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Leland R. Snook
Director
State Regulation & Pricing

Tel. 602-250-3730
Fax 602-250-3003
e-mail Leland.Snook@aps.com

Mail Station 9708
PO Box 53999
Phoenix, Arizona 85072-3999

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AZ CORP COMMISSION
DOCKET CONTROL

March 12, 2009

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

RE: Arizona Public Service Company's Solutions for Business Marketing Progress Report
Docket No. E-01345A-05-0477

Pursuant to Decision No. 70637:

"Within 90 days of a decision in this matter, APS shall submit a 'Marketing Progress Report' to the Commission in Docket Control comparing its actual Non-Residential DSM program marketing activities and spending to the Marketing and Communications Plan submitted to Staff on May 25, 2006, in compliance with Decision No. 68488."

Enclosed is APS' Solutions for Business Marketing Progress Report. This report compares actual Non-Residential DSM marketing activities and spending to the Marketing and Communication Plan submitted to Staff on May 25, 2006.

If you have any questions or concerns, please call Jeff Johnson at 602-250-2661.

Sincerely,

Leland R. Snook
Leland R. Snook

Attachments

LRS/dst

CC: Jerry Anderson
Ernest Johnson

Arizona Corporation Commission
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APS Solutions for Business Marketing Progress Report

March 12, 2009

BACKGROUND

In Decision No. 70637, dated December 11, 2008, APS was ordered to submit a “Marketing Progress Report” within 90 days of the date of that decision. The order prescribed that the Marketing Progress Report should:

- a) Compare actual Non-Residential DSM marketing activities and spending to the Marketing and Communication Plan submitted to Staff on May 25, 2006 (ordering paragraph No. 16)
- b) Determine if APS might be able to raise customer energy-efficiency awareness and further promote its Non-Residential DSM programs through the use of additional marketing efforts and activities (ordering paragraph No. 17)
- c) Review the Non-Residential programs to determine if there are areas where stepped-up marketing activities might either fully or partially displace the use of rebates and incentives to persuade customers to participate in the programs (ordering paragraph No. 17)
- d) Consider if changes and increases in our marketing or customer education activities might increase customer awareness of incentive programs or loans for energy-efficiency activities available from entities other than APS (ordering paragraph No. 17)
- e) Provide a comprehensive description of its Program Marketing activity and the dispersion of that activity over the time period 2005 through 2007 and its relationship to Program Marketing expenditures 2005 through 2007, and include 1) a thorough explanation of the time period of marketing services rendered for each payment of Program Marketing expenses, 2) a thorough explanation of the extraordinary expenditures for Program Marketing during November and December of 2007, including what services were paid for, when such services were or will be received, and to whom payment was made, and 3) a thorough explanation of the extraordinary expenditures for Rebates and Incentives during November and December of 2007, and what incentives were paid, when such incentives were applied for, when they were installed, and other relevant details that might help Staff understand these payments (ordering paragraph No. 18).

The report that follows fulfills these requirements of Decision No. 70637.

EXECUTIVE SUMMARY

a) Compare actual Non-Residential DSM marketing activities and spending to the Marketing and Communication Plan submitted to Staff on May 25, 2006

The following Marketing Progress Report shows that APS implemented strategies according to the original 2006 Marketing and Communication Plan¹ and identifies where APS made modifications to effectively reach customers. Overall, the marketing of the Solutions for Business program has followed the original marketing plan very closely, including all compliance filings ordered by the Commission. A slight deviation was made to adapt to market signals, take advantage of market opportunities and to reduce the cost of the marketing program – APS did not do any direct mailings.

b) Determine if APS might be able to raise customer energy-efficiency awareness and further promote its Non-Residential DSM programs through the use of additional marketing efforts and activities

Marketing activities to date are believed to be sufficient and adequate and all the program targets were reached. Going forward, additional marketing may be in order.

c) Review APS' Non-Residential programs to determine if there are areas where stepped-up marketing activities might either fully or partially displace the use of rebates and incentives to persuade customers to participate in its Non-Residential DSM programs.

The Market Potential Study, conducted by ICF International in 2007 and filed with the Commission, discusses the concept of payback acceptance curves. The concept of payback acceptance is; as project paybacks become shorter (i.e. higher incentives), more customers participate in energy efficient projects. Marketing efforts have no effect on project acceptance. However, marketing and advertising does play a role in raising awareness and education on the features and benefits of the program.

Any reduction in incentives to fund additional marketing activities will result in lower acceptance rates. Therefore, we do not believe that marketing and education could compensate for lowering or eliminating incentives that make energy efficiency more economical to the customer.

d) Consider if changes and increases in its marketing or customer education activities might increase customer awareness of incentive programs or loans for energy-efficiency activities available from entities other than APS.

APS does believe that additional marketing and customer education does increase customer awareness. To that end, in 2007, the program added a customer education and training series that both markets the Solutions for Business program and provides customer education. Classes in the series have educated participants on several topics,

¹ Marketing and Communication Plan for the APS Business Solutions and other Non-Residential DSM Programs, Rev 0, May 25, 2006

APS Solutions for Business Marketing Progress Report

such as: lighting, energy studies, motors, retro-commissioning, chillers, air conditioning, energy information services, and taxes.

APS continually monitors other incentive and loan offerings from entities outside the APS Solutions for Business program. APS offered a one day class on available incentives for commercial customers installing energy efficient measures.

e) Provide a comprehensive description of its Program Marketing activity and the dispersion of that activity over the time period 2005 through 2007 and its relationship to Program marketing expenditures 2005 through 2007.

1) A thorough explanation of the time period of marketing services rendered for each payment of Program marketing expenses

The Solutions for Business experienced three distinct phases during the 2005 – 2007 time period in which marketing efforts varied to meet each of the needs of these program phases.

- For the first four months of the program, the focus was on developing program infrastructure and providing internal APS training. Marketing expenditures during this phase consisted of primarily labor hours and printing costs related to production of program applications and marketing materials.
- The second phase of marketing efforts (approximately next 15 months) was focused on direct one-on-one customer outreach and cultivating a network of trade allies and other market actors all of whom promote the programs.
- The third phase, beginning in the fourth quarter of 2007 provided more emphasis towards advertising in the form of print ads and radio spots. Many of the ads ran during the last two months of 2007, but some ads purchased were procured for placement in 2008. This was done in order to lock in lower prices and secure desirable placement space in publications.

2) A thorough explanation of the expenditures for Program Marketing during November and December of 2007, including what services were paid for, when such services were or will be received, and to whom payment was made.

The majority of the marketing expenses in the last quarter of 2007 were due to two advertising efforts. The first was a “Thank You” ad which was a full page color ad, run in a number of daily newspapers across the state. The “Thank You” ad was a listing of all the business customers who participated in the Solutions for Business Program. The ad commended businesses for being leaders in the industry; this was done by saving energy and cutting greenhouse gases. The second major expenditure was a radio promotional ad which ran throughout the State of Arizona. The radio ad promotion was geared toward all business types; and ran over 1,500 times during the November to December timeframe.

Additionally, in order to take advantage of publishing incentives, such as 2007 pricing, bulk discounts, preferred placement and added value, some ads for 2008 placement were purchased in the last quarter of 2007.

3) *A thorough explanation of the expenditures for Rebates and Incentives during November and December of 2007, and what incentives were paid, when such incentives were applied for, and when they were installed.*

Incentive payments tend to increase in the last quarter of each calendar year. This type of activity is consistent with other utility incentive programs throughout the country. Reasons for this include: companies wanting to clear their books by the end of the calendar year and customers wanting to have projects fall within the current year's annual cap.

