

MONTHLY PROGRESS REPORT FOR CONTRACT NO. 500-00-036

PROJECT 1.1 – PROGRAM PLANNING AND ANALYSIS

REPORT PREPARED BY: COMMONWEALTH ENERGY TEAM

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What we planned to accomplish this period:

The CE Team anticipated that efforts to prioritize projects identified within the inventory process would continue, as would the ongoing integration of the Commonwealth Business Plan into the prioritization process. Additionally, preliminary conclusions of the prioritization effort would be presented to the Commission prior to finalizing the prioritization report. Once Commission feedback was obtained, it would be incorporated into the prioritization as well as the Project 1.1 Final Report.

Additionally, Itron anticipated incorporating the final comments received and updating the generation profiles as appropriate, prior to submitting the Task 1.1.8 final report internally for its last review, before submittal to the Commission.

What we actually accomplished this period:

Task 1.1.8 Development of Generation Profiles:

- As anticipated, Itron incorporated generation profiles summarizing the anticipated Commonwealth Program RD&D generation, as well as the generation profiles for the fully realized mini-grid developed under Task 1.1.7. As previously reported, work continues to proceed slower than anticipated, therefore, Itron now anticipates submitting the revised report and their response to comments provided in early April.

Task 1.1.10 Prepare Prioritized List of Projects for PV and Biogas Systems

- The CE Team refined the initial draft of the prioritization framework incorporating the objectives of the Commonwealth Business Plan, the Mini-Grid analysis and the technical objectives for the PIER Program, into the prioritization process. This draft framework was then submitted to the Commission for review and comment

and discussed with Commission staff during a meeting on March 9th. Additionally, the CE Team continued to develop information for the revised *Prioritization Report*. In March, the focus on this task continued to be the refinement of the decision-making model, which considers a variety of factors in prioritizing projects to be implemented under this Program. The model includes a mechanism to weight different attributes according to their importance based upon the objectives of the Commonwealth Business Plan, the Mini-Grid benefits and the technical objectives of the PIER Program. Initial numeric weights were established and used in the model to test and provide preliminary results.

- As reported previously, due to the redirection of the proposed projects, the draft revision of the *Prioritization Report* has not been finalized. The previous draft is being revised in order to integrate the Commonwealth Business Plan and other project objectives into the planning and analysis process. A key meeting on this subject was held with Commission staff on March 9th, during which the decision-making framework and analysis approach was reviewed and preliminary ranking of biogas projects into three tiers was achieved.

Task 1.1.11 Prepare Final Report

- The CE Team continued to assemble key results for each of the previously completed tasks, and upon Commission approval of the deliverable, integrate the results into the Final Report. In general, much of the effort associated with preparing the Final Report has been completed and limited work was conducted during this period. Finalization of the report awaits completion of the revised project prioritization list including conclusions related to the overall direction of Project 3.1. As noted above, the results of the March 9th meeting provided direction in both areas and are being reflected in the efforts to prepare the project's final report. Also as noted in previous monthly reports, coordination of the key findings of this project with the initial activities of Projects 2.1, 2.2 and 3.1 was undertaken so that efforts on subsequent tasks would be aligned with the key findings of Project 1.1

How we are doing compared to our plan:

Work continues to progress generally as anticipated. Although there have been challenges within a few of the tasks, the majority of these challenges have been resolved, and have not seriously affected the revised project schedule (Exhibit B) or overall project budget as a whole.

Significant problems or changes:

There are no significant fiscal problems to report on during this period and work is proceeding within the Project 1.1 budget. The primary consideration affecting the overall project and program schedule is the relationship between the Commonwealth Business Plan and the overall program in relation to individual projects and tasks. The results of the

guidance offered on broad programmatic issues, is being addressed in the decision-making framework model, which is being used to evaluate individual projects. The draft framework of the model submitted to the Commission in February, together with the guidance received from the Commission at the March 9th meeting, will enable this project to be completed in a manner consistent with the overall Program and Commonwealth Business Plan objectives.

What we expect to accomplish during the next period:

Efforts to prioritize projects identified within the inventory process are expected to continue in April, as will the ongoing integration of the Commonwealth Business Plan into the prioritization process. It is anticipated that an internal draft of the revised *Prioritization Report* will be finalized in April and submitted to the Commission in late April or early May. It is also anticipated that work on the final report will be undertaken in April, as the primary remaining task on that report is the integration of the results of the prioritization efforts. Once that integration is complete, the findings will be incorporated into the Project 1.1. Final Report. This is expected to follow completion of the *Prioritization Report* by approximately two weeks.

