ENERGIZING INDIANA®
Together we'll do powerful things.

This summary provides an assessment of the 2013 Energizing Indiana statewide Core programs during the second Program Year (PY2). This Public Summary presents key findings from the Indiana statewide evaluation. This summary includes evaluation findings designed to document the savings, operations, and delivery of the programs'. Overall, the portfolio continues to be cost effective over the two year period with Core program energy efficiency resources being acquired at $0.03 per kWh.

CORE OFFERINGS

The program consists of five Energizing Indiana offerings, delivered by an independent Third Party Administrator (TPA). PY2 represented the second year of a three-year program cycle. The programs address homes, schools, and commercial facilities.

HOME ENERGY ASSESSMENT

This program provides a walk-through energy audit that: analyzes participant energy use; recommends efficiency measures or upgrades; and facilitates direct installation of low-cost, energy efficient showerheads, CFL bulbs, hot water pipe wrap, and sink aerators.

RESIDENTIAL LIGHTING

This program provides upstream discounts on a variety of lighting products (Compact fluorescent [CFLs], light-emitting diodes [LEDs], and lighting fixtures). The program works with retailers and manufacturers across the state to offer reduced prices at the point-of-sale.

LOW-INCOME WEATHERIZATION

This program provides a walk-through home energy assessment that includes full diagnostic testing (blower-door) for the home. Auditors recommend weatherization measures or upgrades that facilitate direct installation of low-cost, energy-saving measures, including energy-efficient showerheads, CFL bulbs, sink aerators, pipe wrap, water heater tank wrap and air sealing. In addition, eligible homes may receive attic insulation through the program.

ENERGY EFFICIENT SCHOOLS

This program has two components:

- The first works with fifth-grade students, teaching them about energy efficiency and how they can make an impact at school and home. Participating schools receive classroom curriculum and Energizing Indiana take-home efficiency kits.
- The second, the School Audit and Direct Install Program, works with schools to assess all energy systems to determine if they operate efficiently. Assessment results guide schools to install appropriate upgrades and rebates available through the Commercial and Industrial (C&I) program. The schools also receive a bundle of direct-install measures at no additional cost.

COMMERCIAL AND INDUSTRIAL

Addressing the use of C&I customers, this program provides prescriptive rebates to customers, based on the installation of energy-efficiency equipment and system improvements. Additional program components targeted to small businesses include: the Opt-in Install program and targeted relationships with Trade Allies. Rebates address: lighting, variable frequency drives (VFDs), Heating, Ventilation, Air Conditioning (HVAC), and efficient ENERGY STAR® commercial kitchen appliances. In addition, the program began offering direct-mail CFLs kits, starting in Fall 2012.

HIGHLIGHTS

In 2013, Energizing Indiana saved **551,720,184 kWh.**
Enough electricity to power 52,330 homes for an entire year.

Continued savings from the measures installed will achieve over **5 billion kWh** over their lifetime.

$31 Million worth of rebates were distributed to the community to assist with energy efficient upgrades.

HIGHLIGHTS

The savings achieved from PY2 installations, continue to have an effect for the lifetime of the equipment installed. These tables highlight the savings per program, by utility. Consisting of savings from each program as presented below:

HOME ENERGY ASSESSMENT

Utility	*Lifetime Ex-Post kWh*
Duke	150,458,734
I&M	48,368,009
IPL	204,177,936
IMPA	39,049,297
NIPSCO	106,173,539
Vectren	54,617,374

STATEWIDE
602,844,889 kWh

LOW-INCOME WEATHERIZATION

Duke	32,892,744
I&M	18,306,585
IPL	15,656,523
IMPA	4,039,140
NIPSCO	23,315,360
Vectren	20,072,673

STATEWIDE
114,283,026 kWh

RESIDENTIAL LIGHTING

Duke	220,570,660
I&M	86,546,260
IPL	112,869,659
IMPA	25,702,116
NIPSCO	88,896,020
Vectren	58,034,703

STATEWIDE
592,619,418 kWh

ENERGY EFFICIENT SCHOOLS

Duke	162,359,282
I&M	25,917,264
IPL	41,213,557
IMPA	9,857,458
NIPSCO	32,945,470
Vectren	11,526,608

STATEWIDE
283,819,639 kWh

COMMERCIAL AND INDUSTRIAL

Duke	1,027,115,604
I&M	1,238,288,975
IPL	565,418,421
IMPA	278,314,903
NIPSCO	375,092,514
Vectren	164,524,287

