

December 17, 2012

VIA HAND DELIVERY & ELECTRONIC MAIL

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

**Re: Docket 4366 - 2013 Energy Efficiency Program Plan
Response to Commission Data Requests – Set 2**

Dear Ms. Massaro:

Enclosed is National Grid's¹ response to the Commission's Second Set of Data Requests concerning the above-referenced proceeding.

Thank you for your attention to this filing. Please feel free to contact me if you have any questions concerning this matter at (401) 784-7288.

Very truly yours,



Jennifer Brooks Hutchinson, Esq.

Enclosures

cc: Docket 4366 Service List
Steve Scialabba, Division
Leo Wold, Esq.

¹ The Narragansett Electric Company d/b/a National Grid.

Commission 2-1

Request:

The Company is required to file quarterly reports to the DSM Collaborative updating the Collaborative on the status of the 2012 SRP. (Order No. 20662, Docket 4296) Please provide the Commission copies of all reports filed in 2012 pursuant to this Order.

Response:

Please see Attachment COMM 2-1-1, Attachment COMM 2-1-2, and Attachment COMM 2-1-3 for the first, second, and third quarterly reports, respectively. Please note that these quarterly reports apply to the 2012 Energy Efficiency Program Plan and the 2012 SRP.

These were submitted to the DSM Collaborative Subcommittee as well as the EERMC.

National Grid Energy Efficiency Programs First Quarter Highlights

Rhode Island
April 19, 2012



Overview

National Grid kicked off 2012 a multitude of new energy efficiency initiatives intended to focus on customers and energy savings and meet the objectives of the 2012 Annual Plan: Energy efficiency is for everyone, Reaching Customers Where they Live and Work, Innovation and Economic growth.

As you may have heard on the radio, the Comprehensive Campaign aired advertisements promoting energy efficiency programs for every Rhode Islander. Additionally, National Grid held numerous trainings, program presentations, kick-off breakfasts, and a trade ally event in order to encourage all our partners and customers to participate in programs and spread opportunities for energy efficiency through their various channels.

Innovation was in full swing as the EmPower pilot launched. The System Reliability Procurement plan was approved and implementation plans have begun for Little Compton and Tiverton. The Deep Energy Retrofit Pilot is working with new developers and partners to demonstrate whole house savings. The Upstream Lighting initiative kicked off and will deliver lighting savings through new easy-to-access channels. A LED street lighting study is in the works and studies continue on savings from new kinds of residential and commercial code efforts.

National Grid also focused on economic growth. The EnergyWise program began its new implementation model where all weatherization is completed by certified independent contractors. The Heat Loan grew in popularity and 177 loans have already been lent to residential customers to invest \$1 million in energy efficiency retrofits. The Small Business and Large Commercial Revolving Loan Funds received \$4 million from RGGI auction proceeds, and will help customers finance their energy efficiency projects.

National Grid is putting a strong foundation in place for succeeding in achieving this year's energy savings goals and creating opportunities for every Rhode Islander. This quarterly illustrates program updates and quantifies savings goals. New this quarter, the report also introduces several key performance indicators used to measure other aspects of program objectives and goals.

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2012 Program & Initiative Update

Residential New Construction

- ◆ The Major Renovation and Rehab pilot began, there are several multi-family prospects and pre-testing started on one project with several units.
- ◆ The Lighting design pilot began and design plans are being reviewed for one potential candidate.
- ◆ Code Plus is being marketed as an entry into the program and as an option for projects that cannot meet ENERGYSTAR® Version 3.
 - In the first quarter, 21 projects, with a total of 54 units, appear to be good candidates for Code Plus; approximately half of the units are from builders and developers who have not participated in the program in the past.
- ◆ First Quarter Trainings and Presentations:
 - Presented 2012 program requirements and incentives to Rhode Island Housing.
 - Presented to HVAC Contractors at Supply New England in Middletown.
 - Held full day training with a vocational school; students are aiming for ENERGYSTAR® Version 3 on the house they are building.

Comprehensive Marketing

- ◆ The 2012 Comprehensive Campaign kicked off with radio ads in February.
- ◆ Focus groups were conducted to assess messaging.
- ◆ Additional marketing will continue throughout the spring and summer.

Innovation

- ◆ Behavioral Pilot
 - The Empower pilot launched in March with a goal of 100 participants in Tiverton, Little Compton, Aquidneck Island and Jamestown.
 - Installations began and currently 57 participants have been accepted.
- ◆ Residential Products Pilot
 - ECM Circulator Pilot – Variable speed pumps have been installed on new boilers during 2012. The pumps were monitored for their energy savings and performance. The monitoring equipment will be removed in April. The evaluation will be completed when all of the data is in from the site installs.
 - Heat Pump Water Heater – The pilot finished in March and monitoring equipment was removed. Final evaluation results are expected in early summer, adding to preliminary results available last year. These high energy saving products are available in Rhode Island and rebate forms are available online.

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- Wi-Fi Thermostats – The pilot monitoring was completed in March. Final evaluation results are expected this summer, adding to preliminary results available last year. These energy efficient products are available for rebates, forms are available online.
- Boiler Load Control – Installations were completed at 6 sites and include monitoring equipment to assess savings. Monitoring equipment will be removed in April. Final results are anticipated this summer.
- New residential products are being considered for future pilots.
- ◆ Deep Energy Retrofit Pilot
 - A two-family project in Kingston is nearing completion.
 - A single-family project in Wakefield started renovations.
 - The pilot is working with WinnCo, Omni Development, and RI Housing on two three-family projects in Providence.

Community Initiatives

- ◆ The 2011 Community Initiatives program concluded on March 31st.
- ◆ Preliminary results will be shared with the participating organizations over the next few months.
- ◆ 2011 findings will be used to develop goals for the second generation of community initiatives.

EnergyWise

- ◆ The 2012 program enhancements began in January.
 - All weatherization work will be completed by independent contractors.
 - A kick-off breakfast for contractors was held in February in Warwick to introduce new program enhancements. More than 50 people attended.
 - As a result, the list of certified contractors has grown to 19 firms.
- ◆ Program enhancements for customers include:
 - New education and marketing materials including audit packets, key information and FAQs.
 - Tenants can now receive weatherization.
 - Weatherization rebates will now cover additional air sealing costs that are above the free air sealing offer, which is available up to \$750.
 - New auditors have been hired in order to reduce the wait time for home assessments.
 - Additional customer enhancements are planned for the second quarter.

ENERGY STAR[®] Appliance and Lighting

- ◆ An informational radio ad aired from January 16th through February 5th explaining the shift from watts to lumens as a result of EISA; an EISA video was also linked to the National Grid website.
- ◆ The programs emailed invitations to schools for a fundraising opportunity using CFLs and advanced power strips.

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- ◆ The Lighting program began investigating the potential for a Market Lift pilot. Next steps include determining baseline of sales and securing participating retail partners.
- ◆ A refrigerator recycling radio ad began airing on March 19 and an email blast was sent to customers to encourage recycling.
- ◆ The program is exploring new options for energy efficient smart strips to increase the variety of products offered to customers.

ENERGY STAR[®] HVAC

- ◆ Cooling equipment rebate forms are available at:
https://www.powerofaction.com/media/pdf/RI_Cooling.pdf
- ◆ Gas Heating Equipment Rebates
 - Due to anticipated high demand, a reservation was established for gas heating equipment. Online reservations can be made at:
<https://www.smartenergy-zone.com/nationalgrid/>
 - Rebate forms for gas heating equipment are available online at:
https://www.powerofaction.com/media/pdf/RI_Resi.pdf
 - Nearly \$400,000 in heating system rebates have been reserved to date.
- ◆ Additional marketing will be distributed to supply houses and contractors in mid-April and contractor trainings are being planned.