Additionally, Itron anticipates incorporating internal comments and updating the generation profiles as appropriate, prior to submitting the Task 1.1.8 final report to the Commission.

Status of Milestones and Deliverables:

Table 1 summarizes the status of Project 1.1 task deliverables as of the end of the current reporting period.

Table 1: Summary of Project Status and Deliverables – Project 1.1

Task No.	Description	Start Date		Due Date		Status (%)
		Planned	Actual	Planned ¹	Actual ¹	
1.1.1	Review previous CA technical & market potential assessments	6/5/02	6/5/02	8/4/02	10/31/02	100%
1.1.1	“Preliminary definition” of Program mini-grid region	6/5/02	6/5/02	8/4/02	10/31/02	100%
1.1.2a	Develop DB of Agricultural Facilities	6/19/02	7/20/02	01/17/03	11/04/03	100%
1.1.2b	Develop Ag GIS report	6/19/02	8/12/02	01/17/03	11/04/03	100%
1.1.3a	Develop Landfill DB	6/19/02	6/19/02	10/25/02	12/15/02	100%
1.1.3b	Develop Landfill GIS report	6/19/02	6/19/02	10/25/02	12/15/02	100%
1.1.4a	Develop WWT facility DB	6/19/02	6/19/02	10/31/02	12/15/02	100%

Task No.	Description	Start Date		Due Date		Status (%)
1.1.4b	Develop WWT GIS report	6/19/02	6/19/02	10/31/02	12/15/02	100%
1.1.5	Develop BIPV systems DB	8/5/02	8/5/02	12/03/02	2/5/03	100%
1.1.6	Develop T&D System DB	6/5/02	6/26/02	02/16/03	06/10/03	100%
1.1.7	Market Potential Assessment	11/10/02	9/13/02	08/01/03	DR: 07/31/03	100%
1.1.8	Develop Generation Profiles	12/11/02	8/15/02	09/08/03	DR: 9/08/03	99%
1.1.9 a	Conduct Power Flow Analysis (T&D Model)	10/14/02	09/23/02	02/16/03	06/10/03	100%
1.1.9 b	Conduct Power Flow Analysis (Summary Reports)	11/15/02	09/02/03	09/11/03	DR: 09/12/03 FR: 11/28/03	100%
1.1.10	Prepare Prioritized List of Projects for PV and Biogas Systems	12/03/02	11/04/02	DR: 09/10/03	DR: 09/10/03	98%
1.1.11a	Prepare Draft Report Outline for Project 1.1	1/17/03	02/10/03	02/21/03	7/13/03	100%
1.1.11b	Prepare Draft Report for Project 1.1	3/08/03	04/18/03	09/26/03		78%
1.1.13	Develop M&E Plans	6/5/02	7/15/03	05/29/03		68%

Note 1: "Planned" dates per revised Program Schedule submitted to CEC on September 17, 2003. "Actual" Dates include both the draft report (DR) date (above) and final report (FR) submittal dates (below), where appropriate.

