

# KeySpan Energy Delivery

Natural Gas Efficiency Programs

March 12, 2002



# KeySpan Corporation

- Largest distributor of natural gas in the Northeast
- Headquarters in Brooklyn, Long Island and Boston
- Market Capital= \$4.6 billion (NYSE:KSE)
- 13,000+ employees

2 3/12/02

## KeySpan Corporation

- Service Company Portfolio:

- KeySpan Energy Delivery<sup>SM</sup> - Group of regulated gas utilities.
- KeySpan Home Energy Services<sup>SM</sup> - Energy product, repair and service company for residential and small commercial customers.
- KeySpan Business Solutions<sup>SM</sup> - Full energy services product, repair and services company for business customers.
- Natural Gas Exploration & Production
- Pipeline Transportation, Distribution & Storage
- Canadian Gas Processing
- Fiber optic cable



3

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## KeySpan Energy Delivery

- KeySpan Energy Delivery traces its history back to 1895 when Brooklyn Union Gas was established.
  - Union of seven of the largest gas companies in Brooklyn at that time.
- Today, KeySpan Energy Delivery is the 4th largest gas utility in the U.S.
  - Serves 2.5 million natural gas customers.
  - Service territories: New York, Massachusetts, and New Hampshire.
- Contracts w/ LIPA (Long Island Power Authority) to manage electricity service for 1.1 million customers.

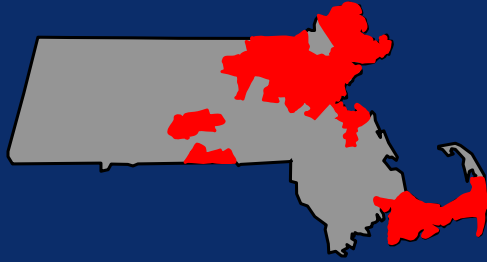


4

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## KeySpan Energy Delivery

- Massachusetts Service Territory



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5

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## Energy Management

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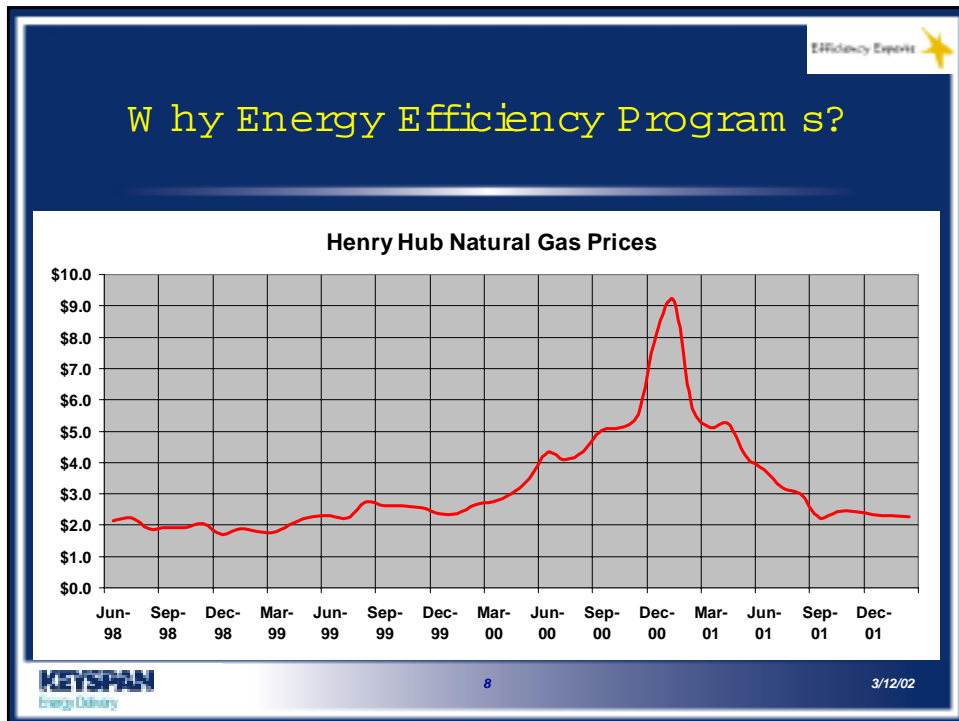
## Why Energy Efficiency Programs?