Customer Finance

- ◆ The Heat Loan program has financed 177 new loans for residential retrofit projects since January. The average loan is approximately \$6,000 per home. The total loan value created this year is \$1 million. Since the program began in 2011, it has helped customers receive approximately \$2 million in loans.
- ◆ The Small Business Revolving Loan Fund received approximately \$2 million from RGGI Auction proceeds. The funds enhance the \$1.8 million received in 2011 and will be disbursed to customers this year to finance retrofit projects.
- ◆ The Large Commercial & Industrial Loan Fund received approximately \$2 million from RGGI Auction proceeds. The funds enhance the \$945,000 from 2011 outside finance funds and will be disbursed to customers this year to complete energy efficiency projects. Customers will be able to repay on-bill.

Single Family Low Income Services

- ◆ National Grid is working with the Office of Energy Resources (OER) to ensure that Providence residents can be served, either by ProCAP or other CAP agencies.
- ◆ A schedule has been established to train auditors from Green and Health Homes Initiative (GHHI).
- ◆ A Request for Interest (RFI) for lead program vendor will be issued soon.

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Large Commercial Retrofit

- ◆ Large Commercial Manufacturing Initiative – Based on customer feedback, the time period to implement efficiency measures resulting from the Level 2 Technical Assistance (TA) study has been extended from 1 to 2 years.
- ◆ SEMP
 - National Grid held a series of meetings with Brown University to establish a multiyear MOU; National Grid is working closely with Brown to improve the transactional process of current programs.
 - National Grid has scheduled a meeting with URI to discuss potential for an MOU.
- ◆ Multifamily Initiative
 - Residential and Commercial program managers are establishing a seamless program offering for multifamily facilities that are residentially and commercially metered. The program is reaching out to these specific Multifamily customers to determine applicable projects.
- ◆ Whole Building Assessment – National Grid met with Rethinking Power Management (RPM) and Rouleau Consulting to map more effective delivery systems that recognize unique capabilities of customers.

Large Commercial New Construction

- ◆ Upstream Lighting
 - The initiative began in first quarter 2012 and customer awareness is increasing.
 - National Grid is planning marketing activities to promote the program and increase participation among businesses.
 - National Grid is currently offering 8 types of LEDS and 4 types of Florescent
 - There are more than 30 distributors participating in the initiative and 7 are located in Rhode Island.
- ◆ Street lighting Initiative – A Company-wide study at Clarkson University is planned to begin in April to test LED streetlights for harmonics and other power quality issues.
- ◆ Office of the Future – National Grid is currently piloting this initiative with four real estate property owners to develop a strategy for energy efficiency within tenant space.
- ◆ Codes & Standards
 - National Grid is participating in monthly meetings with RI Building Code Commission and NEEP to establish a strategy for codes support.
 - Code compliance studies for residential and commercial buildings are ongoing.

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Evaluation

- ◆ The residential code compliance baseline study is currently analyzing HVAC performance and completed DOE checklists; a draft report is anticipated in the spring.
- ◆ The commercial code compliance baseline study has begun and is conducting preliminary analysis for statewide savings potential as a result of improved code compliance and advancement of codes and standards.
- ◆ Updating Participation
 - National Grid got feedback from the RI DSM Collaborative about methods for counting and tracking participation in all EE programs.
 - The Company is working to standardize the definition of a participant as a unique billing account.
 - This quarterly report updates the participation goals and actuals to be in line with this revised method.
- ◆ The Commercial Compressed Air evaluation began; the evaluation will sample includes sites in MA and RI; 2 of 3 RI sites have been visited.
- ◆ The Commercial Custom Lighting evaluation sample design is under development.
- ◆ The EnergyWise single family impact analysis is planned for this summer.
- ◆ The Rhode Island Free Ridership and Spillover study workplan has been approved and the study is planned for this summer.
- ◆ The Empower Pilot impact and process evaluation began and customer selection is ongoing.

System Reliability Procurement

- ◆ The System Reliability Procurement Plan (SRP) was approved by the RI Public Utilities Commission in February.
- ◆ SRP implementation has begun, equipment has been ordered and the program is developing the marketing and evaluation strategies
- ◆ The program will present to the Tiverton Town Selectman on May 14th

Recent Events

- ◆ National Grid's Residential New Homes Construction hosted a both at JLC Live
- ◆ National Grid promoted all residential energy efficiency programs at the RI Homes Show in Providence, March 29th through April 1st
- ◆ National Grid showcased its EE offerings at the 12th Annual RI League of Cities and Towns Convention on January 26th
- ◆ National Grid participated in the Newport county Chamber Annual Business Expo on March 13th

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Upcoming Events

- ◆ National Grid will host a Trade Ally Open House on Wednesday, April 11th at the Crowne Plaza in Warwick from 8:30 a.m. until 12:00 p.m. The event is designed to engage commercial trade allies in collaborating on EE programs.
- ◆ Numerous Earth Day activities are planned to promote EnergyWise:
 - Olneyville Neighborhood Forum on Saturday, April 21st
 - MetLife Earth Week Symposium
 - AMGEN Earth Day on Monday, April 16th
 - United Foods Earth Day on Friday, April 20th
- ◆ National Grid will participate in the RI Business Expo at the RI Convention Center on May 3rd
- ◆ SRP Presentation to Tiverton Town Selectman's meeting on May 14th
- ◆ National Grid will participate in the World Trade Day at Bryant University on May 23rd

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Key Performance Indicators

Program & Indicator	Objective	Goal	Actual
All Programs or Sectors			
All Programs -- Percent of electric energy savings goals attained	Achieve goals of least cost procurement	100%	11%
All Programs -- Percent of gas savings goals attained	Achieve goals of least cost procurement	100%	11%
All Residential Programs -- percent of National Grid's customers participating in whole house or rebate programs <i>Note: Working towards being able to report this going back to 2009</i>	Increase saturation of customer participation in residential sector	TBD	TBD
Small Business Program -- percent of National Grid's small business customers receiving an energy audit <i>Note: Working towards being able to report this going back to 2009</i>	Increase saturation of customer participation in small business customer class	TBD	TBD
Residential Programs			
EnergyWise -- Days a customer waits for an EnergyWise Assessment	Reduce the time a customer waits for a home assessment	15	20 - 25
EnergyWise -- Number of Independent Contractors participating in program	Expand the number of Small Businesses participating in weatherization	n/a	19
Residential Programs -- Number of customers who received a Heat Loan	Overcome barriers to participation by providing 0% interest loans for energy efficiency retrofits	n/a	177
ENERGYSTAR® HVAC -- Percent of Hard-To-Reach customers served with gas heating equipment rebates	Provide access to programs to customers who do not typically participate.	30%	TBD
Low Income Services -- Number of customers that received home energy assessments with electric EE measures and/or weatherization and heating system replacement services (for non-gas heating customers) in Rhode Island	Improve program delivery efforts to serve every community in RI	2501	284
Low Income Services -- Number of customers with gas heat that received weatherization and/or heating system replacement services in Rhode Island	Improve program delivery efforts to serve every community in RI	430	25
Commerical & Industrial Programs			
Large Commerical New Construction -- Percent of goal achieved for Upstream Lighting Initiative	Deliver energy savings in an easy-to-access way for customers	18,500	281
Large Commerical Retrofit -- Number of technical studies for large manufacturing customers	Engage manufacturing customers in energy efficiency projects	10	3
Large Commercial Retrofit -- Number of customers committed to three year EE planning through SEMP	Deliver deeper energy savings through long-term energy efficiency MOUS	3	0

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NATIONAL GRID ENERGY EFFICIENCY PROGRAMS IN RHODE ISLAND
 Table 1. Summary of 2012 Target and Preliminary 1st Quarter Results

