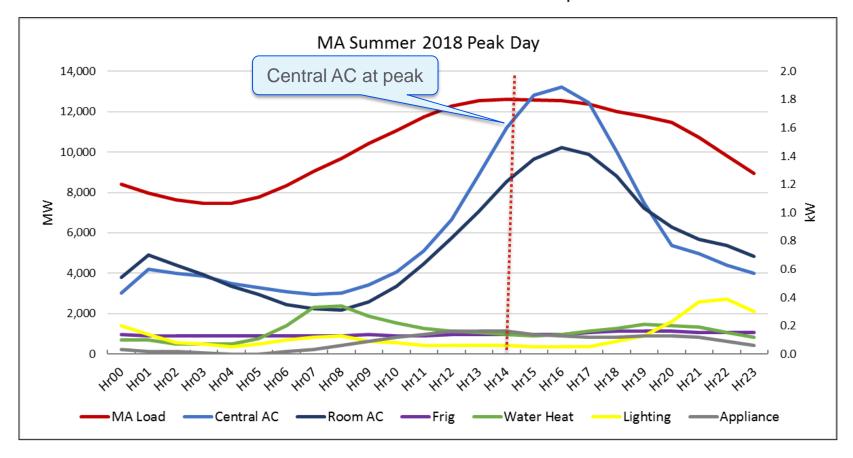


TRANSLATING ENERGY TO PEAK SAVINGS

- » Current Approach
 - Derive demand impacts by applying static summer peak-toenergy ratios to EE energy savings
 - All end-uses have the same impact on peak demand
 - Winter impact on peak demand is just a proration of summer impact
- » New Approach
 - Apply seasonal weighted end-use demand factors to EE energy savings
 - Impact changes over time as end-use mix changes
 - Winter and summer impacts reflect seasonal end-use characteristics

RESIDENTIAL END-USE LOADS - SUMMER

Based on Itron Residential Load Research End-Use Shapes



RESIDENTIAL COOLING IMPACT FACTORS

| Central AC | Hr 14 | Hr 15 | Hr 16 | Hr 17 | Hr 18 | Annual kWh |
|-------------|-------|-------|-------|-------|-------|------------|
| Load | 1.60 | 1.83 | 1.89 | 1.78 | 1.43 | 882 |
| Peak Factor | 1.81 | 2.07 | 2.14 | 2.02 | 1.62 | |
| | | | | | | |
| Room AC | Hr 14 | Hr 15 | Hr 16 | Hr 17 | Hr 18 | Annual kWh |
| Load | 1.22 | 1.38 | 1.46 | 1.41 | 1.26 | 696 |
| Peak Factor | 1.75 | 1.98 | 2.10 | 2.03 | 1.81 | |

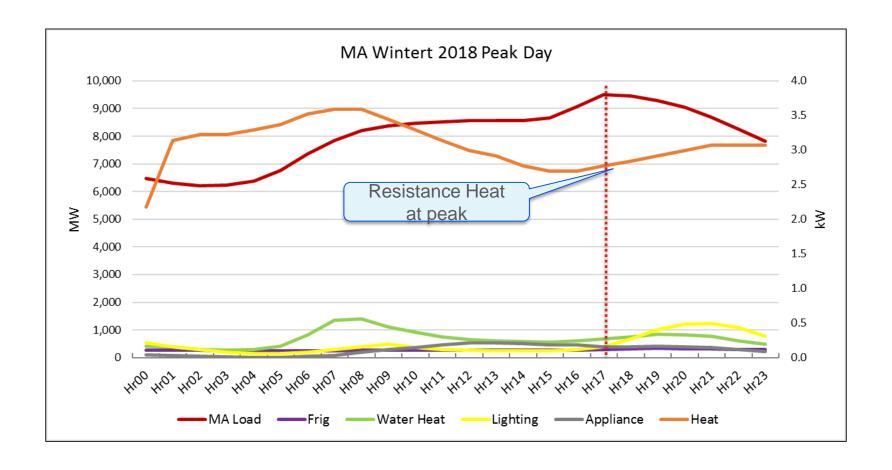
For illustrative purposes

 $PeakFactor = Load \ at \ Peak \div Annual \ kWh \times 1,000$

Peak factor could be as high as 2.1 or as low as 1.2, depending on timing and mix of room and central air conditioning.

