STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held in the City of Albany on February 16, 2012

COMMISSIONERS PRESENT:

Garry A. Brown, Chairman
Patricia L. Acampora
Robert E. Curry, Jr.
James L. Larocca

CASE 07-M-0548 – Proceeding on Motion of the Commission Regarding an Energy Efficiency Portfolio Standard.

ORDER APPROVING UTILITY TARGET ADJUSTMENTS

(Issued and Effective February 17, 2012)

BY THE COMMISSION:

INTRODUCTION

In this order, the Commission approves reductions in the energy savings targets of certain utility-administered Energy Efficiency Portfolio Standard (EEPS) programs and declines to implement reductions for certain other such programs. The reductions are deemed appropriate to reflect implementation of the most recent Technical Manual[1] used to estimate savings from the performance or installation of particular energy efficiency measures, after also considering recent performance levels. Previous calculations, including those made pursuant to early versions of the Technical Manual, had resulted in higher savings estimates. The energy savings targets are used to project performance of the various EEPS

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[1] New York Standard Approach for Estimating Energy Savings from Energy Efficiency Programs – Residential, Multi-Family and Commercial/Industrial Measures dated October 15, 2010.

programs against the goal, and for the programs that are utility-administered, are used to calculate incentive awards.

BACKGROUND

Every EEPS program that involves the performance or installation of energy efficiency measures has a budget in dollars and a corresponding energy savings target in either megawatt-hours (electric) or dekatherms (gas). The EEPS programs were developed either before or concurrently with the development of the Technical Manuals to be used for calculating and reporting energy savings such that some of the targets set did not reflect the ultimate refinements now embodied in the most recent and consolidated Technical Manual. The current version of the Technical Manual was approved in October 2010[2] at which time the early versions of the Technical Manuals were revised and combined into one consolidated manual. In general, the latest Technical Manual has lower estimates of savings and the revisions result in some targets being higher than is now appropriate.

The Commission recognized in its December 21, 2010 EEPS Order that use of the Technical Manual data to estimate energy savings may result in lower savings estimates than those included in some of the targets. To address this situation, the Commission authorized any EEPS program administrator that believed the changes made to the Technical Manual caused particular program targets to now be overstated to make their case for lower targets to Staff in a cooperative manner in the

[2] Case 07-M-0548, Energy Efficiency Portfolio Standard (EEPS), Order Approving Consolidation and Revision of Technical Manuals (issued October 18, 2010).

Implementation Advisory Group (IAG).[3] Staff was directed to compile the requests and document the effects of the changes in the Technical Manual and to present to the Commission Staff's recommendation on the need for restated targets.[4]

In response to the December 21, 2010 EEPS Order, a number of target reduction requests were made by utility EEPS program administrators for various electric and gas programs. After working through the requests with the program administrators on a cooperative basis, Staff prepared a schedule of specific program target reductions it supported on a preliminary basis. The schedule included thirteen electric programs and four gas programs for which target reductions were preliminarily supported by Staff. Notice of Staff's recommendations was given for public comment. In addition, in the October 25, 2011 EEPS Order[5] the Commission incorporated Staff's proposed target reductions as placeholder components in setting going-forward targets for 2012 and beyond, subject to later revision.[6]

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[3] Case 07-M-0548, Energy Efficiency Portfolio Standard (EEPS), Order Combining Incentive Targets, Clarifying Incentive Mechanism Details and Establishing Implementation Advisory Group, (issued December 21, 2010), pp. 15-16.

[4] Ibid., p. 16.

[5] Case 07-M-0548, Energy Efficiency Portfolio Standard (EEPS), Order Authorizing Efficiency Programs, Revising Incentive Mechanism, and Establishing a Surcharge Schedule (issued October 25, 2011).

[6] The placeholder Technical Manual adjustments reflected in the going-forward targets stated in the October 25, 2011 EEPS Order reflected the cumulated preliminary target reduction for the period 2009-2011. The prospective annual targets for the period 2012-2015 should have reflected only the annual effect of the placeholder Technical Manual adjustments.

NOTICE OF PROPOSED RULE MAKING

A Notice of Proposed Rulemaking containing the EEPS target reductions submitted by program administrators and subsequently reviewed and supported by Staff was published in the State Register on August 17, 2011 [SAPA 07-M-0548SP43]. The minimum time period for the receipt of public comments pursuant to State Administrative Procedure Act (SAPA) regarding that notice expired on October 3, 2011. The comments received are addressed as set forth below.

SUMMARY OF COMMENTS

Comments were submitted by Central Hudson Gas & Electric Corporation (Central Hudson); Consolidated Edison Company of New York, Inc. (Con Edison); Orange and Rockland Utilities, Inc. (O&R); New York State Electric & Gas Corporation (NYSEG); Rochester Gas and Electric Corporation (RG&E); Niagara Mohawk Power Corporation (Niagara Mohawk), The Brooklyn Union Gas Company (KEDNY), and KeySpan Gas East Corporation (KEDLI), d/b/a National Grid; and Multiple Interveners (MI).

The comments by utility EEPS program administrators are generally supportive of the target reductions recommended by Staff. Con Edison seeks target reductions beyond those recommended by Staff for the electric Refrigerator Replacement, Small Business Direct Install and Residential Room Air Conditioner programs. In addition, target reductions were sought for two addition electric programs and two additional gas programs – Niagara Mohawk's electric Energy Initiative Large Industrial program; O&R’s electric Small Business Direct Install program, Con Edison's gas Multi-family Refrigerator Replacement program; and Central Hudson’s gas Residential HVAC program. Central Hudson also encourages undertaking additional "potential" studies in order to better grasp the impact current market conditions may have on reaching program targets because the Technical Manual adjustments do not factor-in market conditions within the calculations and tables.

MI urges that because some of the energy savings estimates have been reduced based on implementation of the Technical Manual; the original Total Resource Cost (TRC) calculations upon which programs were approved should be revisited. MI recommends that a 25-50% "safety net" be built into TRC thresholds to increase the likelihood that customer-funded programs actually are cost effective. MI asserts that the safety net would increase the likelihood that customer funded programs are actually cost-effective. MI recommends that any program that fails to pass its proposed TRC test should be discontinued. Alternatively, MI suggests that the Commission direct program administrators to propose design changes that would restore program cost effectiveness.

DISCUSSION

The goal of the process leading to this order was to develop and support appropriate adjustments to program targets where use of Technical Manual data would result in significantly different reported achievement rates as compared to original planning assumptions which were used to establish original program targets. The result is targets that are better aligned with data used for reported achievements and as such targets that are a fairer measurement of actual program performance.

