Savings totals for 2010 and 2009 from Table 7. Reported Savings may not add due to rounding.

<sup>11</sup> Reported and Verified Savings data for 2009 taken from EEP, Project No. 37982.

Air Conditioning Distributor MTP	1,325	3,251,121	26	67,392
Commercial Load Management SOP	9,000	0	26,714	0
<b>Residential</b>	<b>28,840</b>	<b>91,615,828</b>	<b>29,473</b>	<b>86,534,452</b>
Home Energy Efficiency SOP	14,700	45,070,200	14,714	44,154,985
ENERGY STAR® Homes MTP	5,860	6,673,368	7,761	8,521,881
A/C Installer MTP	1,250	2,080,500	29	73,182
Refrigerator/Freezer Recycle MTP	1,000	6,482,400	322	1,957,077
Air Conditioning Tune-Up MTP	600	946,080	85	97,854
Res.Demand Response SOP	1,500	0	2,522	0
Statewide Residential CFL MTP	1,330	25,300,000	2,726	27,252,695
Air Conditioning Distributor MTP	1,600	3,924,480	950	2,980,030
ENERGY STAR® Low-Rise MTP	1,000	1,138,800	364	1,496,748
<b>Hard-to-Reach</b>	<b>11,130</b>	<b>43,871,977</b>	<b>13,481</b>	<b>50,555,426</b>
Hard-to-Reach SOP	9,100	35,872,200	12,626	48,381,049
Targeted Weatherization LI SOP	2,030	7,999,777	855	2,174,377
<b>Total Annual Savings Goals</b>	<b>89,510</b>	<b>255,846,986</b>	<b>98,756</b>	<b>271,005,897</b>

## VII. Historical Program Expenditures

This section documents Oncor's incentive and administration expenditures for the previous five years (2006-2010) broken out by program for each customer class.

**Table 9: Historical Program Incentive and Administrative Expenditures for 2006 through 2010**

	2010		2009		2008		2007		2006	
	Incentive (\$)	Admin (\$)	Incentive (\$)	Admin (\$)	Incentive (\$)	Admin (\$)	Incentive (\$)	Admin (\$)	Incentive (\$)	Admin (\$)
<b>Commercial</b>	14,128,791	1,501,520	17,073,714	1,527,961	11,058,178	1,197,225	12,667,933	1,047,882	6,878,679	861,742
Large Commercial & Industrial SOP	NA	NA	NA	NA	5,349,355	518,093	4,666,458	369,590	2,609,314	322,313
Commercial SOP	7,978,354	716,264	7,600,839	667,361	NA	NA	NA	NA	NA	NA
Third Party DSM Contracts	278,467	28,931	3,591,448	224,816	3,224,644	233,043	4,557,195	237,043	2,740,445	265,449
Emergency Load Management SOP	0	0	0	0	0	42,342	1,255,281	173,492	977,729	153,793
Commercial Load Management SOP	1,179,226	185,931	934,990	115,306	848,148	98,274	NA	NA	NA	NA
Educational Facilities MTP	3,484,196	303,700	4,109,364	289,438	1,136,887	133,858	1,903,461	244,313	551,191	120,187
Government Facilities MTP	485,423	142,049	739,001	149,593	325,144	75,998	285,538	23,444	NA	NA
Data Centers MTP	723,125	124,645	98,072	81,447	174,000	95,617	NA	NA	NA	NA
<b>Res. &amp; Small Commercial</b>	9,638,471	1,583,794	13,279,765	1,737,706	14,300,830	1,977,298	10,459,889	1,337,226	10,655,488	1,725,674
Res. & Small Commercial SOP	NA	NA	NA	NA	8,633,286	959,255	6,380,882	620,420	5,096,074	689,986
Home Energy Efficiency SOP	7,098,271	727,460	6,345,943	643,610	NA	NA	NA	NA	NA	NA
Small Commercial SOP	107,592	115,389	55,711	83,083	NA	NA	NA	NA	NA	NA
ENERGY STAR® Homes MTP	824,860	126,914	2,374,644	203,073	1,904,515	290,671	3,331,736	367,043	4,512,251	697,779
A/C Installer MTP	144,493	81,026	144,333	86,389	137,981	72,230	527,206	216,583	889,120	250,592
A/C Tune-Up MTP	51,661	76,108	138,575	83,204	133,872	48,758	117,678	5,366	NA	NA
Refrigerator/Freezer Recycle MTP	0	0	259,009	87,655	471,416	89,316	30,495	3,087	NA	NA
CCET Res. Demand Response MTP	NA	NA	NA	NA	0	42,880	0	2,036	NA	NA
Commercial A/C Distributor MTP (Prior to 2006, known as AC Distributor MTP)	204,854	116,773	NA	NA	114,715	60,755	71,892	122,691	158,043	87,317
Air Conditioning Distributor MTP	571,358	115,574	712,600	113,771	69,833	67,222	NA	NA	NA	NA

Residential Demand Response MTP	335,439	126,563	435,003	139,463	832,312	110,707	NA	NA	NA	NA
Statewide Residential CFL MTP	NA	NA	2,384,615	191,207	1,948,912	179,984	NA	NA	NA	NA
ENERGY STAR® Low Rise MTP	299,943	97,987	429,332	106,251	53,988	55,520	NA	NA	NA	NA
Multi-Family Water & Space Heating Pilot MTP	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
<b>Hard-to-Reach</b>	<b>12,594,322</b>	<b>1,116,950</b>	<b>12,850,523</b>	<b>1,100,138</b>	<b>23,038,914</b>	<b>1,813,916</b>	<b>15,902,313</b>	<b>1,176,910</b>	<b>4,230,410</b>	<b>505,981</b>
Hard-to-Reach SOP	9,586,061	909,875	10,451,247	932,735	22,303,233	1,670,365	15,902,313	1,124,630	4,230,410	505,981
Target Weatherization (known as TDHCA in 2006 & 2007)	3,008,261	207,075	2,399,276	167,403	499,455	78,448	0	52,280	0	0
Pilot Targeted Partnership Weatherization	NA	NA	NA	NA	236,226	65,103	NA	NA	NA	NA
<b>Total Program Expenditures</b>	<b>36,361,584</b>	<b>4,202,264</b>	<b>43,204,002</b>	<b>4,365,805</b>	<b>48,397,922</b>	<b>4,988,439</b>	<b>39,030,135</b>	<b>3,562,018</b>	<b>21,764,577</b>	<b>3,093,397</b>