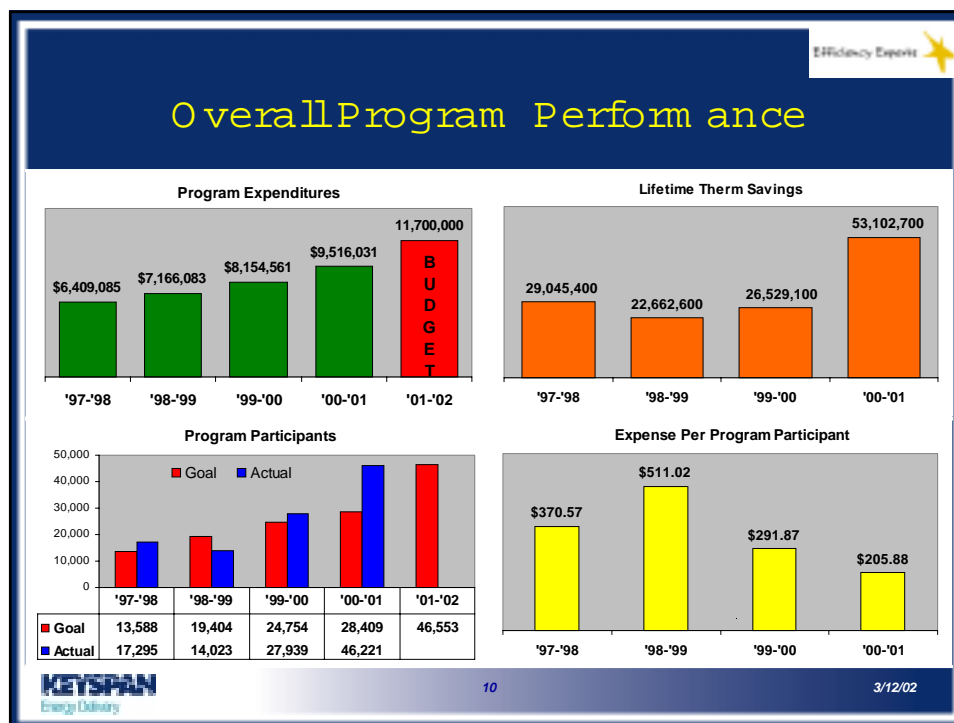
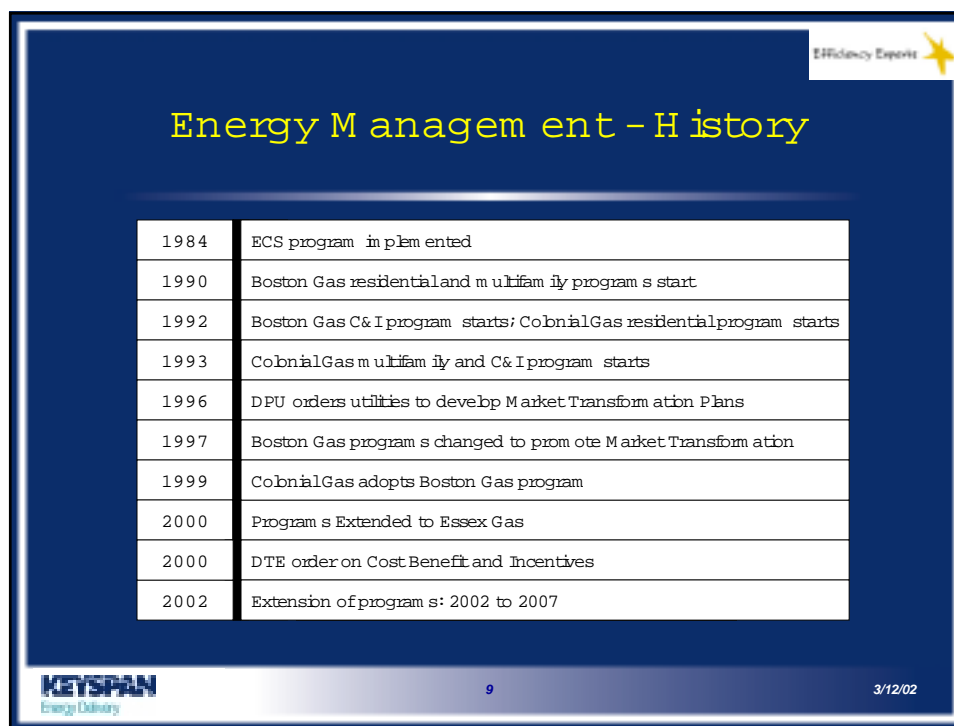
- Reduce Energy Demand and Increase Reliability
- Help Customers Save Money and Energy
- Provide Exceptional Customer Service
- Protect the Environment
- Meet our Regulatory Obligations
- Earn Shareholder Incentives

