
Working Together: Electric and Gas Utilities Partner for Efficiency

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Connecticut Utilities



Connecticut
Light & Power

The Northeast Utilities System



The United Illuminating Company



The Northeast Utilities System

Connecticut's Energy Efficiency Programs are funded by a Charge on Customer energy bills.
The Programs are designed to help customers manage their energy usage and cost.



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YankeeGas

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The Programs are designed to help customers manage their energy usage and cost.

Funded primarily by electric and natural gas utility customers

- Small system benefit charge each month from electric and natural gas customers
- Other Revenue Sources
- Regional Greenhouse Gas Initiative (RGGI)
- Forward Capacity Market (FCM)

Over \$100M statewide annually

- 4:1 return
- Integrated gas and electric program delivery



Energy Efficiency Fund: Programs

- Residential
 - Home Energy Solutions
 - Home Energy Solutions Income-Eligible
 - Connecticut Efficient Healthy Homes Initiative
 - New Construction
 - SmartLiving™ Center/Museum partnerships
 - **eesmarts™**
- Commercial/Industrial
 - Small Business Energy Advantage
 - Energy Conscious Blueprint
 - Energy Opportunities



Electric and Gas - Why we Collaborate

Increase the number of Homes Weatherized and ensure that “deep” efficiency measures are installed

Get affordable and cleaner burning natural gas to homes and businesses in our state

Streamline Program Delivery

Offer Innovative Financing

Reduce Customer Costs



Comprehensive Energy Strategy

- The Department of Energy and Environmental Protection (DEEP) developed the first-ever Comprehensive Energy Strategy for the State of Connecticut – an assessment and Strategy for all residential, commercial, and industrial energy issues, including energy efficiency, industry, electricity, natural gas, and transportation
- This Strategy was developed as part of legislation, Public Act 11-80, passed in June of 2011
- The final Strategy was issued February 19, 2013



Energy Efficiency

- **Connecticut - a leader in energy efficiency**
 - Since 2000, Connecticut has been ranked as one of the top states in the nation for energy efficiency
 - Goal to be #1 as ranked by ACEEE
 - Award winning programs
 - HES, Residential New Construction and SBEA
 - National and Global Recognition
 - Program funding recently increased by nearly 100%



Energy Efficiency

- Weatherize 80% of Connecticut's homes by 2030
 - Home Performance
 - Work with Gas Companies
 - Gas Conversions leads to Weatherization and Deeper Retrofits
 - Gas Expansions
 - All Cost effectiveness energy efficiency through our CLM programs that go beyond traditional focus to go deeper



Goals of the CES

■ Energy Efficiency

- Reach all sectors and all buildings
- Financing Options for C&I and Residential
 - Leverage private capital through innovative financing mechanisms – CPACE
- Incentivize Connecticut’s utilities to deliver on efficiency goals through “decoupling” and performance-based rates of return
- Establish building efficiency standards for both new construction and retrofits as well as a mechanism for benchmarking building efficiency and disclosing efficiency scores at the time of rental or sale
- Advance information technology opportunities for greater efficiency including a smart grid, advanced meters, and smart appliances on a carefully structured basis
- The Strategy calls for an expanded commitment to “all cost-effective” energy efficiency through programs