STATEWIDE
3,648,754,704 kWh

STATEWIDE ANNUAL VERIFIED SAVINGS

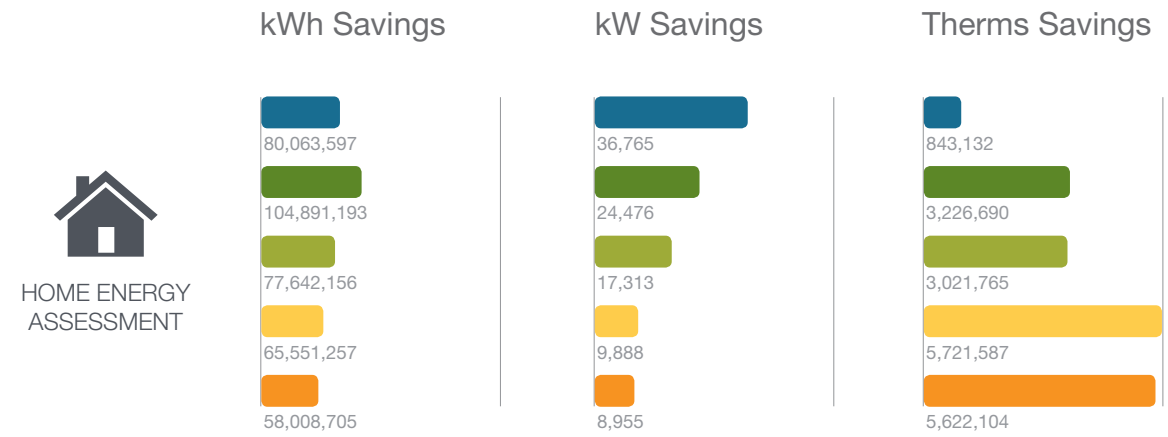
The PY2 portfolio moved from a start-up to more efficient, established operation for residential programs. Almost every program improved its design, marketing, and operations, leading to increased or steady energy savings and improved cost-effectiveness.

The Energizing Indiana programs' designs anticipated the TPA would meet very aggressive energy-savings objectives, requiring high participation levels immediately upon launch. The programs did not achieve these aggressive objectives in the first year. However, the TPA significantly improved energy-savings performance for all residential programs, increasing their energy savings by 41% compared to PY1 achievements.

THE SAVINGS ARE REPORTED AS

The impacts achieved from the programs for a single year are as follows:

- ***Ex-Ante:*** Energy savings from program tracking system as reported by the TPA.
- **Audited:** Ex-ante savings after deemed calculations and project/measure counts have been confirmed by the evaluation administrator.
- **Verified:** Savings estimated following confirmation of the installation and use of a sample of project/measure installations.
- ***Ex-Post* Gross:** Evaluated savings resulting from the installation and use of all program-incented or provided technologies.
- **Net Energy Savings:** Evaluated savings resulting from the installation and use of incented or provided technologies directly attributable to the program.



STATEWIDE ANNUAL VERIFIED SAVINGS

PROGRAM LEVEL INSIGHT AND FINDINGS

HOME ENERGY ASSESSMENT

The Home Energy Assessment Program offers walk-through audits and direct-installations of energy-efficiency measures. In 2013, the program achieved 88% of its verified energy-savings goals and 44% of its verified demand-savings goals, while using 90% of its budget.

- HEA significantly increased participation in PY2 compared to PY1 (by 229%), maintaining participation at an approximate average of 5,900 homes per month over the course of the year. Despite this, the HEA program was only able to reach 84% of its PY2 participation goals.
- Customers remained satisfied with the program, rating it an 8.9 satisfaction score on a scale of 1 to 10.

LOW-INCOME WEATHERIZATION

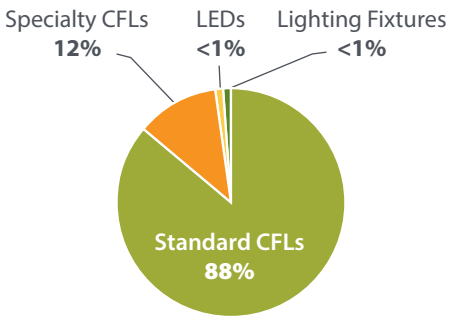
The LIW program offers walk-through audits and direct installations of energy-efficiency measures. Similarly to the HEA program, the program includes air sealing and, in some cases, attic insulation. In PY2, the program achieved 91% of its energy-savings goals and 62% of its demand-savings goals, while using 101% of its budget.

- LIW program participants reported very high satisfaction levels, rating the program a 9.2 satisfaction score on a scale of 1 to 10.

