PA Updates on 2011 Performance

Presentation to the EEAC

December 13, 2011

Statewide 2011
Year-End Projections

mass save
Savings through energy efficiency

Key Qualifications/Limitations

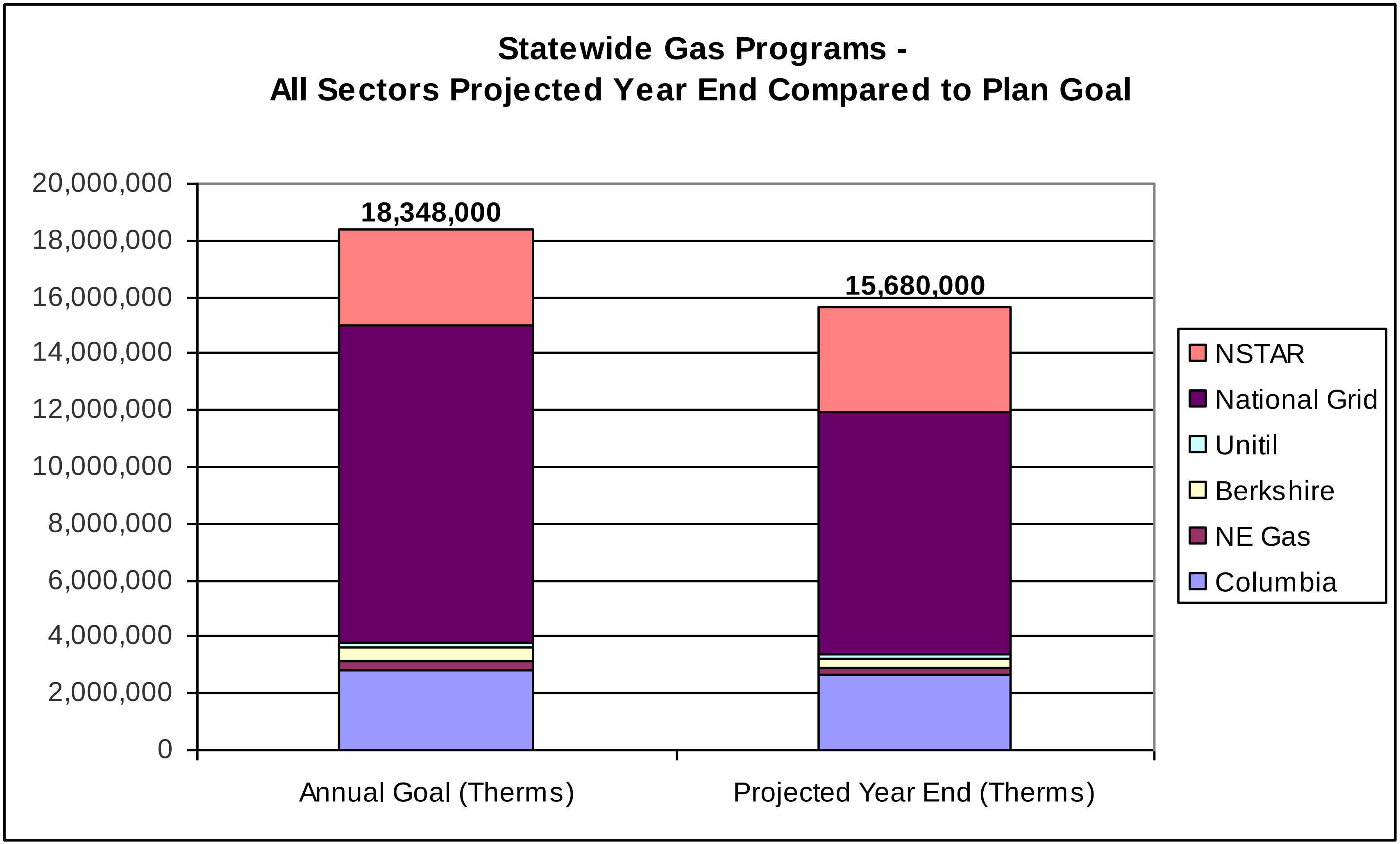
- The PAs emphasize the following are projections only, and are subject to many variables.
  - Changes may occur in 2012 following reconciliation of invoices and other year-end QC efforts.
- December is a month of very significant activity.
- Savings numbers will remain subject to after-the-fact adjustment based on EM&V activity - evaluated results may be higher or lower than projected.
- Key variables for data include:
  - In the field verification
  - Completion of project documentation
  - Payment and reconciliation of invoices, and
  - Submission of invoices/project documentation by vendors and customers.

