

**Performance Incentive Calculation Example- For Illustrative Purposes Only**

**KCP&L-MO MEEIA Filing EO-2014-0095**

90/10 Weighting Example

Period Covered July 6, 2014 - December 31, 2015

**EXAMPLE 1**

EM&V Net Benefits	\$32.30
Percent of Savings earned	6.839%
Initial Sharing Amount	\$2.21

**EXAMPLE 1-Detailed Calculation**

	Savings Targets**	Savings Results from EM&V *	Ratio - Results to Target	Weighting	Incentive Threshold
Annual Energy 90 % weighted	Kwh 102,588,995	Kwh 100,000,000	0.9748	90%	0.8773
Annual Demand 10 % weighted	Kw 43,095	Kw 35,000	0.8122	10%	0.0812
Overall Performance					0.9585

$$6.33 + (0.585) * (7.20 - 6.33) = 6.839 \% \text{ of actual net benefits}$$

0.87

*\*Savings results reflect actual savings achieved with adjustments made for actual NTG factors realized.*

*\*\*No adjustments for opt outs were made to savings targets. Savings targets would be adjusted down to reflect actual customers opting out for 2014-2015.*

Assumes Net Benefits \$32.30

Actual energy savings from EM&V of 100,000,000 KWh

Actual demand savings from EM&V of 35,000 KW

**EXAMPLE 2**

EM&V Net Benefits	\$35.65
Percent of Savings earned	8.032%
Initial Sharing Amount	\$2.86

**EXAMPLE 2**

	Savings Targets**	Savings Results from EM&V *	Ratio - Results to Target	Weighting	Incentive Threshold
Annual Energy 90 % weighted	Kwh 102,588,995	Kwh 110,000,000	1.0722	90%	0.9650
Annual Demand* 10 % weighted	Kw 43,095	Kw 40,000	0.9282	10%	0.0928
Overall Performance					1.0578

$$7.20 + (0.578) * (8.64 - 7.20) = 8.032 \% \text{ of actual net benefits}$$

1.44

*\*Savings results reflect actual savings achieved with adjustments made for actual NTG factors realized.*

*\*\*No adjustments for opt outs were made to savings targets. Savings targets would be adjusted down to reflect actual customers opting out for 2014-2015.*

Assumes Net Benefits \$35.65

Actual energy savings from EM&V of 110,000,000 KWh

Actual demand savings from EM&V of 40,000 KW

Percent of kWh/kW Target (90%/10%)	Percent of EM&V Net Shared Benefits
Less than 70	0.00%
70	4.61%
80	5.47%
90	6.33%
100	7.20%
110	8.64%
120	10.07%
130	11.51%
> 130	11.51%