The adjustments we are making are generally consistent with an approach developed cooperatively by Staff and a subcommittee of the IAG. The IAG subcommittee determined that there are five main reasons that measures could result in lower than expected reported achievements and therefore target adjustments requests should be considered. They are: 1)

Technical Manual data for a particular measure(s) that are different than planning assumptions; 2) measure(s) that have been discontinued from programs because they no longer passed the TRC test based on Technical Manual data; 3) Measures that no longer meet the greater than one year payback period test; 4) Technical Manual consideration of interactive effects for certain measures; and 5) updates to federal appliance and equipment efficiency standards that result in higher minimum baseline efficiencies for measures.

MI has expressed concerns that current savings assumptions for measures which are lower than assumptions on which programs were approved could result in programs that are no longer cost effective. Accordingly, MI requests a review of all EEPS programs for cost effectiveness. MI recommends that our current TRC ratio requirement of 1.0 be increased to 1.25-1.5 to provide higher confidence that rate payer funded programs are actually cost effective. We share MI’s interest in ensuring that ratepayer funds are spent in a cost effective manner in our EEPS programs. We accomplish this goal by requiring that each measure to be installed must be cost effective on a stand-alone basis such that the measure has a TRC value of at least 1.0 prior to inclusion of program administrative and evaluation related costs. Additionally, we require program administrators to determine that a project as a whole is cost effective inclusive of administrative and evaluation related costs. We have not relied on program level TRC evaluations to ensure cost effectiveness of programs. Our required cost effectiveness screening occurs at the measure and project level. Therefore, we conclude that re-examination of program level TRCs is not warranted at this time.

Central Hudson's request regarding the consideration of potential studies to assess market conditions is beyond the scope of what we are trying to consider in this order.

NYSEG Electric
Multifamily Residential/Non-Residential Program

The originally approved cumulative 2009-2011 target for NYSEG’s multi-family program was 1,744 MWh. Due to the program’s performance in 2010, NYSEG obtained an increase in the 2011 budget, and a target increase of 1,000 MWh.[7] NYSEG now requests a 707 MWh target reduction for this program because refrigerator replacement is no longer available as an eligible measure in the program. Refrigerator replacements were eliminated after Technical Manual data indicated that such measures failed to pass the cost-effectiveness test.

Staff reviewed NYSEG's calculation supporting the requested reduction and found it to be appropriately calculated. However, Staff recommends against allowing a target adjustment for this program based on a review of the program's actual performance.

While refrigerator replacements are no longer provided by this program, it is clear to us from the program’s reported performance in 2010 that NYSEG was able to use the budget originally intended for refrigerators to deploy other measures and still exceed the program target. In 2011, the program performed well relative to the achievement targets and the cost of performance was below the approved budget per MWh targeted. Given the performance costs relative to the target, the elimination of refrigerator replacements due to the Technical Manual has not adversely affected performance such that an

[7] By letter dated May 27, 2011, the Director of the Office of Energy Efficiency and the Environment approved NYSEG's request.

adjustment in the targets would be warranted. The cumulative 2009-2011 target of 2,744 MWhs will not be reduced. For the same reason, no adjustment is appropriate for the prospective targets in 2012 through 2015. The placeholder Technical Manual adjustment of 707 MWhs reflected in the October 25, 2011 EEPS Order should be eliminated, therefore the annual targets for 2012 through 2015 shall be increased from 165 MWhs to 872 MWhs per year.

NYSEG Electric
Small Business Direct Install Program

NYSEG’S Small Business Direct Install program has an approved target of 56,826 MWhs for the period 2009-2011. NYSEG requests a 796 MWh reduction in that target due to CFL/HVAC interactive effects. CFL’s produce less waste heat than incandescent light bulbs. This heat loss is presumed to be replaced by heating systems. When a building is heated with electricity, the electric savings attributable to the CFL replacements is offset by increased electricity used for heating. Based on an estimated 2% of program participants having electric heat, and an estimated 25% reduction in potential CFL savings, NYSEG requests the 796 Mwh target reduction.

Staff reviewed NYSEG’s calculations and assumptions and concurs with the claim that there is an effect. However, Staff discovered a formulaic error in the calculations. NYSEG inadvertently reflected a 75% reduction in savings instead of a 25% reduction.

We shall approve a 2009-2011 target adjustment of 239 MWhs which reflects NYSEG's request after the correction of the calculation error. For the annual 2012-2015 prospective targets, we approve an annual reduction of 146 MWhs (the effect described above on an annual basis), resulting in annual targets of 32,326 MWhs.

NYSEG Electric
Non-residential Commercial and
Industrial Prescriptive Rebate Program

This program has an approved target of 5,550 MWhs for the period 2009-2011. NYSEG obtained a decrease in the program budget, and a target decrease of 555 MWhs.[8] NYSEG requests a target reduction of 627 MWhs because three measures are no longer offered in the program - variable speed/frequency drives, packaged AC units and certain motor replacements. Technical Manual data indicate that the payback period for variable speed/frequency drives is less than six months, such that customer incentives for such measures are not permitted under EEPS rules because customers should be able to install such short-payback measures without incentives. Due to changes in the federal appliance and equipment efficiency standards, the baseline efficiency for packaged AC units increased resulting in the savings attributable to the measure to be reduced to the point that it is no longer cost effective. Additional changes in the federal appliance and equipment efficiency standards affected motor replacement measures. At the end of 2010, the standards required that new replacement motors meet the National Electric Manufacturers Association (NEMA) standards for premium efficiency motors. Technical Manual changes effective January 1, 2011 incorporated the higher efficiency standards as the baseline efficiency standard. The lack of motors available in the market that are above the NEMA premium efficiency standard and reduced savings as compared to the new baseline negatively

[8] By letter dated December 21, 2011, the Director of the Office of Energy Efficiency and the Environment approved NYSEG's request.

affected the TRC ratio and made certain replacement motors ineligible in C&I programs. Staff's reviewed NYSEG's calculation of the requested target reduction and concurs with the computations.

The adjustments that NYSEG seeks all relate to measures that are no longer offered in the program. In addition to contributing to the program's targets, these measures were also provided for in the program's budgets. As we are not at this time reducing budgets for measures that are no longer offered in programs, we find it appropriate in our evaluation of the propriety of target adjustments to review the actual cost per MWh acquired in actual performance of the programs.

