

Energy Efficiency and Peak Demand Reduction Program Portfolio Status Report to the Public Utilities Commission of Ohio

**For the period
January 1, 2012 to December 31, 2012**

Ohio Edison Company
The Cleveland Electric Illuminating Company
The Toledo Edison Company

Docket No. 13-1185-EL-EEC
Docket No. 13-1186-EL-EEC
Docket No. 13-1187-EL-EEC

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1 Introduction

Pursuant to Section 4901:1-39-05, Ohio Administrative Code (“O.A.C.”) and the Commission’s January 30, 2013 Finding and Order in Docket No. 12-2266-EL-WVR, Ohio Edison Company (“Ohio Edison” or “OE”), The Cleveland Electric Illuminating Company (“CEI”) and The Toledo Edison Company (“Toledo Edison” or “TE”, collectively, “Companies”) submit their Portfolio Status Report (“Report”) for the period January 1, 2012 through December 31, 2012 (“Reporting Period”). This Report addresses the Companies’ compliance with the energy efficiency (“EE”) and peak demand reduction (“PDR”) benchmarks set forth in R.C. § 4928.66(A) for the Reporting Period.

1.1 History and Background

On December 15, 2009, the Companies filed their respective three year Energy Efficiency and Peak Demand Reduction Plans (“EEPDR Plans”) in Case Nos. 09-1947-EL-POR *et al* (“Portfolio Case”).¹ On October 27, 2009, as allowed by R.C. § 4928.66(A)(2)(b) and Rule 4901:1-39-05(J), O.A.C., the Companies, for various reasons, requested an amendment to their 2009 statutory EE benchmarks in Case No. 09-1004-EL-EEC *et al* (“2009 Amendment Case”).² Pursuant to the January 7, 2010 Finding and Order issued by the Public Utilities Commission of Ohio (“Commission” or “PUCO”) in the 2009 Amendment Case, the Companies’ 2009 statutory benchmarks for EE were amended to zero, contingent on the Companies meeting revised benchmarks in subsequent years that would be determined as part of the Commission’s review of the Companies’ EEPDR Plans in the Portfolio Case. No similar contingency was placed on the Companies’ 2009 PDR benchmark requirements.

Because the Commission had not issued an Order in the Portfolio Case by the end of 2010, the Companies, on January 11, 2011, submitted an application for an amendment to their respective 2010 EE and PDR benchmarks, *if and only to the extent* one was necessary for the Companies to be in compliance with their yet-to-be-defined revised benchmarks (“2010 Amendment Case”).³ As of March 9, 2011, the Commission had not issued a ruling in the 2010 Amendment Case, but on that date, in a Finding and Order in that case, the Commission extended the deadline for submitting the Companies’ Report for the Reporting Period from March 15, 2011 to May 15, 2011.⁴

On March 23, 2011, the Commission issued its Order in the Portfolio Case (“Portfolio Order”), stating:

Based upon the record in this proceeding, the Commission finds that it is unnecessary to further revise the specific statutory benchmarks for 2010, 2011 and 2012, provided that [the Companies] meet the cumulative energy efficiency savings for the three years implicit in Section 4928.66(A)(1)(a), Revised Code.⁵

¹ See generally, *In re Application of [the Companies] for Approval of Their Energy Efficiency and Peak Demand Reduction Program Portfolio Plans for 2010 Through 2012 and Associated Cost Recovery Mechanism*, Case Nos. 09-1947-EL-POR *et al.*, (“Portfolio Case”) Application and Related Reports (Dec. 15, 2009).

² See *In re Application of [the Companies] to Amend Their 2009 Energy Efficiency Benchmarks*, Case Nos. 09-1004-EL-EEC *et al.*, Application (Oct. 27, 2009).

³ See generally, *In re Application of [the Companies] to Amend Their 2010 Energy Efficiency and Peak Demand Reduction Benchmarks*, Case No. 11-126-EL-EEC *et al*, Application (Jan. 11, 2011).

⁴ *Id.*, Finding and Order, p. 2 (Mar. 9, 2011).

⁵ Portfolio Case, Finding and Order, p. 6 (Mar. 23, 2011).

As of May 15th 2011, the Commission had not yet addressed the Companies' request for amendments to their various benchmarks in the 2010 Amendment Case. Therefore, on May 16, 2011, they filed a motion for an extension in which to file the 2011 Report until 10 days after the Commission issued a ruling in the 2010 Amendment Case.⁶ In a May 19, 2011 Finding and Order, the Commission granted the Companies' motion and ruled on the Companies' Application for Amendments to their 2010 EE and PDR benchmarks.⁷ In the Order, the Commission found the request for an amendment of either CEI's or Toledo Edison's 2010 benchmarks to be moot, saying:

[The Companies] represent that CEI and TE met their statutory energy efficiency benchmarks and that the application for an amendment was only necessary if the Commission amended their statutory 2010 energy efficiency benchmarks. Since those benchmarks were not amended by the Commission, it is unnecessary to grant the application for an amendment of CEI's and TE's energy efficiency benchmarks.⁸

The Commission further concluded that, based on R. C. § 4928.66(A)(2)(b), Ohio Edison's request for amendments to its 2010 EE and PDR benchmarks to actual levels achieved during 2010 should be granted due to regulatory reasons beyond its control, provided that the company meets the cumulative energy savings mandated by statute by 2012.⁹ As discussed below, OE has met its cumulative energy savings for 2012.

On August 8, 2012, a Joint Application of Ohio Edison Company, The Cleveland Electric Illuminating Company, The Toledo Edison Company, the Dayton Power and Light Company, and Duke Energy Ohio, Inc., for Waiver¹⁰ was filed requesting that the Commission extend the filing of the annual portfolio status reports pursuant to O.A.C. 4901:1-39-05(C) from March 15 to May 15 of each of the next five years. On January 30, 2013, the Commission granted the application for waiver for 2013 stating each utility should file its portfolio status report by May 15, 2013¹¹. Pursuant to this directive and the requirements set forth in Section 4901:1-39-05 O. A. C., the Companies submit this 2012 Status Report.

On July 31, 2012, the Companies filed their energy efficiency and peak demand reduction plans ("EEPDR Plans") for the years 2013-2015¹². Those plans were approved by the Commission on March 20, 2013.

⁶ The Motion was filed on May 16th because May 15th was a Sunday.

⁷ See *In re Application of [the Companies] to Amend Their Energy Efficiency and Peak Demand Reduction Benchmarks*, Case No. 11-126-EL-EEC, et al, Finding and Order, p. 2 (May 19, 2011).

⁸ *Id.* at 4-5.

⁹ *Id.* at 5.

¹⁰ See *in re the Joint Application of Ohio Edison Company, The Cleveland Electric Illuminating Company, The Toledo Edison Company, The Dayton Power and Light Company and Duke Energy Ohio, Inc. for Waiver with Regard to Rule 4901:1-39-05 (C), Ohio Administrative Code*, Case No. 12-2266-EL-WVR (August 8, 2012).

¹¹ *Id.*, Finding and Order, p. 2 (January 30, 2013).

¹² See, generally, *In re Application of Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company For Approval of Their Energy Efficiency and Peak Demand Reduction Program Portfolio Plans for 2013 through 2015*, Case Nos. 12-2190-EL-POR, et. al., Application (July 31, 2012). With this Application the Companies provided recommendations on whether each EEPDR program should be continued, modified or eliminated. As the EEPDR Plans for the years 2009-2012 have concluded, the Companies did not provide recommendations referenced in Rule 4901:1-39-05(C)(2)(b), O.A.C.

2 2012 Compliance Demonstration

Section 4901:1-39-05(C)(1), O.A.C., requires that a utility demonstrate the actual energy savings and demand reductions, and the expected demand reductions that the utility's EE&PDR programs have achieved during the reporting period, relative to the utility's corresponding baselines. In doing so, a utility must provide: (i) an update to the initial benchmark report; (ii) a comparison with the applicable benchmark; and (iii) an affidavit of compliance. Each requirement as applicable to the Companies is presented below.

2.1 Benchmark Update

The Companies' Initial Benchmark Reports (for the years 2009 through 2012) were submitted for Commission approval as part of their respective EEPDR Plans.¹³ The initial benchmarks included in the EEPDR Plans incorporated projected amounts contributed by mercantile customer projects filed for approval by December 1, 2009. Those benchmarks have been updated, as shown in Exhibits 1 and 2 to reflect actual sales adjusted in accordance with Rule 4901:1-39-05(B) of the O.A.C. and incorporate only the amounts contributed by the approved mercantile projects.

2.2 Summary of Portfolio Impacts¹⁴

Cumulative energy and demand savings in this report reflect *ex ante* or expected savings calculations based on the currently pending draft State of Ohio Energy Efficiency Technical Reference Manual ("TRM"), filed on August 6, 2010 or the Ohio TRM Joint Objections and Comments filed November 3, 2010¹⁵ with applicable adjustments made based on prior year evaluation results.

