

**AEP-CPL Installation Inspection Sheet  
Brazos Valley 2003 HTR SOP Program**

Jun-03

Apartment Name	No. of CFLs		No. of CFLs		Fixture		Showerheads Pass Criteria Removed $\geq 2.5$		Aerators Pass Criteria Removed 2.5 or $>$		WH Wrap		WH Pipe Insul		Air Infiltration		Duct Efficiency		
	Installed	Inspected	20W	23W	27W	Rating	Location	Installed	Inspected	Removed	Installed	Inspected	Removed	Installed	Inspected	Installed	Inspected	Installed	Inspected
Pass Criteria - Installed																			
Greenbriar Apartments																			
2001 Ave F																			
El Campo George																			
Lewis (979) 543-																			
6762																			
#28																		Yes (884)	Yes
#30																		Yes (726)	Yes
#34																		Yes (884)	Yes
#43																		Yes (1125)	Yes
#44																		Yes (1500)	Yes
#49																		Yes (750)	Yes
#54																		Yes (1125)	Yes
#66																		Yes (1000)	Yes
#73																		Yes (1125)	Yes
#74																		Yes (1000)	Yes
#75																		Yes (1125)	Yes
#76																		Yes (1000)	Yes
#78																		Yes (1000)	Yes
#80																		Yes (1000)	Yes
#82																		Yes (1000)	Yes

**Means failed**

19-21W = 60W Rating  
22-25W = 75W Rating  
26-28W = 100W Rating

SOAH Docket No. 473-04-1033  
Docket No. 28840  
TLSC/ROSE's 1st, Q. # 1  
Attachment  
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**AEP-CPL Installation Inspection Sheet  
Brazos Valley 2003 HTR SOP Program**

May-03

Apartment Name	No. of CFLs		No. of CFLs		Fixture		Showerheads Pass Criteria Removed => 2.5		Aerators Pass Criteria Removed 2.5 or >		WH Wrap		WH Pipe Insul		Air Infiltration		Duct Efficiency		
	Installed	Inspected	20W	23W	27W	Rating	Location	Installed	Inspected	Removed	Installed	Inspected	Installed	Inspected	Installed	Inspected	Installed	Inspected	
Pass Criteria - Installed								Installed 2.0 max All Shheads	Inspected	Removed	Installed 1.5 max All aerators	Inspected	Removed	Installed	Inspected	Installed	Inspected	Installed	Inspected
Sandpiper Apartments Tonya Ellis (979) 245-5522 1005 Burton St Matagorda Tx																			
Apt. 1																		Yes	Yes
Apt. 2																		Yes	Yes
Apt. 9																		Yes	Yes
Apt. 10																		Yes	Yes
Apt. 12																		Yes	Yes
Apt. 13																		Yes	Yes
Apt. 14																		Yes	Yes
Apt. 15																		Yes	Yes
Apt. 16																		Yes	Yes

**Means failed**

19-21W = 60W Rating  
22-25W = 75W Rating  
26-28W = 100W Rating

SOAH Docket No. 473-04-1033  
Docket No. 28840  
TLSC/ROSE's 1st, Q. # 1  
Attachment  
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**AEP-CPL Installation Inspection Sheet**  
**Accurate Assessment 2003 HTR SOP Program**

May-03

Apartment Name	No. of CFLs Installed	No. of CFLs Inspected	Fixture		Showerheads Pass Criteria Removed => 2.5		Aerators Pass Criteria Removed 2.5 or >		WH Wrap		WH Pipe Insul		Air Infiltration		Duct Efficiency	
			Rating	Location	Installed	Inspected	Removed	Inspected	Installed	Inspected	Installed	Inspected	Installed	Inspected	Installed	Inspected
Pass Criteria - Installed Holly Lane Apartment (979) 245-5521 3600 Ave. F Bay City, Tx Mary Medlin					2.0 max All Shheads			1.5 max All aerators								
2217 Bordeaux Apt. D																
2208 Bordeaux Apt. A															Yes	Yes
2212 Toulouse Apt. A															Yes	Yes
2217 Bordeaux Apt. B															Yes	Yes
2212 Toulouse Apt. B															Yes	Yes
2215 Bordeaux Apt. B															Yes	Yes
5126 LaBelle Apt. B															Yes	Yes
2212 Bordeaux Apt. B															Yes	Yes
2218 Bordeaux Apt. A															Yes	Yes
2207 Bordeaux Apt. A															Yes	Yes
2210 Bordeaux Apt. D															Yes	Yes
5132 LaBelle Apt. D															Yes	Yes
2205 Bordeaux Apt. A															Yes	Yes
2205 Bordeaux Apt. B															Yes	Yes
5128 LaBelle Apt. A															Yes	Yes
2204 Bordeaux Apt. A															Yes	Yes

Means failed

19-21W = 60W Rating  
 22-25W = 75W Rating  
 26-28W = 100W Rating

SOAH Docket No. 473-04-1033  
 Docket No. 28840  
 TLSC/ROSE's 1st, Q. # 1  
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**SOAH DOCKET NO. 473-04-1033  
PUC DOCKET NO. 28840**

APPLICATION OF AEP TEXAS  CENTRAL COMPANY FOR  AUTHORITY TO CHANGE RATES	§ § § § § §	BEFORE THE  STATE OFFICE OF  ADMINISTRATIVE HEARINGS
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**AEP TEXAS CENTRAL COMPANY'S RESPONSE TO  
TEXAS LEGAL SERVICES CENTER'S AND TEXAS ROSES' FIRST  
REQUEST FOR INFORMATION**

**Question No. 2:**

Please provide the actual savings achieved and total incentive amounts paid by TCC under the HTR SOP for each of the program years 2000-2003 and for the test year.

**Response No. 2:**

Year	Savings		Incentive s Paid
	kW	kWh	
2000	n/a	n/a	n/a
2001	29.00	212,566	\$16,879
2002	111.36	363,494	\$121,338

For program year 2003, actual savings and actual incentive amounts paid under the HTR SOP are not available at this time. This information will be filed with the Public Utility Commission of Texas by April 1, 2004 in TCC's annual Energy Efficiency Report.

For the test year, total incentives paid under the HTR SOP were \$393,859.40. Actual savings for the test year cannot be determined in a meaningful manner, due to the timing difference between the date energy efficiency measures are installed and the time that invoices for such measures are paid.

Prepared By: Pam D. Osterloh  
Sponsored By: Billy G. Berny

Title: Senior DSM Coordinator  
Title: Manager, DSM Compliance

**SOAH DOCKET NO. 473-04-1033  
PUC DOCKET NO. 28840**

<b>APPLICATION OF AEP TEXAS</b>	§ § § § § §	<b>BEFORE THE</b>
<b>CENTRAL COMPANY FOR</b>		<b>STATE OFFICE OF</b>
<b>AUTHORITY TO CHANGE RATES</b>		<b>ADMINISTRATIVE HEARINGS</b>

**AEP TEXAS CENTRAL COMPANY'S RESPONSE TO  
TEXAS LEGAL SERVICES CENTER'S AND TEXAS ROSES' FIRST  
REQUEST FOR INFORMATION**

**Question No. 3:**

Please state whether there has been any evaluation of the performance quality of EESPs participating in the HTR SOP of which TCC is aware. If so, please describe the results of the evaluation(s) and provide copies of any reports, studies, memoranda, or any other documents produced pursuant to any such evaluation.

**Response No. 3:**

TCC is unaware of any performance quality evaluations of EESPs participating in its HTR SOP. However, TCC randomly inspects sites treated for which incentives have been invoiced. These inspections are conducted for the sole purpose of determining whether specific eligible measures that have been invoiced to the utility are in fact installed and are capable of performing their intended function at the treated site(s), and not for the purpose of determining EESP performance quality or any other criteria.

Prepared By: Billy G. Berny  
Sponsored By: Billy G. Berny

Title: Manager, DSM Compliance  
Title: Manager, DSM Compliance

**SOAH DOCKET NO. 473-04-1033  
PUC DOCKET NO. 28840**

APPLICATION OF AEP TEXAS  CENTRAL COMPANY FOR  AUTHORITY TO CHANGE RATES	§ § § § § §	BEFORE THE  STATE OFFICE OF  ADMINISTRATIVE HEARINGS
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**AEP TEXAS CENTRAL COMPANY'S RESPONSE TO  
TEXAS LEGAL SERVICES CENTER'S AND TEXAS ROSES' FIRST  
REQUEST FOR INFORMATION**

**Question No. 4:**

For each of the energy efficiency programs in effect during 2002 and 2003 to meet the 2003 and 2004 energy efficiency goals, please describe by year and program the savings goals and amounts budgeted versus the actual savings achieved and the actual amounts expended.

**Response No. 4:**

For each energy efficiency program in effect during 2002 to meet the January 1, 2003 energy efficiency goal, a detailed description of savings goals and amounts budgeted by program compared to actual savings achieved and actual amounts expended may be found in the TCC Energy Efficiency Report (Sections IV, V and VII), filed with the Public Utility Commission on March 31, 2003. This report is provided as Attachment 1. For each energy efficiency program in effect during 2003 to meet the January 1, 2004 energy efficiency goal, a detailed description of savings goals (page 8) and amounts budgeted (page 10) by program may be found in the TCC Energy Efficiency Plan, filed with the Public Utility Commission on March 31, 2003. This plan is provided as Attachment 2. Actual savings achieved and actual amounts expended for program year 2003 are not yet available, but will be provided in the TCC Energy Efficiency Report to be filed with the Public Utility Commission of Texas by April 1, 2004.