After two years of operation, we find that this program has performed favorably on an actual cost per MWh basis as compared to the approved level. The program was budgeted $470 per MWh based on the original targets, and the reported actual cost per MWh acquired is $334. In 2011, the first full year of operation of this program, it achieved 89% of the program's original annual target with 55% of the program annual budget. This performance data leads to the conclusion that a target adjustment is neither appropriate nor justified without a contemporaneous adjustment to the budget. The downward target adjustment is denied. Similarly, the placeholder Technical Manual adjustment of 627 MWhs reflected in the October 25, 2011 EEPS Order should be eliminated, therefore the annual targets for 2012 through 2015 shall be increased from 2,148 MWhs to 2,775 MWhs per year.

RG&E Electric
Residential/Non-Residential Multifamily Program

RG&E's request is very similar to NYSEG's request for a similar program described above. The originally approved cumulative 2009-2011 target for RG&E's multi-family program was

1,610 MWh. Due to the program's performance in 2010, RG&E obtained an increase in the 2011 budget, and a target increase of 2,616 MWh.[9] RG&E now requests a 607 MWh target reduction for this program because refrigerator replacement is no longer available as an eligible measure in the program. As it did for NYSEG's similar program, Staff recommends against allowing a target adjustment for this program based on a review of the programs actual performance.

For the same reasons we had for the NYSEG program, the cumulative 2009-2011 target of 4,226 MWhs will not be reduced. Similarly, the placeholder Technical Manual adjustment of 607 MWhs reflected in the October 25, 2011 EEPS Order should be eliminated, therefore the annual targets for 2012 through 2015 shall be increased from 198 MWhs to 805 MWhs per year.

RG&E Electric
Small Business Direct Install Program

RG&E requests a 172 MWh reduction for this program due to CFL/HVAC interactive effects. RG&E's request suffers from the same formulaic error as NYSEG's similar request described above.

For RG&E, we shall approve a 2009-2011 target adjustment of 52 MWhs which reflects RG&E's request after the correction of the calculation error. For the annual 2012-2015 prospective targets, we approve an annual reduction of 33 MWhs (the effect described above on an annual basis), resulting in annual targets of 14,761 MWhs.

[9] By letter dated May 27, 2011, the Director of the Office of Energy Efficiency and the Environment approved RG&E's request.

RG&E Electric
Non-residential Commercial and
Industrial Prescriptive Rebate Program

After target adjustments approved by the Director of the Office of Energy Efficiency and Environment, this program has a cumulative 2009-2011 target of 3,432 MWhs. RG&E requests a further target reduction of 559 MWhs for the program. RG&E based its request on three measures that are no longer offered in the program - variable speed/frequency drives, packaged AC units and certain motor replacements. The reasons that these measures are no longer offered are discussed regarding a similar NYSEG program above.

Staff reviewed RG&E's calculations supporting the requested target reduction and concurs with the request with one exception. RG&E did not reflect a net to gross factor of .9 to the calculated reduction which is necessary to conform to the generic reporting assumption. Reflecting the net to gross assumption, the target adjustment would be reduced to 503 Mwhs.

We approve the correction and cumulative 503 Mwh target adjustment for period 2009-2011. For the annual 2012-2015 prospective targets, we approve an annual reduction of 254 MWhs (the effect described above on an annual basis), resulting in annual targets of 1,764 MWhs.

Con Edison Electric
Refrigerator Replacement Plus Program

Con Edison's multifamily Refrigerator Replacement Plus program has an approved target of 24,176 MWhs for the cumulative period 2009-2011. Con Edison requests a 13,658 MWh (56%) reduction in the target, which would reduce the target to 10,518 MWhs. Con Edison bases its requested reduction on lower savings data reflected in the Technical Manual for CFL bulbs, smart strips, high efficiency lighting/fixtures, and occupancy sensor controls. In addition, Con Edison reflects adjustments for refrigerators that are no longer cost effective when using updated Technical Manual data, motors that are no longer offered in the program due to higher baseline efficiencies, and variable frequency drives that are no longer offered due to pay back periods that are too short to be eligible for incentives.

Staff reviewed Con Edison’s calculations and recommends acceptance of the adjustments relating to reductions in lighting savings due to Technical Manual implementation, and reductions due to variable frequency drives, motors, and refrigerators. But Staff also recommends that other parts of Con Edison's request be denied because they are not supported by appropriate assumptions. For example, smart strip energy usage is modeled by Con Edison based on a college computer room rather than for a multi-family installation, and Con Edison included electricity reductions for faucet aerators and low flow shower heads for customers that predominately heat water with gas, not electricity.

We approve a cumulative reduction of 8,295 MWhs in the target for the period 2009-2011. For the annual 2012-2015 prospective targets, we approve an annual reduction of 5,576 MWhs (the effect described above on an annual basis), resulting in annual targets of 8,614 MWhs.

Con Edison Electric
Small Business Direct Install Program

Con Edison’s Small Business Direct Install program has a Commission approved target of 289,875 MWhs for the cumulative period 2009-2011. Initially, Con Edison requested a 205,234 MWh (71%) reduction in the target. Staff’s initial review and discussions with Con Edison lead to a revised request. Con Edison requests a 98,487 MWh (34%) reduction in the target.

Con Edison bases its requested reduction on lower savings data for high efficiency fixtures, CFLs, vending machine energy saving devices, lighting occupancy controls, and servicing cooling systems.

Staff reviewed Con Edison's calculations and recommends acceptance of most of the adjustments. But Staff also recommends adjustments to reflect actual Technical Manual data and calculation methods. The most significant adjustments made by Staff relate to high efficiency lighting and design. Staff's corrections to reflect proper Technical Manual data resulted in a reduction to the requested target adjustment of approximately 30,000 MWhs. We approve a cumulative reduction of 68,650 MWhs in the target for the period 2009-2011 which results in a target of 221,225 MWhs.

Calculating the prospective target reductions for 2012-2015 on the same basis results in an indicated reduction of 32,965 MWhs per year, which would result in an annual target of 72,444 MWhs. We find this target level inadequate as the program has reported a higher achievement rate in 2011 and it would result in a budget of $385/MWh which is higher than the program's reported cost. We will establish annual targets for 2012-2015 based on actual cost per MWh acquired to date. A review of the program's cost per MWh acquired over its three years of operation reveals high average cost ($2,716) per MWh acquired in 2009 due to start up. Accordingly, we will rely on the average cost per MWh acquired in 2010 and 2011, which was $355. Based on the approved annual budget of $27,891,887 the annual targets for 2012-2015 shall be reduced to 78,566 MWhs.