## VIII. Program Funding for Calendar Year 2010

Oncor exceeded its 2010 mandated 20% demand goal of 53.1 MW by obtaining 101.1 MW in energy efficiency savings. As shown on Table 10, funds were either spent or committed by contracts with energy efficiency service providers in excess of the total overall 2010 budget of the SOPs and MTPs in order to ensure attainment of the goal.

The **ENERGY STAR<sup>®</sup> Low-Rise Multifamily MTP** was on target with the 2010 incentive budget, but exceeded its administration budget due to the allocation of indirect overhead and expenses that are not directly associated with individual programs, but are none the less costs associated with implementing a large portfolio of programs. For reporting purposes, these costs are allocated to all programs. Based on the methodology Oncor uses to budget individual programs (10% administration in 2010), smaller programs are more likely to exceed their administration budget while larger programs are more likely to be under their administration budget. Oncor looks at direct administration costs when examining individual program results and total administration costs when examining the portfolio as a whole.

The **Commercial SOP** came in under budget primarily due to a timing difference between when funds are committed to projects and when the projects are actually completed and paid. Between the carryover from the previous year's commitments and fund requests submitted by participating contractors in 2010, Oncor had funds committed in excess of the 2010 budget of \$10,405,555. Carryover into 2011 is \$6,258,912.

The **Commercial Load Management SOP** surpassed its 2010 budget due to the increased demand by Service Providers to participate in this type of Demand Response Program. The demand was driven by several factors, including; the term of the contract is only for one year, the increased interest in demand response in Texas as demonstrated by the number of participants, and having a one hour notice for curtailment request compared to the five minute request required by comparable ERCOT programs. In 2009, the Commercial Load Management Program had 15 Service Providers and 36 ESI IDs. The 2010 program saw an increase to 19 Service Providers and 62 ESI IDs.

The **Air Conditioning Distributor MTP** was unable to generate sufficient distributor participation in the commercial segment to spend all of its 2010 incentive budget, but exceeded its administration budget due to the allocation of indirect overhead and expenses that are not directly associated with individual programs, but are none the less costs associated with implementing a large portfolio of programs. For reporting purposes, these costs are allocated to all programs. Based on the methodology Oncor uses to budget individual programs (10% administration in 2010), smaller programs are more likely to exceed their administration budget while larger programs are more likely to be under their administration budget. Oncor looks at direct administration costs when examining individual program results and total administration costs when examining the portfolio as a whole.

The **A/C Installer MTP** did not achieve anticipated results even though program participation increased by several contractors. Participation declined as the cooling season began. According to conversations between the program implementer and participating contractors, the contractors experienced increased levels of service, replacement, and repair calls that severely taxed their



ability to meet demands of the program. This resulted in emergency unit replacement with no time to complete the extra testing and measures required to meet the ENERGY STAR® requirements. However as fall temperatures returned the participating contractors completed Energy Star® Quality Installation at 31 sites.

The **Government Facilities MTP** was under budget in 2010 due to a slow-down in the economy and budget constraints of local governments. Additionally, the Federal Stimulus funds provided to local government's required long term planning that slowed project completion.

The **Small Commercial SOP** did not achieve anticipated results and was under budget even though there was an increase in the number of participating Service Providers. Based on the Program Manager's conversation with participating AC Contractors, the weak economy had consumers choosing to repair their HVAC systems instead of replacing them with new systems. Contractors also commented that an increase in the minimum qualifying efficiency for HVAC systems above 65,000 BTUH left fewer qualifying systems and higher equipment cost.

The **Air Conditioning Tune-Up MTP** did not achieve anticipated results, although recruitment for program participation showed significant initial interest by several contractors. According to conversations between the program implementer and participating contractors, the contractors experienced increased levels of service, replacement, and repair calls that severely taxed their ability to meet demands of the program. Contractors also stated that the incentive was not enough to overcome the cost of the additional time required by the tune-up protocol and that customers weren't willing to pay for the enhanced service to make it worthwhile for the contractor even with the incentive.

The **Data Centers MTP** was under budget due to measurement and verification projects that were completed late in the year with lower savings than anticipated. Had those projects been completed on time with the level of savings projected, this program would have been on budget.

The **Residential Demand Response MTP** surpassed its 2010 budget because Service Provider performance was greater than anticipated. The growth was seen in the comparison of participation between 2009 and 2010. In 2009, two Service Providers had 3,461 premises participate in the program with a kW savings of 2,522. The 2010 program had two participating Service Providers and enrolled 8,478 premises with a savings of 4,885 kW. The two Service Providers in 2010 increased their amount of outreach and were successful in attracting additional participants to the program.

The **Targeted Weatherization Low-Income Program** was under budget in 2010 due to insufficient participation by two TDHCA sub-recipients. A total of twelve agencies signed contracts in 2010, but only ten met or exceeded their contracted amount. These two participating agencies receive funding from a variety of government sources or "stimulus" funding (including American Recovery & Reinvestment Act), and may have placed a higher priority on spending the budget allocations from these other programs. To address this issue in 2011, these agencies will be closely monitored, with the option of reallocating funding to other agencies, organizations and churches in order to meet the 2011 program budget.