APS never pays any incentives until equipment is installed and final applications and complete documentation has been received.

COMPARISON TO THE ORIGINAL PLAN

APS obtained interim approval on the Solutions for Business Program in February 2006. As required by the order, APS filed a Marketing and Communication Plan on May 25, 2006. This Marketing and Communication Plan describes the effort needed to get Non-Residential customers to incorporate energy efficiency in their facilities. The plans overall intentions were to lay the initial ground work for strategies and tactics to develop a market for energy efficiency and customer awareness knowing that over time, strategies may need to be redefined. The original Marketing Plan strategy was followed very closely. One slight modification was made to the original plan -- direct mail was discontinued as it was found to be expensive with a low response rate. Instead APS generated emails to customers. This is noted in Sections 3.4 and 5.8 of this report.

The following is a comparison to the original Marketing Plan. To stay consistent with the original Marketing and Communications Plan, the comparison in this Marketing Progress Report follows the same order and format used in the original plan.

1. Marketing Strategy

The Solutions for Business program has effectively leveraged Key Accounts and other APS resources as envisioned. Organizations and associations were engaged through event attendance, sponsorship and partnerships. Presentations and trainings have been held for numerous audiences. Media has been used to reach specific audiences identified as low in participation. However, a direct mail campaign as originally planned was not cost-effective, so e-mail campaigns were used instead. Also, the original plan was going to coordinate APS efforts with the ASU Industrial Assessment Center to introduce the program. The ASU Industrial Assessment Center was closed due to lack of funding, so APS could not leverage their resources as originally planned.

1.1 Metro and State Regions

Activities in the Phoenix Metro Area and the outlying State Regions went as planned, with coordination between the APS Division Managers, Business Office Managers, Key Account Representatives and Community and Economic Development areas.

1.2 Market Research

Research went as planned. Market research of project opportunities included:

- LEED project and other New Construction tracking using tools such as Dodge Reports
- Follow-up surveys from event and meeting discussions, partnering with other APS outreach efforts.

1.3 Drivers for and Barriers to Participation

No specific action was required in the original plan. The plan refers to specific participation drivers, to be discussed later in this report.

2. Program Target Markets

Three distinct groups of business customers were originally identified as targets to market the Solutions for Business program:

- Small Business Customers
- Retrofit Large Existing Business Customers
- New Construction and Major Renovation Large Business Customers

In addition to these three customer groups, APS also had focused marketing efforts towards the K-12 Schools and has reported the progress with these efforts in each of the filed Semi-Annual Reports starting in June 2006 through December 2007.

2.1 Small Business Customer.

Marketing efforts to small business were conducted through trade allies, APS Success newsletter articles, association partnerships, APS Academy for the Advancement of Small, Minority and Women Owned Enterprises (AAAME) programs and Chamber of Commerce outreach. Despite these efforts, small business participation remained extremely low. APS requested a new Direct Install Measure in March 2007. This measure is targeted to small businesses. This measure was approved in December 2008 (Decision No. 70637) and will be launched in the first quarter of 2009.

2.2 Retrofit Large Business Customers.

Marketing efforts to large businesses were conducted through APS Key Account Representatives, Success newsletter articles, Chamber of Commerce outreach, and press releases. Large businesses are very active in the Solutions for Business program.

2.3 New Construction & Major Renovation Large Business Customer

Because of the construction lag time, the New Construction Program was slow to gain participation from customers. Marketing efforts during this time included: Dodge Report list tracking, Leadership in Energy and Environmental Design (LEED) registration tracking, meetings with construction personnel and architect and engineering firms, Key Account outreach and association participation. By the end of 2007, the program began to see positive results from these efforts, with significantly higher incentive payouts that continued through 2008.

3. Communication Channels

The Solutions for Business team worked with APS departments to educate customers on the energy efficiency program incentives applicable to the customer facilities.

This effort included:

- Training of call center representatives
- Support and training of Key Account Representatives

- Support and training of the program to other APS departments such as Community Development, Division leaders, and Customer Service representatives that are in direct contact with APS customers.

3.1 Partnering with APS Key Account Representatives, Call Center and Division Offices.

Partnerships with APS employees have been successful in reaching customers. The Solutions for Business team has appointed a Key Account liaison who works closely with Key Account managers to identify energy savings projects. Call center employees have received regular trainings on the program and have been provided with Frequently Asked Questions (FAQ's) for reference. Community Development and Division Offices have been trained on the program. These partners have provided the program with project leads and access to events and local meetings to present the program. All APS employees have access to marketing materials and prompt support from the Solutions for Business program staff.

3.2 Building Relationships with Market Actors

Relationships with market actors were established early and continue to be a focus for the program. Association participation and outreach includes organizations whose members are targets for program participation either as a customer or a contractor. These associations include:

- Air Conditioning Contractors of America (ACCA)
- American Institute of Architects (AIA)
- Arizona Society of Certified Public Accountants (ASCPA)
- Association for Construction Excellence (ACE)
- Association of Energy Engineers (AEE)
- Building Owner and Managers Association (BOMA)
- Central Arizona Society of Healthcare Engineers (CASHE)
- Consortium for Energy Efficiency (CEE)
- Electric League of Arizona (ELA)
- Illuminating Engineering Society of North America (IES)
- National Association of Industrial and Office Properties (NAIOP)
- United States Green Building Council (USGBC)
- Valley Forward

Trade Allies and other contractors have been reached through these organizations, as well as through technical training classes. In addition, these actors have been targeted through advertising and editorials in *The Electric Times* and *HVACR Today*.

3.3 Promoting through Media

Media promotion was phased-in based on program fulfillment. During the first 18 months of the program (July 2006 – December 2007), media exposure included paid ads for trade ally recruitment, training courses, and general articles describing the program. APS focused on building program resources such as

applications and training sessions, as well as one-on-one education with customers and trade allies through the application process. Approaching the end of this period, two market segments showed particularly low participation: small business and new construction. Marketing was targeted towards these segments with paid print advertising. This was considered to be more cost-effective than direct mail efforts. Radio ads were used in late 2007 in an attempt to reach those customers that still may not have been aware of the program.

3.4 Channels to Market.

Most of the identified channels listed in the original plan have been used, and continued to be used to varying degrees, to reach the target markets. These channels include:

- Key Account Representatives / Contacts
- Telephone contact to follow up on leads and set up meetings
- Targeted e-mail announcements
- Partnering with associations to reach members via e-mail and through newsletters
- One-on-one meetings
- Association meetings and presentations
- Conferences and trade shows
- Chamber of Commerce meetings
- Website
- Links to website from other sites
- Lunch and Learn meetings for market actors
- Media outreach
- Paid advertising

Direct mail has been discontinued as it was found, during Trade Ally recruitment, to be expensive with a low response rate. The program has built an extensive email database, which has been used instead of direct mail to reach customers.

4. Market Actors

The program has used the following market actors to help market the program:

- APS employees
- Owners and Developers
- Trade Allies
- Associations
- Municipalities

4.1 APS

The program has provided content for APS' internal newsletter (Newslines) to provide all APS employees with basic knowledge of the program. In addition,

groups which have regular contact with customers have received additional training and are in regular contact with program staff. These groups include:

- Customer Care Center
- Key Account Representatives
- Division Offices
- Community Development
- AAAME (APS Academy for the Advancement of Small, Minority and Women Owned Enterprises)
- Economic Development
- Government Relations.
- New Construction Services

These groups also have access to marketing collateral materials, presentations, and event coverage to promote the program.

