

**The Context for
Energy Efficiency Savings:
Gas Energy Savings
Gas Program Net Benefits
(Initial Analysis)**

Council Consultants

MA EE Advisory Council Meeting
April 14, 2009

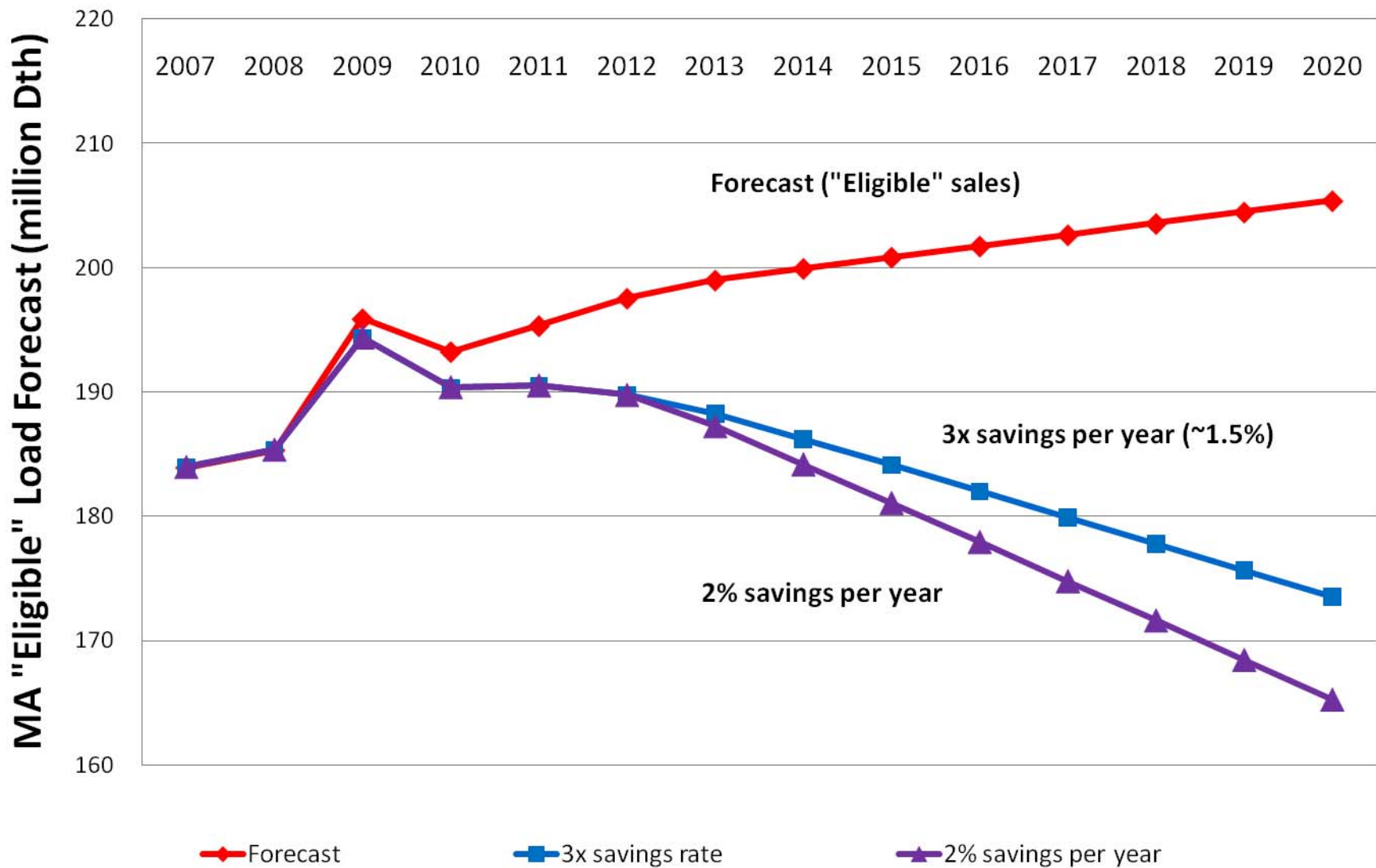
Outline of Presentation

- Gas savings update
- Gas savings by major market segment and program area (initial analysis)
- Gas benefits, costs, and net benefits (initial analysis)

Requirements of the Green Communities Act

- Electric and natural gas resource needs shall first be met through all available energy efficiency and demand reduction resources that are cost effective or less expensive than supply. [Section 21 (a)]
- Each plan shall provide for the acquisition of all available energy efficiency and demand reduction resources that are cost effective or less expensive than supply. [Section 21 (b)(1)]
- Green Communities Act (GCA)
Chapter 169 of the Acts of 2008