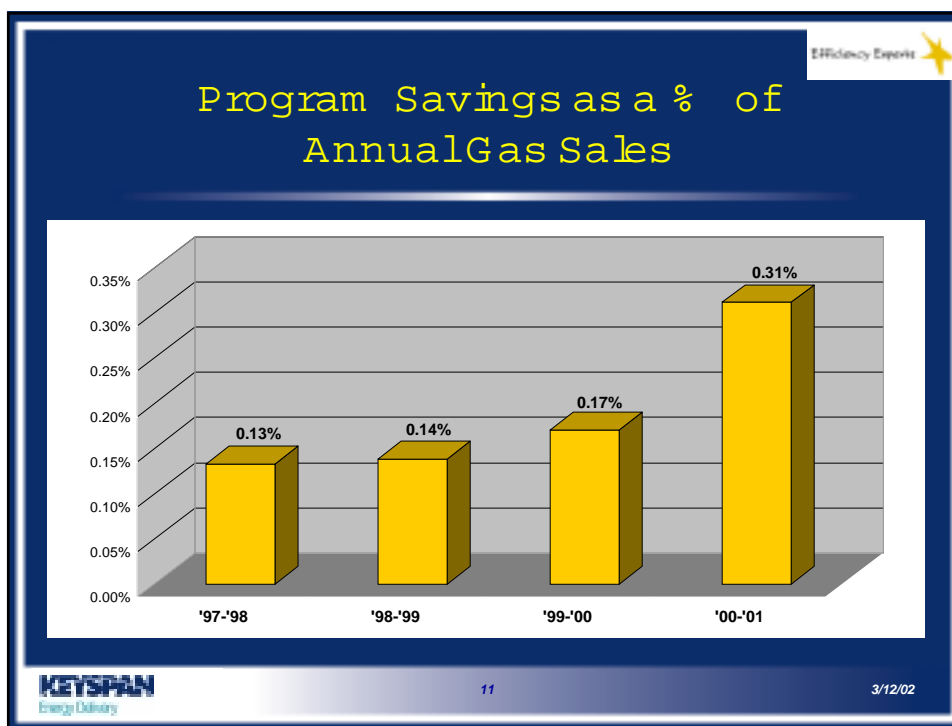
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7

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## Residential Programs

- Residential Conservation Services
- ENERGY STAR® Furnaces & Boilers
- ENERGY STAR® Homes
- ENERGY STAR® Windows
- ENERGY STAR® Thermostats
- ENERGY STAR® Clothes Washers
- High Efficiency Water Heaters
- Low-Income Program
- Weatherization Program

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12

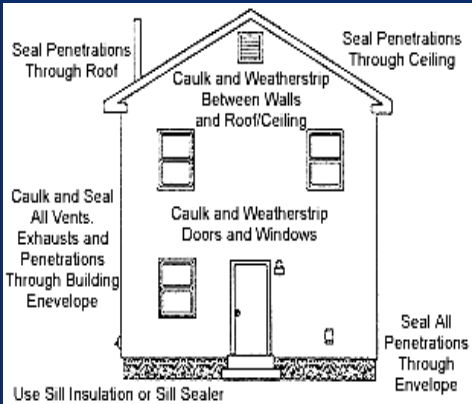
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## Residential Conservation Services

- Free one-stop service provides a complete review of customer's home energy use, and recommends specific ways to improve the efficiency of the home.
- Target Market: Residential Heating & Non-Heating Customers.