Prepared By: Billy G. Berny  
Sponsored By: Billy G. Berny

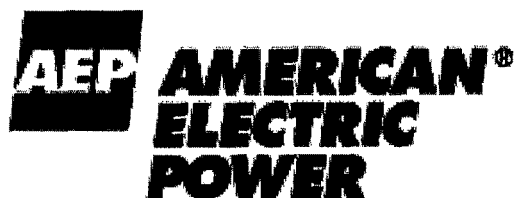
Title: Manager, DSM Compliance  
Title: Manager, DSM Compliance

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# **AEP Texas Central Company Energy Efficiency Report April 2003**

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Project No. 27541



## **AEP Texas Central Company**

### **Energy Efficiency Report**

#### **I. Executive Summary**

AEP Texas Central Company (AEP) continued to implement the programs based on PUCT approved templates, as well as other DSM programs including the Non-Residential Standard Performance Contract (SPC) Program and a program targeting not-for-profit organizations. Programs being implemented in the AEP's service area include the Residential and Small Commercial Standard Offer Program (RES SOP), Commercial and Industrial Standard Offer Program (C&I SOP), Hard-to-Reach Standard Offer Program (HTR SOP), and the System Benefit Fund (SBF) low income program supervised by the Texas Department of Housing and Community Affairs (TDHCA).

#### **II. Actual Growth in Demand**

AEP's actual growth in demand for calendar year 2002 was 371,000 kW.

#### **III. Projected Annual Growth & Corresponding Goals**

<b>Year</b>	<b>Projected Annual Growth in Demand kW</b>	<b>kW Goal</b>	<b>kWh Goal</b>
2003	93,000	9,300	32,682,830



#### IV. Comparison of Projected Savings to Reported Savings

##### CALENDAR YEAR 2002

Program	Projected Savings		Contracted Savings		Reported Savings	
	kW	kWh	kW	kWh	kW	kWh
RES SOP	2,330	7,988,000	1,265	6,299,307	602.41	1,735,502
SPC	710	3,993,000	225	993,003	474.00	3,013,082
HTR SOP	230	919,000	142	1,138,993	111.36	363,494
C&I SOP	2,010	8,106,000	243	1,731,143	183.00	1,091,037
TDHCA SBF*	NA	NA	NA	NA	586.00	2,092,045
<b>Total</b>	<b>5,280</b>	<b>21,006,000</b>	<b>1,875</b>	<b>10,162,446</b>	<b>1,956.77</b>	<b>8,295,160</b>

\*Energy impacts for the TDHCA SBF are based on TDHCA's 2002 program year as reported in PUC Project No. 25607.

Note: For year 2004 this Section will include two additional columns that will compare calendar year 2002 Reported Savings to the Verified Savings reported by the independent measurement and verification (M&V) expert.

#### V. Program Funding

##### CALENDAR YEAR 2002

Program	Budget	Funds	Funds	Funds	Funds
		Expended (Incentives)	Expended (Admin.)	Committed (Not Expended)	Remaining (Not Committed)
RES SOP	\$2,253,087	\$254,658	\$187,885	\$926,750	\$890,487
C&I SOP	\$973,898	\$55,390	\$78,967	\$126,969	\$694,148
SPC	\$0	\$1,003,437	\$214,564	\$813,402	\$0
HTR SOP	\$464,443	\$121,338	\$127,668	\$178,926	\$151,638
HomeSavers	\$0	\$0	\$6,865	\$0	\$0
C&I Solicitation	\$0	\$277,771	\$10,788	\$0	\$0
<b>Total</b>	<b>\$3,691,428</b>	<b>\$1,712,594</b>	<b>\$626,737</b>	<b>\$2,046,047</b>	<b>\$1,736,273</b>

## **VI. Explanation of a Total Program Cost decrease of more than 10%**

AEP's total program costs for 2002 decreased by more than 10% of the budget as a result of a slower than anticipated installation pace from participating project sponsors and programs that were not fully subscribed in 2002. This resulted in reduced savings and incentive payments for the C&I SOP, RES SOP and the HTR SOP programs. The uncommitted funds were carried forward to the 2003 programs.

**VII. Most current information available for ongoing and completed  
Energy Efficiency Programs by customer class**

**CALENDAR YEAR 2002**

Customer Class	Number of Customers	Project Expenditures	Reported Savings	
			kW	kWh
<b>Commercial &amp; Industrial</b>				
SPC	3	\$1,218,001	474.00	3,013,082
C&I SOP	3	\$134,357	183.00	1,091,037
Total (by class)	6	\$1,352,358	657.00	4,104,119
<b>Residential</b>				
RES SOP*	723	\$442,543	442.92	1,266,076
Total (by class)	723	\$442,543	442.92	1,266,076
<b>Small Commercial</b>				
C/I Solicitation	NA	\$288,559	NA	NA
RES SOP*	8	NA	13.37	41,733
Total (by class)	8	\$288,559	13.37	41,733
<b>Hard-to-Reach</b>				
HTR SOP	637	\$249,006	111.36	363,494
RES SOP*	766	NA	146.12	427,693
TDHCA SBF	NA	NA	586.00	2,092,045
Total (by class)	1,403	\$249,006	843.46	2,883,233
<b>Total</b>	<b>2,140</b>	<b>\$2,332,466</b>	<b>1,956.77</b>	<b>8,295,160</b>

\*Specific expenses were not tracked by individual customer classes within the RES SOP.

### **VIII. Description of proposed changes in the Energy Efficiency Plan**

AEP Texas Central Company will add a Not-for-Profit Standard Offer Program (NFP SOP) to its program portfolio for 2003.

### **IX. Most current information available for ongoing and completed Energy Efficiency Programs by county**

#### **CALENDAR YEAR 2002**

#### **STANDARD PERFORMANCE CONTRACT PROGRAM**

<b>County</b>	<b>Reported Savings</b>	
	<b>kW</b>	<b>kWh</b>
Bee	227.00	526,490
Jim Wells	42.00	116,336
Nueces	205.00	2,370,256
<b>Total</b>	<b>474.00</b>	<b>3,013,082</b>

#### **CALENDAR YEAR 2002**

#### **COMMERCIAL AND INDUSTRIAL STANDARD OFFER PROGRAM**

<b>County</b>	<b>Reported Savings</b>	
	<b>kW</b>	<b>kWh</b>
Nueces	120.00	564,286
San Patricio	63.00	526,751
<b>Total</b>	<b>183.00</b>	<b>1,091,037</b>

**CALENDAR YEAR 2002****RESIDENTIAL & SMALL COMMERCIAL STANDARD OFFER PROGRAM**

County	Reported Savings	
	kW	kWh
Aransas	16.10	44,231
Bee	38.61	129,144
Colorado	69.67	230,354
Karnes	20.36	71,158
Matagorda	6.89	17,697
Nueces	371.47	1,023,385
San Patricio	73.47	205,959
Refugio	1.46	4,277
Wharton	4.38	9,297
<b>Total</b>	<b>602.41</b>	<b>1,735,502</b>

**CALENDAR YEAR 2002****HARD-TO-REACH STANDARD OFFER PROGRAM**

County	Reported Savings	
	kW	kWh
Aransas	28.77	82,403
Atascosa	0.32	2,232
Cameron	2.36	16,335
Duval	0.37	2,593
Hidalgo	0.85	6,065
Jim Hogg	0.37	2,552
Karnes	0.52	3,610
Live Oak	14.33	49,432
Nueces	39.28	126,236
San Patricio	23.88	69,814
Starr	0.31	2,222
<b>Total</b>	<b>111.36</b>	<b>363,494</b>

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**AEP Texas Central Company**  
**Energy Efficiency Plan**  
**2003 – 2006**  
**April 2003**

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Project No. 27541



## **AEP Texas Central Company Energy Efficiency Plan 2003 - 2006**

### **I. Executive Summary**

Provisions in Senate Bill 7 (SB7), enacted in the 1999 Texas legislature, mandate that at least 10% of a utility's annual growth in demand be met through energy efficiency by January 1, 2004. The Public Utility Commission of Texas (PUC) Substantive Rule 25.181 (Rule) establishes procedures for meeting this legislative mandate.

In order to meet its legislative mandate and comply with the PUCT Rule, AEP Texas Central Company (AEP) has developed a plan to attain our goals through its 2003-2006 activities. AEP plans to achieve its goals by managing Commission-approved statewide standard offer programs that were implemented in 2000 and 2001. These programs will provide all customers in all customer classes access to energy efficiency alternatives, enabling them to reduce energy consumption and energy costs.

### **II. Projected Annual Growth in Demand and Energy Efficiency Goal**

AEP's projected annual growth in demand for 2003-2006, and the corresponding energy efficiency goal, is shown in Table II.1. Each year's growth in demand is calculated based on actual historical peak demand adjusted for weather fluctuations and on the average growth in retail load in AEP's Texas service area at system peak for the immediately preceding five years. The methodology for calculating the annual growth in demand and the energy efficiency goal is found in PUCT Substantive Rule 25.181(f).

**Table II.1**

<b>Budget Year</b>	<b>Projected Growth in Demand MW</b>	<b>Energy Efficiency Goal MW</b>
<b>2003</b>	93.0	9.30
<b>2004</b>	101.6	10.16
<b>2005</b>	143.3	14.33
<b>2006</b>	200.8	20.08

### III. Existing Contract Obligations

#### ***Non-Residential Standard Performance Contract Pilot Program (SPC)***

AEP implemented the Non-Residential Standard Performance Contract Pilot Program (SPC) as part of the Interim Order on the Preliminary Plan in PUCT Docket No. 16995 in 1999. AEP discontinued accepting SPC project applications on March 31, 2001. The final 3 contract obligations for summer and non-summer energy (kWh) will be completed during calendar year 2003.

This discontinued program has been replaced by the Commercial and Industrial Standard Offer Program (C&I SOP), which was implemented in the AEP service territory in August 2001.

#### ***Commercial/Industrial Solicitation Program (C/I Solicitation Program)***

AEP implemented the C/I Solicitation Program as part of the DSM Settlement Agreement resulting from PUCT Docket No. 12820 in 1996. The final measure installations and demand reductions were completed and accounted for in calendar year 2000. Although no additional energy savings will be acquired through this program, AEP still has two contract payment obligations (incentive payments) for the next five (5) years (through 2007) for the demand (kW) reductions acquired during the program.

#### ***Program Impacts from Existing Contract Obligations***

Anticipated impacts from the existing contract obligations are listed in Table III.1.

