Overview

The first quarter was focused on working with our many partners to launch new initiatives and create a great foundation for reaching energy savings targets in 2013. The past few months have been filled with developing commitments with customers for new projects, kick off meetings with contractors and trade allies, new marketing campaigns, community meetings.

Several new initiatives were launched in the first quarter. This includes the C&I Municipal Initiative that will target municipal and state buildings and offer incentives for comprehensive energy efficiency. The new Multifamily program kicked off with customer focus groups that generated feedback and potential projects for the new Multifamily Coordinator. The Coordinator will serve as a customer’s single point of contact. The Home Energy Reports program launched in mid-April, it is the nation’s first state-wide program and will offer every Rhode Islander tailored home energy information online with tips proven to save energy. The Company continued to develop a new collaborative design for the Income Eligible Single Family program. Lastly, the Company set up the program design and selected a vendor for the new Codes Initiative which will be the nation’s first energy code enforcement and compliance program.

Additionally, National Grid is focusing on improving the customer experience. For C&I customers, the Company is working on streamlining the technical assistance process for the most complex and comprehensive projects. For residential customers, there is now one phone number to call for all energy efficiency needs.

The American Council for an Energy Efficient Economy (ACEEE) recognized our Small Business Direct Install and EnergyWise programs with the Exemplary Energy Efficiency Program Award. Additionally, National Grid measured economic benefits of energy efficiency in the in the Jobs Impacts study. The 2012 programs helped create 530 full-time-equivalent jobs and 600 small businesses, non-profits and state agencies participated in energy efficiency work last year. More than 70% of the businesses are located in Rhode Island.

National Grid is projecting to meet the energy savings and customer participation targets for 2013. The first quarter was full of momentum that ensures an exciting, innovative and successful year to come.
2013 Program & Initiative Updates

Residential New Construction
- The new comprehensive approach for the Program is paying immediate dividends.
  - New builders who focus primarily on renovations have signed on. Multiple units are being introduced to the Program with real opportunity to achieve Tier 3 savings.
  - Many projects were added to the Program pipeline that are expected to finish in the second or third quarter.
- The Reno/Rehab initiative continues to increase participation while bringing on-boarding new and interested Rhode Island builders. New participants include the Armory Revival Building Company and Chece Contracting.
- The newly introduced Deep Energy Retrofit measures are being actively promoted to builders and homeowners. Many inquiries have been received and several applications are now in the review stage.
- The program vendor continues to touch new builders through presentations and trainings. Notable first quarter events include a hands-on training with students from Chariho High School, who are receiving instruction in blower door testing and infrared imaging, as well as Lunch & Learn sessions with architects, builders, and developers.

Income Eligible
- The first quarter focused on working with partners to finalize a new program model with a collaborative approach in which National Grid partners with the State of Rhode Island Department of Human Services (DHS) and a selected Industry Partner. This approach builds on the unique strengths of each partner and benefits customers by continuing to coordinate Services from related federal, State, and local programs.
  - CAPs will continue to deliver energy efficiency services to customers.
  - National Grid met with all CAP agencies to discuss the collaborative approach.
- CLEAResult was selected as the Industry Partner. During the second quarter, the firm will hire its local team and establish an office in Rhode Island.
- During the ongoing transition to this new model, DHS and the CAPs continued serving customers with comprehensive retrofits.

EnergyWise
- Nearly 2,000 single-family audits were completed in the first quarter and the program is on track to meet this year’s energy saving goals.
- Four Independent Insulation Contractors received Energy Star Century Club awards for 2012 projects.
- EnergyWise received an ACEEE Exemplary Energy Efficiency Program Award.
EnergyWise and Income Eligible Multifamily

- The Multifamily Coordinator role as a single point-of-contact for multifamily customers was created.
  - The Coordinator is a part of the implementation team at RISE Engineering, the programs’ lead vendor.
  - The Coordinator is available to answer questions, determine appropriate services and incentives for various types of multifamily properties, help navigate rebate forms, and ensure proper documentation and scheduling of site assessments.

- National Grid continued progress in hiring a Multifamily Program Manager.
  - This role will focus on program management and coordination “behind the scenes” to make the customer’s experience simple.
  - The role is expected to be filled during the second quarter.

- The new Multifamily Services offering has been published on National Grid’s website. It includes an overview of services available, contact information, and links to rebates forms.
- A multifamily building owner and property manager working session was held in March to gather feedback, ideas, and customer input for program improvement.
  - The group was receptive to improvements made so far.
  - Customers have made several initial inquiries to the Multifamily Coordinator.

