



national fuel

March 28, 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 Order Authorizing Revised Deadlines for Monthly and Annual Reporting, issued and effective August 22, 2011, in the above referenced proceedings (“Order”), attached please find National Fuel Gas Distribution Corporation’s Conservation Incentive Program Outreach and Education Implementation Plan. This filing is in compliance to the Commission Ordering Paragraph No. 3, page 5, of the Order.

Any questions you may have regarding the attached can be directed to the undersigned at (716) 857-7654.

Respectfully Submitted,

Karen L. Merkel
Senior Manager, Corporate Communications

Attachments

NEW YORK STATE
PUBLIC SERVICE COMMISSION

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

NATIONAL FUEL GAS DISTRIBUTION CORPORATION
CONSERVATION INCENTIVE PROGRAM (“CIP”)
OUTREACH AND EDUCATION IMPLEMENTATION PLAN

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I. Background

a. Introduction

On August 22, 2011, the Commission issued an Order Approving Revised Deadlines for Monthly and Annual Reporting, authorizing filing deadlines for EEPS Program Administrators.¹ Included in this order was a requirement that EEPS Program Administrators file annual Outreach and Education reports, including updated plans for the remainder of the current calendar year, no later than 90 days after the conclusion of the previous calendar year. This filing is made in compliance with that requirement.

II. CIP Overview

a. Procedural Background

On September 20, 2007, the Commission issued its Order Adopting Conservation Incentive Program (“CIP Order”)² for National Fuel Gas Distribution Corporation (“Distribution” or “Company”). The CIP program preceded the energy efficiency programs established for other natural gas utilities in New York as required in the EEPS preceding.

On October 19, 2009, the Commission issued its Order Approving the Continuation of National Fuel Gas Distribution Corporation’s Conservation Incentive Program with Modifications (“2009 CIP Order”).³

On June 28, 2010, the Company filed a request with the Commission for continuation of the CIP. On November 22, 2010, the Commission issued its Order Approving the Continuation

¹ Case 07-M-0548 – Order Approving Revised Deadlines for Monthly and Annual Reporting, issued and effective August 22, 2011.

² Case 07-G-0141 – Proceeding on the Motion of the Commission as to the Rates, Rules, and Regulations of National Fuel Gas Distribution Corporation for Gas Service, Order Adopting Conservation Incentive Program, issued and effective September 20, 2007.

³ Case 07-G-0141 – Proceeding on the Motion of the Commission as to the Rates, Rules and Regulations of National Fuel Gas Distribution Corporation for Gas Service, Order Approving the Continuation of National Fuel Gas Distribution Corporation’s Conservation Incentive Program with Modifications, issued and effective October 19, 2009.

of National Fuel Gas Distribution Corporation's Conservation Incentive Program with Modifications ("2010 CIP Order").⁴

On July 6, 2011 Department of Public Service Staff ("Staff") issued its EEPS Program Review White Paper ("White Paper"), providing a number of conclusions and recommendations for continuing energy efficiency initiatives established in the Commission's EEPS proceeding.⁵ Staff recommends that EEPS programs are effective and should continue with modifications.

Included in the White Paper was a recommendation that the Commission consider whether Distribution's Conservation Incentive Program ("CIP") should in whole or in part be incorporated within the EEPS portfolio upon expiration of the currently authorized term.⁶ White Paper at 48. In comments filed with the Commission on August 22, 2011 Distribution agreed with Staff's recommendation that the CIP should be incorporated within the EEPS portfolio.

On October 25, 2011 the Commission issued its Order in this proceeding, among other things, accepting the recommendation that the CIP should be incorporated within the EEPS portfolio ("2011 EEPS Order").⁷

On August 15, 2012, the Company filed a request with the Commission for CIP program modifications. On February 19, 2013 the Commission issued its Order Approving in Part and

⁴ Case 07-G-0141 – Proceeding on the Motion of the Commission as to the Rates, Rules, and Regulations of National Fuel Gas Distribution Corporation for Gas Service, Order Approving the Continuation of National Fuel Gas Distribution Corporation's Conservation Incentive Program with Modifications, issued and effective November 22, 2010.

