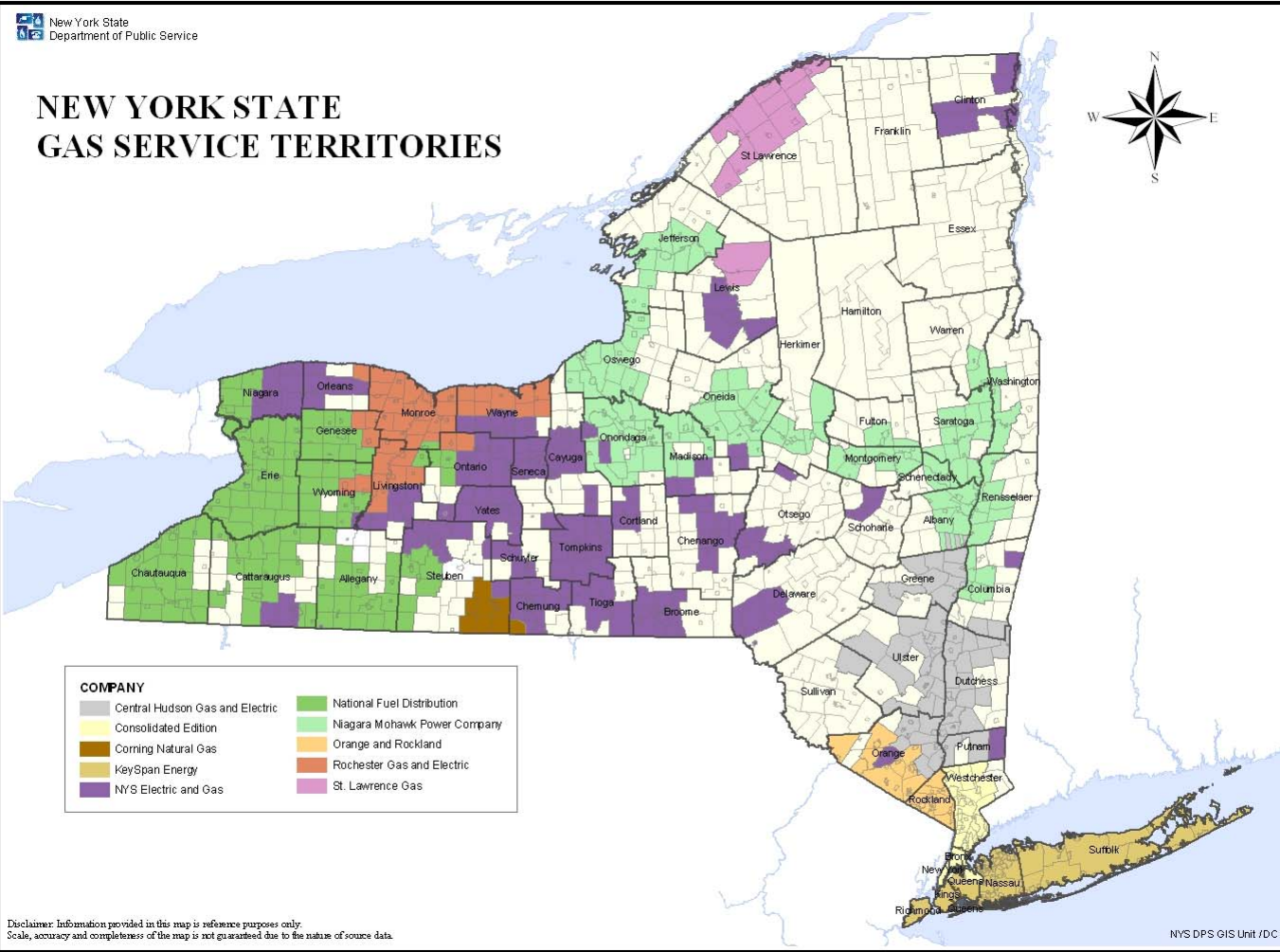


Natural Gas Potential Study

Erin Hogan

Natural Gas Efficiency Potential Study Scope

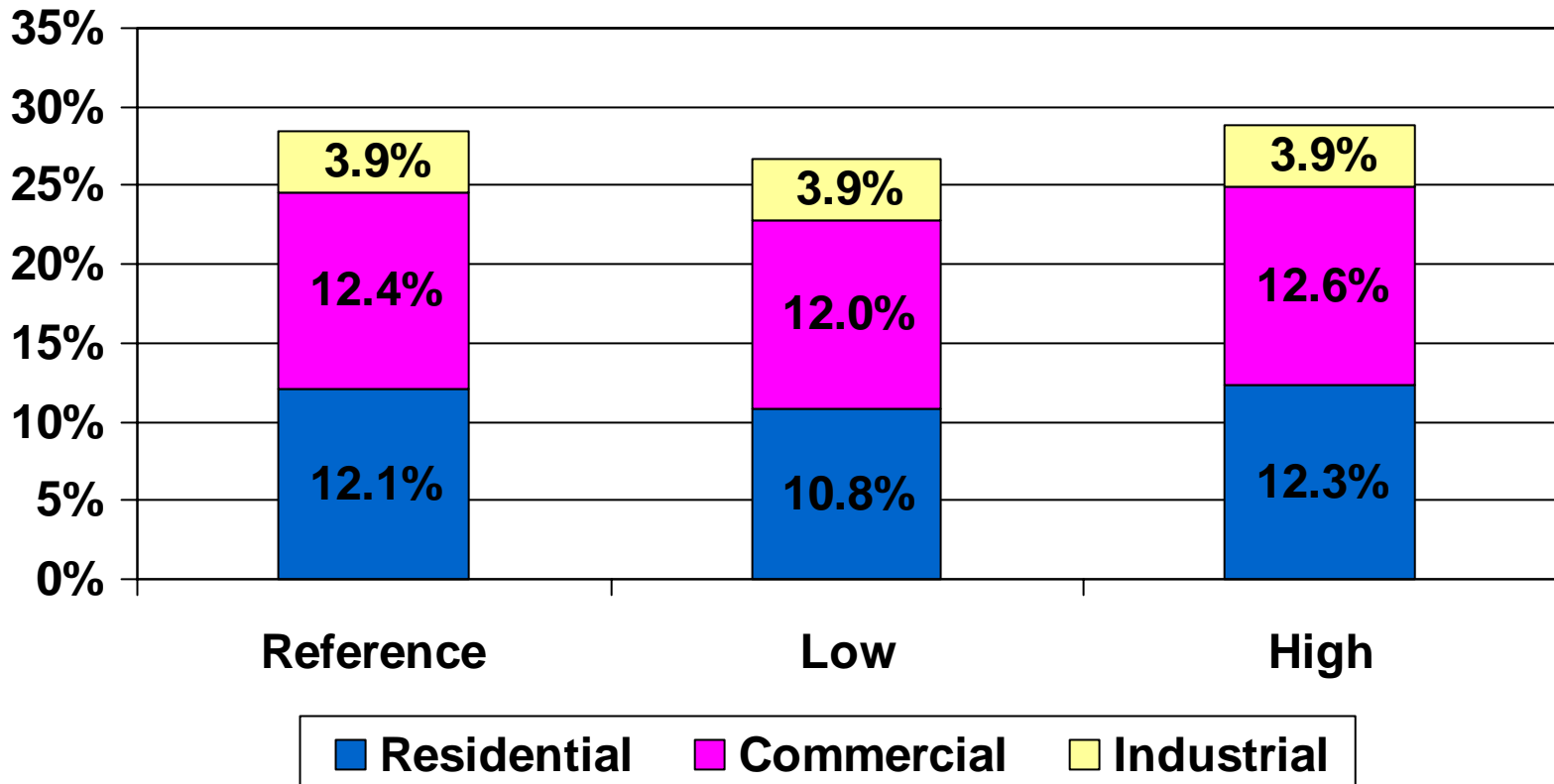
- Evaluate the economic potential for natural gas efficiency savings
- Propose program designs and evaluate the potential for natural gas savings from a selected funding level