28,000+ Customers Served Since 1997



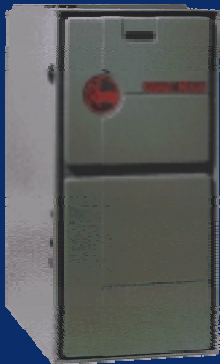
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13

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## ENERGY STAR® Furnaces & Boilers



- \$300 rebate for the installation of a qualified ENERGY STAR® rated furnace.
- \$400 rebate for the installation of a qualified ENERGY STAR® rated boiler.
- ENERGY STAR® rated furnaces and boilers can save 25 to 40% on annual fuel bills in addition to reducing air pollution.

17,800+ Rebates Processed Since 1997

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14

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## ENERGY STAR® Homes

### (Residential New Construction)


- ENERGY STAR® Homes improve comfort and lower energy demand.
- Homes use at least 30% less energy than required by the National Model Energy Code.





- Program provides certifications and design support for ENERGY STAR® Homes.
- Certification Process Includes:
  - Home energy rating and energy saving recommendations
  - Two inspections during construction
  - A final inspection to certify the home ENERGY STAR®

1,200+ Rebates Processed Since 1997


15
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## ENERGY STAR® Windows




- Rebate of \$1 per square foot of window space (maximum \$500).
- To qualify as ENERGY STAR® in the Northeast region windows have a U-factor of .35 or less.
- Reduce drafts & sun damage to furnishings, draperies and carpeting.
- Resistant to condensation.
- Save up to 15% on energy bills.

2,100+ Rebates Processed Since 1999


16
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## ENERGY STAR® Thermostats


- \$50 rebate for up to two qualifying thermostats.
- Designed for ease-of-use
- Have the ability to maintain room temperature within 2 degrees (f).
- EPA estimates that when used properly, can save as much as 10% on heating and cooling bills.

13,700+ Rebates Processed Since 1997

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17

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## ENERGY STAR® Clothes Washers


- \$50 rebate for the purchase of qualifying machines.
- ENERGY STAR® qualified washers use 35-50% less water and 50% less energy per load.
- Units can save as much water as an average person drinks in a lifetime.
- Better water extraction means less dryer time, for further energy savings.

11,600+ Rebates Processed Since 1997

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18


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## High Efficiency Water Heaters

- Program : \$100 rebate for the installation of high efficiency domestic hot water heater or an indirect-fired storage tank model connected to a natural gas heating system (30 - 75 gallon size).
- Stand-alone water heaters must have an energy factor (EF) rating of .61 or higher. *NEW* / Indirect-fired models with an EF rating of .61 or higher that are attached to a new gas heating system also qualify!
- Upgrading a standard forty gallon hot water heater to high efficiency can result in gas savings of approximately 20-25% .


2,200+ Rebates Processed Since 1997



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19

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## Low Income Program

- Designed to increase energy efficiency through consumer education and installation of weatherization measures including:
  - Energy audits
  - Attic insulation/wall insulation
  - Air sealing
  - Heating system repair/replacement
  - Safety inspection
- Program : Energy audit conducted and measures installed (up to \$4,500) at no cost to income eligible customers.


