



PASCOAG
UTILITY DISTRICT

Pascoag Electric • Pascoag Water

253 Pascoag Main Street
P.O. Box 107
Pascoag, R.I. 02859
Phone: 401-568-6222
Fax: 401-568-0066
www.pud-ri.org

**PASCOAG UTILITY DISTRICT'S
DEMAND SIDE MANAGEMENT
PROGRAM – 2008**

RIPUC DOCKET NO. 3888

RECEIVED

2007 OCT 23 AM 9:23

RI PUBLIC UTILITIES COMMISSION

**PASCOAG UTILITY DISTRICT
ELECTRIC DEPARTMENT**

**PASCOAG UTILITY DISTRICT'S
DEMAND SID MANAGEMENT PROGRAM – 2008**

Table Of Contents

	Letter of transmittal
Schedule A	Proposed Budget for Demand Side Management Program – 2008
Schedule B	Executive Summary – 2008
Schedule C	Program Details – 2008 Programs
Schedule D	Reconciliation of Demand Side Management Budget – 2007
Schedule E	Summary of Energy Savings for 2007 Programs
Schedule F	Demand Side Management Tariff
Schedule G	Highlights of Pascoag's 2007 Programs (photos, news articles)
Schedule H	Customer Information
Schedule I	2007 Lighting Projects Documentation



PASCOAG
UTILITY DISTRICT

Pascoag Electric • Pascoag Water

253 Pascoag Main Street
P.O. Box 107
Pascoag, R.I. 02859
Phone: 401-568-6222
Fax: 401-568-0066
www.pud-ri.org

October 19, 2007

Ms. Luly Massaro
Clerk of the Commission
Rhode Island Public Utilities Commission
89 Jefferson Boulevard.
Warwick, RI 02888

Re: RIPUC DOCKET NO. 3888

RECEIVED
2007 OCT 23 AM 9:24
PUBLIC UTILITIES COMMISSION

Dear Ms. Massaro:

On behalf of the Pascoag Utility District (Pascoag or the District), we herewith file an original and nine copies of Pascoag's proposed Demand Side Management Programs for 2008. This submission includes Pascoag's Executive Summary, Program Details for 2008, reconciliation of 2007 DSM activity and budget, and other schedules that support this docket.

If you have any questions, please do not hesitate to contact me.

Very truly yours,

Harle Round
Customer Service Representative

Cc: Mr. William Lueker, Esquire
Cc: Mr. William Bernstein, Esquire



Pascoag Utility District
Demand Side Management Programs - 2008

Estimated carry over from 2007	Actual
Estimated sales for 2008	Will be used to satisfy qualifying residential and commercial rebates
Net 2008 budget	\$110,000
	\$110,000

Residential Program	Proposed	
	2008	2008
DR0801 ENE Residential Conservation (ENE)	\$ 1,800	\$150 per month
DR0802 Home Energy Audits with Incentives	\$ 2,000	up to 10 Audits @ \$175, funds for rebates up to \$250
DR0803 Energy Star Appliance Rebates	\$ 5,000	up to a max of 50 rebates at \$100
DR0804 Energy Efficient Windows/Doors	\$ 5,000	up to a Max of 200 Windows at \$25
DR0805 Heating System Incentive	\$ 5,250	up to a max of 15 rebates at \$350
DR0806 Energy Star Thermostats/Lighting fixtures	\$ 1,000	up to 20 rebates at \$50 Max
DR0807 Home Office Equipment/Home Electronics	\$ 1,000	up to 20 rebates at \$50 Max
DR0808 Electric Heat Conversion/Geothermal System:	\$ 100	to keep the line item open for future requests.
DR0809 New Construction	\$ 10,540	17 units at \$620 Max
DR0810 Central Air Conditioner Incentive	\$ 800	up to 4 rebates at \$200 Max
DR0811 Change a Light Campaign	\$ 2,000	To encourage 500 Customers to change at least one light bulb, up to a \$4 max rebate
DR0811 Energy Conservation Calendars	\$ 3,100	1000 Calendars
DR0812 Committed funds for 2007 Residential rebates		Carry Over funds will be allocated to this line item for qualifying 2007 Residential Rebates

B

Pascoag's 2008 Demand Side Management Program
Executive Summary: Submitted by Harle J. Round

The Residential Programs proposed by Pascoag Utility District for 2008, will closely mirror our successful 2007 programs.

Products that earn the ENERGY STAR trademark prevent gas emissions by meeting strict energy efficiency guidelines set by the U.S. Environmental Protection Agency and the U.S. Department of Energy. Most consumers today realize that by purchasing ENERGY STAR qualified products they can reduce their own energy consumption. It is the District's goal to encourage our customers to buy ENERGY STAR compliant products to help control our consumption demand and reduce greenhouse gas emissions that are contributing to global warming. ENERGY STAR compliant appliances and electronics are being positioned as part of the solution to rising energy costs, and the need for energy efficiency to reduce greenhouse gas emissions. The ENERGY STAR programs that we have in place continue to experience a high customer demand.

However, The District will continue to monitor its programs and will seek permission to reallocate funds should certain programs not perform to expectations.

Energy New England ('ENE') - The energy hot line continues to be a very good resource for the residential customer. Customers with questions about high energy demand can call the toll free number for assistance. Many questions can be answered over the phone. The customer is also offered a home energy audit.