RESIDENTIAL LIGHTING

The Residential Lighting program performed well in 2013 and exceeded its ex-ante goals. The program continued to offer discounts on a variety of lighting products and increased its footprint by adding new participating retail locations. The program operated smoothly, resulting in high levels of manufacturer satisfaction.

Breakdown of Light Bulbs Sold through the Program



(n=3,826,331)

- When asked to rate the program on a 10-point scale, where 1 as very dissatisfied and 10 as very satisfied, the majority of manufacturers (five out of eight) interviewed rated the program either an 8, 9, or 10. The lowest satisfaction rating was 6, provided by only one manufacturer.

PROGRAM LEVEL INSIGHT AND FINDINGS

ENERGY EFFICIENT SCHOOLS

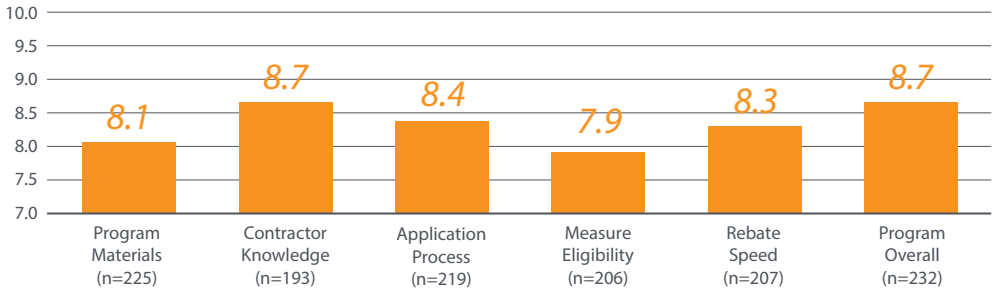
The Energy Efficient Schools program offers kits to students and energy assessments of school buildings, coupled with installing low-cost, energy-saving measures. In 2013, the program achieved 114% of its energy-savings goals and 101% of its participation goals, while using 101% of its budget.

- Satisfaction ran high among participating teachers and facility staff. Almost all surveyed teachers (89%) reported they would be highly likely to recommend the program to other teachers. Ninety-three percent of facility staff reported high satisfaction levels with the School Audit and Direct Install program.

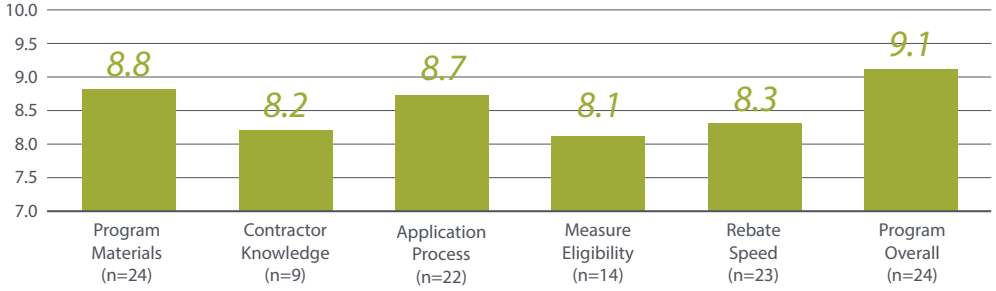
COMMERCIAL AND INDUSTRIAL

The C&I Prescriptive Rebates program seeks to achieve long-term, cost-effective savings. This program relies on a prescriptive rebate structure that offers participants monetary incentives, based on their installation of energy-efficiency equipment upgrades. Upgrades include: lighting, VFDs, HVAC, and ENERGY STAR kitchen equipment. The C&I program fell just short of meeting savings targets set for PY2. The TPA addressed lessons learned through PY1 implementation and added seven new tracks to the program to enhance its customer reach. In 2013, the program achieved 42% of its energy-savings goals and 24% of its demand savings goals, while using 66% of its budget.

- Lighting customer satisfaction averaged high across all categories, despite a slight drop from PY1 response scores. At least 94% of lighting customers responded with a 5 or higher in every category.



- Non-lighting customers also expressed satisfaction in all areas.



CONCLUSION AND RECOMMENDATIONS

RECOMMENDATION

The Core portfolio offers a breadth of measures, hoping to capture as many energy savings opportunities as possible. Components of each program succeeded and some areas fell short in meeting the desired savings and program effects. The evaluation aims to assist the TPA and utilities in overcoming barriers within the Indiana efficiency market to obtain the highest level of savings. Overall the evaluation found the programs have improved since PY1 and have observed PY2 recommendations being implemented already as well.

