TAKE A LOAD OFF, TEXAS
SAVING ENERGY MAKES CENTS

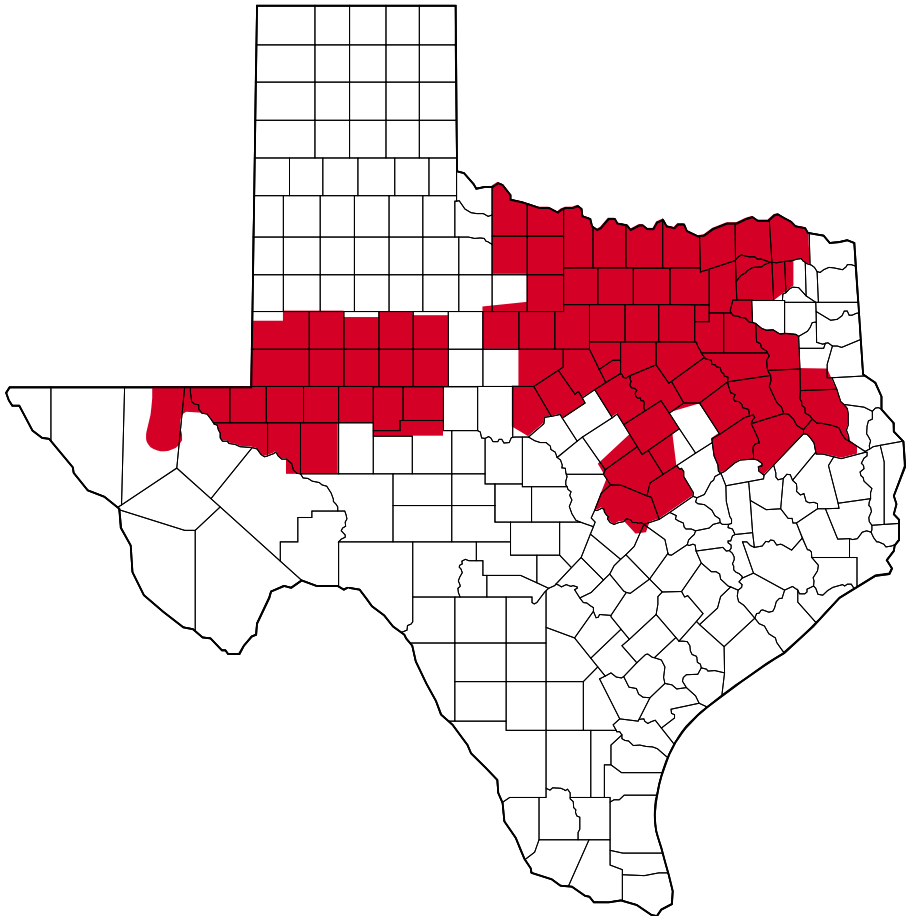
EPA National Sustainable Communities Conference
Energy Efficiency-Renewable Energy Track

"Incentives, The Texas Way"

Price Robertson
Energy Efficiency
March 10, 2009

Oncor Service Area

Oncor Electric Delivery Company LLC ("Oncor"), a Delaware limited liability company is an electric distribution and transmission business that provides power to more than 3 million homes and businesses and operates more than 115,000 miles of transmission and distribution lines in Texas.



Take a Load Off, Texas is provided by Oncor as part of the company's commitment to reduce energy consumption, energy demand, and carbon emissions.

Energy Efficiency Programs

Market Segment	Programs
Low Income	3
Residential	13
Commercial	14
Industrial	1

2002 – 2007

Total Incentives Paid $219 Million

Total mW Saved 538

Total mWh Saved 1,284,074

Energy Efficiency Programs

- Oncor's statutory energy efficiency programs are regulated by the Public Utility Commission of Texas
- Oncor committed an additional $100 million for energy efficiency programs over 5 years
  - Funds are not recoverable in rates
  - Implemented under same guidelines as statutory programs

Regulatory Projects

Energy Efficiency Report and Plan

2002	Project No. 25600
2003	Project No. 27541
2004	Project No. 29440
2005	Project No. 30739
2006	Project No. 32107
2007	Project No. 33884
2008	Project No. 35440

Energy Efficiency Implementation Project No. 27647

Independent Measurement and Verification Review Project No. 30170

Amendments to Substantive Rule §25.181 Project No. 33487

PUCT Interchange Address:

http://interchange.puc.state.tx.us/WebApp/Interchange/application/dbapps/login/pgLogin.asp

Energy Efficiency Programs

- HB 3693 Passed in Texas in 2007
  - Removed energy efficiency funding from base rates
  - Implemented Energy Efficiency Cost Recovery Factor
  - Energy Efficiency Cost Recovery Factor is filed May 1st based on a forecast for the following year
  - There is a true up hearing every three years
  - Provided for a performance bonus

Incentives

- Avoided costs as set by the Public Utility Commission of Texas are $80/kW and $0.055/kWh per year
  - Reviewed annually by the Public Utility Commission of Texas
- Before 2009 all kW and kWh savings were paid at the same rate but customer classes were capped
  - $566/kW and $0.193/kWh for 10 year measure life
- In 2009 incentives are paid based on three factors
  - Estimated Useful Life of the installed measure
  - Net Present Value Factor
  - Avoided Costs
- Not less than a one year payback
- Not more than 80% of installed costs

Incentives

Measure	EUL	$/kW	$/kWh	kW Impacts	kWh Impacts
* A/C Residential	15	$283	$0.097	.42	1,187
* Ceiling Insulation	25	$505	$0.177	.594	4,300
* Chiller	20	$293	$0.09	42	140,000
* Duct Efficiency	15	$239	$0.076	.972	5,151

Assumptions

* Retrofit 3 ton 14.5 SEER unit
* Residential 2,000 square foot home, electric heat, beginning R value R5-R8
* Retrofit 300 ton water cooled unit in hospital
* Residential 2,000 square foot home, electric heat, 3.5 ton unit

Questions?

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