ENERGY STAR Audits are a very educational tool for homeowners. ENE performed eight audits as of August of 2007. Each home owner was given a report on ways to save energy. Many of the upgrades that are suggested in the audits correspond with programs set up for rebates by the District. It is our finding that the customers will take the report and over several years replace things like the boiler, windows, doors, appliances, programmable thermostats, light fixtures, and light bulb, thereby taking advantage of the applicable rebates.

The District would like to continue to offer the home energy audits in 2008. The District will scale back on the amount of rebate money for audit recommendations that are not covered by the rebate programs.

Rebates for ENERGY STAR Appliances, ENERGY STAR Windows and Doors, and ENERGY STAR Heating Systems continue to be among the most popular residential programs. Funding of all three programs was depleted by August of 2007, and requests to reallocate funds for these programs were submitted. However the reallocated funds are now depleted and Pascoag has a waiting list of qualified applicants once again.

If there are funds unspent at the close of 2007 in the residential programs, the District will request to use those funds to satisfy any qualified applicants for the various residential programs.

ENERGY STAR Thermostats/Lighting with a budget of \$1,000, had eighteen rebates as of September 2007 totaling \$741. We expect more requests for programmable thermostats with the onset of winter. The District would like to continue this line item again next year at the same level of funding, but would like to change the program title to ENERGY STAR Thermostats/ENERGY STAR Lighting Fixtures and provide rebates for ENERGY STAR programmable thermostats and residential lighting fixtures.

The District would like to add a line item in the 2008 budget called "Change a Light, Change the World Campaign." With this new line item we will ask our consumers to take a pledge to help change the world one light, one energy-saving step at a time.

The District seeks to retain the line item for Incentives for Electric Heat Conversion /Geothermal Systems at a budget of \$100. This will continue to leave the line item open should we have a request to convert from electric heat to another source. The District did not have any requests in 2007 for this line item.

The ENERGY STAR Office Equipment/Electronics with a budget of \$1,000 in 2007, has resulted in eighteen rebates totaling \$888 through September 2007. The District would like to continue this line item with the same level of funding.

New Construction rebates continue to be popular with contractors. As of September of 2007 the District has processed rebates totaling \$7,125 for Harrisville Village LLC. We are working with Granite Village and Smith Estates to determine any qualifying rebates. The Harrisville Village project has four more foundations completed and they plan to continue to build these types of housing units. The District requests to fund this line item at \$10,540 for 2008.

Central Air Conditioning was a new line item in 2007, and as of September the District has only processed one rebate. The District would like to continue with a reduced amount of \$500 for this line item in 2008. The District will promote this program in the 2008 brochure.

The ENERGY STAR incentive for office equipment and electronics did not do as well as anticipated this year. There has only been one request for a rebate totaling \$50. The District would like to continue with this program again next year at a reduced budget level of \$500.

The Burrillville Community Library Lighting project is moving along ahead of schedule with the lighting installed by the end of October or the beginning of November. All windows in the building are ENERGY STAR Compliant with a U-value of .35 or lower. They have also purchased an ENERGY STAR compliant refrigerator and dishwasher. The District set aside \$20,000 for rebates on lighting, windows, doors, and

appliances, for this project. The money spent on energy compliant lighting came in at \$248,000. The District usually rebates up to 40% on new lighting project. With the permission of the Division and the Commission, the District would like to take any carry over funds from the 2007 Commercial and Industrial budget and place the funds in a line item called Committed Funds for 2007 Lighting Projects. This would allow us to increase the rebates on the Burrillville Community Library up to, but not exceeding, forty percent.

At this time we believe that the Levy Rink lighting project will be very close to the allocated \$12,000 rebate. They are currently completing the installation of new lighting in the new addition. The lighting directly over the ice has been retro-fitted; making this project a combination of retro-fit and new lighting. RISE will be performing a spot audit on the rink within the next month. The District would like to include these projects for the committed funds from 2007 just in case it qualifies for additional rebates.

The Pascoag Well Project is underway and we are waiting for the installation of the variable drive motor and controller. The rebate will be forty percent of the cost including installation. This project will be completed before the close of 2007.

G S Incorporated completed its lighting project at the beginning of 2007. This entailed a new lighting project in the addition they built onto their existing headquarters. The additions will be used for office space and storage. The rebate was for forty percent of the lighting project and the total incentive for the project was \$6138.

The District will be working with North East Race Cars and Parts on a two stage lighting project in 2008. It appears this project will qualify for a rebate of \$20,000.

Lockheed Aluminum has indicated its interest in an air compressor which would qualify for \$6,850.

The District proposes to add a new program to the Commercial and Industrial programs called "ENERGY STAR Commercial Appliances." The District has several restaurants and nursing homes that could take advantage of this new line item.

The Administration line item has been funded at the same level for many years. Due to wage increases and additional time spent to monitor the programs the District is requesting an increase from \$11,000 to \$20,000 in 2008. District Staff spends many hours reconciling the budgets, processing rebates, spending time with potential rebate customers, reporting to the RIPUC, researching new programs and so on. The increase would cover the time spent to oversee this most worthwhile endeavor.

In September of 2007 the District did a reallocation and requested to move the Funds for Follow- Up to Successful Programs to the more successful residential programs. The District would like to keep this line item open in 2008 with \$1,660.

