

**TESTIMONY OF KAREN K. HOLBROOK  
DIRECTOR PROGRAM PERFORMANCE  
DUKE ENERGY BUSINESS SERVICES LLC  
ON BEHALF OF DUKE ENERGY INDIANA, INC.  
CAUSE NO. 43955 DSM-2 BEFORE THE  
INDIANA UTILITY REGULATORY COMMISSION**

**I. INTRODUCTION AND PURPOSE**

**Q1. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

A1. My name is Karen K. Holbrook. My business address is 400 South Tryon Street,  
Charlotte, North Carolina.

**Q2. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

A2. I am employed by Duke Energy Business Services LLC ("Duke Energy Business  
Services"), a service company affiliate of Duke Energy Indiana, Inc. ("Duke Energy  
Indiana" or "Company") and a subsidiary of Duke Energy Corporation ("Duke Energy"),  
as Director Program Performance. In this capacity I provide services to Duke Energy  
Indiana, Inc. and other regulated utility subsidiaries of Duke Energy Corp.

**Q3. PLEASE SUMMARIZE YOUR EDUCATION AND PROFESSIONAL  
QUALIFICATIONS.**

A3. I graduated from Marshall University in 1986 with a Bachelor of Science degree in  
Accounting and passed the Certified Public Accounting exam in 1988. I started my  
career in 1986 in general accounting for the Kanawha County Parks and Recreation  
Commission and was promoted to Controller after two years. I left in 1989 to join  
Columbia Gas Transmission, a subsidiary of Columbia Energy Group, Inc. I remained  
with Columbia Gas Transmission until 1999 working in a variety of financial areas  
including Financial Reporting, Management Discussion & Analysis (for SEC reporting),

**KAREN K. HOLBROOK**

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1 Operational and Capital Budgeting, Financial Planning, and Economic Analysis. I joined  
2 Duke Energy in 1999 and have worked in a variety of financial areas including Financial  
3 Planning, Financial Analysis, Corporate Finance, Risk Management, Financial Re-  
4 engineering and assumed my current role as Director, Program Performance in  
5 September 2010.

6 **Q4. PLEASE BRIEFLY DESCRIBE YOUR DUTIES AND RESPONSIBILITIES AS**  
7 **DIRECTOR PROGRAM PERFORMANCE.**

8 A4. I am responsible for tracking performance of Duke Energy's Energy Efficiency ("EE")  
9 products, programs, and portfolio including calculation of revenues and impacts, tracking  
10 of expenses, and reporting the status of the programs in relation to various mandates and  
11 requirements. I also am responsible for the development of the EE budget and five-year  
12 plan. These calculations are then used in a variety of filings across multiple jurisdictions.

13 **Q5. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?**

14 A5. I will discuss the processes for developing the actual costs of providing Core and Core  
15 Plus programs that were used in the 2013 reconciliation, the update of the Core and Core  
16 Plus programs that were previously used in the 2012 reconciliation, and the 2015  
17 program budget estimates.

18 **II. 2013 COSTS**

19 **Q6. WHAT ROLE DID YOUR GROUP PLAY IN RECONCILING COSTS FROM**  
20 **2013?**

21 A6. We are responsible for determining the actual costs for Core and Core Plus programs that  
22 were used in the 2013 reconciliation, including: impacts (kWh and kW); program costs;

1 evaluation, measurement and verification ("EM&V") costs; lost revenues; and applicable  
2 utility incentives. We compiled the 2013 results and provided them to Ms. Diana L.  
3 Douglas for her use in completing the reconciliation and calculating rates. Those  
4 components are shown on Petitioner's Exhibit C-1.

5 **A. 2013 CORE PROGRAMS**

6 **Q7. PLEASE EXPLAIN HOW THE 2013 CORE PROGRAM COSTS WERE**  
7 **DETERMINED.**

8 A7. GoodCents, the third-party administrator for the Core Programs ("TPA"), and TecMarket  
9 Works, the EM&V vendor, remitted invoices monthly for Core program costs including  
10 EM&V. In addition, the TPA sent weekly invoices for the costs of large incentive  
11 payments for the commercial and industrial ("C&I") prescriptive incentive program.  
12 These transactions were recorded in the Company's General Ledger as invoices were  
13 received and approved, using codes that identify the costs by program and type of cost.  
14 For purposes of determining the 2013 actual amounts for reconciliation, we took all  
15 relevant charges for 2013 from the TPA and the EM&V vendor from the General Ledger  
16 and categorized them by the appropriate residential and non-residential programs,  
17 between program costs and EM&V as shown on Petitioner's Exhibit C-1.