RESIDENTIAL END-USE LOADS - WINTER

Based on Itron Residential Load Research End-Use Shapes

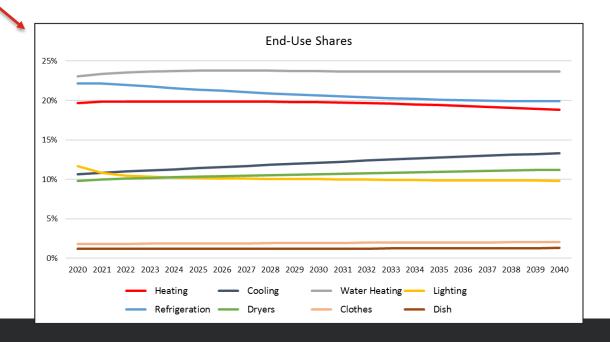


RESIDENTIAL IMPACT FACTORS

| 2020 | | | | | | | |
|---------------|---------|-----------|-------------|--|--|--|--|
| | Savings | Summer | Winter | | | | |
| End-Use | Share | Pk Factor | r Pk Factor | | | | |
| Heating | 20% | - | 0.58 | | | | |
| Cooling | 11% | 1.29 | - | | | | |
| Water Heating | 23% | 0.09 | 0.16 | | | | |
| Lighting | 12% | 0.04 | 0.29 | | | | |
| Refrigeration | 22% | 0.13 | 0.12 | | | | |
| Dryers | 10% | 0.13 | 0.16 | | | | |
| Clothes | 2% | 0.11 | 0.14 | | | | |
| Dish | 1% | 0.08 | 0.24 | | | | |
| Weighted | 100% | 0.20 | 0.23 | | | | |

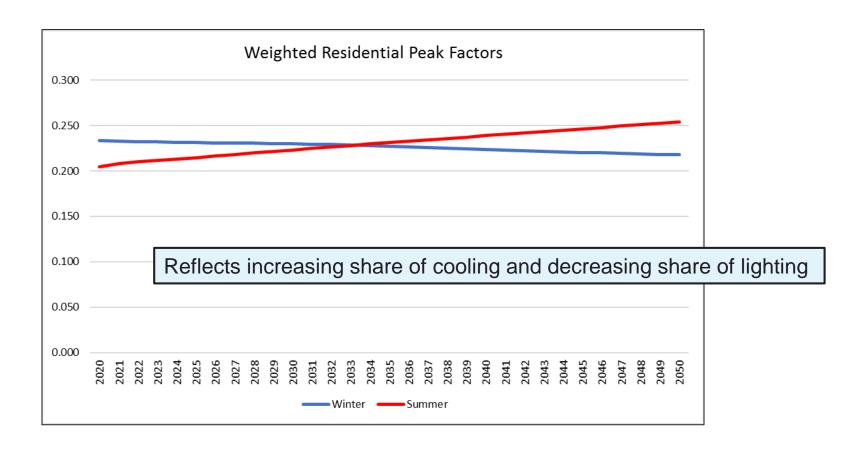
 $PkSavings = Energy\ Savings * PeakFactor$

For illustrative purposes

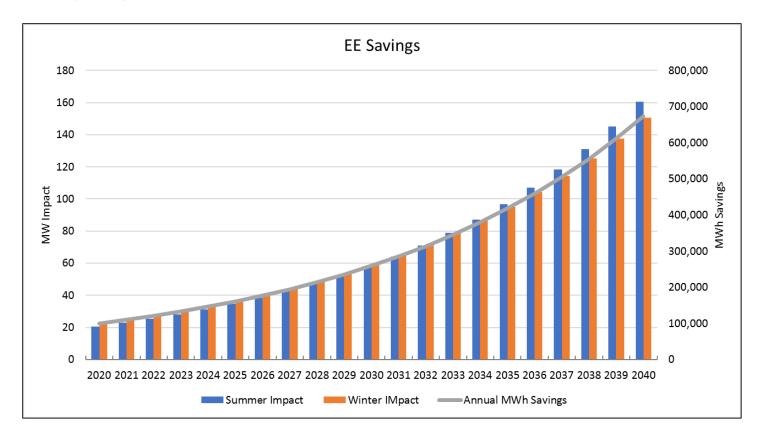


CHANGING DYNAMICS

Like EE savings, weighted peak factor changes over time with change in end-use mix



RESULTING RESIDENTIAL DEMAND PEAK IMPACTS



PkSavings = Energy Savings * PeakFactor

» Identical approach used for commercial sector

QUESTIONS?