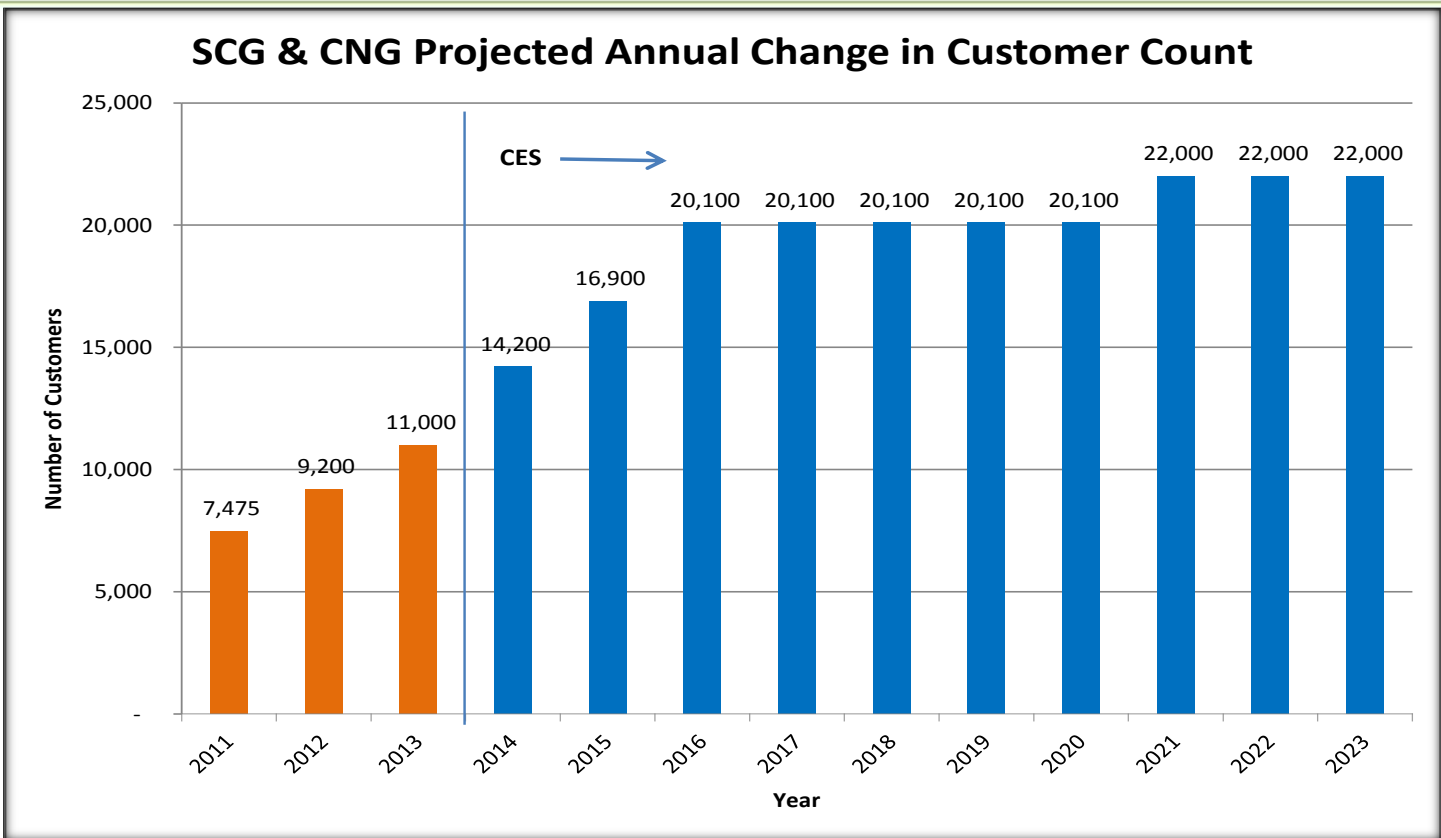


Natural Gas Expansions

- Currently 31% of Connecticut homes are heated with Natural Gas
- Aggressive Strategy that lays a path to take CT to 50% and put CT on par with other nearby states
- State Goal of approximately 300,000 Gas Conversions over the next 7 years



SCG/CNG Growth Strategy with CES



Cumulative Change in Customers	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	14,200	31,100	51,200	71,300	91,400	111,500	131,600	153,600	175,600	197,600



Regulatory Initiatives

Support gas growth through initiating change at the State policy and regulatory level to increase infrastructure expansion.

Gas Expansion Plan

- Financing options
- Extended payback periods for the Gas Company
- 900 miles of new gas mains
- Funding from new gas tariff as well as from existing customers
- Portfolio view of projects

PA 13-24, Section 117 and 188 - Act Implementing Provisions of the State Budget

- Replacement Heating System section
- All residential property owners finance up to 90% on electric or gas bill
- Up to \$15K up to 3%, up to 10 year term
- ENERGY STAR system



Customer Analysis & Mapping Project

- Ability to view customers vs. prospects, determine location to main, locate potential prospects
- Ability to manually measure distance from main for expansion purposes



In the meantime...



Energize Pilot

- The Pilot is building on the experience, combining multiple individual programs into a single, comprehensive approach for homeowners
- Immediate improvement in the home’s performance and comfort through the direct installation of measures;
 - Resources to quickly achieve deeper savings, e.g., insulation;
 - Information about current or future fuel choices, e.g., natural gas, efficient electric or fuel oil equipment options;
 - Information about renewable energy options, and;
 - The resources necessary to finance these investments.
- The information collected through this effort will allow us to better deliver these services going forward by both the EDCs and LDC



How we did this

- Partners
- Selected 2 Towns
 - Each Service Territory
 - Clean Energy Community
 - Active Task Force
- RFP – HVAC and Insulation
 - Provide bulk pricing for heating equipment and insulation by pooling customer demand
 - Lower the information and trust barriers to making upgrades through community-based marketing



Objectives

- Make it easier and cheaper for homeowners to convert to natural gas and make their homes more energy efficient
 - Provide bulk pricing for heating equipment and insulation by pooling customer demand
 - Lower the information and trust barriers to making upgrades through community-based marketing
- Provide easy access to low-cost financing for heating equipment and insulation through CEFIA and CHIF programs
- Lower the costs to ratepayers of expanding natural gas access
 - Coordinate paving schedule with gas conversion work to reduce/share paving costs
 - Aggregate off-main customers to share the cost of main extensions
 - Reduce marketing and installation costs of converting new customers



Objectives - Continued

- Ensure that “deep” efficiency measures are installed at the time of conversion
- Meet the States Weatherization goals of 80% by 2030
- Ensure that homeowners who cannot cost-effectively convert to gas can easily invest in energy efficiency upgrades instead
- Increase awareness about the benefits of Home Performance
- Market these products and services as investments that “pay dividends”



Goals in the Communities

Goals: Earth Day – April 20th through September 31st (extended to October 31st)

- Natural Gas Conversions
 - 160
- Home Energy Solutions Participation
 - 300
- Insulation Upgrades
 - 150
- HVAC Upgrades
 - 150



Outreach Efforts

- Canvassing / Boots on the Ground
- Table Events
- Farmers Market
- Lighting Events
- Notification through Schools and Backpacks
- Social Media / Print
- Educational Forums
- Library Series
- Grassroots/Grasstops
- Lead by Example
- Direct Mailing
- Block Parties
- Online Resources



Questions



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