4.2 Owners and Developers

Due to the size of this target market, facilities can be put into three broad categories. 1) Owner Occupied Buildings, 2) Class "A" Buildings, and 3) Class "B" Buildings. The program developed and conducted one-on-one meetings with owners/developers; participated in conferences; and participated in related associations and organizations. The program has seen excellent response from Owner Occupied Buildings. Some Class "A" signature buildings as well as LEED buildings have been significant program participants. The speculative owner (Class "B") has little interest in energy efficiency improvements, until it is shown that the costs can be recouped upon sale. Therefore, it is still rare to see energy efficiency investment in Class "B" Buildings.

The program did not send mass mailings to Class "B" properties as the anticipated cost outweighed the potential benefit. This activity was originally identified as a tentative action item.

As reported in the original marketing plan, APS has a dedicated new construction coordinator who is responsible for all relationship building efforts with building owners and developers. This individual provides program consultation, educational information, and marketing materials to key-decision makers who manage existing buildings and develop new and retrofit construction projects.

4.3 Trade Allies

A key component of the marketing program focuses on the development and management of the trade ally network. A web based referral list of all participating trade allies was developed and managed by the program team and can be found on aps.com.

4.3.1 Vendors/Manufacturer's Representatives/Contractors

These types of Trade Allies are defined as the following types of businesses:

- Equipment vendors and distributors,

- Installation and equipment servicing contractors,
- Trade associations,
- Manufacturers representatives,
- Lending institutions,
- Energy Service Companies (ESCOs)

Training sessions were initially conducted in Phoenix (2), Yuma, Casa Grande and Flagstaff. The program continued trade ally trainings throughout 2007 and 2008, with ad hoc trainings at the contractors' facility. Advertising was used in the Electric League publications and real estate magazines. This, along with a slowdown in the construction industry, has resulted in increased interest in the trade ally program. The number of approved trade allies increased approximately 100% in 2008, over 2007 numbers.

Initially there were to be two seminars a year, but with the ongoing increase in activity, training is currently at a higher frequency than originally anticipated; averaging 2 trainings per month in 2008.

4.3.2 Architect, Engineering and Construction Firms

Education and training of these industry groups was achieved through the technical training series and association events. Program staff has also worked extensively with contractors one-on-one to provide technical assistance on specific projects and equipment. Outreach has also been ongoing with LEED AP classes in the area.

The technical training series classes that were provided to date include:

- | | |
|-----------------------------|------------|
| ▪ Motors | July 2007 |
| ▪ Retro-commissioning | Sept. 2007 |
| ▪ Lighting | Oct. 2007 |
| ▪ Energy Studies | Jan. 2008 |
| ▪ Tax Incentives | Feb. 2008 |
| ▪ Chillers | Apr. 2008 |
| ▪ HVAC | May 2008 |
| ▪ EIS | Aug. 2008 |
| ▪ Energy Mgmt. Hospitality | Sept. 2008 |
| ▪ Energy Mgmt. Hospital | Sept. 2008 |
| ▪ Energy Mgmt. Government | Sept. 2008 |
| ▪ Compressed Air | Oct. 2008 |
| ▪ Pumping Systems | Dec. 2008 |
| ▪ Energy Management Systems | Feb. 2009 |

4.4 Associations

The program established relationships with associations whose membership represents energy efficiency decision makers and influencers that play a central

role in promoting the Solutions for Business program. Association where the Solution for Business team took an active membership role included the following organizations:

- Air Conditioning Contractors of America (ACCA)
- American Institute of Architects (AIA)
- Association for Construction Excellence (ACE)
- Association of Energy Engineers (AEE)
- Building Owner and Managers Association (BOMA)
- Central Arizona Society of Healthcare Engineers (CASHE)
- Consortium for Energy Efficiency (CEE)
- Electric League of Arizona (ELA)
- National Association of Industrial and Office Properties (NAIOP)
- United States Green Building Council (USGBC)
- Valley Forward

In addition to these active memberships, the APS Solutions for Business program has also worked closely with the following organizations to promote the program:

- Arizona Society of Certified Public Accountants (ASCPA)
- Illuminating Engineering Society of North America (IES)

Trade ally activities included: meetings, trade shows, newsletter articles, technical trainings and event sponsorships.

4.5 Municipalities/Chambers of Commerce

Outreach to the cities was coordinated with APS Key Account Representatives. Outreach to the Chambers of Commerce was done with the assistance of the APS Community Development group. The program held exhibits at several conferences, with municipality audiences including: League of Cities and Towns and the Governor's Rural Economic Development Conference. Several presentations were made to chamber audiences and newsletter articles run in several publications. Ad purchases were also made for 2008 in six chamber newsletters to target the small business market.

5. Cross Cutting Activities

5.1 Program Name and Messaging

The program name was changed November 1, 2006 from "APS Business Solutions" to "APS Solutions for Business" to avoid confusion with other utility programs. The development of marketing was broken into three markets: Small Business, New Construction and Large Existing Retrofit.

Obstacles to participation for small business include time, followed closely by money and expertise. The small business messages focus on these themes by recognizing that small business owners have a full "to do" list while emphasizing the benefits of taking time for energy efficiency.

The driving factors in new construction are: sticking to the construction schedule and avoiding budget over-runs. The messages to this audience emphasize the value of including energy efficiency from the beginning of the project. They appeal to both the building developer and the contractor.

The program messages to large businesses highlight the reliable return on investment from energy efficiency projects. These messages present the short-term and long-term value of energy efficiency investments. They begin with energy savings but also list related benefits such as reduced maintenance, increased productivity and a boost to the environment.

5.2 Marketing Materials

A broad array of marketing materials were developed over the course of the reporting period (February 2006 through December 2007) and included such things as: a program brochure, flyer, bill newsletters articles, presentation templates, correspondence templates, fact sheets, case studies, small and large business energy efficiency handbooks, energy conversion handbooks, and a number of promotional items. The printed marketing materials were forwarded to the Commission each month, as requested.

5.3 Events

The Solutions for Business program has been promoted at numerous events covering a wide variety of customer and contractor targets. Depending on the event, promotions have included: displays, speaking engagements, and sponsorship. A listing of each of these events is reported in the Semi-Annual Reports filed with the Commission.

5.4 Technology Fact Sheets

Technology fact sheets were developed to promote the program and provide examples of energy efficiency applications. The following six business-specific fact sheets have been updated:

- Grocery Stores
- Outpatient Facilities
- Restaurants
- Retail Establishments
- Schools
- Small Offices

The Lighting and Motors technology fact sheets have been updated as well. Additional technology fact sheets are planned in the coming year. These fact sheets are posted on the Solutions for Business website; distributed to the APS call center for distribution to customers who request a fact sheet; and used for trade shows, presentations and training classes.

5.5 Case Studies

Criteria were created for identifying case study candidates. To date, two case studies have been completed in the four page format and another two are in process in a shorter two page format. The honorarium was not needed to gain cooperation from the customers highlighted in the case studies.

5.6 Paid Advertising

For the first 18 months of the program, marketing was focused on personal outreach to customers, association outreach and trade ally outreach. Advertising consisted mainly of ads in trade publications for trade ally promotion.

In the fall of 2007, the paid projects and reserved projects were analyzed to determine how the program was faring in each of the project categories. At that point, small business and new construction/developers were found to be lagging. The marketing plan had budgeted for paid advertising, so the decision was made to pursue advertising options in these two market segments in an attempt to raise program awareness.

Chambers of Commerce publications and the Phoenix Business Journal were identified as potential media to reach small business. The specific Chambers that were included in the ad buys were: Greater Phoenix, Scottsdale, Tempe, Glendale, Casa Grande, and Flagstaff. The Phoenix Business Journal has the single highest small business readership in the region, so it was also chosen for small business outreach.