Con Edison Electric
Residential HVAC Program

Con Edison's Residential HVAC program had an approved target of 7,086 MWhs for the cumulative period 2009-2011. Con Edison obtained a decrease in the 2011 budget, and a target reduction of 555 MWhs.[10] Con Edison now requests a 2,492 MWh (35%) reduction in the target. Con Edison bases its request on lower savings data in the Technical Manual for programmable thermostats, central AC units and heat pumps. Additionally the Con Edison seeks an adjustment to remove room heat and AC units (mini-splits) from the program.

Staff reviewed Con Edison’s calculations of the impact of individual measures on program savings estimates. Staff recommends acceptance of Con Edison’s calculations for thermostats, AC units and heat pumps. However, Staff recommends that the adjustments related to mini-splits be denied because they are not reflected in the Technical Manual.

We approve Staff's adjustment and a cumulative 2,095 MWh reduction for the period 2009-2011. For the annual 2012-2015 targets, we approve an annual reduction of 704 MWhs (the effect described above on an annual basis), resulting in an annual goal of 1,873 MWhs.

Con Edison Electric
Residential Room Air Conditioner Program

Con Edison’s Residential Room Air Conditioner program had an approved target of 2,310 MWhs for the cumulative period 2010-2011. Due to the program’s performance, Con Edison obtained an increase in the 2011 budget, and a target increase of 610 MWhs.[11] Con Edison initially requested a 1,202 MWh (41%) target reduction due to lower savings data for AC units in the Technical Manual.

Staff reviewed Con Edison’s calculations and assumptions and concurs with the claim that there is an effect.

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[10] By letter August 22, 2011 the Director of the Office of Energy Efficiency and the Environment approved Con Edison’s request.

[11] By letter dated August 22, 2011, the Director of the Office of Energy Efficiency and the Environment approved Con Edison's request.

However, Staff discovered a size differential between initially planned AC units - 15,000 BTU’s per hour and those that were actually installed in the program - 9,000 BTU/hr. The lower achievement rate resulting from the unit sizing differential cannot reasonably be considered to be caused by the Technical Manual. Con Edison has reduced its request to the Staff recommended level.

We approve a target reduction of 478 Mwhs for the period of 2009-2011. For the annual 2012-2015 prospective targets, we approve an annual reduction of 679 MWhs , resulting in an annual target 1,040 MWhs.

Central Hudson Electric
Residential HVAC Program

Central Hudson’s Residential HVAC program has an approved target of 2,001 MWhs for the cumulative period 2009-2011. Due to the program’s performance in 2010, Central Hudson obtained an increase in the 2011 budget and a target increase of 390 MWhs.[12] Central Hudson now requests a 617 MWh (26%)target reduction for the program because the Technical Manual defines “early replacement” of central air conditioners and air source heat pumps as those being less than 10 years old. Central Hudson’s program design considered early replacement for these measures to be before the end of their useful lives or 20 years. Based on Technical Manual criteria, some of Central Hudson’s planned replacements will not meet the new criteria.

Staff reviewed Central Hudson’s calculations and agrees with the computation of the Technical Manual effects. However, as previously expressed, we find it appropriate in our evaluation of the propriety of target adjustments to review the

[12] By letter dated December 15, 2011, the Director of the Office of Energy Efficiency and the Environment approved Central Hudson’s request.

actual cost per MWh acquired in actual performance of the program.

Central Hudson reported that the program achieved 2,812 MWhs of savings through December 2011. The achievement rate is 140% above the original program target and 118% of the revised target. Additionally, the program was able to achieve this level of performance with 91% of the approved budget. In consideration of these facts, the target adjustment request is denied. The cumulative target for the period 2009-2011 will remain at 2,391 MWhs. Similarly, the placeholder Technical Manual adjustment of 206 MWhs reflected in the October 25, 2011 EEPS Order should be eliminated, therefore the annual targets for 2012 through 2015 shall be increased from 522 MWhs to 728 MWhs per year.

O&R Electric
C&I Existing Building Program

O&R's C&I Existing Building program has an approved target of 12,650 MWhs for the cumulative period 2010-2011. O&R requests a 2,733 MWh (22%) reduction for the program. O&R bases its request on a number of factors including: lower operating hours and savings assumptions for indoor lighting; lower savings assumptions for central AC units due to higher baseline efficiency standards established by the federal appliance and equipment efficiency standards and lower operational hours; and motor upgrades and variable frequency drives that were discontinued from the program as previously discussed. Staff reviewed O&R's calculations and concurs with the majority of O&R's request. Staff shared its analysis with the company and O&R agreed with the correcting adjustments Staff proposed.

We approve a 2010-2011 target reduction of 2,191 MWhs target reduction for the period 2010-2011. For the annual 2012-

2015 prospective targets, we approve an annual reduction of 1,101 MWhs, resulting in an annual target of 6,128 MWhs.

O&R Electric
Small Business Direct Install Program

O&R’s Small Business Direct Install program has an approved target of 34,345 MWhs for the cumulative period 2009-2011. O&R requests an 11,188 MWh (33%) target reduction for the program due to lower savings assumptions for high efficiency lighting fixtures, which represent more than half the requested reduction and lower savings assumptions for occupancy sensors and anti-sweat controls.

Staff reviewed O&R’s calculations and made a number of adjustments necessary to conform to Technical Manual data and methods. We shall approve Staff’s recommended target reduction of 10,891 MWhs for the cumulative period 2009-2011 which results in a target of 23,454 MWhs.

Calculation of the prospective target reductions for 2012-2015 on the same basis indicates an annual reduction of 4,379 MWh, which would result in an annual goal of 8,110 MWh. We find this target level inadequate as the program has reported higher achievement rate in 2011 and it would result in a budget of $407 MWh, which is higher than the program’s reported cost.

We will establish annual targets for 2012-2015 based on actual cost per MWh acquired to date. A review of the program’s cost per MWh acquired over its three years of operation reveals high average cost ($18,849) per MWh acquired in 2009 due to start up. Similarly, we observed an anomalous cost per MWh acquired in the month of December 2011 of $1,213, which is four times the average cost for the preceding 23 months. Accordingly, we will establish a target based on the average cost in the period January 2010 – November 2011 of

$302/MWh. Based on the approved annual budget of $3,304,662 the annual targets for 2012-2015 shall be reduced to 10,931 Mwhs.

