

New York State - Energy Efficiency Portfolio Standard
Working Group 2 – Program Summaries

Residential Programs

Program Name: Low Income Weatherization Program

Working Group Contact: Matt Dugan / Janja Lupse

Administering Entity: National Grid / KeySpan

Targeted Sector: Residential - Low income qualification income level is 60% of the state median income.

Funding years	Funding Source	Total Budget (Millions)	Cumulative Funds Spent (Millions)	Current Annual Expenditures (Year Millions)	Energy Savings		Total Resource Cost (TRC) Results*
					Cumulative (therms)	Current Annual (therms)	
8-1-07 – 4-30-08*	SBC (ratepayers)	\$4,411,765	n/a	Launched Sept 1 st , currently reviewing expenditures	n/a	444,729 (est.)	1.24

* Programs are based on a PSC approval for Interim program rollout of \$15 million for NY/LI (residential and commercial customers), ramping up to an overall \$30 million annual budget in the next five years, as agreed by all signatory parties.

Program Description (include links to on-line documents as appropriate):

http://www.dps.state.ny.us/New_NaturalGas.html

<http://www.keyspansaves.com/>

The Residential Low-Income program allows eligible customers to receive up to \$4,500 in qualifying measures. The measures eligible to be provided through the program include an energy audit, attic insulation, wall insulation, air sealing, heating system repair/replacement (on a qualifying basis), and safety inspections. Small energy-related repairs for eligible heating units can also be performed, excluding asbestos removal and electrical work. Homes with heating units that do not qualify for a program heating system measure, may be eligible for air sealing and general heat waste measures. Single family homes are eligible for up to three hours of professional air sealing and general heat waste measures. To maximize the services provided, whenever possible program funds are leveraged with DOE weatherization funds. Administered by AEA for NGG/Keyspan.

Relationship to Staff Preliminary Proposal:

“Low Income Residential Energy Efficiency and Weatherization program (electric & gas” was considered for fast track expansion. This program complements the existing WAP as well as EmPower low income programs.

Current status (include statement on where this program is in its life cycle/MT timeline, current trends, projections, whether the program is over/under/fully subscribed, customers served)

This program is in infancy stage, but it is a mirror of the national award winning gas energy efficiency programs in MA/NH, which have been in place for over 15 years.

Barriers, challenges, gaps:

Supply-Side and Mid-Market (Infrastructure) Barriers

New York State - Energy Efficiency Portfolio Standard

Working Group 2 – Program Summaries

- Limited funding for weatherization assistance providers (WAP) and community action program (CAP) agencies
- Limited supply of qualified residential weatherization contractors
- Lack of knowledge among weatherization and related professionals on effectively selling their services
- Lack of financing for making improvements to low-income properties

Demand-Side Barriers

- Limited resources (financial and informational) of income eligible customers to address energy efficiency in their homes
- Split incentives (the tenant pays the energy bills, and would benefit from lower energy costs, but is reluctant to make permanent investments in energy efficiency measures or improve the property in other ways).
- Lack of consideration of operation and maintenance costs compared to first-cost outlays (multifamily building owners)
- Cost of making energy efficiency improvements in existing homes
- Limited awareness and knowledge by income eligible consumers about the potential energy and financial savings, as well as other non-energy benefits, associated with energy efficiency in the home
- Lack of reliable information on energy efficient practices in existing homes
- Reluctance of consumers to purchase and/or install high efficiency equipment and/or consider new technologies
- Limited awareness by income eligible customers of weatherization, fuel assistance, and other discount services related to energy use in the home
- Limited awareness by customers of KeySpan's income eligible, and other, energy efficiency programs and how they can help them reduce their energy costs

Ramp-up potential, limitations, where help is needed to fulfill potential:

Some limitations may exist with AEA resources when the program ramps up to \$30 million.

Co-benefits (e.g. environmental, health & safety, economic development):

This program provides ways to reduce the impact of global warming and CO2 reductions while guaranteeing ratepayers access to *affordable, efficient and reliable energy supplies*. Enables the low income population to improve their quality of life and provides an opportunity for them to have a healthier and better life while saving them money. These programs can foster economic development and job growth by encouraging in-state technology advances to deliver energy efficiency programs to consumers. While the programs provide energy savings and thus ultimately reduction in gas usage, it allows the company to avoid capital investments to upgrade the systems for increased gas load.

Other issues/considerations:

N/A

New York State - Energy Efficiency Portfolio Standard
Working Group 2 – Program Summaries

Program Name: Residential Weatherization Program

Working Group Contact: Matt Dugan / Janja Lupse

Administering Entity: National Grid / KeySpan

Targeted Sector: Residential – all firm heating customers

Funding years	Funding Source	Total Budget (Millions)	Cumulative Funds Spent (Millions)	Current Annual Expenditures (Year Millions)	Energy Savings		Total Resource Cost (TRC) Results*
					Cumulative (therms)	Current Annual (therms)	
8-1-07 – 4-30-08*	SBC (ratepayers)	\$ 520,544	n/a	Launched Sept 1 st , currently reviewing expenditures	n/a	374,141 (est.)	2.77

* Programs are based on a PSC approval for Interim program rollout of \$15 million for NY/LI (residential and commercial customers), ramping up to an overall \$30 million annual budget in the next five years, as agreed by all signatory parties.

