

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

<b>2016</b>		<b>Projected Savings (at meter)</b>	
<b>Customer Class and Program</b>		<b>kW</b>	<b>kWh</b>
<b>Commercial</b>		<b>11,207</b>	<b>18,105,152</b>
Commercial SOP		700	3,066,000
Small Commercial Solutions MTP		730	3,197,400
Large C&I Solutions MTP		2,011	8,808,180
Texas SCORE MTP		700	2,759,400
Load Management SOP		7,000	14,000
Commercial Rebate Pilot Program		66	260,172
<b>Residential</b>		<b>558</b>	<b>2,074,019</b>
Residential Solutions MTP		418	732,336
LivingWise® MTP		140	1,341,683
<b>Hard-to-Reach</b>		<b>800</b>	<b>1,051,200</b>
Hard-to-Reach Solutions MTP		800	1,051,200
<b>Total</b>		<b>12,565</b>	<b>21,230,371</b>
<b>2017</b>		<b>Projected Savings (at meter)</b>	
<b>Customer Class and Program</b>		<b>kW</b>	<b>kWh</b>
<b>Commercial</b>		<b>11,205</b>	<b>18,090,260</b>
Commercial SOP		684	2,995,920
Small Commercial Solutions MTP		730	3,197,400
Large C&I Solutions MTP		2,011	8,808,180
Texas SCORE MTP		750	2,956,500
Load Management SOP		7,000	14,000
Commercial Rebate Pilot Program		30	118,260
<b>Residential</b>		<b>618</b>	<b>1,778,077</b>
Residential Solutions MTP		418	732,336
LivingWise® MTP		200	1,045,741
<b>Hard-to-Reach</b>		<b>800</b>	<b>1,051,200</b>
Hard-to-Reach Solutions MTP		800	1,051,200
<b>Total</b>		<b>12,623</b>	<b>20,919,537</b>



## IV. Program Budgets

Table 6 presents the total proposed budget allocations required to achieve EPE's projected demand reduction and energy savings shown in Table 5. The budget allocations are broken down by customer class, program, and the different budget categories: incentive payments, administration and research and development (R&D) expenses. Table 6 also includes the estimated annual expenses for the statewide EM&V contractor and the EECRF proceeding expenses. EPE has made some modifications to the individual program budgets that were identified in the 2015 EEPR, but, as shown in Table 6, the overall program budget for 2016 remains at \$4,384,650. These modifications were made because the third party implementer of EPE's Appliance Recycling Program was placed into receivership on November 18, 2015. Accordingly, EPE discontinued the Appliance Recycling Program at that time and the funds for 2016 were re-distributed to the Commercial SOP and the Texas SCORE MTP and the demand goals for these programs were adjusted.

The number of customers in each of the customer classes shown in Table 3 was considered in budget allocations for those classes. EPE first ensured that the 5% goal for Hard-to-Reach customers was met and then allocated the remaining funding to the residential and commercial classes. A variety of additional factors and assumptions also went into the decision process.

Hard-to-Reach customers are residential customers at or below 200% of the Federal Poverty Guidelines. This is estimated to be approximately 101,551 customers, or 37.2% of EPE's total residential load in Texas (see Footnote 4).

Avoided costs for 2016, as established by the PUCT, were set at \$80 per kW per year and \$0.05088 per kWh.

As directed in the EE Rule, EPE will limit administrative costs to a maximum of 15% of the total program costs and R&D costs to a maximum of 10% of the total program costs; however, the cumulative cost of administration and R&D will not exceed 20% of EPE's total program costs.

EPE used a 6.613% post-tax discount rate to calculate the present value of the avoided cost associated with a project and assumed a 2% escalation rate.

For simplicity, it is assumed that an EESP that completes an energy efficiency project in a given year receives all the incentives associated with that project in that year. Administration costs, however, may be committed in one year and expended in another.

EPE will offer a portfolio of SOPs, MTPs and one self-delivered program that will be available to all eligible customer classes. It should be noted, however, that the actual distribution of the goal and budget must remain flexible based upon the response of the marketplace, the potential interest of customer classes towards specific programs, and the overriding objective of meeting the legislative goal. Should funds not be reserved and used as prescribed by program milestones, EPE reserves the right to reallocate those unused funds to other programs in order to maximize contributions towards EPE's energy efficiency goal.



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

<b>2016</b>	<b>Incentives</b>	<b>Admin &amp; R&amp;D</b>	<b>Total Budget</b>
<b>Commercial</b>	<b>\$3,068,075</b>	<b>\$50,555</b>	<b>\$3,118,630</b>
Commercial SOP	\$431,000	\$40,000	\$471,000
Small Commercial Solutions MTP	\$461,115	\$0	\$461,115
Large C&I Solutions MTP	\$1,005,396	\$0	\$1,005,396
Texas SCORE MTP	\$615,569	\$0	\$615,569
Load Management SOP	\$460,000	\$0	\$460,000
Commercial Rebate Pilot Program	\$94,995	\$10,555	\$105,550
<b>Residential</b>	<b>\$576,346</b>	<b>\$0</b>	<b>\$576,346</b>
Residential Solutions MTP	\$230,000	\$0	\$230,000
LivingWise <sup>®</sup> MTP	\$346,346	\$0	\$346,346
<b>Hard-to-Reach</b>	<b>\$600,000</b>	<b>\$0</b>	<b>\$600,000</b>
Hard-to-Reach Solutions MTP	\$600,000	\$0	\$600,000
<b>Administration</b>		<b>\$89,674</b>	<b>\$89,674</b>
<b>Subtotal Budgets</b>	<b>\$4,244,421</b>	<b>\$140,229</b>	<b>\$4,384,650</b>
<b>EM&amp;V (Est. PY2015 Review Only)</b>		\$51,290	\$51,290
<b>EECRF Proceeding Expenses</b>		\$85,000	\$85,000
<b>Total Budgets</b>	<b>\$4,244,421</b>	<b>\$276,519</b>	<b>\$4,520,940</b>
<b>2017</b>	<b>Incentives</b>	<b>Admin &amp; R&amp;D</b>	<b>Total Budget</b>
<b>Commercial</b>	<b>\$3,068,075</b>	<b>\$46,000</b>	<b>\$3,114,075</b>
Commercial SOP	\$391,995	\$40,000	\$431,995
Small Commercial Solutions MTP	\$461,115	\$0	\$461,115
Large C&I Solutions MTP	\$1,005,396	\$0	\$1,005,396
Texas SCORE MTP	\$704,569	\$0	\$704,569
Load Management SOP	\$460,000	\$0	\$460,000
Commercial Rebate Pilot Program	\$45,000	\$6,000	\$51,000
<b>Residential</b>	<b>\$576,346</b>	<b>\$0</b>	<b>\$576,346</b>
Residential Solutions MTP	\$230,000	\$0	\$230,000
LivingWise <sup>®</sup> MTP	\$346,346	\$0	\$346,346
<b>Hard-to-Reach</b>	<b>\$600,000</b>	<b>\$0</b>	<b>\$600,000</b>
Hard-to-Reach Solutions MTP	\$600,000	\$0	\$600,000
<b>Administration</b>		<b>\$94,229</b>	<b>\$94,229</b>
<b>Research and Development</b>		<b>\$10,000</b>	<b>\$10,000</b>
<b>Subtotal Budgets</b>	<b>\$4,244,421</b>	<b>\$150,229</b>	<b>\$4,394,650</b>
<b>EM&amp;V (PUCT - no contract for EM&amp;V)</b>		\$0	\$0
<b>EECRF Proceeding Expenses</b>		\$85,000	\$85,000
<b>Total Budgets</b>	<b>\$4,244,421</b>	<b>\$235,229</b>	<b>\$4,479,650</b>



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

Table 7 documents EPE's actual demand reduction goals and energy targets for the previous five years (2011-2015) calculated in accordance with 16 TAC §25.181.