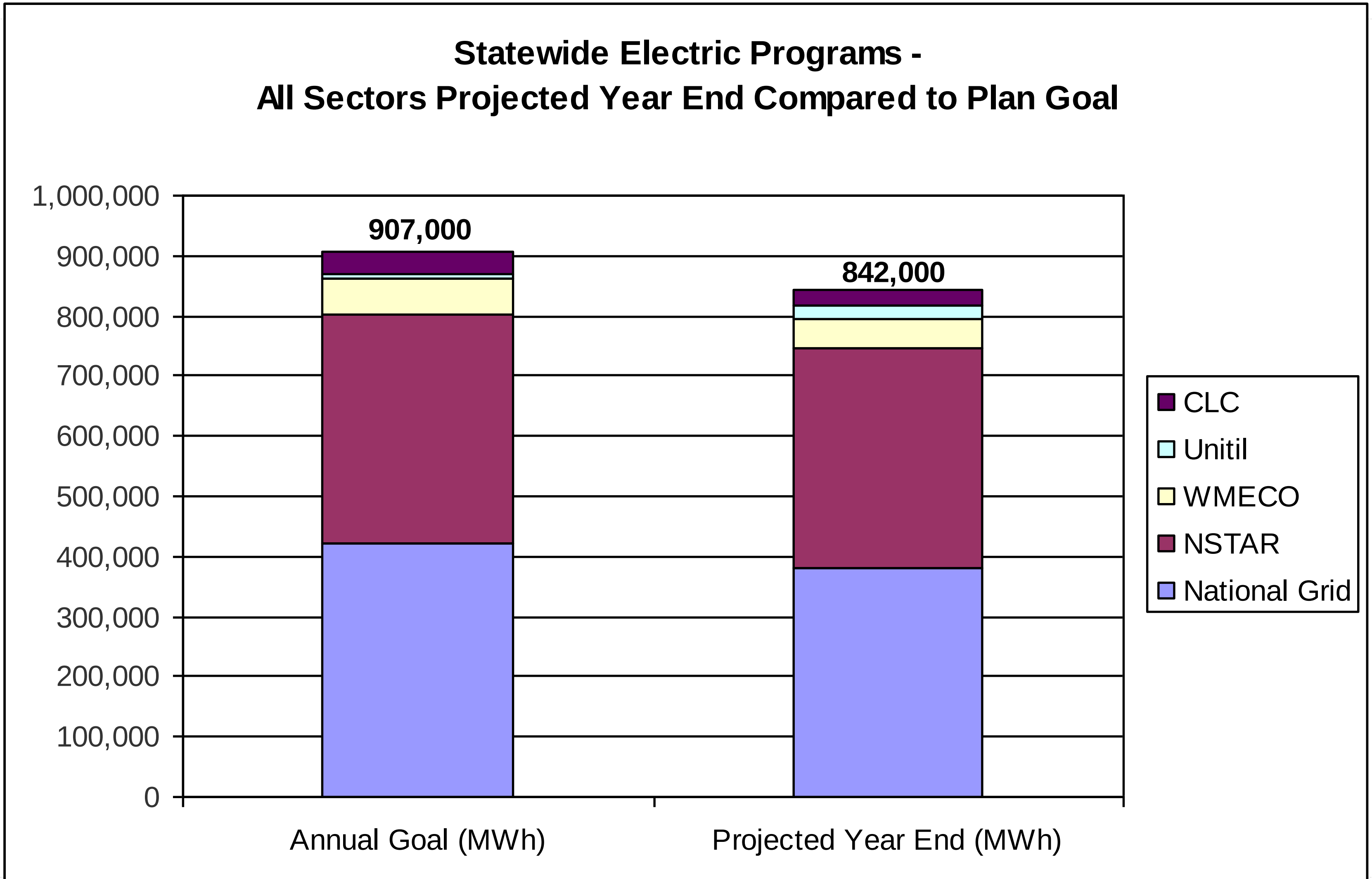
Key Projections for 2011

- <u>Gas</u>
  - Savings:
    - **Portfolio – 85%**
    - Residential – 98%
    - Low-Income – 86%
    - C&I – 73-75%
  - Budgets: strong correlation at a statewide level between budgets and savings
- <u>Electric</u>
  - Savings
    - **Portfolio – 89-93%**
    - Residential – 110%
    - Low-Income – 79%
    - C&I – 83-88%
  - Budgets: materially lower cost to achieve savings as compared to budget