ELECTRIC PROGRAMS Sector and Program	(1) (2) (3) Demand Reduction (Annual kW) Pct			(4) (5) (6) Energy Savings (Annual MWh) Pct			(7) (8) (9) Customer Participation			(10) (11) (12) Implementation Expenses (\$ 000)			(13) (14) Lifetime savings, MWh \$/kWh	
	Target	Year To Date	Achieved	Target	Year To Date	Achieved	Approved Target	Year To Date	Pct Achieved	Budget	Year To Date	Pct Achieved	MWh	\$/kWh
Commercial and Industrial														
Large Commercial New Construction	8,011	191	2.4%	30,346	853	2.8%	2,365	67	2.8%	\$8,834.4	\$383.0	4.3%	13,145	\$ 0.029
Large Commercial Retrofit	5,708	365	6.4%	39,928	2,766	6.9%	365	65	17.8%	\$9,708.5	\$459.0	4.7%	34,899	\$ 0.013
Small Business Direct Install	3,982	556	14.0%	17,984	2,334	13.0%	1,443	249	17.3%	\$10,231.3	\$596.8	5.8%	28,103	\$ 0.021
Community Based Initiatives - C&I										\$200.0	\$6.6	3.4%		
EERMC - C&I										\$354.5	\$2.0	0.6%		
Comprehensive Marketing - C&I										\$330.0	\$233.6	70.8%		
Outside Finance Costs										\$1,000.0	\$0.0	0.0%		
SUBTOTAL	17,701	1,112	6.3%	88,258	5,954	6.7%	4,173	381	9.1%	\$30,658.6	\$1,681.2	5.5%	76,146	\$0.022
Residential Low-Income														
Single Family - Low Income Services	482	46	9.6%	3,960	423	10.7%	2,501	284	11.4%	\$5,615.4	\$290.0	5.2%	5,078	\$0.057
Residential Non-Low Income														
Residential New Construction	246	41	16.7%	812	164	20.2%	405	88	21.7%	\$1,036.0	\$92.1	8.9%	2,904	\$ 0.032
ENERGY STAR® HVAC	2,085	4	0.2%	1,964	6	0.3%	3,709	26	0.7%	\$2,477.0	\$31.7	1.3%	108	\$ 0.294
EnergyWise	798	44	5.5%	8,432	457	5.4%	13,017	632	4.9%	\$7,541.5	\$878.6	11.6%	5,065	\$ 0.173
ENERGY STAR® Lighting	2,110	66	3.1%	20,174	618	3.1%	160,000	6,276	3.9%	\$4,507.4	\$219.4	4.9%	4,450	\$ 0.049
ENERGY STAR® Appliances	507	99	19.4%	4,971	986	19.8%	19,080	4,791	25.1%	\$2,045.4	\$247.9	12.1%	7,888	\$ 0.031
Energy Efficiency Educational Programs										\$75.0	\$0.0	0.0%		
EERMC - Residential										\$299.0	\$1.7	0.6%		
Residential Behavior Pilot										\$230.8	\$6.3	2.7%		
Residential Products Pilot										\$314.7	\$1.5	0.5%		
Community Based Initiatives - Residential										\$156.6	\$31.9	20.4%		
Comprehensive Marketing - Residential										\$920.0	\$653.5	71.0%		
SUBTOTAL	5,747	254	4.4%	36,352	2,231	6.1%	196,211	11,813	6%	\$19,603.3	\$2,164.6	11.0%	20,415	\$0.106
System Reliability Procurement	109	0	0.0%	475	0	0.0%	140	0	0.0%	\$ 196.0	\$0.1	0.0%		
TOTAL	23,930	1,412	5.9%	128,570	8,608	6.7%	202,885	12,478	6.2%	\$55,877.3	\$4,135.8	7.4%	101,639	\$0.041
GAS PROGRAMS				(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Sector and Program				Energy Savings (MMBtu)			Customer Participation			Implementation Expenses (\$ 000)			Lifetime savings, \$/Lifetime MMBtu	
				Approved Target	Year To Date	Pct Achieved	Approved Target	Year To Date	Pct Achieved	Approved Budget	Year To Date	Pct Achieved	MMBtu	MMBtu
Commercial and Industrial														
Large Commercial Retrofit				75,814	22,204	29.3%	115	33	28.7%	\$2,700.5	\$457.9	17.0%	169,539	\$2,701
Large Commercial New Construction				39,485	1,613	4.1%	51	11	21.4%	\$2,008.6	\$137.0	6.8%	31,447	\$4,356
Small Business Direct Install				5,013	1,073	21.4%	158	37	23.4%	\$110.6	\$6.6	5.9%	7,916	\$0.830
Comprehensive Marketing										\$130.0	\$78.1	60.1%		
EERMC Assessment-C&I										\$59.3	\$0.0	0.0%		
SUBTOTAL				120,312	24,890	20.7%	324	81	25.0%	\$4,949.7	\$679.6	13.7%	208,903	\$3,253
Residential Low-Income														
Single Family Low Income Services				7,697	447	5.8%	430	25	5.8%	\$1,765.8	\$93.4	5.3%	8,950	\$10,437
Residential Non-Low Income														
Energy Star® HVAC				79,712	1,501	1.9%	12,211	158	1.3%	\$2,975.9	\$163.3	5.5%	28,526	\$5,724
EnergyWise				23,827	7,786	32.7%	2,000	621	31.1%	\$2,701.1	\$790.1	29.3%	192,152	\$4,112
Residential Products Pilot										\$134.1	\$0.4	0.3%		
Comprehensive Marketing										\$130.0	\$92.0	70.8%		
EERMC Assessment-Residential										\$92.5	\$0.0	0.0%		
SUBTOTAL				103,540	9,287	9.0%	14,211	779	5.5%	\$5,941.1	\$1,045.8	17.6%	220,676	\$4,739
TOTAL				231,548	34,624	15.0%	14,965	885	5.9%	\$12,656.7	\$1,818.8	14.4%	438,530	\$4,147

NOTES
 (1)(4) Targets from Docket 4295 - Attachment 5, Table E-6 (electric) updated with Division approved budget transfer, and Attachment 6, Table G-6 (gas)
 (3) Pct Achieved is Column (2)/ Column (1).
 (6) Pct Achieved is Column (5)/ Column (4).
 (7) Participation targets are based on Docket 4295 and have been updated with unique customer definitions based on RI Collaborative feedback.
 (9) Pct Achieved is Column (8)/ Column (7).
 (10) Approved Implementation Expenses from Docket 4295, Attachment 5 Table E-3 (electric) and Attachment 6 Table G-3 (gas)
 (11) Year To Date Implementation Expenses are net of evaluation expenses
 (12) Pct Achieved is Column (11)/ Column (10).
 (13) Lifetime Savings from Docket 4295 - Attachment 5, Table E-6 (electric) and Attachment 6, Table G-6 (gas)
 (14) \$/Lifetime kWh = Column (11)/Column (13); \$/Lifetime therm = Column (11)*1000/Column (13)*10
 System Reliability Procurement goals from Docket 4296, not included in Implementation Expenses Total

National Grid Energy Efficiency Programs Second Quarter Highlights

Rhode Island
July 25, 2012



Overview

During the second quarter, National Grid focused on continuing its 2012 energy efficiency initiatives while identifying and implementing additional strategies needed to meet this year's energy savings goals.

The commercial programs began offering enhanced incentives to encourage retrofits during the typically slow summer season. The programs launched a new initiative to identify deeper saving measures for super markets and grocery stores and began developing a municipal initiative to concentrate on school retrofits during summer vacation. The Company continued making progress on developing long term energy efficiency plans through all-day deep-dive sessions with Brown University and URI. The upstream lighting initiative also continued to ramp up. Additionally, the Division and EERMC approved a fund transfer to help with gas retrofits in several multifamily facilities that are low income eligible.

The residential programs are continuing to accelerate and prepare for the heating season this fall. EnergyWise began offering an online request tool, night-time and weekend assessments to help customers find a convenient time for a home energy assessment. The program continues to increase the number of independent contractors for weatherization. The 'Get House Fit' campaign also launched and auditor vans are now easily recognized, as seen in the photo. The Energy Star HVAC program is also preparing for the heating season with a special thermostat initiative and promoting heating equipment. Finally, the Low Income Services program continued to work with the Office of Energy Resources and CAP agencies to identify and implement strategies to help serve the Providence area.