- Work has been steady with several market rate and income eligible multifamily projects beginning during the first quarter, including both gas and electric retrofits.
  - Most projects received a range of energy efficiency improvements, including newer measures, such as LED lighting fixtures and smart strips.
  - A 124-unit income eligible building was outfitted with five different types of LED fixtures throughout the building’s interior and exterior. Tenants also received the benefit of CFLs and smart strips installed in every unit.
  - Energy saving results from these projects will be reflected in the second quarter report.

Residential Customer Experience

- The One Phone Number went live in April, 2013. The number is 866-903-2811.
- All residential vendors gathered on February 24th for a kick off meeting to discuss improving a customer’s experience through coordination among the various residential programs.
ENERGYSTAR® Lighting and Appliances

- ENERGYSTAR® Lighting had a strong first quarter and cultivated numerous agreements that will result in significant savings during the second quarter.
  - Visa gift cards are now provided in lieu of checks for customer rebates.
  - Customers can now submit rebate applications online.
  - Three lighting fair events were held at Dassault Systems, Amica Insurance and Parkview Middle School Energy Fair.
- ENERGYSTAR® Appliances activity had a strong first quarter with customers most interested in TVs, refrigerator rebates, and refrigerator and freezer recycling.
- There was a "Deals in RI" promotion on the Providence Journal for Room Air Cleaners.
- The program held a Home Depot Kitchen event at Smithfield, RI in March.

Residential Pilots

- The Company installed 100 thermostats for Home Energy Monitoring and Automatic Temperature Control (ATC) pilots. Third party integration for the ATC pilot was completed and the system is being tested.
- New products being investigated include electric dryer technology and a new water saving shower head.
- The Boiler Load Control pilot savings from outdoor air sensing integration is being assessed for all fuels.

ENERGYSTAR® HVAC (Heating and Cooling)

- A kickoff meeting was held in Warwick, RI on January 30th with the program’s new lead vendor, Conservation Services Group, and more than 50 Rhode Island contractors.
  - Topics included a discussion of new program requirements and rebate levels, as well as the solicitation of program feedback from contractors.
- Regular contractor trainings were held at various supply houses throughout RI, including targeted trainings on equipment rightsizing, and duct insulation.
- The Company developed a relationship with Nest and is co-promoting their learning WiFi thermostat product as an energy saving technology.
- The first annual Air Conditioners Conference of America (ACCA) Conference was held in conjunction with Massachusetts on March 21st.
- WiFi thermostats are now offered as a qualified measure for cooling-only Rhode Island electric customers with central air conditioning. Previously, the measure was for only gas heating customers.
Home Energy Reports

- The new program launched in mid-April.
  - Every residential customer is able to view valuable home energy usage information on an interactive web platform available at: [www.nationalgridus.com/RIEnergyReports](http://www.nationalgridus.com/RIEnergyReports).
  - The website promotion will begin in the second quarter.
  - The website includes energy saving tips, interactive energy tools, and enables customers to use social media to connect with one another to encourage energy savings.
  - More than 200,000 homes began receiving tailored home energy reports in the mail or email.
- During the first quarter, the company developed the program.
  - The Company joined the Office of Energy Resources and state policy staff for a discussion on opportunities the new program will offer customers.
  - At the residential vendor meeting held in February, the Company coordinated all vendors with information about the reports and how to answer customer questions when they arise. The focus was on using the reports to create additional opportunities with customers for deeper efficiency.

Community Initiative

- The Company laid groundwork for the forthcoming Rhode Island Energy Challenge: “Find Your Four!”
  - The Challenge will officially launch in the second quarter. The Challenge is being implemented by SmartPower, a non-profit clean energy and energy efficiency marketing firm.
- The Company met with both North Smithfield and Cranston who, as municipal partners, have decided to join the RI Energy Challenge.
- A comprehensive list of RI businesses, organizations, and faith based groups was created to help identify potential partners for the Challenge.

System Reliability – Little Compton and Tiverton

- The program installed 9 thermostats through the end of March.
- The team focused on ongoing evaluation tasks and developing and finalizing marketing outreach for the second quarter.
Finance
- Heat Loan added two new providers in January: Greenwood Credit Union and Coventry Credit Union.
- EnergyWise provided information to the West Elmwood Housing, which provides loans for pre-weatherization barriers.

Comprehensive Marketing
- The Company developed the 2013 campaign. It focuses on the energy opportunities for every customer. The campaign will launch in the second quarter with print, radio, and posters.

Commercial & Industrial Customer Experience
- The Company is currently working on revising the Technical Analysis protocol with the hope that it will cut review time and simplify a few steps for the Company and the customer.

Codes Initiative
- The Code Compliance Enhancement Initiative RFP was disseminated in late February. Five responses were received and National Grid awarded the RFP to the vendor team of Conservation Services Group/Energy Resource Solutions/Practical Green Building Services.
- Regular meetings with the Codes & Standards Implementation Group and Evaluation Group continue to occur, pushing the program forward and solidifying the savings methodology.