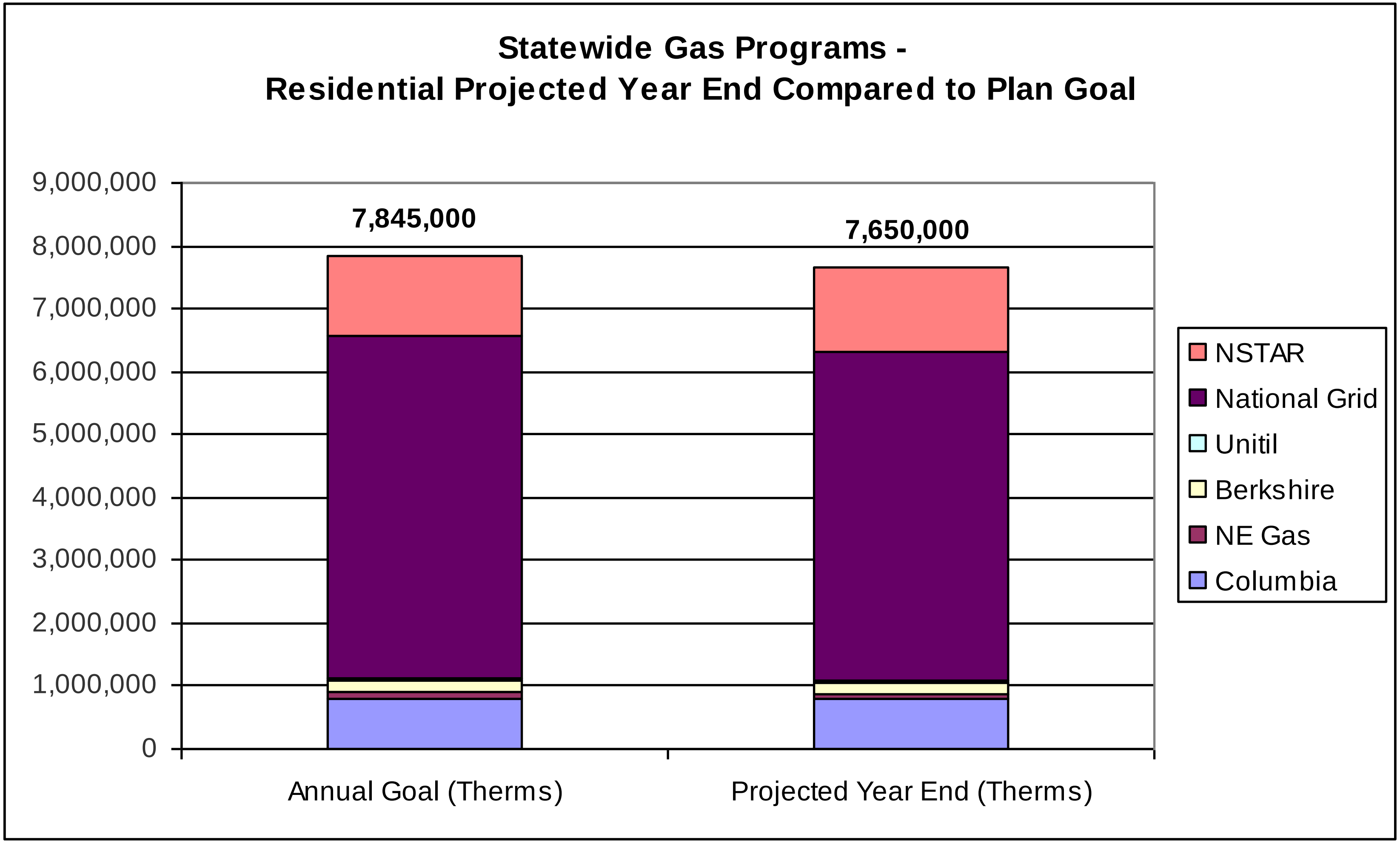
General Trends

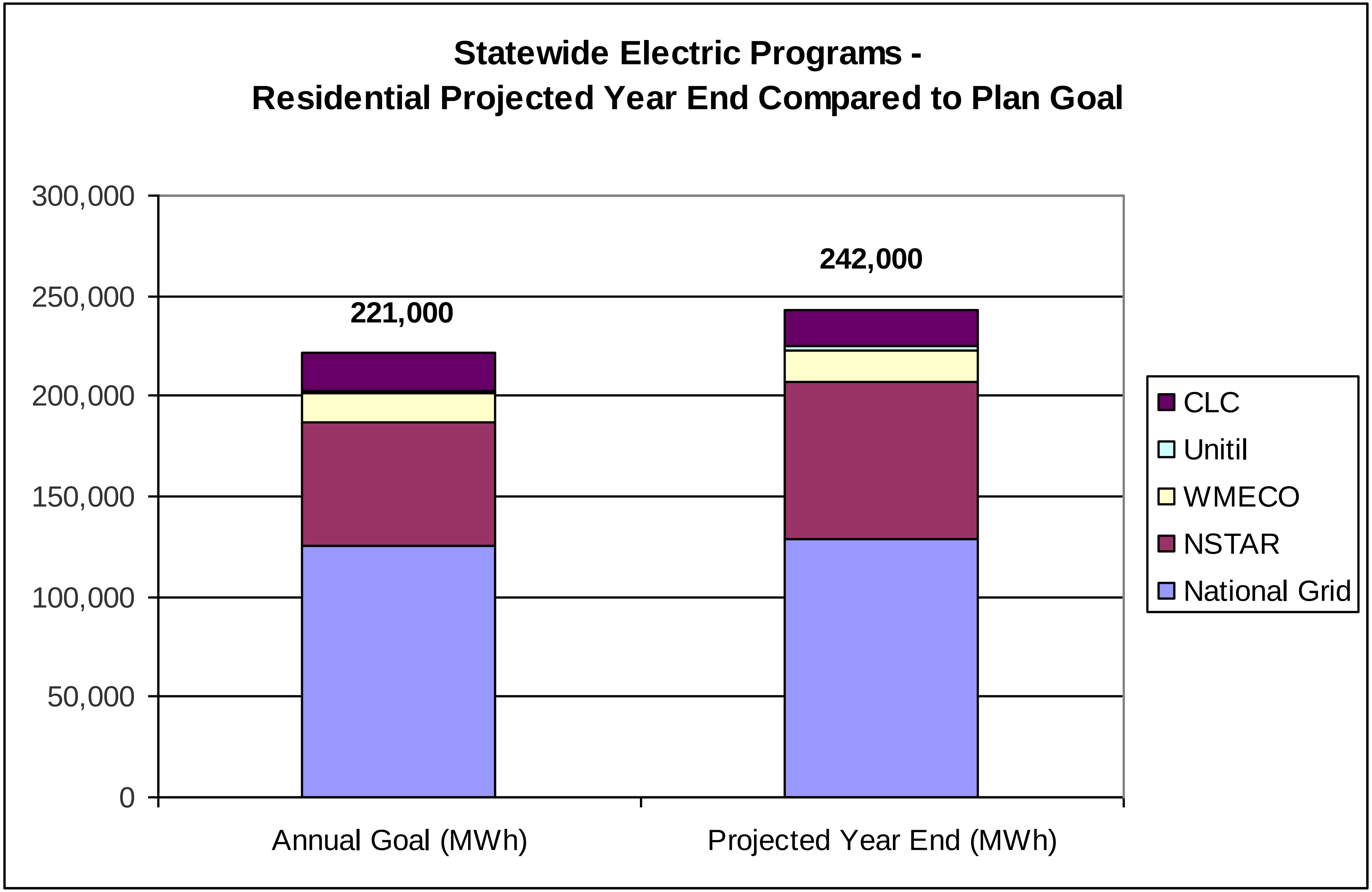
- Residential results are anticipated to be strong for both electric and gas efforts.
- Low-income savings (electric and gas) have increased materially in Q4 but may fall short of annual savings targets.
  - Completion of agency invoicing, as well as year end activity, may increase savings in December in certain service areas.
- Most PAs continue to address challenges in the C&I sector as a result of economic conditions. Smaller service areas tend to be hit hardest as a result of little diversity in their customer base.
- Results are strongest in the built environment; challenges persist in the new construction space for both residential and C&I efforts.
- On a statewide combined basis, savings were achieved at a lower cost than projected.