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2012 Program & Initiative Update

Residential New Construction

- ◆ The program is on track to meet its annual energy savings goals within the remaining budget.
- ◆ Three well-attended training sessions on ENERGY STAR Version 3 requirements, HVAC and advanced framing were held.
- ◆ The Renovation/Rehabilitation pilot is becoming an effective gateway to the main RNC program.
 - Initial engagement and subsequent energy efficiency conversations are increasingly influencing decisions to turn reno/rehab projects into full-blown rehabs.
 - Sixty units have signed up for RNC with several additional projects currently engaged in conversation.
- ◆ The Lighting Design pilot is proving to be a challenge with barriers including low interest and unfavorable timing.
 - Most projects have had building plans developed beyond the point where lighting design could be incorporated.
 - One project is currently underway and we will continue to learn from the experience.

Innovation

- ◆ Behavioral Pilot
 - The Empower pilot in Tiverton, Little Compton, Aquidneck Island and Jamestown completed installations in 88 homes.
 - The evaluation of the pilot began and a control group is being selected in order to measure results.
- ◆ Residential Products Pilot
 - ECM Circulator Pilot – Monitoring equipment has been removed from boilers and results from the pilot's evaluation are anticipated in Fall 2012.
 - Whole House Thermostat – A pilot vendor has been selected and the pilot is anticipated to begin in Fall 2012.
 - Thermostats – A pilot to test behavior messaging with advanced control capabilities is being developed.
 - The Company is now a sponsor of the Super Efficiency Dryer Initiative.
- ◆ Deep Energy Retrofit Pilot
 - A two-family project in Kingston is nearing completion.
 - A single-family PassivHaus is under construction in Wakefield.
 - Two three-family units with WinnCo, Omni Development, and RI Housing signed contracts and started construction in Providence.

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Community Initiatives

- ◆ Based on findings from the 2011 Community Initiatives, a different model may be considered for future community outreach.

EnergyWise

- ◆ The program is meeting metric requirements for appointment wait times.
 - Lag time between initial customer contact and audits is down to 2-3 weeks depending on the location.
 - The company is continuing to work with RISE to prepare for the fall push.
 - Online requests are continuing to gain momentum.
- ◆ The number of certified independent contractors continues to grow.
 - 900 weatherization jobs have been processed by independent contractors, with many more in the pipeline.
 - Three more independent contracting firms are expected to be added in the next couple of weeks.
 - All contractors are using RISE's online scheduling process for work and repairs.
- ◆ The Get House Fit campaign officially launched.
 - Initial email outreach occurred in May.
 - New auditor vans with van wrap hit the streets in June.
 - A direct mail outreach occurred in June as well.
- ◆ The Company is progressing on a process for the Capital Good Fund Grant.

ENERGY STAR[®] Appliance and Lighting

- ◆ A free light bulb finder application for smart phones was developed.
 - The app makes it easy to switch from conventional light bulbs to energy-saving equivalents with the right fit, style and light quality.
 - Customers can view bulb images, cost, savings, and environmental impact, create shopping lists, and buy bulbs directly through the app or at local stores.
 - To download, visit the app store and search "light bulb finder."
- ◆ The RI's Oldest Fridge competition began. The competition promotes refrigerator recycling.
 - The winner receives a Sears gift card for new energy efficiency appliances.
 - The contest has been promoted through web-banners and news articles.
 - More information is available at: www.powerofaction.com/ri/recycling
- ◆ The market lift model is being explored in collaboration with MA sponsors and participating retailers for 2013.

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ENERGY STAR® HVAC

- ◆ The summer thermostat promotion included a contractor contest, direct mail campaign to promote efficient thermostats. Additionally, a paid Google search promoted both thermostats and heating systems.
- ◆ Hard-to-Reach customers received direct mail and email blasts from April – June.
- ◆ The reservation system for equipment rebates was suspended at the beginning of June.
- ◆ Air Conditioning contractor training took place in the spring to prepare for cooling season.
- ◆ The Heat Pump Hot Water Heater initiative rolled out to promote installations of the high energy saving product.

Customer Finance

- ◆ In the second quarter, 89 Heat loans were financed at a total value of \$504,171. Since the program began in 2011, it has financed 423 loans at a total value of \$2.5 million.
- ◆ To date, the Company has committed approximately \$1M in finance to LC&I customers for projects that are expected to be completed in 2012. The funds are part of the RGGI LC&I revolving loan fund.

Single Family Low Income Services

- ◆ CAP agencies continue to serve their communities well, with their good work being recognized through letters of appreciation.
 - Several customers have noted the positive attitudes of the auditors and CAP staff, their increased comfort in their homes and that their auditors increased their knowledge about energy efficiency.
 - Awareness of the program is spreading through these customers as they share their positive experiences with neighbors and friends.
- ◆ Implementation in Providence is ramping up.
 - ProCAP currently has three auditors working in the field and expects to have two more by the end of July.
 - The Comprehensive Community Action Program (CCAP) continues to support the Providence territory by taking on weatherization and heating system jobs for ProCAP.
 - CCAP is also close to meeting their own territory's goals and will start to complete electric-side energy audits for Providence.
- ◆ Green and Healthy Homes Initiative will be taking on additional work beyond their original goal of 125 audits. Additions include 42 electric-side audits and 36 weatherization jobs.
- ◆ With the approval of the Division and the EERMC, the Company transferred funds totaling \$300,000 from the gas budget (C&I Retrofit program) to serve low income multifamily properties.

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Large Commercial Retrofit

- ◆ On May 1st the Company launched an enhanced incentive to promote comprehensive energy measures. It will be offered until September 1st.
- ◆ SEMP
 - Brown University and National Grid conducted a 2-day workshop and worked out many transactional issues. A revised multiyear MOU is being developed.
 - URI and National Grid conducted a half-day workshop to understand the university's motivations for energy efficiency. A MOU agreement is in the process of being established.
- ◆ Multifamily Initiative
 - Eight multifamily properties that are commercially metered were identified for gas retrofits including weatherization. Six of the complexes are low-income eligible. The retrofits are planned to take place in the third quarter.
 - The complexes include:
 - Simmon Village Apartments
 - Bullocks Point Apartments
 - Scituate Vista Apartments
 - Crescent Park Apartments
 - East Providence HA- Warren
 - Georgiaville Manor Apartments
 - Residential and Commercial program managers continue to develop a more seamless program offering for multifamily facilities that are residentially and commercially metered.

Large Commercial New Construction

- ◆ Upstream Lighting
 - The initiative is ramping up and June was the most successful month yet.
 - A first round of marketing went to customers and a second round is planned for third quarter.
 - Project expeditors began to offer zero dollar lamps through the initiative to promote additional measures.
- ◆ Whole Building Assessment
 - National Grid developed a framework to allow Project Expeditors to serve the municipal market, especially schools, during the summer holiday.
 - An increased incentive and access to financing will be included in this municipal effort.
- ◆ Office of the Future
 - National Grid is identifying a Class A tenant improvement space to test this initiative.

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- ◆ Codes & Standards
 - National Grid worked with the RI Code Commission and NEEP to establish language within the code to incorporate third part inspections for energy.
 - The residential and commercial code compliance baseline studies are being reviewed; final reports are anticipated in the third quarter.