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

Calendar Year	Demand Goals (MW)	Energy Targets (MWh)	Actual Demand Reduction (MW)	Actual Energy Savings (MWh)
2015 <sup>8</sup>	11.16	19,552	12.305	22,283
2014 <sup>9</sup>	11.16	19,552	13.389	22,118
2013 <sup>10</sup>	11.16	19,552	14.188	23,394
2012 <sup>11</sup>	11.16	19,552	11.886	20,168
2011 <sup>12</sup>	11.16	19,552	12.331	20,182

<sup>8</sup> 2015 MW goal and MWh target as reported in EPE's EEPR filed April 1, 2015 under Project No. 44480. 2015 demand reduction and actual energy savings reported in this document, Project No. 45675

<sup>9</sup> 2014 MW goal and MWh target as reported in EPE's EEPR filed April 1, 2014 under Project No. 42264. 2014 demand reduction and actual energy savings reported in this document, Project No. 44480.

<sup>10</sup> 2013 MW goal and MWh target as reported in EPE's EEPR filed March 29, 2013 under Project No. 41196. 2013 demand reduction and actual energy savings reported in Project No. 42264

<sup>11</sup> 2012 MW goal and MWh target as reported in EPE's EEPR filed March 30, 2012 under Project No. 40194. 2012 demand reduction and energy savings modified pursuant to settlement of Docket No. 41403.

<sup>12</sup> 2011 MW goal and MWh target as reported in EPE's EEPR filed April 1, 2011 under Project No. 39105. 2011 demand reduction and energy savings modified pursuant to settlement of Docket No. 41403.





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

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**Revised Table 8: Projected versus Reported Savings for 2014 and 2015 (at Meter)**

<b>2014</b>	<b>Projected Savings</b>		<b>Reported and Verified Savings</b>	
<b>Customer Class and Program</b>	<b>MW</b>	<b>MWh</b>	<b>MW</b>	<b>MWh</b>
<b>Commercial</b>	<b>10.696</b>	<b>15,983</b>	<b>11.752</b>	<b>17,977</b>
Commercial SOP	0.600	2,628	0.398	2,197
Small Comm. Solutions MTP	0.730	3,197	0.740	3,124
Large C&I Solutions MTP	1.800	7,884	1.563	8,633
Texas SCORE MTP	0.500	1,971	0.754	3,948
Load Management SOP	7.000	14	8.281	12
Commercial Rebate Pilot Program	0.066	289	0.016	63
<b>Residential</b>	<b>0.460</b>	<b>2,236</b>	<b>0.411</b>	<b>975</b>
Residential Solutions MTP	0.400	701	0.322	525
LivingWise <sup>®</sup> MTP	0.060	1,535	0.089	450
<b>Hard-to-Reach</b>	<b>0.800</b>	<b>1,051</b>	<b>0.723</b>	<b>1,075</b>
Hard-to-Reach Solutions MTP	0.800	1,051	0.723	1,075
<b>Residential / Commercial</b>	<b>0.443</b>	<b>1,828</b>	<b>0.503</b>	<b>2,091</b>
Appliance Recycling MTP	0.202	1,416	0.244	1,591
Solar PV Pilot MTP	0.241	412	0.259	500
<b>Total</b>	<b>12.399</b>	<b>21,098</b>	<b>13.389</b>	<b>22,118</b>
<b>2015</b>	<b>Projected Savings</b>		<b>Reported and Verified Savings</b>	
<b>Customer Class and Program</b>	<b>MW</b>	<b>MWh</b>	<b>MW</b>	<b>MWh</b>
<b>Commercial</b>	<b>10.696</b>	<b>15,954</b>	<b>10.250</b>	<b>17,263</b>
Commercial SOP	0.600	2,628	0.329	1,897
Small Comm. Solutions MTP	0.730	3,197	0.672	3,007
Large C&I Solutions MTP	1.800	7,884	1.945	9,504
Texas SCORE MTP	0.500	1,971	0.577	2,775
Load Management SOP	7.000	14	6.711	34
Commercial Rebate Pilot Program	0.066	260	0.016	46
<b>Residential</b>	<b>0.540</b>	<b>2,043</b>	<b>0.623</b>	<b>1,767</b>
Residential Solutions MTP	0.400	701	0.400	601
LivingWise <sup>®</sup> MTP	0.140	1,342	0.223	1,166
<b>Hard-to-Reach</b>	<b>0.800</b>	<b>1,051</b>	<b>0.964</b>	<b>1,480</b>
Hard-to-Reach Solutions MTP	0.800	1,051	0.964	1,480
<b>Residential / Commercial</b>	<b>0.443</b>	<b>1,828</b>	<b>0.468</b>	<b>1,773</b>
Appliance Recycling MTP	0.202	1,416	0.189	1,235
Solar PV Pilot MTP	0.241	412	0.279	538
<b>Total</b>	<b>12.479</b>	<b>20,876</b>	<b>12.305</b>	<b>22,283</b>



## VII. Historical Program Expenditures

Table 9 documents EPE's incentive and administration expenditures for the previous five years (2011-2015) by program for each customer class. Note that this table does not include R&D expenditures, EM&V expenditures and administration costs not allocated to particular programs. R&D expenditures, EM&V expenditures and administration costs not associated with particular programs for 2015 can be found in Table 10.

Table 9: Historical Program Incentive and Administrative Expenditures for 2011 through 2015<sup>13</sup>

Programs	2015		2014		2013		2012		2011	
	Incent.	Admin	Incent.	Admin	Incent.	Admin	Incent.	Admin	Incent.	Admin
<b>Commercial</b>	<b>\$2,308,969</b>	<b>\$739</b>	<b>\$2,414,919</b>	<b>\$1,450</b>	<b>\$2,646,031</b>	<b>\$21,614</b>	<b>\$2,173,205</b>	<b>\$18,614</b>	<b>\$2,370,937</b>	<b>\$6,831</b>
Commercial SOP	\$160,945	\$739	\$180,951	\$1,450	\$204,235	\$21,091	\$83,753	\$18,614	\$182,926	\$6,213
Small Comm. Solutions	\$426,637	\$0	\$458,717	\$0	\$461,625	\$0	\$543,770	\$0	\$482,834	0
Large C&I Solutions	\$932,618	\$0	\$820,871	\$0	\$872,385	\$0	\$617,972	\$0	\$718,490	0
Texas SCORE MTP	\$447,792	\$0	\$468,130	\$0	\$440,716	\$0	\$482,327	\$0	\$620,637	0
Load Management SOP	\$318,627	\$0	\$462,300	\$0	\$464,700	\$0	\$380,430	\$0	\$366,050	618
Rebate Pilot Program	\$22,350	\$0	\$23,950	\$0	\$202,370	\$523	\$64,953	\$0	NA	NA
<b>Residential</b>	<b>\$548,496</b>	<b>\$0</b>	<b>\$560,482</b>	<b>\$0</b>	<b>\$536,266</b>	<b>\$0</b>	<b>\$590,827</b>	<b>\$0</b>	<b>\$545,298</b>	<b>\$0</b>
Residential Solutions	\$202,144	\$0	\$214,136	\$0	\$190,006	\$0	\$245,257	\$0	\$198,952	0
LivingWise <sup>®</sup> MTP	\$346,352	\$0	\$346,346	\$0	\$346,260	\$0	\$345,570	\$0	\$346,346	0
<b>Hard-to-Reach</b>	<b>\$651,474</b>	<b>\$0</b>	<b>\$576,214</b>	<b>\$0</b>	<b>\$600,238</b>	<b>\$0</b>	<b>\$602,842</b>	<b>\$0</b>	<b>\$361,914</b>	<b>\$0</b>
Hard-to-Reach Solutions	\$651,474	\$0	\$576,214	\$0	\$600,238	\$0	\$602,842	\$0	\$361,914	0
<b>Residential / Comm.</b>	<b>\$334,648</b>	<b>\$30,178</b>	<b>\$405,380</b>	<b>\$33,941</b>	<b>\$454,833</b>	<b>\$42,735</b>	<b>\$437,640</b>	<b>\$11,030</b>	<b>\$658,138</b>	<b>\$14,316</b>
Appliance Recycling MTP	\$140,418	\$0	\$181,185	\$0	\$241,747	\$7,145	\$201,428	\$6,144	\$206,801	0
Solar PV Pilot MTP	\$194,230	\$30,178	\$224,195	\$33,941	\$213,086	\$35,590	\$236,212	\$4,886	\$451,337	\$14,316
<b>Subtotal</b>	<b>\$3,843,587</b>	<b>\$30,917</b>	<b>\$3,956,995</b>	<b>\$35,391</b>	<b>\$4,237,368</b>	<b>\$64,349</b>	<b>\$3,804,514</b>	<b>\$29,644</b>	<b>\$3,936,287</b>	<b>\$21,147</b>
Energy Saver Program	NA	NA	NA	NA	NA	NA	NA	NA	\$169,284	\$15,176
<b>Total</b>	<b>\$3,843,587</b>	<b>\$30,917</b>	<b>\$3,956,995</b>	<b>\$35,391</b>	<b>\$4,237,368</b>	<b>\$64,349</b>	<b>\$3,804,514</b>	<b>\$29,644</b>	<b>\$4,105,571</b>	<b>\$36,323</b>