Explanation of any Difference(s) in Project 1.1 Schedule

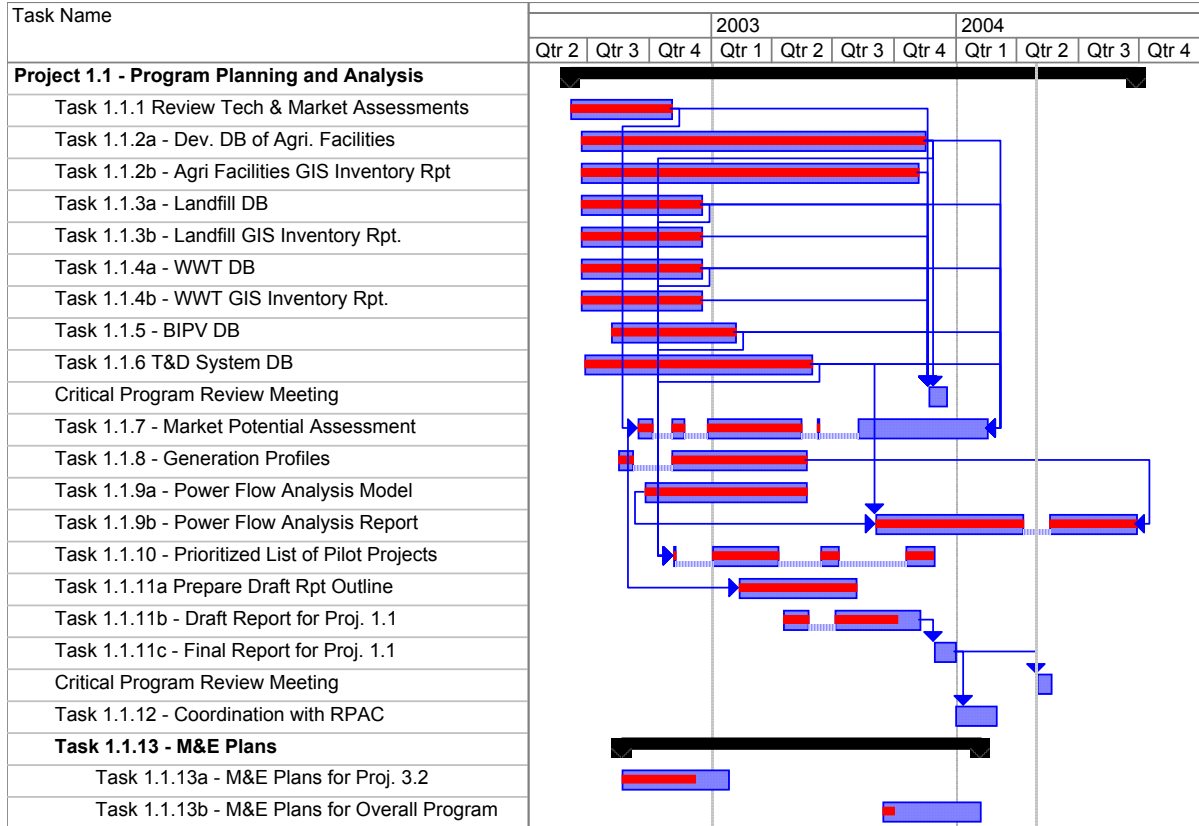
The following listing provides the explanation for the reported changes in the schedule at the project task/deliverable level:

Task 1.1.10 Prepare Prioritized List of Projects for PV and Biogas Systems – This task started on schedule. Its completion has been delayed by approximately seven months. This will allow for incorporation of the findings of the expanded Mini-Grid analysis, incorporation of the Commonwealth Business Plan goals/objectives and enhanced framework within the process of prioritizing the identified projects under the Program.

Task 1.1.11 – Prepare Final report - The start of this task has been delayed by approximately six weeks. This change was made to accommodate the completion of the tasks related to the agricultural waste database and inventory report, as well as to allow for incorporation of the Mini-Grid T&D impacts analysis and guidance of the

RPAC. These changes, however, are consistent with other aspects of the program, which needed to await incorporation of the findings of the Mini-Grid analysis.

Overall Schedule for Project 1.1:



Overview of Fiscal Status:

Table 2 below summarizes the fiscal status of Project 1.1 by task as of the end of the current reporting period.

Table 2: Fiscal Status by Task – Project 1.1

Task Number	Budget	Invoiced To-Date	Fiscal Status *
1.1.1	\$ 18,902.00	\$18,902.00	OB
1.1.2a	\$ 85,562.00	\$85,562.00	OT
1.1.2b	\$ 100,562.00	\$100,562.000	OT
1.1.3a	\$ 66,865.00	\$66,865.00	OT
1.1.3b	\$ 66,865.00	\$66,865.00	OT
1.1.4a	\$ 93,136.00	\$93,136.00	OT
1.1.4b	\$ 93,136.00	\$93,136.00	OT
1.1.5	\$ 87,177.00	\$85,780.00	OT
1.1.6	\$ 98,840.00	\$98,840.00	OT
1.1.7	\$ 96,896.00	\$0	OB
1.1.8	\$ 15,363.00	\$0	OT
1.1.9a	\$ 37,040.00	\$37,040.00	OT
1.1.9b	\$ 59,134.00	\$59,134.00	OT
1.1.10	\$172,132.00	\$0	OT
1.1.11a	\$ 18,540.00	\$18,540.00	OT
1.1.11b	\$114,046.00	\$0	OT
1.1.11c	\$27,809.00	\$0	OT
1.1.12	\$ 41,357.00	\$0	OT
1.1.13	\$ 25,251.00	\$0	OT

*Fiscal Status – Please indicate if you are “On Track” (OT), OverBudget (OB), or UnderBudget (UB)