REVIEW OF RECOMMENDATIONS

1. For HEA and LIW, the TPA should work to increase savings per home by targeting high-usage sockets and homes with electric water heat. The program should continue to target high-usage sockets while installing bulbs.

2. In-store lighting demonstrations offer a powerful, highly effective tool to increase customer awareness of program discounts and sales of energy-efficient lighting products over less-efficient options and should be offered more frequently. Moreover, events encourage customers who would not have purchased CFLs at full price to buy program-discounted bulbs.

3. Limit turning off and on program discounts for Residential Lighting qualifying technologies. However, the program's success and the need to stay within the utility-specific program budgets may require turning program discounts on and off across Indiana, and avoiding this situation may not be possible.

4. Although the TPA updated the 2012 curriculum for Energy Efficient Schools in 2013, teachers continued to report that program lesson plans better aligned with a fourth-grade curriculum than fifth-grade standards. If the program's lessons better aligned with the curriculum targeted teachers must teach, they would be able to spend more time on the program topics.

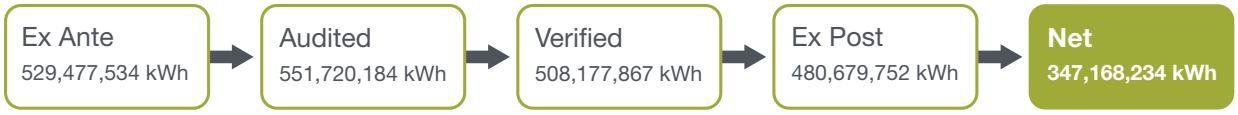
5. As in 2012, upfront capital costs proved prohibitive to Energy Efficient Schools SADI participants, even with rebates and expectations of energy cost savings over time.

6. Continue to leverage Trade Allies as marketing ambassadors, and further develop engagement tactics and support. Increase awareness of marketing initiatives, such as the $100 Trade Ally incentive, to recruit more currently nonparticipating Trade Allies into the program.

7. Consider conducting routine customer surveys, online or as part of the application process, to monitor performance and satisfaction.

8. Program data should include the marketing and outreach initiatives that led customers to participate. Including these will help managers track their effectiveness.

STATEWIDE PROGRAMMATIC SAVINGS for PY2



UTILITY SPECIFIC FINDINGS

The bar charts that follow present an assessment of the PY2 Indiana Core Programs' ex-ante, audited, verified, ex-post gross, and net energy savings, achievements by utility.

Energizing Indiana overcame the slower than projected start to capturing energy savings experienced in 2012, with 2013 showing strong growth in savings across residential programs. The strongest uptake was obtained by Home Energy Assessments, Income Qualified Weatherization, and Residential Lighting. The lowest growth occurred in the Commercial and Industrial Program.

The slower than expected first year savings are attributed to the need to hire, organize and staff the newly offered programs and to put in place the operational systems needed to launch and maintain the programs. Many of these first year difficulties were addressed or corrected in the second year.