**Table 10: Program Funding for Calendar Year 2010**

	Numbers of Customer Meters	Total Projected Budget <sup>12</sup>	Actual Funds Expended (Incentives)	Actual Funds Expended (Admin)	Total Funds Expended	Funds Committed (Not Expended)	Funds Remaining (Not Committed)
<b>Commercial</b>	<b>1,002</b>	<b>\$19,475,905</b>	<b>\$14,441,237</b>	<b>\$1,733,682</b>	<b>\$16,174,919</b>	<b>\$6,879,775</b>	<b>\$(3,578,789)</b>
Commercial SOP	558	\$10,405,555	\$7,978,354	\$716,264	\$8,694,618	\$6,258,912	\$(4,547,975)
Third Party DSM Contracts	0	\$1,050,000	\$278,467	\$28,931	\$307,398	\$0	\$742,602
Emergency Load Management SOP	0	\$0	\$0	\$0	\$0	\$0	\$0
Commercial Load Management SOP	61	\$622,222	\$1,179,226	\$185,931	\$1,365,157	\$0	\$(742,935)
Educational Facilities MTP	248	\$3,888,889	\$3,484,196	\$303,700	\$3,787,896	\$0	\$100,993
Government Facilities MTP	52	\$1,444,444	\$485,423	\$142,049	\$627,472	\$572,490	\$244,482
Data Centers MTP	5	\$944,444	\$723,125	\$124,645	\$847,770	\$0	\$96,674
Small Commercial SOP	54	\$709,240	\$107,592	\$115,389	\$222,981	\$0	\$486,259
Air Conditioning Distributor MTP	24	\$411,111	\$204,854	\$116,773	\$321,627	\$48,373	\$41,111
<b>Residential</b>	<b>24,563</b>	<b>\$10,252,223</b>	<b>\$9,326,025</b>	<b>\$1,351,632</b>	<b>\$10,677,657</b>	<b>\$146,769</b>	<b>\$(572,203)</b>

<sup>12</sup> Projected Budget taken from the EEP filed in April 2010 under Project No. 37982.

Home Energy Efficiency SOP	12,704	\$7,111,111	\$7,098,271	\$727,460	\$7,825,731	\$0	\$(714,620)
ENERGY STAR® Homes MTP	1,836	\$916,667	\$824,860	\$126,914	\$951,774	\$0	\$(35,107)
A/C Installer MTP	31	\$277,778	\$144,493	\$81,026	\$225,519	\$24,481	\$27,778
Air Conditioning Tune-Up MTP	2	\$277,778	\$51,661	\$76,108	\$127,769	\$122,231	\$27,778
Refrig./Freezer Recycle MTP	0	\$555,556	\$0	\$0	\$0	\$0	\$555,556
Air Conditioning Distributor MTP	743	\$500,000	\$571,358	\$115,574	\$686,932	\$0	\$(186,932)
Residential Demand Response SOP	8,478	\$280,000	\$335,439	\$126,563	\$462,002	\$0	\$(182,002)
ENERGY STAR® Low-Rise MTP	769	\$333,333	\$299,943	\$97,987	\$397,930	\$57	\$(64,654)
Hard-to-Reach	13,771	\$13,792,157	\$12,594,322	\$1,116,950	\$13,711,272	\$197,605	\$(116,720)
Hard-to-Reach SOP	12,868	\$10,000,000	\$9,586,061	\$909,875	\$10,495,936	\$0	\$(495,936)
Targeted Weatherization Low-Income SOP	903	\$3,792,157	\$3,008,261	\$207,075	\$3,215,336	\$197,605	\$379,216
Research & Development	NA	\$750,245	\$0	\$543,283	\$543,283	\$0	\$206,962
<b>Total</b>	<b>39,336</b>	<b>\$44,270,530</b>	<b>\$36,361,584</b>	<b>\$4,745,547</b>	<b>\$41,107,131</b>	<b>\$7,224,149</b>	<b>\$(4,060,750)</b>

## **IX. Market Transformation & Research & Development Results**

### **AIR CONDITIONING DISTRIBUTOR MTP – Commercial**

The objective of this program is to increase the market penetration of high efficiency air conditioning units in the commercial market for replacement systems and new installations in order to provide cost-effective reduction in peak summer demand. Additional objectives of this program are to achieve consumer demand and energy savings and encourage private sector delivery of energy efficiency products and services. The program focused on replacement systems and new installations of commercial units between 1.5 tons and 20 tons and the air conditioning contractors who install them.

The Program goals for 2010 were to continue implementing strategies of sales and installations for high efficiency commercial heating, ventilation and air conditioning (HVAC) systems installed by participating contractors as well as reduce energy consumption. Units were replaced at 24 sites in 2010 resulting in savings of 188 kW and 474,293 kWh.

### **AIR CONDITIONING DISTRIBUTOR MTP – Residential**

The objective of this program is to increase the market penetration of high efficiency air conditioning units in the residential market for replacement systems in order to provide cost-effective reduction in peak summer demand. Additional objectives of this program are to achieve consumer demand and energy savings and encourage private sector delivery of energy efficiency products and services. The program focused on replacement of residential units from 1.5 to 5-tons with a minimum 16 SEER /12 EER for air conditioning cooling units and a minimum of 16 SEER / 12EER and 8.2 HSPF (Heating Seasonal Performance Factor) for heat pumps.

Program goals for 2010 were to continue implementing strategies to participating Distributors for sales and installation of high efficient residential HVAC systems to their dealer's and to improve the comfort for the homeowner and reduce their energy consumption. Systems were replaced at 743 sites in 2010 resulting in savings of 584 kW and 1,753,201 kWh.