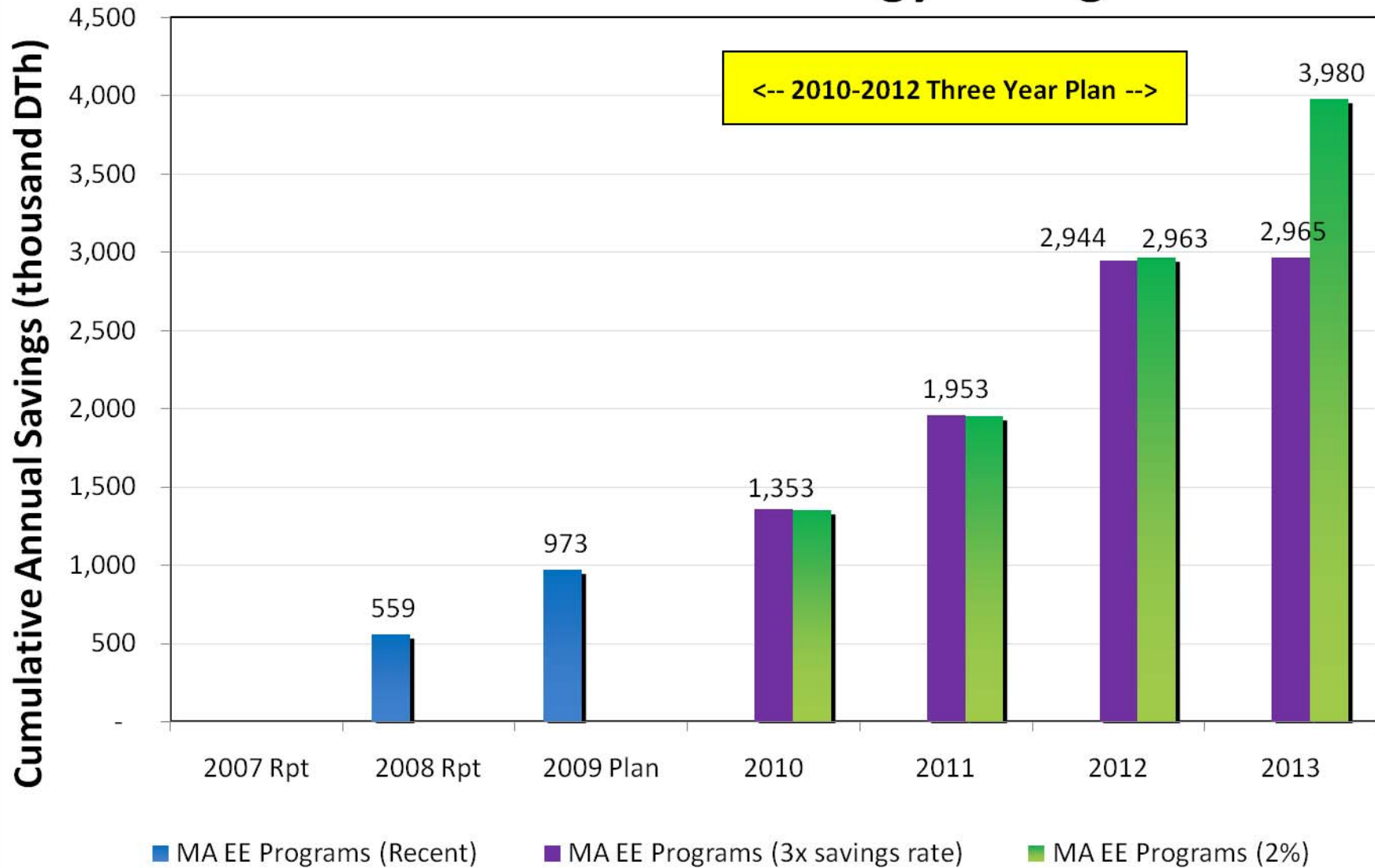
MA EE Gas Savings: Energy Policies & Goals