*Target Market: Residential Rate 32 customers & others who fall under 200% of poverty level*

6,000+ Customers Served Since 1997

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20

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## Weatherization Program

- 20% rebate, up to a maximum of \$750, for qualifying weatherization measures installed.
- Applicable weatherization measures:
  - Attic, Wall, & Crawlspace/Basement Insulation
  - Rim Joist, Duct, & Heating Pipe Insulation
  - Attic Ventilation
  - Pipe & Duct Testing/Sealing
  - Air Infiltration Testing/Sealing
- Pre-Registered Weatherization Contractors are only eligible to offer KeySpan rebate.
  - Do-it-Yourself installations do not qualify
  - Contractors must be MA HIC registered
  - Contractors must have specified insurance levels
  - Contractors subject to program 'Three-Strike Rule'



200+ Rebates  
Processed Since 2001

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21

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## Multifamily and C&I Programs


- Energy Audits / Engineering Grants
- Economic Redevelopment
- High Efficiency Heating Equipment Rebates
- Building Practices & Demonstration Program
- Custom Energy Savings Plan
- Training & Certification



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22


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## Energy Audits / Engineering Grants


- Custom ized audits conducted in
  - Existing buildings
  - New building plans
  - Renovation plans
- Energy audit report estim ates installation costs, energy savings, and rebates for project.
- Up to \$7,500 available for prelim inary design or feasibility studies by qualified engineers.

1,600+ Audits  
Perform ed Since 1997




**Curry College Suites Dormitory, Phase I.**

- Two Yazaki 50 Ton Chiller/Heaters




23

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## Econom ic Redevelopm ent Program




- Up to 50% m atching funds.
- M ax \$150K incentive per project.
- Site m ust include com m ercial property.
- Program w ill not subsidize m easures for which there is another existing program .
- M easures m ust exceed existing building energy code.

**Grove Hall Retail Center- Dorchester, MA**  
Efficiency improvements to Windows, Doors, Roofing, and installation of Natural Gas Heat

•Rebate = \$100,000

30+ Projects Funded  
Since 1999




24

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## Commercial High Efficiency Heating Equipment Rebate Program

- Rebate amounts (per unit installed):
  - \$400 for a 90% AFUE furnace
  - Up to a Max of \$4,500 for a 2MM Btu input condensing boiler
- Available for all commercially metered applications.
- No pre-approval or energy audits required.



1,100+ Rebates  
Processed Since  
1997


25
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## Building Practices & Demonstration Program

- Program : Funding provided towards new or underutilized energy efficient technologies, i.e.:
  - Engine heat recovery
  - Gas air conditioning
  - Combustion controls
  - Domestic hot water separation from central boiler
- Promotes innovative applications of technology.



40+ Projects Funded  
Since 1997

**Curry College Suites Dormitory**  
Two Yazaki 50-ton chiller-heaters  
 • Rebate = \$86,193  
 • Savings = 53,183 Therms


26
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## Custom Energy Savings Plan

- Rebate based on therm savings and type of measures installed.
- Up to 50% of the cost of measures
- Max rebate of \$150K per project
- Most energy efficient gas projects are eligible (co-gen, EMS, natural gas cooling, all types of insulation, windows, doors, etc.).
- Requires Pre-Approval


1,600+ Rebates  
Processed Since 1997



**Standard Thompson, Inc. - Waltham, MA**  
Heat recovery from Two 150 HP natural gas engine driven air compressor.

- Rebate = \$55,220
- Savings = 27,610 Therms


27
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## Training & Certification

**Building Operator Certification**


- Eight days of training including homework and testing.
- Receive continuing education credit(s) toward Associates Degree.
- In partnership with NEEP, Inc. and other regional utilities.