### **ENERGY STAR<sup>®</sup> Homes MTP**

The objective of this program is to achieve peak demand reductions and energy savings through increased sales of ENERGY STAR<sup>®</sup> homes. Additionally, the program is designed to condition the market so that consumers are aware of and demand ENERGY STAR<sup>®</sup> homes 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 non-participating homes built by participating Oncor 2006 ENERGY STAR<sup>®</sup> Homes Program builders, showed the average Home Energy Rating System (HERS) Index for non-participating homes to be 93. This compares to a minimum qualifying ENERGY STAR<sup>®</sup> Index of 85.

Based on 2010 data from the Real Estate Center at Texas A&M University, there were approximately 21,034 single-family building permits issued in the Oncor service territory Metropolitan Statistical Areas (MSAs), with 1,836 receiving ENERGY STAR<sup>®</sup> certification

through the program. During the 2010 Program Year, the Environmental Protection Agency (EPA) only allowed homes to be certified using a HERS Index rating.

The EPA recognized Oncor's accomplishments in the ENERGY STAR<sup>®</sup> Homes Program by awarding it the ENERGY STAR<sup>®</sup> 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, 2008, 2009, and 2010, the EPA recognized Oncor's accomplishments in the ENERGY STAR<sup>®</sup> Homes Program by awarding it the ENERGY STAR<sup>®</sup> Sustained Excellence Award.

The milestones for 2011 are to complete a new baseline study, certify 1,000 ENERGY STAR<sup>®</sup> homes, focus participation in outlying markets, educate mortgage lenders and home appraisers on the value behind ENERGY STAR<sup>®</sup> and train realtors on how to successfully relay the ENERGY STAR<sup>®</sup> message to potential homeowners. Program savings in 2010 were 3,475 kW and 3,982,986 kWh.

### **A/C Installer MTP**

The program is designed to encourage improved installation practices for new HVAC equipment, including measures designed to reduce leakage in air ducts and verify correct air flow. The program requires that the system be installed to ENERGY STAR<sup>®</sup> Quality Installation guidelines that incorporate ACCA (Air Conditioning Contractors of America) Installation standards. Training for contractors and installers was conducted using these installation practices. The Program requires the installation of new matched indoor and outdoor equipment meeting minimum AHRI standards of 16 SEER / 11.5 EER and the same for heat pumps with 8.2 HSPF or higher.

The Program goal for 2010 was to continue implementing strategies to overcome market barriers to quality installations of HVAC systems. The program in 2011 will continue to encourage ENERGY STAR<sup>®</sup> Quality Installation and sales training to contractors along with the benefits to the homeowner in the form of comfort and energy savings, but will do so as a component of the Air Conditioning MTP. A review of the existing ENERGY STAR<sup>®</sup> Quality Installation baseline was completed in 2010. The results of this study quantified that savings can be achieved by correctly sizing the HVAC system, correcting airflow, reducing duct leakage and properly adjusting the refrigerant charge. The baseline savings have been revised to account for these proper installations strategies and for an increase in minimum SEER from 10 to 13. The results of the new baseline study will be applied to the installation savings for the 2011 program. In 2010, ENERGY STAR<sup>®</sup> qualified replacement installations were completed in 31 sites, resulting in savings of 61 kW and 147,215 kWh.

### **Educational Facilities MTP**

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

The Educational Facilities MTP set a goal of 5,193 kW in 2010. Ninety-five school districts and colleges were enrolled in the program for 2010. Fifty-three schools installed measures that resulted in savings of 6,409 kW and 16,098,534 kWh. Benchmarking and Energy Master Planning were completed for twenty-two school districts.

A baseline study for the Educational Facilities Program was also completed in 2010. The findings of the study were consistent with the findings of the program. Over 80% of the market is at least somewhat interested in finding ways to save energy. However, the market faces many barriers to energy efficiency adoption, including its own processes and infrastructure for energy decision making. As such, there are many opportunities to help schools overcome obstacles to adopting energy efficient improvements through techniques such as market education, goal-setting, staffing, bill monitoring strategies, project guidelines and specifications, and monetary incentives. For 81% of the schools surveyed, the most commonly stated obstacle to energy improvements is the cost of upgrading to energy efficient technology. However, over 90% of respondents indicated at least one additional non-cost barrier, with the top two being —the budget and procurement process for planning energy improvements and —finding the time to identify, plan and execute energy improvements.

### **Air Conditioning Tune-Up MTP**

The objective of this 2010 program was to rate the operating performance of HVAC systems in existing homes within the Oncor service territory. The program involved testing of static pressures on return air and the air handler, air balancing testing, and verifying refrigerant charge using approved manufacturer charging methods. These tests pinpointed HVAC defects and enabled the contractor to prescribe and make specific repairs and immediately measure the increase in delivered system BTUH.

Program goals for 2010 were to continue implementing strategies to overcome market barriers for the participating contactors by encouraging continued training and improving marketing efforts to the homeowner. In 2010, 2 tune-ups were completed, resulting in savings of 1.2 kW and 1,388 kWh.

### **Government Facilities MTP**

The Government Facilities 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 peak demand and energy 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. The Government Facilities MTP also helped identify and assess capital-intensive energy projects which produce energy cost savings. They were also encouraged to implement energy-efficient operations and maintenance practices and procedures that were identified during the process.

The Government Facilities MTP helps the participant by facilitating a focused look at what can be 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 Government Facilities MTP 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 utility savings for years to come. Qualified work included retrofitting existing facilities and new construction projects.

The Government Facilities MTP set a goal of 624 kW in 2010. Fifty-five cities/counties participated in the 2010 program. Eleven of the participants installed measures that resulted in savings of 400 kW and 1,777,984 kWh. Benchmarking and Energy Master Planning were completed for five partners.