Program Description (include links to on-line documents as appropriate):

http://www.dps.state.ny.us/New_NaturalGas.html

<http://www.keyspansaves.com/>

The Residential Weatherization program provides a rebate of 20% of the cost of installing weatherization measures in a residential heating customer’s home built prior to inception of the most recent building energy code. The maximum rebate available to a customer under this program is \$750. Measures eligible for a rebate under the program include: attic insulation, wall insulation, basement/crawl space insulation, rim joist insulation, duct insulation, heating system pipe insulation, attic ventilation (only in conjunction with attic insulation), ductwork leakage testing, ductwork leakage sealing, air infiltration testing, and air infiltration sealing. To be eligible for a rebate, a KeySpan pre-qualified contractor must be chosen to install program measures. Do-it-yourself work will not be allowed through the program. Administered by EFI for KeySpan / National Grid.

Relationship to Staff Preliminary Proposal:

“Residential Retrofit Program (gas only)” was considered for fast track expansion. Such programs provide simpler, lower cost option than the Home Performance with Energy Star (whole house) approach. The Residential Weatherization fits this description and offers simple options to the customers.

Current status (include statement on where this program is in its life cycle/MT timeline, current trends, projections, whether the program is over/under/fully subscribed, customers served)

This program is in infancy stage, but it is a mirror of the national award winning gas energy efficiency programs in MA/NH, which have been in place for over 15 years.

Barriers, challenges, gaps:

Supply-Side and Mid-Market (Infrastructure) Barriers

- Building contractors do not regard energy efficiency as a value-added feature

New York State - Energy Efficiency Portfolio Standard Working Group 2 – Program Summaries

- Lack of residential building contractor awareness concerning energy efficiency of existing homes and their associated energy and environmental benefits
- Lack of building contractor experience on retrofitting homes to make them more energy efficient or how to do so cost-effectively
- Limited supply of qualified residential weatherization professionals
- Lack of knowledge among weatherization and related professionals on effectively selling their services

Demand-Side Barriers

- Limited awareness and knowledge by consumers about the potential energy and financial savings, as well as other non-energy benefits, associated with energy efficiency in the home
- Lack of reliable information on energy efficient practices in existing homes
- Reluctance of consumers to purchase and/or install efficiency measures and/or consider new technologies
- Limited awareness by customers of KeySpan's energy efficiency programs and how they can help them reduce their energy costs
- Cost of conducting energy efficiency improvements in existing homes

Ramp-up potential, limitations, where help is needed to fulfill potential:

It will take increased awareness and education for customers to see the benefits of energy efficiency measures in existing homes.

Co-benefits (e.g. environmental, health & safety, economic development):

This program provides ways to reduce the impact of global warming and CO2 reductions while guaranteeing ratepayers access to *affordable, efficient and reliable energy supplies*. Enables the customers to improve their quality of life and provides an opportunity for them to have a healthier and better life, and save them money. These programs can foster economic development and job growth by encouraging in-state technology advances to deliver energy efficiency programs to consumers. While the programs provide energy savings and thus ultimately reduction in gas usage, it allows the company to avoid capital investments to upgrade the systems for increased gas load.

Other issues/considerations:

N/A

New York State - Energy Efficiency Portfolio Standard
Working Group 2 – Program Summaries

Program Name: Residential High Efficiency Heating programs

Working Group Contact: Matt Dugan / Janja Lupse

Administering Entity: National Grid / KeySpan

Targeted Sector: Residential – all firm heating customers

Funding years	Funding Source	Total Budget (Millions)	Cumulative Funds Spent (Millions)	Current Annual Expenditures (Year Millions)	Energy Savings		Total Resource Cost (TRC) Results*
					Cumulative (therms)	Current Annual (therms)	
8-1-07 – 4-30-08*	SBC (ratepayers)	\$1,214,603	n/a	Launched Sept 1 st , currently reviewing expenditures	n/a	575,889 (est.)	2.12

* Programs are based on a PSC approval for Interim program rollout of \$15 million for NY/LI (residential and commercial customers), ramping up to an overall \$30 million annual budget in the next five years, as agreed by all signatory parties.

Program Description (include links to on-line documents as appropriate):

http://www.dps.state.ny.us/New_NaturalGas.html

<http://www.keyspansaves.com/>

Heating equipment is typically the largest energy user in the home. If a natural gas furnace or boiler is more than 20 years old, it is probably running very inefficiently compared to today's models. One way to help offset the rising cost of energy and significantly reduce heating costs is to replace an old furnace or boiler with new high-efficiency heating equipment. A cash REBATE of up to \$800 is available to KeySpan's residential heating customers, builders or homeowners who install high-efficiency natural gas heating equipment. To qualify, all equipment, where applicable, must meet the Energy Star guidelines for heating equipment. Administered by EFI for KeySpan / National Grid.