18 **Q8. PLEASE EXPLAIN HOW 2013 LOST REVENUES FOR THE CORE**  
19 **PROGRAMS WERE DETERMINED.**

20 A8. My group is responsible for calculating the lost revenues associated with the Core  
21 programs. To calculate lost revenues for residential Core programs, we began with  
22 DSMore files representing a single participant with the impacts for each participant (kWh

IURC CAUSE NO. 43955 DSM-2  
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FILED MAY 29, 2014

1 and kW) at the meter, net of free riders. For measures with completed EM&V, as  
2 outlined in Ms. Roshena Ham's testimony, the impacts reflect any changes, applied  
3 retrospectively per the final order in Cause No. 43955 DSM1 ("DSM1"). Actual  
4 participation was provided by the TPA and captured by rate schedule in our participation  
5 database back to the beginning of the program in January 2012 and confirmed by my  
6 group and program management.<sup>1</sup> We then multiplied the impacts per participant by the  
7 participation in each measure to calculate the annual and monthly kWh and kW. We then  
8 applied the appropriate lost revenue rate, provided by Ms. Douglas, or average rates when  
9 participation by rate schedule was not available, to the monthly kWh to derive the lost  
10 revenue amount for each program. These monthly calculations will be extended out for  
11 the measure life pursuant to the final order in DSM1.

12 For non-residential programs the TPA sent on a monthly basis customer level  
13 impacts (kWh and kW) from the previous month at the meter, gross free riders. For  
14 measures that had completed EM&V, as outlined in Ms. Roshena Ham's testimony, the  
15 impacts reflect any changes applied retrospectively. The customer level information was  
16 used to determine the appropriate rate schedule. We then reduced the impacts by the free  
17 ridership percentages provided by the TPA to determine the impacts net of free riders at  
18 the meter. The free ridership percentages used for 2012 and 2013 were 30% for School  
19 Assessment and 20% for C&I Rebate. We applied the appropriate lost revenue rate,  
20 provided by Ms. Douglas, or average rates when participation by rate schedule was not  
21 available, to the monthly kWh and kW to derive the lost revenue amount for each

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<sup>1</sup> For some measures, participation by rate schedule was not available. In these cases, applicable average rates were used for pricing the lost revenues.

1 program. These monthly calculations will be extended out for the measure life.

2 **Q9. WERE THERE ANY NOTABLE CHANGES IN THE WAY THE TPA**  
3 **PROVIDED INFORMATION TO DUKE ENERGY INDIANA IN THIS FILING?**

4 A9. Yes, specifically as to the data used to calculate lost revenues. As explained above, we  
5 are now receiving more detailed information from the TPA which allows us to capture  
6 participation and impacts by specific rate schedule for a more accurate depiction of the  
7 lost revenues associated with the participation in each program. We have also updated  
8 the calculations to comply with the settlement to reflect the retrospective application of  
9 EM&V and to calculate lost revenues for the life of the measure, pursuant to the final  
10 order in DSM1.

11 **B. CORE PLUS PROGRAMS**

12 **Q10. PLEASE EXPLAIN HOW THE 2013 CORE PLUS PROGRAM COSTS WERE**  
13 **DETERMINED.**

14 A10. Like Core programs, all relevant costs (expenses) for the Core Plus programs are  
15 recorded in our General Ledger, including program costs, EM&V, and administrative  
16 overhead costs by program and type of costs. Program managers review costs charged to  
17 their programs on a monthly basis. For purposes of the 2013 reconciliation, we took all  
18 relevant charges recorded to the Core Plus programs in 2013 from the General Ledger  
19 and categorized them as shown on Petitioner's Exhibit C-2. We also categorized them as  
20 to whether or not they are eligible for simple cost recovery or cost recovery plus earned  
21 shareholder incentive, based on the program to which they relate.

22 **Q11. WHAT 2013 CORE PLUS PROGRAMS AND COSTS ARE ELIGIBLE FOR THE**

**SHAREHOLDER INCENTIVE?**

A11. All Core Plus programs are eligible for Shareholder Incentive with the exception of the HECR pilot and the Residential DR Program.

**Q12. PLEASE EXPLAIN HOW 2013 LOST REVENUES FOR THE CORE PLUS PROGRAMS WERE DETERMINED.**

A12. To calculate lost revenues, we began with DSMore files representing a single participant with the impacts for each participant (kWh and kW) at the meter, net of free riders. For measures that underwent EM&V, the impacts reflect any changes applied retrospectively. Actual participation was captured by rate schedule in our participation database and confirmed by Program Managers. We multiplied the impacts per participant by the participation in each measure to calculate annual and monthly kWh and kW. We then applied the appropriate lost revenue rate, provided by Ms. Douglas, or average rates when participation by rate schedule was not available, to the monthly kWh and kW to derive the lost revenue amount for each program. These monthly calculations will be extended out for the measure life.

**Q13. PLEASE EXPLAIN THE TERM "SINGLE PARTICIPANT" AND EXPLAIN WHY IT IS USED.**

A13. As discussed in more detail in Ms. Ham's testimony, DSMore is used for both estimating program cost effectiveness as well as calculating actual impacts. In order to calculate cost effectiveness, the total amount of forecasted participation and costs are used with the avoided costs and other relevant calculations for the entire population of forecasted participants. However, for purposes of calculating actual impacts, we receive a DSMore

1 file that calculates the impacts achieved for a single (or each) participant. Impacts from  
2 this "single participant" file are then multiplied by actual participation to calculate  
3 monthly impacts used to calculate lost revenue and achievement level for purposes of  
4 determining shareholder incentive amounts. Impacts reflect EM&V applied as agreed to  
5 in the settlement.