Niagara Mohawk Electric
Energy Initiative, Mid Size C & I Program

Niagara Mohawk's Energy Initiative, Mid Size C & I program has an approved target of 202,166 MWhs for the cumulative period 2010-2011. Niagara Mohawk obtained a decrease in the program budget, and a target decrease of 79,781 MWhs[13]. Niagara Mohawk now requests an 8,688 MWh (4% of original target) target reduction in the program because windows are no longer a cost effective measure based on Technical Manual data.

Staff reviewed Niagara Mohawk's calculations and concurs that the 8,688 MWh reduction is reasonable in light of the changes introduced by the Technical Manual.

We approve a cumulative reduction of 8,688 MWhs in the target for the period 2010-2011. For the annual 2012-2015 prospective targets, we approve an annual reduction of 4,344 MWhs (the effect described above on an annual basis), resulting in annual targets of 96,739 MWhs.

Niagara Mohawk Electric
Energy Initiative – Large Industrial Program

Niagara Mohawk's Energy Initiative – Large Industrial program has an approved target of 45,860 MWhs for the cumulative period 2010-2011. Niagara Mohawk requests a 1,995 MWh (4%) reduction for the program because variable frequency drives are no longer offered under the program as the payback period is less than 6 months using Technical Manual data.

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[13] By letter dated July 28, 2011, the Director of the Office of Energy Efficiency and the Environment approved Niagara Mohawk's request.

Staff reviewed Niagara Mohawk's calculation and supports the company's requested reduction. We approve a cumulative reduction of 1,995 MWhs in the target for the period 2010-2011. For the annual 2012-2015 prospective targets, we approve an annual reduction of 998 MWhs (the effect described above on an annual basis), resulting in annual targets of 21,932 MWhs.

Con Edison Gas
Residential HVAC Program

Con Edison's Residential HVAC program has a Commission approved cumulative target of 116,918 Dts for the period 2009-2011. Con Edison originally requested a 20,041 Dt (17%) reduction in the target based on lower Technical Manual savings assumptions as compared to planning assumptions for boiler reset controls and gas furnaces.

Staff recommends a target adjustment of 18,037 Dts for the 2009-2011 target. Staff advises that it reviewed Con Edison's supporting calculations and made a number of adjustments necessary to comply with the Technical Manual methods and data and that the reductions related to controls and furnaces were offset by higher Technical Manual assumptions for other measures such as indirect water heaters and steam boilers. Staff further advises that it shared its analysis with Con Edison and Con Edison agrees with the Staff adjustments.

The resolution proposed by Staff, with the agreement of Con Edison, appears to be reasonable and will be adopted. We shall approve the 2009-2011 target adjustment of 18,037 Dts. For the annual 2012-2015 prospective targets, we approve an annual reduction of 12,609 Dts (the effect described above on an annual basis), resulting in annual targets of 34,158 Dts.

Con Edison Gas
<u>Multifamily Gas Program</u>
(formerly refrigerator replacement)

Con Edison’s Multifamily Gas program has a Commission approved target of 250,421 Dts for the period 2009-2011. Con Edison requests a 193,718 Dt (77%) reduction for the program. Con Edison’s request attributes the overwhelming majority of the reduction to lower Technical Manual savings estimates as compared to planning assumptions for weatherization measures.

Staff advises that Con Edison was unable to produce the original list of measures, estimates of number of installations and associated savings per measure. The supporting documentation provided for the program was an after the fact unbundling of the program’s target. Therefore, Staff had to analyze Con Edison’s allocation of the program’s target to the measures in the program.

Staff focused its review on the measures that were the primary drivers of the requested reduction - insulation and sealing. Staff found Con Edison’s assumed savings estimates for insulation and sealing measures to be grossly out of line with typically expected savings from these measures. For example, according to Staff, Con Edison’s estimates for roof insulation and air sealing were more than ten times higher per square foot than what is the expected industry norm, as detailed in the Technical Manual. In another example, Con Edison allocated energy savings for the total building to each unit in a multi-family building. Con Edison projected each unit’s allocated share of the savings for roof insulation to be 210 therms per unit. Based on Con Edison’s claimed average unit size of 2,200 square feet, it estimated the average savings for roof insulation to be .38 therms per square foot on average. In contrast, the Technical Manual savings assumption is .023 therms per square foot which is based on a change in R value from zero, pre-installation to R48, post installation. Staff advises that the magnitude of the target adjustment requested cannot reasonably be attributed to the Technical Manual. Staff has raised sufficient concerns to lead us to the conclusion that the present request does not have a sufficient basis and it should therefore be denied.

Staff further advises that due to the overall performance of this program, Con Edison is the in process of redesigning it. We conclude that a comprehensive review and redesign of the program is warranted. Prospective target adjustments can be properly evaluated through that process. We encourage Con Edison and Staff to address the program’s issues as soon as practicable.

Niagara Mohawk Gas
Residential Energy Star Gas Products Program

Niagara Mohawk’s Residential Energy Star Gas Products program has a Commission approved cumulative target of 8,259 Dts for the period 2010-2011. Niagara Mohawk requests a 3,097 Dt (37%) reduction for the program based on the discontinuance of replacement widows in the program. As a result of using Technical Manual data, windows are no longer a cost effective measure and are no longer offered in the program.

Staff reviewed Niagara Mohawk’s supporting calculations and agrees that windows are no longer a cost effective measure for this program based on Technical Manual data. However, Staff recommends against a target adjustment for the program. Niagara Mohawk’s original program design was limited to two measures – windows and programmable thermostats. The elimination of windows from the program results in a program with a single measure - thermostats. In 2011, Staff considered the program an outlier in its White Paper and recommended that the program be canceled and that the program budgets be allocated to higher performing programs. Niagara Mohawk agreed with Staff's analysis, but indicated that it preferred to use the flexibility the Commission provided to add cost-effective measures to the program. We found Niagara Mohawk's proposal to be reasonable and funded the program for one year, subject to review and potential reallocation.

Niagara Mohawk's request appears to be premature. A redesign or cancellation of the program may be the most constructive way to address this program's issues. New target adjustments can be properly evaluated through that process. If Niagara Mohawk wants a target adjustment, we encourage it to submit a proposal for redesign of the program as soon as practicable.

