

# Working Group V Natural Gas Efficiency

November 3, 2008  
Conference of Parties

## Co-Conveners

John D'Aloia, NYS Department of Public Service

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# Overview

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## Charge of the Working Group

“...reconciliation of the updated Optimal Report results with ongoing natural gas efficiency programs, recommendations of statewide and utility-specific natural gas efficiency goals and targets, and identification of additional program proposals as appropriate.” (7/3/08 ALJ Ruling)

Working Group V has produced a collaborative document that strives to address our charge and to balance the concerns and interests of the varied parties to this Working Group.

# Summary of Recommendations

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1. The consensus of the group is that there are real opportunities for cost effective natural gas energy efficiency programs to be implemented in New York.
2. In determining a natural gas efficiency portfolio program, the Commission should rely upon the natural gas forecast contained in the State Energy Plan, updated as appropriate.
3. Natural gas efficiency standards should focus both on improving customer end-use efficiency and on total natural gas usage reduction. There are many factors & trends (e.g. environmental, transportation, and economic development) that could increase gas usage and which need to be balanced against broader considerations.
4. Given a range of possible natural gas efficiency targets, once the Commission establishes specific natural gas efficiency portfolio standards, then the utilities, NYSERDA, and interested third parties should develop and submit to the Commission for its review and approval specific gas efficiency programs designed to achieve the standards.

# Summary of Recommendations

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5. A rigorous monitoring and evaluation effort is needed, and should be coordinated with the efforts EEPS Evaluation Advisory Group.
6. The group has developed a high level model which, although limited, can be used to evaluate different program mixes and funding levels and estimated savings. More detailed projections of overall statewide savings should be developed as specific programs are identified for Commission approval.
7. The group recommends that a process be established to periodically review natural gas efficiency program portfolios, assess effectiveness, and consider the impacts from all relevant factors.
8. Programs need to be developed that recognize the diversity of the natural gas market place across the State, including geographical and customer mix differences.
9. The group does not recommend inclusion of interruptible customers in natural gas efficiency programs at this time, but in the longer run a cost-effective means to include them may be considered.