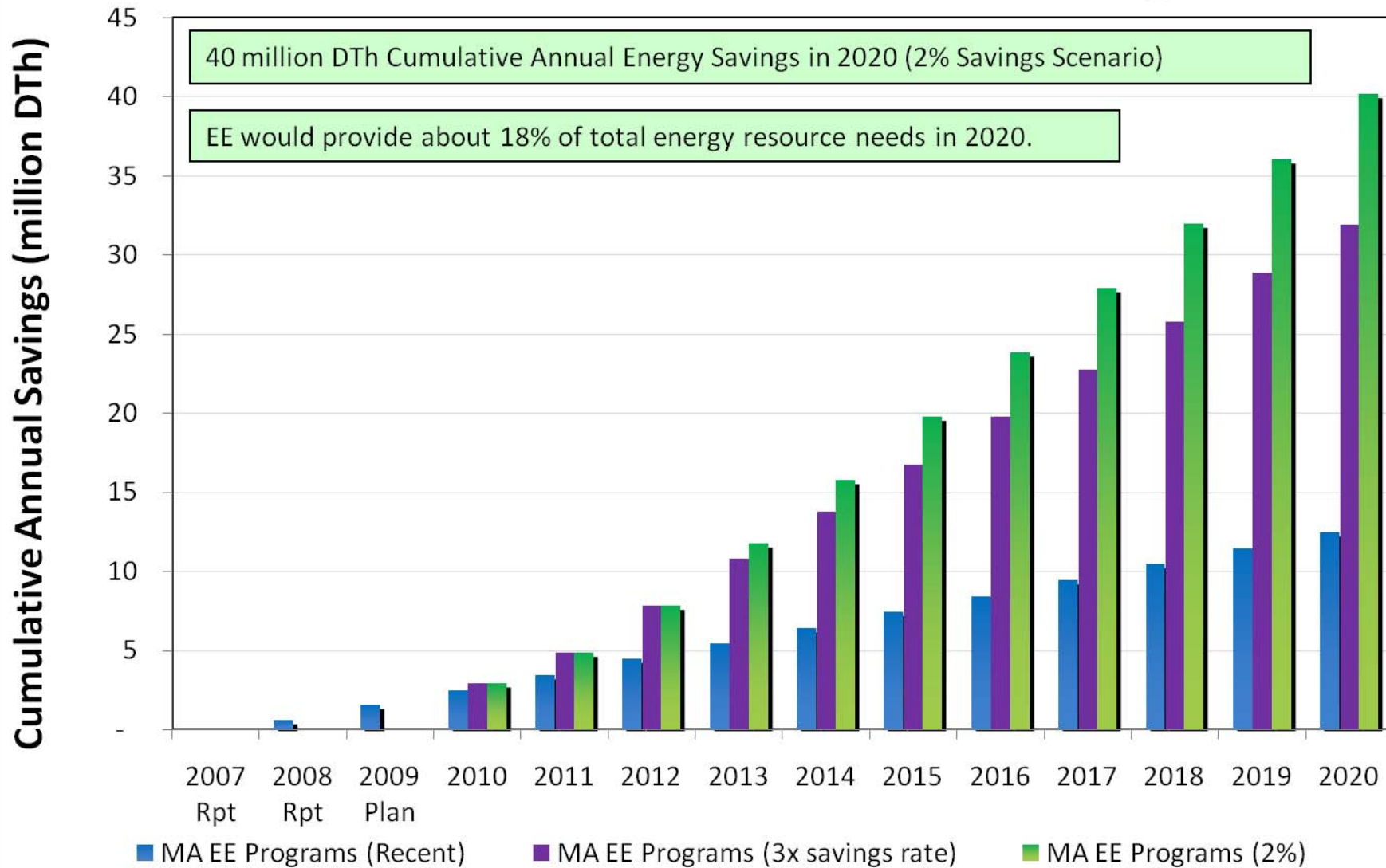
Recommendation: Gas Savings

- Initial recommendations from the Consultant team
- Energy savings target of 2% of forecast load (annual energy savings equivalent to total energy resources for retail load)
- Recent gas potential studies in the range of 1.5% to 2% energy savings (some prelim.)
- Scenarios based on recent Gas Plans, with Consultant adjustments (Scenario 2)