KEDNY Gas
Residential Energy Star Gas Products Program

KEDNY's Residential Energy Star Gas Products program has a Commission approved cumulative 2009-2011 target of 4,186 Dts. KEDNY requested a 2,000 Dt (48%) target reduction for the program. KEDNY's basis for the target reduction request is the same as Niagara Mohawk's - windows are no longer cost effective measures in the program based on Technical Manual data. For the same reasons we rejected Niagara Mohawk's request for the target adjustment, we reject KEDNY's. We encourage KEDNY to redesign this program and submit a proposal that includes a budget recommendation and a reasonable and supported target proposal for 2012-2015 as soon as practicable.

KEDLI Gas
Residential Energy Star Gas Products Program

KEDLI's Residential Energy Star Gas Products program has a Commission approved cumulative 2009-2011 target of 4,186 Dts. KEDLI requested a 1,916 Dt (46%) target reduction for the program. KEDLI’s basis for the target reduction request is the same as Niagara Mohawk’s - windows are no longer cost effective measures in the program based on Technical Manual data. For the same reasons we rejected Niagara Mohawk’s request for the target adjustment, we reject KEDLI’s. We encourage KEDLI to redesign this program and submit a proposal that includes a budget recommendation and a reasonable and supported target proposal for 2012-2015 as soon as practicable.

Central Hudson Gas
Residential Gas Program

Central Hudson requested a target adjustment for its Residential Gas program in its comments that were filed in response to the SAPA notice. Central Hudson has since indicated to Staff that it has decided not to pursue the requested reduction at this time. As such no further action is required.

CONCLUSION

As described in the discussion above, it is appropriate and warranted to adjust the energy savings targets for certain EEPS programs as a result of new savings estimates indicated by the revised and consolidated Technical Manual. The 2009-2011 cumulative energy savings targets for certain EEPS programs shall be modified as set forth in Appendix 1 to this order. The going-forward 2012-2015 annual energy savings targets for certain EEPS programs shall be modified as set forth in Appendix 2 and 3 to this order.

SEQRA FINDINGS

Pursuant to our responsibilities under the State Environmental Quality Review Act (SEQRA), in conjunction with this order we find that the target modifications made here are within the overall action previously examined by us in Case 07-

M-0548 and will not result in any different environmental impact than that previously examined. In addition, the SEQRA findings of the June 23, 2008 Order in Case 07-M-0548 are incorporated herein by reference and we certify that: (1) the requirements of SEQRA, as implemented by 6 NYCRR part 617, have been met; and (2) consistent with social, economic, and other essential considerations from among the reasonable alternatives available, the action being undertaken is one that avoids or minimizes adverse environmental impacts to the maximum extent practicable.

The Commission orders:

1. The energy savings targets for certain Energy Efficiency Portfolio Standard (EEPS) programs administered by Central Hudson Gas & Electric Corporation, Consolidated Edison Company of New York, Inc., Orange and Rockland Utilities, Inc., New York State Electric & Gas Corporation, Rochester Gas and Electric Corporation, Niagara Mohawk Power Corporation, The Brooklyn Union Gas Company, and KeySpan Gas East Corporation are modified as indicated in Appendix 1 through 3 to this order.

2. This proceeding is continued.

By the Commission

Jaclyn A. Brilling
Digitally Signed by Secretary
New York Public Service Commission

(SIGNED) JACLYN A. BRILLING
Secretary

Table 1

Approved Modifications to the 2009-2011 Cumulative Energy Savings Targets of Certain EEPS Electric Programs (MWhs)

Administrator	Program	Original Cumulative 2009-2011 Targets	Cumulative Modifications Approved by OEEE Director	Modified Cumulative 2009-2011 Targets	Cumulative Target Reductions Included in SAPA Notice	Cumulative Target Reductions Requested by Utilities	Cumulative Target Reductions Recommended by Staff	Approved Cumulative 2009-2011 Targets
NYSEG	Res./Non-Res. Multifamily	1,744	1,000	2,744	(707)	(707)	0	2,744
NYSEG	Small Business Direct Install	56,826	0	56,826	(796)	(796)	(239)	56,587
NYSEG	Non-Res. C & I Electric Prescriptive	5,550	(555)	4,995	(627)	(627)	0	4,995
RG&E	Res./Non-Res. Multifamily	1,610	2,616	4,226	(607)	(607)	0	4,226
RG&E	Small Business Direct Install	25,890	0	25,890	(172)	(172)	(52)	25,838
RG&E	C & I Electric Prescriptive	4,036	(604)	3,432	(559)	(559)	(503)	2,929
CON EDISON	Multifamily/Refrig. Replacement	24,176	0	24,176	(7,334)	(13,658)	(8,295)	15,881
CON EDISON	Small Business Direct Install	289,875	0	289,875	(39,139)	(98,487)	(68,650)	221,225
CON EDISON	Residential HVAC	7,086	(555)	6,531	(1,893)	(2,492)	(2,095)	4,436
CON EDISON	Residential AC	2,310	610	2,920	(300)	(478)	(478)	2,442
CENTRAL HUDSON	Residential HVAC	2,001	390	2,391	(563)	(617)	0	2,391
O&R	C & I Existing Building	12,650		12,650	(2,733)	(2,733)	(2,191)	10,459
O&R	Small Business Direct Install	34,345	0	34,345	0	(11,188)	(10,891)	23,454
NIAGARA MOHAWK	Energy Initiative - Mid-Size C & I	202,166	(79,781)	122,385	(8,688)	(8,688)	(8,688)	113,679
NIAGARA MOHAWK	Energy Initiative - Large Industrial	45,860	0	45,860	0	(1,995)	(1,995)	43,865

Table 2

Approved Modifications to the 2009-2011 Cumulative Energy Savings Targets of Certain EEPS Gas Programs (Dts)

Administrator	Program	Original Cumulative 2009-2011 Targets	Cumulative Modifications Approved by OEEE Director	Modified Cumulative 2009-2011 Targets	Cumulative Target Reductions Included in SAPA Notice	Cumulative Target Reductions Requested by Utilities	Cumulative Target Reductions Recommended by Staff	Approved Cumulative 2009-2011 Targets
CON EDISON	Residential HVAC	116,918	0	116,918	(10,523)	(10,523)	(18,037)	98,881
CON EDISON	Multifamily Gas (formerly Refrig. Repl.)	250,421	0	250,421	0	(193,719)	0	250,421
NIAGARA MOHAWK	Residential Energy Star Gas Prod.	8,259	0	8,259	(3,097)	(3,097)	0	8,259
KEDNY	Energy Star Gas Window Prod.	4,186	0	4,186	(2,000)	(2,000)	0	4,186
KEDLI	Energy Star Gas Window Prod.	4,186	0	4,186	(1,916)	(1,916)	0	4,186