<sup>13</sup> 2014 expenditures are from EEPR filed in Project No. 44480; 2013 expenditures are from EEPR filed in Project No. 42264; 2012 expenditures are from EEPR filed in Project No. 41196; and 2011 expenditures are from EEPR filed in Project No.40194.



## **VIII. Program Funding and Explanation of Administration Costs for Calendar Year 2015**

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As shown in the subtotal of Table 10, EPE spent \$3,955,988 on program expenses (excluding EM&V and EECRF Proceeding Expenses) for its PUCT-approved energy efficiency programs in 2015. These programs were funded by EPE's 2015 EECRF. These expenses account for 90.2% of the total forecasted program budget for 2015 of \$4,384,650. The difference between the forecasted program budget and the actual program expenditures is attributed to the Commercial SOP, Load Management, Commercial Rebate Pilot Program, and the Appliance Recycling Program not reaching the participation levels anticipated by EPE. Actual program funding levels are shown in Table 10 and Table 11.

Administration expenses benefited the entire portfolio. These expenses include, but were not limited to, outsourced program administration, marketing (i.e. website maintenance and promotional items), Electric Utility Marketing Managers of Texas (EUMMOT) expenses, costs associated with regulatory filings, and EM&V administration expenses outside of the actual cost associated with the PUCT appointed EM&V contractor.



Table 10: Program Funding for Calendar Year 2015

	Total Projected Budget	Number of Customer Projects	Actual Funds Expended (Incentives)	Actual Funds Expended (Admin & R&D)	Total Funds Expended	Funds Committed (Not Expended)	Funds Remaining
<b>Commercial</b>	<b>\$ 2,617,630</b>	<b>529</b>	<b>\$ 2,308,969</b>	<b>\$ 739</b>	<b>\$ 2,309,708</b>	<b>\$ -</b>	<b>\$ 307,922</b>
Commercial SOP	280,000	21	160,945	739	161,684	-	118,316
Small Comm. Solutions MTP	461,115	194	426,637	-	426,637	-	34,478
Large C&I Solutions MTP	895,396	259	932,618	-	932,618	-	(37,222)
Texas SCORE MTP	415,569	44	447,792	-	447,792	-	(32,223)
Load Management	460,000	10	318,627	-	318,627	-	141,373
Comm. Rebate Pilot Program	105,550	1	22,350	-	22,350	-	83,200
<b>Residential</b>	<b>\$ 536,346</b>	<b>10,309</b>	<b>\$ 548,496</b>	<b>\$ -</b>	<b>\$ 548,496</b>	<b>\$ -</b>	<b>\$ (12,150)</b>
Residential Solutions MTP	190,000	938	202,144	-	202,144	-	(12,144)
LivingWise MTP	346,346	9,371	346,352	-	346,352	-	(6)
<b>Hard-to-Reach</b>	<b>\$ 600,000</b>	<b>1,157</b>	<b>\$ 651,474</b>	<b>\$ -</b>	<b>\$ 651,474</b>	<b>\$ -</b>	<b>\$ (51,474)</b>
Hard-to-Reach Solutions MTP	600,000	1,157	651,474	-	651,474	-	(51,474)
<b>Residential / Commercial</b>	<b>\$ 539,125</b>	<b>1,134</b>	<b>\$ 334,648</b>	<b>\$ 30,178</b>	<b>\$ 364,826</b>	<b>\$ -</b>	<b>\$ 174,299</b>
Appliance Recycling MTP	289,125	1,095	140,418	-	140,418	-	148,707
Solar PV Pilot MTP	250,000	39	194,230	30,178	224,408	-	25,592
<b>Admin. Expenses</b>	<b>\$ 91,549</b>		<b>\$ -</b>	<b>\$ 81,484</b>	<b>\$ 81,484</b>	<b>\$ -</b>	<b>\$ 10,065</b>
<b>Subtotal</b>	<b>\$ 4,384,650</b>	<b>13,129</b>	<b>\$ 3,843,587</b>	<b>\$ 112,401</b>	<b>\$ 3,955,988</b>	<b>\$ -</b>	<b>\$ 428,662</b>
EM&V Expenses	82,203		-	78,105	78,105	-	4,098
EECRF Proceeding Expenses	85,000		-	83,290	83,290	-	1,710
<b>Total</b>	<b>\$ 4,551,853</b>	<b>13,129</b>	<b>\$ 3,843,587</b>	<b>\$ 273,796</b>	<b>\$ 4,117,383</b>	<b>\$ -</b>	<b>\$ 434,470</b>

\*I-M&V costs shown are actual booked costs for 2015. For purposes of cost-effectiveness and performance incentive calculations, \$58,210 is used, as per Tetra Tech.





Table 11: Program Comparison – Budget to Actual Expenditures

Programs	2015 Budget	2015 Expenditures	Percent	>10% Variance Explanation
<b>Commercial</b>	<b>\$ 2,617,630</b>	<b>\$ 2,309,708</b>	<b>88.2%</b>	
Commercial SOP	280,000	161,684	57.7%	Program did not draw the number of participants anticipated, reallocated funds to performing programs
Small Comm. Solutions MTP	461,115	426,637	92.5%	
Large C&I Solutions MTP	895,396	932,618	104.2%	
Texas SCORE MTP	415,569	447,792	107.8%	
Load Management	460,000	318,627	69.3%	Program did not achieve anticipated savings for 2015.
Commercial Rebate Pilot MTP	105,550	22,350	21.2%	Program did not draw the number of participants anticipated, reallocated funds to performing programs
<b>Residential</b>	<b>\$ 536,346</b>	<b>\$ 548,496</b>	<b>102.3%</b>	
Res. Solutions MTP	190,000	202,144	106.4%	
LivingWise MTP	346,346	346,352	100.0%	
<b>Hard-to-Reach</b>	<b>\$ 600,000</b>	<b>\$ 651,474</b>	<b>108.6%</b>	
Hard-to-Reach Solutions MTP	600,000	651,474	108.6%	
<b>Residential / Commercial</b>	<b>\$ 539,125</b>	<b>\$ 364,826</b>	<b>67.7%</b>	
Appliance Recycling MTP	289,125	140,418	48.6%	Program did not draw the number of participants anticipated, reallocated funds to performing programs
PV/Solar Pilot MTP	250,000	224,408	90.0%	
<b>Admin. Expenses</b>	<b>\$ 91,549</b>	<b>\$ 81,484</b>		Not allocated to specific programs
<b>Total</b>	<b>\$ 4,384,650</b>	<b>\$ 3,955,988</b>	<b>90.2%</b>	



## **IX. Program Results for MTPs and Self-Delivered Program**

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### **A. Market Transformation Programs**

#### **Small Commercial Solutions MTP**

In 2015, the Small Commercial Solutions MTP provided customers and participating contractors with cash and non-cash incentives. This program targeted commercial customers with a demand of less than 100 kW. This program focused on improving the energy efficiency of small commercial facilities, as well as improving the installation practices of participating contractors. EPE contracted with a third-party program implementer to provide the non-cash incentives such as technical assistance, education on energy efficiency projects, and communications services to participating customers and contractors.