Relationship to Staff Preliminary Proposal:

“Residential Efficient Appliances and Equipment Purchase Program (gas only)” was considered for fast track expansion. This program would promote efficient furnaces, boilers, water heaters, solar hot water and other technologies. Residential High Efficiency Heating program fits this description focusing primarily on high efficiency heating equipment.

Current status (include statement on where this program is in its life cycle/MT timeline, current trends, projections, whether the program is over/under/fully subscribed, customers served)

This program is in infancy stage, but it is a mirror of the national award winning gas energy efficiency programs in MA/NH, which have been in place for over 15 years.

Barriers, challenges, gaps:

Supply-Side and Mid-Market (Infrastructure) Barriers

- A customer who is converting from oil to gas cannot take advantage of this program (in Gas EE Collaborative discussions to be included in the longer-term programs)
- Building contractors do not regard energy efficiency as a value-added feature

New York State - Energy Efficiency Portfolio Standard Working Group 2 – Program Summaries

- Lack of residential building contractor awareness concerning energy efficiency of existing homes and their associated energy and environmental benefits
- Lack of building contractor experience on retrofitting homes to make them more energy efficient or how to do so cost-effectively
- Limited supply of qualified residential weatherization professionals
- Lack of knowledge among weatherization and related professionals on effectively selling their services

Demand-Side Barriers

- Limited awareness and knowledge by consumers about the potential energy and financial savings, as well as other non-energy benefits, associated with energy efficiency in the home
- Lack of reliable information on energy efficient practices in existing homes
- Reluctance of consumers to purchase and/or install efficiency measures and/or consider new technologies
- Limited awareness by customers of KeySpan's energy efficiency programs and how they can help them reduce their energy costs I don't think this applies to our new programs
- Cost of conducting energy efficiency improvements in existing homes

Ramp-up potential, limitations, where help is needed to fulfill potential:

It will take increased awareness and education for customers to see the benefits of energy efficiency measures in existing homes.

Co-benefits (e.g. environmental, health & safety, economic development):

This program provides ways to reduce the impact of global warming and CO2 reductions while guaranteeing ratepayers access to *affordable, efficient and reliable energy supplies*. Enables the customers to improve their quality of life and provides an opportunity for them to have a healthier and better life, and save them money. These programs can foster economic development and job growth by encouraging in-state technology advances to deliver energy efficiency programs to consumers. While the programs provide energy savings and thus ultimately reduction in gas usage, it allows the company to avoid capital investments to upgrade the systems for increased gas load.

Other issues/considerations:

N/A

New York State - Energy Efficiency Portfolio Standard
Working Group 2 – Program Summaries

Program Name: Residential High Efficiency Water Heating programs

Working Group Contact: Matt Dugan / Janja Lupse

Administering Entity: National Grid / KeySpan

Targeted Sector: Residential – all firm heating customers

Funding years	Funding Source	Total Budget (Millions)	Cumulative Funds Spent (Millions)	Current Annual Expenditures (Year Millions)	Energy Savings		Total Resource Cost (TRC) Results*
					Cumulative (therms)	Current Annual (therms)	
8-1-07 – 4-30-08*	SBC (ratepayers)	\$208,217	n/a	Launched Sept 1 st , currently reviewing expenditures	n/a	46,731 (est.)	1.47

* Programs are based on a PSC approval for Interim program rollout of \$15 million for NY/LI (residential and commercial customers), ramping up to an overall \$30 million annual budget in the next five years, as agreed by all signatory parties.

Program Description (include links to on-line documents as appropriate):

http://www.dps.state.ny.us/New_NaturalGas.html

<http://www.keysponsorsaves.com/>

Indirect water heaters use the home’s boiler or furnace as the heat source. In boiler systems, hot water from the boiler is circulated through a heat exchanger in a separate insulated tank. In the less common furnace-based systems, water in a heat exchanger coil circulates through the furnace to be heated, then through the water storage tank. Since hot water is stored in an insulated storage tank, the boiler or furnace does not have to turn on and off as frequently, improving its fuel economy. Indirect water heaters, when used in combination with new, high-efficiency boilers or furnaces, are an efficient way to provide hot water. KeySpan customers installing an indirect water heater are eligible for a \$300 rebate. On-demand tankless hot water systems are changing the way modern homes meet their hot water needs. Tankless systems use a high capacity gas burner and automatic controls to heat water on demand. Unlike standard water heaters that have a reservoir of water which is constantly reheated, tankless systems start the heating process only when the unit senses a demand for hot water. The Company will provide an incentive of \$300 for tankless water heaters with an Energy Factor of 0.82 or greater and an electronic ignition. Administered by EFI for KeySpan / National Grid.

