



national fuel

May 15, 2013

Honorable Jeffrey Cohen
Acting Secretary to the Commission
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 Acting Secretary Cohen,

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 March 31, 2013.

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 1 (January Through March) 2013
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 contractor¹ 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, 2011.² The billing analysis does provide solid evidence that customers participating in the Company’s residential rebate program are reducing consumption significantly more than the average customer base. During 2013, Distribution plans to update the pre/post billing analysis with recent program results.

Distribution is currently participating with other program administrators in a statewide Residential Gas HVAC Program impact evaluation. This project kicked off on October 25, 2012. The Company has provided timely responses to a number of data requests received from Opinion Dynamics, the consultant selected to perform the evaluation. During 2013, the Company plans to continue to provide program information and data, work with the team of joint utilities to further advance the project, and keep the project moving according to schedule.

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

² <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 1 (January Through March) 2013
Report Contact Person	Eric Meisl

Summary of Evaluation Activities

National Fuel Gas Distribution Corporation has received and forwarded to Staff a draft Process Evaluation report from its evaluation contractor³ 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 received confirmation from NYSERDA that a joint impact analysis of NRCIP could be completed in the future, when NYSERDA is ready to initiate the project. The Company is looking forward to this collaborative opportunity. Since NRCIP is very similar to NYSERDA's Existing Facilities program, a joint impact analysis would provide for an efficient use of resources.

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 marketplace, 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.

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

³ 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 1 (January Through March) 2013
Report Contact Person	Eric Meisl

Summary of Evaluation Activities – Page 1 of 2

National Fuel Gas Distribution Corporation has received and forwarded to Staff a draft Process Evaluation report from its evaluation contractor⁴ 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, 2011.⁵ The billing analysis does provide solid evidence that customers participating in the Company’s LIURP are reducing consumption significantly more than the average customer base. During 2013, Distribution plans to update the pre/post billing analysis with recent program results.

Cadmus also completed a review of NYSERDA’s impact analysis for the EmPower program, in order to assess its applicability to Distribution’s LIURP. The review noted that the gas impact results from NYSERDA’s impact analysis appear to be applicable to LIURP. Further, Cadmus believes that the Company’s billing analysis can be used to assess usage impacts for LIURP. Distribution included a copy of Cadmus’ review in Appendix I of its quarterly CIP status report filed with the Commission on November 15, 2011.⁶

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

⁵ <http://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId={CDD359CA-F0DD-4161-A273-11E5C811FF7}>.

⁶ <http://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId={CDD359CA-F0DD-4161-A273-11E5C811FF7}>.

Program Administrator	National Fuel Gas Distribution Corporation
Program/Project	Low Income Usage Reduction Program (LIURP)
Reporting Period	Quarter 1 (January Through March) 2013
Report Contact Person	Eric Meisl

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Distribution is planning on participating in a joint impact evaluation with NYSERDA. Since Distribution's LIURP is administered by NYSERDA, both parties felt there would be evaluation efficiencies by completing a joint evaluation. The evaluation will be of NYSERDA's Home Performance with Energy Star and EmPower programs, as well as Distribution's LIURP, for calendar years 2010 and 2011. This project kicked off on February 7, 2013. Providing that final project contracting issues can be completed, the Company plans to continue to provide program information and data, work with NYSERDA to further advance the project, and keep the project moving according to schedule.

If a joint impact analysis cannot be completed with NYSERDA, the Company will continue to explore participating in statewide impact studies for LIURP, 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.