



***national fuel***

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August 8, 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 June 30, 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 2 (April Through June) 2013
Report Contacts	Evan Crahen and 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 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, including most recently data requests on program contractors and incremental cost data. In addition, Distribution has been actively involved in project meetings and in reviewing and providing comments on project documents, including the detailed evaluation work plan and an overview of primary data collection efforts and the net impact evaluation approach. As the project progresses, the Company plans to continue to provide program information and data, review work products and results, work with the team of joint utilities to further advance the project, and keep the project moving according to schedule.

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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 2 (April Through June) 2013
Report Contacts	Evan Crahen and 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>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.

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.

Until evaluation coordination can be accomplished, Distribution is in the process of considering having its evaluation contractor to complete a review of NYSERDA's impact analysis for the Existing Facilities program, or possibly other evaluations that have been completed for similar programs, in order to assess the applicability of results 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 2 (April Through June) 2013
Report Contacts	Evan Crahen and Eric Meinl

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 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 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 NYSEERDA’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 NYSEERDA’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.<sup>6</sup>

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

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Program Administrator	National Fuel Gas Distribution Corporation
Program/Project	Low Income Usage Reduction Program (LIURP)
Reporting Period	Quarter 2 (April Through June) 2013
Report Contacts	Evan Crahen and Eric Meinl

Summary of Evaluation Activities – Page 2 of 2

Distribution is currently in the process of participating in a joint impact evaluation with NYSERDA, including Distribution’s LIURP, as well as NYSERDA’s Home Performance with Energy Star and EmPower programs, for calendar years 2010 and 2011. Since Distribution’s LIURP is administered by NYSERDA, both parties felt there would be evaluation efficiencies by completing a joint evaluation. This project kicked off on February 7, 2013 and Itron and Energy & Resource Solutions are the consultants selected to perform the work. The Company has provided timely responses to NYSERDA and the consultants’ data requests for program information, tracking and design, as well as billing information. In addition, Distribution has been actively involved in project meetings and in reviewing and providing comments on project documents, including the Phase I billing analysis recently completed. On an on-going basis, providing that final contracting and logistical concerns can be addressed, the Company plans to continue to provide program information and data, review work products and results, work with NYSERDA to further advance the project, and keep the project moving according to schedule.

Looking forward, the company plans to continue to partner with NYSERDA in order to continue the coordination of impact evaluation activities, where logical and feasible. Distribution has indicated to NYSERDA its intent to participate in Phase II of this project. A kickoff meeting to determine the scope and schedule of Phase II was held on July 8, 2013.

If on-going impact coordination with NYSERDA cannot be achieved, 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.