



Residential Heating and Water Heating

Presentation to the EEAC

October 18, 2010



Impact Evaluation

- Process and Impact Evaluation by Nexus Market Research on behalf of GasNetworks
- Results of Study
 - Significant levels of free-ridership identified
 - Some adjustments to engineering estimates
 - Significant reduction in ability to claim savings in 2011
- Participants are still realizing savings!

Impact Evaluation (cont.)

- Evaluation did not address spillover
 - Spillover has positive impact on claimed savings
 - Need to better understand role of Contractor
 - Developing plan to review in 2011
- Evaluation showed demographics influence study results
 - Skewed towards well-educated and affluent customers
 - Other customer demographics need to be explored
 - may produce lower free-ridership
 - Potential for positive impact on claimed savings



2011 Program

- Program Enhancements
- Eligible Equipment
 - Include six evaluated measures
 - Four new measures
 - Two measures removed
 - Four additional measures to sunset at end of year 2011
- Rebates
 - 4 lowered
 - Two unchanged

- Explore “hard-to-reach” component
 - Potential Approach
 - Maintain measure mix
 - Maintain rebate levels
 - Define and target HTR populations
 - Develop marketing plan based on definition of HTR
 - Attempt to determine if HTR populations have lower free ridership
 - Alleviate downward effect on program savings
- Develop and understand contractor component
- Potentially target rental properties as part of HTR discussion



2011 HEHE Program Details

Measure	2011 Change(s)	2010 Gross MMBTu	2011 Gross MMBTu	2010 Free Ridership	2011 Free Ridership	2010 Rebate	2011 Rebate
Furnace (forced hot air) 92% AFUE	Drop Measure	12.3	N/A	0%	N/A	\$400	N/A
Steam Boiler (>=82% AFUE)	Drop Measure	10.9	N/A	0%	N/A	\$200	N/A
Tankless/On-Demand Water Heaters (EF 0.82)	Savings Free Ridership Rebate Level	7.8	9.7	0%	63%	\$700	\$500
Indirect Water Heater (attached to gas Energy Star FHW boiler)	Savings Free Ridership Rebate Level	4.0	8.0	0%	66%	\$500	\$400
Furnace (forced hot air) 92% AFUE w/ECM	Savings Free Ridership Rebate Level	19.6	11.8	0%	62%	\$300*	\$200*
Furnace (forced hot air) 94% AFUE w/ECM	Savings Free Ridership Rebate Level	23.6	14.2	0%	62%	\$450*	\$400*
Boiler (forced hot water) >=85% AFUE	Savings Free Ridership	8.0	7.2	0%	69%	\$500	\$500
Boiler (forced hot water) >=90% AFUE	Savings Free Ridership	15.0	14.2	0%	60%	\$1,000	\$1,000
High Efficiency Stand Alone Water Heater (0.67 EF)	New Measure	N/A	3.7	N/A	0%	N/A	\$100
Tankless/On-Demand Water Heaters (EF 0.95)	New Measure	N/A	10.3	N/A	0%	N/A	\$800
Furnace (forced hot air) >= 96% AFUE	New Measure	N/A	15.0	N/A	0%	N/A	\$600
Boiler (forced hot water) >= 96% AFUE	New Measure	N/A	21.3	N/A	0%	N/A	\$1,500

*This represents the GasNetworks contribution to the rebate. In addition, there is a \$200 electric contribution on these measures.



2011 HEHE Details for Hard-to-Reach

Hard to Reach Measure	2011 Change(s)	2010 Gross MMBTu	2011 Gross MMBtu	2010 Free Ridership	2011 Free Ridership	2010 Rebate	2011 Rebate
Tankless/On-Demand Water Heaters (EF 0.82)	Savings Free Ridership Rebate Level	7.8	9.7	0%	21%	\$700	\$500
Indirect Water Heater (attached to gas Energy Star FHW boiler)	Savings Free Ridership Rebate Level	4.0	8.0	0%	22%	\$500	\$400
Furnace (forced hot air) 92% AFUE w/ECM	Savings Free Ridership Rebate Level	19.6	11.8	0%	20%	\$300*	\$200*
Furnace (forced hot air) 94% AFUE w/ECM	Savings Free Ridership Rebate Level	23.6	14.2	0%	20%	\$450*	\$400*
Boiler (forced hot water) >=85% AFUE	Savings Free Ridership	8.0	7.2	0%	23%	\$500	\$500
Boiler (forced hot water) >=90% AFUE	Savings Free Ridership	15.0	14.2	0%	20%	\$1,000	\$1,000

*This represents the GasNetworks contribution to the rebate. In addition, there is a \$200 electric contribution on these measures.