Relationship to Staff Preliminary Proposal:

“Residential Efficient Appliances and Equipment Purchase Program (gas only)” was considered for fast track expansion. This program would promote efficient furnaces, boilers, water heaters, solar hot water and other technologies. Residential High Efficiency Water Heating program fits this description focusing primarily on high efficiency water heating equipment.

Current status (include statement on where this program is in its life cycle/MT timeline, current trends, projections, whether the program is over/under/fully subscribed, customers served)

This program is in infancy stage, but it is a mirror of the national award winning gas energy efficiency programs in MA/NH, which have been in place for over 15 years.

New York State - Energy Efficiency Portfolio Standard Working Group 2 – Program Summaries

Barriers, challenges, gaps:

Supply-Side Barriers

- A customer who is converting from oil to gas cannot take advantage of this program (in Gas EE Collaborative discussions to be included in the longer-term programs)
- Price differential between the indirect water heater, the tankless systems and standard, stand alone water heater systems

Mid-Market (Infrastructure) Barriers

- Lack of product knowledge among plumbing and heating contractors, supply houses, and other market actors regarding the benefits of high efficiency versus standard water heating systems
- Lack of industry-sponsored product training on high efficiency water heating systems
- Lack of plumbing and heating contractor experience with installing, selling and servicing indirect and tankless water heating systems

Demand-Side Barriers

- Limited awareness and knowledge by consumers about the potential energy and financial savings, as well as other non-energy benefits (convenience, comfort) associated with high efficiency water heating
- Limited availability of reliable information on high efficiency water heating
- Reluctance of consumers to purchase and/or install high efficiency water heating systems and/or consider new technologies
- Limited customer awareness of KeySpan's energy efficiency programs and how they can help them reduce their energy costs
- Higher initial purchase price of high efficiency water heating systems

Ramp-up potential, limitations, where help is needed to fulfill potential:

It will take increased awareness and education for customers to see the benefits of energy efficiency measures in existing homes. .

Co-benefits (e.g. environmental, health & safety, economic development):

This program provides ways to reduce the impact of global warming and CO2 reductions while guaranteeing ratepayers access to *affordable, efficient and reliable energy supplies*. Enables the customers to improve their quality of life and provides an opportunity for them to have a healthier and better life, and save them money. These programs can foster economic development and job growth by encouraging in-state technology advances to deliver energy efficiency programs to consumers. While the programs provide energy savings and thus ultimately reduction in gas usage, it allows the company to avoid capital investments to upgrade the systems for increased gas load.

Other issues/considerations:

N/A

New York State - Energy Efficiency Portfolio Standard
Working Group 2 – Program Summaries

Program Name: Residential Energy Audit/Home Performance Program

Working Group Contact: Matt Dugan / Janja Lupse

Administering Entity: National Grid / KeySpan

Targeted Sector: Residential – all firm heating customers

Funding years	Funding Source	Total Budget (Millions)	Cumulative Funds Spent (Millions)	Current Annual Expenditures (Year Millions)	Energy Savings		Total Resource Cost (TRC) Results*
					Cumulative (therms)	Current Annual (therms)	
8-1-07 – 4-30-08*	SBC (ratepayers)	\$ 694,059	n/a	Launched Sept 1 st , currently reviewing expenditures	n/a	498,854 (est.)	2.77

* Programs are based on a PSC approval for Interim program rollout of \$15 million for NY/LI (residential and commercial customers), ramping up to an overall \$30 million annual budget in the next five years, as agreed by all signatory parties.

Program Description (include links to on-line documents as appropriate):

http://www.dps.state.ny.us/New_NaturalGas.html

<http://www.keyspansaves.com/>

There are two levels (tiers) of service provided by this program. Tier One screening offers referrals to educational web sites and information about DSM programs and captures requests for literature such as the DOE “Energy Savers” booklet. Technical assistance regarding installation of energy savings measures is also available by phone. The Company has adopted a customized version of the online audit tool to guide the customer through Tier One. The tool provides the customer service representative (CSR) with discussion points along the way that allows her/him to engage the customer in a dialog that may lead to a better understanding of that particular customer’s needs. For example, a customer may call to request an in home assessment when all he/she really needs is the list of contractors who participate in the Company’s Weatherization program because he/she knows the home needs air sealing and insulation and plans to install them. Ultimately, the combination of information collected by Tier One staff and customer requests may result in a referral to Tier Two services. Tier Two services consist of a Home Energy Assessment (HEA) and installation of high quality, low cost energy efficiency Instant Savings Measures (ISMs) that have an average total value of \$20 to \$30. Recommendations will be made to customers on which major measure installations should be undertaken in order to achieve cost effective energy savings. Referral to the Company’s other energy efficiency programs will be provided at the time of audit. Customer follow-up will also occur post-audit in order to help drive implementation percentages higher.

Administered by CSG for KeySpan / National Grid.

Relationship to Staff Preliminary Proposal:

“Home Performance with Energy Star (electric & gas)” was considered for fast track expansion by more than doubling current efforts over the five-year period with an increased focus on measures that produce natural gas savings. This program will take advantage of this "lost opportunity".