⁵ Case 07-M-0548 – Proceeding on Motion of the Commission Regarding and Energy Efficiency Portfolio Standard.

⁶ The current term expired on November 30, 2011.

⁷ Case 07-M-0548 – Proceeding on Motion of the Commission Regarding an Energy Efficiency Portfolio Standard, Order Authorizing Efficiency Programs, Revising Incentive Mechanism, and Establishing a Surcharge Schedule, issued and effective October 25, 2011.

Denying in Part National Fuel Gas Distribution Corporation’s Petition to Modify Certain Energy Efficiency (EEPS) Programs (“2012 EEPS Order”).⁸

b. Overview of CIP Components

CIP included the following programs: (1) residential natural gas appliance rebates; (2) a small non-residential equipment replacement program (“NRCIP”); (3) a low income usage reduction program (“LIURP”); and (4) an outreach and education (“O & E”) component. Upon approval of CIP, Distribution partnered with NYSERDA for the administration of NRCIP and LIURP (through the existing EmPower New York program).

The table below summarizes the spending level approved in each of the Commission’s CIP Orders.

Table 1 - Approved CIP Spending Levels						
	2007 CIP Order		2009 CIP	2010 CIP	2011 EEPS	2012 EEPS
	(two year approval)		Order	Order	Order	Order
	2008	2009	2010	2011	2012 - 2015	2012 - 2015
Low Income Usage Reduction Program (LIURP)	\$2,940,000	\$2,940,000	\$2,940,000	\$3,040,000	\$3,559,295	\$4,618,591
Residential Rebate Program	\$3,400,000	\$3,400,000	\$3,400,000	\$3,500,000	\$3,559,295	\$2,500,001
Small Non-Residential Rebate Program (NRCIP)	\$1,520,000	\$1,520,000	\$1,520,000	\$1,520,000	\$1,515,810	\$1,515,808
Outreach and Education	\$2,940,000	\$2,940,000	\$1,940,000	\$1,500,000	\$903,600	\$903,600
E M & V	\$0	\$0	\$490,000	\$480,000	\$502,000	\$502,000
Total	\$10,800,000	\$10,800,000	\$10,290,000	\$10,040,000	\$10,040,000	\$10,040,000

⁸ Case 07-M-0548 – Proceeding on Motion of the Commission Regarding an Energy Efficiency Portfolio Standard, Order Approving in Part and Denying in Part National Fuel Gas Distribution Corporation’s Petition to Modify Certain Energy Efficiency (EEPS) Programs, issued and effective February 19, 2013.

The 2012 EEPS Order further identified total program costs for the Distribution’s CIP by allocating evaluation, measurement and verification (“E M & V”) and O & E to the three programs as summarized in Table 2 below.

Table 2 - CIP Budget Approved in 2012 EEPS Order				
	Program Budget	E M & V	O & E	Total
Low Income Usage Reduction Program (LIURP)	\$4,618,591	\$258,936	\$301,200	\$5,178,727
Residential Rebate Program	\$2,500,001	\$147,432	\$301,200	\$2,948,633
Small Non-Residential Rebate Program (NRCIP)	\$1,515,808	\$95,632	\$301,200	\$1,912,640
Total	\$8,634,400	\$502,000	\$903,600	\$10,040,000

In the 2012 EEPS Order, the Commission increased the LIURP program budget by approximately \$1.1 million, reduced the residential rebate program budget by approximately \$1.1 million, and essentially held the NRCIP program budget flat. In addition, the E M & V and O & E program budgets continued at the level established in the 2011 EEPS Order, sustaining a minimum level of O & E, in order to support adequate customer awareness levels, while recognizing the maturity of Distribution’s CIP. Currently, the Company’s CIP has been in place for five program years and has started its sixth year on January 1, 2013. O & E efforts in prior years helped to establish a public awareness for CIP as a utility program that enables customers to save on their utility bills by employing conservation tactics and installing energy efficiency measures. The O & E implementation plan that will be further explained in this filing builds upon the programs and tactics established during the first five years of CIP.