**Table III.1**

	2003	
	MW	MWh
SPC	0.225	993



## IV. Program Selection

### ***Standard Offer Programs***

AEP maintains a website containing all of the requirements for project participation, forms required for project submission, and current funding available at [www.AEPefficiency.com](http://www.AEPefficiency.com). The website will be the primary method of communication used in providing potential project sponsors with program updates and information.

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

#### ■ **Program design**

The C&I SOP is based upon the PUCT-approved program template and was introduced in 2001. In 2002, the PUCT modified the program template. AEP has revised its program to reflect those changes.

The C&I SOP targets Large Commercial and Industrial customers with a maximum demand of more than 100 kW. Incentives will be paid to project sponsors for certain measures installed in retrofit applications, which provide verifiable demand and energy savings.

#### ■ **Implementation process**

AEP will continue implementation of its C&I SOP whereby any eligible project sponsor may submit an application for a project meeting the minimum requirements.

#### ■ **Outreach activities**

- Utilize mass electronic mail (e-mail) notifications to keep potential project sponsors interested and informed
- Maintain internet website with detailed project eligibility, end-use measures, incentives, and procedures
- Attend appropriate industry-related meetings to generate awareness and interest
- Participate in state-wide outreach activities
- Conduct workshops as necessary to explain elements such as responsibilities of the project sponsor, project requirements, incentive information, and the application and reporting process

## **Residential and Small Commercial Standard Offer Program (RES SOP)**

### ▪ **Program design**

The RES SOP is based upon the PUCT-approved program template and was introduced in 2000 as a transition period pilot program. In 2002, the PUCT modified the program template. AEP has revised this program to reflect several changes, including the addition of a Small Project set-aside, limited measures for new construction for Hard-to-Reach customers only, and changes to the Deemed Savings.

The RES SOP targets Residential, Hard-to-Reach, and Small Commercial customers with a maximum demand that does not exceed 100 kW. Incentives will be paid to project sponsors for certain measures installed in retrofit applications, which provide verifiable demand and energy savings.

### ▪ **Implementation process**

AEP will continue implementing its RES SOP whereby any eligible project sponsor may submit an application for a project meeting the minimum requirements.

### ▪ **Outreach activities**

- Continue existing direct mail campaign targeting Energy Efficiency Service Providers and national and local companies that provide energy-related services
- Utilize mass electronic mail (e-mail) notifications to keep potential project sponsors interested and informed
- Maintain internet website with detailed project eligibility, end-use measures, incentives, and procedures
- Attend appropriate industry-related meetings to generate awareness and interest
- Participate in state-wide outreach activities
- Conduct workshops as necessary to explain elements such as responsibilities of the project sponsor, project requirements, incentive information, and the application and reporting process

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

### **▪ Program design**

The HTR SOP is based upon the PUCT-approved program template and was introduced in mid-2001 as a transition period pilot program. In 2002, the PUCT modified the program template. AEP has revised its program to reflect several changes, including the addition of a Small Project set-aside and changes to the Deemed Savings.

The HTR SOP targets Residential customers with household incomes at or below 200% of the federal poverty guidelines. Incentives will be paid to project sponsors for eligible measures installed in retrofit applications, which provide verifiable demand and energy savings.

### **▪ Implementation process**

AEP will continue implementing its HTR SOP whereby any eligible project sponsor may submit an application for a project meeting the minimum requirements.

### **▪ Outreach activities**

- Continue existing direct mail campaign targeting Energy Efficiency Service Providers and national and local companies that provide energy-related services
- Utilize mass electronic mail (e-mail) notifications to keep potential project sponsors interested and informed
- Maintain internet website with detailed project eligibility, end-use measures, incentives, and procedures
- Attend appropriate industry-related meetings to generate awareness and interest
- Participate in state-wide outreach activities
- Conduct workshops as necessary to explain elements such as responsibilities of the project sponsor, project requirements, incentive information, and the application and reporting process

## **Not-for-Profit Standard Offer Program (NFP SOP)**

### **▪ Program design**

As part of the AEP/Centrica Sale Agreement, PUCT Docket No. 25957 (Notice and Request of Mutual Energy CPL, LP and Mutual Energy WTU, LP for Approval of Changes in Ownership and Affiliation), AEP committed funds to be used to implement unspecified low-income DSM programs in Texas. The purpose of this program is to provide financial assistance to the NFP organizations serving Hard-to-Reach customers in the AEP service territory by funding the installation of energy efficiency improvements in their administration facilities. These improvements should reduce the organization's operating costs by making the buildings they occupy more energy efficient.

### **▪ Implementation process**

The NFP SOP was implemented by issuing an RFP asking qualifying organizations to submit proposals for reimbursement of a substantial portion of the cost of installing energy efficiency improvements in their administrative facilities. Proposals are reviewed on a first-come, first-served basis.

### **▪ Outreach activities**

- Conduct direct mail campaign targeting possible qualifying organizations
- Utilize mass electronic mail (e-mail) notifications to keep potential applicants interested and informed

## ***Estimated Savings***

Estimated savings for each of the Standard Offer Programs are shown in Table IV.1. These savings are shown for the year in which they occur (budget year) to be applied towards the subsequent January 1 goal (goal year). Savings shown for budget year 2003 reflect projected results from the expenditure of the amounts shown in Table VI.1.

**Table IV.1**

<b>Standard Offer Programs</b>	<b>2003</b>		<b>2004</b>		<b>2005</b>		<b>2006</b>	
	<b>MW</b>	<b>MWh</b>	<b>MW</b>	<b>MWh</b>	<b>MW</b>	<b>MWh</b>	<b>MW</b>	<b>MWh</b>
C&I SOP	4.09	15,054	4.47	16,454	6.31	23,199	8.80	32,504
RES SOP	4.88	15,444	5.34	16,959	7.48	23,424	10.36	32,368
HTR SOP	0.30	2,087	0.33	2,212	0.53	3,644	0.82	5,596
NFP SOP	0.02	96	0.02	96	0.02	96	0.02	96
<b>Total</b>	<b>9.30</b>	<b>32,682</b>	<b>10.16</b>	<b>35,722</b>	<b>14.33</b>	<b>50,365</b>	<b>20.10</b>	<b>70,565</b>

Note: Impacts from the System Benefit Fund will be included in the Energy Efficiency Report.

## **V. Customer Classes Targeted by Energy Efficiency Contracts**

### ***Customer Class Description and Size***

#### **Large Commercial and Industrial Customers:**

The Large Commercial and Industrial customer class consists of retail non-residential commercial and industrial customers each with electrical demands that exceed 100 kW. In 1999, AEP served approximately 4,556 customers in this class.

### **Small Commercial Customers:**

The Small Commercial customer class consists of retail non-residential commercial customers each with a maximum demand that does not exceed 100 kW. In 1999, AEP served approximately 94,296 customers in this class.

### **Residential Customers:**

The Residential customer class consists of retail residential customers. In 1998, AEP served approximately 550,000 customers in this class.

### **Hard-to-Reach Customers:**

The Hard-to-Reach customer class consists of retail residential customers with annual household incomes at or below 200% of the federal poverty guidelines. This class is a subset of the Residential customer class and includes some number of customers that will be eligible to participate in the System Benefit Fund Low-Income Energy Efficiency Program. It is estimated that the Hard-to-Reach customer class is approximately 45% of the Residential customer class.

## ***Methodology for estimating class size***

In order to establish the goals of each of these customer classes, AEP averaged two years of operating revenues class contributions by Residential, Commercial and Industrial customer classes. This information was obtained from the 1997 and 1998 FERC Form 1 for AEP. AEP estimated that 40% of revenues from the commercial class is derived from sales to Small Commercial customers.

AEP conducted a study in 2002 to determine the size of the Hard-to-Reach customer class. Using information from the Census Bureau 2000 Demographic Profile for Texas, AEP has determined that approximately 45% of the residential population can be classified as Hard-to-Reach.

## **VI. Proposed Annual Expenditures**

AEP developed its proposed budget in the following manner:

The annual goal was developed according to procedures established in Substantive Rule 25.181. The annual goal was then allocated to customer classes according to the relative contribution to total system load for each class load.

Once the class load contribution to the system goal was calculated, AEP allocated each class goal among the following standard offer programs: 1) Residential and Small Commercial; 2) Hard-to-Reach (as a component of the Residential and Small Commercial SOP; 3) Hard-to-Reach stand-alone; and 4) Large Commercial and Industrial.

The Hard-to-Reach category was divided between the stand-alone and residential programs by allocating 5% of the system goal to the stand-alone program and the balance of the class load allocation to the Residential and Small Commercial Hard-to-Reach component.

Each goal's relative kWh budget was developed using load factors established during AEP's preparation for its unbundled cost of service case. The subsequent kW and kWh goal was then multiplied by our standard incentive rates for each class, and the appropriate administrative budget was then calculated to derive the total budget.

The AEP proposed budget for 2003 to meet its 2004 goal is shown in Table VI.1.

**Table VI.1**

	<b>Incentives</b>	<b>Admin</b>	<b>Total Proposed Expenditures</b>
<b>C&amp;I SOP</b>			
Large Commercial and Industrial	\$1,680,654	\$186,739	\$1,867,393
<b>HSR SOP</b>			
Large Project Component	\$377,475	\$41,942	\$419,417
Small Project Component	\$155,700	\$17,300	\$173,000
<b>RD SOP</b>			
Residential			
Large Project Component	\$1,636,178	\$181,798	\$1,817,975
Small Project Component	\$135,000	\$15,000	\$150,000
Small Commercial			
Large Project Component	\$521,980	\$57,998	\$579,978
Small Project Component	\$135,000	\$15,000	\$150,000
Hard-to-Reach			
Large Project Component	\$180,000	\$20,000	\$200,000
Small Project Component	\$90,000	\$10,000	\$100,000
<b>NTS SOP</b>			
Small Commercial	\$90,000	\$10,000	\$100,000
<b>Total</b>	<b>\$5,001,988</b>	<b>\$555,776</b>	<b>\$5,557,764</b>

The AEP proposed budget for 2004 to meet its 2005 goal is shown in Table VI.2.