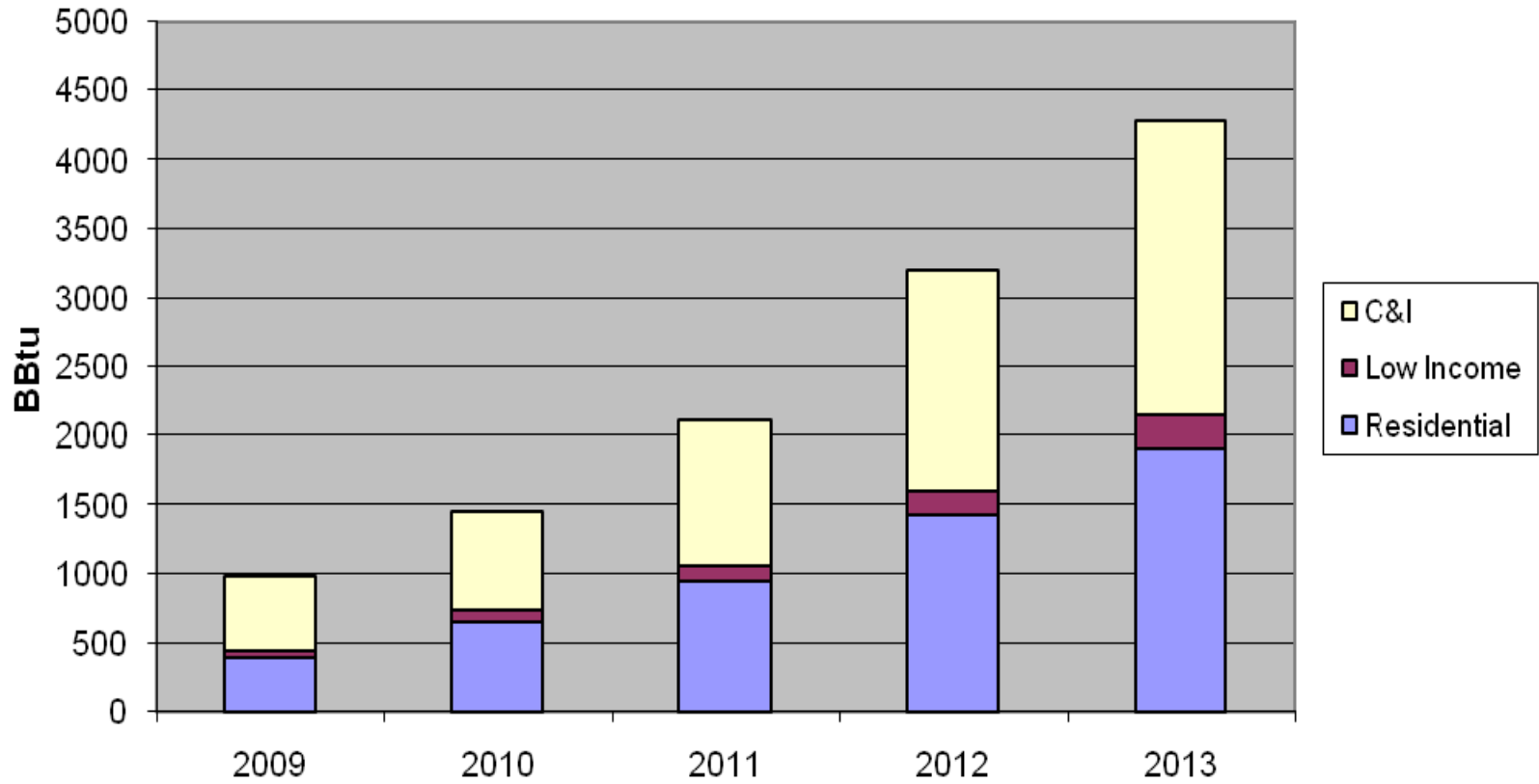
MA EE Gas Annual Energy Savings



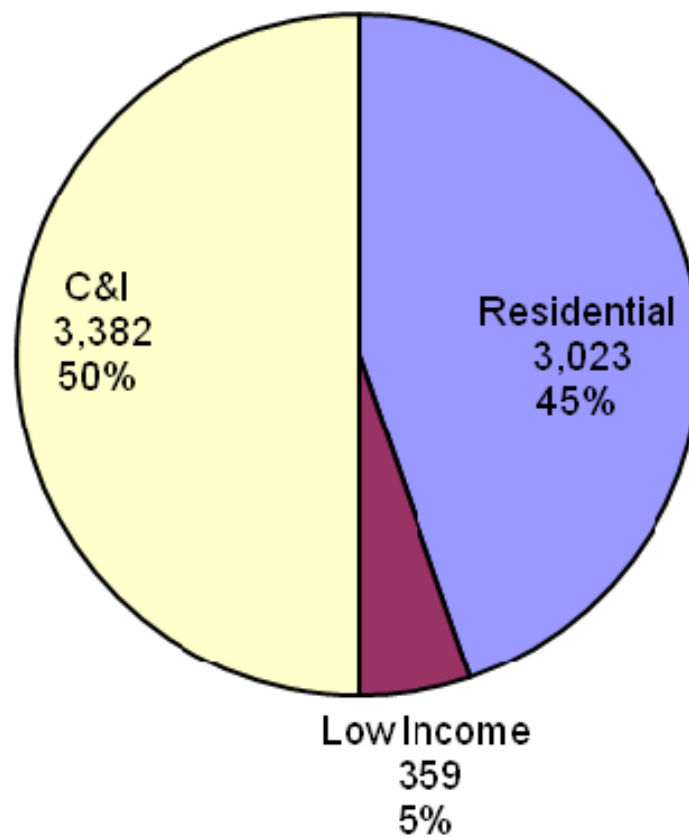