Table 1

Approved Modifications to the 2012-2015 Annual Energy Savings Targets of Certain EEPS Electric Programs (MWhs)

Administrator	EEPS Gas Program (Dt's)	Annual Targets October, 2011 Order	Placeholder Tech Manual Adjustments Reflected in October, 2011 Order	Annualized Tech Manual Adjustments	Tech Manual Indicated Annual Targets	Recommended Target Adjustments	Approved Annual Targets for 2012-2015
NYSEG	Res./Non-Res. Multifamily	165	(707)	(322)	550	0	872
NYSEG	Small Business Direct Install	31,676	(796)	(146)	32,326	(146)	32,326
NYSEG	Non-Res. C & I Electric Prescriptive	2,148	(627)	(350)	2,425	0	2,775
RG&E	Res./Non-Res. Multifamily	198	(607)	(275)	530	0	805
RG&E	Small Business Direct Install	14,622	(172)	(33)	14,761	(33)	14,761
RG&E	C & I Electric Prescriptive	1,459	(559)	(254)	1,764	(254)	1,764
CON EDISON	Multifamily/Refrig. Replacement	7,412	(6,778)	(5,576)	8,614	(5,576)	8,614
CON EDISON	Small Business Direct Install	69,238	(36,171)	(32,965)	72,444	(26,843)	78,566
CON EDISON	Residential HVAC	828	(1,749)	(704)	1,873	(704)	1,873
CON EDISON	Residential AC	1,442	(277)	(679)	1,040	(679)	1,040
CENTRAL HUDSON	Residential HVAC	522	(206)	(220)	508	0	728
O&R	C & I Existing Building	5,088	(2,141)	(1,101)	6,128	(1,101)	6,128
O&R	Small Business Direct Install	12,489	0	(4,379)	8,110	(1,558)	10,931
NIAGARA MOHAWK	Energy Initiative - Mid-Size C & I	93,908	(7,175)	(4,344)	96,739	(4,344)	96,739
NIAGARA MOHAWK	Energy Initiative - Large Industrial	22,930	0	(998)	21,932	(998)	21,932

Table 2

Approved Modifications to the 2012-2015 Annual Energy Savings Targets of Certain EEPS Gas Programs (Dts)

Administrator	EEPS Gas Program (Dt's)	Annual Targets October, 2011 Order	Placeholder Tech Manual Adjustments Reflected in October, 2011 Order	Annualized Tech Manual Adjustments	Tech Manual Indicated Annual Targets	Recommended Target Adjustments	Approved Annual Targets for 2012-2015
CON EDISON	Residential HVAC	37,242	(9,525)	(12,609)	34,158	(12,609)	34,158
CON EDISON	Multifamily Gas (formerly Refrig. Repl.)	132,210	0	0	132,210	0	132,210
NIAGARA MOHAWK	Residential Energy Star Gas Prod.	1,007	(3,907)	(1,813)	3,101	0	4,914
KEDNY	Energy Star Gas Window Prod.	392	(2,000)	(1,202)	1,190	0	2,392
KEDLI	Energy Star Gas Window Prod.	476	(1,916)	(1,238)	1,154	0	2,392

Table 1

Approved NYSEG Electric Program Costs and Savings Targets

	2012	2013	2014	2015	Total 2012-2015	% of Budget
NYSEG						
Residential/Non-Residential Multifamily (MF)						
Savings (MWh)	872	872	872	872	3,488	
Program & Administrative Costs	$695,803	$695,803	$695,803	$695,803	$2,783,212	95%
Evaluation/M&V Costs	$36,621	$36,621	$36,621	$36,621	$146,484	5%
Total	$732,424	$732,424	$732,424	$732,424	$2,929,696	
Non-residential Small Business Direct Installation (C&I)						
Savings (MWh)	32,326	32,326	32,326	32,326	129,304	
Program & Administrative Costs	$8,267,308	$8,267,308	$8,267,308	$8,267,308	$33,069,232	95%
Evaluation/M&V Costs	$435,121	$435,121	$435,121	$435,121	$1,740,484	5%
Total	$8,702,429	$8,702,429	$8,702,429	$8,702,429	$34,809,716	
Non-residential Commercial and Industrial Prescriptive Rebate (C&I)						
Savings (MWh)	2,775	2,775	2,775	2,775	11,100	
Program & Administrative Costs	$1,239,758	$1,239,758	$1,239,758	$1,239,758	$4,959,032	95%
Evaluation/M&V Costs	$65,250	$65,250	$65,250	$65,250	$261,000	5%
Total	$1,305,008	$1,305,008	$1,305,008	$1,305,008	$5,220,032	

Table 2

Approved RG&E Electric Program Costs and Savings Targets

	2012	2013	2014	2015	Total 2012-2015	% of Budget
RG&E						
Residential/Non-Residential Multifamily (MF)						
Savings (MWh)	805	805	805	805	3,220	
Program & Administrative Costs	$615,952	$615,952	$615,952	$615,952	$2,463,808	95%
Evaluation/M&V Costs	$32,418	$32,418	$32,418	$32,418	$129,672	5%
Total	$648,370	$648,370	$648,370	$648,370	$2,593,480	
Non-residential Small Business Direct Installation (C&I)						
Savings (MWh)	14,761	14,761	14,761	14,761	59,044	
Program & Administrative Costs	$3,766,750	$3,766,750	$3,766,750	$3,766,750	$15,067,000	95%
Evaluation/M&V Costs	$198,250	$198,250	$198,250	$198,250	$793,000	5%
Total	$3,965,000	$3,965,000	$3,965,000	$3,965,000	$15,860,000	
Non-residential Commercial and Industrial Prescriptive Rebate (C&I)						
Savings (MWh)	1,764	1,764	1,764	1,764	7,056	
Program & Administrative Costs	$814,460	$814,460	$814,460	$814,460	$3,257,840	95%
Evaluation/M&V Costs	$42,866	$42,866	$42,866	$42,866	$171,464	5%
Total	$857,326	$857,326	$857,326	$857,326	$3,429,304	