Current status (include statement on where this program is in its life cycle/MT timeline, current trends, projections, whether the program is over/under/fully subscribed, customers served)

New York State - Energy Efficiency Portfolio Standard Working Group 2 – Program Summaries

This program is in infancy stage, but it is a mirror of the national award winning gas energy efficiency programs in MA/NH, which have been in place for over 15 years.

Barriers, challenges, gaps:

Supply-Side Barriers

- Shortage of qualified auditors performing in-house audits

Demand-Side Barriers

- Promoting in-house audits for no or little cost can create a high demand and ultimately a backlog for this service since there is a shortage for qualified staff
- Cost of installing recommended efficiency measure through a whole-house approach is very costly, even though the customer receives financial benefits. Thus, customers may not want to commit to whole house approach, but have an option to pursue only the most immediate measures and do others at later time.

Ramp-up potential, limitations, where help is needed to fulfill potential:

A limited number of In-house audits can be performed at this time due to the shortage of qualified audit professionals in the region. Coordination is underway to work out the details on coordinating with NYSERDA on Home Performance programs (Whole house approach) to provide one complementary offer to the customer.

Co-benefits (e.g. environmental, health & safety, economic development):

This program provides ways to reduce the impact of global warming and CO2 reductions while guaranteeing ratepayers access to *affordable, efficient and reliable energy supplies*. Enables the customers to improve their quality of life and provides an opportunity for them to have a healthier and better life, and save them money. These programs can foster economic development and job growth by encouraging in-state technology advances to deliver energy efficiency programs to consumers. While the programs provide energy savings and thus ultimately reduction in gas usage, it allows the company to avoid capital investments to upgrade the systems for increased gas load.

Other issues/considerations:

N/A

New York State - Energy Efficiency Portfolio Standard
Working Group 2 – Program Summaries

Program Name: Residential ENERGY STAR® Products
Working Group Contact: Matt Dugan / Janja Lupse
Administering Entity: National Grid / KeySpan
Targeted Sector: Residential – all firm heating customers

Funding years	Funding Source	Total Budget (Millions)	Cumulative Funds Spent (Millions)	Current Annual Expenditures (Year Millions)	Energy Savings		Total Resource Cost (TRC) Results*
					Cumulative (therms)	Current Annual (therms)	
8-1-07 – 4-30-08*	SBC (ratepayers)	\$ 413,753	n/a	Launched Sept 1 st , currently reviewing expenditures	n/a	413,752 (est.)	1.79

* Programs are based on a PSC approval for Interim program rollout of \$15 million for NY/LI (residential and commercial customers), ramping up to an overall \$30 million annual budget in the next five years, as agreed by all signatory parties.

Program Description (include links to on-line documents as appropriate):

http://www.dps.state.ny.us/New_NaturalGas.html
<http://www.keyspansaves.com/>

The ENERGY STAR Products program provides home heating customers with a rebate for the purchase and installation of ENERGY STAR labeled programmable thermostats. Through this program, customers are eligible for a \$25 mail-in rebate for installation of up to two ENERGY STAR qualified programmable clock thermostats. Eligible thermostats may be installed by homeowners, heating contractors, or energy auditors. In addition to mail-in rebates, instant rebates in the form of point-of-sale discounts are available through heating contractors and energy auditors. The program will also provide customers who install boiler reset controls to their home heating system with a \$100 rebate. In addition, the Company will provide customers who install ENERGY STAR Replacement Windows with a \$10 mail-in rebate per window.. Eligible participants must be residential heating customers who have installed ENERGY STAR labeled windows with an U-factor of .35 or less.¹ When applying for the window rebate, customers are required to submit the rebate application with proof-of-purchase and a copy of the National Fenestration Rating Council (“NFRC”) label(s) from the window(s) which were purchased and installed. In order to ensure that prospective windows are installed as reported, the Company conducts inspections of the first two installations per new participating installation contractor, as well as random inspections of self-installations at 20% of the program’s participation rate.

Relationship to Staff Preliminary Proposal:

“Residential Efficient Appliances and Equipment Purchase Program (gas only)” was considered for fast track expansion. Promotion and installation of these products fits the fast track proposal.

Current status (include statement on where this program is in its life cycle/MT timeline, current trends, projections, whether the program is over/under/fully subscribed, customers served)

¹ U-Factor = Measurement of thermal conductivity. A lower U-factor indicates a higher level of window insulation.

New York State - Energy Efficiency Portfolio Standard

Working Group 2 – Program Summaries

This program is in infancy stage, but it is a mirror of the national award winning gas energy efficiency programs in MA/NH, which have been in place for over 15 years.