Based on the summary of reported **pro rata** Portfolio impacts from approved and pending programs below, OE, CEI and TE each achieved all EE and PDR statutory requirements for 2012.

¹³ Each Company's Initial Benchmark Report was included in the Companies' respective EEPDR Plan as Section 1.0, Table 4. See *Portfolio Case Application*,. The Benchmark Report for CEI as set forth in its Plan was corrected during the evidentiary hearing in that proceeding.

¹⁴ The Companies also track their results on an annualized basis. These results are presented in Appendix A.

¹⁵ See *In re Protocols for the Measurement and Verification of Energy Efficiency and Peak Demand Reduction Measures*, Case Number 09-512-GE-UNC.

Table 2-1: The Companies' pro rata energy and demand Portfolio impacts through the end of the Reporting Period¹⁶

Energy Efficiency Benchmarks and Results (MWh)					Peak Demand Benchmarks and Results (MW)			
Utility	Updated 2012 Compliance Benchmark	Savings from Approved Programs	Savings from Projects Pending PUCO Approval	Savings from Approved Programs and Pending Projects	Updated 2012 Compliance Benchmark	Savings from Approved Programs	Savings from Projects Pending PUCO Approval	Savings from Approved Programs and Pending Projects
OE	541,291	626,759	20,992	647,752	169.90	231.71	1.21	232.92
CEI	426,817	729,279	26,988	756,267	135.00	187.34	2.69	190.03
TE	231,655	213,607	91,287	304,894	67.30	169.66	16.97	186.63
TOTAL	1,199,764	1,569,645	139,267	1,708,913	372.20	588.71	20.87	609.59

2.3 Summary of Energy Impacts by Program¹⁷

A summary of **pro rata** energy impacts by program through the end of the reporting period is presented in the following table:

Table 2-2: The Companies' pro rata energy impacts and participation by program through the end of the reporting period

Approved Programs	Ohio Edison		Cleveland Electric		Toledo Edison		Program Totals	
	Participants / Units	MWh	Participants / Units	MWh	Participants / Units	MWh	Participants / Units	MWh
Residential								
Direct Load Control	9,995	68	5,630	38	1,319	9	16,944	115
Home Energy Analyzer	12,093	10,607	5,182	6,615	2,790	2,893	20,065	20,114
Appliance Turn-In	13,261	16,485	8,270	10,651	2,105	2,876	23,636	30,012
Energy Efficient Products	14,734	1,821	10,153	1,121	4,182	482	29,069	3,424
Residential Energy Audit	1,244	351	823	210	265	58	2,332	619
CFL	1,571,113	117,462	1,588,699	118,683	552,482	40,720	3,712,294	276,865
New Homes	13	1,037	12	383	5	385	30	1,804
Residential Low-Income								
Community Connections	4,093	5,433	5,739	7,220	1,510	1,591	11,342	14,244
Small Enterprise								
Equipment (Lighting)	1,558	104,574	1,461	118,207	334	18,290	3,353	241,070
New Construction	0	0	0	0	0	0	0	0
Government								
Government Lighting	42	766	1	57	0	0	43	822
Mercantile Utility (Large Enterprise)								
Equipment (Lighting)	207	83,705	102	43,150	60	35,978	369	162,832
Motors	3	4,624	5	758	4	7,716	12	13,098
Interruptible Demand Reduction	26	0	2	0	5	0	33	0
Other								
Consumer Behavior Study	0	0	10	0	0	0	10	0
Mercantile Customer	253	269,956	188	419,304	87	99,102	528	788,362
Transmission and Distribution	n/a	9,871	n/a	2,882	n/a	3,509	n/a	16,262
Subtotal Actual Results	1,628,635	626,759	1,626,277	729,279	565,148	213,607	3,820,060	1,569,645
Projects Pending PUCO Approval								
Mercantile Customer	21	6,374	30	20,746	20	85,433	71	112,553
Transmission and Distribution	n/a	14,618	n/a	6,242	n/a	5,854	n/a	26,714
Subtotal Potential Results	21	20,992	30	26,988	20	91,287	71	139,267
Total Portfolio	1,628,656	647,752	1,626,307	756,267	565,168	304,894	3,820,131	1,708,913

¹⁶ *Ex ante* pro-rata results from approved programs from 2009 through 2012 including mercantile applications pending before the Commission as of March 31, 2013, and transmission and distribution applications filed with the Commission as of May 15, 2013. Values include adjustments by appropriate loss factors with the exception of Interruptible Demand Reduction and Transmission and Distribution values.

¹⁷ The Companies also track their results on an annualized basis. These results are presented in Appendix A.

2.4 Summary of Demand Impacts by Program¹⁸

A summary of **pro rata** demand impacts by program through the end of the reporting period is presented in the following table:

Table 2-3: The Companies' pro rata demand impacts and participation by program through the end of the reporting period

Approved Programs	Ohio Edison		Cleveland Electric		Toledo Edison		Program Totals	
	Participants / Units	MW	Participants / Units	MW	Participants / Units	MW	Participants / Units	MW
Residential								
Direct Load Control	9,995	7.99	5,630	4.46	1,319	1.05	16,944	13.50
Home Energy Analyzer	12,093	1.62	5,182	0.95	2,790	0.42	20,065	3.00
Appliance Turn-In	13,261	3.80	8,270	2.47	2,105	0.65	23,636	6.92
Energy Efficient Products	14,734	0.34	10,153	0.26	4,182	0.13	29,069	0.73
Residential Energy Audit	1,244	0.08	823	0.07	265	0.02	2,332	0.16
CFL	1,571,113	20.49	1,588,699	20.65	552,482	7.15	3,712,294	48.30
New Homes	13	0.18	12	0.08	5	0.04	30	0.30
Residential Low-Income								
Community Connections	4,093	0.46	5,739	0.64	1,510	0.14	11,342	1.23
Small Enterprise								
Equipment (Lighting)	1,558	21.13	1,461	22.96	334	3.64	3,353	47.74
New Construction	0	0.00	0	0.00	0	0.00	0	0.00
Government								
Government Lighting	42	0.11	1	0.00	0	0.00	43	0.11
Mercantile Utility (Large Enterprise)								
Equipment (Lighting)	207	13.59	102	6.16	60	5.34	369	25.08
Motors	3	0.04	5	0.18	4	0.26	12	0.49
Interruptible Demand Reduction	26	118.46	2	75.32	5	127.76	33	321.55
Other								
Consumer Behavior Study	0	0.00	10	0.30	0	0.00	10	0.30
Mercantile Customer	253	34.68	188	50.25	87	19.66	528	104.59
Transmission and Distribution	n/a	2.88	n/a	0.85	n/a	1.09	n/a	4.82
Subtotal Actual Results	1,628,635	225.85	1,626,277	185.61	565,148	167.36	3,820,060	578.82
Projects Pending PUCO Approval								
Mercantile Customer	21	1.21	30	2.69	20	16.97	71	20.87
Transmission and Distribution	n/a	5.87	n/a	1.73	n/a	2.29	n/a	9.89
Subtotal Potential Results	21	7.07	30	4.42	20	19.27	71	30.76
Total Portfolio	1,628,656	232.92	1,626,307	190.03	565,168	186.63	3,820,131	609.59

2.5 Affidavit of Compliance

Attached hereto as Exhibit 3 is an affidavit of Compliance executed by John C. Dargie, Vice President, Energy Efficiency.

2.6 Banking of Energy Savings

The Companies intend to bank any surplus energy savings and apply such savings toward future energy efficiency benchmarks to the extent permitted by law.

¹⁸ The Companies also track their results on an annualized basis. These results are presented in Appendix A.

3 Summary of Finances

3.1 Cost Effectiveness Demonstration

A summary of portfolio finances and the Total Resource Cost Test (TRC)¹⁹ demonstrating the cost-effectiveness of a program by comparing the total economic benefits to the total costs as defined by Rule 4901:1-39-01(Y), O.A.C., is presented in the following table:

Table 3-1: Summary of Portfolio Finances: TRC Test²⁰

Program	Ohio Edison		Cleveland Electric		Toledo Edison	
	Total Cumulative Program Spend to Date Including Common Costs (b)	TRC	Total Cumulative Program Spend to Date Including Common Costs (b)	TRC	Total Cumulative Program Spend to Date Including Common Costs (b)	TRC
Residential						
Direct Load Control	\$4,489,583	0.12	\$2,072,666	0.08	\$333,139	0.22
Home Energy Analyzer	\$841,923	1.28	\$405,607	1.21	\$204,178	1.51
Appliance Turn-In	\$2,615,313	3.01	\$1,620,910	3.02	\$451,438	2.13
Energy Efficient Products	\$2,755,841	1.32	\$1,623,177	1.18	\$746,770	1.12
Residential Energy Audit	\$1,583,883	0.42	\$1,185,035	0.66	\$452,248	0.26
CFL	\$6,536,626	1.21	\$4,709,130	1.67	\$1,980,696	1.40
Efficient New Homes	\$1,173,996	1.56	\$675,210	1.24	\$264,988	4.21
Residential Low-Income						
Community Connections	\$6,518,925	0.32	\$8,121,129	0.37	\$2,904,483	0.19
Small Enterprise						
Equipment (Lighting)	\$16,570,199	1.31	\$18,104,426	1.34	\$2,998,766	1.63
Audits and Equipment	\$88,358	N/A	\$66,728	N/A	\$42,600	N/A
New Construction	\$96,478	N/A	\$70,155	N/A	\$38,815	N/A
Government Lighting	\$277,635	0.00	\$268,486	0.36	\$185,979	0.00
Mercantile Utility (Large Enterprise)						
Equipment (Lighting)	\$12,283,669	2.74	\$5,946,761	2.11	\$4,451,488	2.21
Audits and Equipment	\$150,795	N/A	\$63,779	N/A	\$71,825	N/A
Motors	\$189,882	5.11	\$94,614	4.50	\$133,562	0.91
Interruptible Demand Reduction (a)	\$10,914,490	N/A	\$10,620,314	N/A	\$12,171,171	N/A
Other						
Mercantile Customer	\$11,103,012	10.63	\$8,051,645	10.45	\$2,396,721	20.35
Transmission and Distribution	\$6,527	N/A	\$5,093	N/A	\$2,699	N/A
Total Portfolio	\$78,197,135	2.20	\$63,704,866	2.02	\$29,831,565	2.80
Notes: (a) Includes credits to customers in accordance with the Economic Load Response Rider (Rider ELR) (b) The above reported financials reflect program costs incurred since inceptions through March 31, 2013 as determined on May 6, 2013. (c) TRC results included herein have been calculated by the Companies' EM&V Contractor consistent with OAC 4901:1-39-01 (Y), reflecting measure lives consistent with the evaluation reports.						

¹⁹ TRC results were calculated by ADM Associates, Inc.

²⁰ TRC tests are performed for each program reflecting verified program costs as shown for each program excluding the Interruptible Demand Reduction program approved as a result of Commission findings in, in *re Application of [the Companies] for Authority to Establish a Standard Service Offer Pursuant to Section 4928.143, Capital Revised Code, in the Form of an Electric Security Plan*, Case No. 08-935-EL-SSO. The TRC test for the Community Connections and Mercantile Customer programs exclude customer costs and include customer rebates or incentives making the number equal to a Utility Cost Test ("UCT").

3.2 Approved Budget Allocations

The Companies' budgets, as established in *Portfolio Case*, were approved for various modifications by Commission Order and PUCO Staff approval. These approved budget reallocations were documented in the Companies' 2011 Annual Report, as filed in dockets 12-1533-EL-EEC, 12-1534-EL-EEC, and 12-1535-EL-EEC.

On September 26, 2012, the Companies requested PUCO Staff approval for budget transfers for the Residential class. The Companies request was to move \$751,455 at TE and \$2,648,870 at CE from the Energy Efficient Products Program and the Online Audit Program to the Community Connections program for Low Income customers. These requests were approved by the Staff on November 2, 2012.

On November 15, 2012, the Companies filed an application to reallocate funds at OE between energy efficiency programs in Case No. 12-2989-EL-POR. The request was to move \$600,000 from the Interruptible Demand Reduction Program to the C/I Equipment Program (Commercial Lighting). This request was approved on December 12, 2012.

The table below summarizes the budget reallocations for OE, CEI and TE in 2012. OE's Mercantile Customer Class section incorporates all of the approved budget reallocations since the beginning of the plan.

Table 3-2: Summary of Approved Budget Reallocations in 2012

	PUCO Table 6A, as approved in Portfolio Case, and modified through 2011	As Modified
Mercantile Customer Class	OE	OE
Interruptible Demand Reduction	\$9,342,723	\$1,506,723
C/I Equipment Program (Commercial Lighting)	\$7,627,444	\$15,463,444

	PUCO Table 6A, as approved in Portfolio Case, and modified through 2011		As Modified	
Residential Customer Class	CE	TE	CE	TE
Community Connections	\$5,455,439	\$2,771,264	\$8,104,309	\$3,522,719
Energy Efficient Programs (Including Online)	\$6,676,875	\$3,262,227	\$4,777,103	\$2,689,538
Online Audit Program	\$2,406,759	\$974,858	\$1,657,661	\$796,092

4 Description of 2012 Programs

The programs described below are offered to customers in each of the Companies' respective service territories:

4.1 Direct Load Control

This is a peak demand reduction program, designed to operate during peak hours in the summer of 2012, for residential homeowners who meet the following criteria: (1) The customer must reside in a location that supports the communication strategy. (2) The customer must have a working central air conditioner or heat pump, (3) The customer must use at least 1,000 kWh in any summer month (June, July, or August), and (4) The customer must not be in arrears in payments for greater than 60 days.

The thermostat will include a device that will cycle the compressors of central air conditioners using a cycling strategy of 50% or 70%. This will allow the Companies to cycle central air conditioning compressor load during summer peak periods. The result of this equipment upgrade will provide the Companies with a program result that will have the capability to reduce loads over more hours during the summer. Participating customers can also program the thermostat for their preferred day, night, and seasonal settings in order to achieve electric and gas energy savings throughout the year.

Program Partners and Trade Allies

This program was launched June 17, 2011. The Companies selected Honeywell Utility Solutions to act as the implementation contractor.

4.2 Residential Appliance Turn-In

First launched in late April of 2011, the Appliance Turn-In program is designed to help customers reduce their energy consumption by removing refrigerators, freezers, and room air conditioners (RACs) from their homes and recycling them. The Companies benefit because the old appliances, which are generally more inefficient, will be permanently removed from the system. The environment also benefits from the recycling process through safe disposal of environmentally harmful material.

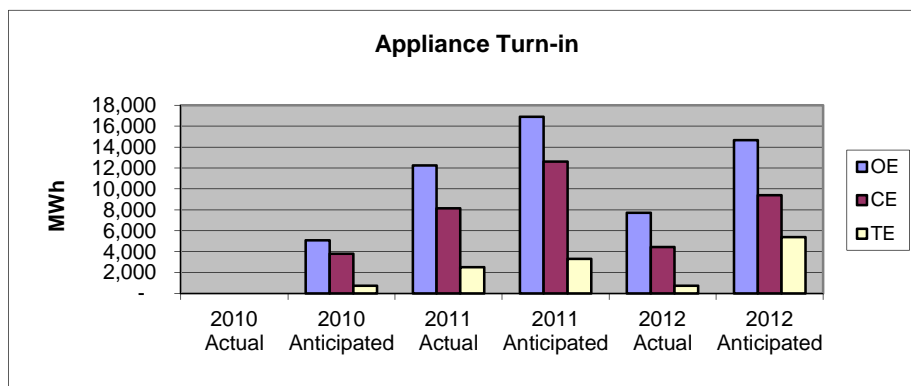
The goal of the program is to reduce the number of old, inefficient refrigerators and freezers that customers have moved to their garages or other locations such as basements and patios. Many areas in which spare units are placed are not space conditioned and most refrigerators used in that environment operate under a heavy thermal load during the summer. This is exacerbated by the fact that the units are usually quite old and inefficient. Previous studies by the Environmental Protection Agency (EPA), the Department of Energy (DOE) and other utilities have determined that removing these appliances, and properly recycling them, performs an energy saving service.²¹

The program is configured as a turnkey, stand-alone energy efficiency initiative. The program targets existing multi- and single-family households, renters and homeowners who have old, inefficient refrigerators, freezers, or RACs. Marketing for the program consists of newspaper/radio/tv ads, bill inserts, and community events. There is an additional marketing channel for low income participants, who may become aware of the program through auditors who are involved in other low income specific energy efficiency programs. To be eligible for the program, units to be recycled must be in working condition at the time of pick-up. The customer receives pick-up and removal service in addition to a \$50 rebate per recycled refrigerator or freezer. Customers with an inefficient, working RAC can receive a \$25 rebate for recycling the unit.

Program Partners and Trade Allies

This program was launched May 2, 2011. The Companies selected Jaco Environmental Incorporated to act as the implementation contractor.