Evaluation

- ◆ Residential Pilots
 - Results from the ECM Pilot evaluation are anticipated in the third quarter.
 - The Empower evaluation is selecting a control group to evaluate energy impacts for the report expected in 2013.
- ◆ The C&I Gas Opportunity Report was received. Next steps include determining how findings translate into new measures and offerings for 2013.
- ◆ The C&I Custom & Prescriptive Lighting evaluation is underway and site visits are being completed.
- ◆ The EnergyWise impact evaluation for single family gas and electric savings is underway and expected in the third quarter.
- ◆ The C&I Gas Custom evaluation site visits are complete and reports are being written and reviewed. Final report expected in the third quarter.
- ◆ The Residential and Commercial Code Compliance Baseline drafts have been completed and are being reviewed. Findings are anticipated to inform how to develop a codes compliance program in the future.
- ◆ The C&I Electric and Gas Free Ridership and Spillover evaluation has completed its surveys and the final version is anticipated in the third quarter.

System Reliability Procurement

- ◆ Implementation in Tiverton/Little Compton is well underway.
 - Two customers have installed wi-fi thermostats to date, with four more scheduled within the next few weeks.
 - Customers who received an audit in the last year in the area have been contacted and a broader marketing outreach has launched to the top 1500 energy users in the area.

Upcoming Events

- ◆ On August 10th, National Grid will promote energy efficiency at the Pawtucket Red Sox 2012 Fanfest
- ◆ A one-day charette with roundtable discussions to review and improve the 2013 energy efficiency plans with customers and stakeholders is being developed for mid-September.
- ◆ On October 5th, National Grid will participate in the Gloria Gemma Flames of Hope event in Providence.

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Key Performance Indicators

Program & Indicator	Objective	Goal	Actual
All Programs or Sectors			
All Programs -- Percent of electric energy savings goals attained	Achieve goals of least cost procurement	100%	17%
All Programs -- Percent of gas savings goals attained	Achieve goals of least cost procurement	100%	22%
All Residential Programs -- percent of National Grid's customers participating in whole house or rebate programs <i>Note: Working towards being able to report this going back to 2009</i>	Increase saturation of customer participation in residential sector	TBD	TBD
Small Business Program -- percent of National Grid's small business customers receiving an energy audit <i>Note: Working towards being able to report this going back to 2009</i>	Increase saturation of customer participation in small business customer class	TBD	TBD
Residential Programs			
EnergyWise -- Days a customer waits for an EnergyWise Assessment	Reduce the time a customer waits for a home assessment	15	10-15
EnergyWise -- Number of Independent Contractors participating in program	Expand the number of Small Businesses participating in weatherization	n/a	19
Residential Programs -- Number of customers who received a Heat Loan	Overcome barriers to participation by providing 0% interest loans for energy efficiency retrofits	n/a	266
ENERGYSTAR[®] Homes -- Units completed in Quarter 1	- The program is on track to meet its annual energy savings goals while remaining in budget.	405	272
ENERGYSTAR[®] Homes -- permits pulled compared to ENERGYSTAR homes new construction completions indicates penetration of ENERGYSTAR in the market <i>Note: Data is not available yet.</i>	Increase the penetration of ENERGYSTAR Homes in the residential market.	TBD	TBD
ENERGYSTAR[®] HVAC -- Percent of Hard-To-Reach customers served with gas heating equipment rebates	Provide access to programs to customers who do not typically participate.	30%	19%
Low Income Services -- Number of customers that received home energy assessments with electric EE measures and/or weatherization and heating system replacement services (for non-gas heating customers) in Rhode Island	Improve program delivery efforts to serve every community in RI	2501	937
Low Income Services -- Number of customers with gas heat that received weatherization and/or heating system replacement services in Rhode Island	Improve program delivery efforts to serve every community in RI	430	79
Commerical & Industrial Programs			
Large Commerical New Construction -- Percent of goal achieved for Upstream Lighting Initiative	Deliver energy savings in an easy-to-access way for customers	18,500	1,157
Large Commerical Retrofit -- Number of technical studies for large manufacturing customers	Engage manufacturing customers in energy efficiency projects	10	3
Large Commerical Retrofit -- Number of customers committed to three year EE planning through SEMP	Deliver deeper energy savings through long-term energy efficiency MOUS	3	1

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NATIONAL GRID ENERGY EFFICIENCY PROGRAMS IN RHODE ISLAND
Table 1. Summary of 2012 Target and Preliminary 2nd Quarter Results

ELECTRIC PROGRAMS Sector and Program	(1) Demand Reduction (Annual kW)		(3)	(4) Energy Savings (Annual MWh)		(5)	(7) Customer Participation			(8)	(10) Implementation Expenses (\$ 000)			(11)	(12)	(13)	(14)
	Target	Year To Date	Pct Achieved	Target	Year To Date	Pct Achieved	Approved Target	Year To Date	Pct Achieved	Budget	Year To Date	Pct Achieved	Lifetime savings, MWh	\$/kWh			
Commercial and Industrial																	
Large Commercial New Construction	8,011	491	6.1%	30,346	2,236	7.4%	2,365	268	11.3%	\$8,834.4	\$1,048.5	11.9%	18,905	\$ 0.055			
Large Commercial Retrofit	5,708	1,006	17.6%	39,928	7,597	19.0%	365	152	41.6%	\$9,708.5	\$1,760.4	18.1%	92,525	\$ 0.019			
Small Business Direct Install	3,982	1,160	29.1%	17,984	4,962	27.6%	1,443	470	32.6%	\$10,231.3	\$2,065.1	20.2%	60,027	\$ 0.034			
Community Based Initiatives - C&I										\$200.0	\$6.3	3.2%					
EERMC - C&I										\$354.5	\$68.2	19.2%					
Comprehensive Marketing - C&I										\$330.0	\$279.7	84.8%					
Outside Finance Costs										\$1,000.0	\$0.0	0.0%					
SUBTOTAL	17,701	2,657	15.0%	88,258	14,795	16.8%	4,173	890	21.3%	\$30,658.6	\$5,228.2	17.1%	171,456	\$0.030			
Residential Low-Income																	
Single Family - Low Income Services	482	96	19.9%	3,960	937	23.7%	2,501	748	29.9%	\$5,615.4	\$977.7	17.4%	8,841	\$0.111			
Residential Non-Low Income																	
Residential New Construction	246	64	26.0%	812	272	33.6%	405	160	39.5%	\$1,036.0	\$349.7	33.8%	4,427	\$ 0.079			
ENERGY STAR® HVAC	2,085	85	4.1%	1,964	84	4.3%	3,709	219	5.9%	\$2,477.0	\$285.4	11.5%	1,509	\$ 0.189			
EnergyWise	798	167	20.9%	8,432	1,687	20.0%	13,017	3,499	26.9%	\$7,541.5	\$2,747.5	36.4%	18,619	\$ 0.148			
ENERGY STAR® Lighting	2,110	180	8.5%	20,174	1,826	9.1%	160,000	17,159	10.7%	\$4,507.4	\$583.1	12.9%	16,151	\$ 0.036			
ENERGY STAR® Appliances	507	130	25.5%	4,971	2,226	44.8%	19,080	9,740	51.0%	\$2,045.4	\$780.4	38.2%	17,650	\$ 0.044			
Energy Efficiency Educational Programs										\$75.0	\$0.0	0.0%					
EERMC - Residential										\$299.0	\$57.5	19.2%					
Residential Behavior Pilot										\$230.8	\$30.0	13.0%					
Residential Products Pilot										\$314.7	\$6.4	2.0%					
Community Based Initiatives - Residential										\$156.6	\$92.9	59.3%					
Comprehensive Marketing - Residential										\$920.0	\$779.5	84.7%					
SUBTOTAL	5,747	626	10.9%	36,352	6,096	16.8%	196,211	30,777	16%	\$19,603.3	\$5,712.4	29.1%	58,356	\$0.098			
System Reliability Procurement	109	0	0.0%	475	0	0.0%	140	2	1.4%	\$ 196.0	\$40.5	20.6%					
TOTAL	23,930	3,379	14.1%	128,570	21,827	17.0%	202,885	32,415	16.0%	\$55,877.3	\$11,918.3	21.3%	238,654	\$0.050			
GAS PROGRAMS																	
Sector and Program				(4) Energy Savings (MMBtu)		(5)	(7) Customer Participation			(8)	(10) Implementation Expenses (\$ 000)			(11)	(12)	(13)	(14)
				Approved Target	Year To Date	Pct Achieved	Approved Target	Year To Date	Pct Achieved	Approved Budget	Year To Date	Pct Achieved	Lifetime savings, MMBtu	\$/Lifetime MMBtu			
Commercial and Industrial																	
Large Commercial Retrofit				75,814	25,886	34.1%	115	46	40.0%	\$3,000.5	\$785.2	26.2%	196,845	\$3.989			
Large Commercial New Construction				39,485	5,396	13.7%	51	39	76.0%	\$2,008.6	\$382.6	19.0%	104,742	\$3.653			
Small Business Direct Install				5,013	1,588	31.7%	158	55	34.8%	\$110.6	\$12.1	11.0%	13,308	\$0.910			
Comprehensive Marketing										\$121.0	\$93.9	77.6%					
EERMC Assessment-C&I										\$59.3	\$11.4	19.2%					
SUBTOTAL				120,312	32,869	27.3%	324	140	43.2%	\$5,300.0	\$1,285.2	24.2%	314,895	\$4.081			
Residential Low-Income																	
Single Family Low Income Services				7,697	1,116	14.5%	430	79	18.4%	\$1,465.8	\$226.7	15.5%	22,318	\$10.159			
Residential Non-Low Income																	
Energy Star® HVAC				79,712	5,255	6.6%	12,211	480	3.9%	\$2,975.9	\$681.8	22.9%	101,344	\$6.727			
EnergyWise				23,827	11,973	50.3%	2,000	907	45.4%	\$2,701.1	\$1,774.6	65.7%	286,397	\$6.196			
Residential Products Pilot										\$134.1	\$6.6	4.9%					
Comprehensive Marketing										\$130.0	\$110.1	84.7%					
EERMC Assessment-Residential										\$92.5	\$17.8	19.2%					
SUBTOTAL				103,540	17,228	16.6%	14,211	1,387	9.8%	\$6,033.6	\$2,590.8	42.9%	387,741	\$6.682			
TOTAL				231,548	51,214	22.1%	14,965	1,606	10.7%	\$12,799.4	\$4,102.7	32.1%	724,954	\$5.659			