6 **Q14. HOW WAS THE AMOUNT OF 2013 SHAREHOLDER INCENTIVE**  
7 **CALCULATED?**

8 A14. Based on the percentage of attainment referenced in Mr. Michael Goldenberg's  
9 testimony, we achieved at a level sufficient to earn a return of 10% of program costs for  
10 programs eligible for incentives.

11 **III. UPDATE OF 2012 COSTS**

12 **Q15. WHAT ROLE DID YOUR GROUP PLAY IN RECONCILING COSTS FROM**  
13 **2013?**

14 A15. We are responsible for determining the actual costs for Core and Core Plus programs that  
15 were used in the original 2012 reconciliation, including: impacts (kWh and kW); program  
16 costs; evaluation, measurement and verification ("EM&V") costs; lost revenues; and  
17 applicable utility incentives. We have modified the amount claimed for the portfolio  
18 costs due to application of EM&V, correction of participation from the TPA, and the  
19 receipt of the more granular Core data from the TPA used for lost revenue calculations as  
20 described above. We compiled the 2012 results and compared them to the amounts  
21 originally filed. We provided a schedule – Petitioner's Exhibit C-2 – outlining the  
22 original and revised kWh and Lost Revenue amounts and the calculated difference, and

1 provided them to Ms. Diana L. Douglas for her use in updating the reconciliation and  
2 calculating rates.

3 **IV. 2015 PORTFOLIO FORECASTED COSTS**

4 **Q16. WHAT ROLE DID YOUR GROUP PLAY IN DEVELOPING THE 2015**  
5 **FORECASTED COSTS?**

6 A16. We are responsible for compiling the forecast for 2015 portfolio, including: impacts  
7 (kWh and kW); program costs; evaluation, measurement and verification ("EM&V")  
8 costs; lost revenue; and applicable utility incentives. We provided the 2015 forecast to  
9 Ms. Douglas for her use in calculating rates.

10 **Q17. HOW WERE THE 2015 PROGRAM BUDGETS DEVELOPED?**

11 A17. A direct program spend target of approximately \$18 million was established based on  
12 approximately 1% of retail sales after assumed opt-outs. Given concern regarding  
13 escalating expenditures for EE programs and the failure to meet the IURC overall targets  
14 for 2013, the company felt it prudent to use the 1% guideline as a starting point to plan  
15 for 2015. Program managers were then asked to compile forecasts to maximize impacts  
16 based on that level of spend, and provided cost estimates and participation by measure.  
17 We believe this has resulted in an amount of EE savings that is achievable with a  
18 reasonable level of spending.

19 **Q18. ONCE YOU RECEIVED THE PROGRAM BUDGETS FROM THE PROGRAM**  
20 **MANAGERS, WHAT DID YOUR GROUP DO WITH THAT INFORMATION?**

21 A18. When we received the forecasted participation and costs, we applied the costs and  
22 impacts per participant from DSMore files for each measure to forecasted participation,



1 giving us total program costs and impacts. We then added an overhead amount based on  
2 the historical relationship of overhead costs to program costs. We also added forecasted  
3 EM&V costs provided by the Analytics group within Duke Energy. We then categorized  
4 costs between those eligible for cost recovery only and those eligible for cost recovery  
5 plus an incentive.

6 **Q19. HOW DID YOUR ORGANIZATION CALCULATE THE SHARED SAVINGS**  
7 **INCENTIVES FOR 2015?**

8 A19. For each measure eligible for a shared savings incentive, we used the single participant  
9 DSMore file that calculated the nominal avoided costs of energy, capacity and  
10 transmission and distribution for each year of measure's life for a single participant with  
11 EM&V applied per the terms of the settlement. We pulled those streams of avoided costs  
12 and discounted them back to 2015 to generate the NPV of Avoided Costs for a single  
13 participant for the year 2015. We then multiplied that number by the forecasted 2015  
14 participation for each measure to come up with the total NPV of avoid costs. We  
15 grouped the measures into the programs outlined on Exhibit C-3. For each program we  
16 then subtracted the 2015 program costs, including overheads and 2015 EM&V costs from  
17 the NPV of Avoided Costs to calculate the shared savings pool. We multiplied that pool  
18 by 15% to calculate the shared savings incentive. This shareholder incentive was added  
19 to the program costs and EM&V for all programs to calculate the input to the revenue  
20 requirement provided to Ms. Douglas to calculate the rate applicable to the 2015 results.

21 **Q20. WHAT 2015 PROGRAMS AND COSTS ARE ELIGIBLE FOR THE SHARED**  
22 **SAVINGS INCENTIVE?**

1 A20. All programs are eligible for the shared savings incentive with the exception of Low  
2 Income and the EMIS pilot. The company believes this is appropriate to incentivize the  
3 company to pursue all cost effective programs, including both energy efficiency and  
4 demand response. The company feels demand response should be put on an equal  
5 playing field with energy efficiency measures as an important component of the portfolio  
6 to maximize avoided costs.