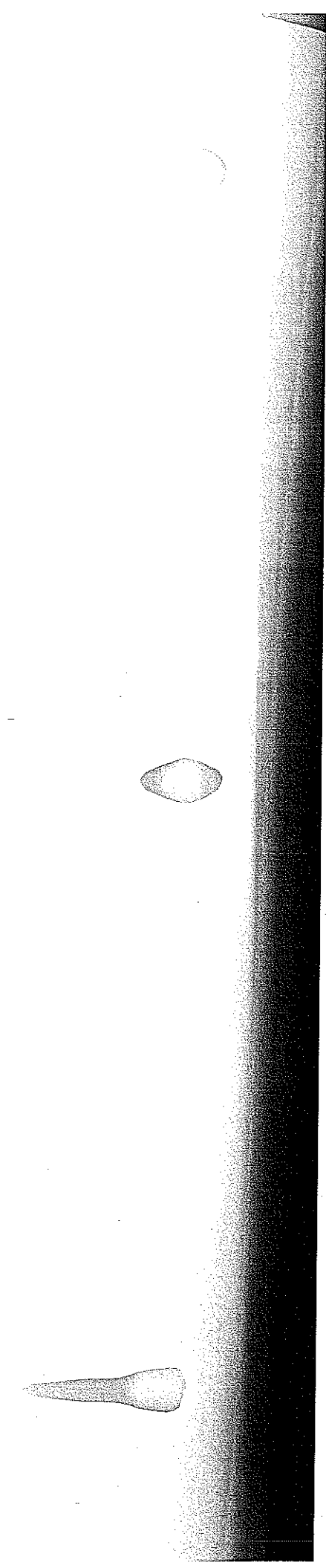
The District continued its customer outreach program with Soleil Inc. in 2007. They produced a Residential Program Brochure at the start of the year, which identified and promoted rebates that we were offering to the residential customers; as a result many of the programs depleted their funds by the end of August. The District is currently working with Soleil Inc. on a Commercial and Industrial brochure for 2007 that will highlight the Levy Rink Project, the Burrillville Community Library Project, the Pascoag Well Project and the G S Incorporated lighting project. It is our intention to reach out to the C & I customers so they can see what types of rebates that we offer. The new programs will also be updated on the web site at www.pud-ri.org.

The District continues to be active in community events. In 2007 we participated in the Burrillville Family Fair and the Senior's Prom. At both of these events we handed out materials on conservation which included brochures, energy wheels, nightlights, and refrigerator thermostats. The feed back is always positive from our customers who come back year after year. The District also hired a Burrillville High School Graphic Art student to create an activity book that we could use for Public Power Week. The activity book has a word search, a maze, and deals with safety and conservation. Pascoag also did a night light exchange program and visited the various elderly retirement homes in the area, including Ashton Court, Stillwater Heights, and Bradford Court. Residents were encouraged to exchange their old inefficient night lights for energy saving ones. Pascoag will also host an open house at the District Office on October 20, 2007 for Public Power Week, featuring various conservation activities.

The District continued its relationship with Mr. Boucher and his Burrillville H.S. Tech Club Students. The major project for 2007 was the creation of a character name the Pascoag Utility District Man and flyers for the seasons on conservation. The students presented their creations at the annual BHS Cookout. Due to a high request for more "do-it-yourself home energy kits", The District would like to continue this relationship again this year. The kits are given out at a raffle held at the Family Fair and other events hosted by the District. They are also given out to customers with high consumption to encourage them to learn how they can conserve. The District would like to fund this line item at \$8,000 in 2008.

The funding for the 2008 Demand Side Management Program is based on the 2.0 mils per kilowatt-hour assessment established by the legislation. A residential customer using 500 kWh pays a \$1.00 on their monthly electric bill for these conservation programs or about \$12.00 per year. The customer has seen the DSM assessment since its inception, and there is a separate line item on the monthly unbundled electric bill identifying this conservation cost.

Pascoag's proposed budget is based on a forecast of Sales for 2008 of 53,143,000 kWhrs. The estimated budget is rounded up to \$110,000 for 2008, with any additional "carry over" funds being allocated to the Committed Funds from 2007 line item.



C

2008 Program Details- Residential, Commercial and Industrial, Administrative/Ad and Customer Education and Outreach

Residential Programs

In 2008 Pascoag plans to continue all of the current Residential Programs from 2007 and will add two new programs. Owing to continued high customer demand, Pascoag believes these programs will continue to be successful in 2008.

This Summary will detail the programs proposed for 2008, and will review the success of the 2007 programs

1. Energy New England – Residential Conservation Services \$1,800:

Pascoag will continue its relationship with Energy New England (“ENE”) in 2008. The Residential Conservation Service (“RCS”) provides invaluable technical support to The District Staff as well as its customers.

In addition to this support, ENE supplies fulfillment materials to the customers of the District. The materials include energy smart CD’s, conservation booklets, and reference materials and resources. ENE sponsors a toll free energy hot line that is available to customers during normal business hours. Pascoag refers customers with high consumption complaints to this hot line after performing a meter test to rule out a faulty meter. If the customers’ questions can not be resolved over the phone, ENE schedules a home energy audit which goes into greater detail as to how the customer can conserve energy. This year Pascoag tested over thirty meters* and sent letters to each customer referring these customers to the toll free energy hot line.

ENE also sponsors an Advisory Group. The Advisory Group includes people from municipal utilities all over the New England States. The group meets quarterly to share ideas on all aspects of energy conservation. Pascoag is a member of the Advisory Group.

The cost for this service will remain at \$150 per month in 2008.