The following sections of this implementation plan present the implementation plan for each program element: 1) Residential Rebate Program, 2) NRCIP, and 3) LIURP. Since this

plan is forward-looking and is subject to further development with proposed participants, the Company cannot be certain that each of its program features will be implemented exactly as described. Distribution expects that as implementation proceeds, adjustments to the plan may be necessary, utilizing available resources and within approved budgetary levels.

Additional information provided in each section includes: 1) program description; 2) a list and description of O & E marketing vehicles to be used; 3) an explanation of the target market for each program; 4) a timeline of development for O & E efforts; 5) how the O & E programs relate to the entity's general and other O & E programs and the efforts taken to minimize overlap and customer confusion that may result from O & E/marketing activities in the same or adjacent market areas; and 6) specific budget amounts for each element of the program, which are provided in Appendix A to this implementation plan.

III. CIP Year 5 Outreach & Education Plan

a. Residential Rebate Program

1. Program Description

The 2012 EEPS Order continued the existing residential rebate program. The residential program is an equipment replacement program, modeled after a Vermont Gas Systems program, which was cited by the ACEEE, as one of the nation's exemplary natural gas energy efficiency programs. Distribution's program offers equipment replacement rebate incentives for single-family and multi-family dwellings, to encourage them to install high efficiency space heating and water heating appliances. These appliances are by far the largest two users of natural gas in residential buildings, and are therefore most likely to show the largest savings to our customers when they upgrade their appliances. Distribution set minimum efficiency levels for each appliance type based on federal Energy Star and New York State Energy Smart guidelines.

2. O & E Tactics

- 1) **Website** – NationalFuelForThought.com will be maintained with up-to-date information regarding the CIP, as a whole. The website includes an area to download rebate applications, review eligible appliances and rebate amounts, get up-to-date information on the CIP Savings Card program offering discounts with National Fuel’s energy partners, the school-based NEED program and the Buffalo Sabres sponsorship, as well as tips for conserving energy and contact information for the Low Income Usage Reduction Program or “LIURP”. The website will be updated to reflect changes in eligible program measures and the dollar amount of customer incentives.
- 2) **Research** – A research tracking study will continue to be conducted to evaluate CIP awareness and natural gas usage trends within the marketplace. The tracking study will measure customer recall, familiarity, and effectiveness of communication tactics. According to the most recent research study conducted, total awareness of CIP has stayed consistent. Total awareness was 45 percent in 2011 and 48 percent in 2012.
- 3) **Brochure** – A printed brochure explains rebate amounts and contact information on how/where to learn more. The brochure will be updated to reflect changes in eligible program measures and the dollar amount of customer incentives.
- 4) **Application Pad** – Gummed rebate application pads are made available for all Distribution’s Energy Partners (independent local contractors) and at the Buffalo Home & Garden Show and other public events. The application pad will be updated to reflect changes in eligible program measures and the dollar amount of customer incentives.
- 5) **Bill Insert** – A bill insert will be included periodically with customer bills. The frequency can be varied throughout each calendar year. The insert will provide information on CIP, rebate amounts, guidelines and contact information for more

information. The bill insert will be updated to reflect changes in eligible program measures and the dollar amount of customer incentives.