A baseline study for the Government Facilities Program was also completed in 2010. The findings of the study were consistent with the findings of the program. Over 81% of the market is at least somewhat interested in finding ways to save energy. However, the market faces many barriers to energy efficiency adoption, including its own processes and infrastructure for energy decision making. As such, there are many opportunities to help local governments overcome obstacles to adopting energy efficient improvements through techniques such as market education, goal-setting, staffing, bill monitoring strategies, project guidelines and specifications, and monetary incentives. For 80% of the facilities surveyed, the most commonly stated obstacle to energy improvements is the cost of upgrading to energy efficient technology. However, over 90% of respondents indicated at least one additional non-cost barrier, with the top two being —the budget and procurement process for planning energy improvements and —finding the time to identify, plan and execute energy improvements.

### **Data Center MTP**

The objective of this program was to conduct, on a limited-scale, a program in 2008 and then offer an RFP for a two-year program. This would determine the level of effort and amount of incentives required to upgrade data center efficiency in the Oncor service territory. The RFP was issued in late 2009 and an implementer was selected. The late start in 2009 prevented the implementer from obtaining many projects. The program involved air distribution, cooling equipment upgrades, server upgrades and virtualization of servers. The 2010 program was fully subscribed but with the completion of the Measurement and Verification occurring late in the year, the savings were about 80% of what was expected. This program will be rolled into the Commercial Standard Offer Program in 2011 with measures that include lighting, cooling, motors, uninterruptable power supplies and virtualization of servers. Additional measures can be proposed but must be measurable and verifiable.

## **ENERGY STAR® Low-Rise Multifamily MTP**

The 2010 ENERGY STAR® Low-Rise Multifamily Program awarded incentives to developers that produced individually metered ENERGY STAR® apartment units. Developers of low-rise multifamily units were encouraged to apply. In addition to the incentives, developers accepted into the program were offered training and marketing resources that helped them leverage their affiliation with ENERGY STAR®, a nationally recognized, government-backed brand that is the national symbol of energy efficiency.

Complexes meeting the EPA's Low-Rise Multifamily protocol listed below were eligible.

- Units in multifamily buildings three stories or less.
- Units in four- and five-story multifamily buildings may qualify for this program if they are permitted as residential structures by the local building department.
- Multifamily units that are located on top of commercial spaces (*e.g.*, retail, restaurant, etc.) may be qualified for the program even if the structure is permitted as commercial, as long as 1) the entire structure is five stories or less; and 2) the space conditioning and water heating systems are not shared between the residential and commercial spaces.

In addition, only complexes with a permit date after January 1, 2009 were eligible.

Before qualifying as ENERGY STAR®, a unit must be evaluated by a RESNET-accredited Home Energy Rating System (HERS) Rater either by a (1) Performance Path or (2) Prescriptive Path as defined by ENERGY STAR®. For units to qualify via the performance path, a HERS Rater analyzes the unit's energy performance using an approved software modeling program prior to on-site thermal bypass and envelope/duct pressure testing. For units to qualify under the prescriptive path, the developer completes and implements a checklist, referred to as the Builder Option Package (BOP), prior to diagnostic testing.

In 2010, the EPA recognized Oncor's accomplishments in the ENERGY STAR Homes and Multifamily Program by awarding it the *ENERGY STAR® for Homes Leadership in Housing Award*.

The 2010 savings were of 238 kW and 981,244 kWh with 769 qualified and completed ENERGY STAR® units.

## **Research and Development**

Oncor funded two energy efficiency programs at EPRI in 2010. The first program funded is the broad, collaborative EPRI membership program, Program 170, titled *End-Use Energy Efficiency and Demand Response in a Low-Carbon Future*. In 2010, this on-going program was funded by 43 EPRI members and included the following three project sets: Analytical Frameworks, Demand Response Systems, and Energy Efficiency Technologies. The 2010 program elements are described below. Oncor also is participating in this program in 2011. The program elements were intended to address industry needs and issues, including:

- Research, development, and demonstration (RD&D) on advanced end-use technologies that enable and enhance energy efficiency
- RD&D on advanced technologies and tools that enable demand response (DR)



- Collaboration with equipment vendors to improve performance and reduce costs of energy efficient equipment and demand response systems through assessment, lab testing, and field demonstrations
- Development of analytical frameworks to value the economic and environmental benefits of energy efficiency and demand response to utilities, customers, and society
- Development and refinement of an industry-standard modeling approach to quantify the impact of energy efficiency on reducing carbon emissions, to inform utilities, policymakers, and regulators
- Reliable, comprehensive, and easily accessible data on the nature of plug loads, which constitute the least understood and fastest growing segment of electricity consumption
- Easily understandable, concise, and technically accurate information and tools on existing and emerging energy efficiency and DR technologies for utilities and their customers

Key areas of work included:

Accounting for the impact of energy efficiency on CO2 emissions  
 Persistence of customer response to energy usage feedback  
 Framework for valuing price and demand response  
 Residential plug load measurement  
 Enabling DR-ready appliances  
 Advances in thermal energy storage technology  
 Intelligent homes and buildings  
 HVAC technologies  
 Industrial energy efficiency  
 High performance homes and buildings  
 Electronics, plug loads, and lighting efficiency

Program results are communicated to Oncor and other funders in advisory meetings and in various reports.

In 2010, Oncor also funded a Tailored Collaboration program with other members entitled “Energy Efficiency Demonstration.” This program was begun in 2009 and continues through 2011. It will demonstrate hyper-efficient technologies in commercial buildings and household applications. This supplemental project was offered for members who wanted to advance the state of the art and gain insight to the actual field operation of these emerging technologies. The technologies include:

Variable refrigerant flow air conditioning  
 Data center energy efficiency  
 LED Street and area lighting  
 Hyper-efficient residential appliances, such as combination washer/dryer or compartmentalized refrigerator  
 Ductless heat pumps and air conditioners  
 Heat pump water heating

## X. Current Energy Efficiency Cost Recovery Factor (EECRF)

Oncor collected \$53,711,349 in Base Rates during 2010 through the EECRF.

### Revenue Collected

\$53,711,349

### Over- or Under-recovery

\$3,296,133 (Over) - This amount will be trued-up by rate class in Oncor's 2011 EECRF filing.