2. Audits with Follow-Up Incentives-\$2000:

Pascoag would like to maintain the same number of audits in 2008 but will reduce the money available for incentive follow-up. This would allow the following:

10- Audits @ \$175 each	\$1,750
Money available for Incentives	\$250

* Meters were proven to be within acceptable accuracy limits

ENE has agreed to hold the price at \$175 for home energy audits through the end of the 2008 calendar year. The District has only had a couple of customers that have taken advantage of the incentives on suggested measures like insulation, weather stripping, electrical outlet insulators, and attic door insulation, etc. Therefore The District proposes to keep that incentive at ten percent (not to exceed \$50). The suggested measures must be implemented in the same calendar year as the audit to qualify for the incentive and can not be a duplicate of a program already established for rebates.

Pascoag does not have anyone on staff that is qualified to perform these types of in-depth audits.

3. ENERGY STAR Appliance Rebates: \$5,000

Pascoag would like to fund this line item at \$5,000 in 2008. This program continues to be very popular. The District depleted funds in this program and even with a reallocation is very close to depleting the funds again. The District has processed \$12,100 of its \$12,250 budget for 2007.

When a customer purchases an appliance they have to remember that it has two price tags: what you pay to take it home and what you pay for the energy and the water it uses. ENERGY STAR compliant models use 10-50% less energy and water compared to the standard models. Many of the District customers now call before making an appliance purchase to make sure the models they are interested in qualify for rebates.

A customer purchasing an ENERGY STAR compliant refrigerator, freezer, or clothes washer will receive an incentive of \$100. A customer purchasing a dishwasher, air conditioner, or dehumidifier will receive an incentive of \$50.

The District would like to add room air cleaners to its list of appliances. A room air cleaner is a portable, electric appliance that removes fine particle matter from room air. A typical room air cleaner, operates continuously, using about 800 kWh per year in electricity. By comparison new refrigerator uses 50% less energy than these air cleaners making the air cleaners one of the higher energy consuming appliances. ENERGY STAR qualified room air cleaners are 35% more energy efficient than standard models and will save the consumer 215 kWh/year. A customer purchasing a room air cleaner will receive a rebate of \$50.

4. ENERGY STAR Windows/Skylights and Doors Incentive: \$5,000

The District would like to fund this line item at \$5,000 in 2008. The funds for this line item were depleted by the beginning of July in 2007 and even with a reallocation the funds were depleted again by the end of September. The District has applied \$8,600 in incentives and has additional requests which it will satisfy

at the end of the year provided there are funds available among other residential programs that do not perform as well.

When a customer purchases ENERGY STAR compliant windows and doors and sky lights for the northern area, they will realize energy savings in lower energy use. These windows and doors also help reduce heat loss in winter and offer protection from the summer sun, and reduce condensation and interior fading. ENERGY STAR qualified windows, doors and skylights keep your home cooler in the summer and warmer in the winter.

The District would like to continue the incentives of \$25 per window, up to a maximum of twenty per customer and \$50 per door, up to two doors per customer, provided that they have a U-value of .35 or lower. The District will also make its customers aware that they may qualify for up to \$500 in federal tax credits on ENERGY STAR windows, doors and skylights. More information on the tax credits can be viewed at www.energystar.gov.

5. ENERGY STAR Heating System Incentives: \$5,250

This program for heating system replacement will be funded at \$5,100 this year. The demand for this program continues to be very strong. The District has issued 22 rebates totaling \$7,700, in 2007, and has received additional requests, that will be funded at the end of the year provided there are other programs in the residential category that do not deplete their funds.

With the price of fuel to heat a home today, many homeowners are replacing their older systems with ENERGY STAR compliant gas and oil boilers/furnaces and making every drop of fuel count. Although these products are expensive to purchase up front, the cost difference are paid back over time through lower energy bills.

The ENERGY STAR compliant oil and gas furnaces have annual fuel utilization efficiency (AFUE) ratings of 83% and 90%, or higher, making them up to 15% more efficient than standard models.

ENERGY STAR qualified boilers have annual utilization efficiency (AFUE) rating of 85% or greater. Whether the fuel is gas or oil, they use about 6% less energy than a standard boiler, they achieve greater efficiency with improved features like electronic ignition that eliminates the need to have a pilot light burning all the time; new combustion technologies that extract more heat from the same amount of fuel; and sealed combustion that uses outside air to fuel the burner, reducing drafts and improving safety.

The incentive will remain at 10%, not to exceed \$350.

6. ENERGY STAR Thermostats/Lighting Fixtures: \$1,000

The District would like make a slight change in this line item for 2008. We would like to continue the fifty percent rebate on lighting fixtures and programmable thermostats. The District will be adding a new line item for light bulb incentives in 2008, so we will exclude light bulbs from this program.

Programmable thermostats automatically adjust your home's temperature settings, which allow you to save energy while you sleep and when you are away from your home. These units save energy by offering four convenient, pre-programmed temperature settings that allow you to scale back on heating or cooling of your home. Many homeowners work outside of the home during the day and have different schedules on the weekend, these programmable thermostats allow you to scale back on the heat and cooling during these periods of time and save up to an average of \$150 per year. The return on the investment is usually within one year.