**Table VI.2**

	<b>Incentives</b>	<b>Admin</b>	<b>Total Proposed Expenditures</b>
<b>ICR/ISOP</b>			
Large Commercial and Industrial	1,836,969	\$204,108	\$2,041,077
<b>IT/IR/ISOP</b>			
Large Project Component	\$486,302	\$54,034	\$540,336
Small Project Component	\$121,576	\$13,508	\$135,084
<b>IR/IS/ISOP</b>			
Residential			
Large Project Component	\$1,710,914	\$190,102	\$1,901,015
Small Project Component	\$225,000	\$25,000	\$250,000
Small Commercial			
Large Project Component	\$501,457	\$55,717	\$557,174
Small Project Component	\$225,000	\$25,000	\$250,000
Hard-to-Reach			
Large Project Component	\$180,000	\$20,000	\$200,000
Small Project Component	\$90,000	\$10,000	\$100,000
<b>NI/IR/ISOP</b>			
Small Commercial	\$90,000	\$10,000	\$100,000
<b>Total</b>	<b>\$5,467,216</b>	<b>\$607,468</b>	<b>\$6,074,685</b>



The AEP proposed budget for 2005 to meet its 2006 goal is shown in Table VI.3.

**Table VI.3**

	<b>Incentives</b>	<b>Admin</b>	<b>Total Proposed Expenditures</b>
<b>C&amp;I/SOP</b>			
Large Commercial and Industrial	\$2,589,954	\$287,773	\$2,877,727
<b>INDUS/SOP</b>			
Large Project Component	\$774,180	\$86,020	\$860,200
Small Project Component	\$193,545	\$21,505	\$215,050
<b>RES/SOP</b>			
Residential			
Large Project Component	\$2,504,051	\$278,228	\$2,782,279
Small Project Component	\$225,000	\$25,000	\$250,000
Small Commercial			
Large Project Component	\$836,126	\$92,903	\$929,029
Small Project Component	\$225,000	\$25,000	\$250,000
Hard-to-Reach			
Large Project Component	\$180,000	\$20,000	\$200,000
Small Project Component	\$90,000	\$10,000	\$100,000
<b>NET/SOP</b>			
Small Commercial	\$90,000	\$10,000	\$100,000
<b>Total</b>	<b>\$7,708,262</b>	<b>\$856,474</b>	<b>\$8,564,735</b>

The AEP proposed budget for 2006 to meet its 2007 goal is shown in Table VI.4.

**Table VI.4**

	<b>Incentives</b>	<b>Admin</b>	<b>Total Proposed Expenditures</b>
<b>Commercial</b>			
Large Commercial and Industrial	\$3,628,682	\$403,187	\$4,031,869
<b>Industrial</b>			
Large Project Component	\$1,171,301	\$130,145	\$1,301,466
Small Project Component	\$292,826	\$32,536	\$325,362
<b>Residential</b>			
Residential			
Large Project Component	\$3,599,132	\$399,904	\$3,999,036
Small Project Component	\$225,000	\$25,000	\$250,000
Small Commercial			
Large Project Component	\$1,297,797	\$144,200	\$1,441,997
Small Project Component	250,000	\$25,000	\$250,000
Hard-to-Reach			
Large Project Component	\$180,000	\$20,000	\$200,000
Small Project Component	\$90,000	\$10,000	\$100,000
<b>Small Commercial</b>			
Small Commercial	\$90,000	\$10,000	\$100,000
<b>Total</b>	<b>\$10,799,739</b>	<b>\$1,199,971</b>	<b>\$11,999,710</b>

**SOAH DOCKET NO. 473-04-1033  
PUC DOCKET NO. 28840**

<b>APPLICATION OF AEP TEXAS</b>	§ § § § §	<b>BEFORE THE</b>
<b>CENTRAL COMPANY FOR</b>		<b>STATE OFFICE OF</b>
<b>AUTHORITY TO CHANGE RATES</b>		<b>ADMINISTRATIVE HEARINGS</b>

**AEP TEXAS CENTRAL COMPANY'S RESPONSE TO  
TEXAS LEGAL SERVICES CENTER'S AND TEXAS ROSES' FIRST  
REQUEST FOR INFORMATION**

**Question No. 5:**

For each of the energy efficiency programs in effect during 2002 and 2003 to meet the 2003 and 2004 energy efficiency goals, please provide a list of incentive payments to EESPs that were disallowed and the reason(s) for the disallowance.

**Response No. 5:**

TCC does not maintain such a list. Incentive payments are made based upon the pass rate of measures invoiced, as determined by the random selection sample of inspections performed. Incentive amounts not paid on any invoice are available for payment to the EESP on future invoices, for additional work at additional customer sites under the same program contract agreement, up to the maximum total incentive available.

Prepared By: Billy G. Berny  
Sponsored By: Billy G. Berny

Title: Manager, DSM Compliance  
Title: Manager, DSM Compliance

**SOAH DOCKET NO. 473-04-1033  
PUC DOCKET NO. 28840**

<b>APPLICATION OF AEP TEXAS</b>	§	<b>BEFORE THE</b>
	§	
<b>CENTRAL COMPANY FOR</b>	§	<b>STATE OFFICE OF</b>
	§	
<b>AUTHORITY TO CHANGE RATES</b>	§	<b>ADMINISTRATIVE HEARINGS</b>

**AEP TEXAS CENTRAL COMPANY'S RESPONSE TO  
TEXAS LEGAL SERVICES CENTER'S AND TEXAS ROSES' FIRST  
REQUEST FOR INFORMATION**

**Question No. 6:**

Please provide the number of households served by county for each of the energy efficiency programs in effect during the test year that serve residential customers.

**Response No. 6:**

TCC does not track the number of households served by county for each energy efficiency program. Accordingly the requested information is unavailable.

For each energy efficiency program in effect during 2002 to meet the January 1, 2003 energy efficiency goal, the kW and kWh savings by county for each of the energy efficiency programs serving residential customers may be found in the TCC Energy Efficiency Report (Section IX), filed with the Public Utility Commission on March 31, 2003. This report is attached.

For each energy efficiency program in effect during 2003 to meet the January 1, 2004 energy efficiency goal, the kW and kWh savings by county for each of the energy efficiency programs serving residential customers for program year 2003 are not yet available, but will be provided in the TCC Energy Efficiency Report to be filed with the Public Utility Commission of Texas by April 1, 2004.

Prepared By: Pam D. Osterloh  
Sponsored By: Billy G. Berny

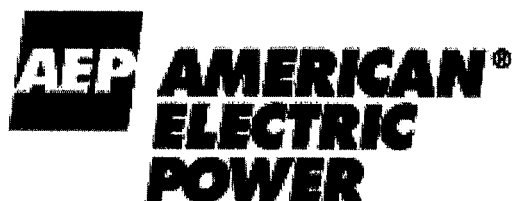
Title: Senior DSM Coordinator  
Title: Manager, DSM Compliance

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# **AEP Texas Central Company Energy Efficiency Report April 2003**

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Project No. 27541



## **AEP Texas Central Company Energy Efficiency Report**

### **I. Executive Summary**

AEP Texas Central Company (AEP) continued to implement the programs based on PUCT approved templates, as well as other DSM programs including the Non-Residential Standard Performance Contract (SPC) Program and a program targeting not-for-profit organizations. Programs being implemented in the AEP's service area include the Residential and Small Commercial Standard Offer Program (RES SOP), Commercial and Industrial Standard Offer Program (C&I SOP), Hard-to-Reach Standard Offer Program (HTR SOP), and the System Benefit Fund (SBF) low income program supervised by the Texas Department of Housing and Community Affairs (TDHCA).

### **II. Actual Growth in Demand**

AEP's actual growth in demand for calendar year 2002 was 371,000 kW.

### **III. Projected Annual Growth & Corresponding Goals**

<b>Year</b>	<b>Projected Annual Growth in Demand kW</b>	<b>kW Goal</b>	<b>kWh Goal</b>
2003	93,000	9,300	32,682,830

#### IV. Comparison of Projected Savings to Reported Savings

##### CALENDAR YEAR 2002

Program	Projected Savings		Contracted Savings		Reported Savings	
	kW	kWh	kW	kWh	kW	kWh
RES SOP	2,330	7,988,000	1,265	6,299,307	602.41	1,735,502
SPC	710	3,993,000	225	993,003	474.00	3,013,082
HTR SOP	230	919,000	142	1,138,993	111.36	363,494
C&I SOP	2,010	8,106,000	243	1,731,143	183.00	1,091,037
TDHCA SBF*	NA	NA	NA	NA	586.00	2,092,045
<b>Total</b>	<b>5,280</b>	<b>21,006,000</b>	<b>1,875</b>	<b>10,162,446</b>	<b>1,956.77</b>	<b>8,295,160</b>

\*Energy impacts for the TDHCA SBF are based on TDHCA's 2002 program year as reported in PUC Project No. 25607.

Note: For year 2004 this Section will include two additional columns that will compare calendar year 2002 Reported Savings to the Verified Savings reported by the independent measurement and verification (M&V) expert.

#### V. Program Funding

##### CALENDAR YEAR 2002

Program	Budget	Funds Expended (Incentives)	Funds Expended (Admin.)	Funds Committed (Not Expended)	Funds Remaining (Not Committed)
RES SOP	\$2,253,087	\$254,658	\$187,885	\$926,750	\$890,487
C&I SOP	\$973,898	\$55,390	\$78,967	\$126,969	\$694,148
SPC	\$0	\$1,003,437	\$214,564	\$813,402	\$0
HTR SOP	\$464,443	\$121,338	\$127,668	\$178,926	\$151,638
HomeSavers	\$0	\$0	\$6,865	\$0	\$0
C&I Solicitation	\$0	\$277,771	\$10,788	\$0	\$0
<b>Total</b>	<b>\$3,691,428</b>	<b>\$1,712,594</b>	<b>\$626,737</b>	<b>\$2,046,047</b>	<b>\$1,736,273</b>

## **VI. Explanation of a Total Program Cost decrease of more than 10%**

AEP's total program costs for 2002 decreased by more than 10% of the budget as a result of a slower than anticipated installation pace from participating project sponsors and programs that were not fully subscribed in 2002. This resulted in reduced savings and incentive payments for the C&I SOP, RES SOP and the HTR SOP programs. The uncommitted funds were carried forward to the 2003 programs.