MA EE Gas Cumulative Annual Savings



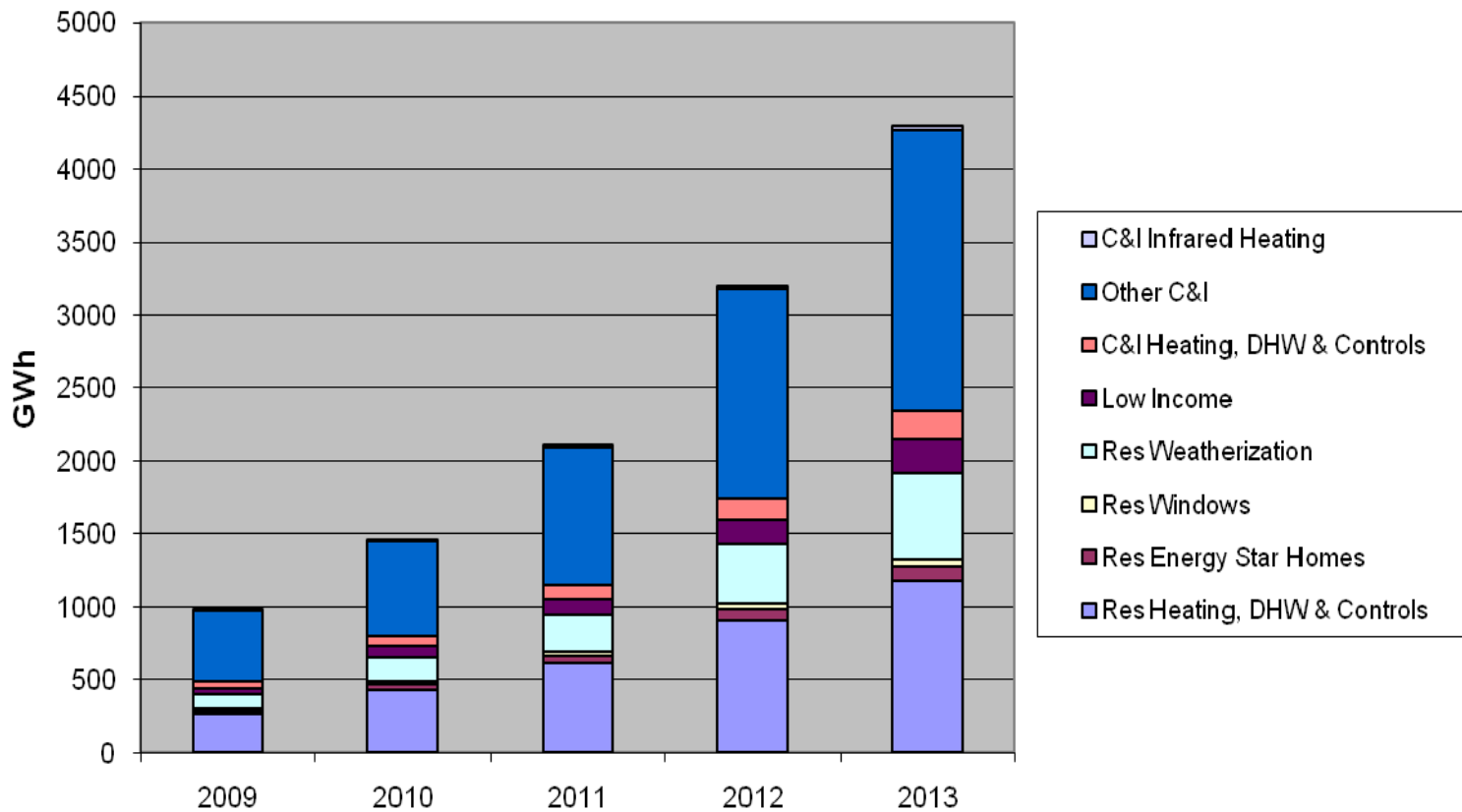
Scenario 2: Annual BBTu Savings by Sector