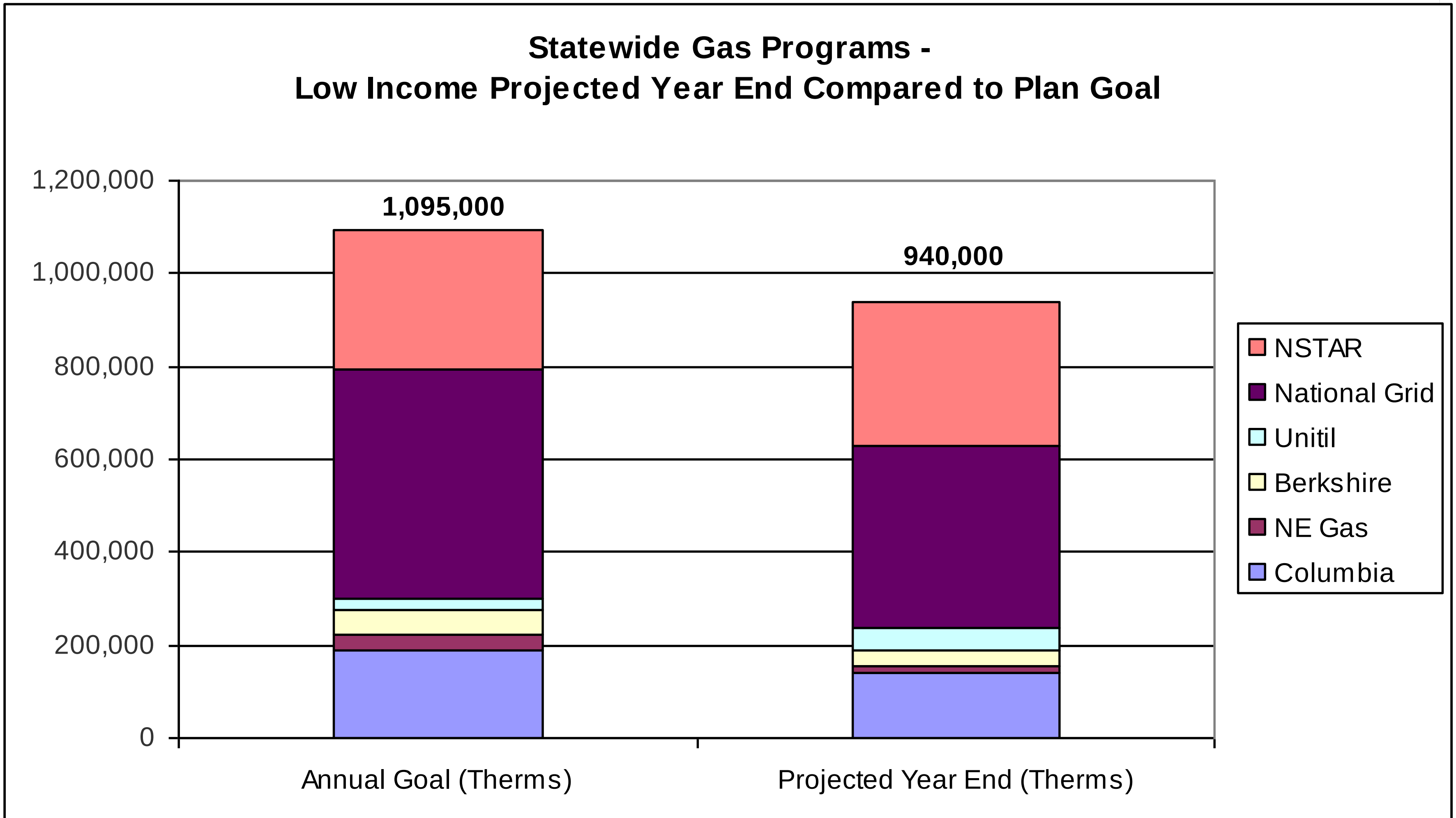

Statewide Gas Programs -
All Sectors Projected Year End Compared to Plan Goal
20,000,000
18,000,000
16,000,000
14,000,000
12,000,000
10,000,000
8,000,000
6,000,000
4,000,000
2,000,000
0
18,348,000
15,680,000
NSTAR
National Grid
Unitil
Berkshire
NE Gas
Columbia
Annual Goal (Therms)
Projected Year End (Therms)