The 2015 goal for this program was 730 kW. There were 194 projects completed in the Small Commercial Solutions MTP during 2015. These projects reduced demand by 672 kW and saved 3,007,513 kWh in energy.

#### **Large C&I Solutions MTP**

The Large C&I Solutions MTP was established to test a solutions-based approach toward garnering peak kW savings among large commercial customers. Key components of the "solutions" approach included: EPE acting as a third-party unbiased player to assist business customers in identifying energy efficiency opportunities, realizing the financial benefits associated with such opportunities, evaluating contractor bids, and conveying the social and financial benefits by way of internal and community-wide communications efforts. Besides peak demand reduction, this program has also realized success in reaching out to the contracting community, including affiliated architectural and engineering firms.

In 2015, the Large C&I Solutions MTP provided customers with cash and non-cash incentives. This program targeted commercial customers with a demand of equal to or greater than 100 kW. As with the Small Commercial Solutions MTP, EPE contracted with a third-party program implementer to provide non-cash incentives such as technical assistance, education on energy efficiency projects, measurement and verification, and communications services to participating customers.

The 2015 goal for this program was 1,800 kW. There were 259 projects completed in the Large C&I Solutions MTP during 2015 that reduced demand by 1,945 kW and saved 9,503,826 kWh in energy.

#### **Texas SCORE MTP**

As with the previous programs, the 2015 Texas SCORE MTP provided customers with cash and non-cash incentives. This program targeted schools districts, higher educational facilities and local governmental entities. EPE recognized that many school districts and local governments lack the technical knowledge, first-hand experience, and management decision-making processes that are necessary for identifying, prioritizing and completing projects that improve their facilities' energy performance and reduce operating costs. This program helped these customers identify, prioritize, budget, and complete energy efficiency projects. EPE contracted with a third-party program implementer to provide non-cash incentives such as benchmarking, technical assistance, education on energy efficiency projects, and communications services to participating customers.

The 2015 goal for this program was 500 kW. This program had 44 projects from participating schools and local government entities in the EPE service territory. These projects reduced demand by 577 kW and saved 2,774,905 kWh in energy.



## **Residential Solutions MTP**

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In 2015, the Residential Solutions MTP offered residential customers, through the use of participating contractors, incentives for making energy efficient improvements to their homes. This program focused on improving the energy efficiency of residential buildings, as well as improving the installation practices of the participating contractors. EPE contracted with a third-party implementer to administer the Residential Solutions MTP.

The 2015 goal for this program was 400 kW. There were 938 participants that reduced demand by approximately 400 kW and saved 600,956 kWh in energy.

## **LivingWise® MTP**

The LivingWise® MTP is an educational program that uses a school-based method that builds student knowledge, provides high energy efficiency devices to families and serves as an effective community outreach program. In 2015, each participant received a kit that contained energy saving devices to be installed in their homes, as well as energy efficiency educational materials.

The 2015 goal for this program was 140 kW. In 2015, the LivingWise® MTP provided 9,371 LivingWise® kits. The savings from this program were 223 kW in demand savings and 1,165,897 kWh in energy savings.

## **Hard-to-Reach Solutions MTP**

In 2015, the Hard-to-Reach Solutions MTP offered residential customers who were at or below 200% of the Federal Poverty Guidelines, through the use of participating contractors, incentives for making energy efficient improvements to their homes. This program focused on improving the energy efficiency of low income residential buildings, as well as improving the installation practices of the participating contractors. EPE contracted with a third-party implementer to administer the Hard-to-Reach Solutions MTP.

The 2015 goal for this program was 800 kW. There were 1,157 projects in this program that reduced demand by 964 kW and saved 1,479,742 kWh in energy.

## **Appliance Recycling MTP**

In 2015, the Appliance Recycling MTP provided incentives to encourage EPE customers to recycle their older, less efficient refrigerators and freezers. This program removed these appliances from the electric grid, thus reducing system-wide load and peak demand.

The 2015 goal for this program was 202 kW. EPE removed and recycled 1,095 units through the Appliance Recycling MTP. This program reduced demand by 189 kW and saved 1,235,160 kWh of energy savings.

## **Solar PV Pilot MTP**

In 2015, the Solar PV Pilot MTP provided EPE customers with incentives, through participating contractors, for installing solar PV distributed generation systems. This program encouraged customers to install solar PV systems on their homes and businesses by reducing the up-front cost of these systems.

The 2015 goal for this program was 241 kW. There were 39 projects that reduced demand by 279 kW and saved 537,642 kWh.



## B. Self-Delivered Program

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### Commercial Rebate Pilot Program

In 2015, the Commercial Rebate Pilot Program provided commercial customers with rebates for two measures, the room HVAC controls measure and the vending machine controls measure. This program encouraged customers to install these energy saving devices by subsidizing part of the up-front cost of these measures.

The 2015 goal for this program was 66 kW. There was one participant that reduced 16 kW of demand savings and 46,488 kWh in energy savings. The acceptance of this program by customers has been very slow; however, EPE anticipates higher participation in 2016.

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

### Report for 2015

In Docket No. 42449, EPE was granted approval for recovery through its 2015 EECRF of (a) \$4,384,650 in energy efficiency program costs projected to be incurred from January 1 through December 31, 2015, (b) The Company's share of the costs of the PUCT EM&V contractor's 2014 and 2015 budgeted expenses in the amount of \$99,722, (c) the 2013 under-recovery revenue amount of \$82,871, (d) a performance incentive for 2013 of \$2,035,783 and (e) EPE's 2013 EECRF proceeding expenses of \$85,100. EPE requested that the EECRF be applicable beginning January 1, 2015. The Final Order in Docket No. 42449 concluded that the filing conformed to the requirements of the EE Rule.<sup>14</sup> The order also found the allocation of the energy efficiency costs and performance incentive in accordance with the EE Rule.<sup>15</sup> The recovery of the agreed-upon EECRF amount of \$6,688,126 is based on a dollar per kWh rate. The cost recovery factors by rate are listed in Table 12.

Table 12: 2015 EECRF Monthly Rates

Rate No.	Description	Energy Efficiency Cost Recovery Factor (\$/kWh)
01	Residential Service Rate	\$ 0.001185
02	Small Commercial Service Rate	\$ 0.002823
07	Outdoor Recreational Lighting Service Rate	\$ 0.000313
08	Governmental Street Lighting and Signal Service Rate	\$ (0.000046)
11	Municipal Pumping Service Rate	\$ 0.000653
11-TOU	Time-Of-Use Municipal Pumping Service Rate	\$ 0.000653
WH	Water Heating	\$ (0.000454)
22	Irrigation Service Rate	\$ 0.000839
24	General Service Rate	\$ 0.000757
25	Large Power Service Rate (excludes transmission)	\$ 0.001887
34	Cotton Gin Service Rate	\$ (0.000494)

<sup>14</sup> Docket No. 42449, Final Order at Findings of Fact No. 10 (November 24, 2014)

<sup>15</sup> *Id.* at Conclusion of Law No. 7 and Findings of Fact No. 19





41	City and County Service Rate	\$ 0.003576
43	University Service Rate	\$ (0.000149)
46	Maintenance Power Service For Cogeneration And Small Power Production Facilities	\$ (0.000494)
47	Backup Power Service For Cogeneration And Small Power Production Facilities	\$ (0.000494)

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## XI. Revenue Collected through EECRF

In 2015, EPE collected a total of \$6,634,670 under Rate Schedule No. 97 – Energy Efficiency Cost Recovery Factor.