7 **Q21. HOW WERE 2015 LOST REVENUES CALCULATED?**

8 A21. Using the impacts calculated as described above, using forecasted participation and  
9 impacts per participant, we calculated the kWh eligible for lost revenue from 2015  
10 participation at the meter, net of free riders. Because we do not know in what rate  
11 schedules forecasted participation will occur, we applied the weighted average lost  
12 revenue rates for residential and non-residential programs based on the 2013 participation  
13 in the Core and Core Plus programs. We used a half year convention to reflect how  
14 impacts would be achieved throughout the year and added the lost revenue associated  
15 with participation since 2012, as well as the forecasted participation for the remainder of  
16 2014, calculated for the life of measure. For forecasted Core revenue for the remainder of  
17 2014, we used participation forecasts received from the TPA in the fall, then reduced the  
18 kwh and kw for the non-residential participation by 50% to account for potential impacts  
19 of opt-outs. For forecasted Core Plus revenue for the remainder of 2014, we used  
20 internal participation forecasts updated for anticipated impacts of opt-outs. We used the  
21 same weighted average rates in 2014 that we used for the 2015 forecasted participation  
22 discussed above.

1   **Q22. ARE THE COST ESTIMATES DISCUSSED IN THIS SECTION, WHICH WERE**  
2           **GIVEN TO MS. DOUGLAS FOR HER CALCULATIONS, REASONABLE IN**  
3           **YOUR OPINION?**

4   A22. Yes, they are.

5                                   **V. CONCLUSION**

6   **Q23. WERE PETITIONER'S EXHIBITS C-1, C-2 and C-3 PREPARED BY YOU OR**  
7           **AT YOUR DIRECTION?**

8   A23. Yes, they were.

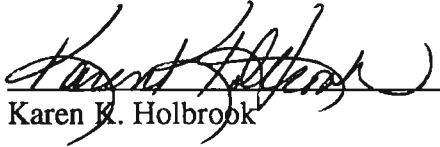
9   **Q24. DOES THIS CONCLUDE YOUR PREPARED TESTIMONY AT THIS TIME?**

10   A24. Yes it does.



## VERIFICATION

I hereby verify under the penalties of perjury that the foregoing representations are true to the best of my knowledge, information and belief.