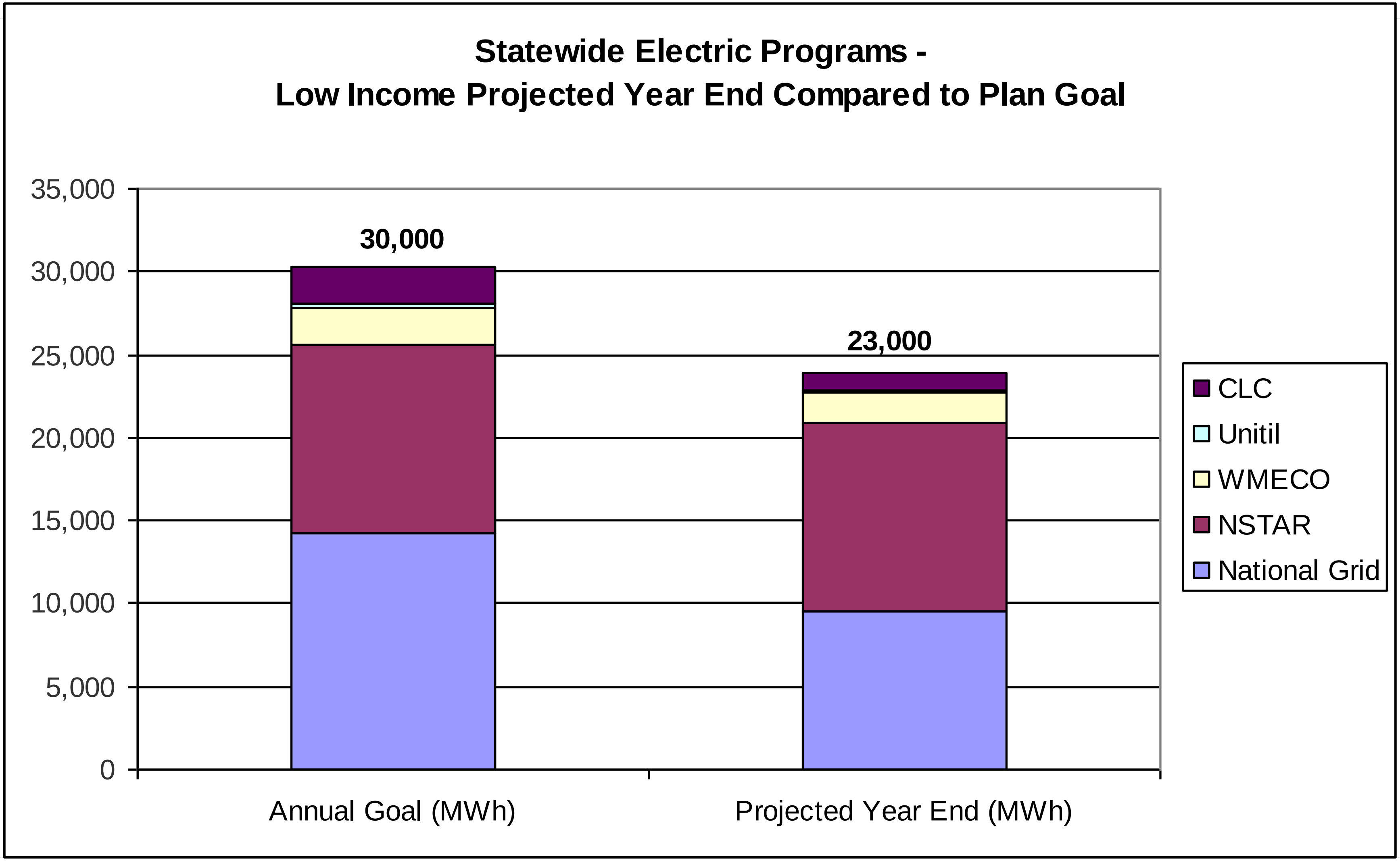


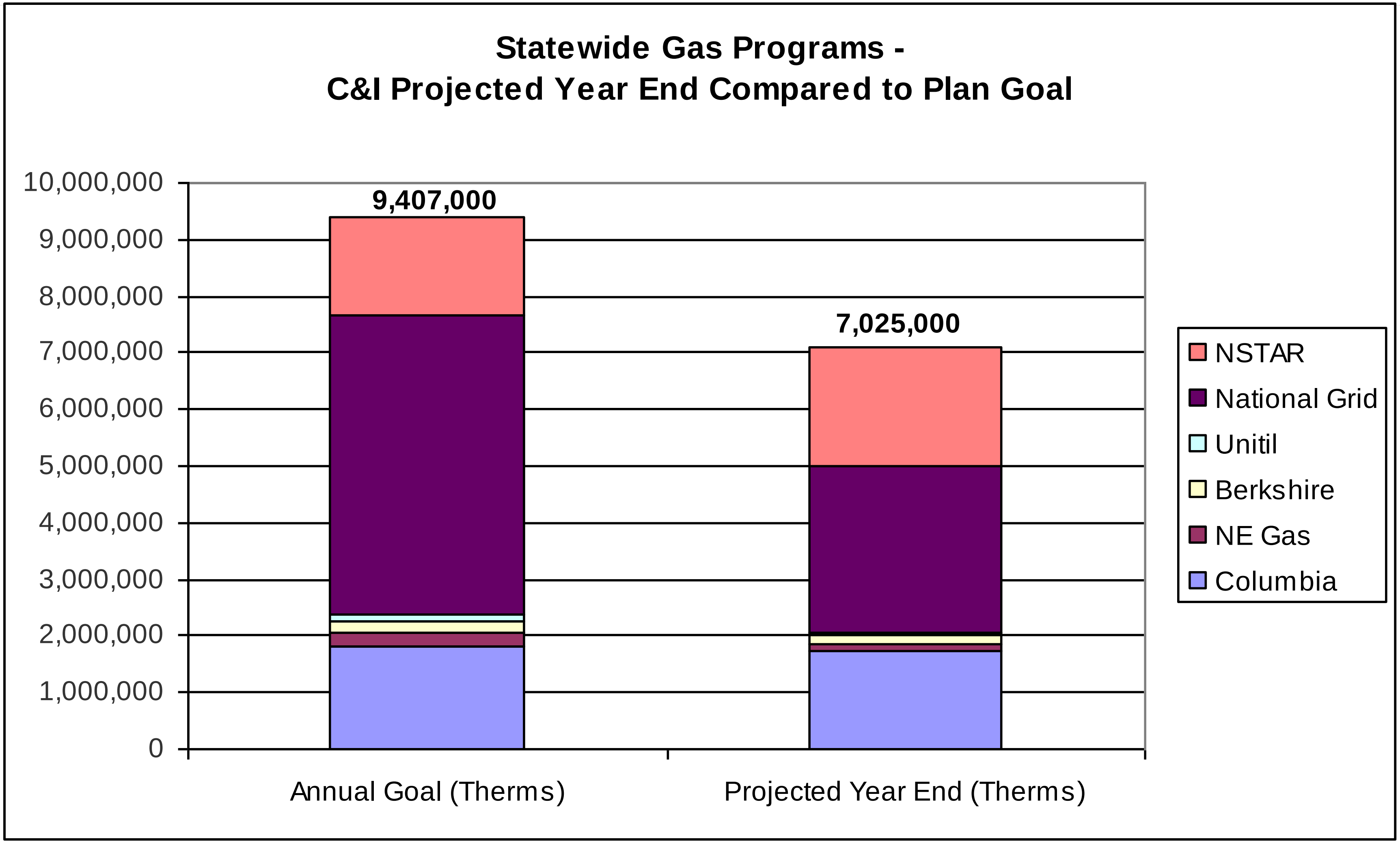
Statewide Electric Programs -
All Sectors Projected Year End Compared to Plan Goal
1,000,000
900,000
800,000
700,000
600,000
500,000
400,000
300,000
200,000
100,000
0
907,000
842,000
Annual Goal (MWh)
Projected Year End (MWh)
CLC
Unitil
WMECO
NSTAR
National Grid