**VII. Most current information available for ongoing and completed  
Energy Efficiency Programs by customer class**

**CALENDAR YEAR 2002**

Customer Class	Number of Customers	Project Expenditures	Reported Savings	
			kW	kWh
<b>Commercial &amp; Industrial</b>				
SPC	3	\$1,218,001	474.00	3,013,082
C&I SOP	3	\$134,357	183.00	1,091,037
Total (by class)	6	\$1,352,358	657.00	4,104,119
<b>Residential</b>				
RES SOP*	723	\$442,543	442.92	1,266,076
Total (by class)	723	\$442,543	442.92	1,266,076
<b>Small Commercial</b>				
C/I Solicitation	NA	\$288,559	NA	NA
RES SOP*	8	NA	13.37	41,733
Total (by class)	8	\$288,559	13.37	41,733
<b>Hard-to-Reach</b>				
HTR SOP	637	\$249,006	111.36	363,494
RES SOP*	766	NA	146.12	427,693
TDHCA SBF	NA	NA	586.00	2,092,045
Total (by class)	1,403	\$249,006	843.46	2,883,233
<b>Total</b>	<b>2,140</b>	<b>\$2,332,466</b>	<b>1,956.77</b>	<b>8,295,160</b>

\*Specific expenses were not tracked by individual customer classes within the RES SOP.

### **VIII. Description of proposed changes in the Energy Efficiency Plan**

AEP Texas Central Company will add a Not-for-Profit Standard Offer Program (NFP SOP) to its program portfolio for 2003.

### **IX. Most current information available for ongoing and completed Energy Efficiency Programs by county**

#### **CALENDAR YEAR 2002 STANDARD PERFORMANCE CONTRACT PROGRAM**

County	Reported Savings	
	kW	kWh
Bee	227.00	526,490
Jim Wells	42.00	116,336
Nueces	205.00	2,370,256
<b>Total</b>	<b>474.00</b>	<b>3,013,082</b>

#### **CALENDAR YEAR 2002 COMMERCIAL AND INDUSTRIAL STANDARD OFFER PROGRAM**

County	Reported Savings	
	kW	kWh
Nueces	120.00	564,286
San Patricio	63.00	526,751
<b>Total</b>	<b>183.00</b>	<b>1,091,037</b>

**CALENDAR YEAR 2002**  
**RESIDENTIAL & SMALL COMMERCIAL STANDARD OFFER PROGRAM**

County	Reported Savings	
	kW	kWh
Aransas	16.10	44,231
Bee	38.61	129,144
Colorado	69.67	230,354
Karnes	20.36	71,158
Matagorda	6.89	17,697
Nueces	371.47	1,023,385
San Patricio	73.47	205,959
Refugio	1.46	4,277
Wharton	4.38	9,297
<b>Total</b>	<b>602.41</b>	<b>1,735,502</b>

**CALENDAR YEAR 2002**  
**HARD-TO-REACH STANDARD OFFER PROGRAM**

County	Reported Savings	
	kW	kWh
Aransas	28.77	82,403
Atascosa	0.32	2,232
Cameron	2.36	16,335
Duval	0.37	2,593
Hidalgo	0.85	6,065
Jim Hogg	0.37	2,552
Karnes	0.52	3,610
Live Oak	14.33	49,432
Nueces	39.28	126,236
San Patricio	23.88	69,814
Starr	0.31	2,222
<b>Total</b>	<b>111.36</b>	<b>363,494</b>

**SOAH DOCKET NO. 473-04-1033  
PUC DOCKET NO. 28840**

APPLICATION OF AEP TEXAS  CENTRAL COMPANY FOR  AUTHORITY TO CHANGE RATES	§ § § § § §	BEFORE THE  STATE OFFICE OF  ADMINISTRATIVE HEARINGS
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**AEP TEXAS CENTRAL COMPANY'S RESPONSE TO  
TEXAS LEGAL SERVICES CENTER'S AND TEXAS ROSES' FIRST  
REQUEST FOR INFORMATION**

**Question No. 7:**

Please provide copies of all contracts with EESPs entered into by TCC under the HTR SOP, for each of the program years 2000-2003.

**Response No. 7:**

One copy of each executed contract between TCC and EESPs under the HTR SOP for years 2000-2003 is provided. One copy of each year's HTR SOP Program Manual is also provided, for the years 2000-2003.

The information responsive to this request is voluminous and CONFIDENTIAL under the terms of the Protective Order. The Confidential information is available for review at the Austin offices of American Electric Power Company (AEP), 400 West 15th Street, Suite 610, Austin, Texas, 78701, (512) 481-4562, during normal business hours.

Prepared By: Billy G. Berny  
Sponsored By: Billy G. Berny

Title: Manager, DSM Compliance  
Title: Manager, DSM Compliance

**SOAH DOCKET NO. 473-04-1033  
PUC DOCKET NO. 28840**

<b>APPLICATION OF AEP TEXAS</b>	§	<b>BEFORE THE</b>
	§	
<b>CENTRAL COMPANY FOR</b>	§	<b>STATE OFFICE OF</b>
	§	
<b>AUTHORITY TO CHANGE RATES</b>	§	<b>ADMINISTRATIVE HEARINGS</b>

**AEP TEXAS CENTRAL COMPANY'S RESPONSE TO  
TEXAS LEGAL SERVICES CENTER'S AND TEXAS ROSES' FIRST  
REQUEST FOR INFORMATION**

**Question No. 8:**

Please provide copies of all contracts entered into by TCC under the Energy Efficiency Improvement Program SOP (also known as the Not-for Profits SOP) for each of the program years 2000-2003.

**Response No. 8:**

One copy of each executed contract between TCC and EESPs under the Energy Efficiency Improvement Program (EEIP) SOP (also known as the Not-for-Profits, or NFP, SOP) for each of the program years 2000-2003 is attached. One copy of each year's EEIP SOP Request for Proposals (RFP) is also attached, for the years 2000-2003.

The information responsive to this request is voluminous and CONFIDENTIAL under the terms of the Protective Order. The Confidential information is available for review at the Austin offices of American Electric Power Company (AEP), 400 West 15th Street, Suite 610, Austin, Texas, 78701, (512) 481-4562, during normal business hours.

Prepared By: Billy G. Berny  
Sponsored By: Billy G. Berny

Title: Manager, DSM Compliance  
Title: Manager, DSM Compliance

**SOAH DOCKET NO. 473-04-1033  
PUC DOCKET NO. 28840**

<b>APPLICATION OF AEP TEXAS</b>	§	<b>BEFORE THE</b>
	§	
<b>CENTRAL COMPANY FOR</b>	§	<b>STATE OFFICE OF</b>
	§	
<b>AUTHORITY TO CHANGE RATES</b>	§	<b>ADMINISTRATIVE HEARINGS</b>

**AEP TEXAS CENTRAL COMPANY'S RESPONSE TO**  
**TEXAS LEGAL SERVICES CENTER'S AND TEXAS ROSES' FIRST**  
**REQUEST FOR INFORMATION**

**Question No. 9:**

Please provide copies of any and all customer complaints filed with regards to any of TCC's energy efficiency programs during the program years 2000-2003.

**Response No. 9:**

TCC is not aware of any customer complaints filed with regards to any of TCC's energy efficiency programs during the program years 2000-2003.

Prepared By: Billy G. Berny  
Sponsored By: Billy G. Berny

Title: Manager, DSM Compliance  
Title: Manager, DSM Compliance

**SOAH DOCKET NO. 473-04-1033  
PUC DOCKET NO. 28840**

APPLICATION OF AEP TEXAS  CENTRAL COMPANY FOR  AUTHORITY TO CHANGE RATES	§ § § § § §	BEFORE THE  STATE OFFICE OF  ADMINISTRATIVE HEARINGS
--	----------------------------	--

**AEP TEXAS CENTRAL COMPANY'S RESPONSE TO  
TEXAS LEGAL SERVICES CENTER'S AND TEXAS ROSES' FIRST  
REQUEST FOR INFORMATION**

**Question No. 10:**

Please provide copies of any and all internal reports, studies, memoranda, or any other internal documents relating to TCC's energy efficiency goals for 2001-2004.

**Response No. 10:**

Copies of all such internal reports, studies, memoranda or any other internal documents relating to TCC's energy efficiency goals for 2001-2004 are attached.

Prepared By: Billy G. Berny  
Sponsored By: Billy G. Berny

Title: Manager, DSM Compliance  
Title: Manager, DSM Compliance



**Billy G Berny**

03/26/2003 08:59 AM

To: Gilbert T Hughes/AEPIN@AEPIN, Steven J Beaty/AEPIN@AEPIN  
 cc: J C Baker/OR4/AEPIN@AEPIN, David G Carpenter/AEPIN@AEPIN,  
 Cynthia A Juarez/AEPIN@AEPIN, Gary J  
 Throckmorton/AEPIN@AEPIN, Lana L Deville/AEPIN@AEPIN, Pamela  
 D Osterloh/AEPIN@AEPIN, Rhonda R Fahrlander/AEPIN@AEPIN,  
 Richter L Tipton/AEPIN@AEPIN, Russell G Bego/AEPIN@AEPIN,  
 Robert L Cavazos/AEPIN@AEPIN, Ronald K Ford/AEPIN@AEPIN,  
 Lauri S White/AEPIN@AEPIN  
 Subject: AEP Texas Energy Efficiency Reports & Energy Efficiency Plans

Gilbert/Steven,

The attached Energy Efficiency Reports and Energy Efficiency Plans for each of the AEP-Texas companies are now ready to be filed. These annual filings are required of each TDU in Texas by April 1. The cover page of each document includes Project Number 27541 for this year's filings. The Corporate logo on the cover page takes a few seconds to load before printing.