NOTES

- (1)(4) Targets from Docket 4295 - Attachment 5, Table E-6 (electric) updated with Division approved budget transfer, and Attachment 6, Table G-6 (gas) updated with Division approved budget transfer
 - (3) Pct Achieved is Column (2)/ Column (1).
 - (6) Pct Achieved is Column (5)/ Column (4).
 - (7) Participation targets are based on Docket 4295 and have been updated with unique customer definitions based on RI Collaborative feedback.
 - (9) Pct Achieved is Column (8)/ Column (7).
 - (10) Approved Implementation Expenses from Docket 4295, Attachment 5 Table E-3 (electric) and Attachment 6 Table G-3 (gas)
 - (11) Year To Date Implementation Expenses are net of evaluation expenses
 - (12) Pct Achieved is Column (11)/ Column (10).
 - (13) Lifetime Savings from Docket 4295 - Attachment 5, Table E-6 (electric) and Attachment 6, Table G-6 (gas)
 - (14) \$/lifetime kWh = Column (11)/Column (13); \$/lifetime therm = Column (11)*1000/Column (13)*10
- System Reliability Procurement goals from Docket 4296, not included in Implementation Expenses Total

National Grid Energy Efficiency Programs Third Quarter Highlights

Rhode Island
November 8, 2012



Overview

National Grid had an active and strong third quarter. The Company completed a number of customer projects while focusing on establishing a pipeline of projects to be completed in the fourth quarter. The C&I sector focused on a summer “kicker” that prompted customers to move forward with energy efficiency projects they had been considering but could not afford. The Company has also committed approximately \$2.6 million to finance C&I projects. The C&I sector also focused on long term energy savings with Brown University and the University of Rhode Island through the Strategic Energy Management Partnership initiative. These partnerships simplify the participation process for large customers, particularly with multiple buildings, and will create savings for the next three years. The Company also kicked off the Enhanced Municipal Initiative, part of an ongoing effort to work closely with schools, cities, towns and the states to retrofit buildings.

The ENERGY STAR[®] Lighting program had a very successful third quarter and was proud to promote Breast Cancer Awareness through partnerships with the Gloria Gemma Foundation. EnergyWise is delivering home energy assessments to single and multi-family buildings in a timely manner this fall when demand is at its highest. Additionally, the program continued to expand the number of small and independent weatherization businesses. The Residential New Construction program also had successful third quarter and attracted new builders to the program. The Residential Pilots continued to roll out several new products. The ENERGY STAR[®] HVAC program launched the Early Replacement Boiler initiative that helps customers save a extraordinary amount of energy by replacing boilers more than 30 years old. The program also ramped up customer marketing, supplier awareness and developed new delivery channels.

As of October, the Company projects that the electric portfolio will reach 82% of savings goals, while the gas portfolio will reach 86% by the end of 2012.

The Company also focused on developing energy efficiency strategies for 2013. The Company hosted the RI Energy Efficiency Forum where 150 customers and stakeholders gave feedback about how to improve awareness and energy efficiency solutions.

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2012 Program & Initiative Updates

Residential New Construction

- ◆ The program is on track to exceed its 2012 energy savings goals in the fourth quarter.
- ◆ The Company sponsored a codes training for 45 people in September in Warwick. The Company was also represented at two other trainings and trade/home shows during August and September.
- ◆ The program is continuing to attract new builders to participate. An established builder in RI has enrolled in the program through the Code Plus tier. This is anticipated to bring in 20-30 additional units in the future.
- ◆ The lighting design pilot has attracted several projects for 2012 including two apartment buildings and two market rate single family homes.
- ◆ Renovation/Rehab initiative
 - The initiative continues to attract new builders, in several cases directing them to the New Construction path or a different National Grid program.
 - A market rate home in the initiative achieved HERS rating of 44.
 - Outreach toward students at technical colleges and centers have increased with planned collaboration on a Renovation/Rehab project in 2013.

Single Family Low Income Services

- ◆ The program ramped up efforts to weatherize and perform appliance management program audits (AMPs) in the third quarter and is anticipating a strong fourth quarter.
 - The Office of Energy Resources (OER) implemented bi-monthly billing to provide a continuous source of revenue for the local CAP agencies. The change is to facilitate program operations so that the agencies can increase the number of weatherizations and AMPs.
- ◆ Providence's ProCap currently has 2 full time auditors and is subcontracting AMPs to two companies in order to reach their local goal by the end of the year.
- ◆ Green and Healthy Homes Initiative
 - The City of Providence requested partnership with ProCap to complete 125 AMP audits as part of its Neighborhood Innovation Pilot by the end of the year.

Marketing

- ◆ Focus groups were conducted to assess the messaging from the Comprehensive Marketing Campaign. Feedback will be incorporated in the 2013 campaign.

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EnergyWise

- ◆ The number of certified independent contractors grew in the third quarter.
 - Seven new independent contractors have joined the program to weatherize homes.
 - Two independent contractors added second crews in order to complete more projects.
- ◆ The program is planning to weatherize 400 more single family homes than planned, and far exceed the program's energy savings goal by year end. The effort will provide more jobs to independent contractors and help achieve the residential sector's goals.
- ◆ The Company held its quarterly meeting with the lead vendor and independent contractors in August.
 - The program incorporated duct sealing into the offering to aid combustion safety testing.
 - The program prepared for the fall rush of home energy assessments. Currently, customer wait time is 14 days.
- ◆ The Get House Fit campaign developed an online video to help homeowners learn about what they can anticipate in a home energy assessment experience.
- ◆ The program awarded the contract to a small independent firm for the Home Performance Contract pilot.