## XII. Over/Under Recovery of Energy Efficiency Program Costs

In 2015, EPE over-recovered an amount of \$380,039 as shown in Table 13.

**Table 13: Authorized and Actual Recovery Amounts**

Description	Authorized in Docket No. 42449	Actual
January 1 – December 31, 2015 Energy Efficiency Costs	\$ 4,384,650	\$ 3,955,988
2014 and 2015 EM&V Costs (PY2014 Review)	\$ 99,722	\$ 94,889
2013 (Over)/Under Recovery	\$ 82,871	\$ 82,871
2013 Performance Bonus	\$ 2,035,783	\$ 2,035,783
2013 EECRF Proceeding Costs	\$ 85,100	\$ 85,100
2015 Total Costs and Bonus	\$ 6,688,126	\$ 6,254,631
2015 EECRF Revenues		\$ 6,634,670
2015 (Over)/Under Recovery		\$ (380,039)

## XIII. Underserved Counties

EPE serves customers in three Texas counties: Culberson, Hudspeth, and El Paso. During 2015, the majority of energy efficiency projects were in El Paso County. EPE has defined Underserved Counties as any county in the Texas EPE service territory that EPE reported no demand or energy savings through any of its 2015 energy efficiency programs. Based on this definition, only Culberson County had no demand or energy savings in 2015.

**Table 14: 2015 Energy Efficiency Activities by County**

County	Participants	Reported Savings	
		kW	kWh
El Paso County	13,094	12,304	22,275,162
Culberson County	0	0	0
Hudspeth County	35	1.28	7,365
<b>Total</b>	<b>13,129</b>	<b>12,305</b>	<b>22,282,527</b>



#### XIV. Performance Incentive Calculation

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EPE achieved a 12.305 MW reduction in demand from its energy efficiency programs offered in 2015. EPE's demand reduction goal for 2015 was 11.16 MW. EPE's achievement represents 110.26% of its demand reduction goal, qualifying it for a performance incentive. Per 16 TAC §25.181, EPE is eligible for a performance incentive of \$667,545 which it plans to request in its 2016 EECRF filing.

Per the PUCT, the total program costs to be used in the performance incentive calculation below include the 2015 EM&V cost allocation of \$58,210 as provided by the statewide EM&V evaluator, rather than EPE's actual booked EM&V costs of \$78,105 as shown in Table 10. The performance incentive calculation below also includes the 2015 municipal EECRF proceeding costs of \$26,904. As a result, the total program costs for the performance incentive calculation will not match the actual total program costs exhibited in Table 10.

**Table 15: 2015 Performance Incentive Calculations**

	<b>kW</b>	<b>kWh</b>
<b>Demand and Energy Goals</b>	11,160	19,552,320
<b>Demand and Energy Savings</b>		
<i>Actual Demand and Energy Savings (including Hard-to-Reach)</i>	12,305	22,282,527
<i>Reported/Verified Hard-to-Reach</i>	964	
<b>PUCT-Approved Avoided Costs</b>		
<i>per kW</i>	\$80.00	
<i>per kWh</i>	\$0.05321	
<i>Inflation Rate</i>	2.00%	
<i>Discount Rate</i>	6.613%	
<b>Total Avoided Costs</b>	\$17,112,057	
<b>2015 Program Costs</b> (includes allocated EM&V and municipal EECRF proceeding costs)	\$4,097,490	
<b>Net Benefits</b>	\$13,014,567	
<b>Performance Incentive</b>	\$667,545	



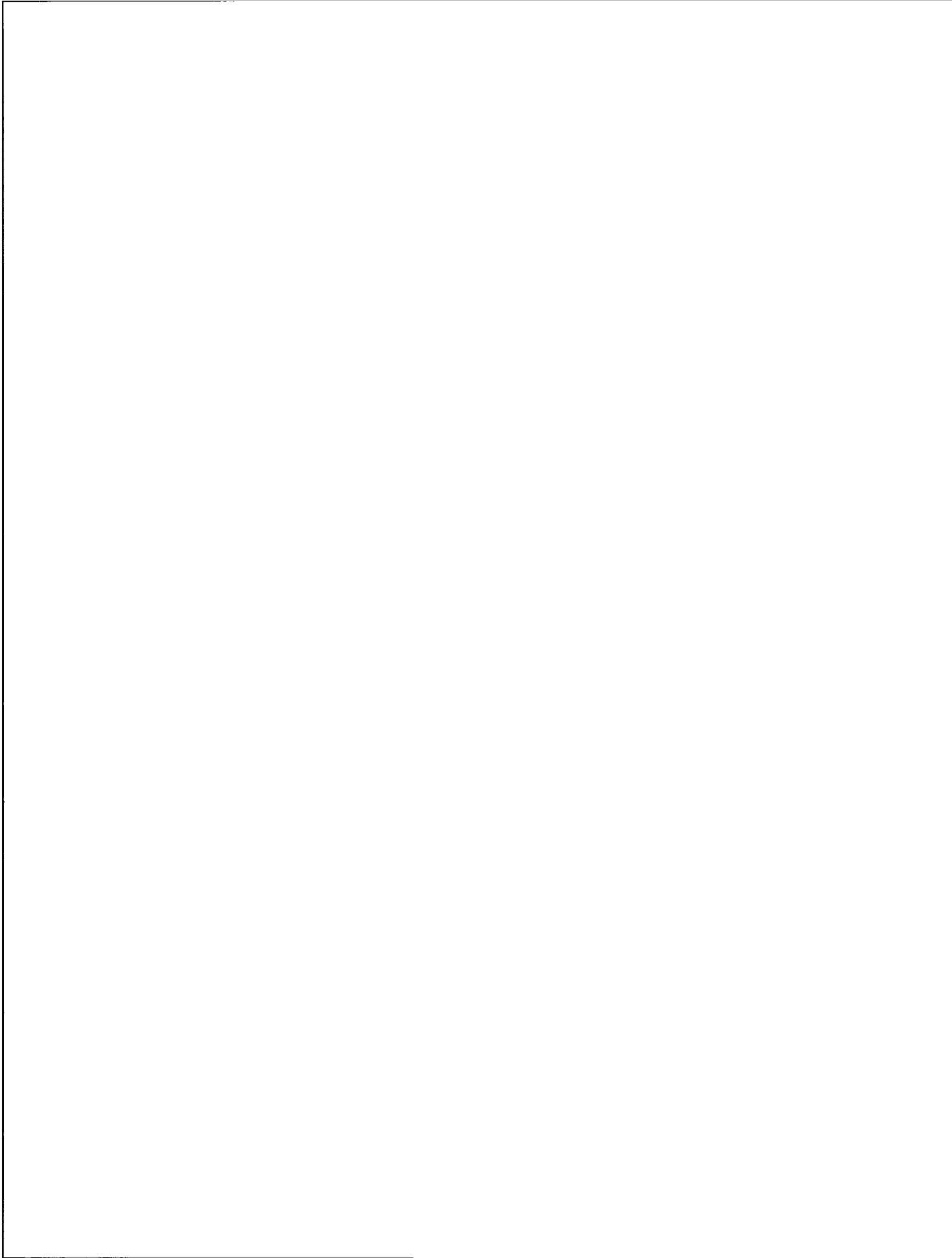
## **ACRONYMS**

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C&I	Commercial and Industrial
CFL	Compact Fluorescent Lamp
DR	Demand Response
DSM	Demand Side Management
EEPR	Energy Efficiency Plan and Report
EE Rule	Energy Efficiency Rule, 16 TAC §25.181 and §25.183
EESP	Energy Efficiency Service Provider
EPE	El Paso Electric Company
ERCOT	Electric Reliability Council of Texas
EM&V	Evaluation, Measurement & Verification
HTR	Hard-To-Reach
M&V	Measurement and Verification
MTP	Market Transformation Program
PUCT	Public Utility Commission of Texas
PURA	Public Utility Regulatory Act
PV	Photovoltaic
R&D	Research and Development
REP	Retail Electrical Provider
RES	Residential
SCORE	Schools and Cities Conserving Resources
SOP	Standard Offer Program
TAC	Texas Administrative Code

## **GLOSSARY**

Glossary is the same as the definitions in 16 TAC §25.181(c).