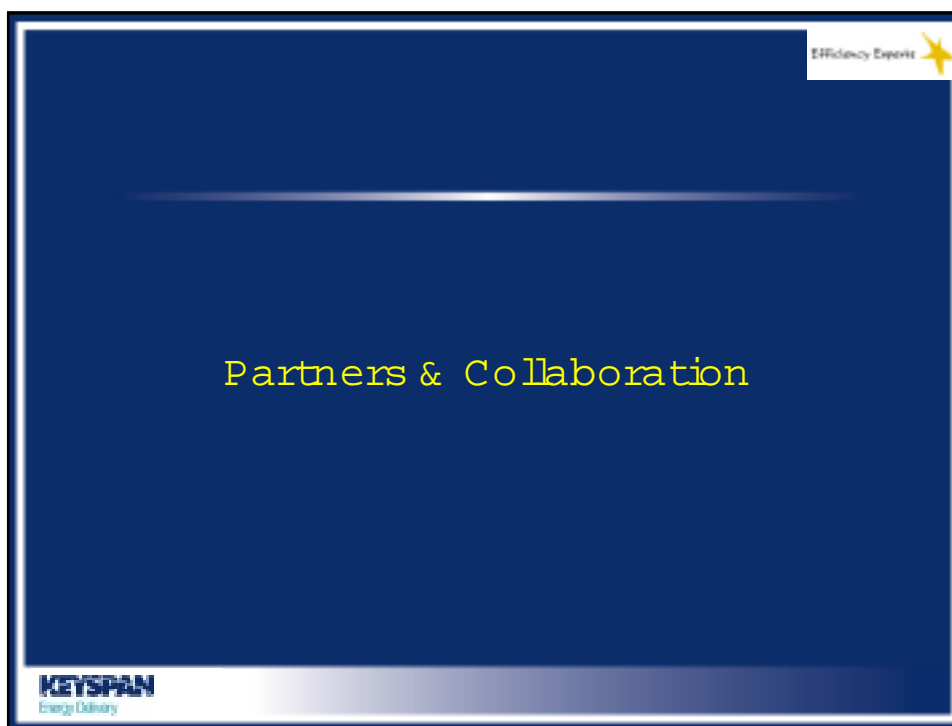
**Massachusetts State Building Code**

- Three topics covered: HVAC, Building Envelope, Lighting / Power.
- Offered by the Massachusetts Board of Building Regulations and Standards.
- 80 sessions held statewide throughout 2000; program extended through 2001.

**Trade Ally Training Programs**

- Seminars, trade shows, and presentations conducted to increase knowledge of energy efficiency practices.
- 1,000+ Trade Allies trained each year.


28
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 A presentation slide with a dark blue background. In the top right corner, there is a logo for "Efficiency Experts" featuring a yellow star. In the bottom left corner, there is a logo for "KEYSPAN Energy Delivery". The title "GasNetworks" is centered in a yellow font. Below the title, there is a logo for "GasNetworks" featuring a stylized flame and the text "Promoting Natural Gas Efficiency". To the right of the logo, there is a bulleted list. To the left of the list, there is a bulleted list. At the bottom center, there is a website address.
 

- Established in 1997
  - Formerly known as the Massachusetts Gas DSM / Market Transformation Collaborative.
- GasNetworks consists of area gas utilities whose mission is to:
  - Promote energy efficient technologies
  - Create common efficiency programs
  - Educate consumers
  - Promote contractor awareness
  - Provide contractor training

www.GasNetworks.com

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## GasNetworks Member Companies



[www.GasNetworks.com](http://www.GasNetworks.com)

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## GasNetworks Collaborative Programs

- KeySpan Energy Delivery offers energy efficiency programs in collaboration with the GasNetworks Member companies.

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- High Efficiency Heating System Program
  - \$300 Rebate = Furnaces 90% AFUE rating
  - \$400 Rebate = Forced Hot Water Boilers 85% AFUE rating
  - \$400 Rebate = Steam Boilers 82% AFUE rating
- High Efficiency Water Heating Equipment Program
  - Qualifying equipment are eligible for a \$100 rebate
    - Natural Gas Models with an Energy Factor of .61 or higher. (75-gal tank size or smaller) Indirect-Fired Storage Tank Models.
    - Must be connected to a natural gas heating system (30 to 75 gal tank size).
- Infrared Heating Equipment Program
  - Qualifying equipment are eligible for a \$500 rebate

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Collaborative Support

CEE

CONSORTIUM FOR ENERGY EFFICIENCY

Northeast Energy Efficiency Partnerships

ENERGY STAR® Homes

The best value in new construction

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33

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Non-Utility Parties

NORTHEAST ENERGY EFFICIENCY COUNCIL

MA Office of the Attorney General

e n d o e r r g y

MA Division of Energy Resources (DOER)

NEADA

National Energy Assistance Directors' Association

MASSCAP

Massachusetts Community Action Program Directors' Association

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34

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KeySpan Energy Delivery - Energy Management

-Confidential-