THE SAVINGS ARE REPORTED AS

- ***Ex-Ante:*** Energy savings from program tracking system as reported by the TPA.
- **Audited:** Ex-ante savings after deemed calculations and project/measure counts have been confirmed by the evaluation administrator.
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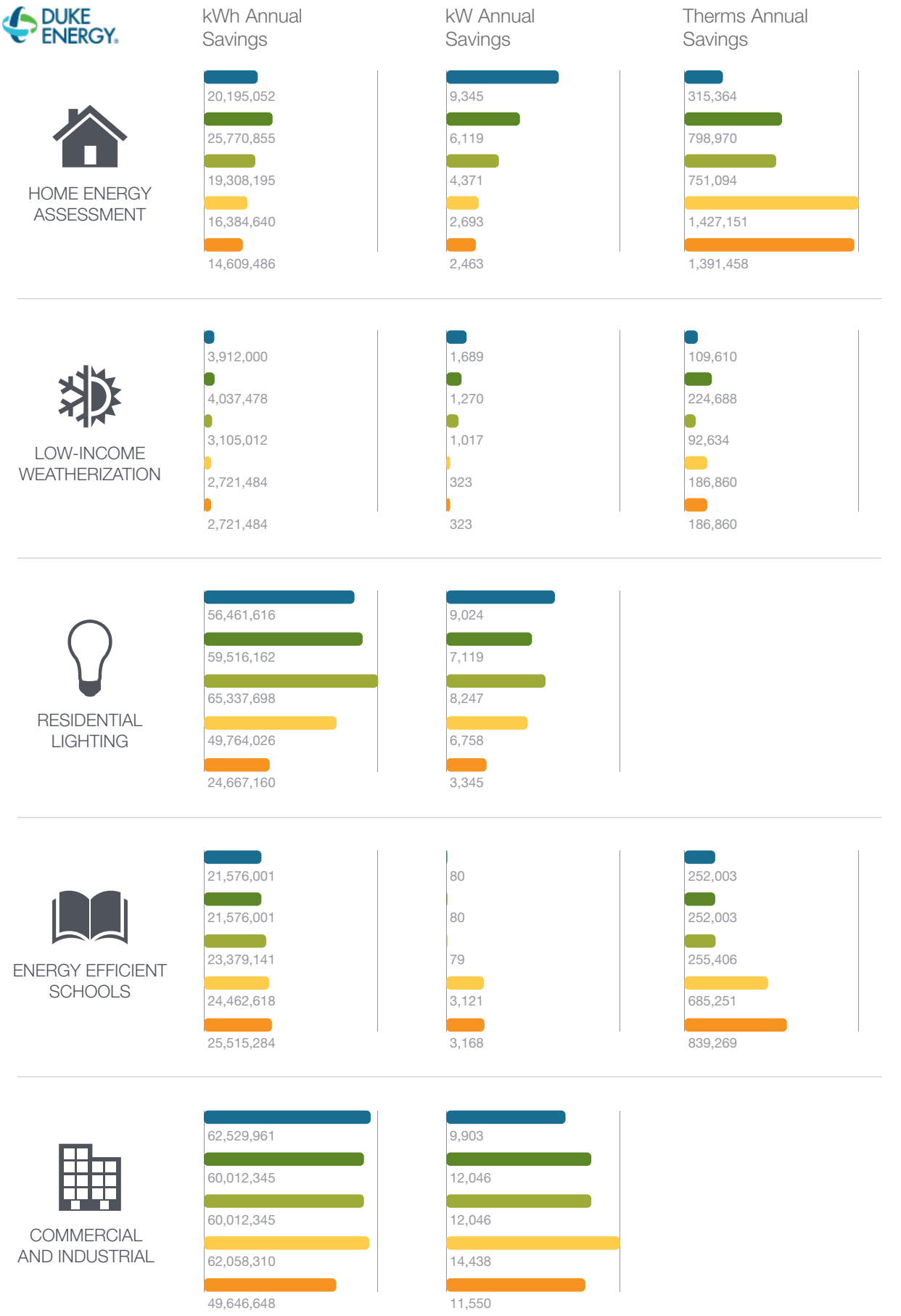
- ***Ex-Post* Gross:** Evaluated savings resulting from the installation and use of all program-incented or provided technologies.
- **Net Energy Savings:** Evaluated savings resulting from the installation and use of incented or provided technologies directly attributable to the program.

UTILITY SPECIFIC FINDINGS

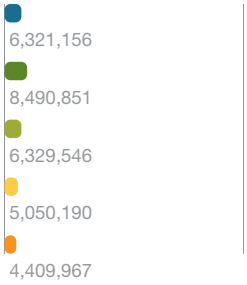
DUKE ENERGY.