²¹ EPA information available at <http://www.epa.gov/ozone/title6/608/disposal/household.html>

Table 4-1: Residential Appliance Turn-In Three-Year Trend Analysis²²

4.3 Residential Energy Efficient Products²³

The Energy Efficient Products Program provides rebates to customers and financial incentives and support to retailers that sell energy efficient products such as ENERGY STAR® qualified appliances. The rebates are designed to encourage the purchase and installation of energy efficient appliances and products as well as HVAC system maintenance which will help reduce electricity consumption and reduce summer peak load demands. The rebated retail products include:

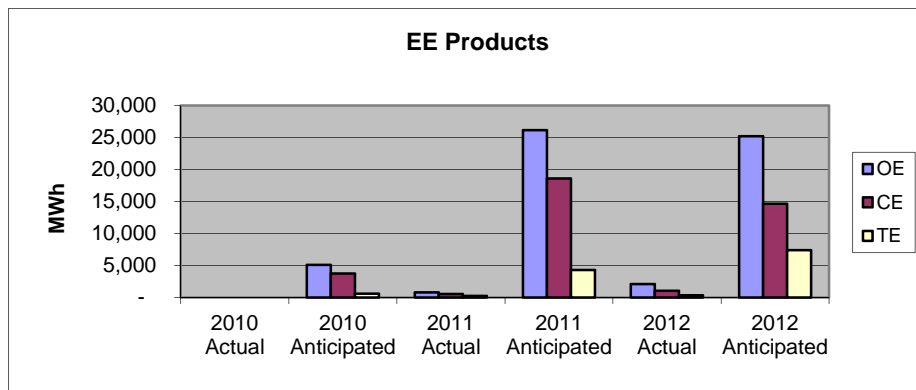
- ENERGY STAR® Central Air Conditioning
- ENERGY STAR® Room Air Conditioners
- ENERGY STAR® Air Source and Ground Source Heat Pumps
- ENERGY STAR® Refrigerators
- ENERGY STAR® Dehumidifiers
- Controlled Power Strips (Smart Strips)
- ENERGY STAR® Torchiere Floor Lamps
- ENERGY STAR® Clothes Washers (only for homes with electric water heating)
- Residential HVAC Maintenance/Tune Ups

Program Partners and Trade Allies

This program was launched April 27, 2011. The Companies selected Honeywell Utility Solutions to act as the implementation contractor.

²² Residential Appliance Turn-In three-year trend analysis compares cumulative gross MWh savings to anticipated MWh savings as filed in the Companies' EEPDR Plans.

²³ This program is also offered to small commercial and industrial customers.

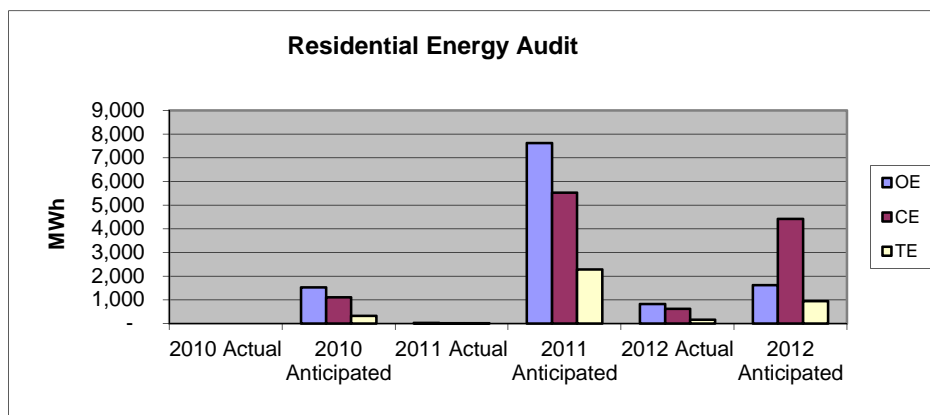
Table 4-2: Residential Energy Efficient Products Three-Year Trend Analysis based²⁴

4.4 Residential Energy Audit²⁵

This program offers residential customers a comprehensive home energy audit with air infiltration testing through the use of blower door technology or other diagnostic tools for improving the integrity of the building shell. It also examines appliance efficiency, lighting and HVAC systems. After completing a home energy audit, customers are provided with a list of energy saving projects and measures applicable to their home and the associated energy savings impacts. Customers who implement eligible energy savings measures are entitled to rebates from the Companies.

Program Partners and Trade Allies

This program was launched September 23, 2011. The Companies selected Honeywell Utility Solutions to act as the implementation contractor.

Table 4-3: Residential Energy Audit Three-Year Trend Analysis²⁶

²⁴ Residential Energy Efficient Products three-year trend analysis compares cumulative gross MWh savings to anticipated MWh savings as filed in the Companies' EEPDR Plans.

²⁵ Residential Energy Audit was originally filed under the program name Comprehensive Residential Retrofit, but marketed under this new program name.

²⁶ Comprehensive Residential Retrofit three-year trend analysis compares cumulative gross MWh savings to anticipated MWh savings as filed in the Companies' EEPDR Plans.

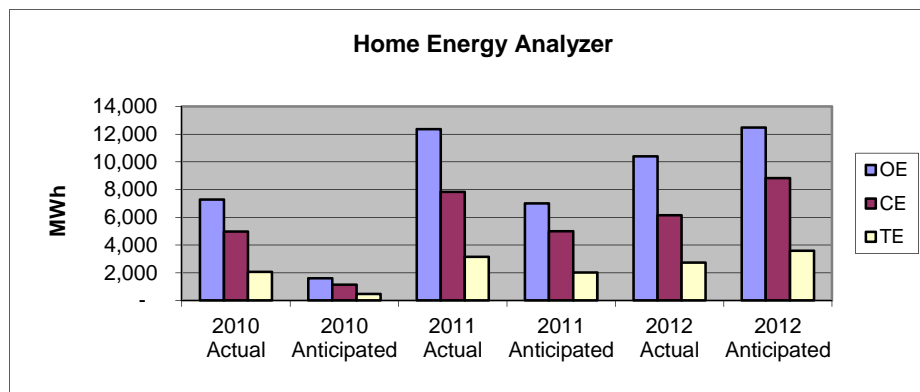
4.5 Residential Home Energy Analyzer

The Online Home Energy Audit tool is a software program that provides customers the ability and education to better understand their usage and reduce their energy costs through actions recommended through the software. The Home Energy Analyzer converts the customers' input of information about their home and billing data into information that the customer can understand and act upon, including such things as the cost of heating and cooling their homes, the reasons their bill may have changed, and specific examples and estimated dollar savings of taking certain actions. Customers that do not have access to the internet can also take the Home Energy Analyzer over the phone with a Customer Service Representative.

Program Partners and Trade Allies

This program was launched December 15, 2009. The Companies selected the Aclara Software Incorporated as the implementation contractor for the tool customers use to complete the online audit.

Table 4-4 Residential Home Energy Analyzer Three-Year Trend Analysis²⁷



4.6 Residential CFL Program

The CFL Program offers Ohio Edison, CEI and Toledo Edison customers the ability to choose to participate through a variety of distribution channels, as follows:

- Select retailers offer CFLs at reduced cost (\$0.50 each);
- Community organizations distribute CFLs at no cost to EDC customers and provide energy education and outreach;
- Low income customers participating in the Percentage of Income Payment Plan (PIPP) who request CFLs receive them from Ohio Partners for Affordable Energy (OPAE) at no cost in an opt-in approach along with educational materials;
- Direct mail is used to distribute CFLs to a variety of customer segments, including:
 - Contact center high-usage customers - offered six CFLs per household;
 - New utility customers - offered six CFLs as part of their Welcome Pack;

²⁷ Residential Home Energy Analyzer three-year trend analysis compares cumulative gross MWh savings to anticipated MWh savings as filed in the Companies' EEPDR Plans.

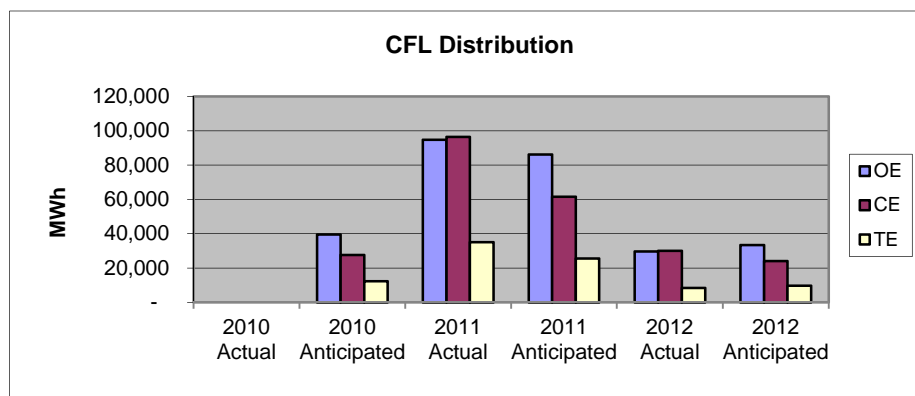
- General customers - offered an opt-in opportunity to have six CFLs delivered to their home; and
- Small business customers selected by the Council of Smaller Enterprises - receive a packet of six CFLs.

The Companies work with retailers to develop promotional materials. The CFLs distributed through the program are 23 Watt bulbs that were purchased by the Companies.

Program Partners and Trade Allies

This program was launched March 23, 2011. The Companies selected Powerdirect Marketing to act as the implementation contractor.

Table 4-5: Residential CFL Program Three-Year Trend Analysis²⁸



4.7 Residential Low-Income Community Connections

The Community Connections Program provides at no additional cost, energy conservation measures and energy education to low income customers that receive electric service from the Companies. The program targets residential customers with incomes up to 200% of the Federal Poverty Income Guideline or customers eligible for one of the following programs:

- Ohio Home Weatherization Assistance Program (HWAP);
- Percentage of Income Payment Plan (PIPP); or
- Home Energy Assistance Program (HEAP).