- 6) **Buffalo Sabres Sponsorship** – The National Hockey League labor dispute has officially ended and Distribution plans to continue the Buffalo Sabres sponsorship in the 2012 – 2013 season and in the 2013 – 2014 season. The main benefit of the Green Team partnership is low-cost access to television, the mass media outlet that generates the most significant reach and frequency towards potential program participants. Additional sponsorship benefits include billboards, live intermission report mentions, scoreboard logos, signage, concourse dioramas, 360 ribbon board features, a dedicated Green Team section of the Buffalo Sabres website, and involvement in various community outreach programs designed to promote energy conservation on a grassroots level.
- 7) **Print Media** – Distribution will utilize the local community publications to maintain general program awareness amongst residential customers. The main call to action for these print ads is to drive traffic to NationalFuelForThought.com for more robust information about CIP. Print ads will communicate valuable information in more detail than other mediums. The media plan includes a combination of paid and unpaid community newspaper insertions. Print ads will be updated to reflect changes in eligible program measures and the dollar amount of customer incentives.
- 8) **Online Media** – In addition to the NationalFuelForThought.com website, the Company is planning to utilize an online ad network to target local and national websites that receive heavy traffic from residential customers within Distribution’s service territory. This online digital campaign will further increase the frequency of CIP messaging.

- 9) **CIP Savings Card Program** – A discount card that allows customers to redeem savings for a variety of services through various heating contractor partners. This program is separate from the brochures discussed above in item 3. Services can include, service calls, furnace filters, etc. The savings card will be displayed at point-of-sale and will be available for download on NationalFuelforThought.com.
- 10) **Conservation Kits** – Distribution will produce conservation kits to distribute at various events or through community organizations, who will further distribute the kits. The conservation kits will include information about the CIP, low-cost ways to conserve energy, as well as energy conservation items.
- 11) **Strategic Sponsorships** – Distribution will enter into strategic sponsorships with community groups as opportunities become available. These sponsorships provide for the distribution of CIP materials to customers, the use of and installation of conservation kits, and additional program awareness through program brochures, event brochures and by making CIP signage opportunities available.
- 12) **Buffalo Home & Garden Show** – Each year this annual show attracts more than 55,000 consumers – homeowners, contractors, developers, renters, etc. – to experience the newest trends and receive guidance in remodeling, gardening, renovation and more. For the 2013 show, National Fuel was designated as the official energy conservation source, enabling the Company to promote the Residential Rebate and NRCIP programs, to provide seminars on how to make a house more energy efficient, and to distribute the Conservation Kits to show attendees.
- 13) **HVAC / Energy Partner Meetings** – Maintaining contractor outreach sessions will help to provide a greater awareness of the program overall, while giving contractors the tools

they need to be energy ambassadors, helping customers receive rebates and weatherization services, including those under NRCIP. Distribution plans on continuing these meetings over time.

- 14) **Energy Workshops** – Distribution is planning to continue to participate in outreach, education and training workshops over time, as opportunities continue to become available. One of these energy workshops, the Buffalo Home and Garden Show, is described in greater detail above. A number of these workshops have occurred with Blue Springs Energy in the past, but have also included other organizations as well.

3. Target Market

The target market for the Residential Rebate Program will be homeowners in areas with the largest population of Distribution’s customer base, focusing on the fall and winter season, when messaging is the most relevant to the majority of homeowners.

4. Development Timeline

The O & E tactics outlined above in section 2 will be executed during Year 6 of CIP, between January 1, 2013 and December 31, 2013.

5. Consistent Branding (Relationship Between General and Other O & E / Marketing Programs and Efforts to Minimize Overlap and Customer Confusion)

CIP has been advertised in Distribution’s service territory since the program’s inception in 2007. According to the most recent research study conducted, total awareness of CIP has increased over the last four survey periods (January 2009 – December 2012), from 25 percent to 48 percent in the “Total Awareness” category. To maintain this high level of awareness, it is imperative that Distribution continues its consistent branding approach, retaining a similar “look

and feel” to branding (use of the NationalFuelforThought logo with the “flame” as well as color palette) in all communication pieces.