Shown below is a calculation detailing the performance bonus Oncor qualifies for based on 2010 program results.

### Performance Bonus Calculation

Total Energy Efficiency Benefits	\$191,203,409
Total Energy Efficiency Expenditures	\$41,107,131
Total Net Benefits	\$150,096,278

2010 Minimum Goal MW	53.1
2010 Achieved Goal MW	101.1
Percentage Over Goal	90.40%

Bonus Calculation % of Net Benefits (1% of every 2% the Demand Goal is exceeded)	0.4520
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Bonus Based on 45.2% of Net Benefits (\$150,096,278.16 x .4520)	\$67,843,518
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Bonus Capped at 20% of 2010 Total Program Costs (\$41,107,131 x .2)	\$8,221,426
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Total Bonus	\$8,221,426
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## ACRONYMS

<b>CCET</b>	Center for the Commercialization of Electric Technologies
<b>DR</b>	Demand Response
<b>DSM</b>	Demand Side Management
<b>EEP</b>	Energy Efficiency Plan, which was filed as a separate document prior to April 2008
<b>EEPR</b>	Energy Efficiency Plan and Report
<b>EER</b>	Energy Efficiency Report, which was filed as a separate document prior to April 2008
<b>EE Rule</b>	Energy Efficiency Rule, PUCT Substantive Rules §25.181 and §25.183
<b>ERCOT</b>	Electric Reliability Council of Texas
<b>HTR</b>	Hard-To-Reach
<b>M&amp;V</b>	Measurement and Verification
<b>MTP</b>	Market Transformation Program
<b>PUCT</b>	Public Utility Commission of Texas
<b>REP</b>	Retail Electrical Provider
<b>RES</b>	Residential
<b>SOP</b>	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 five 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 the Energy Efficiency Rule, 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 (kW), 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 the Energy Efficiency Rule.

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

**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 the Energy Efficiency Rule, 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.

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

**Service Provider** -- An energy efficiency provider or customer who installs energy efficiency measures or performs other energy efficiency services under the Energy Efficiency Rule. An energy efficiency 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.

**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	AC Installer & AC Tune-Up MTPs		HTR & Targeted LI SOPs		Energy Star Homes & Low Rise MTP		Commercial SOP & Data Centers		Air Conditioning Distributor MTPs		Commercial Load Mgmt. SOP		Home Energy Efficiency SOP		Educational Facilities MTP		Government Facilities MTP		Residential Demand Response SOP		Small Commercial SOP			
	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh
ANDERSON	13.1	43,425	13.1	43,425	21.0	10,145.0	21.0	10,145.0	119	50,992.5	119	50,992.5	119	50,992.5	42.0	42.0	42.0	42.0	42.0	42.0	42.0	42.0	42.0	42.0
ANDREWS																								
ANGELINA																								
ARCHER	2.5	7,456.0	5.5	20,362.0	22.2	96,720.0	22.2	96,720.0	5.7	12,393.5	5.7	12,393.5	5.7	12,393.5										
BASTROP																								
BELL																								
BOSQUE																								
BROWN																								
CHEROKEE																								
CLAY																								
COLEMAN																								
COLLIN	14.7	32,844.0	650.4	2,373,000.4	1786.4	9,702,843.2	1786.4	9,702,843.2	1849.5	3,452,461.9	1849.5	3,452,461.9	1849.5	3,452,461.9	54.8	481,940.3	54.8	481,940.3	54.8	481,940.3	54.8	481,940.3	54.8	481,940.3
COMANCHE																								
COOKE																								
CORYELL																								
CRANE																								