Large Commercial New Construction
- The Company is continuing to gather incremental cost data for the Office of the Future lighting package. Incremental cost data will help the Company plan an incentive structure for this initiative.
- The Company conducted several stakeholder forums with the design community, construction managers and owners/developers.
  - A report summarizing observations and conclusions will be created.
  - Based on this report, the Company will establish modifications to the new construction services.

Large Commercial Retrofit
- Several major manufacturers have agreed to participate in the Manufacturing Initiative. The Company selected SAIC, Inc. to lead the industrial retrofit pilot. The vendor will conduct deep energy analyses for all building systems and processes for five industrial customers.
- An additional five large industrial customers are eligible to be served through our regular manufacturing initiative that offers TA studies that cost up to $10,000/project.
The Company has been working closely with Brown and URI to pursue the goals of the existing SEMP MOU.
  - National Grid has identified another SEMP customer for 2013: The Lifespan Hospitals comprising of 5 RI hospitals.
  - The Company is conducting a feasibility study for the Hospitals in order to set the goals of the MOU.

The Company has identified some municipal projects as part of the new Municipal Initiative and is in the process of identifying energy conservation measures for these municipal projects.

The Company met several times with the RI PEP partnership team.
  - The Company has provided customer data that will enable the OER team to prioritize and target buildings for energy savings opportunities.

Small Business Direct Install

The program received the ACEEE Exemplary Energy Efficiency Program Award.

Atria Nursing Care completed projects at four properties statewide.
  - The projects will save 82,185 kWh through upgrades to LED lighting on the exterior of the facilities, and re-lamp and re-ballast in interior lighting.

International Tennis Hall of Fame in Newport will save 220,000 kWh this year.
  - Work was completed replacing 1000w Metal Halide lighting fixtures over their main interior tennis courts with efficient fluorescent lighting.
  - In addition, screw-in LED lighting was installed throughout the facility.

International Artisan Millwork in Pawtucket completed a retrofit that will save 36,760 kWh.
  - Interior lighting was upgraded with high efficiency lamps and ballasts along with the use of occupancy sensors.
  - The exterior lighting was upgraded to LED fixtures. In addition setback thermostats were installed throughout the facility.

St. Augustine’s School, a Catholic elementary and middle school in North Providence will save 78,421 kWh this year.
  - Classrooms, hallways, and offices were all upgraded with high efficiency lamps and ballasts, along with occupancy sensors.
  - The gym lighting was reduced from 400 watt metal halide to high efficiency fluorescent lighting.
  - The exit signs throughout the building were upgraded to LED.
Evaluation

- The Company completed the first draft of the 2012 Jobs Impacts Study.
  - More than 600 firms were identified as participating in energy efficiency programs in 2012, the majority are local businesses.
  - The study found that there are approximately 530 full time equivalent (employees working 1,575 hours) employees working in jobs directly and indirectly funded by energy efficiency funds.
- The Company is reviewing site reports for a C&I Lighting impact evaluation.
- Customers for the C&I Custom Refrigerator, Motors, and Other impact evaluation were sampled and selected.

Events

- The Company promoted energy efficiency at the RI League of Cities and Towns 13th Annual Convention on January 30
- Residential program vendors gathered for a kickoff meeting on February 26 in Warwick
- The Company held several Commercial New Construction focus groups in January and February
- The Company held the 2013 RI Vendor Open House for C&I trade allies on February 28
- The Company held a Multifamily Focus Group on March 12
- The Company will participate in the World Trade Day at Bryant University on May 22
- BOC Level I Training course at URI will begin on May 15
### ELECTRIC PROGRAMS

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### GAS PROGRAMS

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### NOTES

1. (4) Targets from Docket 4366 - Attachment 5, Table E-6 (electric) and Attachment 6, Table G-6 (gas).
2. (6) Pct Achieved is Column (2)/ Column (1).
3. (7) Approved Implementation Expenses from Docket 4366, Attachment 5 Table E-3 (electric) and Attachment 6 Table G-3 (gas)
4. (8) Year To Date Implementation Expenses are net of evaluation expenses
5. (9) Pct Achieved is Column (8)/ Column (7).
6. (10) Targets from Docket 4366 - Attachment 5, Table E-6 (electric) and Attachement 6, Table G-6 (gas).
7. (11) $/lifetime kWh = Column (8)/Column (10); $/lifetime MMBtu = Column (8)×1000/Column (10)×10
8. System Reliability Procurement targets from Docket 4387, not included in Implementation Expenses Total System Reliability Procurement targets and actuals do not reflect state-wide EE amounts leveraged.