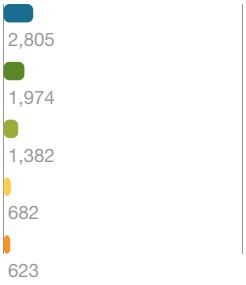


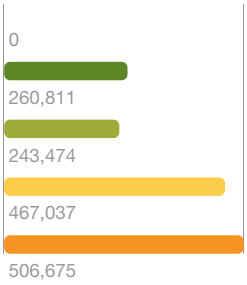
UTILITY SPECIFIC FINDINGS

AEP INDIANA MICHIGAN POWER
A unit of American Electric Power

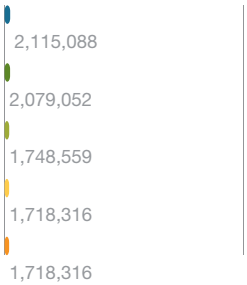
HOME ENERGY ASSESSMENT

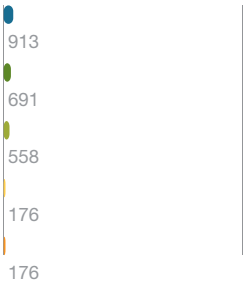


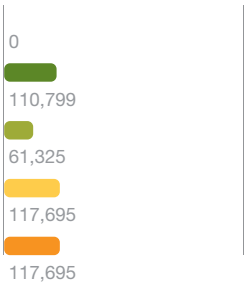




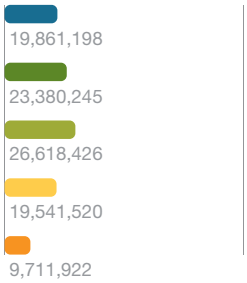
LOW-INCOME WEATHERIZATION

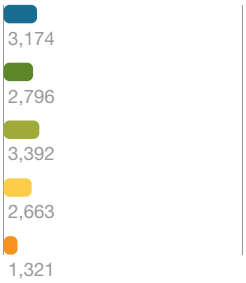




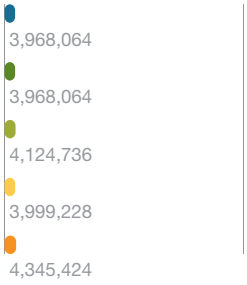


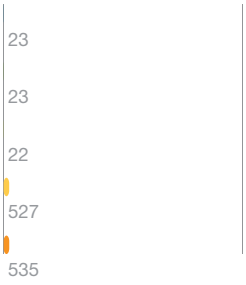
RESIDENTIAL LIGHTING

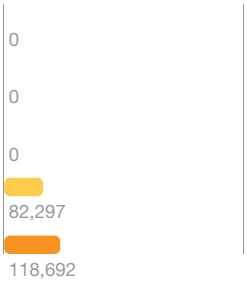




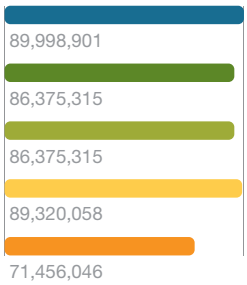
ENERGY EFFICIENT SCHOOLS

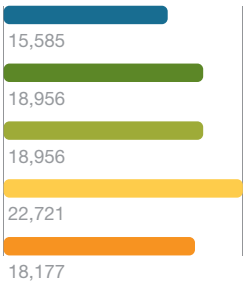






COMMERCIAL AND INDUSTRIAL