DALLAS	KW	16.2	KW	4,885.0	KW	843.7	KW	9,019.8	KW	207.0	KW	17,104.9	KW	4,740.4	KW	1,221.2	KW	135.4	KW	1,450.0	KW	146.9
	kWh	37,078.0	kWh	16,472,987.2	kWh	10,17,705.1	kWh	48,298,208.5	kWh	569,444.8	kWh		kWh	13,833,391.3	kWh	2,401,567.2	kWh	834,303.5	kWh		kWh	860,178.7
DAWSON	KW		KW		KW		KW		KW		KW		KW		KW		KW		KW			
	kWh		kWh		kWh		kWh		kWh		kWh		kWh		kWh		kWh		kWh			
DELTA	KW		KW		KW		KW		KW		KW		KW		KW		KW		KW			
	kWh		kWh		kWh		kWh		kWh		kWh		kWh		kWh		kWh		kWh			
DENTON	KW	5.2	KW	3,215	KW	280.5	KW	495.7	KW	38.2	KW	987.5	KW	490.8	KW	39.7	KW		KW	284.0	KW	
	kWh	12,074.0	kWh	1,489,223.5	kWh	260,995.6	kWh	5,053,068.6	kWh	106,186.0	kWh		kWh	1,478,580.6	kWh	423,029.0	kWh		kWh		kWh	
EASTLAND	KW		KW		KW		KW		KW		KW		KW		KW		KW		KW			
	kWh		kWh		kWh		kWh		kWh		kWh		kWh		kWh		kWh		kWh			
ECTOR	KW		KW	4.0	KW		KW	373.7	KW	3.6	KW		KW	13	KW		KW	20.9	KW		KW	
	kWh		kWh	16,088.15	kWh		kWh	2,780,431.0	kWh	8,893.1	kWh		kWh	6,710.8	kWh		kWh	61,986.0	kWh		kWh	
ELLIS	KW		KW	97.7	KW	27.5	KW	312.7	KW	3.6	KW	12,55.6	KW	177.2	KW	450.8	KW		KW	87.0	KW	1.0
	kWh		kWh	340,509.4	kWh	39,433.4	kWh	1,885,552.3	kWh	13,305.0	kWh		kWh	634,184.0	kWh	887,437.0	kWh		kWh		kWh	4,073.0
ERATH	KW		KW	12.3	KW		KW	781.8	KW		KW		KW	15.8	KW		KW		KW	18.0	KW	
	kWh		kWh	70,587.8	kWh		kWh	1,261,729.0	kWh		kWh		kWh	82,796.4	kWh		kWh		kWh		kWh	
FALLS	KW		KW	13	KW		KW		KW		KW		KW	5.5	KW		KW		KW		KW	
	kWh		kWh	5,899.3	kWh		kWh		kWh		kWh		kWh	21,495.3	kWh		kWh		kWh		kWh	
FANNIN	KW		KW	36.3	KW		KW	24.1	KW		KW		KW	6.7	KW		KW		KW	7.0	KW	
	kWh		kWh	114,090.2	kWh		kWh	107,554.0	kWh		kWh		kWh	30,113.3	kWh		kWh		kWh		kWh	
FREESTONE	KW		KW	5.5	KW		KW		KW		KW		KW	7.2	KW	189.3	KW		KW		KW	
	kWh		kWh	38,732.2	kWh		kWh		kWh		kWh		kWh	38,826.8	kWh	523,895.6	kWh		kWh		kWh	
GLASSCOCK	KW		KW		KW		KW		KW		KW		KW		KW		KW		KW		KW	
	kWh		kWh		kWh		kWh		kWh		kWh		kWh		kWh		kWh		kWh		kWh	
GRAYSON	KW		KW	457.8	KW	2.5	KW	519.0	KW	6.7	KW		KW	385.0	KW		KW		KW	65.0	KW	79.2
	kWh		kWh	12,16,911.8	kWh	2,231.8	kWh	2,778,072.0	kWh	23,525.2	kWh		kWh	980,271.9	kWh		kWh		kWh		kWh	462,875.5
HENDERSON	KW		KW	39.5	KW	3.3	KW	16.1	KW		KW	767.6	KW	32.3	KW	28.2	KW		KW	51.0	KW	
	kWh		kWh	147,484.0	kWh	4,619.0	kWh	69,499.0	kWh		kWh		kWh	105,890.3	kWh	48,887.0	kWh		kWh		kWh	
HILL	KW		KW	2.5	KW		KW	16.2	KW	0.6	KW		KW	3.7	KW	2.1	KW		KW	10.0	KW	
	kWh		kWh	4,620.2	kWh		kWh	71,246.0	kWh	184.0	kWh		kWh	8,842.7	kWh	3,865.0	kWh		kWh		kWh	
HOOD	KW		KW		KW		KW		KW		KW		KW	12	KW		KW		KW	27.0	KW	
	kWh		kWh		kWh		kWh		kWh		kWh		kWh	3,869.5	kWh		kWh		kWh		kWh	
HOPKINS	KW		KW	5.4	KW		KW	13.3	KW		KW		KW	5.8	KW		KW	22.6	KW	22.0	KW	
	kWh		kWh	10,693.6	kWh		kWh	52,946.0	kWh		kWh		kWh	9,14.2	kWh		kWh	58,459.0	kWh		kWh	
HOUSTON	KW		KW	9.8	KW		KW	23.1	KW		KW		KW	1.9	KW		KW		KW	5.0	KW	
	kWh		kWh	30,736.7	kWh		kWh	93,181.0	kWh		kWh		kWh	10,184.5	kWh		kWh		kWh		kWh	
HOWARD	KW		KW		KW		KW	13	KW		KW		KW		KW	284.0	KW		KW	1.0	KW	
	kWh		kWh		kWh		kWh	4,414.0	kWh		kWh		kWh		kWh	433,330.0	kWh		kWh		kWh	

HUNT	KW kWh	KW kWh	11.1 51,154	KW kWh	KW kWh	KW kWh	13 3,653.0	KW kWh	KW kWh	2.4 3,173.8	KW kWh	KW kWh	KW kWh	12.0 kWh
JACK	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	4.0 kWh
JASPER	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh
JOHNSON	KW kWh	KW kWh	74.9 326,656.8	KW kWh	KW kWh	200.1 1,318,974.8	2.7 8,855.0	2.4 2,414.9	56.0 273,460.2	260.5 977,200.9	41.0 kWh	0.8 2,850.2		
KAUFMAN	KW kWh	KW kWh	32.7 120,748.9	KW kWh	KW kWh	28.1 37,493.8	0.9 3,712.0	23.4 9,189.4	39.0 kWh					
LAMAR	KW kWh	KW kWh	32.6 91,999.2	KW kWh	KW kWh	19.7 76,154.0		215.2 649,760.3	100.8 275,110.3	28.0 kWh				
LAMPASSAS	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	
LEON	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	5.0 kWh
LIMESTONE	KW kWh	KW kWh	1.7 13,239.6	KW kWh	KW kWh	4.13 kWh		75.4 299,121.5	190.0 432,003.8	148.0 kWh				
MARTIN	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	
MCLENNAN	KW kWh	KW kWh	184.0 703,609.0	KW kWh	KW kWh	402.1 1,484,521.1	25.6 75,688.0	807.7 kWh	75.4 kWh	190.0 kWh	148.0 kWh			
MARTIN	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	
MIDLAND	KW kWh	KW kWh	18.1 42,816.1	KW kWh	KW kWh	10.9 10,501.9	11.5 35,459.0	93.1 kWh	56.6 103,495.0	35.7 kWh	11.0 kWh			
MILAM	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	9.0 kWh
MITCHELL	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	2.0 kWh
MONTAGUE	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	
NAGODOCHES	KW kWh	KW kWh	32.9 141,093.3	KW kWh	KW kWh	110.7 1,152,842.0		38.9 155,893.3	38.9 kWh	27.0 kWh				
NAVARRO	KW kWh	KW kWh	102.0 647,690.5	KW kWh	KW kWh	282.4 1,798,798.0		68.0 215,424.8	16.0 kWh					
NOLAN	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	1.0 kWh
PALO PINTO	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	KW kWh	800.0 kWh	1.6 3,566.3	1.6 kWh	11.0 kWh			

