



***national fuel***

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November 13, 2012

Honorable Jaclyn A. Brillig  
Secretary  
New York State Public Service Commission  
Three Empire State Plaza  
Albany, NY 12223

Re: Case 07-M-0548 – Proceeding on Motion of the Commission Regarding an Energy Efficiency Portfolio Standard

Case 07-G-0141 – Proceeding on Motion of the Commission as to the Rates, Charges, Rules, and Regulations of National Fuel Gas Distribution Corporation for Gas Service – Conservation Incentive Program

Dear Secretary Brillig,

Pursuant to the Energy Efficiency Portfolio Standard (“EEPS”) reporting guidelines as clarified in the April 20, 2012 letter to program administrators from the Director of the Office of Energy Efficiency and the Environment, attached please find the quarterly report for National Fuel Gas Distribution Corporation for the quarter ended September 30, 2012.

Any questions you may have regarding the attached can be directed to the undersigned at (716) 857-7805.

Respectfully submitted,

Eric H. Meinel  
General Manager, Rates & Regulatory Affairs

Attachments

Program Administrator	National Fuel Gas Distribution Corporation
Program/Project	Residential Rebate Program
Reporting Period	Quarter 3 (July – September) 2012
Report Contact Person	Eric Meinl

### Summary of Evaluation Activities

National Fuel Gas Distribution Corporation has received and forwarded to Staff a draft Process Evaluation report from its evaluation contractor<sup>1</sup> in December 2011. The Company has started to take action on the recommendations from the Process Evaluation report and has developed a formal implementation plan. The Company is awaiting Staff's formal approval of the report.

Distribution has prepared a pre/post billing analysis of customer consumption for determining savings associated with the program. The proposed pre-post analysis is one of several statistical techniques for determining the savings of energy-efficiency programs. This method involves using monthly—or interval—consumption data to measure program impacts. Cadmus has conducted an assessment of Distribution's pre post billing analysis. Distribution included a copy of the results of the Cadmus pre post billing analysis in Appendix I of its quarterly CIP status report filed with the Commission on November 15, 2011.<sup>2</sup> The billing analysis does provide solid evidence that customers participating in our Residential Rebate Program are reducing consumption significantly more than the average customer base.

Distribution is participating with other program administrators in a statewide Residential Gas HVAC Program impact evaluation. The project kickoff meeting was scheduled for October 25, 2012.

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<sup>1</sup> The Cadmus Group, Inc. / Energy Services; 720 SW Washington Street, Suite 400; Portland, OR 97205.

<sup>2</sup> <http://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId={CDD359CA-F0DD-4161-A273-11E5C8111FF7}>.

Program Administrator	National Fuel Gas Distribution Corporation
Program/Project	Small Non-Residential Rebate Program (NRCIP)
Reporting Period	Quarter 3 (July – September) 2012
Report Contact Person	Eric Meinel

### Summary of Evaluation Activities

National Fuel Gas Distribution Corporation has received and forwarded to Staff a draft Process Evaluation report from its evaluation contractor<sup>3</sup> in December 2011. The Company has started to take action on the recommendations from the Process Evaluation report and has developed a formal implementation plan. The Company is awaiting Staff's formal approval of the report.

The NRCIP program is administered by NYSERDA. The Company has received confirmation from NYSERDA that a joint impact analysis of the program could be completed in the future, when NYSERDA is ready to initiate the project. The Company is looking forward to this collaborative opportunity.

If a joint impact analysis cannot be completed with NYSERDA, the Company will continue to explore participating in statewide impact studies of the small commercial market place, where such studies are determined to be cost effective. If there is no opportunity to participate in statewide studies to determine the impact of this program, the Company will develop an individual impact study proposal for this program.

The Company is also considering using the evaluation contractor to complete a review of NYSERDA's impact analysis for Existing Facilities, when the analysis is completed and information is available, to assess its applicability to NRCIP.

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<sup>3</sup> The Cadmus Group, Inc. / Energy Services; 720 SW Washington Street, Suite 400; Portland, OR 97205.

Program Administrator	National Fuel Gas Distribution Corporation
Program/Project	Low Income Usage Reduction Program (LIURP)
Reporting Period	Quarter 3 (July – September) 2012
Report Contact Person	Eric Meinl

### Summary of Evaluation Activities

National Fuel Gas Distribution Corporation has received and forwarded to Staff a draft Process Evaluation report from its evaluation contractor<sup>4</sup> in December 2011. The Company has started to take action on the recommendations from the Process Evaluation report and has developed a formal implementation plan. The Company is awaiting Staff's formal approval of the report.

Distribution has prepared a pre/post billing analysis of customer consumption for determining savings associated with the program. The proposed pre-post analysis is one of several statistical techniques for determining the savings of energy-efficiency programs. This method involves using monthly—or interval—consumption data to measure program impacts. Cadmus has conducted an assessment of Distribution's pre post billing analysis. Distribution included a copy of the results of the Cadmus pre post billing analysis in Appendix I of its quarterly CIP status report filed with the Commission on November 15, 2011.<sup>5</sup> The billing analysis does provide solid evidence that customers participating in LIURP are reducing consumption significantly more than the average customer base.

The LIURP program is administered by NYSERDA. The Company has received confirmation from NYSERDA that a joint impact analysis of the program could be completed in the future, when NYSERDA is ready to initiate the project. The Company is looking forward to this collaborative opportunity.

If a joint impact analysis cannot be completed with NYSERDA, the Company will continue to explore participating in statewide impact studies for this program. If there is no opportunity to participate in statewide studies to determine the impact of this program, the Company will develop an individual impact study proposal for this program.

In the mean time, our evaluation contractor has completed a review of NYSERDA's impact analysis for Empower, to assess its applicability to LIURP. The review notes that the gas impact results from NYSERDA's impact analysis appear to be applicable to LIURP. Further, the evaluation contractor believes that the billing analysis can be used to assess usage impacts for LIURP.

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<sup>4</sup> The Cadmus Group, Inc. / Energy Services; 720 SW Washington Street, Suite 400; Portland, OR 97205.

<sup>5</sup> <http://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId={CDD359CA-F0DD-4161-A273-11E5C8111FF7}>.