ENERGY STAR qualified lighting fixtures use one-quarter less energy than traditional lighting. They distribute light more efficiently and more evenly than the standard fixture. They come in hundreds of decorative styles including portable fixtures, like table, desk and floor lamps, and hard-wired fixtures options like front porch, dining room, kitchen ceiling and under-cabinet, hallway ceiling and wall bathroom vanity fixtures and ceiling fan lighting fixtures. If a customer replaced five of their most frequently used light fixtures in their home with ENERGY STAR qualified models, they could save up to \$65 each year in energy cost.

The incentive will remain at fifty percent, with a cap of \$50.

7. Home Office Equipment/Home Electronics: \$1,000

The incentives for this line item will remain at twenty five percent of the cost, not to exceed \$50. The District has processed \$888 in rebates through September of 2007.

ENERGY STAR compliant office equipment such as computers, monitors and imaging equipment like printers and copiers, help to eliminate waste through special energy efficient designs. They use less electricity and when they are not in use enter into a low-power mode. In 2007 the specifications for many office products changed making it more difficult to earn the ENERGY STAR label. The products now use as much as sixty percent less electricity than standard equipment. With these new specifications the results will be the reduction of greenhouse gas emission equal to about seven million cars. The products that fall under office equipment are: computers, copiers, fax machines, digital duplicators, external power adapters, notebook

computers/tablet PC's, mailing machines, monitors, printers, scanners, all in ones, and water coolers.

ENERGY STAR compliant Home Electronics use as much as sixty percent less energy. Even when these electronics are off they use power for features like clock displays and remote controls. The average home has roughly two TVs, a VCR, a DVD player and three telephones, and if they were to be replaced with ENERGY STAR models, it would save over twenty five billion pounds of greenhouse gas emissions, which is like taking three million cars off the road. The products that fall under home electronics are battery charging systems, digital-to-analog converter boxes, cordless phones, combination units, DVD products, external power adapters, home audio, televisions, and VCR's

8. Incentives for Electric Heat Conversion/ Geothermal Systems: \$100

Although the District has no firm commitments for this line item, we would like to continue to keep the line item open because of the potential savings. Pascoag had several customers that converted from electric heat to oil heat in the past. The District has many other electric heat customers that may decide at a future date to convert.

The geothermal heat pumps are similar to ordinary heat pumps, but they use the ground instead of the outside air to provide heating, air conditioning and hot water. By using the earth's natural heat they are among the most efficient and comfortable heating and cooling technologies currently available. They use about thirty percent less energy than a standard heat pump, they are quieter then a conventional system. Therefore the District would to keep this line open should there be any future request.

9. New Construction Rebates: \$10,540

This program has proved to be very successful in 2007. The District has processed \$7,125 in rebates to Harrisville Village LLC, and is currently working with Smith Estates and Granite Village to see if they will qualify for any ENERGY STAR Rebates.

This line item is an excellent way to encourage the contractors to upgrade to ENERGY STAR compliant windows, doors, skylights, heating systems, appliances, programmable thermostats, lighting fixtures, and central air conditioning. Since the current building code in the town of Burrillville does not require the contractors to install Energy Star compliant products, The District feels this program is a great way to encourage energy efficiency in the construction process and to reduce the demand for electricity from these new housing developments.

The budget of \$10,540 will allow us to process seventeen rebates with a cap of \$620 per unit /home:

ENERGY STAR Boiler/Furnace	\$250
ENERGY STAR Windows/Sky Lights, limit of 10 @ \$25	\$225
ENERGY STAR Doors, limit of 2 @ \$50	\$100
ENERGY STAR Appliances at \$50	\$50 each
ENERGY STAR Thermostats/Lighting Fixtures	\$20
Central Air Conditioning	\$200

10. Central Air Conditioning: \$800

The District has done one rebate for \$200 in 2007. This was a new program in 2007 and will be advertised again in 2008. The District would like to fund this line item at \$800 in 2008 which would allow us to do four rebates.

About one-seventh of all the electricity in the US is used to air condition buildings. ENERGY STAR qualified central air conditioners have a higher seasonal efficiency rating (SEER) than standard models, which makes them fourteen percent more efficient than standard models. For a customer to qualify for this program they must purchase a central air conditioner with a SEER of 14 or greater, EER of 11.5.

The incentive will remain at ten percent, not to exceed \$200.

11. Change A Light Campaign: \$2,000 (NEW PROGRAM)

New this year, The District would like to become a pledge driver and invite at least five hundred electric customers to take a pledge to do their part to save energy and help reduce the risk of global climate change by replacing at least one light in their homes with an ENERGY STAR qualified one (CFL). The ENERGY STAR Light Campaign is a national challenge to encourage every American to help change the world, one light—one energy saving step—at a time.

The ENERGY STAR label on lighting means you are getting a product that is superior in energy efficiency. ENERGY STAR qualified compact fluorescent light bulbs (CFLs) use seventy-five percent less energy than incandescent bulbs and last six to ten times longer.

The District proposes a rebate on lighting with a cap of \$4.00 per customer. They will then be asked to take the pledge on line at www.energystar.gov, so we can track the total pledges for Pascoag Utility District.

12. Energy Conservation Calendars:\$3,100

New this year The District would like to purchase one-thousand energy conservation calendars. These Calendars are produced by Energy Savers and features energy saving tips each month. It shows the customer what to look for when purchasing Energy Star compliant products and will be a great way to advertise our programs for 2008, since the calendar will feature our 2008 program and will promote our rebates on the inside page. The cost of the calendars is \$3.10 each, Calendars are always a huge success with the customers, and these will remind customers to conserve with each passing month.