ENERGY STAR® Appliance and Lighting

- ◆ The program supported Breast Cancer Awareness in October by partnering with the Gloria Gemma Foundation. A portion of sales from the Greenlite light bulb promotion of pink based CFLs went to the foundation. The Company also participated in the Flames of Hope weekend.
- ◆ The program continued to promote the Light Bulb Finder app.
 - Promotions included an online advertisement in Spanish.
 - The app has also been named one of the "Top 100 New Home Products for 2012" by This Old House. The app will be featured in the November issue of This Old House and online at www.thisoldhouse.com.
- ◆ Smartstrips have been a popular ENERGY STAR® appliance this year, the program continued to promote the product with print ads in Providence.



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Innovation

- ◆ Behavioral Pilot
 - The Empower pilot completed installations on July 1st.
 - There currently are 89 active participants.
 - Pilot customers are receiving monthly emails that display their usage and how much energy they are using compared to other homes in their area along with associated energy saving ideas.
 - The pilot conducted 5 Demand Response Load Reduction events during the summer, and received valuable information as to how much load can be “shed” during an event on a household level.
- ◆ Residential Products Pilot
 - Auto Temperature Control Pilot and Whole House Thermostat Pilot
 - ◆ Marketing for the two pilot products started in August by using RISE Engineering handing out brochures during audits for customers who qualified.
 - ◆ Marketing will be expanded to customers who have received energy audits in 2011 or 2012.
 - ◆ Targeted time frame for installations to start will be in late October.
 - Messaging Thermostat Pilot:
 - ◆ The Company developed and tested a database to sync customer data in order to deliver messages through thermostats.
 - ◆ Marketing and customer selection will begin in the 4th quarter with installations projected to start in the 1st quarter of 2013.
- ◆ Deep Energy Retrofit (DER) Pilot
 - The Single family PassivHaus in Wakefield was completed.
 - The 2-family in North Kingston is nearing completion, and a two 3-family with RI Housing, Omni Development and Winnco in Providence is under construction.
 - National Grid partnered with the Northeast Sustainable Energy Association (NESEA) Green Building Open House tour. Both of the three-family DER projects in Providence, RI participated along with 15 National Grid Deep Energy Retrofit projects throughout New England.

ENERGY STAR® HVAC

- ◆ The program extended its contractor outreach program through contractor circuit riders.
- ◆ Quality installation verification (QIV) trainings continued in the third quarter due to strong contractor interest. QIV has increased by 50% over last year.
- ◆ The Heat Pump Water Heater initiative continues to have a strong positive response and the program increased awareness in order to increase participation for the fourth quarter.
- ◆ The program promoted thermostats in the third quarter through marketing and developing new deliver channels.

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- A thermostat buy-down and mark-down initiative was negotiated with Benny's and Building 19.
- E-mail promotions of thermostats began in August.
- Radio, online and newspaper ads ran throughout September.
- ◆ The Early Boiler Replacement initiative began; it offers enhanced incentives for the replacement of boilers more than 30 years old. The initiative targets customers who receive home energy assessments.

Small Business

- ◆ Targeted marketing to customer segments in the third quarter focused on hotels, motels and auto dealerships.
 - The focus generated 27 leads from hotels and motels.
 - Two large auto dealerships committed to projects that will begin in the fourth quarter.
 - The Company is now targeting 60 assisted living and elderly care facilities. The facilities typically have incandescent lighting with high hours of use and can benefit from the energy savings.
- ◆ The Main Streets initiative is continuing to canvass businesses in communities.
 - Throughout the year, the program has visited 566 customers in Newport, Middletown, Jamestown, Narragansett, East Greenwich, Warwick, Cranston, Johnston, and Providence.
 - Twenty-four percent (134) of the businesses targeted through Main Streets agreed to an energy evaluation.
 - Eighty-two Main Streets energy evaluations have been completed, resulting in approximately 1,000 MWh of energy savings.
 - The remaining businesses have signed contracts or had audits completed.
- ◆ The program installed exterior LEDs at a Burger King and is evaluating customer satisfaction and energy savings results to determine if this is an energy solution for additional Burger King locations throughout the state.

Customer Finance

- ◆ Residential Heat Loans
 - The Company and the Capital Good Fund completed negotiations and will now offer Heat Loans to moderate income customers.
 - Four hundred and ninety-six customers have received Heat Loans since the beginning of the year, valued at \$2.28 Million dollars.
- ◆ To date, the Company has committed approximately \$2.6M in finance to LC&I customers for projects; many projects are expected to be completed in 2012. Approximately \$1M is from the RGGI LC&I revolving loan fund, the remainder is from LC&I EE funds.

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Large Commercial Retrofit

- ◆ Strategic Energy Management Partnerships (SEMP)
 - In August 2012, an MOU agreement was signed between Brown and National Grid to pursue a multi-year energy efficiency and sustainability plan for the university.
 - A kick-off meeting took place towards the end of August, governance teams and day-to-day operations teams were determined.
 - The National Grid team presented an MOU to URI, followed by an in-person presentation about the MOU proposal. The URI team will assess the MOU goals and teams are optimistic to reach agreement in the fourth quarter.
- ◆ The summer kicker increased to 50% in September to accelerate customer projects that can be completed by the end of the year.
- ◆ The Company researched smart manufacturing as a possible initiative enhancement for 2013.
- ◆ The Municipal Initiative was launched. A kick-off meeting with town officials and school administrators was conducted in September 2012. Whole Building Assessments will be rolled into this initiative.
- ◆ Multifamily Initiative
 - The Company developed internal databases that integrate C&I measures integrated with residential measures to help identify and track potential measures.
 - RISE engineering continued to conduct site surveys of multifamily facilities that have been identified for this initiative.
 - The C&I and Residential teams met with RI Housing to discuss a seamless experience for multifamily projects that have both residential and C&I measure upgrades.

Large Commercial New Construction

- ◆ In September, a circuit rider began promoting efficient heating and hot water equipment to suppliers.
- ◆ The Company attended a Municipal Solid State Street Lighting Symposium meeting in August.
- ◆ Codes & Standards
 - In collaboration with the Code Commission and NEEP, the Company developed a strategy for trainings and documentation tools for code support in 2013. Evaluation contractors presented the results of the commercial and residential code compliance studies to this group.

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Evaluation

- ◆ During the third quarter, numerous evaluations were completed and results were incorporated into the 2013 energy efficiency plan. The following studies were completed:
 - EnergyWise Single Family Gas and Electric impact evaluation
 - C&I Retrofit and New Construction Gas Custom evaluation
 - C&I Prescriptive Gas impact evaluation
 - C&I Electric and Gas Free Ridership and Spillover evaluation
 - C&I Custom Industrial Process and Compressed Air impact evaluation
 - Commercial Industrial Non-Energy Impacts Study
- ◆ The Residential and Commercial Code Compliance Baseline evaluations were completed, results were shared with stakeholders and helped developed the 2013 codes compliance initiative.

Events

- ◆ On September 11th, National Grid hosted the RI Energy Efficiency Forum which brought together approximately 150 customers and stakeholder to discuss how energy efficiency awareness and offerings can be improved throughout the state. Customer and stakeholder feedback was incorporated in the 2013 energy efficiency plan and a final report is available on the EERMC's website.
- ◆ On September 13th, the company promoted all energy efficiency offerings at the Newport Naval Station's Employee Appreciate Picnic and Energy Appreciation Day, more than 3,000 employees were there.
- ◆ On September 19th, National Grid hosted towns and school administrators to promote the Enhanced Municipal Initiative.
- ◆ On September 20th, the Company helped facilitate the EERMC's public meeting on combined heat and power system development.
- ◆ On September 26th, National Grid hosted the Gas Savings Solutions Workshop to promote energy assessments and increase awareness of prescriptive and custom energy solutions.
- ◆ On September 28th, National Grid hosted an energy code training entitled "Changing Residential Energy Code: Moving from 2009 IECC to 2012 IECC."
- ◆ On October 5th, National Grid participated in the Gloria Gemma Flames of Hope event.
- ◆ On October 16th, National Grid provided an overview of current energy efficiency offerings focused on Advanced Buildings, LEED buildings and Advanced Lighting.
- ◆ On November 2nd, National Grid participated in the RI Sustainable School Summit and promoted CFL programs for schools.
- ◆ On November 28th, National Grid will sponsor the RI Hospitality Association Stars of the Industry Annual Meeting.