Note that landlords of qualified low-income residential customers are eligible to receive similar measures for 50 percent of the cost.

The energy saving measures provided by the program may include but are not limited to:

- Home energy audits
- Blower door tests

²⁸ Residential CFL Program three-year trend analysis compares cumulative gross MWh savings to anticipated MWh savings as filed in the Companies' EEPDR Plans.

- Energy efficient lighting, including compact fluorescent lamps (CFLs) of different types and wattages
- Insulation in attics, side walls, foundation walls and band joist
- Pipe wrap insulation
- Energy-saving showerheads
- Energy-saving faucet aerators
- Air sealing (reducing air infiltration through the building envelope)
- Duct sealing
- Limited health and safety measures

The Program may also provide replacement of inefficient appliances with energy-efficient products and services, including but not limited to:

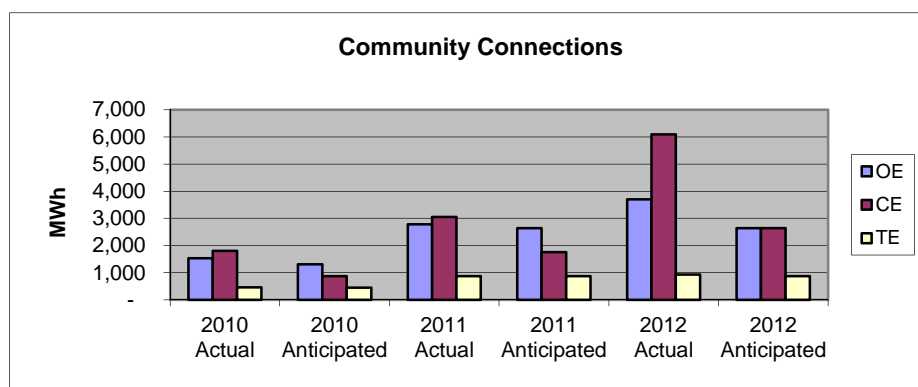
- ENERGY STAR® refrigerators and freezers;
- Central air conditioning units;
- ENERGY STAR® room air conditioning units;
- Smart power strips; and
- HVAC tune-ups.

Except for services performed for eligible owners of rental properties, any of the energy efficiency measures may be combined with health and safety measures, provided that the cost of the health and safety measures does not exceed 30% of the total cost of all eligible measures installed and funded during January through May 2012, and 15% during June through December 2012. Health and safety measures include but are not limited to roof repairs/replacement, electric wiring repairs and upgrades, and furnace repairs.

Program Partners and Trade Allies

This is an existing program. The program is administered by the Ohio Partners for Affordable Energy (OPAE) which contracts with local community-based agencies and subcontractors.

Table 4-6: Residential Low-Income Community Connections Three-Year Trend Analysis ²⁹



²⁹ Residential Low-Income Community Connections three-year trend analysis compares cumulative gross MWh savings to anticipated MWh savings as filed in the Companies' EEPDR Plans.

4.8 New Homes

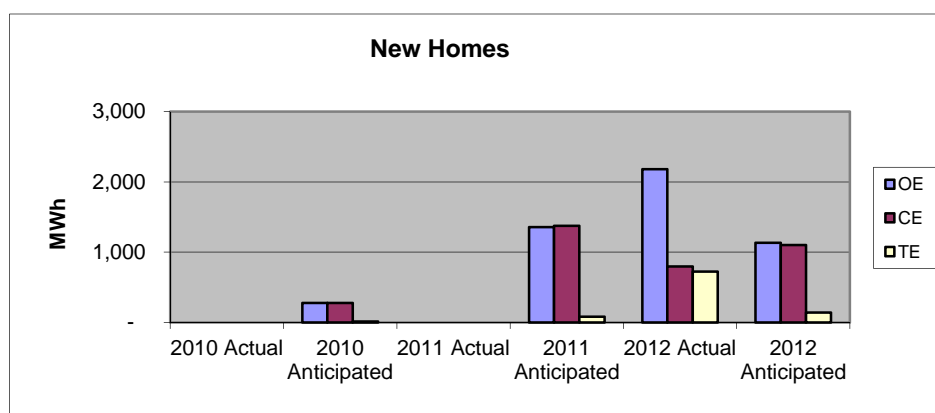
The objective of this program is to increase the energy efficiency of new residential homes. The program provides a rebate to local builders for achieving energy efficiency targets through a combination of building shell and appliance upgrades. To qualify for this program, the house must exceed the standard building code by 15 percent or 30 percent consistent with energy efficiency standards as published by the Department of Energy under the ENERGY STAR® program.

Provides incentives to builders for achieving ENERGY STAR® Homes status, or HERS rating associated with a highly energy efficient home. The program supports implementation of contractor-installed HVAC, solar, or other eligible systems in existing or new residential buildings, as well as measures addressing building shell, appliances and other energy consuming features. This program will be marketed to builders and residential developers through targeted communications and outreach. A realtor component will be developed to make sure that this group understands the benefits of high efficiency rated homes and can market them to consumers.

Program Partners and Trade Allies

The Companies selected Performance Systems Development to act as the implementation contractor.

Table 4-7: New Homes Three-Year Trend Analysis ³⁰



4.9 Commercial / Industrial Small Equipment (Lighting)

This program offers a range of rebates for technologies applicable to business and other non-residential facilities. To be eligible to participate in the C/I Small Equipment Program, a customer has to be considered “small” as defined by the customer’s rate code.

The first iteration of the program is a component of the C/I Efficient Equipment Program. The objective of this program is to provide rebates to address the most common end use of electricity across all building types – lighting. This program provides rebates to customers for the purchase and installation of high-efficiency lighting as an alternative to standard fixtures and bulbs.

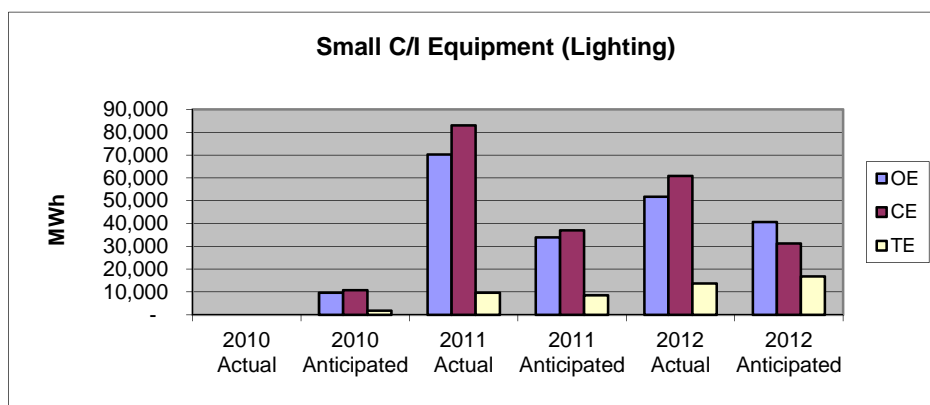
This program is targeted at businesses and other non-residential customers.

³⁰ New Homes three-year trend analysis compares cumulative gross MWh savings to anticipated MWh savings as filed in the Companies’ EEPDR Plans.

Program Partners and Trade Allies

This program was launched April 11, 2011. The Companies selected SAIC Energy Environment & Infrastructure to act as the implementation contractor. In addition to the program partner, the Companies utilized various trade allies and administrators to help facilitate the implementation of programs.

Table 4-8: Commercial / Industrial Small Equipment Three-Year Trend Analysis³¹



4.10 Commercial / Industrial Small New Construction

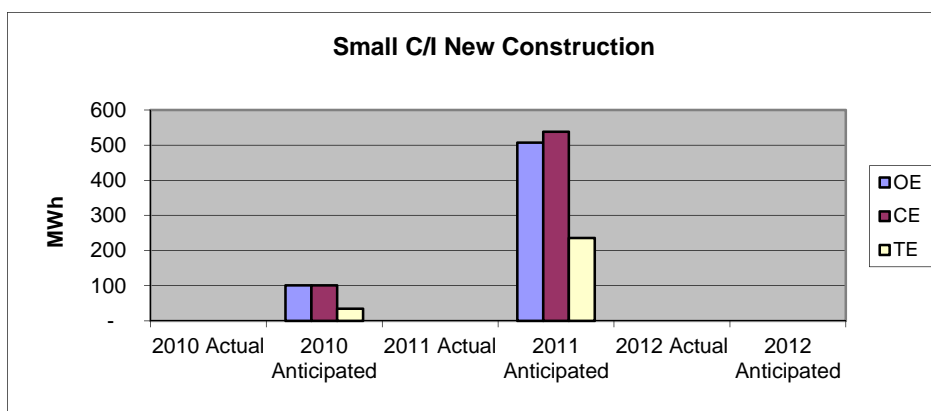
The objective of this program is to increase the energy efficiency of new commercial facilities. The program provides incentives to building owners and developers for achieving energy efficiency targets through a combination of building shell and equipment upgrades. To qualify for this program, the facility must exceed the standard building code by 15 percent consistent with energy efficiency standards as published by the Department of Energy under the ENERGY STAR® program.