**APPENDIX A: REPORTED DEMAND AND ENERGY REDUCTION BY COUNTY**

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**Table 16: Program Savings by County**

**Commercial SOP**

County	# of Participants	Reported Savings	
		kW	kWh
El Paso County	21	328.65	1,896,843
Total	21	328.65	1,896,843

**Small Commercial Solutions MTP**

County	# of Participants	Reported Savings	
		kW	kWh
El Paso County	194	672	3,007,513
Total	194	672	3,007,513

**Large C&I Solutions MTP**

County	# of Participants	Reported Savings	
		kW	kWh
El Paso County	259	1,945	9,503,826
Total	259	1,945	9,503,826

**Texas SCORE MTP**

County	# of Participants	Reported Savings	
		kW	kWh
El Paso County	44	577	2,744,905
Total	44	577	2,744,905

**Load Management SOP**

County	# of Participants	Reported Savings	
		kW	kWh
El Paso County	10	6,711	33,555
Total	10	6,711	33,555





**Commercial Rebate Pilot Program**

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County	# of Participants	Reported Savings	
		kW	kWh
El Paso County	1	16	46,488
Total	1	16	46,488

**Residential Solutions MTP**

County	# of Participants	Reported Savings	
		kW	kWh
El Paso County	938	400	600,956
Total	938	400	600,956

**LivingWise<sup>®</sup> MTP**

County	# of Participants	Reported Savings	
		kW	kWh
El Paso County	9,339	222.22	1,161,916
Hudspeth County	32	.76	3,981
Total	9,371	222.98	1,165,897

**Hard-to-Reach Solutions MTP**

County	# of Participants	Reported Savings	
		kW	kWh
El Paso County	1,157	964	1,479,742
Total	1,157	964	1,479,742

**Appliance Recycling MTP**

County	# of Participants	Reported Savings	
		kW	kWh
El Paso County	1,092	188.92	1,231,776
Hudspeth County	3	0.52	3,384
Total	1,095	189.44	1,235,160

**Solar PV Pilot MTP**

County	# of Participants	Reported Savings	
		kW	kWh
El Paso County	39	279	537,642
Total	39	279	537,642



# **REDLINE PAGES**

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## **El Paso Electric Company**

### **2016 Energy Efficiency Plan and Report**

#### **16 Texas Administrative Code §25.181 and §25.183**

**April 1, 2016**  
**(Revised April 18, 2016)**

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**Project No. 45675**





## EXECUTIVE SUMMARY

The Energy Efficiency Plan portion of this EEPR details EPE's plans to meet the energy efficiency demand reduction goal for 2016 as established pursuant to 16 TAC §25.181(e)(2). The final order of Docket No. 44677<sup>1</sup> issued on November 6, 2015, established the EECRF rates applicable to EPE for 2016. The order also left in place the same demand reduction goal as EPE had in 2015 for the 2016 energy efficiency programs. This goal was 11.16 MW, which is greater than four-tenths of one percent of EPE's average weather-adjusted peak demand at meter for 2010 through 2014. In accordance with 16 TAC §25.181(e)(1)(E), EPE's demand reduction goal in any year shall not be lower than its goal for the prior year, so EPE's 2017 demand reduction goal should also remain at 11.16 MW.

The final order of Docket No. 44677 also established an energy efficiency program budget for 2016 of \$4,384,650.<sup>2</sup> EPE made some modifications to the individual program budgets that were identified in the 2015 EEPR, but the overall program budget for 2016 remained at \$4,384,650. These modifications were made due to the fact that the third party implementer for EPE's Appliance Recycling Program was placed into receivership on November 18, 2015. EPE discontinued this program at that time and the funds for 2016 were re-distributed to the Commercial SOP and the Texas Schools and Cities Conserving Resources (Texas SCORE) MTP and the demand goals for these programs was adjusted.

The goals, budgets and implementation plans that are included in this EEPR are influenced substantially by the requirements of the EE Rule and lessons learned regarding energy efficiency service providers and customer participation in the various energy efficiency programs. A summary of projected goals and budgets is presented in Table 1.

The Energy Efficiency Report portion of this EEPR shows that, in 2015, EPE achieved a demand reduction in excess of its goal. This was accomplished through the implementation of SOPs, MTPs and a utility self-delivered program. In 2015, the Company achieved a demand reduction of 42,348.305 MW which exceeded the demand reduction goal of 11.16 MW by 40,381.026%.

The SOPs that EPE provided in 2015 were the Commercial SOP and the Load Management SOP. The MTPs were the Small Commercial Solutions MTP, the Large Commercial & Industrial (C&I) Solutions MTP, the Texas SCORE MTP, the Residential Solutions MTP, the LivingWise<sup>®</sup> MTP, the Hard-to-Reach Solutions MTP, the Appliance Recycling MTP, and the Solar Photovoltaic (PV) Pilot MTP. The self-delivered program for 2015 was the Commercial Rebate Pilot Program.

**Table 1: Summary of 2016 & 2017 Projected Goals, Savings and Budgets<sup>3</sup>**

Calendar Year	Average Growth in Demand (MW at Meter)	Goal Metric: 30% of 5-year Average Growth of Demand (MW at Meter)	Goal Metric: .4% of 5-year Average Peak Demand (MW at Meter)	Statutory Peak Demand Goal (MW)*	Energy Goal (MWh)**	Projected MW Savings (at Meter)	Projected MWh Savings (at Meter)	Proposed Budget (000's)
2016	36.1	9.90	4.415	11.16	19,552	12,565	21,230	\$4,521
2017	23.9	6.55	4.511	11.16	19,552	12,623	20,920	\$4,480

\* Demand goal is never lower than the prior year's goal

\*\* Calculated using a 20% conservation load factor

<sup>1</sup> Application of El Paso Electric Company for Approval to Revise its Energy Efficiency Cost Recovery Factor and Request to Establish Revised Cost Cap, Docket No. 44677.

<sup>2</sup> Id. at Finding of Fact No. 29

<sup>3</sup> Average Growth in Demand and Weather Adjusted Peak Demand are found in Table 4, Projected Demand and Energy Reductions are found in Table 5, and Proposed Budgets are found in Table 6



# ENERGY EFFICIENCY REPORT

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

Table 7 documents EPE's actual demand reduction goals and energy targets for the previous five years (2011-2015) calculated in accordance with 16 TAC §25.181.

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

<b>Calendar Year</b>	<b>Demand Goals (MW)</b>	<b>Energy Targets (MWh)</b>	<b>Actual Demand Reduction (MW)</b>	<b>Actual Energy Savings (MWh)</b>
<b>2015<sup>8</sup></b>	11.16	19,552	12.348305	22,345283
<b>2014<sup>9</sup></b>	11.16	19,552	13.389	22,118
<b>2013<sup>10</sup></b>	11.16	19,552	14.188	23,394
<b>2012<sup>11</sup></b>	11.16	19,552	11.886	20,168
<b>2011<sup>12</sup></b>	11.16	19,552	12.331	20,182

<sup>8</sup> 2015 MW goal and MWh target as reported in EPE's EEPR filed April 1, 2015 under Project No. 44480. 2015 demand reduction and actual energy savings reported in this document, Project No.45675.

<sup>9</sup> 2014 MW goal and MWh target as reported in EPE's EEPR filed April 1, 2014 under Project No. 42264. 2014 demand reduction and actual energy savings reported in this document, Project No.44480.