Please see that the appropriate number of copies of each are filed by no later than Monday, March 31 with the Public Utility Commission of Texas, and return one file-stamped electronic copy of each for my records. Thanks for your assistance.



EEP 2003 SWEPCO.do EEP 2003 Texas North.do EEP 2003 Texas Central.do



2003 Texas Central EER.do 2003 SWEPCO EER.do 2003 Texas North EER.do

Billy G. Berny CEM, CDSM  
 Manager, DSM Compliance  
 AEP Regulatory Services  
 915-674-7293 (audinet 8-780-7293)  
 fax 915-674-7211

SOAH Docket No. 473-04-1033  
 Docket No. 28840  
 TLSC/Rose's 1st, Q. # 10  
 Attachment  
 Page 1 of 34





Billy G Berny

01/13/2003 11:41 AM

To: Preston S Kissman/AEPIN@AEPIN, Larry E Gearhart/AEPIN@AEPIN, Harry R Gordon/AEPIN@AEPIN, Gonzalo Sandoval/AEPIN@AEPIN, Julio C Reyes/AEPIN@AEPIN, Charles R Patton/AEPIN@AEPIN, Craig R Rhodes/AEPIN@AEPIN, Michael H Madison/AEPIN@AEPIN, Robert L Cheripko/CA1/AEPIN@AEPIN, Keith R Honey/AEPIN@AEPIN, Olga L Maldonado/AEPIN@AEPIN, David G Carpenter/AEPIN@AEPIN, David P Sartin/AEPIN@AEPIN, Selwyn J Dias/AEPIN@AEPIN, Graham Dodson/AEPIN@AEPIN, Larry A Jones/AEPIN@AEPIN, Johnie L Wise/AEPIN@AEPIN, Alan W Decker/AEPIN@AEPIN, David L Hooper/AEPIN@AEPIN, Homer S Schertz/AEPIN@AEPIN, Jeffery S Stracener/AEPIN@AEPIN, Gregory W Blair/AEPIN@AEPIN, Brett Mattison/AEPIN@AEPIN, Linda S Cosby/AEPIN@AEPIN, Edwin R Covey/AEPIN@AEPIN, Ronald K Ford/AEPIN@AEPIN, Gilbert T Hughes/AEPIN@AEPIN, Coulter R Boyle/OR1/AEPIN@AEPIN, Thomas J Ringenbach/OR3/AEPIN@AEPIN, Richard W Byrne/AEPIN@AEPIN, Neil W Felber/AEPIN@AEPIN, Randall W Hamlett/AEPIN@AEPIN, Robin L Dean/AEPIN@AEPIN, Ronald G Colwell/AEPIN@AEPIN

cc: Henry W Fayne/OR2/AEPIN@AEPIN, Susan Tomasky/OR1/AEPIN@AEPIN, J C Baker/OR4/AEPIN@AEPIN, Marsha P Ryan/OR3/AEPIN@AEPIN, Glenn M Files/AEPIN@AEPIN, Richard P Verret/AEPIN@AEPIN, J Calvin Crowder/AEPIN@AEPIN, Cynthia A Juarez/AEPIN@AEPIN, Gary J Throckmorton/AEPIN@AEPIN, Lana L Deville/AEPIN@AEPIN, Pamela D Osterloh/AEPIN@AEPIN, Rhonda R Fahlender/AEPIN@AEPIN, Richter L Tipton/AEPIN@AEPIN, Russell G Bego/AEPIN@AEPIN, Robert L Cavazos/AEPIN@AEPIN

Subject: AEP Texas Energy Efficiency Programs

The first full year of retail competition in the Texas electric utility industry has now passed. Additionally, the first full year of mandated energy efficiency programs has now ended. 2003 programs have been rolled out to potential project sponsors in anticipation of meeting new, higher energy efficiency goals by January 1, 2004. There are a multitude of details about these energy efficiency goals - how they are to be met, what kinds of programs will be offered, who may participate, how the results will be measured, etc. Many of these details are not important to the majority of AEP employees.

However, it is important that AEP employees know a few essential pieces of information. I've attempted to capture these in the attached document. This is being directed to you in anticipation that you will share it with any employees under your supervision that you deem appropriate.

Our employees will be more effective in responding to customer inquiries by knowing about our energy efficiency efforts. From time to time, I will be sending updates to you on the status of these programs, to keep you as informed as possible. Please feel free to contact me if any additional information is needed.



Executive Summary 2003 SOPs.d

Billy G. Berny CEM, CDSM  
Manager, DSM Compliance  
AEP Regulatory Services  
915-674-7293 (audinet 8-780-7293)  
fax 915-674-7211

SOAH Docket No. 473-04-1033  
Docket No. 28840  
TLSC/Rose's 1st, Q. # 10  
Attachment  
Page 2 of 34

## Executive Summary

In March 2000, the Public Utility Commission of Texas (PUCT) adopted the Energy Efficiency Rule 25.181, and which was subsequently revised in September 2002. Highlights of the rule include:

Each investor-owned electric utility is required to achieve an energy efficiency program goal equal to 10% of its projected growth in demand by January 2004. Utilities are required to ensure that 5% or more of total energy savings come from "Hard-to-Reach" (HTR) customers, generally defined as customers with an annual household income at or below 200% of federal poverty guidelines.

American Electric Power (AEP) may no longer directly provide any traditional energy efficiency program, such as the "Good Cents ©" program, air conditioner rebate programs, energy audits, weatherization programs, or energy information programs.

In a standard offer program (SOP), project sponsors contract to deliver certain peak demand savings (measured in kW) and annual energy savings (measured in kWh) by installing energy efficient measures. AEP will pay a fixed price for each kW and kWh of savings that is provided by the project sponsor from the energy efficient measures installed.

The SOPs are open to a wide range of contractors, retail energy providers, service companies and community agencies.

The PUCT has issued a number of other rules and requirements for SOPs.

## Program Design

In order to achieve the 10% energy savings goal for this year, AEP has implemented three SOPs, as prescribed by the PUCT. These SOPs are:

1. Hard-to-Reach SOP – for residential customers with total annual household income equal to, or less than, 200% of federal poverty guidelines;
2. Residential and Small Commercial/Industrial SOP – for all non-HTR residential customers, and for commercial and industrial customers with total aggregated electric demand less than 100 kW; and
3. Large Commercial/Industrial SOP – for all other Commercial/Industrial customers.

The SOPs made available this year provide incentives to suppliers and installers of energy efficiency services to effectuate electric energy efficiency projects at AEP residential, hard-to-reach, small commercial, large commercial and industrial customers' facilities. The primary objective of these programs is to achieve cost-effective reduction in peak summer electrical demand. These performance-based programs include monetary incentive payments for "deemed" or "measured" energy savings generated by installing energy efficient measures. This year (2003) is the fourth year AEP will be offering these programs.

AEP offers these SOPs to encourage electric energy efficiency improvements that go above and beyond efficiency gains typically achieved in replacement-on-burnout projects. Consequently, energy savings credits for such measures are based only on energy savings that exceed current federal minimum efficiency standards, if such standards apply. In cases where standards do not exist, and on early replacement or retrofit of existing equipment, demand and energy savings credits will be based on efficiency improvements relative to typical efficiencies in like circumstances.

AEP made refinements to some of the SOP provisions for 2003. First, the Small Project/Contractor Set-aside provision within both the Residential and Small Commercial/Industrial SOP and the Hard-to-Reach SOP allows small contractors to participate with projects up to \$5000 in incentives without posting a performance security, in anticipation of increasing small and local contractor participation. Second, later this year new construction measures in large commercial/industrial projects will be eligible measures. And finally, a large commercial/industrial customer may act as its own project sponsor, and AEP may provide it with the same outreach information as it does to any other potential project sponsor.

One feature of each SOP is that AEP relies upon the marketing capabilities of project sponsors to sell projects to AEP's customers. AEP will not directly market any energy efficiency-related product or service to its customers. Entering into an agreement with AEP as a project sponsor does not imply AEP's endorsement or approval of any company, product or service.

Project sponsors in the SOPs must meet minimum eligibility criteria, comply with all SOP rules and procedures, submit project application forms and supplemental documentation describing the projects, and execute AEP's SOP Agreement. AEP also requires that project sponsors include a consumer protection provision in their host customer agreements, and a provision allowing AEP access to the host's facility and to the host's measure installation records.

The SOP involves three entities: program administrator (AEP), project sponsor, and host customer.

**AEP's responsibilities include:**

1. Providing an informational Web site ([www.aepefficiency.com](http://www.aepefficiency.com))
2. Conducting workshops periodically for potential project sponsors
3. Reviewing and approving or rejecting all project applications
4. Approving plans for the measurement and verification (M&V) of energy savings at customer sites, if the measured savings approach is adopted
5. Performing certain inspection activities
6. Authorizing and issuing incentive payments to project sponsors.

**A project sponsor's responsibilities include:**

1. Identifying potential project opportunities
2. Developing project documentation in accordance with SOP procedures and deadlines
3. Verifying income eligibility of hard-to-reach customers according to PUCT procedures
4. Completing the installation and commissioning of approved project measures
5. Complying with the mandatory progress milestones
6. Developing plans for the M&V of energy savings for measured savings projects
7. Performing M&V activities for measured savings projects
8. Submitting periodic implementation reports and invoices.

**A participating host customer's responsibilities include:**

1. Committing to an energy efficiency project
2. Entering into an agreement with the selected project sponsor
3. Providing AEP and any statewide M&V contractor/auditor access to project facilities both before and after project completion for installation inspections.

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Docket No. 28840

TLSC/Rose's 1st, Q. # 10

Attachment

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**Billy G Berny**

12/31/2002 02:17 PM

To: Randall W Hamlett/AEPIN@AEPIN, Neil W Felber/AEPIN@AEPIN

cc: Cynthia A Juarez/AEPIN@AEPIN, Gary J

Throckmorton/AEPIN@AEPIN, Lana L Deville/AEPIN@AEPIN,

Pamela D Osterloh/AEPIN@AEPIN, Rhonda R

Fahlender/AEPIN@AEPIN, Richter L Tipton/AEPIN@AEPIN, Russell

G Bego/AEPIN@AEPIN, Robert L Cavazos/AEPIN@AEPIN

Subject: AEP-Texas DSM/Energy Efficiency Requirements

Randy, here is my best shot at the support documentation that you requested earlier today, for accruing budgeted and contracted, but unspent (as of 12/31/2002) DSM incentives as 2002 expenses.