This program was launched July 1, 2011; however, there were no savings yet achieved for this program in the 2012 reporting period due to the economic conditions as well as the long lead-time cycle for new construction. Additionally, many new construction projects involved lighting and these customers applied for and received rebates under the C/I Equipment (Lighting) program.

Program Partners and Trade Allies

The Companies selected SAIC Energy Environment & Infrastructure to act as the implementation contractor. In addition to the program partner, the Companies utilized various trade allies and administrators to help facilitate the implementation of programs.

³¹ Commercial / Industrial Small Equipment (Lighting) three-year trend analysis compares cumulative gross MWh savings to anticipated MWh savings as filed in the Companies' EEPDR Plans.

Table 4-9: Commercial / Industrial Small New Construction Three-Year Trend Analysis³²

4.11 Commercial / Industrial Large Equipment (Lighting)

This program offers a range of rebates for technologies applicable to business and other non-residential facilities. To be eligible to participate in the C/I Large Equipment Program, a customer has to be considered “large” as defined by the customer’s FirstEnergy rate code.

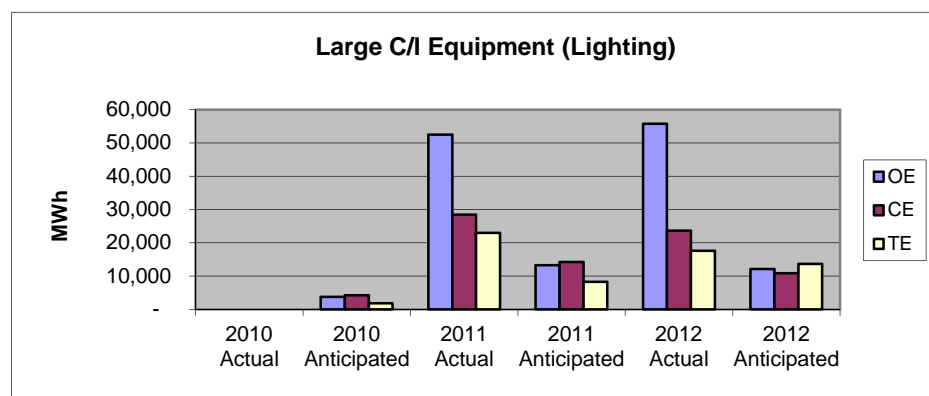
The first iteration of the program is a component of the C/I Efficient Equipment Program. The objective of this program is to quickly launch rebates to address the most common end use of electricity across all building types – lighting. This program provides rebates to customers for the purchase and installation of high efficiency lighting as an alternative to standard fixtures and bulbs. The savings to be gained is significant, even though the market is transformed toward higher efficiency lighting technologies every few years.

This program is targeted at businesses and other non-residential customers.

Program Partners and Trade Allies

This program was launched April 11, 2011. The Companies selected SAIC Energy Environment & Infrastructure to act as the implementation contractor. In addition to the program partner, the Companies utilized various trade allies and administrators to help facilitate the implementation of programs.

³² Commercial / Industrial Small Equipment (Lighting) three-year trend analysis compares cumulative gross MWh savings to anticipated MWh savings as filed in the Companies’ EEPDR Plans.

Table 4-10: Commercial / Industrial Large Equipment Three-Year Trend Analysis³³

4.12 Commercial / Industrial Large Equipment (Industrial Motors and Drives)

To be eligible to participate in the Motors and Drives Program, a customer has to be considered “large” as defined by the customer’s FirstEnergy rate code.

The Companies offered the Motors and Drives Program in Ohio to encourage commercial and industrial customers to:

- Upgrade their existing motors to NEMA Premium® motors when switching out old motors due to breakdowns and or programmed replacements; and
- Install variable speed drives on motors that do not always operate at the same load.

The Motors and Drives Program is designed for commercial and industrial energy customers whose motors are utilized for high operating hours (i.e., over 2,000 hours) and have a higher variability of loads on the system (e.g., centrifugal pumps and fans) or the application of use includes mechanical throttling (valves, dampers, etc). This is because variable speed drives match the speed of the motor-driven equipment to the process requirement. Applications with low variability of loads such as vibrating conveyors, punch presses, rock crushers, machine tools and other applications where the motor runs at constant speed were not good candidates for a variable-speed drive.

To have been eligible to participate in the Motors and Drives Program, a customer must have met the following criteria:

- Motor(s) must operate a minimum of 2,000 hours annually.
- Projects must be a “one-for-one” replacement of a motor with a new, NEMA Premium® motor. The sizes (hp) of the existing and new motors may vary, but the project must involve replacing a quantity of motors for the same quantity of new motors. For new construction, the “existing”

³³ Commercial / Industrial Large Equipment (Lighting) three-year trend analysis compares cumulative gross MWh savings to anticipated MWh savings as filed in the Companies’ EEPDR Plans.

motor should be a code-compliant option that is less efficient than the NEMA Premium® motor that is being installed.

- Project does not involve a change in annual run hours.
- Project includes the installation of a new NEMA Premium® motor of up to 200hp.
- The motor upgrade program's individual incentives per motor start at \$25 for a 1HP.
- The variable-speed drive incentive is \$35 per horsepower (up to 500hp) of the motor being used.
- Variable Frequency Drives (VFDs) incentives were available only for the installation of a new VFD on applications where no existing speed control existed on applications controlling a maximum of 500 hp.

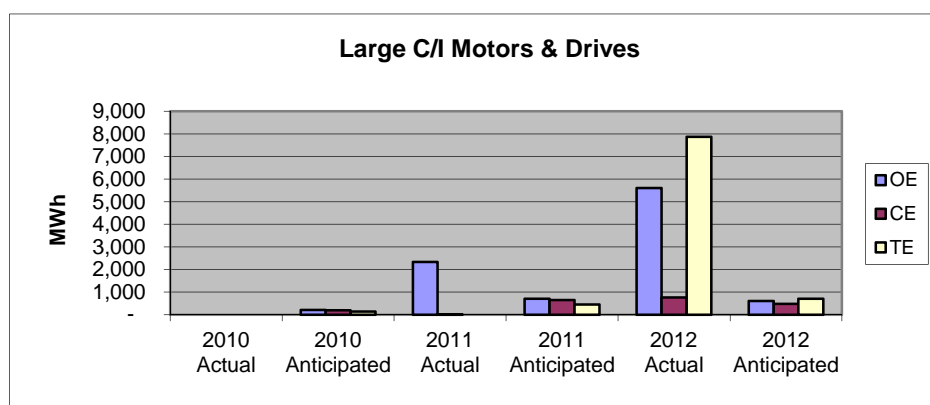
Standard motors and drives measures include equipment for which the program uses “deemed” or “partially deemed” protocols with stipulated algorithms and assumptions to estimate measure gross energy savings and peak load reductions. The measures were evaluated on an implementation-by-implementation basis, using site-specific data and algorithms tailored to the nature of the EEM and its implementation.

Measures were targeted at customers that have purchased motor or drive equipment which will result in energy efficiency and/or peak demand reductions. Incentives for custom measures require a payback between one and seven years.

Program Partners and Trade Allies

This program was launched April 11, 2011. The Companies selected SAIC Energy Environment & Infrastructure to act as the implementation contractor. In addition to the program partner, the Companies utilized various trade allies and administrators to help facilitate the implementation of programs.

Table 4-11: Commercial / Industrial Large Equipment (Industrial Motors and Drives) Three-Year Trend Analysis³⁴



³⁴ Commercial / Industrial Large Equipment (Industrial Motors and Drives) three-year trend analysis compares cumulative gross MWh savings to anticipated MWh savings as filed in the Companies' EEPDR Plans.

4.13 Mercantile Customer

All customers that meet the definition of “mercantile customer”, as defined in R.C. § 4928.01 (A) (19) are eligible for this program. Since July 1, 2009, the Companies have been proactively working with customers across their respective service territories to jointly file applications to commit the customer’s EE&PDR programs, pursuant to division R.C. § 4928.66(A)(2)(c).

Eligible customers who have achieved EE&PDR savings independent of utility programs or incentives may file joint applications with the Companies to the Commission for commitment of these savings to the Companies in exchange for an incentive which may be either a request to exempt the customer from paying certain charges included in the Companies’ Rider DSE or a request for a cash rebate.

Customers must demonstrate verification of savings and that these savings are sustainable. The Companies review all documentation and determine that customers have met this requirement to the Companies’ satisfaction before filing an application. The Companies will assist customers with compliance with the latest Commission orders pertaining to the measurement and verification of these savings.