PARKER	KW KWh	KW KWh	5.5 33,528.4	KW KWh	KW KWh	80.6 560,416.7	KW KWh	KW KWh	29.1 114,331.4	KW KWh	KW KWh	39.0 KWh	KW KWh
PECOS	KW KWh	KW KWh		KW KWh	KW KWh		KW KWh	KW KWh		KW KWh	KW KWh		KW KWh
RED RIVER	KW KWh	KW KWh	39.2 94,126.0	KW KWh	KW KWh		KW KWh	KW KWh	1.2 6,673.9	KW KWh	KW KWh	1.0 KWh	KW KWh
REEVES	KW KWh	KW KWh		KW KWh	KW KWh		KW KWh	KW KWh		KW KWh	KW KWh		KW KWh
ROCKWALL	KW KWh	KW KWh	69.8 272,275.5	KW KWh	KW KWh	10.7 685,636.0	KW KWh	KW KWh	259.7 625,408.3	KW KWh	KW KWh	9.6 18,273.0	KW KWh
RUSK	KW KWh	KW KWh	41.5 158,799.1	KW KWh	KW KWh		KW KWh	KW KWh		KW KWh	KW KWh		KW KWh
SCURRY	KW KWh	KW KWh		KW KWh	KW KWh		KW KWh	KW KWh		KW KWh	KW KWh		KW KWh
SHACKLEFORD	KW KWh	KW KWh		KW KWh	KW KWh		KW KWh	KW KWh		KW KWh	KW KWh		KW KWh
SMITH	KW KWh	KW KWh	19.17 539,943.5	KW KWh	KW KWh	39.4 123,861.0	KW KWh	KW KWh	429.0 1,253,044.4	KW KWh	KW KWh	178.0 KWh	KW KWh
STEPHENS	KW KWh	KW KWh		KW KWh	KW KWh		KW KWh	KW KWh		KW KWh	KW KWh		KW KWh
TARRANT	KW KWh	KW KWh	14.6 34,366.0	KW KWh	KW KWh	4,719.3 23,034,120.8	KW KWh	KW KWh	3,721.1 14,007,061.9	KW KWh	KW KWh	39.9 145,015.0	KW KWh
TERRY	KW KWh	KW KWh		KW KWh	KW KWh		KW KWh	KW KWh		KW KWh	KW KWh		KW KWh
TOM GREEN	KW KWh	KW KWh		KW KWh	KW KWh		KW KWh	KW KWh		KW KWh	KW KWh		KW KWh
TRAVIS	KW KWh	KW KWh	13 6,882.4	KW KWh	KW KWh	14.0 52,516.3	KW KWh	KW KWh	12.6 36,274.1	KW KWh	KW KWh	22.0 KWh	KW KWh
TRINITY	KW KWh	KW KWh		KW KWh	KW KWh		KW KWh	KW KWh		KW KWh	KW KWh		KW KWh
TYLER	KW KWh	KW KWh		KW KWh	KW KWh		KW KWh	KW KWh		KW KWh	KW KWh		KW KWh
UPTON	KW KWh	KW KWh		KW KWh	KW KWh		KW KWh	KW KWh		KW KWh	KW KWh		KW KWh
VAN ZANDT	KW KWh	KW KWh	5.1 19,191.5	KW KWh	KW KWh		KW KWh	KW KWh	5.1 19,907.5	KW KWh	KW KWh	12.0 KWh	KW KWh
WARD	KW KWh	KW KWh		KW KWh	KW KWh		KW KWh	KW KWh		KW KWh	KW KWh		KW KWh
WICHITA	KW KWh	KW KWh	9.1 24,795.0	KW KWh	KW KWh	8.2 283,178.0	KW KWh	KW KWh	6.5 20,799.1	KW KWh	KW KWh		KW KWh

WILLIAM SON	kw kWh	11.0 51942.3	kw kWh	145.0 147,357.0	kw kWh	121.7 474,486.0	kw kWh	39.0 115,416.0	kw kWh	253.4 87,352.2	kw kWh	33.5 87,352.2	kw kWh	298.5 437,270.4	kw kWh	8.0 kWh	kw kWh		
WINKLER	kw kWh		kw kWh		kw kWh		kw kWh		kw kWh		kw kWh		kw kWh		kw kWh		kw kWh		
WISE	kw kWh	4.3 18,508.7	kw kWh		kw kWh		kw kWh	0.7 3,821.0	kw kWh		kw kWh	9.5 40,813.1	kw kWh	6.6 18,732.0	kw kWh	57.0 kWh	kw kWh		
YOUNG	kw kWh	1.7 9,650.7	kw kWh		kw kWh		kw kWh		kw kWh		kw kWh	3.2 6,206.7	kw kWh		kw kWh	20.0 kWh	kw kWh		
Total Sum of kW		11,690		3,713		20,703		772		39,308		12,893		8,409		4,885			286
Total Sum of kWh		43,295,348		4,964,230		116,563,296		2,227,494		1,777,984		39,319,090		16,098,534		-			1,990,935

## **APPENDIX B: PROGRAM TEMPLATES**

Oncor has no new Program Templates for 2011.

## APPENDIX C: EXISTING DSM CONTRACTS OR OBLIGATIONS

### Existing DSM Contracts

Name of Contract Program Termination Date	Type of Program	2010
<b>Planergy Services</b> November 12, 2009 Incremental kW Incremental kWh impact Contract Payments	Solicited lighting and HVAC program targeted to large Commercial & Industrial customers	- - \$ 278,467

## **APPENDIX D: OPTIONAL SUPPORT DOCUMENTATION**

At this time, Oncor is not submitting optional support documentation for 2011.