For the new construction/developer market, Arizona Real Estate Magazine and Commercial Broker were identified as targeting the desired audience.

The Electric Times and HVACR Today were chosen to continue outreach to contractors and other trade allies.

As with most paid advertising, increases in frequency reduces the per-placement cost and secures prime placement within a publication. By purchasing multiple frequency ads in 2007, the program was able to secure 2007 prices and lock in those prices for 2008, as well as garner exclusivity rights in several publications.

Additionally, at the end of 2007, APS placed "Thank You" ads in a number of publications to recognize the customer program participants.

5.7 Media

Earned media was often a result of added value of ad purchases. However the program did receive some visibility through some association and trade publications. With customers' consent, the Solutions for Business Team and APS' Communication Team worked together to handle press releases through media channels. During the first 18 months of the program, there were at least eight press releases developed and released to the local media.

5.8 Direct Mail/Targeted Email

Direct mail has been used to a minimal extent in favor of e-mail communication, which is less costly and achieves higher response rates. Early in the program, several direct mail pieces were sent, the response rate was low and the time and dollar costs high. E-mail has been the preferred method of contact recently. An e-mail database has been developed and can be sorted by type of contact. This is used for communicating program changes with customers and trade allies, promoting events and trainings, and other needed communication.

5.9 Internet

The program website has been up since the inception of the program in 2006 and has been revised in 2007 and 2008. The site hosts explanations of measures included in the program, downloadable applications, fact sheets, case studies and other materials. The website is updated regularly with current information, such as upcoming technical training classes and other educational programs APS supports.

In addition to comprehensive program information, a whole page is dedicated to resources and links to related energy efficiency sites. The program is also registered with the Database of State Incentives for Renewable Energy (DSIRE) and Energy Star websites. Identified as a secondary option in the original plan, APS has not used paid Internet advertising to date to promote the program, due to concerns that this media will not result in cost effective program participation.

6. Other Non-residential DSM Programs

6.1 Building Operator Training

APS worked in conjunction with the Electric League of Arizona (ELA), promoting operational and maintenance practices. APS included promotional materials and website content. Effective with the Commission's December 11, 2008 decision, this program was terminated because of low participation levels.

6.2 Energy Information Systems (EIS)

APS worked with Automated Energy (EIS Implementation Contractor) and developed marketing brochures and website content that can be found on the APS Solutions for Business website. APS Solutions for Business sponsored an EIS training class as part of the Technical Training Series in August of 2008.

7. ENERGY STAR

The Solutions for Business program is a confirmed ENERGY STAR partner. The program promotes ENERGY STAR resources through the website, individual outreach and in trainings. The benchmarking tool was included in a technical training session and is part of the retro-commissioning incentive requirement. The program has printed an ENERGY STAR one-page fact sheet on relevant resources for business and distributes this with other program materials.

8. Contact Management System (CMS)

The Contact Management System (CMS) was completed on time and has been in use since the inception of the program. APS and all program subcontractors have been trained on the system. Updates to the system have included adding a stand alone Schools CMS and an e-mail action notification system.

9. Program Phone Line & E-mail Support

Toll free phone and fax lines have been active since the inception of the program, as well as a local phone number, e-mail and website. A local Phoenix office dedicated to the APS Solutions for Business program was established and subsequently moved to accommodate expansion.

10. Staffing

As the Solutions for Business Implementation Contractor, KEMA provides primary staffing for program marketing. Some of the KEMA staff is subcontracted through the State Energy Office, Green Ideas and Lincus Engineering. Contrary to the original plan, the Matt Group is not involved with the program marketing effort due to a new commitment they received after the plan was submitted. The KEMA program staff has grown as work load increased. Automated Energy provides implementation services for the Energy Information Services (EIS) program.

11. Timeline

The implementation timeline was adjusted to respond to market opportunities, program response rates, publication schedules, interest from specific participants and other factors beyond the control of program staff (such as event scheduling). The timeframe for developing case studies was extended so that suitable, completed projects could be identified and documented. The timeframe for revising fact sheets and ramping up the ENERGY STAR partnership was lengthened to allow program staff to focus on initial program launch activities. While some paid advertising was placed during the early stages of the program to promote trade ally trainings, the coordinated roll-out of a mass media advertising campaign was deferred until the end of 2007 so that these resources could be more effectively targeted to groups with low participation rates.

12. Budget

The Marketing Plan budget for 2005 through 2007 consists of two primary categories. The first category represents KEMA's fixed fee for labor and travel that is directly related to implementing the marketing and education functions. The second budget category, Marketing Expenses, consists of program marketing expenses outside of the labor and travel expenses. A comparison of the original Marketing Plan budget compared to actual spending (January 2005 – December 2007) is shown in Table 1 below:

APS Solutions for Business Marketing Progress Report

Table 1

	Original		
	Budget	Actual	Difference
Labor & Travel	\$1,714,090	\$1,839,685	\$125,595
Marketing Expenses	\$1,562,694	\$591,174	-\$971,520
Total	\$3,276,784	\$2,430,860	-\$845,924

Actual Marketing labor spending was \$126,000 higher than planned due to more resources dedicated to program start up which included application design, web design, and educational material development. Actual Marketing Expenses were \$972,000 lower than the Marketing Plan budget. The first 18 months for the program was dedicated to program start-up functions with emphasis on direct outreach to industry associations, APS Key Account Representatives, trade allies, and direct customer contact. Most of the Marketing Expenses occurred during the last two months of 2007, a time in the program evolution where more ad were placed for both 2007 (year-end) and 2008. Some actual expenses were reduced from plan, such as the elimination of direct mail and paying customers for case studies. These reductions, in addition to a disciplined and thrifty marketing spending approach, caused the actual marketing expenditures to be lower than originally planned, yet the overall program targets were achieved.

13. Feedback and Evaluation

The program is receiving market feedback from the Measurement, Evaluation, and Research (MER) contractor, Summit Blue Consulting. The first reports were received in 2008 and were filed with the Commission. The MER Reports found the Solutions for Business program to be cost effective.

ADDITIONAL MARKETING ACTIVITIES

As part of Decision No 70637, APS was also asked to address additional marketing efforts and activities for the program, as follows.

1) Determine if APS might be able to raise customer energy-efficiency awareness and further promote its Non-Residential DSM programs through the use of additional marketing efforts and activities

The original marketing plan was developed with the underling objective of achieving the program targets. Since the program targets were reached by 2008, the marketing activities were believed to be sufficient and adequate. There is a balance to be struck with marketing/awareness and incentives. Ultimately, a customer will take action only if they see economic value in the benefit of savings relative to the cost of the investment. However, APS continues to explore marketing opportunities that will build customer awareness.

2) Review its Non-Residential programs to determine if there are areas where stepped-up marketing activities might either fully or partially displace the use of rebates and incentives to persuade customers to participate in its Non-Residential DSM programs.

The Market Potential Study, conducted by ICF International in 2007 and filed with the Commission, discusses the concept of payback acceptance curves. The concept of payback acceptance is; as project paybacks become shorter (i.e. higher incentives), more customers participate in energy efficient projects. Marketing efforts have no effect on project acceptance. However, marketing and advertising does play a role in raising awareness and education on the features and benefits of the program.

While that participation may be raised somewhat with stepped-up marketing activities, it is not likely that acceptance rates could be maintained with lower incentives or longer payback periods. This could vary somewhat by technology and customer, as this is a generalized curve. It also changes over time as the economy changes (available funds to do energy efficiency projects become tighter as the economy gets worse). The study also concludes that actual acceptance (observed market behavior) is lower, sometimes as much as 50% lower, than stated intentions for rates of acceptance.