6. Annual Budget

The annual Outreach and Education budget for the Residential Rebate Program is currently \$301,200 per year, authorized through December 31, 2015, consistent with the 2012 EEPS Order.

b. Small Non-Residential Rebate Program (NRCIP)

1. Program Description

The NRCIP is an equipment replacement program, modeled after a Vermont Gas Systems program that was cited by the ACEEE as an exemplary natural gas energy efficiency program. NRCIP, administered by NYSERDA under its Existing Facilities program, offers equipment replacement pre-qualified and customized rebate incentives, to customers using less than 12,000 Mcf, to promote the installation of high efficiency space heating, water heating and process heating equipment. Customers are also eligible to receive customized rebates for non-equipment replacement changes made to heating, water heating and process heating equipment, such as adding insulation to a process heating oven, or updating controls to a space heating boiler. These custom incentives are set on a case-by-case basis, based upon the estimated resulting gas energy savings. A technical engineering analysis must first be performed to confirm energy savings. The rebate amount will be \$15 per Mcf multiplied by the estimated gas energy savings, with a cap of \$30,000. The Company contracted with NYSERDA to administer the day-to-day project management of this program.

2. O & E Tactics

- 1) **Website** – NationalFuelForThought.com will be maintained with up-to-date information regarding the CIP, as a whole. The website includes an area to download rebate applications, review eligible appliances and rebate amounts, get up-to-date information on the CIP Savings Card program offering discounts with National Fuel’s energy partners, the school-based NEED program and the Buffalo Sabres sponsorship, as well as tips for conserving energy and contact information for the Low Income Usage Reduction Program or “LIURP”. The website will be updated to reflect changes in eligible program measures and the dollar amount of customer incentives.
- 2) **Research** – A research tracking study will continue to be conducted to evaluate CIP awareness and natural gas usage trends within the marketplace. The tracking study will measure customer recall, familiarity, and effectiveness of communication tactics. According to the most recent research study conducted, total awareness of CIP has stayed consistent. Total awareness was 45 percent in 2011 and 48 percent in 2012.
- 3) **Brochure** – A printed brochure explains rebate amounts and contact information on how/where to learn more. The brochure will be updated to reflect changes in eligible program measures and the dollar amount of customer incentives.
- 4) **Application Pad** – Gummed rebate application pads are made available for all Distribution’s Energy Partners (independent local contractors) and at the Buffalo Home & Garden Show and other public events. The application pad will be updated to reflect changes in eligible program measures and the dollar amount of customer incentives.
- 5) **Bill Insert** – A bill insert will be included periodically with customer bills. The frequency can be varied throughout each calendar year. The insert will provide information on CIP, rebate amounts, guidelines and contact information for more information. The bill

insert will be updated to reflect changes in eligible program measures and the dollar amount of customer incentives.

6) **Buffalo Sabres Sponsorship** – The National Hockey League labor dispute has officially ended and Distribution plans to continue the Buffalo Sabres sponsorship in the 2012 – 2013 season and in the 2013 – 2014 season. The main benefit of the Green Team partnership is low-cost access to television, the mass media outlet that generates the most significant reach and frequency towards potential program participants. Additional sponsorship benefits include billboards, live intermission report mentions, scoreboard logos, signage, concourse dioramas, 360 ribbon board features, a dedicated Green Team section of the Buffalo Sabres website, and involvement in various community outreach programs designed to promote energy conservation on a grassroots level.

7) **Outreach Coordinator** – Distribution has learned through informal communications that a significant deterrent to greater participation in NRCIP is the complexity of NYSERDA’s application process for the Existing Facilities Program. Distribution has issued an RFP to solicit a vendor to provide the services of an Outreach Coordinator, that will help the Company increase participation in the small NRCIP by employing outreach and education services. The main goal of this position is to increase the number of applications that are processed through the program. Additional goals are to increase overall awareness levels of the small NRCIP in Distribution’s service area, maintain individual relationships with the Company’s non-residential customers in order to suggest energy efficiency improvements as part of the small NRCIP, answer customer questions about the program, and assist customers in preparing for, filling out, and submitting their small NRCIP application to NYSERDA.

The Company secured the NRCIP Outreach Coordinator position in March 2013 and is in the process of finalizing contracts with the selected entity.

