

The measured energy and water savings for the Facility Improvement Measures (FIM's) installed provide \$576,956 in actual cost avoidance savings in the third annual year report.

The total guaranteed annual energy savings and the measured energy savings are summarized in Tables A & B below:

Table A

	<b>Original Contract Guaranteed Annual Energy Savings</b>	<b>Reported Measured Savings (Year 3)</b>
Electrical Consumption (kWh)	2,211,605	2,722,793
Electrical Demand (kW)	322	437
Natural Gas (Therms)	11,168	15,820
Fuel Oil (Gal)	70,216	93,453
Water (Gal)	2,409,000	2,923,000

The annual cost avoidance and operational savings from the water fixture replacements as defined in the original contract guarantee is reported in the table below:

Table B

	<b>Original Annual Energy Savings (Cost Avoidance) *</b>	<b>Reported Cost Avoidance (Year 3)**</b>
Energy & Utility Savings	\$284,228	\$563,922
Operational Savings	\$13,034	\$13,034
<b>Total</b>	<b>\$297,262</b>	<b>\$576,956</b>

*\*Cost Avoidance calculated using the escalated 2003-2005 base year utility rates*

*\*\*Reported Cost Avoidance calculated using the 2008-2009 3rd year utility performance period rates.*

Per the contract, the utility rate used for savings calculations was based on the utility rate currently in effect or the baseline utility rate escalated per the contract whichever is greater. An escalation rate of 3.5% per annual period was applied to the utility rates and an escalation rate of 2.0% per annual period was applied to the operational savings.