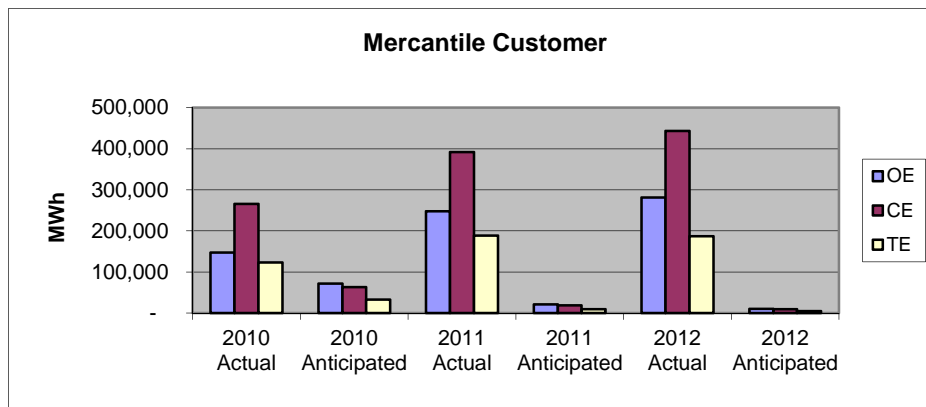
Program Partners and Trade Allies

The Companies use Administrators, based on the agreements approved by the Commission in Case No. 09-553-EL-EEC. Administrators are trained periodically on the latest interpretation of Commission orders and rules, process changes, and general updates.

The list of Administrators includes: Association of Independent Colleges & Universities, COSE, County Commissioners’ Association of Ohio (CCAO), E-Group, Industrial Energy Users of Ohio, Ohio Hospitals Association, Ohio Manufacturer’s Association, Ohio Schools Council, and Roth Brothers.

The role of Administrators includes the following:

- Educating customers about the program. This step includes providing customers with background on S.B. 221 EE & PDR requirements for utilities, explaining the two incentive options available
- Identifying customers who appear to qualify as a mercantile customer, who are interested in the program, who have projects that may qualify and who otherwise qualify under the Companies’ applicable rate schedules
- Providing estimates of potential EE and PDR savings
- Screening potential customer project(s) to determine if the project(s) appear to qualify under Commission Rules and Company rate schedules
- For those projects that qualify, complete all necessary forms provided by the Companies and gather all supporting documentation required by the Companies and/or the Commission.

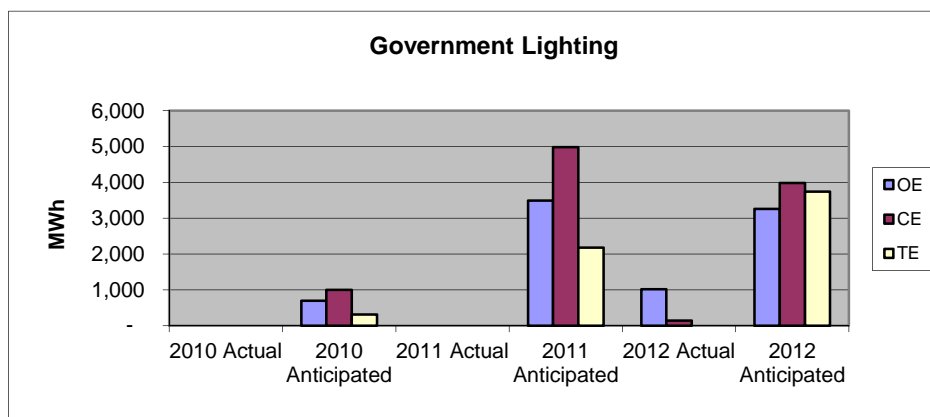
Table 4-12: Mercantile Customer Three-Year Trend Analysis³⁵

4.14 Government Lighting

This program provides local governments with rebates for replacing inefficient traffic signals and pedestrian light signals with high efficiency LED equipment

Program Partners and Trade Allies

This program was launched July 1, 2011. The Companies selected SAIC Energy Environment & Infrastructure to act as the implementation contractor.

Table 4-13: Government Lighting Three-Year Trend Analysis³⁶

³⁵ Mercantile Customer three-year trend analysis compares cumulative gross MWh savings to anticipated MWh savings as filed in the Companies' EEPDR Plans.

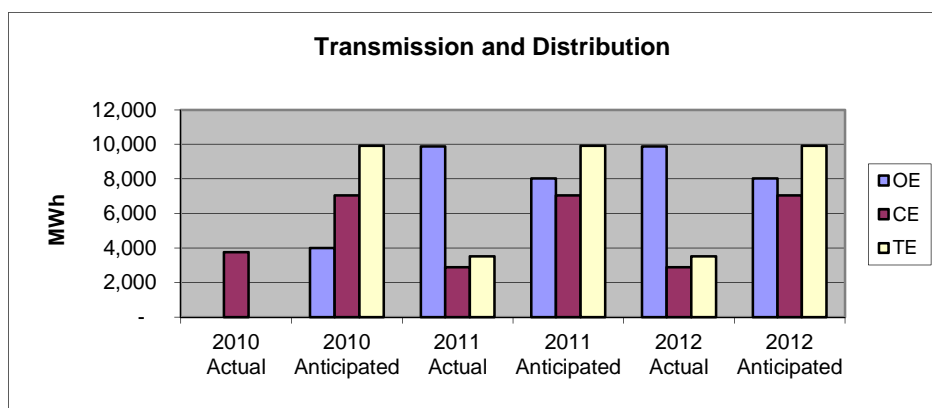
³⁶ Government Lighting three-year trend analysis compares cumulative gross MWh savings to anticipated MWh savings as filed in the Companies' EEPDR Plans.

4.15 Transmission and Distribution³⁷

Past and present Transmission and Distribution infrastructure improvement projects will be filed in accordance with Commission rules with savings calculated based on pre-project and post-project electrical system parameters using a load flow analysis tool. Key activities for this program consist of:

- Re-conductoring of lines
- Substation improvements
- Adding capacitor banks
- Replacement of regulators

Table 4-14: Transmission and Distribution Three-Year Trend Analysis³⁸



4.16 Interruptible Demand Reduction

Under this program, the Companies work with customers directly or contract (through an RFP process) with PJM Curtailment Service Providers (CSPs) or customers acting as their own CSP³⁹ to deliver peak load reductions. Customers not participating directly with PJM may choose to enroll in one of two variations of the program, subject to program eligibility rule:

Economic Load Response (ELR): CSPs participating in the ELR program determine which customers are able to reduce their load during peak load times. Customers who enroll in the program must cut their demand by at least a specific contract amount (called the Firm Load), on average, in response to the calling of an event. The customer is notified at least 2 hours before an event occurs and the event can only last up to 6 hours. There are up to 10 events on weekdays starting in June and lasting until September. If no event occurs, the CSP will conduct a test. Penalties occur if a customer exceeds their Firm Load.

³⁷ Pursuant to O.A.C. 4901:1-39-05 (C)(2)(iv) the Companies have submitted a description of all approved and pending Transmission and Distribution infrastructure improvements made by the electric utilities in Case Nos. 09-951-EL-EEC, et. al., 10-3023-EL-EEC, et. al., 12-1550-EL-EEC, and 13-1188-EL-EEC, et. al.

³⁸ Transmission and Distribution three-year trend analysis compares actual cumulative gross MWh savings to anticipated MWh savings as filed in the Companies' EEPDR Plans.

³⁹ Both PJM CSPs and customers acting as their own CSP will be referenced as "CSP" in this document.

Optional Load Response (OLR): CSPs participating in the OLR program determine which customers are able to assist in load reduction. Customers who enroll in the program have the choice to cut their demand by at least a specific contract amount (called the Firm Load), on average, in response to the calling of an event. The customer is notified at least 2 hours before an event occurs and the event can only last up to 6 hours. If a customer exceeds their Firm Load, the company is not paid an incentive.

4.17 Consumer Behavior Study

The Companies' Smart Grid Modernization Initiative ("SGMI") includes a consumer behavior study that evaluates the impacts of automated meters and enabling technologies combined with a time-based rate program on energy consumption and peak demand. The Phase I study design involves a sample of approximately 5,000 residential customers, and a test period from June 2012 to August 2014. The study is conducted using a randomized control trial design.

Rate treatments include the implementation of a critical peak rebate that provides a payment to customers for reducing electric load during declared critical peak events, while the price charged by the Companies for electricity consumed stays at the customers' existing flat rate. The Companies are testing two critical peak periods (4 hours and 6 hours) during the summer season (June to August). Customers receive day-ahead notifications of critical peak events and can receive such notifications up to 15 times per year.

5 Summary of Evaluation, Measurement and Verification Reports

Pursuant to Rule 4901:1-39-05(C)(2)(b), an electric distribution utility must include an Evaluation, Measurement and Verification ("EM&V") report that documents "the energy savings and peak-demand reduction values and the cost-effectiveness of each energy efficiency and demand-side management program reported in the electric utility's portfolio status report," including (i) "documentation of any process evaluations and expenditures"; (ii) "measured and verified savings"; and (iii) the "cost-effectiveness of each program." Cost effectiveness as performed by the EM&V Contractor is included in Table 3-1, as the template provided by the Ohio Independent Evaluator did not include a section for cost-effectiveness. The EM&V Report must confirm that the measures were actually installed, the installation meets reasonable quality standards, and the measures are operating correctly and are expected to generate the predicted savings. Although the Technical Reference Manual for Ohio (the "TRM") remains under development,⁴⁰ EM&V was generally conducted consistent with the most current draft, except where issues identified by Ohio's electric distribution companies in their joint comments filed in Case No. 09-512-GE-UNC are in dispute. Reporting year 2011 evaluation results were incorporated into the savings values used by the Companies in this 2012 Report as noted in the Evaluation Reports.