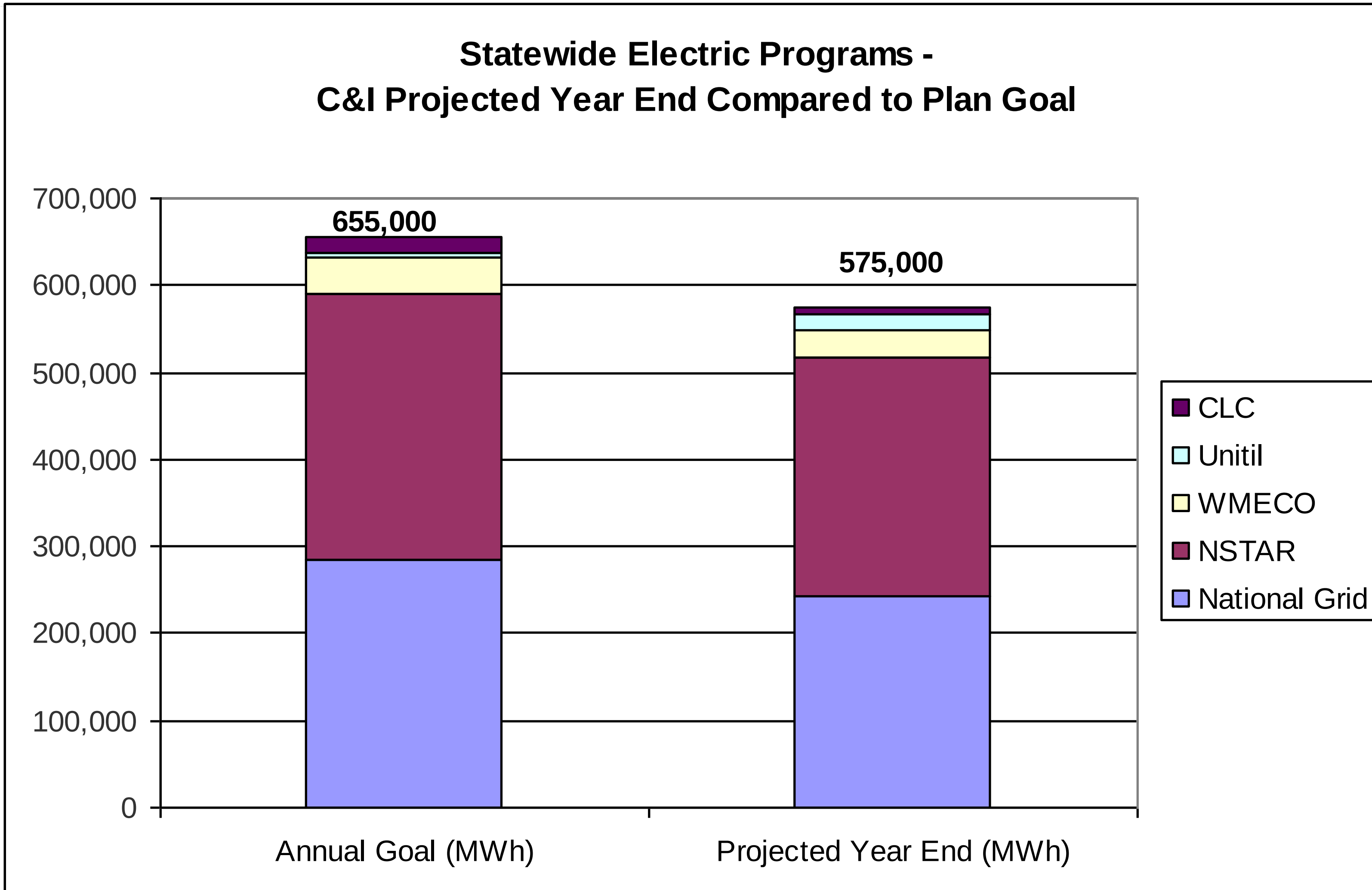

Statewide Gas Programs -
Residential Projected Year End Compared to Plan Goal
9,000,000
8,000,000
7,000,000
6,000,000
5,000,000
4,000,000
3,000,000
2,000,000
1,000,000
0
7,845,000
7,650,000
Annual Goal (Therms)
Projected Year End (Therms)
NSTAR
National Grid
Unitil
Berkshire
NE Gas
Columbia