Barriers, challenges, gaps:

WINDOWS

Supply-Side and Mid-Market (Infrastructure) Barriers

- Price differential between ENERGY STAR and standard windows
- Limited product knowledge among consumers, retailers, builders, and architects concerning identification of ENERGY STAR windows and the energy, financial and non-energy benefits associated with them
- Dissimilar, poorly enforced, and inconsistent building codes
- Limited industry-sponsored technical training on ENERGY STAR windows
- Limited builder and architect experience with installing and selling ENERGY STAR windows

Demand-Side Barriers

- Limited awareness and knowledge by consumers about the potential energy and financial savings, as well as other non-energy benefits, associated with ENERGY STAR windows
- Higher initial purchase price of ENERGY STAR windows
- Limited availability of reliable information on ENERGY STAR windows
- Limited customer awareness of KeySpan's energy efficiency programs and how they can help reduce energy costs

THERMOSTATS

Supply-Side Barriers

- Price differential between programmable and standard thermostats

Mid-Market (Infrastructure) Barriers

- Lack of product knowledge among plumbing, electric, and heating, ventilation and air conditioning (HVAC) contractors regarding the benefits of programmable versus standard thermostats
- Lack of experience among plumbers, electricians, and HVAC contractors with installing and selling programmable thermostats
- Fragmentation of the retail market in the NY metropolitan market (*i.e.*, small hardware stores vs. big box home centers)
- Limited stocking of ENERGY STAR thermostats due to constraints on shelf space in smaller stores
- Lack of industry-sponsored training on programmable thermostats

Demand-Side Barriers

- Limited awareness and knowledge by consumers about the potential energy and financial savings, as well as other non-energy benefits (convenience, comfort), associated with programmable thermostats
- Reluctance of consumers to purchase and/or install programmable thermostats and/or consider new technologies
- Perception of complicated programming requirements and other operational related confusion
- Limited awareness by customers of KeySpan's energy efficiency programs and how they can help them reduce their energy costs
- Higher purchase price of programmable thermostats

New York State - Energy Efficiency Portfolio Standard
Working Group 2 – Program Summaries

- Limited availability of reliable information on programmable thermostats

Ramp-up potential, limitations, where help is needed to fulfill potential:

Coordination in LI with LIPA; Cost-sharing mechanism is being worked out

Co-benefits (e.g. environmental, health & safety, economic development):

This program provides ways to reduce the impact of global warming and CO2 reductions while guaranteeing ratepayers access to *affordable, efficient and reliable energy supplies*. Enables the customers to improve their quality of life and provides an opportunity for them to have a healthier and better life, and save them money. These programs can foster economic development and job growth by encouraging in-state technology advances to deliver energy efficiency programs to consumers. While the programs provide energy savings and thus ultimately reduction in gas usage, it allows the company to avoid capital investments to upgrade the systems for increased gas load.

Other issues/considerations:

N/A

New York State - Energy Efficiency Portfolio Standard
Working Group 2 – Program Summaries

Program Name: Residential ENERGY STAR® Homes

Working Group Contact: Matt Dugan / Janja Lupse

Administering Entity: National Grid / KeySpan

Targeted Sector: Residential – new construction homeowners / builders

Funding years	Funding Source	Total Budget (Millions)	Cumulative Funds Spent (Millions)	Current Annual Expenditures (Year Millions)	Energy Savings		Total Resource Cost (TRC) Results*
					Cumulative (therms)	Current Annual (therms)	
8-1-07 – 4-30-08*	SBC (ratepayers)	\$ 280,306	n/a	Launched Sept 1 st , currently reviewing expenditures	n/a	129,082 (est.)	1.48

* Programs are based on a PSC approval for Interim program rollout of \$15 million for NY/LI (residential and commercial customers), ramping up to an overall \$30 million annual budget in the next five years, as agreed by all signatory parties.

Program Description (include links to on-line documents as appropriate):

http://www.dps.state.ny.us/New_NaturalGas.html

<http://www.keyspansaves.com/>

The ENERGY STAR Homes Program offers incentives to home buyers and home builders to promote the construction of homes which meet national ENERGY STAR Home’s energy efficiency standards. ENERGY STAR Homes are nationally recognized for lower operating costs and energy consumption, increased durability, comfort, safety and greater resale value. ENERGY STAR Homes feature some of the industry’s best building practices and technologies, including increased insulation levels, high-efficiency heating and air conditioning equipment, superior duct systems, and high performance windows. All segments of the housing market are eligible to participate in this program, including new as well as existing residential single family and multifamily dwellings, townhouses and condominium developments. Participants in the program receive design and technical support services, testing and inspection of energy efficiency measures, and an ENERGY STAR Homes certification following the passing of the ENERGY STAR Homes rating test.

Relationship to Staff Preliminary Proposal:

“ENERGY STAR Homes Program” was considered as fast track expansion programs; identified as "lost opportunity".

Current status (include statement on where this program is in its life cycle/MT timeline, current trends, projections, whether the program is over/under/fully subscribed, customers served)

This program is in infancy stage, but it is a mirror of the national award winning gas energy efficiency programs in MA/NH, which have been in place for over 15 years.