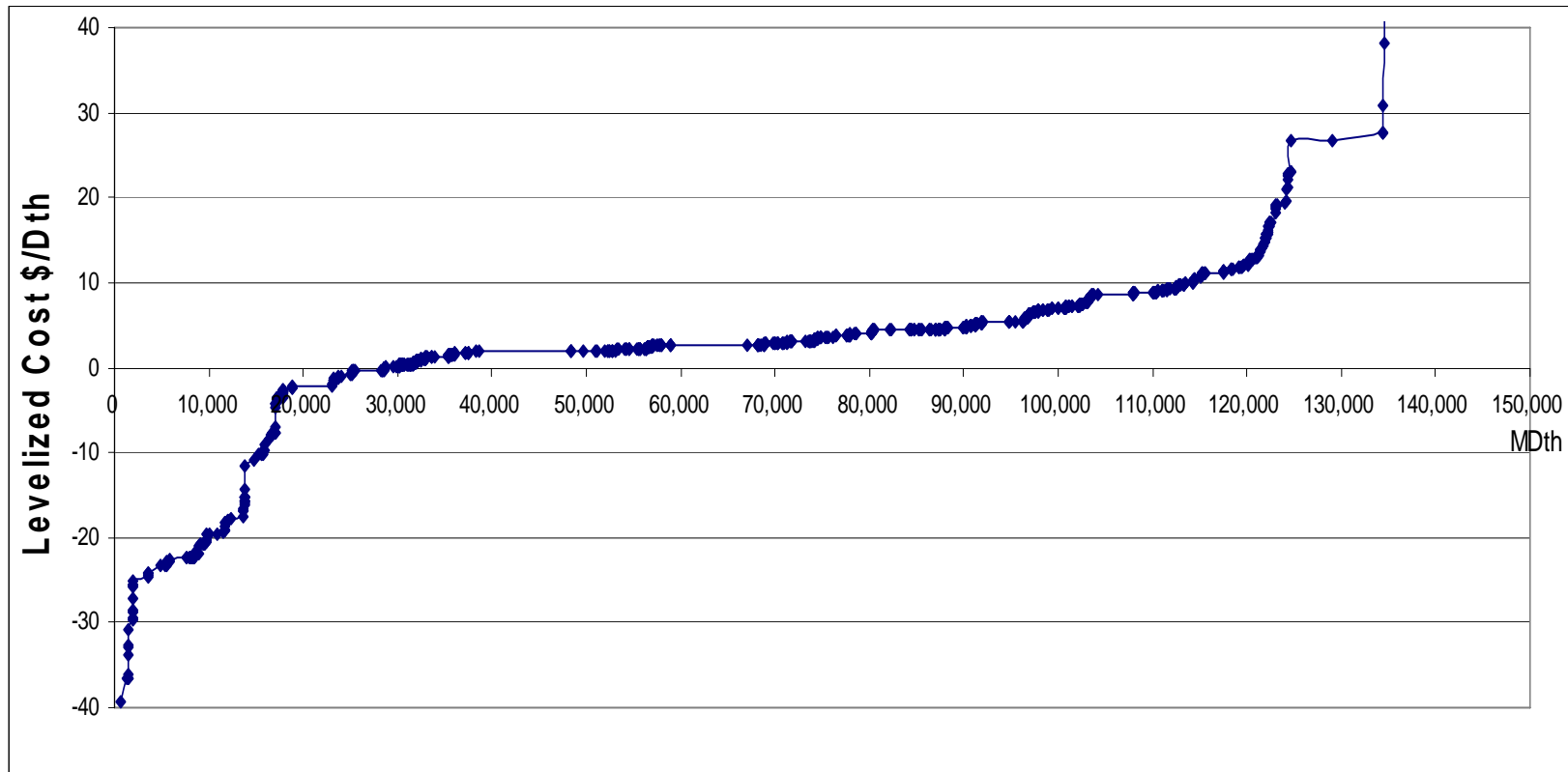
Economic Potential

- The total natural gas efficiency potential from measures that are cost-effective, as compared to the avoided costs
- Does not take into the account market barriers or the cost of market intervention