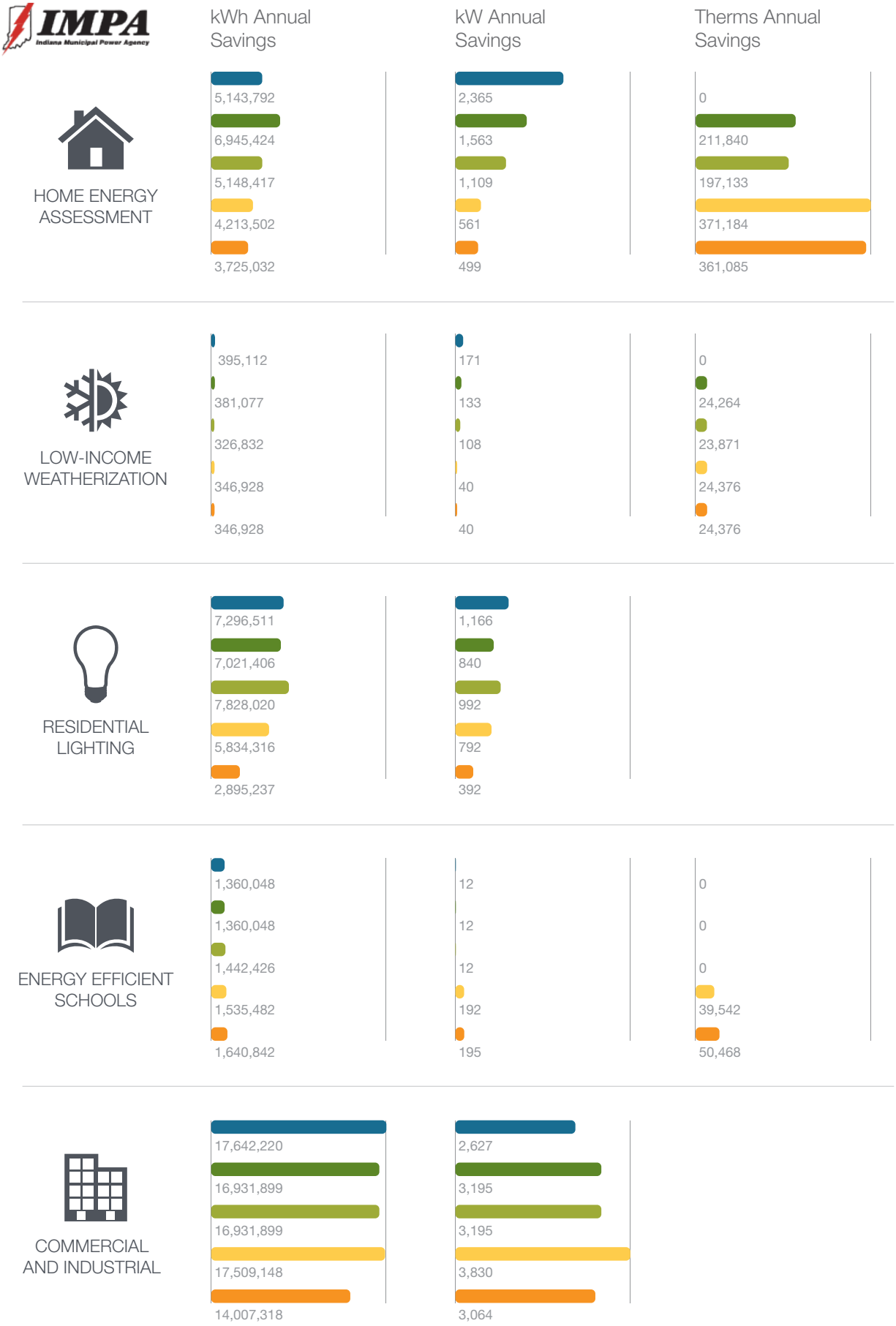


UTILITY SPECIFIC FINDINGS

	kWh Annual Savings	kW Annual Savings	Therms Annual Savings
HOME ENERGY ASSESSMENT	26,977,410 35,708,023 24,950,485 22,060,426 19,489,529	12,318 8,089 5,097 2,949 2,621	0 1,104,731 1,033,075 1,923,779 1,873,279
LOW-INCOME WEATHERIZATION	1,305,304 1,352,993 1,154,136 1,411,323 1,411,323	564 447 371 205 205	0 144,498 142,973 149,033 149,033
RESIDENTIAL LIGHTING	31,416,251 30,737,626 33,262,345 25,472,793 12,615,011	5,021 3,676 4,182 3,462 1,712	
ENERGY EFFICIENT SCHOOLS	6,539,046 6,539,046 6,863,624 6,307,013 7,457,106	90 90 89 822 830	0 0 0 157,322 223,267
COMMERCIAL AND INDUSTRIAL	38,050,097 36,518,103 36,518,103 37,763,093 30,210,474	5,639 6,859 6,859 8,222 6,578	