Commercial and Industrial Programs

The District expects the following commercial and industrial programs to be completed this year:

The Burrillville Library project is way ahead of schedule and is expected to have the lighting completed in November of 2007. They have installed energy efficient lighting, ENERGY STAR windows, doors and appliances and will qualify for rebates greater than the amount it was allotted in 2007.

The Pascoag Well Project is also expected to be completed before the end of the 2007 calendar year and we are awaiting the final billing for the variable frequency drive controller and high efficiency pump motor.

The Levy Rink lighting project is almost completed. They are presently finishing the lighting in the new addition and this rebate will be a combination of new and retro-fit lighting.

1. ENERGY STAR Incentive – Office Equipment/Electronics: \$500

This program did not perform as well in 2007 and The District has only issued one incentive of \$50. The District will be promoting this program in the fall Commercial and Industrial brochure. The District would like to continue this program but will reduce the budget this year to \$500.

The office equipment and electronics have the same savings are mentioned in the Home Office Equipment/Home Electronics program. The incentive will remain at twenty-five percent of the cost, with a cap not to exceed \$50.

2. Lockheed Aluminum Air Compressor: \$6,850

Lockheed Aluminum has approached the District for an Air Compressor. Pascoag's General Manager, Ted Garille has reviewed and approved the

proposal to ensure that it would qualify for a rebate. The project rebate is estimated at \$6,850.

3. Northeast Race Cars & Parts Inc Lighting Project: \$20,000

NorthEast Race Cars & Parts Inc. has been in the racing business for nearly 25 years. They provide racers on the East coast with parts they need through their retail warehouse facility located in Pascoag, RI.

Brad Lafontaine, the owner of NorthEast Race Cars & Parts has approached the District with a retro-fit lighting project in two- stages. He would complete one stage in 2008 and may possibly complete stage two at the end of 2008 or carry it over into 2009. The incentives proposed under this program would qualify for a 40% rebate.

4. Consultation fees: \$1,000

National Grid and RISE continue to provide verification of savings on the commercial and industrial projects. This line item will remain at \$1000.

5. ENERGY STAR Commercial Appliances: \$1,050 (NEW PROGRAM)

New this year The District would like to create a line item for ENERGY STAR commercial appliances. The District has several restaurants as well as nursing homes that may benefit from these new incentives. The following commercial appliances would qualify:

Commercial Dishwashers –ones that earn the ENERGY STAR on average are twenty-five percent more energy efficient and twenty-five percent more water efficient than standard models. Commercial dishwashers will be available on October 11, 2007.

Commercial Fryers- ones that earn the ENERGY STAR are up to twenty-five percent more energy efficient than standard models. They also offer shorter cook times and higher production rates through advanced burner and heat exchanger designs.

Commercial Ice Machines that earn the ENERGY STAR are on average fifteen percent more efficient and ten percent more water efficient than standard models. These machines will be available in January of 2008.

Commercial Hot Food Holding Cabinets that have earned the ENERGY STAR are sixty percent more efficient than standard models. Models that meet the requirements incorporate better insulation, reducing heat loss, and may also offer additional energy saving devices such as magnetic door gaskets, auto-door closures, or Dutch doors.

The District proposes a rebate of ten percent with a cap of \$350 per appliance; this will allow a maximum of three rebates in 2008.

6. Committed Funds From 2007: to be funded with the 2007 carry over.

The District would like to create this line item in order to allocate any carry over funds from the 2007 budget to this line item, and provide additional rebates to the Burrillville Library and the Levy Rinks' lighting projects. Both of these projects would benefit all the customers in the town of Burrillville. The Library project was allotted \$20,000 in the 2007 budget. The cost of the lighting is \$240,000 and would qualify for up to a \$96,000 rebate at forty percent. At this time we are unsure what the Levy Rink will qualify for in additional rebates, but we would like to include it.

This would allow The District to increase the available rebates, and use up the 2007 carry over funds, but not to exceed the qualified amounts per project.

Administrative/Ad/ Education

1. Administrative Expenses: \$20,000

The District is requesting to increase the administrative cost for the first time in many years. The salaries of the staff are one of the factors and the increased time spent to manage the program has also increased with the success of the various programs. The Administrative expense would equate to eighteen percent of the total budget for 2008.

The funds will be used to pay for staff time, schools and seminars related to the DSM, and reimbursement of mileage when employees use their private vehicles for DSM related activities.

Pascoag has two customer service Representatives who devote many hours to the DSM programs by working with the customers, taking the application for rebates on the various programs and answering questions over the phone and in person. The Senior Customer Service Representative spends many hours researching the compliance of the various rebates that are submitted, reconciling the DSM programs, and updating existing programs as well as creating new programs for next year and requesting reallocation of funds. In addition, the General Manager, the Assistant General Manager, and the Operations Manager work with the commercial and industrial customers on various C & I projects and perform site visits.

2. Funds for Follow-Up to Successful Programs: \$1,510

The District is requesting a line item to allow some flexibility in transferring funds to another program with a high customer demand. Any transfer would only be done with the Divisions approval.

3. Education/Outreach Program: \$7,500

The District did a brochure with Soleil Communication in early February of 2007 and is currently working on a Commercial & Industrial brochure to be completed by November of 2007. As a direct result of the Residential brochure many of the programs depleted the available funds and required the District to submit a reallocation of funds. The C & I brochure will detail what the process is for applying for a possible rebate. It will also highlight the current lighting projects at the Burrillville Library, Levy Rink, Pascoag Well project, and G S Incorporated.