⁴⁰ See, generally, *In The Matter of the Protocols for the Measurement and Verification of Energy Efficiency and Peak Demand Reduction Measures*, docket for Case No. 09-512-GE-UNC.

For details on how EM&V was conducted, see the applicable reports included as Appendices A-L.⁴¹ These EM&V reports were prepared consistent with a template provided to the Companies in February, 2011, by the Commission's EM&V consultant. In addition to Appendices A-L as performed by the Companies' EM&V Contractor, the Consumer Behavior Study Experimental program was evaluated by Electric Power Research Institute, Inc. The final report is in process of review and will be filed upon final issuance in this docket.

6 Conclusion

The Companies each achieved all EE and PDR statutory requirements for 2012.

The Companies thank the Commission for the opportunity to provide information on their energy efficiency and peak demand reduction activities during 2012 and are available to address any questions, concerns or other issues arising from any aspect of this Report.

⁴¹ These EM&V reports were prepared consistent with a template provided to the Companies in February, 2011, by the Commission's EM&V consultant.

EXHIBIT-1

Energy Efficiency Compliance Baselines and Benchmarks (MWh)													
Electric Utility	Year	Sales	Adjustments	Adjusted Retail Sales	Mercantile Addbacks submitted for Approval	Fully Adjusted Sales	Planning Baseline	Remove Mercantile Addbacks submitted for Approval	Approved Mercantile Addbacks	Fully Adjusted Sales with Approved Mercantile Addbacks	Compliance Baseline	% Target of Cumulative Annual Savings	Compliance Benchmark
		(A)	(B)	(C)=(A)+(B)	(D)	(E)=(C)+(D)	(F)=3 Year Average (E)	(G)	(H)	(I)=(E)+(G)+(H)	(J) = 3 Year Average (I)	(K)	(L)=(J)*(K)
OE	2009	22,856,647	146,068	23,002,715	134,860	23,137,574		(134,860)	85,414	23,088,129			
	2010	24,155,370	(832,730)	23,322,640	182,948	23,505,587		(182,948)	114,690	23,437,329			
	2011	24,656,346	(723,219)	23,933,127	224,195	24,157,322		(224,195)	144,589	24,077,717			
	2012						23,600,161				23,534,392	2.30%	541,291
CEI	2009	17,639,417	79,362	17,718,779	306,151	18,024,930		(306,151)	277,574	17,996,353			
	2010	18,870,456	(469,352)	18,401,104	349,463	18,750,567		(349,463)	303,629	18,704,733			
	2011	18,916,147	(259,193)	18,656,954	372,813	19,029,767		(372,813)	313,769	18,970,723			
	2012						18,601,755				18,557,270	2.30%	426,817
TE	2009	9,502,709	61,635	9,564,344	118,248	9,682,592		(118,248)	43,731	9,608,075			
	2010	10,333,756	(158,945)	10,174,811	159,130	10,333,941		(159,130)	55,732	10,230,543			
	2011	10,436,972	(124,459)	10,312,513	179,510	10,492,023		(179,510)	64,801	10,377,314			
	2012						10,169,519				10,071,978	2.30%	231,655
Ohio	2009	49,998,773	287,065	50,285,838	559,259	50,845,097		(559,259)	406,719	50,692,557			
	2010	53,359,582	(1,461,027)	51,898,555	691,541	52,590,096		(691,541)	474,051	52,372,605			
	2011	54,009,465	(1,106,871)	52,902,594	776,518	53,679,112		(776,518)	523,159	53,425,754			
	2012						52,371,435				52,163,639	2.30%	1,199,764

Notes:

(B) Includes weather adjustments and adjustments to reflect the loss of a large OE customer.

(D) and (G): These data were updated to include those mercantile customer self-directed projects that were submitted for approval through March 31, 2013.

(H): Includes only the Approved Mercantile Projects as of March 31, 2013.

EXHIBIT-2

Peak Demand Compliance Baselines and Benchmarks (MW)													
Electric Utility	Year	Sales	Adjustments	Adjusted Retail Peaks	Mercantile Addbacks submitted for Approval	Fully Adjusted Peaks	Planning Baseline	Remove Mercantile Addbacks submitted for Approval	Approved Mercantile Addbacks	Fully Adjusted Peaks with Approved Mercantile Addbacks	Compliance Baseline	% Target of Cumulative Annual Savings	Compliance Benchmark 2
		(A)	(B)	(C)=(A)+(B)	(D)	(E)=(C)+(D)	(F)=3 Year Average (E)	(G)	(H)	(I)=(E)+(G)+(H)	(J) = 3 Year Average (I)	(K)	(L)=(J)*(K)
OE	2009	4,682.1	(5.3)	4,676.8	16.7	4,693.5		(16.7)	11.2	4,688.1			
	2010	5,134.7	(52.1)	5,082.6	22.6	5,105.2		(22.6)	15.4	5,098.0			
	2011	5,678.9	(40.9)	5,638.0	27.7	5,665.8		(27.7)	19.2	5,657.3			
	2012						5,154.8				5,147.8	3.30%	169.9
CEI	2009	3,789.8	-	3,789.8	33.6	3,823.4		(33.6)	28.5	3,818.3			
	2010	4,083.0	-	4,083.0	40.1	4,123.0		(40.1)	32.8	4,115.8			
	2011	4,307.0	-	4,307.0	42.5	4,349.5		(42.5)	33.9	4,340.9			
	2012						4,098.7				4,091.7	3.30%	135.0
TE	2009	1,964.2	-	1,964.2	24.0	1,988.2		(24.0)	10.8	1,975.0			
	2010	1,979.9	-	1,979.9	30.8	2,010.7		(30.8)	12.5	1,992.5			
	2011	2,138.0	-	2,138.0	34.4	2,172.4		(34.4)	13.7	2,151.7			
	2012						2,057.1				2,039.7	3.30%	67.3
Ohio	2009	10,436.1	(5.3)	10,430.9	74.3	10,505.1		(74.3)	50.5	10,481.4			
	2010	11,197.6	(52.1)	11,145.5	93.5	11,239.0		(93.5)	60.7	11,206.2			
	2011	12,123.9	(40.9)	12,083.0	104.7	12,187.7		(104.7)	66.8	12,149.9			
	2012						11,310.6				11,279.2	3.30%	372.2

Notes:

(B) Includes adjustments to reflect the loss of a large OE customer.
 (D) and (G): These data were updated to include those mercantile customer self-directed projects that were submitted for approval through March 31, 2013.
 (H and (J): These data were updated to include only Mercantile Projects approved through March 31, 2013.

BEFORE THE
PUBLIC UTILITIES COMMISSION OF OHIO

Case Nos. 13-1185-EL-EEC
13-1186-EL-EEC
13-1187-EL-EEC

Affidavit of John C. Dargie – Exhibit 3

STATE OF OHIO)
) SS:
COUNTY OF SUMMIT)

I, JOHN C. DARGIE, being first duly sworn in accordance with law, deposes and states as follows:

1. I am the Vice President of Energy Efficiency for FirstEnergy Service Company. As part of my duties, I am responsible for ensuring that Ohio Edison Company (“Ohio Edison”), The Cleveland Electric Illuminating Company (“CEI”) and The Toledo Edison Company (“Toledo Edison”) (collectively, “Companies”) comply with energy efficiency (“EE”) and peak demand reduction (“PDR”) requirements imposed at either the federal or state level.
2. I have personal knowledge of the information and matters set forth herein, and offer this affidavit pursuant to Section 4901:1-39-05(C)(1)(c) of the Ohio Administrative Code.
3. Each of the Companies achieved the EE and PDR results as set forth in the Companies’ 2012 Portfolio Status Report (“Report”) being filed in the above-referenced dockets.
4. As indicated in the Report, each of the Companies achieved all EE and PDR statutory requirements for 2012.

FURTHER AFFIANT SAYETH NAUGHT.


John C. Dargie

Sworn to before me and subscribed in my presence this 14th day of May, 2013.


Kathleen Anne Grant
Resident Summit County
Notary Public, State of Ohio
My Commission Expires: 11/08/2014

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

5/15/2013 4:25:08 PM

in

Case No(s). 13-1185-EL-EEC, 13-1186-EL-EEC, 13-1187-EL-EEC

Summary: Report Energy Efficiency and Peak Demand Reduction Program Portfolio Status
Report

electronically filed by Ms. Carrie M Dunn on behalf of Ohio Edison Company and The Toledo
Edison Company and The Cleveland Electric Illuminating Company