



Overview

Mid-way through 2011, National Grid expects to meet this year's savings targets for energy efficiency. Several important steps were taken in the second quarter in order to keep the programs on track to meet savings goals and enhance customers' experience. The second quarter focused on increasing customer participation in energy efficiency. Accomplishments included the comprehensive marketing campaign launching in April, the Community Grant program selecting non-profit organizations that will help increase participation in four communities, the ARRA Deliverable Fuels program received additional funding to increase customer participation, and the High Efficiency Heating Equipment (HEHE) program reopened in June with a new reservation system. National Grid also completed 13 technical assessments on municipal waste-water treatment facilities, and contracted to audit more than 100 buildings with the Rhode Island Army National Guard through the Whole Building Assessment initiative.

On May 27, 2011, the Legislature amended and the Governor signed Rhode Island General Law §39-2-1.2. The law now aligns natural gas energy efficiency with the goals of Least Cost Procurement. National Grid submitted a revised 2011 natural gas energy efficiency Plan to the Public Utilities Commission on June 14th for consideration. The revised plan will provide free audits, rebates and incentives for weatherization, and energy efficiency measures for an additional 1,766 customers. It will save an additional 46,059 MMBtu in natural gas, an increase of 82% over the compliance plan filed with the Commission in January.

There has been an overwhelming demand for gas efficiency so far this year. We expect increased gas funding and goals to take effect August 1st. In preparation, National Grid has made commitments to customers and developed waiting lists in each of its gas programs.

2011 Initiatives & Updates

Hard-To-Reach

- ◆ Small Business Direct Install: Working with Statewide Marketing and focusing on efforts in East Providence, Warwick, Cranston, South Kingston district.
- ◆ Residential Lighting: Planning Stage of focus group to identify knowledge of CFLs and obstacles to adoption.
- ◆ Residential HEHE: Developed Hard-To-Reach customer profile and presented findings to EERMC consultant team in July.

Customer Finance

- ◆ HEAT Loan: Currently 2 local lenders for the Rhode Island Heat loan; the program is being actively marketed during the EnergyWise audits.
- ◆ Small Business Revolving Loan Fund: The RGGI funds are currently being offered to customers, enhancements for on-bill-repayment were made.
- ◆ National Grid has committed approximately \$ 1 million in finance to six projects to address the municipal market.
- ◆ National Grid continues to collaborate with the RI Economic Development Corporation to offer a revolving finance program to C&I customers in 2011.

Comprehensive Marketing

- ◆ The new campaign is designed to increase awareness of Rhode Island Energy Efficiency programs in market.
- ◆ Radio advertising began in late April.
- ◆ Transit shelter posters were installed in May.

Innovation

- ◆ Homes Version III RGGI Pilot: The first home in the pilot was completed. Five more are expected by the end of the year.
- ◆ Deep Energy Retrofit RGGI Pilot: A two-family project is nearing completion in North Kingston and was recently featured in the *Providence Journal*. The pilot has four more homes in the application phase and is expected to be completed in first quarter, 2012.
- ◆ Residential Products Pilot: ECM pump contractor was trained and an evaluation contractor was selected. Installations will start after July 11 as suitable sites are identified.
- ◆ Residential Behavior Pilot: National Grid is reviewing vendor responses to the recent RFP. The contract will be awarded after responses are evaluated and product testing is completed.

nationalgrid

The power of action.™

Building Codes

- ◆ National Grid is developing survey instruments for residential code compliance study. Surveys for residential study begin in July.
- ◆ Scope for a commercial baseline code study is being completed and National Grid is working on co-funding the study with the State.
- ◆ Additional trainings are being planned for October.

Community Initiatives

- ◆ The initiative began a community grant program to empower neighborhoods and community organizations to increase participation in energy efficiency. An RFI was issued to all cities and towns, as well as more than 20 non-profit organizations.
- ◆ Two non-profit organizations were selected for pilots in Warwick, South Kingstown, East Providence and Cranston.
- ◆ The pilots will begin in July 2011.

Residential Program Updates

- ◆ HEHE: The program re-opened with a rebate reservation system in June. There has been a large customer response.
- ◆ EnergyWise: The lead vendor RFP is scheduled be released in late summer; the contactor list has grown to 18 contractors. The State increased funding available to the ARRA Deliverable Fuels program, and the program will expand to serve more customers.
- ◆ Low Income Services: Continuing to work with Office of Energy Resources on the use of higher efficiency furnaces where possible while remaining within budget per heating system replacement.
- ◆ Residential New Construction: Forty-nine new builders were contacted; 26 expressed an interest in the program representing 54 potential units.
- ◆ ENERGY STAR® Appliances: Final plans being made for The Fine Art of Recycling event on July 19 in Providence promoting refrigerator recycling. Attendees include representatives from EPA and Providence mayor's office.
- ◆ A new rebate processing vendor was selected for residential and large commercial rebates.

C&I Program Updates

- ◆ The Rhode Island Army National Guard signed on to the Whole Building Assessment Initiatives in June. More than 100 buildings will potentially be audited. The Whole Building Assessment Initiative is also a part of the 2011 RI Community efforts.
- ◆ Small Business Direct Install: The program continued integrating gas measures into a seamless customer experience. It conducted extensive marketing to small

nationalgrid

The power of action.™

businesses via post cards, direct mailing, telemarketing, door-to-door, cold calling, bill inserts.

- ◆ The collaboration with RI Hospitality association continued, a breakfast meeting was held in May highlighting incentives for kitchen equipment.
- ◆ A CHP Breakfast was held with vendors and the US CHP Association in order to target the program to interested customers.

Evaluation

- ◆ Initial drafts of all twelve site visits for the Custom Gas Impact Study were received in Q2 and final results should be published early in Q3.
- ◆ The Residential New Construction baseline evaluation is working with Rhode Island Building Commission to recruit homes built under IECC 2009 for baseline study.
- ◆ The 2010 Residential Lighting impact evaluation was completed.

Recent Events

- ◆ C&I Gas codes training took place April 26th, more than 100 people attended.
- ◆ National Grid hosted the Institute of Electrical and Electronics Engineers (IEEE) 12th Annual International Conference on Transmission and Distribution Construction, Operation and Live-Line Maintenance in Rhode Island on May 16-19. An estimated \$2.5 million in local economic activity was generated by the conference.
- ◆ National Grid was the platinum sponsor of the Northeast Energy Efficiency Partners (NEEP) Annual Summit on June 7-8 in Warwick. FM Global of Johnston received a Business Leader Award for their energy efficiency projects.
- ◆ More than thirty Rhode Island EnergyWise Program contractors attended a breakfast meeting on June 24th. The meeting reviewed successes from 2010 and future plans for weatherization work to be distributed to pre-approved contractors using a merit-based system.
- ◆ National Grid sponsored Pawtucket Red Sox Fan Appreciation Day on July 9th. Booths focused on home energy assessments and lighting and CFLs were distributed to those who complete surveys.

nationalgrid

The power of action.™