The District would like to create a brochure to highlight the available 2008 DSM programs.

4. BHS Project: \$8,000

The District is requesting a budget of \$8,000 for the 2008 conservation project with the Burrillville High School. The Partnership is now in its seventh year and continues to be very educational. In 2007 Kaycee Morin created the Pascoag Utility Man and continued her work over the summer by creating a Safety and Conservation Activity book. Another group of students worked on flyers that the District is using at our open house for Public Power week. The flyers highlight ways to save for the different seasons; spring, summer, fall and winter. The total budget for 2007 was \$6,600 which was used to buy supplies and electronic equipment for the creation of the District's projects.

The students presented their final projects to the staff at Pascoag Utility and several members of the RIPUC, at the BHS cookout held in May.

As stated above, the District would like to continue this relationship again this year with the Tech Club students and the engineering class who will create "Do-It-Yourself" Home Energy Audit Kits. These Kits are a great way for The District to help customers with high bill consumption, do simple steps and realize a savings. The kits will be given away as raffle prizes at the Family Fair and to customers with high energy usage.

5. Community Projects: \$6,000

The District participated in many events throughout the year in 2007. The District attended the Family Fair and promoted the DSM programs by giving away conservation materials, night lights, and refrigerator thermostats. The District provided fulfillment materials on conservation at the Senior's Prom that was hosted by the Burrillville High School Tech Club. The District hired Casey Morin and used funds from this line item to create an activity book on safety and conservation that will be given to the children at Austin T Levy School during Public Power Week. The District will also hold an open house on October 20, 2007 with activities for families, as well as handouts for the adults on conservation. Also in October The District visited three elderly complexes, exchanging old inefficient nightlights for more energy efficient ones.

The 2008 budget to again purchase fulfillment materials, such as night lights, refrigerator thermostats, and other conservation materials which will be given away at the various events.

D

Pascoag Utility District
Demand Side Management Programs - 2007

	<u>Actual</u>
Estimated carry over from 2006	44090
Estimated sales for 2007	108000
Net 2007 budget	\$152,090

	<u>Approved</u>	<u>Spent</u>	<u>Balance</u>
<u>Residential Program</u>			
DR0701 ENE Residential Conservation (ENE)	\$ 1,800	\$ 1,350	\$ 450
DR0702 Home Energy Audits with Incentives	\$ 4,000	\$ 1,401	\$ 2,599
DR0703 Energy Star Appliance Rebates	\$ 12,250	\$ 12,100	\$ 150
DR0704 Energy Efficient Windows/Doors	\$ 8,600	\$ 8,600	\$ -
DR0705 Heating System Incentive	\$ 7,700	\$ 7,700	\$ -
DR0706 Energy Star Thermostats/Lighting	\$ 1,042	\$ 741	\$ 301
DR0707 Home Office Equipment/Home Electronics	\$ 1,000	\$ 888	\$ 112
DR0708 Incentive for Electric Heat	\$ 500	\$ -	\$ 500
DR0709 New Construction	\$ 23,560	\$ 7,125	\$ 16,435
DR0710 Central Air Conditioner Incentive	\$ 2,000	\$ 200	\$ 1,800
Net Residential	\$ 62,452	\$ 40,106	\$ 22,346
<u>Industrial/Commercial</u>			
DI0701 Energy Star Incentive - Office Equipment	\$ 1,000	\$ 50	\$ 950
DI0702 Burrillville Community Library	\$ 20,000	\$ -	\$ 20,000
DI0703 Pascoag Well Project	\$ 10,500	\$ -	\$ 10,500
DI0704 Pascoag Hose 1	\$ -	\$ -	\$ -
DI0705 G S Incorporated	\$ 6,138	\$ 6,138	\$ -
DI0706 Levy Rink Project	\$ 12,000	\$ -	\$ 12,000
			\$ -
Net Industrial/Commercial	\$ 49,638	\$ 6,188	\$ 43,450
<u>Administrative/Ad/Education</u>			
DA0701 Administrative	\$ 11,000	\$ 5,973	\$ 5,027
DA0702 Funds for Follow-up to Successful Programs	\$ -	\$ -	\$ -
DA0703 Outreach/Education	\$ 14,000	\$ 6,845	\$ 7,155
DA0704 Consultation fees with National Grid	\$ 1,000	\$ -	\$ 1,000
DA0705 BHS Project	\$ 6,600	\$ 6,085	\$ 515
DA0706 Community Projects	\$ 7,400	\$ 6,995	\$ 405
			\$ -
Net Administrative/Ad/Education	\$ 40,000	\$ 25,899	\$ 14,101
Total suggested DSM 2007 Budget	\$ 152,090	\$ 72,193	\$ 79,897

**Pascoag Utility District
Demand Side Management Programs - 2007**

	<u>Actual</u>
Estimated carry over from 2006	\$44,090
Estimated sales for 2007	\$108,000
Net 2007 budget	\$152,090