<sup>10</sup> 2013 MW goal and MWh target as reported in EPE's EEPR filed March 29, 2013 under Project No. 41196. 2013 demand reduction and actual energy savings reported in Project No. 42264.

<sup>11</sup> 2012 MW goal and MWh target as reported in EPE's EEPR filed March 30, 2012 under Project No. 40194. 2012 demand reduction and energy savings modified pursuant to settlement of Docket No. 41403.

<sup>12</sup> 2011 MW goal and MWh target as reported in EPE's EEPR filed April 1, 2011 under Project No. 39105. 2011 demand reduction and energy savings modified pursuant to settlement of Docket No. 41403.





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

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Revised Table 8: Projected versus Reported Savings for 2014 and 2015 (at Meter)

<b>2014</b>	<b>Projected Savings</b>		<b>Reported and Verified Savings</b>	
<b>Customer Class and Program</b>	<b>MW</b>	<b>MWh</b>	<b>MW</b>	<b>MWh</b>
<b>Commercial</b>	<b>10.696</b>	<b>15,983</b>	<b>11.752</b>	<b>17,977</b>
Commercial SOP	0.600	2,628	0.398	2,197
Small Comm. Solutions MTP	0.730	3,197	0.740	3,124
Large C&I Solutions MTP	1.800	7,884	1.563	8,633
Texas SCORE MTP	0.500	1,971	0.754	3,948
Load Management SOP	7.000	14	8.281	12
Commercial Rebate Pilot Program	0.066	289	0.016	63
<b>Residential</b>	<b>0.460</b>	<b>2,236</b>	<b>0.411</b>	<b>975</b>
Residential Solutions MTP	0.400	701	0.322	525
LivingWise <sup>®</sup> MTP	0.060	1,535	0.089	450
<b>Hard-to-Reach</b>	<b>0.800</b>	<b>1,051</b>	<b>0.723</b>	<b>1,075</b>
Hard-to-Reach Solutions MTP	0.800	1,051	0.723	1,075
<b>Residential / Commercial</b>	<b>0.443</b>	<b>1,828</b>	<b>0.503</b>	<b>2,091</b>
Appliance Recycling MTP	0.202	1,416	0.244	1,591
Solar PV Pilot MTP	0.241	412	0.259	500
<b>Total</b>	<b>12.399</b>	<b>21,098</b>	<b>13.389</b>	<b>22,118</b>
<b>2015</b>	<b>Projected Savings</b>		<b>Reported and Verified Savings</b>	
<b>Customer Class and Program</b>	<b>MW</b>	<b>MWh</b>	<b>MW</b>	<b>MWh</b>
<b>Commercial</b>	<b>10.696</b>	<b>15,954</b>	<b>10.250</b>	<b>17,263</b>
Commercial SOP	0.600	2,628	0.329	1,897
Small Comm. Solutions MTP	0.730	3,197	0.672	3,007
Large C&I Solutions MTP	1.800	7,884	1.945	9,504
Texas SCORE MTP	0.500	1,971	0.577	2,775
Load Management SOP	7.000	14	6.711	34
Commercial Rebate Pilot Program	0.066	260	0.016	46
<b>Residential</b>	<b>0.540</b>	<b>2,043</b>	<b>0.623</b>	<b>1,767</b>
Residential Solutions MTP	0.400	701	0.400	601
LivingWise <sup>®</sup> MTP	0.140	1,342	0.223	1,166
<b>Hard-to-Reach</b>	<b>0.800</b>	<b>1,051</b>	<b>0.964</b>	<b>1,480</b>
Hard-to-Reach Solutions MTP	0.800	1,051	0.964	1,480
<b>Residential / Commercial</b>	<b>0.443</b>	<b>1,828</b>	<b>0.468</b>	<b>1,773</b>
Appliance Recycling MTP	0.202	1,416	0.189	1,235
Solar PV Pilot MTP	0.241	412	0.279	538
<b>Total</b>	<b>12.479</b>	<b>20,876</b>	<b>12.305</b>	<b>22,283</b>



## **Residential Solutions MTP**

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In 2015, the Residential Solutions MTP offered residential customers, through the use of participating contractors, incentives for making energy efficient improvements to their homes. This program focused on improving the energy efficiency of residential buildings, as well as improving the installation practices of the participating contractors. EPE contracted with a third-party implementer to administer the Residential Solutions MTP.

The 2015 goal for this program was 400 kW. There were 938 participants that reduced demand by approximately 400 kW and saved 600,956 kWh in energy.

## **LivingWise® MTP**

The LivingWise® MTP is an educational program that uses a school-based method that builds student knowledge, provides high energy efficiency devices to families and serves as an effective community outreach program. In 2015, each participant received a kit that contained energy saving devices to be installed in their homes, as well as energy efficiency educational materials.

The 2015 goal for this program was 140 kW. In 2015, the LivingWise® MTP provided 9,371 LivingWise® kits. The savings from this program were 223 kW in demand savings and 1,165,897 kWh in energy savings.

## **Hard-to-Reach Solutions MTP**

In 2015, the Hard-to-Reach Solutions MTP offered residential customers who were at or below 200% of the Federal Poverty Guidelines, through the use of participating contractors, incentives for making energy efficient improvements to their homes. This program focused on improving the energy efficiency of low income residential buildings, as well as improving the installation practices of the participating contractors. EPE contracted with a third-party implementer to administer the Hard-to-Reach Solutions MTP.

The 2015 goal for this program was 800 kW. There were 1,157 projects in this program that reduced demand by 964 kW and saved 1,479,742 kWh in energy.

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2015 EECRF Revenues		\$ 6,634,670
2015 (Over)/Under Recovery		\$ (380,039)

## XIII. Underserved Counties

EPE serves customers in three Texas counties: Culberson, Hudspeth, and El Paso. During 2015, the majority of energy efficiency projects were in El Paso County. EPE has defined Underserved Counties as any county in the Texas EPE service territory that EPE reported no demand or energy savings through any of its 2015 energy efficiency programs. Based on this definition, only Culberson County had no demand or energy savings in 2015.

**Table 14: 2015 Energy Efficiency Activities by County**

County	Participants	Reported Savings	
		kW	kWh
El Paso County	13,094	12,317	12,304 22,307,146
Culberson County	0	0	0 22,275,162
Hudspeth County	35	1.28	7,365
<b>Total</b>	<b>13,129</b>	<b>12,318</b>	<b>12,305 22,314,511</b>

## XIV. Performance Incentive Calculation

Exhibit AGP-01

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EPE achieved a ~~12.34~~12.305 MW reduction in demand from its energy efficiency programs offered in 2015. EPE's demand reduction goal for 2015 was 11.16 MW. EPE's achievement represents ~~110.38~~26% of its demand reduction goal, qualifying it for a performance incentive. Per 16 TAC §25.181, EPE is eligible for a performance incentive of ~~\$677.84~~667,545 which it plans to request in its 2016 EECRF filing.

Per the PUCT, the total program costs to be used in the performance incentive calculation below include the 2015 EM&V cost allocation of \$58,210 as provided by the statewide EM&V evaluator, rather than EPE's actual booked EM&V costs of \$78,105 as shown in Table 10. The performance incentive calculation below also includes the 2015 municipal EECRF proceeding costs of \$26,904. As a result, the total program costs for the performance incentive calculation will not match the actual total program costs exhibited in Table 10.