Any reduction in incentives to fund additional marketing activities will produce a shift in the acceptance curve and will result in lower acceptance rates. Therefore, we do not believe that marketing and education could compensate for lowering or eliminating incentives that make energy efficiency more economical to the customer.

3) Consider APS changes and increases in its marketing or customer education activities might increase customer awareness of incentive programs or loans for energy-efficiency activities available from entities other than APS.

APS Solutions for Business Marketing Progress Report

APS does believe that additional marketing and customer education does increase customer awareness. To that end, in 2007 the program added a customer education and training series that both markets the Solutions for Business program and provides customer education. Classes in the series have educated participants on several topics, such as: lighting, energy studies, motors, retro-commissioning, chillers, air conditioning, energy information services, and taxes. Not only does each class offer the tools and training to learn about the subject matter, but each class kicks off with an overview of the program and how to apply for rebates and incentives offered by the program. To-date the classes have had over 400 participants.

APS continually monitors other incentive and loan offerings from entities outside the APS Solutions for Business program. For instance, the Solutions for Business program monitored the "GEOSmart" loan program that was provided by the Electric & Gas Industries Association (EGIA). This loan program was offered to customers participating in the APS Renewables Program. EGIA discontinued the program on September 2008 due to the conditions facing the financial institutions. In addition to this, the APS presented a one day class on available incentives for commercial customers installing energy efficient measures. Ernst & Young was retained to provide this training. A total of 32 students attended this training.

APS does believe that additional marketing and customer education does increase customer awareness. APS continues to explore marketing opportunities that will build customer awareness.

EXPLANATION OF INCREASED ACTIVITY IN LATE 2007

Decision No. 70637 also requested a comprehensive description of Program Marketing activity and the dispersion of that activity over the time period 2005 through 2007 and its relationship to Program Marketing expenditures 2005 through 2007, as well as an explanation of marketing and incentive activity in November and December of 2007. The order specifically requested the following.

- 1) *To include a thorough explanation of the time period of marketing services rendered for each payment of Program Marketing expenses.*

Interim approval was given to the program on February 23, 2006. There were no marketing expenditures in 2005. In the first four months of the program (March 06-June 06), the Solutions for Business team focused on developing program infrastructure which included incentive applications for the prescriptive, custom, and technical assistance and studies incentives, website structure, content and downloadable material for the website. During this period the team also began developing program information, such as fact sheets and initial print ads. During this phase, the Solutions for Business team focused their efforts on internal APS training and program information. With dissemination of marketing material throughout the various APS departments and including communications to the business center, division managers, key account managers and other personnel in direct contact with business customers. Initial program expenditures consisted of KEMA labor hours and internal APS labor hours and material costs, such as printing program applications and marketing materials.

The second phase of marketing efforts (beginning the summer of 2006) was focused on direct customer outreach including one-on-one customer meetings and program introduction seminars.

Mass marketing, in the form of print and radio, occurred in the third phase of marketing, beginning in the fourth quarter of 2007. The ad placement contracts were initiated in fourth quarter 07 and included placements in 2008. Again, this was done in order to lock in lower prices and secure desirable placement space in publications.

A detailed listing of specific ads, related costs, and timing is listed in as shown in Table 2.

**Table 2
Marketing Expenditures
2006 - 2007**

Category	Total Amount Spent	Year Services Rendered
Print Ads		
Ads purchased in 2006	\$ 8,000	2006
Ads purchased in 2007	\$ 287,000	2007/2008
Total	\$ 295,000	
Radio Ads	\$ 175,000	2007
Collateral Material		
Material purchased in 2006	\$ 6,000	2006 and beyond
Material purchased in 2007	\$ 36,000	2007 and beyond
Total	\$ 42,000	
Events/Memberships/Sponsorships		
2006	\$ 16,000	2006/2007
2007	\$ 18,000	2007/2008
Total	\$ 34,000	
Other		
2006	\$ 9,000	2006 and beyond
2007	\$ 36,000	2007 and beyond
Total	\$ 45,000	
Total Marketing Expenses	\$ 591,000	

2) A thorough explanation of the expenditures for Program Marketing during November and December of 2007, including what services were paid for, when such services were or will be received, and to whom payment was made.

November and December is the time to make ad buys for the following year, if ads are to start in January. It is also a popular time for energy related events for the Solutions for Business program.

The majority of the marketing expenses in the last quarter of 2007 were due to two advertising efforts. The first was a "Thank You" ad which was a full page color ad, run in a number of daily newspapers across the state. The second was a radio promotion which ran throughout the State of Arizona. The ad was targeted to Metro Phoenix and rural Arizona, such as Yuma and Flagstaff. Targeting was based on sectors of the market who were not participating in the program, primarily small business and new construction. APS responded to program data in deciding which segments to reach with these ads.

APS Solutions for Business Marketing Progress Report

Additionally, in order to take advantage of publishing incentives, such as 2007 pricing, bulk discounts, preferred placement and added value, some ads for 2008 placement were purchased in the last quarter of 2007. The ads were going to be purchased anyway, so the program sought to maximize value and minimize expense by leveraging these incentives. Table 2 below illustrates marketing expenses purchased in November and December 2007 and when the services were rendered. Specific details are in shown in Table 3 below.

Table 3

Marketing Expenses for Nov/Dec '07				
Marketing Category	Amount Spent	Used in 2008	Used in 2007	Payees
Radio Ads:	\$175,000		\$175,000	DDB Worldwide Communications
Print Ads:				
Thank You Ads	\$172,000		\$172,000	Media Buying Services, Inc.
Other Print Ads	\$99,000	\$96,000	\$3,000	Chambers, Phx. Business Journal etc
Materials				
(applications, brochures, fact sheets)	\$36,000		\$36,000	Variety of printing companies
Events/Memberships/Sponsorships	\$10,000	\$7,000	\$3,000	BOMA, NAIOP
Other				
(promo items software, equip, mailing)	\$36,000		\$36,000	Variety of vendors
Total	\$528,000	\$103,000	\$425,000	

3) A thorough explanation of the expenditures for Rebates and Incentives during November and December of 2007, and what incentives were paid, when such incentives were applied for, and when they were installed.

Incentive payment information detail for the fourth quarter of 2007 can be found in Appendix A. Appendix A will show that APS never paid any incentives until equipment is installed and that final applications are complete with proper documentation. It also shows when incentives were applied for and when they were installed.

