

**Program Administrator:** KeySpan Gas East Corporation d/b/a National Grid  
**Program/Project:** Residential High-Efficiency Heating and Water Heating and Controls  
**Reporting period:** Quarter 2 (April – June) 2009  
**Report Contact person:** Lynn Westerlind

**1. Program Status**

- (a) The National Grid-Long Island Interim Residential High-Efficiency Heating and Water Heating and Controls Program has grown slowly but steadily since inception in September 2007. Growth is supported by the dominant heating system type (hydronic-hot water), building stock, relatively high level of income, and minimal equipment venting restrictions. However, economic recession has recently hindered growth and customers are waiting longer to replace their older heating systems. Furthermore, since incentives for tankless water heaters discontinued when the program began on June 1, many customers are less inclined to select higher-efficiency water heating solutions.
- (b) There were no additional key aspects of program performance goals.
- (c) There were no updates to the forecast of net energy and demand impacts.

**2. Program Implementation Activities**

**(a) Marketing Activities**

National Grid has been proactive in providing outreach and education on high efficiency heating systems to customers and trade allies. On June 3, 2009, National Grid and LIPA hosted an Educational and Energy Efficiency Trade Expo which was an overwhelming success. The event drew more than 900 attendees comprised of residential and commercial heating contractors, building developers, architecture and engineering firms, building inspectors, solar installers and others. All National Grid energy efficiency programs were promoted. Seven educational workshops were delivered by nationally recognized speakers and experts in the field, and the trade show area featured 53 booths. This event was a collaborative effort among three major divisions of the company and three of the largest trade associations in Long Island.

Events related to the Residential High-Efficiency Heating and Water Heating and Controls Program focus on working with manufacturers and the Building Performance Institute (BPI) to provide equipment training workshops for trade allies.

<b>Date</b>	<b>Topic</b>	<b>Location</b>	<b>Audience Type</b>	<b>Number of Attendees</b>
6/3/2009	Educational and Energy Efficiency Trade Expo		Contractors, Developers, A&E, Building Inspectors, Solar Installers, etc.	900
6/16/2009	Ray Boilers- Smith Boilers- Hydrotherm	Canarsie	Plumbing, HVAC and Building Contractors	80

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6/22/2009	BPI Heating Professional Certification Training Course	Melville & Bronx	Plumbing, HVAC and Building Contractors	5 sessions - 27 per class
6/23/2009	Venco Sales ES2 Boiler Training	Riverhead	Plumbing, HVAC and Building Contractors	70
6/30/2009	Venco Sales ES2 Boiler Training	Melville	Plumbing, HVAC and Building Contractors	100

**(b) Evaluation Activities**

National Grid evaluated proposals for a process evaluation of the New York Interim and Fast Track efficiency programs during Quarter 2.

**(c) Other Activities**

National Grid has developed a rebate application reflecting equipment eligibility and incentive levels under the newly approved program. This form is posted on and can be downloaded from the Company’s efficiency website and has been sent to trade allies and internal staff.

**3. Customer Complaints and/or Disputes**

No customer complaints have been received.

**4. Changes to Subcontractors or Staffing**

National Grid has a contract with ICF International to provide outreach to supply houses, manufacturing representatives and wholesalers of HVAC equipment throughout the National Grid service area.

The Company also has a contract with Energy Federation, Inc. (EFI) for customer intake and rebate processing services.

There have been no changes to Company staffing for this program.

**5. Additional Issues**

National Grid’s rebate processing vendor, Energy Federation, Inc. (EFI), has received applications under the new Residential High-Efficiency Heating and Water Heating and Controls Program. The Company anticipates that these rebates will be issued to customers in July. Savings related to these installations will be claimed once the rebates have been issued and EFI has invoiced the Company for these costs. The program has \$56,400 of program incentive and services expenditures in June which will be reported in

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National Grid Gas Energy Efficiency Programs Status Report, 2009 Quarter 2 (Case 06-G-1186). Although the incentive payments were made in June, the activity was associated with National Grid's interim Residential High-Efficiency Heating and Water Heating Program which ended on May 31, 2009. The program also has 21,133 annual therms in June which will be reported in the National Grid Gas Energy Efficiency Programs Status Report, 2009 Quarter 2.