Signed:   
Karen K. Holbrook

Dated: 5-29-14



Duke Energy Indiana  
2013 Actuals  
Program Summary

## PETITIONER'S EXHIBIT C-1

Program		Impacts		Cost Recovery							
		A	B	C	D	E	F	G	H		
		Annual KWH Gross FR, @ Meter Total	Annual KWH Gross FR, @ Plant Total	Program Costs	M&V Costs	Total Costs	Utility Incentive	Prior Period Lost Revenue	Lost Revenue	Revenue Requirement Input	
Unit Type		KWH data	KWH data	\$ data	\$ data	\$ C+D	\$ E x 10%	\$ data	\$ data	\$ E+F+G	
Core Portfolio											
Res											
Energy Efficiency											
Home Energy Audit		1/	20,195,582	21,690,055	\$ 6,464,964	\$ 15,000	\$ 6,479,964	\$ -	\$ 245,291	\$ 425,397	\$ 7,150,652
Income Qualified		1/	3,913,469	4,203,066	\$ 2,383,542	\$ -	\$ 2,383,542	\$ -	\$ 141,479	\$ 128,472	\$ 2,653,493
Residential Lighting		1/	55,846,917	59,979,589	\$ 3,100,763	\$ 1,470	\$ 3,102,233	\$ -	\$ 1,116,893	\$ 825,501	\$ 5,044,627
School Education		1/	20,111,673	21,599,937	\$ 4,022,457	\$ -	\$ 4,022,457	\$ -	\$ 892,751	\$ 589,791	\$ 5,504,999
Total			100,067,641	107,472,647	\$ 15,971,726	\$ 16,470	\$ 15,988,196	\$ -	\$ 2,396,414	\$ 1,969,161	\$ 20,353,771
NonRes											
Energy Efficiency											
School Audit Direct Install			1,461,149	1,569,274	\$ 412,371	\$ -	\$ 412,371	\$ -	\$ -	\$ 18,626	\$ 430,997
C&I Rebate			66,016,970	70,902,226	\$ 8,904,427	\$ -	\$ 8,904,427	\$ -	\$ 2,009,874	\$ 359,946	\$ 11,274,247
Total			67,478,119	72,471,500	\$ 9,316,798	\$ -	\$ 9,316,798	\$ -	\$ 2,009,874	\$ 378,572	\$ 11,705,244
Total			167,545,760	179,944,147	\$ 25,288,524	\$ 16,470	\$ 25,304,994	\$ -	\$ 4,406,288	\$ 2,347,733	\$ 32,059,015
Core Plus											
Res											
Energy Efficiency											
Agency Assistance Portal & CFL's			6,601,454	7,089,962	\$ 479,480	\$ 48,449	\$ 527,929	\$ 52,793	\$ 153,732	\$ 163,706	\$ 898,160
Refrigerator/Freezer Recycle			4,547,866	4,884,408	\$ 458,152	\$ 184,637	\$ 642,789	\$ 64,279	\$ 93,219	\$ 56,478	\$ 856,765
Residential Smart Saver			5,301,018	5,693,293	\$ 1,371,843	\$ 147,898	\$ 1,519,741	\$ 151,974	\$ 115,776	\$ 77,903	\$ 1,865,394
Property Manager CFL			2,998,889	3,220,807	\$ 211,981	\$ 125,483	\$ 337,464	\$ 33,746	\$ 71,828	\$ 51,942	\$ 494,980
Personalized Energy Report			15,817,431	16,987,921	\$ 1,561,871	\$ 63,003	\$ 1,624,874	\$ 162,487	\$ 1,209,529	\$ 431,228	\$ 3,428,118
Tune & Seal			16,494	17,715	\$ 260,448	\$ -	\$ 260,448	\$ 26,045	\$ 83	\$ 199	\$ 286,775
Total			35,283,152	37,894,106	\$ 4,343,775	\$ 569,470	\$ 4,913,245	\$ 491,324	\$ 1,644,167	\$ 781,456	\$ 7,830,192
Pilot											
My Home Energy Report		2/	3,247,442	3,487,753	\$ 214,462	\$ 174,123	\$ 388,585	\$ -	\$ -	\$ 143,335	\$ 531,920
Total			3,247,442	3,487,753	\$ 214,462	\$ 174,123	\$ 388,585	\$ -	\$ -	\$ 143,335	\$ 531,920
Demand Response											
PowerManager			0	0	\$ 2,049,741	\$ 63,966	\$ 2,113,707	\$ -	\$ -	\$ -	\$ 2,113,707
Total			0	0	\$ 2,049,741	\$ 63,966	\$ 2,113,707	\$ -	\$ -	\$ -	\$ 2,113,707
NonRes											
Energy Efficiency											
Non- Residential Energy Assessments			0	0	\$ 32,954	\$ 326	\$ 33,280	\$ 3,328	\$ -	\$ -	\$ 36,608
Smart Saver for Non-Residential			43,189,302	46,385,310	\$ 4,658,321	\$ 207,476	\$ 4,865,797	\$ 486,580	\$ 300,960	\$ 396,820	\$ 6,050,157
Total			43,189,302	46,385,310	\$ 4,691,275	\$ 207,802	\$ 4,899,077	\$ 489,908	\$ 300,960	\$ 396,820	\$ 6,086,765
Total			81,719,896	87,767,169	\$ 11,299,253	\$ 1,015,361	\$ 12,314,614	\$ 981,232	\$ 1,945,127	\$ 1,321,611	\$ 16,562,584
Total			249,265,656	267,711,316	\$ 36,587,777	\$ 1,031,831	\$ 37,619,608	\$ 981,232	\$ 6,351,415	\$ 3,669,344	\$ 48,621,599

**Notes:**

1/ Duke applied EM&V for impact achievements, therefore there are discrepancies between GoodCents and Duke impacts reported.

Impacts per GC Portal on 2/7/2014

20,192,440

3,912,000

56,416,616

20,114,852

100,635,908

2/ My Home Energy Report impacts reflect total annual savings as of December 2013

Month Current Capability Annual KWH Gross FR, @ Plant

Dec - 2013

3,487,753





Program	Unit Type	A	B	C	D		E		F
		As Filed Annual KWH Gross FR, @ Meter Total	Updated Annual KWH Gross FR, @ Meter Total	Difference	As Filed Lost Revenue		Updated Lost Revenue		Difference
		KWH	KHW	KWH B-A	\$		\$		\$ E-D
Core Portfolio									
Res									
Energy Efficiency									
Home Energy Audit	2,6/	6,165,236	6,164,200	(1,036)	\$	68,173	\$	80,752	\$ 12,579
Income Qualified	3,6/	3,125,688	3,124,490	(1,198)	\$	29,572	\$	29,967	\$ 395
Residential Lighting	4,6/	43,553,056	43,888,088	335,032	\$	594,660	\$	526,949	\$ (67,711)
School Education	6/	16,450,650	16,450,650	-	\$	520,305	\$	632,403	\$ 112,098
Total		69,294,630	69,627,428	332,798	\$	1,212,710	\$	1,270,071	\$ 57,361
NonRes									
Energy Efficiency									
C&I Rebate	5/	92,849,899	92,849,211	(688)	\$	776,759	\$	548,974	\$ (227,785)
Total		92,849,899	92,849,211	(688)	\$	776,759	\$	548,974	\$ (227,785)
Total		162,144,529	162,476,639	332,110	\$	1,989,469	\$	1,819,045	\$ (170,424)
Core Plus									
Res									
Energy Efficiency									
Agency Assistance Portal & CFL's		3,397,500	3,397,500	-	\$	25,452	\$	25,452	\$ -
Refrigerator/Freezer Recycle		3,472,638	3,472,638	-	\$	31,484	\$	31,484	\$ -
Residential Smart Saver		4,174,559	4,174,559	-	\$	50,061	\$	50,061	\$ -
Property Manager CFL		1,891,849	1,891,849	-	\$	19,697	\$	19,697	\$ -
Personalized Energy Report	6/	24,758,469	24,758,469	-	\$	331,284	\$	420,410	\$ 89,126
Tune & Seal		2,471	2,471	-	\$	12	\$	12	\$ -
Total		37,697,486	37,697,486	-	\$	457,990	\$	547,116	\$ 89,126
Pilot									
My Home Energy Report	6/	2,030,037	2,030,036	(1)	\$	90,822	\$	73,007	\$ (17,815)
Total		2,030,037	2,030,036	(1)	\$	90,822	\$	73,007	\$ (17,815)
Demand Response									
PowerManager		-	-	-	\$	-	\$	-	\$ -
Total		-	-	-	\$	-	\$	-	\$ -
NonRes									
Energy Efficiency									
Non- Residential Energy Assessments		-	-	-	\$	-	\$	-	\$ -
Smart Saver for Non-Residential		13,590,687	13,590,687	-	\$	81,887	\$	81,887	\$ -
Total		13,590,687	13,590,687	-	\$	81,887	\$	81,887	\$ -
Total		53,318,210	53,318,209	(1)	\$	630,699	\$	702,010	\$ 71,311
Total		215,462,739	215,794,848	332,109	\$	2,620,168	\$	2,521,055	\$ (99,113)