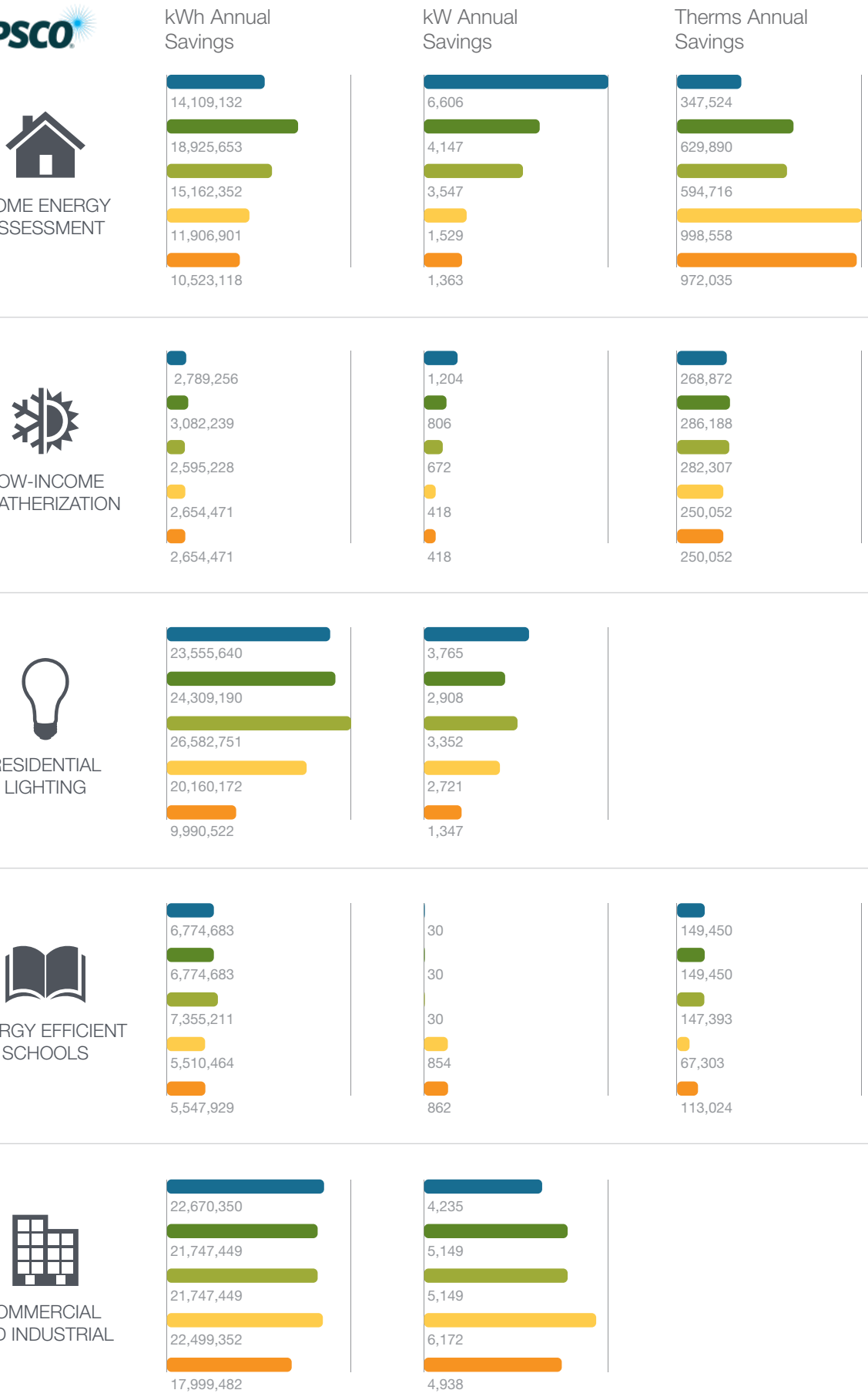
UTILITY SPECIFIC FINDINGS

IMPA
Indiana Municipal Power Agency



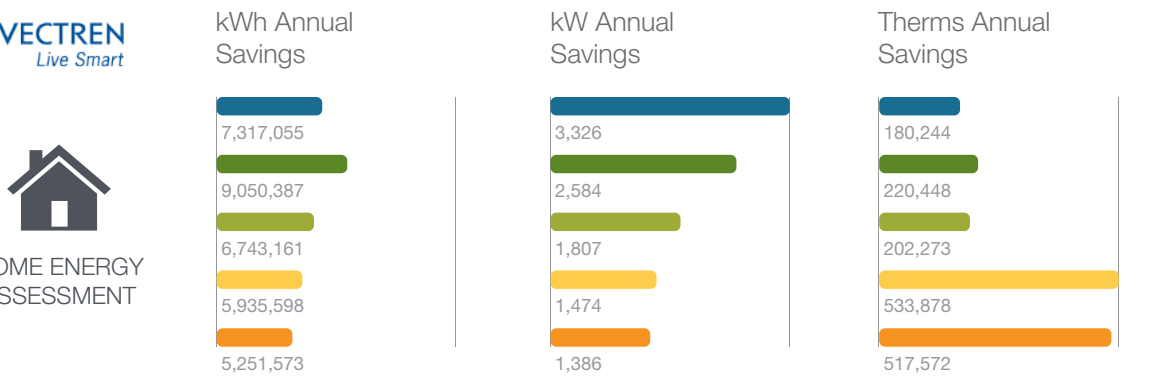
UTILITY SPECIFIC FINDINGS

NIPSCO



UTILITY SPECIFIC FINDINGS

VECTREN Live Smart



BUDGET

	2013 Budget	2013 Reported Expenditures	% of Budget Goals
HOME ENERGY ASSESSMENT	$ 27,915,723	$ 25,174,399	90%
LOW-INCOME WEATHERIZATION	$ 7,133,314	$ 7,222,297	101%
RESIDENTIAL LIGHTING	$ 7,712,844	$ 7,763,131	101%
ENERGY EFFICIENT SCHOOLS	$8,179,321	$8,283,575	101%
COMMERCIAL AND INDUSTRIAL	$ 56,377,283	$ 37,328,403	66%
TOTAL	**$ 107,318,485**	**$ 85,771,805**	80%

	2013 Budget Goals	2013 Reported Expenditures	% of Budget Goals
DUKE ENERGY	$ 42,380,071	$ 23,620,535	56%
AEP INDIANA MICHIGAN POWER A unit of American Electric Power	$ 11,610,122	$ 21,295,504	183%
ipl an AES company	$ 23,547,703	$ 18,413,785	78%
IMPA Indiana Municipal Power Agency	$ 4,551,585	$ 4,697,226	103%
NIPSCO	$ 17,450,502	$ 12,147,125	70%
VECTREN Live Smart	$ 8,123,282	$ 5,942,407	73%
TOTAL	**$ 107,663,263**	**$ 86,116,582**	80%