8) **Print Media** – Distribution will utilize the local business publication, *Business First*, to maintain program awareness within a general business audience. The main call to action for these print ads is to promote the availability of the NRCIP Outreach Coordinator who will assist small business owners in navigating through the rebate process and general education of the rebates – both fixed and custom. The print media portion will provide contact information for the NRCIP Outreach Coordinator as well as drive traffic to NationalFuelForThought.com for more robust information about CIP. In addition, Distribution is exploring continuing partnership opportunities with the Buffalo Niagara Builders Association, utilizing the BNBA’s newsletter and digital presence as well as a partnership at the annual Horizon’s Home Show.

9) **Online Media** – In addition to the NationalFuelForThought.com website, the Company will utilize the online version of *Business First* in conjunction with the print campaign. This website targets a general business audience, with daily e-mail blasts and opportunities to sponsor specific online segments of the publication.

10) **Radio Media** – Radio spots have been planned and executed with local news talk radio programs. The main call to action for these radio spots is to drive traffic to NationalFuelForThought.com for more robust information about CIP.

11) **Direct Mail** – Over-sized post cards can be mailed to non-residential customers informing them of CIP and that fixed and customized rebates are available for them to upgrade their natural gas appliances to more energy-efficient equipment. The mailer will provide the contact information for the NRCIP Outreach Coordinator, who will assist

customers to learn more about rebates and how to navigate through the application process. The mailer will direct interested customers to NationalFuelForThought.com to obtain a rebate application.

12) **CIP Savings Card Program** – A discount card that allows customers to redeem savings for a variety of services through various heating contractor partners. This program is separate from the brochures discussed above in item 3. Services can include, service calls, furnace filters, etc. The savings card will be displayed at point-of-sale and will be available for download on NationalFuelforThought.com.

13) **Strategic Sponsorships** – Distribution will enter into strategic sponsorships with community groups as opportunities become available. These sponsorships provide for the distribution of CIP materials to customers, the use of and installation of conservation kits, and additional program awareness through program brochures, event brochures and by making CIP signage opportunities available.

14) **Buffalo Home & Garden Show** – Each year this annual show attracts more than 55,000 consumers – homeowners, contractors, developers, renters, etc. – to experience the newest trends and receive guidance in remodeling, gardening, renovation and more. For the 2013 show, Distribution was designated as the official energy conservation source, enabling the Company to promote the Residential Rebate and NRCIP programs, to provide seminars on how to make a house more energy efficient, and to distribute the Conservation Kits to show attendees.

15) **Co-Op Funding** – Co-op advertising funds have been and will continue to be distributed to Distribution's Energy Partners (independent local contractors). The contractor's ads are

required to have CIP messaging, featuring high-efficiency natural gas appliances/equipment encompassed within the program, helping to drive the overall awareness of CIP.

16) **Targeted Vendor Mailing** – Distribution is evaluating a targeted, vendor mailing to promote the NRCIP program. The goal of this tool is to alert non-residential customers in NFGDC’s service territory, that currently have a business relationship with the company, that both prequalified and customized rebates are available.

17) **HVAC / Energy Partner Meetings** –Maintaining contractor outreach sessions will help to provide a greater awareness of the program overall, while giving contractors the tools they need to be energy ambassadors, helping customers receive rebates and weatherization services, including those under NRCIP. Distribution plans on continuing these meetings over time.

18) **Energy Workshops** – Distribution is planning to continue to participate in outreach, education and training workshops over time, as opportunities continue to become available. One of these energy workshops, the Buffalo Home and Garden Show, is described in greater detail above. A number of these workshops have occurred with Blue Springs Energy in the past, but have also included other organizations as well.

3. Target Market

The target market for NRCIP is both “small” and “large” non-residential customers. This audience includes contractors responsible for installing and servicing heating equipment in Distribution’s service territory.

4. Development Timeline

The O & E tactics outlined above in section 2 will be executed during Year 6 of CIP, between January 1, 2013 and December 31, 2013.