**Notes:**

- 1/ In addition to applying EMV, Duke Energy Indiana was also able to obtain customer measure level information.
- 2/ One audit participant was removed in a reconciliation performed by GoodCents
- 3/ Duke utilizes a per participant value of 1303.5 KWH based on the BRD, whereas GoodCents uses a deemed value of 1304 KWH
- 4/ Duke utilizes different impacts for the various bulb values based on the BRD, whereas GoodCents uses a deemed value of 43.8 KWH. GoodCents now reports 43,969,199 KWH
- 5/ Per inquiry with Roger Flick on 12/9/2013, a Duke Energy property was removed as it cannot count towards our portfolio
- 6/ EM&V received in 2013 and retrospectively applied to 2012 participation



Duke Energy Indiana  
2015-17 Filing  
Program Summary

		KWH Gross FR @ Plant				KW Gross FR @ Plant				Avoided Costs NPV							
		<u>1</u>	<u>2</u>	<u>3</u>	<u>Total</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>Total</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>Total</u>				
<b>Shared Savings</b>																	
<b>Residential</b>																	
<b>Energy Efficiency</b>																	
		2,153,364	1,056,518	1,048,558	4,258,440	212	104	103	419								
		3,998,417	5,997,626	5,997,626	15,993,669	910	1,365	1,365	3,640								
		1,536,135	1,536,135	1,536,135	4,608,406	174	174	174	521								
		261,656	323,487	373,609	958,751	24	29	32	85								
1/		30,931,199	30,931,199	30,931,199	92,793,597	6,038	6,038	6,038	18,115								
		654,924	654,924	727,693	2,037,540	71	71	79	222								
		40,017,127	40,114,304	40,731,145	120,862,577	4,460	3,977	3,994	12,431								
		<b>79,552,822</b>	<b>80,614,193</b>	<b>81,345,965</b>	<b>241,512,980</b>	<b>11,890</b>	<b>11,759</b>	<b>11,785</b>	<b>35,434</b>								
<b>Demand Response</b>																	
1/		0	0	0	0	58,349	59,209	62,850	180,409								
<b>Non-Residential</b>																	
<b>Energy Efficiency</b>																	
		16,573,862	17,402,555	18,272,683	52,249,099	1,892	1,987	2,086	5,965								
		42,438,457	45,638,068	49,008,856	137,085,381	7,930	8,513	9,137	25,580								
		<b>59,012,319</b>	<b>63,040,622</b>	<b>67,281,539</b>	<b>189,334,479</b>	<b>9,822</b>	<b>10,500</b>	<b>11,223</b>	<b>31,544</b>								
<b>Cost Recovery Only</b>																	
<b>Residential</b>																	
		Low Income Neighborhood	2/	1,429,189	1,429,189	1,429,189	4,287,568	325	325	325	976	N/A	N/A	N/A	N/A		
<b>Non-Residential</b>																	
		EMIS - Pilot	2/	0	0	0	0	0	0	0	0	N/A	N/A	N/A	N/A		
		<b>Energy Efficiency Total</b>		<b>1,429,189</b>	<b>1,429,189</b>	<b>1,429,189</b>	<b>4,287,568</b>	<b>325</b>	<b>325</b>	<b>325</b>	<b>976</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		
<b>Legacy Programs</b>																	
<b>Residential</b>																	
		Home Energy Audit															
		Income Qualified															
		Online Audit w/ EE Kit															
		Property Manager CFL															
		Personalized Energy Report															
		School Kit															
		Residential Lighting															
<b>Non-Residential</b>																	
		Core C&I Rebate															
		School Audit															
		<b>Energy Efficiency Total</b>															
<b>TOTAL</b>																	
		<b>139,994,330</b>	<b>145,084,004</b>	<b>150,056,693</b>	<b>435,135,027</b>	<b>80,386</b>	<b>81,793</b>	<b>86,183</b>	<b>248,362</b>								