Economic Potential Savings by Sector as a % of Total Forecasted Sales in 2016



Economic Potential Supply Curve



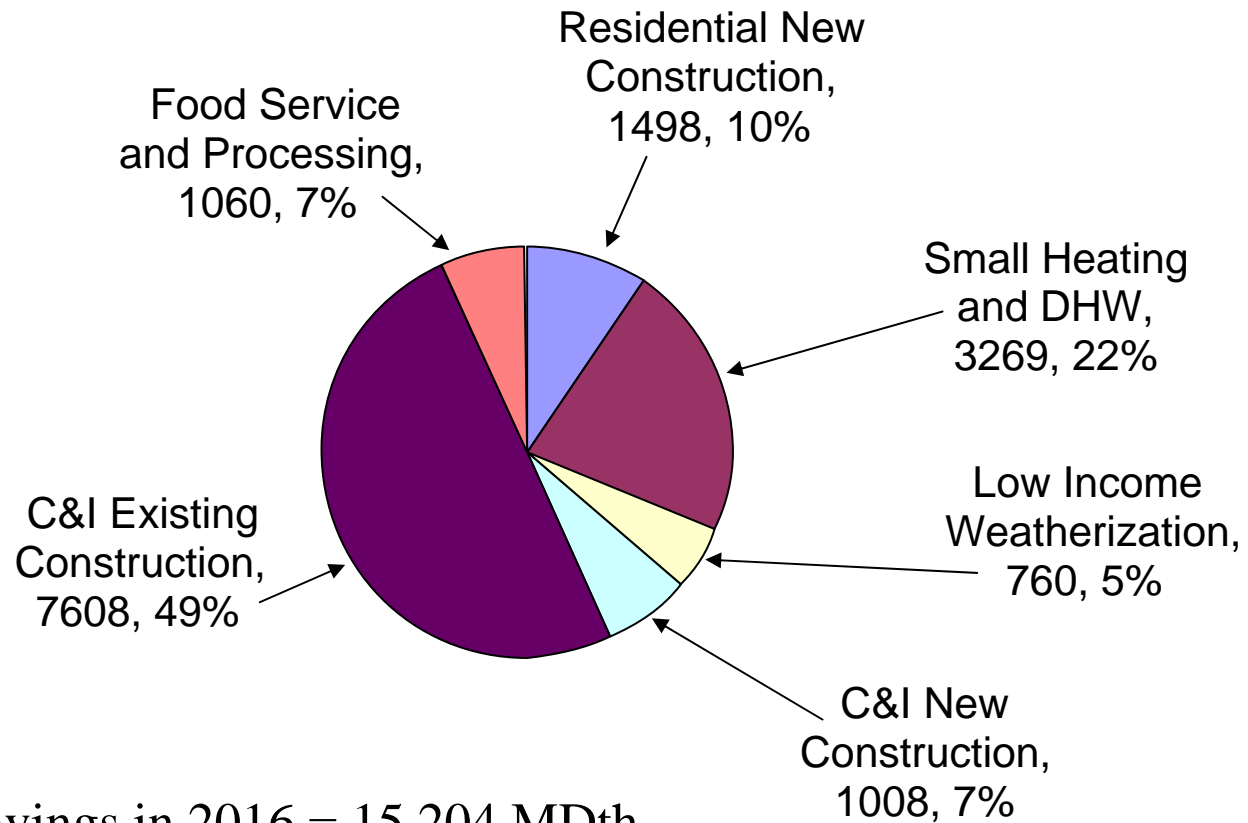
Program Scenario Potential

- Estimated maximum natural gas efficiency potential given specific program designs and assumed program funding
 - Allocated among sectors proportional to gas consumption
 - 50% of Residential funding allocated to Low Income
 - \$80 Million/year for 5-years and 5-years of post-program market effects

Program Scenario Cumulative Savings

Proposed Program	Cumulative Annual Energy Savings (MDth)									
	Program Years					Post-Program Market Effect Years				
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Residential New Construction	80	202	352	530	731	859	1,000	1,154	1,320	1,498
Small Heating and DHW	200	533	937	1,417	1,974	2,217	2,467	2,727	2,994	3,269
Low Income Weatherization	152	304	456	608	760	760	760	760	760	760
C&I New Construction	32	97	198	339	521	599	685	783	891	1,008
C&I Existing Construction	2,774	5,691	7,109	8,675	10,386	9,012	7,641	7,607	7,597	7,608
Food Service and Processing	32	97	201	353	552	654	764	882	981	1,060
Total Programs	3,271	6,924	9,253	11,922	14,923	14,100	13,317	13,913	14,543	15,204