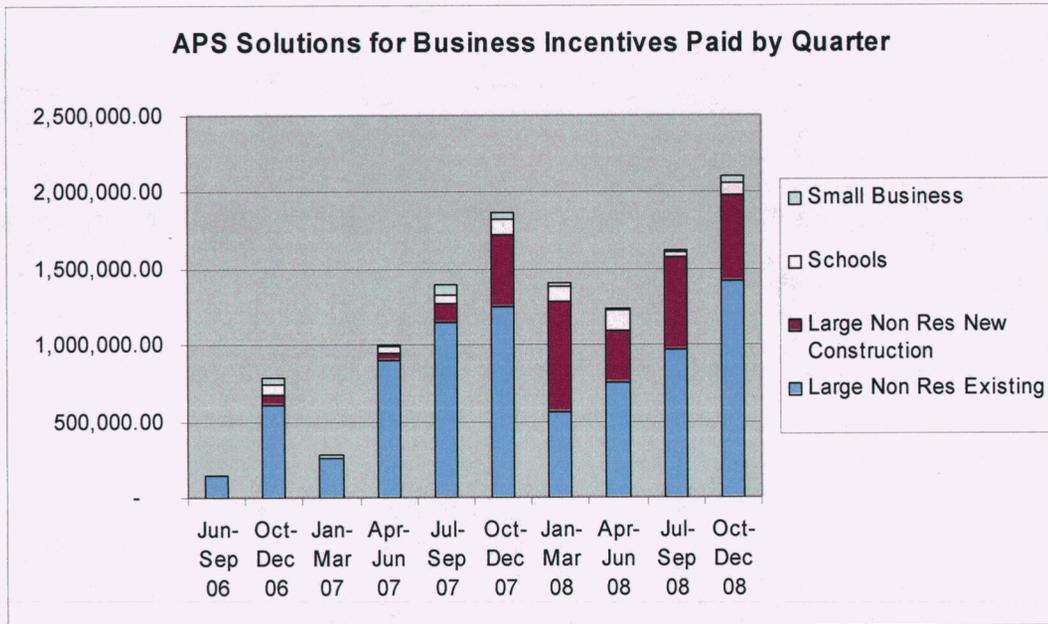
Figure 1 illustrates quarterly incentive payments from program inception through 2008. There is a trend for incentive payments to increase in the last quarter of the calendar year. This is consistent with other utility incentive programs throughout the country and is driven by several factors. Those factors include: companies wanting to clear their books by the end of the calendar year, so they are motivated to provide the requested documentation for their applications; customers wanting to have projects apply to an earlier year's annual cap so that the following year's cap is still available; and the Arizona business cycle encouraging buildings to open in the fall in time for winter season.

APS Solutions for Business Marketing Progress Report

For each of the 179 projects for which customer incentive checks were mailed in November and December 2007:

- Equipment was installed an average of 5 months prior to incentive payment
- Initial customer contact with the program began an average of 6.8 months prior to incentive payment
- APS processed incentive payments in an average of 24 days from receiving the completed final application

FIGURE 1



CONCLUSION

This Marketing Progress Report shows that APS implemented strategies according to the original 2006 Marketing and Communication Plan and identifies where APS made modifications to effectively reach customers. Overall, the marketing of the Solutions for Business program has followed the original marketing plan very closely, including all compliance filings ordered by the Commission ; the Solutions for Business Program has also been able to meet all targets ordered by the Commission. This report fulfills the requirements of Decision No. 70637.

APS Solutions for Business Incentives Paid Nov. & Dec. 2007

Appendix A

BusinessType	Final Application Received Date	ProjectType	Fund Category	Payment ApprovalDate	Payment Amount	Project Completion Date
K-12 School	December 7, 2007	Prescriptive Measures - New Construction	Large New Construction	12/20/2007	\$138,973.28	November 30, 2007
Retail	December 10, 2007	Custom Measures - Retrofit	Large Existing	12/10/2007	\$113,056.90	November 28, 2007
Medical	December 11, 2007	Prescriptive Measures - New Construction	Large New Construction	12/11/2007	\$103,310.00	December 1, 2007
Medical	November 26, 2007	Prescriptive Measures - Retrofit	Large Existing	12/10/2007	\$89,329.50	September 1, 2007
Warehouse	December 10, 2007	Prescriptive Measures - Retrofit	Large Existing	12/10/2007	\$88,082.50	November 28, 2007
Warehouse	October 26, 2007	Custom Measures - Retrofit	Large Existing	11/20/2007	\$77,400.93	October 12, 2007
Other Industrial	November 12, 2007	Measures - New Construction	Large New Construction	11/26/2007	\$62,600.00	August 30, 2007
Other Industrial	November 12, 2007	Prescriptive Measures - Retrofit	Large Existing	11/19/2007	\$58,406.25	October 2, 2007
Miscellaneous	November 21, 2007	Measures - New Construction	Large New Construction	11/26/2007	\$52,530.24	November 12, 2007
K-12 School	November 27, 2007	Prescriptive Measures - Retrofit	Large Existing	12/4/2007	\$47,216.00	December 1, 2007
Retail	November 20, 2007	Measures - New Construction	Large New Construction	11/26/2007	\$45,965.00	October 1, 2007
Process Industrial	December 12, 2007	Measures - New Construction	Large New Construction	12/20/2007	\$40,000.00	June 1, 2007
K-12 School	September 10, 2007	Custom Measures - Retrofit	Large Existing	11/19/2007	\$35,647.96	August 10, 2007
K-12 School	October 1, 2007	Custom Measures - Retrofit	Large Existing	11/19/2007	\$33,215.38	September 3, 2007
K-12 School	October 2, 2007	Custom Measures - Retrofit	Large Existing	11/19/2007	\$31,504.59	August 1, 2007
K-12 School	September 24, 2007	Custom Measures - Retrofit	Large Existing	11/19/2007	\$28,932.73	September 3, 2007
K-12 School	November 19, 2007	Prescriptive Measures - Retrofit	Large Existing	11/26/2007	\$25,530.00	April 30, 2007
K-12 School	December 7, 2007	Measures - New Construction	Large New Construction	12/17/2007	\$22,807.50	November 15, 2007
Office	August 30, 2007	Prescriptive Measures - Retrofit	Large Existing	11/9/2007	\$18,893.75	August 29, 2007
K-12 School	November 20, 2007	Prescriptive Measures - Retrofit	Large Existing	11/26/2007	\$17,893.00	July 31, 2007
K-12 School	October 30, 2007	Prescriptive Measures - Retrofit	Small	11/19/2007	\$16,662.25	January 28, 2007
K-12 School	October 2, 2007	Prescriptive Measures - Retrofit	Large Existing	12/10/2007	\$16,179.00	August 1, 2007
K-12 School	October 2, 2007	Prescriptive Measures - Retrofit	Large Existing	12/10/2007	\$15,952.00	August 1, 2007
Retail	November 14, 2007	Measures - New Construction	Large New Construction	12/10/2007	\$15,590.29	October 1, 2007
Miscellaneous	November 22, 2007	Custom Measures - Retrofit	Large Existing	12/5/2007	\$15,176.04	November 23, 2007
Office	August 30, 2007	Custom Measures - Retrofit	Large Existing	11/9/2007	\$14,698.09	August 29, 2007
K-12 School	December 20, 2007	Custom Measures - New Construction	Large New Construction	12/20/2007	\$13,673.17	November 30, 2007
Office	November 29, 2007	Prescriptive Measures - Retrofit	Small	12/5/2007	\$12,861.00	November 7, 2007