Barriers, challenges, gaps:

Supply-Side Barriers

- Limited availability of and access to experienced energy efficient home builders
- Perceived price differential between energy efficient homes and those built to the current energy code

New York State - Energy Efficiency Portfolio Standard Working Group 2 – Program Summaries

Mid-Market (Infrastructure) Barriers

- Lack of builder and related contractor awareness concerning ENERGY STAR homes and their associated energy and environmental benefits
- Lack of builder and related contractor knowledge on how to build above-code or ENERGY STAR homes
- Lack of builder and related contractor direct experience building energy efficient homes and how to do so cost-effectively
- Lack of builders' and other relevant market actors' knowledge and experience in selling energy efficient homes
- Builders do not regard energy efficiency as a value-added feature
- Limited supply of HERS raters to certify ENERGY STAR homes
- Limited availability of building-related products associated with constructing high-efficiency homes (e.g., construction-grade air sealants, high efficiency ventilation fans, LESSCO boxes)

Demand-Side Barriers

- Limited awareness and knowledge by consumers about the potential energy and financial savings, as well as other non-energy benefits, associated with energy efficient homes
- Lack of reliable information on energy efficient new homes
- Reluctance of consumers to purchase and/or install high efficiency equipment and/or consider new technologies
- Limited awareness by customers of KeySpan's energy efficiency programs and how they can help them reduce their energy costs
- Higher initial purchase price of efficient homes

Ramp-up potential, limitations, where help is needed to fulfill potential:

These programs need to be coordinated with LIPA in LI. Cost-sharing mechanism need to be worked out. In the City, discussions on coordination are underway with NYSERDA to provide one complementary offer to the customer.

Co-benefits (e.g. environmental, health & safety, economic development):

This program provides ways to reduce the impact of global warming and CO2 reductions while guaranteeing ratepayers access to *affordable, efficient and reliable energy supplies*. Enables the customers to improve their quality of life and provides an opportunity for them to have a healthier and better life, and save them money. These programs can foster economic development and job growth by encouraging in-state technology advances to deliver energy efficiency programs to consumers. While the programs provide energy savings and thus ultimately reduction in gas usage, it allows the company to avoid capital investments to upgrade the systems for increased gas load.

Other issues/considerations:

N/A

New York State - Energy Efficiency Portfolio Standard
Working Group 2 – Program Summaries

Program Name: Residential Energy Analysis: Internet Audit

Working Group Contact: Matt Dugan / Janja Lypse

Administering Entity: National Grid / KeySpan

Targeted Sector: Residential – all firm heating customers

Funding years	Funding Source	Total Budget (Millions)	Cumulative Funds Spent (Millions)	Current Annual Expenditures (Year Millions)	Energy Savings		Total Resource Cost (TRC) Results*
					Cumulative (therms)	Current Annual (therms)	
8-1-07 – 4-30-08*	SBC (ratepayers)	\$ 69,406	n/a	Launched Sept 1 st , currently reviewing expenditures	n/a	n/a	n/a

* Programs are based on a PSC approval for Interim program rollout of \$15 million for NY/LI (residential and commercial customers), ramping up to an overall \$30 million annual budget in the next five years, as agreed by all signatory parties.

Program Description (include links to on-line documents as appropriate):

http://www.dps.state.ny.us/New_NaturalGas.html

<http://www.keyspansaves.com/>

Residential customers will be directed to www.freeenergyanalysis.com/keysan to log on and receive a quick assessment of their home’s energy use, how it compares to homes similar to theirs, and tips on how to save energy. Users can choose to continue on to complete a more comprehensive analysis and get more detailed recommendations. The tool will help customers identify more ways to save by answering questions about their heating and cooling equipment, weatherization, hot water, kitchen appliances, lighting, and more. Customers will receive energy saving tips, simple pay backs using the offset in their energy bills, and direction to take advantage of KeySpan’s energy saving rebates. The program will also be offered in Spanish as well at www.freeenergyanalysis.com/keysanspanish

Relationship to Staff Preliminary Proposal:

Not considered.

Current status (include statement on where this program is in its life cycle/MT timeline, current trends, projections, whether the program is over/under/fully subscribed, customers served)

This program is in infancy stage, but it is a mirror of the national award winning gas energy efficiency programs in MA/NH, which have been in place for over 15 years.

Barriers, challenges, gaps:

Supply-Side Barriers

- None addressed by this program (targets end-use customers and associated demand-side barriers)

Mid-Market (Infrastructure) Barriers

- Limited consumer exposure to energy efficiency professionals

Demand-Side Barriers

- Limited awareness and knowledge by consumers about the potential energy and financial savings, as well as other non-energy benefits, associated with energy efficient equipment, practices, and other measures

New York State - Energy Efficiency Portfolio Standard Working Group 2 – Program Summaries

- Lack of reliable information on energy efficient equipment and practices
- Reluctance of consumers to purchase and/or install high efficiency equipment and/or consider new technologies
- Limited awareness by customers of KeySpan's energy efficiency programs and how they can help them reduce their energy costs
- Higher initial purchase price of efficient equipment and items/measures

Other Potential Barriers

- Access to home computers

Ramp-up potential, limitations, where help is needed to fulfill potential:

The customers have to have a home computer or access to a computer.