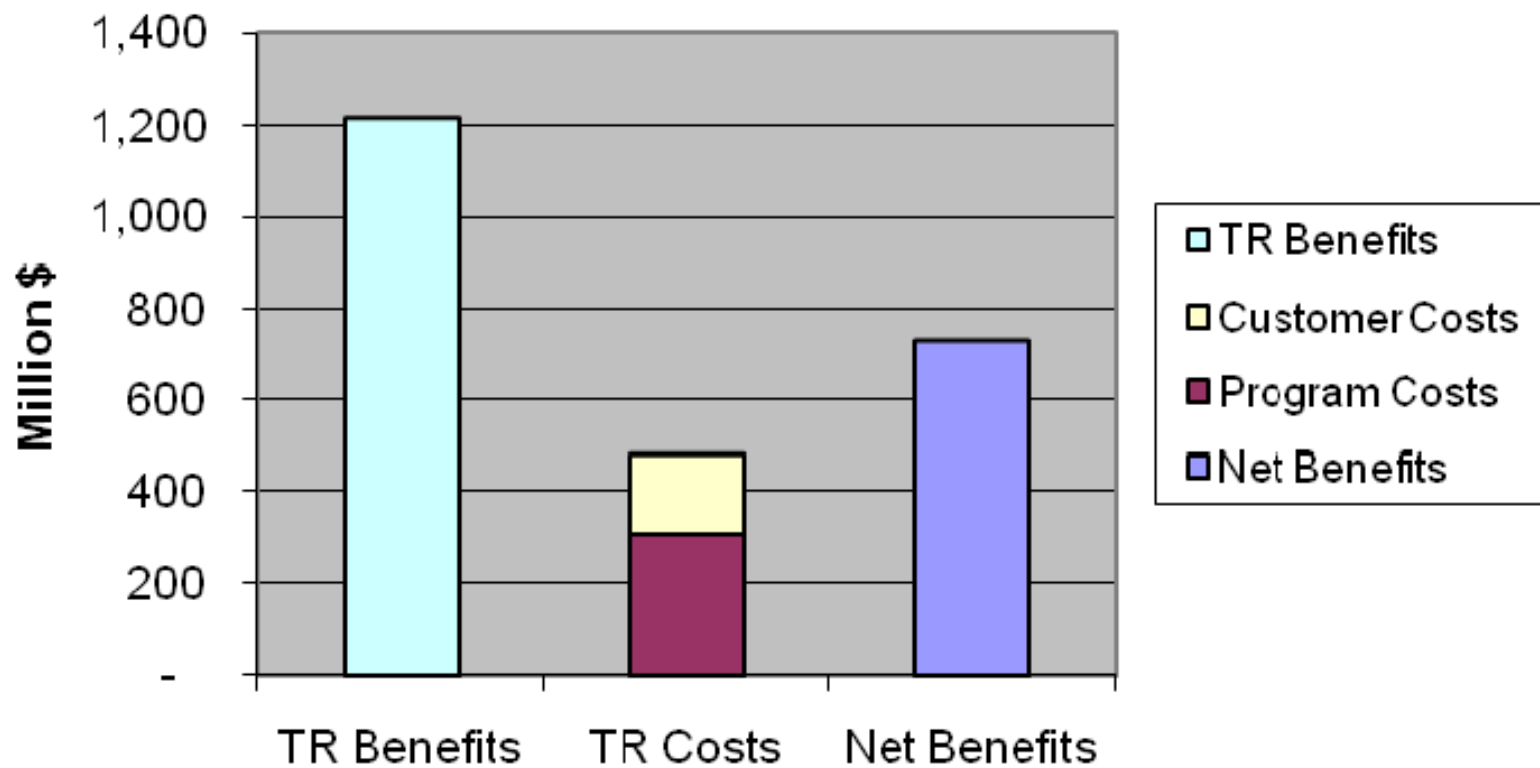
Scenario 2: 2012 Cumulative Annual Gas Savings (BBtu)



Scenario 2: Annual BBTu Savings by Program



Scenario 2: Total Resource Costs & Benefits 2010-2012



Next Steps

- Bill and rate analysis, for electric and gas (per DPU 08-50-A order)
- Interact with PAs on savings and economic analysis for April 30 Plans
- PAs submit statewide electric and gas Plans on April 30
- Council review of statewide Plans