Accrual 2002 DSM support.do

Billy G. Berny CEM, CDSM  
Manager, DSM Compliance  
AEP Regulatory Services  
915-674-7293 (audinet 8-780-7293)  
fax 915-674-7211

SOAH Docket No. 473-04-1033

Docket No. 28840

TLSC/Rose's 1st, Q. # 10

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## Summary of AEP's Texas Energy Efficiency/Demand-side Management Programs

PURA Sec. 39.905, GOAL FOR ENERGY EFFICIENCY, requires that

- (1) electric utilities administer energy savings incentive programs..., but will not offer underlying competitive services;
- (2) all customers...have access to energy efficiency alternatives...that allow each customer to reduce energy consumption and reduce energy costs; and
- (3) each electric utility will provide...incentives sufficient for retail electric providers and competitive energy service providers to acquire additional cost-effective energy efficiency equivalent to at least 10 percent of the electric utility's annual growth in demand, and the commission shall...adopt rules and procedures...to ensure that the goal...is achieved by January 1, 2004.

The Public Utilities Commission of Texas has issued Substantive Rules (Sec. 25.181) which frame the implementation of programs designed to achieve the Legislature's goal. The rules require that:

- (1) projects be cost effective, that is, program costs are less than avoided costs (currently set at \$78.50/kw of annual capacity savings and 2.68 cents/kwh of annual energy savings)
- (2) utilities must achieve efficiency savings of 5% of their annual demand growth by 1/1/2003 and 10% of annual demand growth by 1/1/2004 and each year thereafter
- (3) the PUCT established customer classes and incentive levels for each class, as follows:
  - a. hard-to-reach (low income) customers (100% of avoided costs)
  - b. other residential and small commercial customers (50% of avoided costs)
  - c. large commercial and industrial customers (35% of avoided costs)
  - d. load management (i.e. load control) programs (15% of avoided costs)
- (4) cost of program administration shall not exceed 10% of total program costs
- (5) utilities shall file an updated energy efficiency plan and an energy efficiency report annually on April 1
- (6) Unspent funds will be considered a source of funding for the following year's energy efficiency programs

In the AEP-Texas Unbundled Cost of Service (UCOS) filings (PUC Docket Nos. 22352, 22353, and 22354), a stipulated agreement was reached in which it was agreed that the following amounts for energy efficiency were to be expended in 2002 in order to meet the energy efficiency goals contained in Section 39.905 of PURA, and would be recovered annually through rates for each energy delivery company (EDC):

CPL-EDC	\$3,691,000
WTU-EDC	\$1,228,000
SWEPCO-EDC	\$1,500,000

AEP made certain merger commitments to DSM, which have, with only one exception, been superseded by the introduction of retail competition and the implementation of SB7

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Attachment

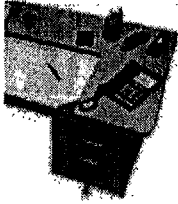
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DSM provisions. Subsequently, a delay of retail competition in the Southwest Power Pool (SPP) region was ordered in PUC Docket No. 25154, which called for the SWEPCO-EDC to reinstate certain DSM programs provided for in the AEP-CSW Merger Stipulation and Agreement (PUC Docket No. 19265). Until customer choice is implemented and the DSM provisions of SB7 take effect, SWEPCO has a continuing merger commitment to low-income DSM programs of \$500,000 annually, plus an additional commitment of \$1,000,000 annually for standard offer programs as prescribed in SB 7.

It is anticipated that certain amounts budgeted and contracted for energy efficiency in a given calendar year will not actually be paid by the end of that calendar year, due to the time that may pass between contract execution, to measure installation, to invoicing the EDC for such installed measures, to random inspections that are required to be performed by the DSM Compliance staff, to invoice processing and issuance of payment. It has been suggested that these budgeted and contracted expenditure amounts be accrued, to show that they are in fact an expense that should be recorded for a particular calendar year. The amounts that are candidates for accrual as 2002 expenses are as follows:

CPL-EDC	\$2,783,394
WTU-EDC	\$1,002,738
SWEPCO-EDC	\$ 769,836

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Billy G Berny

09/05/2003 03:40 PM

To: Preston S Kissman/AEPIN@AEPIN, Larry E Gearhart/AEPIN@AEPIN, Harry R Gordon/AEPIN@AEPIN, Gonzalo Sandoval/AEPIN@AEPIN, Julio C Reyes/AEPIN@AEPIN, Charles R Patton/AEPIN@AEPIN, Craig R Rhodes/AEPIN@AEPIN, Robert L Cheripko/CA1/AEPIN@AEPIN, Keith R Honey/AEPIN@AEPIN, Olga L Maldonado/AEPIN@AEPIN, David G Carpenter/AEPIN@AEPIN, David P Sartin/AEPIN@AEPIN, Selwyn J Dias/AEPIN@AEPIN, Graham Dodson/AEPIN@AEPIN, Larry A Jones/AEPIN@AEPIN, Johnie L Wise/AEPIN@AEPIN, Alan W Decker/AEPIN@AEPIN, David L Hooper/AEPIN@AEPIN, Homer S Schertz/AEPIN@AEPIN, Jeffery S Stracener/AEPIN@AEPIN, Gregory W Blair/AEPIN@AEPIN, Brett Mattison/AEPIN@AEPIN, Linda S Cosby/AEPIN@AEPIN, Edwin R Covey/AEPIN@AEPIN, Ronald K Ford/AEPIN@AEPIN, Gilbert T Hughes/AEPIN@AEPIN, Coulter R Boyle/OR1/AEPIN@AEPIN, Thomas J Ringenbach/OR3/AEPIN@AEPIN, Richard W Byrne/AEPIN@AEPIN, Neil W Felber/AEPIN@AEPIN, Randall W Hamlett/AEPIN@AEPIN, Robin L Dean/AEPIN@AEPIN, Ronald G Colwell/AEPIN@AEPIN, Lynn E McConnell/OR1/AEPIN@AEPIN, Judy L Gallo/OR3/AEPIN@AEPIN, Brenda M LaVeck/OR3/AEPIN@AEPIN, Robert E Geiger/OR3/AEPIN@AEPIN, Lauri S White/AEPIN@AEPIN

cc: Henry W Fayne/OR2/AEPIN@AEPIN, Susan Tomasky/OR1/AEPIN@AEPIN, J C Baker/OR4/AEPIN@AEPIN, Marsha P Ryan/OR3/AEPIN@AEPIN, Glenn M Files/AEPIN@AEPIN, Richard P Verret/AEPIN@AEPIN, J Calvin Crowder/AEPIN@AEPIN, Cynthia A Juarez/AEPIN@AEPIN, Gary J Throckmorton/AEPIN@AEPIN, Lana L Deville/AEPIN@AEPIN, Pamela D Osterloh/AEPIN@AEPIN, Rhonda R Fahrlender/AEPIN@AEPIN, Richter L Tipton/AEPIN@AEPIN, Russell G Bego/AEPIN@AEPIN, Robert L Cavazos/AEPIN@AEPIN

Subject: AEP Texas Energy Efficiency Programs YTD Status

The attached spreadsheet shows the achievement of energy efficiency goals by Texas TDU as of 8/1/2003. This report was prepared by Frontier Associates on behalf of each of the utilities in Texas that offers energy efficiency and DSM programs as a result of the Texas Electric Choice Act of 1999. The report was presented at the Texas PUC Open Meeting held August 21 in Austin. The AEP Texas TDUs are found at the top of the spreadsheet.

As you can see, each company is well on the way to achieving its annual goal for energy efficiency by January 1, 2004. Each of the various programs offered is fairly well on track, with the exception of the Large Commercial and Industrial Standard Offer Program which is lagging across the entire State in results achieved.

If you have any questions, please let me know.



2003 SOP\_MTP Status Report\_Aug15.

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Billy G. Berny CEM, CDSM  
Manager, DSM Compliance  
AEP Regulatory Services  
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fax 325-674-7211

