

Current Performance Incentive Calculation

$$\text{PI} = \begin{matrix} (1) & & (2) & & (3) \\ [(2.75\% \text{ or } 2.2\%) \times \text{Actual Spend}] & \times & [(\text{BCR Actual}/\text{BCR Planned}) + \\ & & (4) \\ (\text{lifetime kWh Actual}/\text{lifetime kWh Planned})] \end{matrix}$$

- (1) If actual electric lifetime savings (for both electric and non-electric measures) are greater than or equal to 55 percent of total lifetime energy savings, the multiplier for the savings component is 2.75 percent of sector spending; if it is less than 55 percent then the multiplier is 2.2 percent of sector spending.
- (2) The actual dollars spent to carry out programs.
- (3) The actual Benefit/Cost Ratio compared to the planned Benefit/Cost Ratio.
- (4) The actual lifetime electric energy (kWh) savings compared to the planned lifetime electric energy (kWh) savings.

Natural Gas Performance Incentive Calculation

$$\text{PI} = \begin{matrix} (1) & & (2) & & (3) \\ [2.75\% \times \text{Actual Spend}] & \times & [(\text{BCR Actual}/\text{BCR Planned}) + & (3) \\ & & (\text{lifetime MMBtu Actual} / \text{lifetime MMBtu Planned})] \end{matrix}$$

Performance Incentive Components (Electric)

PI #	Component Title	Description	Incentive Weight	Minimum Threshold	Maximum PI Level	Verification
1	Lifetime kWh Savings	Actual/Planned Lifetime kWh Savings	35%	75%	125%	Annual PI Filing w/PUC
2	Annual kWh Savings	Actual/Planned Annual kWh Savings	10%	75%	125%	Annual PI Filing w/PUC
3	Summer Peak Demand Savings	Actual/Planned ISO-NE System-wide Summer Peak Passive kW Savings	12%	65%	125%	Annual PI Filing w/PUC
4	Winter Peak Demand Savings	Actual/Planned ISO-NE System-wide Winter Peak Passive kW Savings	8%	65%	125%	Annual PI Filing w/PUC
5	Value	Actual/Planned Net Benefits	35%	75%	125%	Annual PI Filing w/PUC
Total			100%			

Performance Incentive Components (Gas)

PI #	Component Title	Description	Incentive Weight	Minimum Threshold	Maximum PI Level	Verification
1	Lifetime MMBtu Savings	Actual/Planned Lifetime MMBtu Savings	45%	75%	125%	Annual PI Filing w/PUC
2	Annual MMBtu Savings	Actual/Planned Annual MMBtu Savings	20%	75%	125%	Annual PI Filing w/PUC
3	Value	Actual/Planned Net Benefits	35%	75%	125%	Annual PI Filing w/PUC
Total			100%			