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NATIONAL GRID ENERGY EFFICIENCY PROGRAMS IN RHODE ISLAND
 Table 1. Summary of 2012 Target and Preliminary 3rd Quarter Results

ELECTRIC PROGRAMS Sector and Program	(1) (2) (3) Demand Reduction (Annual kW) Pct			(4) (5) (6) Energy Savings (Annual MWh) Pct			(7) (8) (9) Customer Participation Approved			(10) (11) (12) Implementation Expenses (\$ 000) Pct			(13) (14) Lifetime savings, MWh \$/kWh	
	Target	Year To Date	Achieved	Target	Year To Date	Achieved	Target	Year To Date	Pct Achieved	Budget	Year To Date	Achieved		
Commercial and Industrial														
Large Commercial New Construction	8,011	1,740	21.7%	30,346	7,162	23.6%	2,365	596	25.2%	\$8,834.4	\$1,929.5	21.8%	82,341	\$ 0.023
Large Commercial Retrofit	5,708	1,704	29.9%	39,928	13,305	33.3%	365	260	71.2%	\$9,708.5	\$3,287.3	33.9%	163,855	\$ 0.020
Small Business Direct Install	3,982	2,036	51.1%	17,984	8,991	50.0%	1,443	696	48.2%	\$10,231.3	\$4,007.7	39.2%	109,472	\$ 0.037
Community Based Initiatives - C&I										\$200.0	\$8.9	4.4%		
EERMC - C&I										\$354.5	\$180.5	50.9%		
Comprehensive Marketing - C&I										\$330.0	\$293.0	88.8%		
Outside Finance Costs										\$1,000.0	\$0.0	0.0%		
SUBTOTAL	17,701	5,480	31.0%	88,258	29,458	33.4%	4,173	1,552	37.2%	\$30,658.6	\$9,706.8	31.7%	355,669	\$0.027
Residential Low-Income														
Single Family - Low Income Services	482	193	40.1%	3,960	1,833	46.3%	2,501	1,198	47.9%	\$5,615.4	\$1,956.5	34.8%	18,462	\$0.106
Residential Non-Low Income														
Residential New Construction	246	89	36.3%	812	385	47.5%	405	246	60.7%	\$1,036.0	\$885.3	85.4%	6,198	\$ 0.143
ENERGY STAR® HVAC	2,085	429	20.6%	1,964	429	21.8%	3,709	839	22.6%	\$2,477.0	\$622.0	25.1%	7,023	\$ 0.089
EnergyWise	798	316	39.5%	8,432	3,198	37.9%	13,017	5,534	42.5%	\$7,541.5	\$3,957.8	52.5%	33,490	\$ 0.118
ENERGY STAR® Lighting	2,110	1,132	53.6%	20,174	10,773	53.4%	160,000	81,746	51.1%	\$4,507.4	\$1,759.6	39.0%	87,974	\$ 0.020
ENERGY STAR® Appliances	507	345	68.0%	4,971	3,754	75.5%	19,080	18,228	95.5%	\$2,045.4	\$1,281.3	62.6%	29,776	\$ 0.043
Energy Efficiency Educational Programs										\$75.0	\$80.1	106.9%		
EERMC - Residential										\$299.0	\$152.2	50.9%		
Residential Behavior Pilot										\$230.8	\$71.6	31.0%		
Residential Products Pilot										\$314.7	\$49.8	15.8%		
Community Based Initiatives - Residential										\$156.6	\$105.5	67.4%		
Comprehensive Marketing - Residential										\$920.0	\$816.4	88.7%		
SUBTOTAL	5,747	2,311	40.2%	36,352	18,539	51.0%	196,211	106,593	54%	\$19,603.3	\$9,781.6	49.9%	164,460	\$0.059
System Reliability Procurement	109	18	16.4%	475	78	16.4%	140	23	16.4%	\$ 196.0	\$44.3	22.6%		
TOTAL	23,930	7,984	33.4%	128,570	49,831	38.8%	202,885	109,343	53.9%	\$55,877.3	\$21,444.9	38.4%	538,591	\$0.040
GAS PROGRAMS														
Sector and Program														
Commercial and Industrial														
Large Commercial Retrofit				Approved Target	Year To Date	Pct Achieved	Approved Target	Year To Date	Pct Achieved	Approved Budget	Year To Date	Pct Achieved	Lifetime savings, MMBtu	\$/Lifetime MMBtu
Large Commercial New Construction				75,814	40,977	54.0%	115	91	79.0%	\$3,000.5	\$1,234.7	41.2%	308,045	\$4.008
Small Business Direct Install				39,485	11,761	29.8%	51	28	54.8%	\$2,008.6	\$713.0	35.5%	189,450	\$3.763
Comprehensive Marketing				5,013	1,961	39.1%	158	56	35.4%	\$110.6	\$19.8	17.9%	17,497	\$1.129
EERMC Assessment-C&I										\$121.0	\$98.3	81.2%		
										\$59.3	\$41.2	69.5%		
SUBTOTAL				120,312	54,698	45.5%	324	175	53.9%	\$5,300.0	\$2,106.9	39.8%	514,993	\$4.091
Residential Low-Income														
Single Family Low Income Services				7,697	3,001	39.0%	430	220	51.2%	\$1,465.8	\$632.1	43.1%	60,010	\$10.534
Residential Non-Low Income														
Energy Star® HVAC				79,712	8,657	10.9%	12,211	769	6.3%	\$2,975.9	\$1,305.3	43.9%	162,145	\$8.050
EnergyWise				23,827	20,460	85.9%	2,000	1,117	55.9%	\$2,701.1	\$2,556.2	94.6%	486,803	\$5.251
Residential Products Pilot										\$134.1	\$18.3	13.6%		
Comprehensive Marketing										\$130.0	\$115.3	88.7%		
EERMC Assessment-Residential										\$92.5	\$57.5	62.2%		
SUBTOTAL				103,540	29,117	28.1%	14,211	1,886	13.3%	\$6,033.6	\$4,052.6	67.2%	648,948	\$6.245
TOTAL				231,548	86,816	37.5%	14,965	2,281	15.2%	\$12,799.4	\$6,791.7	53.1%	1,223,950	\$5.549

NOTES

- (1)(4) Targets from Docket 4295 - Attachment 5, Table E-6 (electric) updated with Division approved budget transfer, and Attachment 6, Table G-6 (gas) updated with Division approved budget transfer
 - (3) Pct Achieved is Column (2)/ Column (1).
 - (6) Pct Achieved is Column (5)/ Column (4).
 - (7) Participation targets are based on Docket 4295 and have been updated with unique customer definitions based on RI Collaborative feedback.
 - (9) Pct Achieved is Column (8)/ Column (7).
 - (10) Approved Implementation Expenses from Docket 4295, Attachment 5 Table E-3 (electric) and Attachment 6 Table G-3 (gas)
 - (11) Year To Date Implementation Expenses are net of evaluation expenses
 - (12) Pct Achieved is Column (11)/ Column (10).
 - (13) Lifetime Savings from Docket 4295 - Attachment 5, Table E-6 (electric) and Attachment 6, Table G-6 (gas)
 - (14) \$/lifetime kWh = Column (11)/Column (13); \$/lifetime therm = Column (11)*1000/Column (13)*10
- System Reliability Procurement goals from Docket 4296, not included in Implementation Expenses Total