**Notes:**

- 1/ These programs' impacts reflect total annual savings.  
2/ Cost recovery only for low income and pilot programs

Duke Energy Indiana  
2015-17 Filing  
Program Summary

Program Costs & Overhead					M&V Costs				
	<u>1</u>	<u>2</u>	<u>3</u>	Total		<u>1</u>	<u>2</u>	<u>3</u>	Total
<b>Shared Savings</b>									
<b>Residential</b>									
<b>Energy Efficiency</b>									
Agency Assistance Portal									
Appliance Recycling Program									
Energy Education Program for Schools									
Multi-Family EE Products & Services									
My Home Energy Report	1/								
Residential Energy Assessments									
Smart Saver® Residential									
<b>Energy Efficiency Total</b>									
<b>Demand Response</b>									
Power Manager	1/								
<b>Non-Residential</b>									
<b>Energy Efficiency</b>									
Smart Saver for Non-Residential - Custom									
Smart Saver for Non-Residential - Prescriptive									
<b>Energy Efficiency Total</b>									
<b>Cost Recovery Only</b>									
<b>Residential</b>									
Low Income Neighborhood	2/								
<b>Non-Residential</b>									
EMIS - Pilot	2/								
<b>Energy Efficiency Total</b>									
<b>Legacy Programs</b>									
<b>Residential</b>									
Home Energy Audit									
Income Qualified									
Online Audit w/ EE Kit									
Property Manager CFL									
Personalized Energy Report									
School Kit									
Residential Lighting									
<b>Non-Residential</b>									
Core C&I Rebate									
School Audit									
<b>Energy Efficiency Total</b>									
<b>TOTAL</b>									

**Notes:**

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2/ Cost recovery only for low income and pilot programs

Duke Energy Indiana  
2015-17 Filing  
Program Summary

Shared Savings Pool NPV AC - Costs					Shared Savings 15.00%					Total Cost / Cost Recovery				
	<u>1</u>	<u>2</u>	<u>3</u>	Total		<u>1</u>	<u>2</u>	<u>3</u>	Total		<u>1</u>	<u>2</u>	<u>3</u>	Total
<b>Shared Savings</b>														
<b>Residential</b>														
Energy Efficiency														
Agency Assistance Portal														
Appliance Recycling Program														
Energy Education Program for Schools														
Multi-Family EE Products & Services														
My Home Energy Report														
Residential Energy Assessments	1/													
Smart Saver® Residential														
<b>Energy Efficiency Total</b>														
<b>Demand Response</b>														
Power Manager	1/													
<b>Non-Residential</b>														
Energy Efficiency														
Smart Saver for Non-Residential - Custom														
Smart Saver for Non-Residential - Prescriptive														
<b>Energy Efficiency Total</b>														
<b>Cost Recovery Only</b>														
<b>Residential</b>														
Low Income Neighborhood	2/	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A				
<b>Non-Residential</b>														
EMIS - Pilot	2/	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A				
<b>Energy Efficiency Total</b>		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
<b>Legacy Programs</b>														
<b>Residential</b>														
Home Energy Audit														
Income Qualified														
Online Audit w/ EE Kit														
Property Manager CFL														
Personalized Energy Report														
School Kit														
Residential Lighting														
<b>Non-Residential</b>														
Core C&I Rebate														
School Audit														
<b>Energy Efficiency Total</b>														
<b>TOTAL</b>														

**Notes:**

- 1/ These programs' impacts reflect total annual savings.  
2/ Cost recovery only for low income and pilot programs