5. Consistent Branding (Relationship Between General and Other O & E / Marketing Programs and Efforts to Minimize Overlap and Customer Confusion)

CIP has been advertised in Distribution's service territory since the program's inception in 2007. According to the most recent research study conducted, total awareness of CIP has increased over the last four survey periods (January 2009 – December 2012), from 25 percent to 48 percent in the "Total Awareness" category. To maintain this high level of awareness, it is imperative that Distribution continues its consistent branding approach, retaining a similar "look and feel" to branding (use of the NationalFuelforThought logo with the "flame" as well as color palette) in all communication pieces.

6. Annual Budget

The annual Outreach and Education budget for NRCIP is currently \$301,200 per year, authorized through December 31, 2015, consistent with the 2012 EEPS Order.

c. Low Income Usage Reduction Program (LIURP)

1. Program Description

LIURP is a weatherization program for low-income customers. Participants receive a heating system check, an energy audit, weatherization measures, an infiltration reduction, natural gas usage reduction measures and consumer education. The program design is consistent with, and is being administered as part of NYSERDA's EmPower New York ("EmPower") program. Contractors follow procedures and guidelines developed for the EmPower program. Households receiving gas efficiency services paid for by Distribution will be evaluated for electric reduction measures to be paid for by NYSERDA with System Benefits Charge ("SBC") funds.

2. O & E Tactics

- 1) **Website** – NationalFuelForThought.com will be maintained with up-to-date information regarding the CIP, as a whole. The website includes an area to download rebate applications, review eligible appliances and rebate amounts, get up-to-date information on the CIP Savings Card program offering discounts with National Fuel’s energy partners, the school-based NEED program and the Buffalo Sabres sponsorship, as well as tips for conserving energy and contact information for the Low Income Usage Reduction Program or “LIURP”. The website will be updated to reflect changes in eligible program measures and the dollar amount of customer incentives.
- 2) **Research** – A research tracking study will continue to be conducted to evaluate CIP awareness within the marketplace. The tracking study will measure customer recall, familiarity, and effectiveness of communication tactics. According to the most recent research study conducted, total awareness of CIP has stayed consistent. Total awareness was 45 percent in 2011 and 48 percent in 2012.
- 3) **Bill Insert** – A bill insert that will be included periodically with customer bills. The frequency can be varied throughout each calendar year. The insert will provide information on CIP, rebate amounts, guidelines and contact information for more information. The bill insert will be updated to reflect changes in eligible program measures and the dollar amount of customer incentives.
- 4) **Block Club Leader Outreach** – Distribution is planning to expand an informational program where block club leaders come together to receive training on conservation and weatherization. At the training program, the leaders will receive the tools they need to help block club members sign up for an energy audit. Working with “Neighbors Connecting,” a non-profit network that involves more than 500 City of Buffalo block clubs and 21,000 neighborhood leaders, the Block Clubs of Buffalo and the Glenwood

Block Club, the Company will solicit and train block club leaders. Distribution believes this grassroots outreach will increase the awareness of and acceptance in LIURP.

- 5) **Partnership with a Social Service Organization(s)** – Tapping into its relationships with established social service organizations, Distribution is planning to initiate a Take-In Program. The Company would train members of specific organizations on Distribution’s CIP. Once trained, the social service organization would be authorized to recruit individuals as potential LIURP candidates. Distribution would develop an incentive plan to compensate the social service organization for its administrative costs in securing suitable applicants for LIURP and assisting these candidates within the process to qualify and obtain housing weatherization.
- 6) **Faith-Based Community Outreach** – Distribution is planning to develop a turn-key speaker’s bureau program that provides customer education about LIURP following Sunday services at various faith-based organizations located in neighborhoods with LIURP-eligible housing stock. These venues can be an effective means of delivering information to low-income populations less accessible through commercial means. The presenter will provide a 10-minute presentation on LIURP, explaining the purpose, the process, and will distribute weatherization kits.
- 7) **Conservation Kits** – Distribution will produce conservation kits to distribute at various events or through community organizations, who will further distribute the kits. The conservation kits will include information about the CIP, low-cost ways to conserve energy, as well as energy conservation items.
- 8) **Strategic Sponsorships** – Distribution will enter into strategic sponsorships with community groups as opportunities become available. These sponsorships provide for

the distribution of CIP materials to customers, the use of and installation of conservation kits, and additional program awareness through program brochures, event brochures and by making CIP signage opportunities available.