<u>Residential Program</u>	<u>Approved</u>	<u>Expenses</u>	<u>Detail of expenses</u>	<u>Budget 2007</u>	<u>Budget 2007</u>	<u>Budget 2007</u>	<u>Budget 2007</u>	<u>Budget 2007</u>
DR0701 ENE Residential Conservation (ENE)	\$ 1,800	\$ 1,350	9 Months at \$150 per month	\$ 1,800	\$ 1,350			
DR0702 Home Energy Audits with Incentives	\$ 4,000	\$ 1,401	8 Audits, and an incentive for \$6	\$ 4,000	\$ 1,401			
DR0703 Energy Star Appliance Rebates	\$ 12,250	\$ 12,100	43 refrigerators, 25 dishwasher, 22 air conditioners, 11 dehumidifiers, 49 clothes washers	\$ 12,250	\$ 12,100			
DR0704 Energy Efficient Windows/Doors	\$ 8,600	\$ 8,600	20 doors, and 304 windows	\$ 8,600	\$ 8,600			
DR0705 Heating System Incentive	\$ 7,700	\$ 7,700	22 heating system incentives	\$ 7,700	\$ 7,700			
DR0706 Energy Star Thermostats/Lighting	\$ 1,042	\$ 741	12 light bulb purchases, 4 fixture rebates, and 13 thermostats	\$ 1,042	\$ 741			
DR0707 Home Office Equipment/Home Electronics	\$ 1,000	\$ 888	1 home theater unit, 4 computers, 11 TV's, 2 printers, and 1 telephone	\$ 1,000	\$ 888			
DR0708 Incentive for Electric Heat	\$ 500	-	No activity	\$ 500	-			
DR0709 New Construction	\$ 23,560	\$ 7,125	rebates on 11 units at Harrisville village LLC.	\$ 23,560	\$ 7,125			
DR0710 Central Air Conditioner Incentive	\$ 2,000	\$ 200	1 rebate	\$ 2,000	\$ 200			
Net Residential	\$ 62,452	\$ 40,106		\$ 62,452	\$ 40,106			
Industrial/Commercial								
DI0701 Energy Star Incentive - Office Equipment	\$ 1,000	\$ 50	1 computer	\$ 1,000	\$ 50			
DI0702 Burrillville Community Library	\$ 20,000	-	no activity	\$ 20,000	-			
DI0703 Pascoag Well Project	\$ 10,500	-	no activity	\$ 10,500	-			
DI0704 Pascoag Hose 1	\$ -	-	funds were reallocated in September	\$ -	-			
DI0705 G S Incorporated	\$ 6,138	\$ 6,138	New lighting rebate of \$6138	\$ 6,138	\$ 6,138			
DI0706 Levy Rink Project	\$ 12,000	-	no activity	\$ 12,000	-			
Net Industrial/Commercial	\$ 49,638	\$ 6,188		\$ 49,638	\$ 6,188			
Administrative/Ad/Education								
DA0701 Administrative	\$ 11,000	\$ 5,973	For administrative expenses	\$ 11,000	\$ 5,973			
DA0702 Funds for Follow-up to Successful Programs	\$ 14,000	\$ 6,845	Brochures to promote the Programs, and a web update.	\$ 14,000	\$ 6,845			
DA0703 Outreach/Education	\$ 1,000	-	no activity	\$ 1,000	-			
DA0704 Consultation fees with National Grid	\$ 6,600	\$ 6,085	Expenses for the Cookout, Electronic purchase to be used in the creation of Conservation projects.	\$ 6,600	\$ 6,085			
DA0705 BHS Project	\$ 7,400	\$ 6,995	funds used for staff time, purchase of fulfillment materials, to pay to create and print safety and conservation coloring books	\$ 7,400	\$ 6,995			
DA0706 Community Projects	\$ -	-		\$ -	-			
Net Administrative/Ad/Education	\$ 40,000	\$ 25,899		\$ 40,000	\$ 25,899			
DSM 2007 Budget/ Total Expenses	\$ 152,090	\$ 72,192		\$ 152,090	\$ 72,192			



Calculations of Energy Savings for Energy Star Incentives(1)

<u>Appliance</u>	<u>Specifications</u>	<u>Monthly hours Operation</u>	<u>Monthly kwhr use</u>	<u>Annual kwhr use</u>	<u>Units w/ Incentives</u>	<u>Total annual</u>
Air Conditioner	6000 BTU 500 watts	165	83 74	990 892	Standard EnergyStar	22 2156
Clothes Washer	Large Capacity	23	12 11	144 132	Standard EnergyStar	49 588
Dish washer	13,000 Watts	24	31 25	372 300	Standard EnergyStar	25 1800
Refrigerator	6-15 years old 17CF, frost free	245	147 103	1764 1236	Standard EnergyStar	43 22704
Dehumidifer	Large capacity 650 Watts	340	221 166	2652 1992	Standard EnergyStar	11 7260
Total Average kwhrs Savings						34,508

(1) From www.pud-ri.org "Energy Calculator"

2007 Appliance savings



**Pascoag Utility District- Electric Department ("Department")
Demand Side Management Charge**

The following provisions will be apply to reflect charges collected under the Demand Side Management Program, pursuant to "An Act Relating to the Utility Restructuring Act of 1996", #96-H 8124 Substitute B, Section 39-2-1.2(b).

The District proposes to include a charge of 2.3 mills per kilowatt-hour delivered to fund a demand side management program and renewable energy resources. The allocation of this revenue between demand side management programs and renewable energy resources shall be determined by the Commission.

The District will submit semi-annual reports to the Commission documenting funds collected and expended. In the event that revenue collected over or under anticipated revenue, the Department shall apply to the Commission for an annual "true-up".

Approval Issued:

Requested Effective Date: January 1, 1998

Approval Date: March 20, 1998