Duke Energy Indiana  
2015-17 Filing  
Program Summary

Lost Revenue \$ Including prior period participation					Revenue Requirement Input Shared Savings Incentive + Total Cost Recovery + Lost Revenues												
	1	2	3	Total		1	2	3	Total								
<b>Shared Savings</b>																	
<b>Residential</b>																	
<b>Energy Efficiency</b>																	
Agency Assistance Portal	\$	712,206	\$	779,211	\$	797,702	\$	2,289,119	\$	977,271	\$	930,046	\$	956,257	\$	2,863,574	
Appliance Recycling Program	\$	589,651	\$	714,849	\$	865,086	\$	2,169,586	\$	1,259,585	\$	1,656,210	\$	1,822,868	\$	4,738,663	
Energy Education Program for Schools	\$	32,066	\$	96,198	\$	160,330	\$	288,594	\$	676,431	\$	756,264	\$	835,333	\$	2,268,028	
Multi-Family EE Products & Services	\$	5,257	\$	17,002	\$	30,963	\$	53,222	\$	69,096	\$	95,872	\$	119,649	\$	284,617	
My Home Energy Report	1/	\$	1,291,348	\$	1,291,348	\$	1,291,348	\$	3,874,044	\$	2,951,408	\$	2,965,206	\$	2,984,962	\$	8,901,576
Residential Energy Assessments	\$	13,671	\$	41,013	\$	69,874	\$	124,558	\$	475,803	\$	507,795	\$	590,179	\$	1,573,777	
Smart Saver® Residential	\$	1,140,839	\$	2,519,147	\$	3,911,189	\$	7,571,175	\$	7,365,902	\$	9,140,418	\$	10,928,072	\$	27,434,392	
<b>Energy Efficiency Total</b>	\$	<b>3,785,038</b>	\$	<b>5,458,768</b>	\$	<b>7,126,492</b>	\$	<b>16,370,298</b>	\$	<b>13,775,496</b>	\$	<b>16,051,811</b>	\$	<b>18,237,320</b>	\$	<b>48,064,627</b>	
<b>Demand Response</b>																	
Power Manager	1/	\$	-	\$	-	\$	-	\$	-	\$	2,798,048	\$	2,723,729	\$	2,807,121	\$	8,328,898
<b>Non-Residential</b>																	
<b>Energy Efficiency</b>																	
Smart Saver for Non-Residential - Custom	\$	1,392,572	\$	1,654,134	\$	1,932,196	\$	4,978,902	\$	5,135,389	\$	5,736,760	\$	6,380,837	\$	17,252,986	
Smart Saver for Non-Residential - Prescriptive	\$	872,434	\$	1,363,547	\$	1,914,330	\$	4,150,312	\$	8,093,333	\$	9,344,953	\$	10,717,840	\$	28,156,127	
<b>Energy Efficiency Total</b>	\$	<b>2,265,006</b>	\$	<b>3,017,682</b>	\$	<b>3,846,526</b>	\$	<b>9,129,213</b>	\$	<b>13,228,722</b>	\$	<b>15,081,714</b>	\$	<b>17,098,677</b>	\$	<b>45,409,112</b>	
<b>Cost Recovery Only</b>																	
<b>Residential</b>																	
Low Income Neighborhood	2/	\$	29,834	\$	89,501	\$	149,168	\$	268,503	\$	877,248	\$	951,436	\$	1,024,449	\$	2,853,133
<b>Non-Residential</b>																	
EMIS - Pilot	2/	\$	59,275	\$	59,275	\$	59,275	\$	177,825	\$	141,956	\$	59,275	\$	59,275	\$	260,506
<b>Energy Efficiency Total</b>	\$	<b>89,109</b>	\$	<b>148,776</b>	\$	<b>208,443</b>	\$	<b>446,328</b>	\$	<b>1,019,204</b>	\$	<b>1,010,711</b>	\$	<b>1,083,724</b>	\$	<b>3,113,639</b>	
<b>Legacy Programs</b>																	
<b>Residential</b>																	
Home Energy Audit	\$	1,595,356	\$	1,595,356	\$	1,497,920	\$	4,688,632	\$	1,595,356	\$	1,595,356	\$	1,497,920	\$	4,688,632	
Income Qualified	\$	488,980	\$	488,980	\$	488,898	\$	1,466,858	\$	488,980	\$	488,980	\$	488,898	\$	1,466,858	
Online Audit w/ EE Kit	\$	252,131	\$	252,131	\$	147,389	\$	651,651	\$	252,131	\$	252,131	\$	147,389	\$	651,651	
Property Manager CFL	\$	211,700	\$	211,700	\$	192,003	\$	615,403	\$	211,700	\$	211,700	\$	192,003	\$	615,403	
Personalized Energy Report	\$	1,792,712	\$	1,792,712	\$	1,792,712	\$	5,378,136	\$	1,792,712	\$	1,792,712	\$	1,792,712	\$	5,378,136	
School Kit	\$	3,123,838	\$	3,123,838	\$	2,491,435	\$	8,739,111	\$	3,123,838	\$	3,123,838	\$	2,491,435	\$	8,739,111	
Residential Lighting	\$	3,749,681	\$	3,749,681	\$	3,226,523	\$	10,725,885	\$	3,749,681	\$	3,749,681	\$	3,226,523	\$	10,725,885	
<b>Non-Residential</b>																	
Core C&I Rebate	\$	4,899,230	\$	4,894,324	\$	4,383,700	\$	14,177,254	\$	4,899,230	\$	4,894,324	\$	4,383,700	\$	14,177,254	
School Audit	\$	42,949	\$	42,949	\$	41,676	\$	127,574	\$	42,949	\$	42,949	\$	41,676	\$	127,574	
<b>Energy Efficiency Total</b>	\$	<b>16,156,577</b>	\$	<b>16,151,671</b>	\$	<b>14,262,256</b>	\$	<b>46,570,504</b>	\$	<b>16,156,577</b>	\$	<b>16,151,671</b>	\$	<b>14,262,256</b>	\$	<b>46,570,504</b>	
<b>TOTAL</b>	\$	<b>22,295,730</b>	\$	<b>24,776,897</b>	\$	<b>25,443,717</b>	\$	<b>72,516,343</b>	\$	<b>46,978,047</b>	\$	<b>51,019,636</b>	\$	<b>53,489,098</b>	\$	<b>151,486,780</b>	

**Notes:**

- 1/ These programs' impacts reflect total annual savings.  
2/ Cost recovery only for low income and pilot programs