<b>Program Administrator</b>	KeySpan Gas East Corporation d/b/a National Grid
<b>Quarter</b>	2009 Quarter 2
<b>Filing</b>	Expedited Fast Track Gas Energy Efficiency Programs
<b>Program Administrator (PA) and Program ID</b>	NGRIDGA02
<b>Program Name</b>	Residential High-Efficiency Heating and Water Heating and Controls Program
<b>Program Type</b>	Residential Rebate
<b>Acquired Impacts This Quarter</b>	
Net first-year annual kWh <sup>1</sup> acquired this quarter	0
Quarterly net first-year annual kWh Goal	-
Percent of quarterly Net kWh Goal Acquired	#DIV/0!
Net Peak <sup>2</sup> kW acquired this quarter	0
Quarterly Utility Net Peak kW Goal	-
Percent of quarterly Peak kW Goal Acquired	#DIV/0!
Net First-year annual therms acquired this quarter	0
Quarterly Net Therm Goal	24,068
Percent of Quarterly Therm Goal Acquired	0%
Net Lifecycle kWh acquired this quarter	0
Net Lifecycle therms acquired this quarter	0
<b>Net Other Quarterly Savings (MMBTUs) Acquired</b>	
Coal	0
Kerosene	0
Oil	0
Propane	0
<b>Total Acquired Net First-Year Impacts To Date</b>	
Net first-year annual kWh acquired to date	0
Net first-year annual kWh acquired to date as a percent of annual goal	
Net first-year annual kWh acquired to date as a percent of 3-year goal	
Net cumulative kWh acquired to date	0
Net utility peak kW reductions acquired to date	0
Net utility peak kW reductions acquired to date as a percent of utility annual goal	
Net utility peak kW reductions acquired to date as a percent of 3-year goal	
Net NYISO peak kW reductions acquired to date	0
Net first-year annual therms acquired to date	0
Net first-year annual therms acquired to date as a percent of annual goal	0%
Net first-year annual therms acquired to date as a percent of 3-year goal	0%
Net cumulative therms acquired to date	0
<b>Total Acquired Lifecycle Impacts To Date</b>	
Net Lifecycle kWh acquired to date	0
Net Lifecycle therms acquired to date	0
<b>Committed<sup>3</sup> Impacts (not yet acquired) This Quarter</b>	
Net First-year annual kWh committed this quarter	0
Net Lifecycle kWh committed this quarter	0
Net Utility Peak kW committed this quarter	0
Net first-year annual therms committed this quarter	0
Net Lifecycle therms committed this quarter	0
Funds committed at this point in time	0
<b>Overall Impacts (Achieved &amp; Committed)</b>	
Net first-year annual kWh acquired & committed this quarter	0
Net utility peak kW acquired & committed this quarter	0
Net First-year annual therms acquired & committed this quarter	0

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<b>Program Administrator (PA) and Program ID</b>	NGRIDGA02
<b>Program Name</b>	Residential High-Efficiency Heating and Water Heating and Controls Program
<b>Program Type</b>	Residential Rebate
<b>Costs</b>	
Total program budget	\$ 1,051,683
Administrative costs	\$ 16,367
Program Planning	\$ -
Marketing costs	\$ 12,115
Trade Ally Training	\$ -
Incentives, rebates, grants, direct install costs, and other program costs going to the participant	\$ -
Direct Program Implementation	\$ 7,560
Evaluation	\$ -
Total expenditures to date	\$ 36,042
Percent of total budget spent to date	3%

<b>Participation</b>	
Number of program applications received to date	-
Number of program applications <i>processed</i> to date <sup>4</sup>	-
Number of processed applications <i>approved</i> to date <sup>5</sup>	-
Percent of applications received to date that have been processed	#DIV/0!
<b>Carbon Emission Reductions (in tons)</b>	
Total Acquired Net First-Year Carbon Emission Reductions To Date	
Total Acquired Cumulative Net Carbon Emission Reductions To Date	

**NOTES:**

<sup>1</sup> First-year savings are defined as the annual savings expected from a given measure in the first year after installation. The annual savings are sometimes the result of annualizing estimated savings that are based on data that cover less than one year.

<sup>2</sup> Peak is defined uniquely for each utility.

<sup>3</sup> Committed savings are defined as those for which funds have been encumbered by not yet spent. When the funds are spent (i.e., a rebate check has been sent to the participant on a specific date), the savings are then considered "acquired."

<sup>4</sup> An application is processed once the PA has reviewed the application and made a decision whether to approve the incentive payment to the customer. Once the decision has been made to pay the incentive to the customer, these funds and their associated energy and demand impacts become "Committed."

<sup>5</sup> The application is approved once the decision has been made to pay the incentive to the customer. Note that these funds and their associated energy and demand impacts become "Committed" once this decision is made.

<sup>6</sup> See *CO<sub>2</sub> Reduction Values* tab.

<sup>7</sup> Until a naming convention for program ID is defined, the Company has used the first five character to represent the PA, the sixth character represents G (gas) or E (electric), the seventh character represents A (residential), B (low income) and C (commercial) and the eighth and ninth characters are numeric in ascending order.