Table 3

Approved Con Edison Electric Program Costs and Savings Targets

	2012	2013	2014	2015	Total 2012-2015	% of Budget
Con Edison						
Refrigerator Replacement Plus (MF)						
Savings (MWh)	8,614	8,614	8,614	8,614	34,456	
Program & Administrative Costs	$7,004,639	$7,004,639	$7,004,639	$7,004,639	$28,018,556	95%
Evaluation/M&V Costs	$368,665	$368,665	$368,665	$368,665	$1,474,660	5%
Total	$7,373,304	$7,373,304	$7,373,304	$7,373,304	$29,493,216	
Small Business Direct Install (C&I)						
Savings (MWh)	78,566	78,566	78,566	78,566	314,264	
Program & Administrative Costs	$26,497,293	$26,497,293	$26,497,293	$26,497,293	$105,989,172	95%
Evaluation/M&V Costs	$1,394,594	$1,394,594	$1,394,594	$1,394,594	$5,578,376	5%
Total	$27,891,887	$27,891,887	$27,891,887	$27,891,887	$111,567,548	
Residential HVAC (R)						
Savings (MWh)	1,873	1,873	1,873	1,873	7,492	
Program & Administrative Costs	$3,844,330	$3,844,330	$3,844,330	$3,844,330	$15,377,320	95%
Evaluation/M&V Costs	$202,333	$202,333	$202,333	$202,333	$809,332	5%
Total	$4,046,663	$4,046,663	$4,046,663	$4,046,663	$16,186,652	
Residential Room Air Conditioner (R)						
Savings (MWh)	1,040	1,040	1,040	1,040	4,160	
Program & Administrative Costs	$1,270,286	$1,270,286	$1,270,286	$1,270,286	$5,081,144	95%
Evaluation/M&V Costs	$66,857	$66,857	$66,857	$66,857	$267,428	5%
Total	$1,337,143	$1,337,143	$1,337,143	$1,337,143	$5,348,572	

Table 4

Approved Central Hudson Electric Program Costs and Savings Targets

	2012	2013	2014	2015	Total 2012-2015	% of Budget
Central Hudson						
Residential HVAC (R)						
Savings (MWh))	728	728	728	728	2,912	
Program & Administrative Costs	$805,084	$805,084	$805,084	$805,084	$3,220,336	95%
Evaluation/M&V Costs	$42,372	$42,372	$42,372	$42,372	$169,488	5%
Total	$847,456	$847,456	$847,456	$847,456	$3,389,824	

Table 5

Approved O&R Electric Program Costs and Savings Targets

	2012	2013	2014	2015	Total 2012-2015	% of Budget
O&R						
Commercial Existing Buildings (C&I)						
Savings (MWh)	6,128	6,128	6,128	6,128	24,512	
Program & Administrative Costs	$2,070,348	$2,070,348	$2,070,348	$2,070,348	$8,281,392	95%
Evaluation/M&V Costs	$108,965	$108,965	$108,965	$108,965	$435,860	5%
Total	$2,179,313	$2,179,313	$2,179,313	$2,179,313	$8,717,252	
Small Business (C&I)						
Savings (MWh)	10,931	10,931	10.931	10,931	43,724	
Program & Administrative Costs	$3,139,429	$3,139,429	$3,139,429	$3,139,429	$12,557,716	95%
Evaluation/M&V Costs	$165,233	$165,233	$165,233	$165,233	$660,932	5%
Total	$3,304,662	$3,304,662	$3,304,662	$3,304,662	$13,218,648	

Table 6

Approved Niagara Mohawk Electric Program Costs and Savings Targets

	2012	2013	2014	2015	Total 2012-2015	% of Budget
Niagara Mohawk						
Energy Initiative, Mid Size (C&I)						
Savings (MWh)	96,739	96,739	96,739	96,739	386,956	
Program & Administrative Costs	$15,831,450	$15,831,450	$15,831,450	$15,831,450	$63,325,800	95%
Evaluation/M&V Costs	$833,234	$833,234	$833,234	$833,234	$3,332,936	5%
Total	$16,664,684	$16,664,684	$16,664,684	$16,664,684	$66,658,736	
Energy Initiative (Large Industrial)						
Savings (MWh)	21,932	21,932	21,932	21,932	87,728	
Program & Administrative Costs	$6,249,397	$6,249,397	$6,249,397	$6,249,397	$24,997,588	95%
Evaluation/M&V Costs	$328,915	$328,915	$328,915	$328,915	$1,315,660	5%
Total	$6,578,312	$6,578,312	$6,578,312	$6,578,312	$26,313,248	

Table 7

Approved Con Edison Gas Program Costs and Savings Targets

	2012	2013	2014	2015	Total 2012-2015	% of Budget
Con Edison						
Residential HVAC (R)						
Savings (Dekatherms)	34,158	34,158	34,158	34,158	136,632	
Program & Administrative Costs	$2,662,286	$2,662,286	$2,662,286	$2,662,286	$10,649,144	95%
Evaluation/M&V Costs	$140,120	$140,120	$140,120	$140,120	$560,480	5%
Total	$2,802,406	$2,802,406	$2,802,406	$2,802,406	$11,209,624	

Table 8

Approved Niagara Mohawk Gas Program Costs and Savings Targets

Niagara Mohawk	**2012**	**2013**	**2014**	**2015**	**Total 2012-2015**	**% of Budget**
Residential Energy Star Products (R)						
Savings (Dekatherms)	4,914	4,914	4,914	4,914	19,656	
Program & Administrative Costs	$121,836	$121,836	$121,836	$121,836	$487,344	95%
Evaluation/M&V Costs	$6,412	$6,412	$6,412	$6,412	$25,648	5%
Total	$128,248	$128,248	$128,248	$128,248	$512,992	

Table 9

Approved KEDNY Gas Program Costs and Savings Targets

KEDNY	**2012**	**2013**	**2014**	**2015**	**Total 2012-2015**	**% of Budget**
Residential Energy Star Products (R)						
Savings (Dekatherms)	2,392	2,392	2,392	2,392	9,568	
Program & Administrative Costs	$74,338	$74,338	$74,338	$74,338	$297,352	95%
Evaluation/M&V Costs	$3,912	$3,912	$3,912	$3,912	$15,648	5%
Total	$78,250	$78,250	$78,250	$78,250	$313,000	

Table 10

Approved KEDLI Gas Program Costs and Savings Targets

KEDLI	**2012**	**2013**	**2014**	**2015**	**Total 2012-2015**	**% of Budget**
Residential Energy Star Products (R)						
Savings (Dekatherms)	2,392	2,392	2,392	2,392	9,568	
Program & Administrative Costs	$74,338	$74,338	$74,338	$74,338	$297,352	95%
Evaluation/M&V Costs	$3,912	$3,912	$3,912	$3,912	$15,648	5%
Total	$78,250	$78,250	$78,250	$78,250	$313,000	