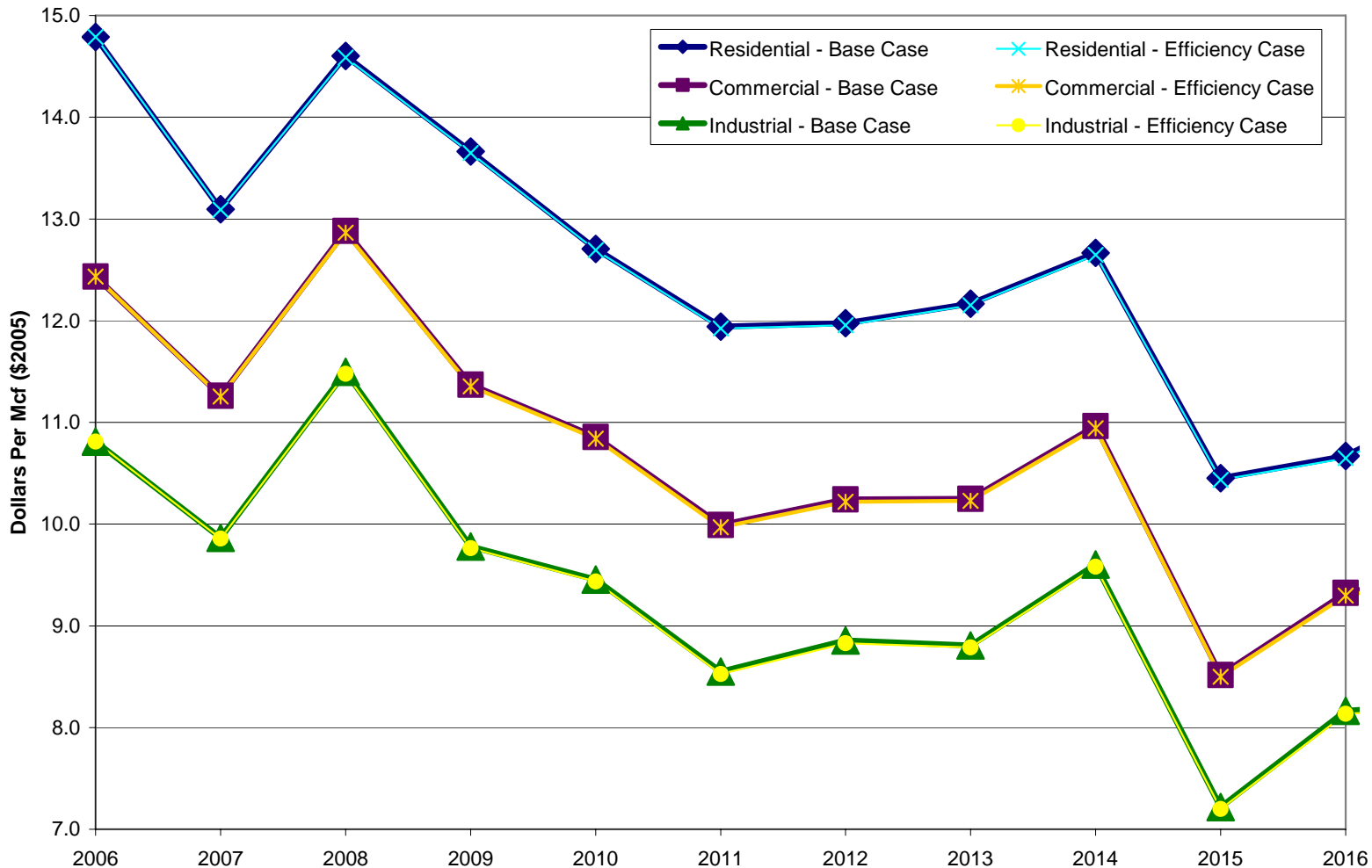
Program Scenario Gas Savings by Program



Total Savings in 2016 = 15,204 MDth

Note: Values in MDth & % of total savings

Price Effects



Current NYSERDA Gas Programs

- Con Edison
 - 50% Low Income, 25% Residential and Multifamily, and 25% Commercial
 - \$14 Million/Rate Year 1
- National Grid
 - Low Income
 - \$5 Million/1 year
- National Fuel Gas
 - Low Income
 - \$2.9 Million/1 year