Retail	November 20, 2007	Measures - New Construction	Large New Construction	12/10/2007	\$12,627.65	April 30, 2007
K-12 School	November 20, 2007	Prescriptive Measures - Retrofit	Large Existing	11/26/2007	\$12,053.00	October 15, 2007
Medical	November 26, 2007	Custom Measures - Retrofit	Large Existing	12/10/2007	\$11,131.23	September 1, 2007
Warehouse	October 26, 2007	Prescriptive Measures - Retrofit	Large Existing	11/20/2007	\$11,102.00	October 12, 2007
Miscellaneous	November 20, 2007	Custom Measures - Retrofit	Large Existing	12/5/2007	\$10,262.34	October 5, 2007
Miscellaneous	October 23, 2007	Prescriptive Measures - Retrofit	Large Existing	11/19/2007	\$10,000.00	February 19, 2007
College/University	November 21, 2007	Technical Assistance & Studies	Large New Construction	11/26/2007	\$10,000.00	January 12, 2007
Office	August 30, 2007	Prescriptive Measures - Retrofit	Large Existing	11/9/2007	\$9,290.50	August 29, 2007
K-12 School	December 12, 2007	Prescriptive Measures - Retrofit	Large Existing	12/13/2007	\$9,048.00	July 17, 2007
Retail	November 20, 2007	Measures - New Construction	Large New Construction	12/10/2007	\$8,321.64	August 30, 2006
Medical	November 28, 2007	Prescriptive Measures - Retrofit	Large Existing	12/20/2007	\$7,779.50	September 26, 2007
K-12 School	December 6, 2007	Prescriptive Measures - Retrofit	Large Existing	12/10/2007	\$7,632.00	October 5, 2007
K-12 School	October 1, 2007	Custom Measures - New Construction	Large New Construction	11/19/2007	\$7,275.05	September 3, 2007
K-12 School	October 1, 2007	Custom Measures - Retrofit	Large Existing	11/19/2007	\$7,275.05	September 3, 2007
K-12 School	October 1, 2007	Custom Measures - Retrofit	Large Existing	11/19/2007	\$7,275.05	September 3, 2007
K-12 School	October 1, 2007	Custom Measures - Retrofit	Large Existing	11/19/2007	\$7,275.05	September 3, 2007
Hotel/Motel	August 4, 2007	Technical Assistance & Studies	Large Existing	11/20/2007	\$6,900.00	August 4, 2007
Retail	December 3, 2007	Measures - New Construction	Large New Construction	12/10/2007	\$6,239.76	August 2, 2007
Grocery	December 19, 2007	Custom Measures - Retrofit	Large Existing	12/20/2007	\$5,953.00	August 31, 2006
Retail	November 20, 2007	Measures - New Construction	Large New Construction	12/10/2007	\$5,933.44	August 2, 2007
Grocery	November 20, 2007	Prescriptive Measures - Retrofit	Large Existing	11/20/2007	\$5,780.00	May 30, 2007
Grocery	December 19, 2007	Custom Measures - Retrofit	Large Existing	12/20/2007	\$5,734.30	August 31, 2006
Grocery	December 19, 2007	Custom Measures - Retrofit	Large Existing	12/20/2007	\$5,685.50	August 31, 2006
K-12 School	December 6, 2007	Prescriptive Measures - Retrofit	Large Existing	12/10/2007	\$5,656.00	October 5, 2007
Grocery	December 19, 2007	Custom Measures - Retrofit	Large Existing	12/20/2007	\$5,255.00	August 31, 2006
Grocery	December 19, 2007	Custom Measures - Retrofit	Large Existing	12/20/2007	\$4,934.50	August 31, 2006
Grocery	December 19, 2007	Custom Measures - Retrofit	Large Existing	12/20/2007	\$4,826.50	August 31, 2006
Grocery	December 19, 2007	Custom Measures - Retrofit	Large Existing	12/20/2007	\$4,496.43	August 31, 2006
K-12 School	December 6, 2007	Prescriptive Measures - Retrofit	Large Existing	12/10/2007	\$4,360.00	October 5, 2007
K-12 School	October 2, 2007	Prescriptive Measures - Retrofit	Large Existing	12/5/2007	\$4,350.00	August 1, 2007
Office	August 30, 2007	Prescriptive Measures - Retrofit	Large Existing	11/9/2007	\$4,244.25	August 29, 2007
Medical	August 17, 2007	Prescriptive Measures - Retrofit	Large Existing	12/5/2007	\$4,000.00	June 14, 2007
Office	September 26, 2007	Prescriptive Measures - Retrofit	Large Existing	12/5/2007	\$3,890.00	August 16, 2007

Restaurant	December 6, 2007	Custom Measures - Retrofit	Large Existing	12/10/2007	\$3,400.00	October 14, 2007
Restaurant	November 15, 2007	Custom Measures - Retrofit	Large Existing	11/26/2007	\$3,336.74	October 18, 2007
Restaurant	October 9, 2007	Custom Measures - Retrofit	Large Existing	11/20/2007	\$3,336.74	August 15, 2007
K-12 School	December 6, 2007	Prescriptive Measures - Retrofit	Large Existing	12/10/2007	\$3,320.00	October 5, 2007
Grocery	December 19, 2007	Custom Measures - Retrofit	Large Existing	12/20/2007	\$3,270.00	August 31, 2007
Retail	June 27, 2007	Measures - New Construction	Large New Construction	12/5/2007	\$3,261.10	July 20, 2007
Office	August 30, 2007	Custom Measures - Retrofit	Large Existing	11/9/2007	\$3,134.23	August 29, 2007
K-12 School	December 6, 2007	Prescriptive Measures - Retrofit	Large Existing	12/10/2007	\$3,096.00	October 5, 2007
Grocery	November 13, 2007	Prescriptive Measures - Retrofit	Large Existing	11/13/2007	\$3,050.00	May 1, 2007
Grocery	December 19, 2007	Custom Measures - Retrofit	Large Existing	12/20/2007	\$3,025.27	August 31, 2006
K-12 School	November 19, 2007	Prescriptive Measures - Retrofit	Large Existing	11/20/2007	\$2,912.00	October 5, 2007
Grocery	December 19, 2007	Custom Measures - Retrofit	Large Existing	12/20/2007	\$2,680.50	August 31, 2006
Office	December 3, 2007	Prescriptive Measures - Retrofit	Small	12/10/2007	\$2,573.00	November 28, 2007
Grocery	December 19, 2007	Custom Measures - Retrofit	Large Existing	12/20/2007	\$2,518.92	August 31, 2006
Office	December 4, 2007	Prescriptive Measures - Retrofit	Large Existing	12/10/2007	\$2,440.00	November 24, 2007
Miscellaneous	September 20, 2007	Prescriptive Measures - Retrofit	Large Existing	11/19/2007	\$2,425.85	March 15, 2007
K-12 School	November 19, 2007	Prescriptive Measures - Retrofit	Large Existing	11/20/2007	\$2,320.00	October 5, 2007
K-12 School	October 1, 2007	Prescriptive Measures - Retrofit	Large Existing	11/19/2007	\$2,250.00	May 17, 2007
Grocery	December 19, 2007	Custom Measures - Retrofit	Large Existing	12/20/2007	\$2,246.42	August 31, 2006
K-12 School	November 12, 2007	Custom Measures - Retrofit	Large Existing	11/19/2007	\$2,200.00	August 31, 2007
Grocery	December 19, 2007	Custom Measures - Retrofit	Large Existing	12/20/2007	\$2,145.50	August 31, 2006
Grocery	December 19, 2007	Custom Measures - Retrofit	Large Existing	12/20/2007	\$2,097.81	August 31, 2006
Grocery	December 19, 2007	Custom Measures - Retrofit	Large Existing	12/20/2007	\$2,091.50	August 31, 2006
Office	December 7, 2007	Prescriptive Measures - Retrofit	Large Existing	12/12/2007	\$2,044.25	August 30, 2007
Medical	November 15, 2007	Prescriptive Measures - Retrofit	Large Existing	11/19/2007	\$2,000.00	August 13, 2007
K-12 School	November 13, 2007	Prescriptive Measures - Retrofit	Large Existing	11/26/2007	\$2,000.00	August 31, 2007
Retail	December 12, 2007	Prescriptive Measures - Retrofit	Large Existing	12/20/2007	\$1,898.00	October 15, 2007
Grocery	December 19, 2007	Custom Measures - Retrofit	Large Existing	12/20/2007	\$1,876.50	August 31, 2006
K-12 School	November 16, 2007	Prescriptive Measures - Retrofit	Large Existing	11/20/2007	\$1,864.00	October 5, 2007
Grocery	December 19, 2007	Custom Measures - Retrofit	Large Existing	12/20/2007	\$1,850.50	August 31, 2006
Grocery	December 19, 2007	Custom Measures - Retrofit	Large Existing	12/20/2007	\$1,823.00	August 31, 2006
Office	November 16, 2007	Prescriptive Measures - Retrofit	Small	12/5/2007	\$1,802.00	September 23, 2007
Medical	November 28, 2007	Custom Measures - Retrofit	Large Existing	12/20/2007	\$1,674.75	September 26, 2007