	2003 Standard Offer Programs					2003 Market Transformation Programs			
	Residential and Small Commercial Standard Offer	Residential Hard To Reach Component Standard Offer	Hard-To-Reach Standard Offer	Commercial and Industrial Standard Offer	Load Management Standard Offer	Energy Star® New Homes Market Transformation	A/C Distributor Market Transformation	A/C Installer Information & Training Market Transformation	
<b>AEP Texas Central</b>									
Annual MW Goal:	4.88		0.30	4.09					
MW Under Contract as of 8/1/03:	5.73	0.40	0.57	1.60					
MW Achieved as of 8/1/03:	2.74	0.30	0.61	0.67					
Annual MWh Goal:	15,444		2,087	15,054					
MWh Under Contract as of 8/1/03:	19,533	1,350	2,394	4,976	Not Offered	Not Offered	Not Offered	Not Offered	
MWh Achieved as of 8/1/03:	8,372	909	2,085	4,544					
Annual Incentive Budget:	\$3,751,206	\$492,314	\$865,000	\$2,587,279					
Incentives Under Contract as of 8/1/03:	\$3,532,489	\$473,415	\$860,187	\$1,549,560					
% of Incentive Budget Under Contract as of 8/1/03:	94%	96%	99%	60%					
<b>AEP Texas North</b>									
Annual MW Goal:	0.85		0.09	0.86					
MW Under Contract as of 8/1/03:	0.89		0.13	0.29					
MW Achieved as of 8/1/03:	0.34		0.09	0.32					
Annual MWh Goal:	2,568		634	3,179					
MWh Under Contract as of 8/1/03:	2,655	Not Offered	323	1,628	Not Offered	Not Offered	Not Offered	Not Offered	
MWh Achieved as of 8/1/03:	1,333		454	2,077					
Annual Incentive Budget:	\$431,000		\$179,982	\$716,941					
Incentives Under Contract as of 8/1/03:	\$544,439		\$125,275	\$335,238					
% of Incentive Budget Under Contract as of 8/1/03:	126%		70%	47%					
<b>AEP SWECO</b>									
Annual MW Goal:	0.45		0.040	1.34					
MW Under Contract as of 8/1/03:	0.33		0.039	0.38					
MW Achieved as of 8/1/03:	0.16		0.044	0.05					
Annual MWh Goal:	1,284		257	4,935					
MWh Under Contract as of 8/1/03:	759	Not Offered	184	1,439	Not Offered	Not Offered	Not Offered	Not Offered	
MWh Achieved as of 8/1/03:	653		223	123					
Annual Incentive Budget:	\$233,848		\$63,000	\$689,500					
Incentives Under Contract as of 8/1/03:	\$184,597		\$62,702	\$170,090					
% of Incentive Budget Under Contract as of 8/1/03:	79%		99.5%	29%					
<b>CenterPoint Energy</b>									
Annual MW Goal:	1.93	0.95	0.33	6.90			8.00	3.10	
MW Under Contract as of 8/1/03:	1.79	1.00	0.34	7.80			16.82	2.96	
MW Achieved as of 8/1/03:	0.61	0.25	0.14	0.70			6.79	1.13	
Annual MWh Goal:	8,262	4,910	2,313	42,000			18,271	5,370	
MWh Under Contract as of 8/1/03:	7,221	5,230	2,381	40,800	Offered, no participation to date		24,464	5,114	Not Offered
MWh Achieved as of 8/1/03:	2,474	1,292	981	2,765			9,878	1,828	
Annual Incentive Budget:	\$1,319,000	\$1,501,000	\$633,000	\$4,262,000			\$4,054,000	\$1,200,000	
Incentives Under Contract as of 8/1/03:	\$1,207,750	\$1,588,760	\$649,337	\$3,321,287			\$3,504,000	\$1,210,126	
% of Incentive Budget Under Contract as of 8/1/03:	92%	106%	103%	78%			86%	108%	
<b>Entergy Gulf States, Inc.</b>									
Annual MW Goal:	3.98		0.54	5.22			0.76		
MW Under Contract as of 8/1/03:	1.81		0.79	1.53			0.76		
MW Achieved as of 8/1/03:	0.25		0.46	-			0.52		
Annual MWh Goal:	16,158		3,086	23,140			2,531		
MWh Under Contract as of 8/1/03:	4,131	Not Offered	2,616	8,966	Not Offered		1,679		
MWh Achieved as of 8/1/03:	753		1,611	-			706		
Annual Incentive Budget:	\$947,438		\$810,126	\$1,175,346			\$400,000		
Incentives Under Contract as of 8/1/03:	\$714,917		\$909,796	\$524,269			\$400,000		
% of Incentive Budget Under Contract as of 8/1/03:	75%		112%	45%			100%		
<b>Oneer</b>									
Annual MW Goal:	11.38		4.21	30.64	13.13		14.01	8.75	5.25
MW Under Contract as of 8/1/03:	9.05		6.82	14.90	10.71		23.57	8.90	5.25
MW Achieved as of 8/1/03:	5.16		3.25	4.55	11.90		9.51	1.38	-
Annual MWh Goal:	41,225		15,856	114,326			50,738	31,711	19,027
MWh Under Contract as of 8/1/03:	29,795	Not Offered	30,840	59,914			19,629	23,376	13,802
MWh Achieved as of 8/1/03:	22,251		14,346	15,783			7,521	2,623	-
Annual Incentive Budget:	\$6,885,603		\$4,685,532	\$11,547,374	\$210,064		\$8,474,609	\$3,295,537	\$3,178,012
Incentives Under Contract as of 8/1/03:	\$6,776,130		\$8,765,761	\$6,604,000	\$171,424		\$6,460,000	\$5,600,000	\$3,700,000
% of Incentive Budget Under Contract as of 8/1/03:	99%		187%	57%	82%		84%	106%	115%
<b>Texas-New Mexico Power Company</b>									
Annual MW Goal:	0.26	0.08		0.45			0.62		
MW Under Contract as of 8/1/03:				0.21			0.62		
MW Achieved as of 8/1/03:	0.04	0.007		0.26			0.47		
Annual MWh Goal:	935	539		1,661			1,677		
MWh Under Contract as of 8/1/03:	72		Not Offered	1,242	Not Offered		1,677		Not Offered
MWh Achieved as of 8/1/03:				1,594			418		
Annual Incentive Budget:	\$190,900	\$175,000		\$249,000			\$400,000		
Incentives Under Contract as of 8/1/03:	\$21,168	\$16,745		\$103,208			\$400,000		
% of Incentive Budget Under Contract as of 8/1/03:	11%	10%		43%			100%		
<b>Xcel Energy</b>									
Annual MW Goal:	0.63		0.04	0.63			0.60		
MW Under Contract as of 8/1/03:	0.48	0	0.10	0.72			0.32		
MW Achieved as of 8/1/03:	0.33	0	0.09	0.44			0.31		
Annual MWh Goal:	2,134		222	2,317			1,838		
MWh Under Contract as of 8/1/03:	1,739	0	340	2,627	Not Offered	Not Offered	993		
MWh Achieved as of 8/1/03:	1,362	0	322	1,950			462		
Annual Incentive Budget:	\$374,613	\$25,460	\$109,327	\$271,800			\$361,800		
Incentives Under Contract as of 8/1/03:	\$319,162	\$0	\$108,132	\$261,586			\$195,424		
% of Incentive Budget Under Contract as of 8/1/03:	85%	0%	99%	96%			54%		
<b>Program Totals</b>									<b>Sum All</b>
Annual MW Goal:	24.36	1.03	5.55	50.89	13.13		23.38	12.45	5.25
MW Under Contract as of 8/1/03:	26.08	1.48	8.88	27.35	10.71		41.77	12.17	5.25
MW Achieved as of 8/1/03:	9.82	0.58	4.89	6.89	11.90		17.36	2.92	-
Annual MWh Goal:	18,010.08	5,449.80	24,455.88	206,812.89	-		73,217.88	38,818.08	19,827.00
MWh Under Contract as of 8/1/03:	65,832.97	6,579.67	39,857.83	121,491.79	-		47,449.88	28,482.51	13,882.00
MWh Achieved as of 8/1/03:	37,278.38	2,237.55	28,922.03	28,935.76	-		18,823.03	4,913.09	-
Annual Incentive Budget:	14,133,697.50	2,193,773.78	7,345,988.57	21,399,146.00	210,064.00		13,328,809.88	6,958,397.00	3,178,012.00
Incentives Under Contract as of 8/1/03:	\$12,302,653	\$2,078,909	\$11,485,189	\$12,888,209	\$171,424		\$9,764,000	\$7,005,549	\$3,700,000
% of Incentive Budget Under Contract as of 8/1/03:	84%	95%	158%	60%	82%		73%	102%	118%

Note:

These figures are estimates.

Residential, R-HTR and HTR: Include Large and Small Projects

AEP Residential, Res-HTR and HTR programs do not include all 2003 impacts. There is a small percent of data not included that is actually in their 2002 databases. Impacts in those 12 databases are for both the 2002 and 2003 program year.

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Jeffrey E Brown  
03/11/2002 04:35 PM

To: Pamela D Osterloh/AEPIN@AEPIN  
cc: Mark P Gilbert/AEPIN@AEPIN  
Subject: Re: Numbers

Pam, I didn't find anything to revise regarding CPL. To the best of my knowledge, the 2001 and 2002 load values are on a consistent basis. The 2001 data for AEP-ERCOT was and will not be audited and verified by system operations. Therefore, its accuracy is uncertain. To add to the issue, the economy has taken a fairly significant decline in the industrial sector at CPL. The forecast had assumed a slow-down in the economy, but not to the extent as what has occurred. To date, we have not revised this forecast for numerous reasons.

We should probably discuss further what your needs will be going forward because the load as it has historically been collected is no longer.

----- Forwarded by Jeffrey E Brown/AEPIN on 03/11/2002 04:08 PM -----



Jeffrey E Brown  
02/20/2002 04:37 PM

To: Pamela D Osterloh/AEPIN@AEPIN  
cc: Tom E Hough/AEPIN@AEPIN, Joe M Harris/AEPIN@AEPIN  
Subject: Re: Numbers

Per your request. Let me know if you have questions, concerns, etc. Don't be a stranger!



Annual Historical Peaks 2002.x

----- Forwarded by Jeffrey E Brown/AEPIN on 02/20/2002 04:33 PM -----



Jeffrey E Brown  
02/15/2002 04:28 PM

To: Pamela D Osterloh/AEPIN@AEPIN  
cc:  
Subject: Re: Numbers 

Attached are the numbers you requested with the exception of the SWP wholesale actuals. I should have that piece next week. Let me know if you have questions or concerns.



2002 Forecast Peak & Energy by class

Pamela D Osterloh

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TLSC/Rose's 1st, Q. # 10  
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Pamela D Osterloh  
01/09/2002 11:20 AM

To: Jeffrey E Brown/AEPIN@AEPIN  
cc: Ruben D De Los Santos/AEPIN@AEPIN, Richter L Tipton/AEPIN@AEPIN  
Subject: Numbers

Happy New Year!

It is that time again. We will be filing our Energy Efficiency Plan and Energy Efficiency Report on April 1. To calculate the numbers we will need the following from you:

1. Updated weather normalized actual peak demands from 2001. I will attach the file from last year below.
2. The most current forecast that you are using in your filings. We will use this to make new calculations

of the company's annual DSM goal as prescribed by the substantive rules. The numbers we calculate will be used in our April Filings. I looked for a previous file but couldn't locate it quickly.

Our group will need these numbers by Feb. 22. Call me if we need to talk about any of this. Hope all is well for you. Thanks.

Pam Osterloh  
DSM Coordinator  
AEP Regulatory Services - West  
(361) 881-5730 - phone  
(361) 880-6026 - fax  
pdosterloh@aep.com

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