- 9) **NEED Program** – The National Energy Education Development Project’s Energy Detectives Program includes hands-on classroom materials and take-home kits that make it possible for participating students and their families to learn about energy efficiency, while adopting conservation measures. Materials provided to students and their families include: information on CIP, energy efficiency tip brochures, electric outlet and switch draft stoppers, window insulation kits, weather strip caulking cords, faucet aerators, water-saving showerheads and other tools. In addition to energy-saving classroom materials and kits, a formal structure for students is created by integrating classroom lessons and activities with energy education and community outreach projects. Todd Rogers, a Certified Energy Manager and the Northeast Coordinator, will continue an initiative to secure schools within urban settings, with limited resources, to become NEED partners.

3. Target Market

The target market for LIURP is low income individuals or families who either qualify for a free home energy audit and/or weatherization assistance, or who can take advantage of the CIP Residential Rebate Program.

4. Development Timeline

The O & E tactics outlined above in section 2 will be executed during Year 6 of CIP, between January 1, 2013 and December 31, 2013.

5. Consistent Branding (Relationship Between General and Other O & E / Marketing Programs and Efforts to Minimize Overlap and Customer Confusion)

CIP has been advertised in Distribution's service territory since the program's inception in 2007. According to the most recent research study conducted, total awareness of CIP has increased over the last four survey periods (January 2009 – December 2012), from 25 percent to 48 percent in the "Total Awareness" category. To maintain this high level of awareness, it is imperative that Distribution continues its consistent branding approach, retaining a similar "look and feel" to branding (use of the NationalFuelforThought logo with the "flame" as well as color palette) in all communication pieces.

6. Annual Budget

The annual Outreach and Education budget for LIURP is currently \$301,200 per year, authorized through December 31, 2015, consistent with the 2012 EEPS Order.

EEPS Conservation Incentive Program - Year 6

Attachment A

Outreach and Education Budget

\$903,600

	Residential Budget	Non-Residential Budget	Low Income Budget
Eric Mower & Associates, Inc.			
CIP Website Updates	\$6,000	\$6,000	\$6,000
Research Studies	\$5,000	\$5,000	\$5,000
Brochures	\$4,600	\$7,400	
Application Pad Reprints	\$2,600	\$2,500	
Bill Inserts	\$6,800	\$6,800	\$6,800
Media Planning / Buying / Stewardship	\$12,000	\$12,000	
Account Planning	\$8,000	\$8,000	\$8,000
Buffalo Sabres Sponsorship Support	\$20,000		
Print Ads (<i>Community Publications</i>)	\$7,800		
Print Ads (<i>Buffalo Business First</i>)		\$12,000	
Online Banner Ads	\$7,000	\$7,000	
Radio		\$6,000	
Direct Mail		\$8,400	
Savings Card Promotion	\$3,550	\$2,300	
Neighborhood Connections			\$11,750
Social Services Take In Program			\$20,000
Faith Based Community Outreach			\$53,650
Paid Media Expenditures	\$106,600	\$56,550	
Buffalo Sabres			
Green Team Sponsorship	\$35,000	\$35,000	
CIP Kits	\$65,000		\$65,000
123 Delivery/UPS			
Lowe's			
RMF Printing/Innerworkings			
Prime Promotions			
Allentown Industries			
Sponsorships			
Buffalo Urban League	\$5,000	\$5,000	\$5,000
Buffalo Home & Garden Show	\$6,250	\$6,250	
NEED Sponsorship			\$120,000
Co-Op Advertising		\$60,000	
Outreach Administrative Coordinator		\$55,000	
	\$301,200	\$301,200	\$301,200