Co-benefits (e.g. environmental, health & safety, economic development):

Online Home Energy Analyzer is a free, easy and convenient to use tool which provides customers with the following benefits:

- Learn how the way you use energy affects your utility bills
- Find ways to save energy and money specific to your home
- Get information about energy efficiency programs and incentives
- Sign up to receive e-efficiency news
- and more...

It is available in Spanish.

Other issues/considerations:

N/A

New York State - Energy Efficiency Portfolio Standard
Working Group 2 – Program Summaries

Program Name: Residential Building Practices and Demonstrations

Working Group Contact: Matt Dugan / Janja Lupse

Administering Entity: National Grid / KeySpan

Targeted Sector: Residential – all firm heating customers

Funding years	Funding Source	Total Budget (Millions)	Cumulative Funds Spent (Millions)	Current Annual Expenditures (Year Millions)	Energy Savings		Total Resource Cost (TRC) Results*
					Cumulative (therms)	Current Annual (therms)	
8-1-07 – 4-30-08*	SBC (ratepayers)	\$ 69,406	n/a	Launched Sept 1 st , currently reviewing expenditures	n/a	14,264 (est.)	2.19

* Programs are based on a PSC approval for Interim program rollout of \$15 million for NY/LI (residential and commercial customers), ramping up to an overall \$30 million annual budget in the next five years, as agreed by all signatory parties.

Program Description (include links to on-line documents as appropriate):

http://www.dps.state.ny.us/New_NaturalGas.html

<http://www.keyspansaves.com/>

The Building Practices and Demonstration Program for residential markets will explore and demonstrate new and/or underutilized energy efficient procedures and equipment, including renewable energy system processes. In the first year, the Building Practices and Demonstration Program will work to identify which technologies or building techniques would be well suited for use and installation. Eligible participants in this program will include home owners, landlords, as well as home builders. Each participant may be asked to allow monitoring of the installation and/or results, provide tours of the installation by potential users or other interested stakeholders, and publication of the results in case study format.

Relationship to Staff Preliminary Proposal:

Not considered.

Current status (include statement on where this program is in its life cycle/MT timeline, current trends, projections, whether the program is over/under/fully subscribed, customers served)

This program is in infancy stage, but it is a mirror of the national award winning gas energy efficiency programs in MA/NH, which have been in place for over 15 years.

Barriers, challenges, gaps:

Supply-Side and Mid-Market (Infrastructure) Barriers

- Limited awareness of business sector-specific energy needs and new high-efficient procedures, processes and gas-saving technologies that are available to meet those needs
- Uncertainty regarding the definition of high efficiency and associated savings, reliability, or performance of new gas saving technologies
- Lack of knowledge among architects, engineering firms, plumbing, heating and specialty contractors, and equipment vendors regarding new energy efficient procedures, processes and technologies

New York State - Energy Efficiency Portfolio Standard Working Group 2 – Program Summaries

- High search costs to obtain reliable information about expected savings, reliability and to acquire the necessary specification, installation operation and service/repair knowledge and experience
- Limited awareness by mid-market actors of KeySpan's efficiency programs and how they can help demonstrate and promote broader use of new energy efficient procedures, processes and high-efficient, gas-saving technologies
- Overall perception of risk due to uncertainty and lack of information, or experience (*i.e.*, reliability, cost/complexity of repairs)
- Lack of number of contractors and other mid-market actors who are qualified to specify, install and service new high-efficient, gas- saving technologies
- Limited availability of new high-efficient, gas-saving technologies in the marketplace

Demand-Side Barriers

- Lack of knowledge by consumers of new high-efficient, gas-saving technologies
- Lack of awareness and knowledge by consumers of the potential energy and financial savings, as well as other non-energy benefits, associated with utilization of new high-efficiency equipment and services
- Limited awareness by consumers of KeySpan's efficiency programs and how they can help to demonstrate new technology applications while reducing risks and lowering their energy costs
- Reluctance of consumers, architects, engineers, and contractors to purchase, specify, and/or install and/or consider new technologies due to uncertainty of savings, reliability, or performance
- Limited availability of reliable information about the complexity of energy use within customer facilities, new high-efficient, gas-saving equipment options and associated savings and reliability

Ramp-up potential, limitations, where help is needed to fulfill potential:

Limited funding available at this time.

Co-benefits (e.g. environmental, health & safety, economic development):

This program provides ways to reduce the impact of global warming and CO2 reductions while guaranteeing ratepayers access to *affordable, efficient and reliable energy supplies*. Enables the customers to improve their quality of life and provides an opportunity for them to have a healthier and better life, and save them money. These programs can foster economic development and job growth by encouraging in-state technology advances to deliver energy efficiency programs to consumers. While the programs provide energy savings and thus ultimately reduction in gas usage, it allows the company to avoid capital investments to upgrade the systems for increased gas load.

Other issues/considerations:

N/A