K-12 School	November 19, 2007	Prescriptive Measures - Retrofit	Large Existing	11/20/2007	\$1,624.00	October 5, 2007
Retail	December 3, 2007	Custom Measures - Retrofit	Large Existing	12/12/2007	\$1,616.01	September 30, 2007
K-12 School	November 13, 2007	Prescriptive Measures - Retrofit	Large Existing	11/26/2007	\$1,500.00	August 31, 2007
Miscellaneous	November 14, 2007	Prescriptive Measures - Retrofit	Small	11/19/2007	\$1,407.00	October 28, 2007
Miscellaneous	November 20, 2007	Prescriptive Measures - Retrofit	Large Existing	12/5/2007	\$1,404.00	October 5, 2007
College/University	July 19, 2007	Measures - New Construction	Large New Construction	11/26/2007	\$1,384.45	October 1, 2007
Grocery	December 19, 2007	Custom Measures - Retrofit	Large Existing	12/20/2007	\$1,260.50	August 31, 2006
Grocery	December 19, 2007	Custom Measures - Retrofit	Large Existing	12/20/2007	\$1,197.18	August 31, 2007
Grocery	December 19, 2007	Custom Measures - Retrofit	Large Existing	12/20/2007	\$1,190.83	August 31, 2006
Retail	November 20, 2007	Measures - New Construction	Large New Construction	12/5/2007	\$1,058.44	June 15, 2007
Grocery	December 19, 2007	Prescriptive Measures - Retrofit	Large Existing	12/20/2007	\$1,043.25	November 20, 2007
K-12 School	November 13, 2007	Prescriptive Measures - Retrofit	Large Existing	11/26/2007	\$1,000.00	August 31, 2007
Grocery	December 19, 2007	Prescriptive Measures - Retrofit	Large Existing	12/20/2007	\$899.25	August 31, 2007
Grocery	December 19, 2007	Custom Measures - Retrofit	Large Existing	12/20/2007	\$892.50	August 31, 2006
Grocery	December 19, 2007	Prescriptive Measures - Retrofit	Large Existing	12/20/2007	\$867.25	August 31, 2007
Grocery	December 19, 2007	Custom Measures - Retrofit	Large Existing	12/20/2007	\$856.50	August 31, 2006
Retail	November 20, 2007	Custom Measures - Retrofit	Large Existing	12/10/2007	\$793.29	October 10, 2007
Grocery	December 19, 2007	Prescriptive Measures - Retrofit	Large Existing	12/20/2007	\$739.50	August 31, 2007
Grocery	December 19, 2007	Prescriptive Measures - Retrofit	Large Existing	12/20/2007	\$737.75	August 31, 2007
Grocery	December 19, 2007	Prescriptive Measures - Retrofit	Large Existing	12/20/2007	\$706.50	August 31, 2007
Grocery	December 19, 2007	Prescriptive Measures - Retrofit	Large Existing	12/20/2007	\$686.00	August 31, 2007
Grocery	December 19, 2007	Prescriptive Measures - Retrofit	Large Existing	12/20/2007	\$666.00	August 31, 2007
Restaurant	October 24, 2007	Prescriptive Measures - Retrofit	Large Existing	11/20/2007	\$655.92	August 6, 2007
Grocery	December 19, 2007	Custom Measures - Retrofit	Large Existing	12/20/2007	\$643.00	August 31, 2006
Grocery	December 19, 2007	Custom Measures - Retrofit	Large Existing	12/20/2007	\$643.00	August 31, 2006
Grocery	December 19, 2007	Custom Measures - Retrofit	Large Existing	12/20/2007	\$643.00	August 31, 2006
Grocery	December 19, 2007	Prescriptive Measures - Retrofit	Large Existing	12/20/2007	\$607.00	August 31, 2007
Grocery	December 19, 2007	Prescriptive Measures - Retrofit	Large Existing	12/20/2007	\$577.75	June 30, 2007
Grocery	December 19, 2007	Prescriptive Measures - Retrofit	Large Existing	12/20/2007	\$563.50	August 31, 2007
Grocery	December 19, 2007	Prescriptive Measures - Retrofit	Large Existing	12/20/2007	\$498.00	November 20, 2007
Grocery	December 19, 2007	Prescriptive Measures - Retrofit	Large Existing	12/20/2007	\$462.75	August 31, 2007
Office	August 7, 2007	Prescriptive Measures - Retrofit	Small	11/19/2007	\$450.66	April 20, 2007
Grocery	December 19, 2007	Prescriptive Measures - Retrofit	Large Existing	12/20/2007	\$389.75	August 31, 2007

Grocery	December 19, 2007	Prescriptive Measures - Retrofit	Large Existing	12/20/2007	\$376.00	August 31, 2007
Grocery	December 19, 2007	Prescriptive Measures - Retrofit	Large Existing	12/20/2007	\$337.50	November 20, 2007
Grocery	December 19, 2007	Prescriptive Measures - Retrofit	Large Existing	12/20/2007	\$326.50	August 31, 2007
Grocery	December 19, 2007	Prescriptive Measures - Retrofit	Large Existing	12/20/2007	\$313.25	November 20, 2007
Grocery	December 19, 2007	Prescriptive Measures - Retrofit	Large Existing	12/20/2007	\$291.00	November 20, 2007
Office	December 7, 2007	Prescriptive Measures - Retrofit	Small	12/10/2007	\$277.44	November 10, 2006
Grocery	December 19, 2007	Prescriptive Measures - Retrofit	Large Existing	12/20/2007	\$263.50	August 31, 2007
Process Industrial	November 28, 2007	Prescriptive Measures - Retrofit	Large Existing	12/5/2007	\$262.50	August 22, 2007
Other Industrial	November 12, 2007	Custom Measures - Retrofit	Large Existing	11/19/2007	\$256.96	October 2, 2007
Grocery	December 19, 2007	Prescriptive Measures - Retrofit	Large Existing	12/20/2007	\$251.50	November 20, 2007
K-12 School	September 13, 2007	Prescriptive Measures - Retrofit	Small	11/20/2007	\$250.00	August 10, 2007
Grocery	December 19, 2007	Prescriptive Measures - Retrofit	Large Existing	12/20/2007	\$245.25	August 31, 2007
Grocery	December 19, 2007	Prescriptive Measures - Retrofit	Large Existing	12/20/2007	\$214.50	August 31, 2007
Retail	November 15, 2007	Measures - New Construction	Large New Construction	11/26/2007	\$160.00	August 30, 2006
Office	October 10, 2007	Prescriptive Measures - Retrofit	Small	11/19/2007	\$133.00	August 11, 2007
Grocery	December 19, 2007	Prescriptive Measures - Retrofit	Large Existing	12/20/2007	\$94.00	August 31, 2007
Office	August 27, 2007	Prescriptive Measures - Retrofit	Small	11/19/2007	\$75.00	August 2, 2007
Grocery	December 19, 2007	Prescriptive Measures - Retrofit	Large Existing	12/20/2007	\$56.75	August 31, 2007
Grocery	December 19, 2007	Prescriptive Measures - Retrofit	Large Existing	12/20/2007	\$50.25	August 31, 2007