**Table 15: 2015 Performance Incentive Calculations**

	<b>kW</b>	<b>kWh</b>
<b>Demand and Energy Goals</b>	11,160	19,552,320
<b>Demand and Energy Savings</b>		
<i>Actual Demand and Energy Savings (including Hard-to-Reach)</i>	<del>12,34</del> <u>12,305</u>	<del>22,344.51</del> <u>22,527</u>
<i>Reported/Verified Hard-to-Reach</i>	964	
<b>PUCT-Approved Avoided Costs</b>		
<i>per kW</i>	\$80.00	
<i>per kWh</i>	\$0.05321	
<i>Inflation Rate</i>	2.00%	
<i>Discount Rate</i>	6.613%	
<b>Total Avoided Costs</b>	<del>\$17,457,405</del> <u>\$112,057</u>	
<b>2015 Program Costs</b> (includes allocated EM&V and municipal EECRF proceeding costs)	\$4,097,490	
<b>Net Benefits</b>	<del>\$13,059.91</del> <u>\$14,567</u>	
<b>Performance Incentive</b>	<del>\$677.84</del> <u>667,545</u>	

**Commercial Rebate Pilot Program**

Exhibit AGP-01

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County	# of Participants	Reported Savings	
		kW	kWh
El Paso County	1	16	46,488
Total	1	16	46,488

**Residential Solutions MTP**

County	# of Participants	Reported Savings	
		kW	kWh
El Paso County	938	400	600,956
Total	938	400	600,956

**LivingWise<sup>®</sup> MTP**

County	# of Participants	Reported Savings	
		kW	kWh
El Paso County	9,339	222.22	1,161,916
Hudspeth County	32	.76	3,981
Total	9,371	222.98	1,165,897

**Hard-to-Reach Solutions MTP**

County	# of Participants	Reported Savings	
		kW	kWh
El Paso County	1,157	964	1,479,742
Total	1,157	964	1,479,742

**Appliance Recycling MTP**

County	# of Participants	Reported Savings	
		kW	kWh
El Paso County	1,092	188.92	1,231,776
Hudspeth County	3	0.52	3,384
Total	1,095	189.44	1,235,160

**Solar PV Pilot MTP**

County	# of Participants	Reported Savings	
		kW	kWh
El Paso County	39	<del>293.279</del>	<del>569,626</del> 537,642
Total	39	<del>293.279</del>	<del>569,626</del> 537,642

2015 Benefit-Cost Analysis by Program

Program	kW	kWh	Incentives	Estimated Useful Life	Total Admin for Cost Effectiveness (Including Bonus: excluding cost paid for EECRF)	Total Program Cost for Cost Effectiveness (Including Bonus: excluding cost paid for EECRF)	Present Value Avoided Capacity Cost * kW	Present Value Avoided Energy Cost * kWh	Total Avoided Cost	Net Benefits	Ben-Cost Ratio
Commercial SOP	328.65	1,896,843	\$ 160,944.45	15.0	\$	\$	\$ 282,082	\$ 1,082,682	\$ 1,364,763	\$ 1,102,836	5.21
Commercial Rebate Program	15.79	46,488	\$ 22,350.00	10.0	\$	\$	\$ 9,984	\$ 19,551	\$ 29,536	\$ (7,482)	0.80
Load Management SOP	6,711.0	33,555	\$ 318,627.00	1.0	\$	\$	\$ 513,650	\$ 1,708	\$ 515,358	\$ 18,438	1.04
Large Commercial Solutions Program	1,944.66	9,503,826	\$ 932,618.12	13.7	\$	\$	\$ 1,530,524	\$ 5,026,400	\$ 6,556,924	\$ 5,085,948	4.46
Texas SCORE Program	577.25	2,774,905	\$ 447,792.14	11.0	\$	\$	\$ 435,426	\$ 1,217,799	\$ 1,653,225	\$ 948,012	2.34
Hard to Reach Solutions Program	964.1821	1,479,742	\$ 651,473.94	24.1	\$	\$	\$ 1,103,058	\$ 1,136,772	\$ 2,239,829	\$ 1,216,528	2.19
Residential Solutions Program	400.15	600,956	\$ 202,144.31	22.5	\$	\$	\$ 439,432	\$ 437,459	\$ 876,891	\$ 552,582	2.70
Small Commercial Solutions	671.84	3,007,513	\$ 426,636.93	12.3	\$	\$	\$ 477,251	\$ 1,451,258	\$ 1,928,509	\$ 1,257,097	2.87
LivingWise Educational Program	222.98	1,165,897	\$ 346,352.16	9.1	\$	\$	\$ 131,051	\$ 455,761	\$ 586,812	\$ 44,036	1.08
Solar PV Program	278.91	537,642	\$ 194,230.00	30.0	\$	\$	\$ 362,483	\$ 464,758	\$ 827,241	\$ 477,632	2.37
Appliance Recycling Program	189.44	1,235,160	\$ 140,418.39	8.0	\$	\$	\$ 99,867	\$ 433,101	\$ 532,969	\$ 310,061	2.39
<b>Portfolio Total</b>	<b>12,304.84</b>	<b>22,282,527</b>	<b>\$ 3,843,587</b>		<b>\$</b>	<b>\$ 6,106,369</b>	<b>\$ 5,394,808</b>	<b>\$ 11,727,248</b>	<b>\$ 17,112,057</b>	<b>\$ 11,005,688</b>	<b>2.80</b>

Program level EULs  
= weighted average  
of installed measure  
EUL



EL PASO ELECTRIC COMPANY  
Comparison of Program Expenditures

Line No.	Utility	2015					Program Expenditures per kWh
		Program Expenditures	Demand Reduction (kW)*	Program Expenditures per kW	Energy Savings (kWh)*		
1	AEP-Texas Central Company	\$13,261,482	43,782	\$302.90	68,507,216		\$0.19
2	AEP-Texas North Company	\$2,727,263	4,542	\$600.45	12,289,271		\$0.22
3	Centerpoint Energy	\$37,447,889	168,563	\$222.16	188,622,346		\$0.20
4	El Paso Electric Company**	\$4,039,278	12,305	\$328.26	22,282,527		\$0.18
5	Entergy Texas	\$6,998,462	18,091	\$386.85	39,720,801		\$0.18
6	Oncor Electric Delivery Company	\$47,438,836	115,808	\$409.63	178,908,115		\$0.27
7	Sharyland	\$616,982	602	\$1,024.89	2,528,288		\$0.24
8	Southwestern Electric Power Company	\$3,220,359	9,882	\$325.88	15,330,045		\$0.21
9	SPS	\$3,190,112	8,172	\$390.37	14,581,538		\$0.22
10	Texas-New Mexico Power Company	\$4,012,014	8,675	\$462.48	17,519,823		\$0.23
11	Average:			\$445.39			\$0.21

\*Except for EPE, as reported in 2016 EEPs filed with PUCT on 4/1/16 excluding EM&V Expenses

\*\*EPE's demand and energy reductions adjusted as shown in revised EEP filing

EL PASO ELECTRIC COMPANY  
Comparison of Incentive Expenditures

Line No.	Utility	2015					Incentive Expenditures per kWh
		Incentive Expenditures	Demand Reduction (kW)*	Incentive Expenditures per kW	Energy Savings (kWh)*		
1	AEP-Texas Central Company	\$11,853,760	43,782	\$270.75	68,507,216		\$0.17
2	AEP-Texas North Company	\$2,392,590	4,542	\$526.77	12,289,271		\$0.19
3	Centerpoint Energy	\$31,804,081	168,563	\$188.68	188,622,346		\$0.17
4	El Paso Electric Company**	\$3,843,587	12,305	\$312.36	22,282,527		\$0.17
5	Entergy Texas	\$6,195,170	18,091	\$342.44	39,720,801		\$0.16
6	Oncor Electric Delivery Company	\$41,661,653	115,808	\$359.75	178,908,115		\$0.23
7	Sharyland	\$499,889	602	\$830.38	2,528,288		\$0.20
8	Southwestern Electric Power Company	\$2,727,360	9,882	\$275.99	15,330,045		\$0.18
9	SPS	\$2,766,762	8,172	\$338.57	14,581,538		\$0.19
10	Texas-New Mexico Power Company	\$3,360,590	8,675	\$387.39	17,519,823		\$0.19
11	Average:			\$383.31			\$0.19

\*Except for EPE, as reported in 2016 EEPRs filed with PUCT on 4/1/16 excluding EM&V Expenses

\*\*EPE's demand and energy reductions adjusted as shown in revised EEPR filing