Statewide Electric Programs -
Residential Projected Year End Compared to Plan Goal
300,000
250,000
200,000
150,000
100,000
50,000
0
221,000
242,000
Annual Goal (MWh)
Projected Year End (MWh)
CLC
Unitil
WMECO
NSTAR
National Grid

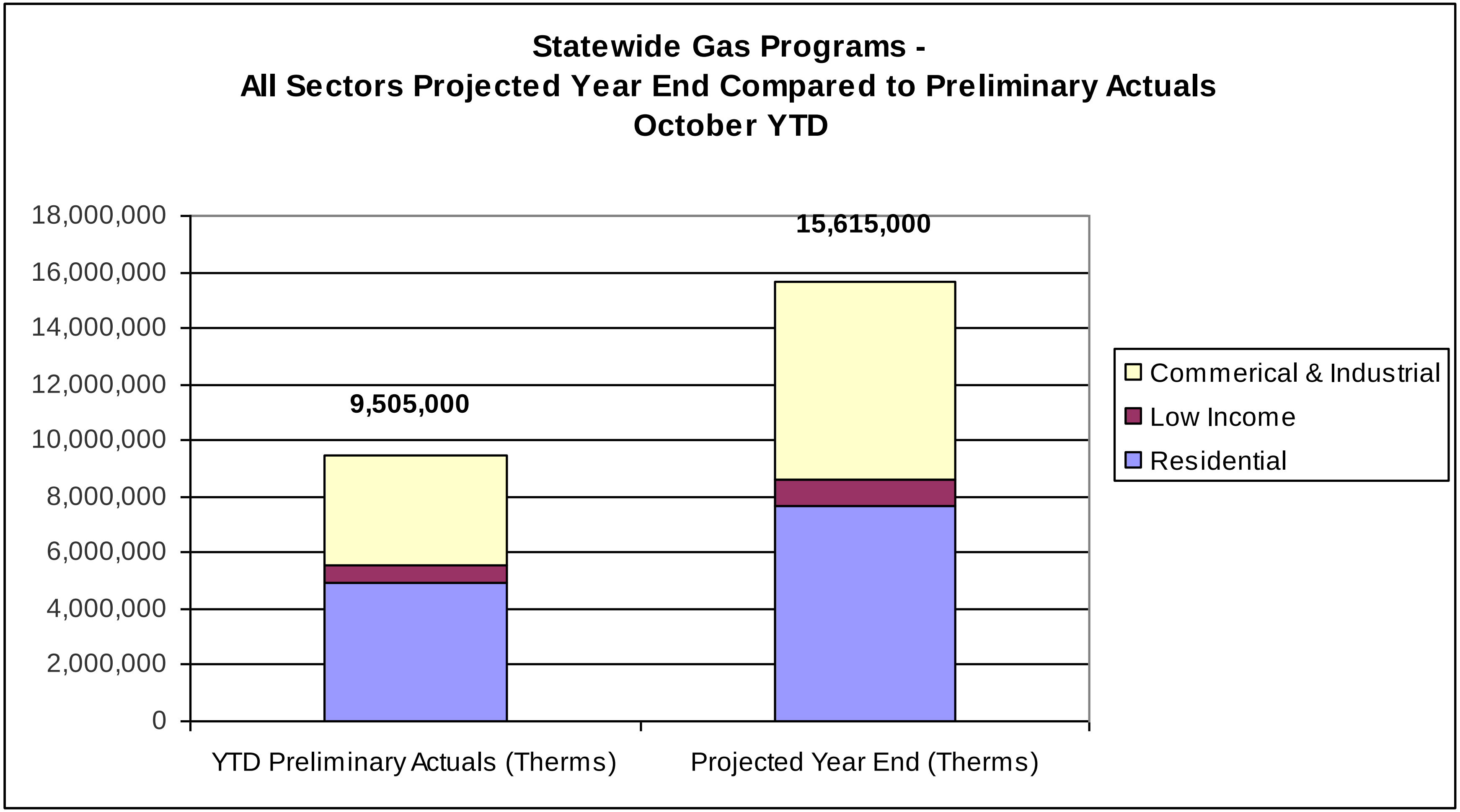

Statewide Gas Programs -
Low Income Projected Year End Compared to Plan Goal
1,200,000
1,000,000
800,000
600,000
400,000
200,000
0
1,095,000
940,000
Annual Goal (Therms)
Projected Year End (Therms)
NSTAR
National Grid
Unitil
Berkshire
NE Gas
Columbia

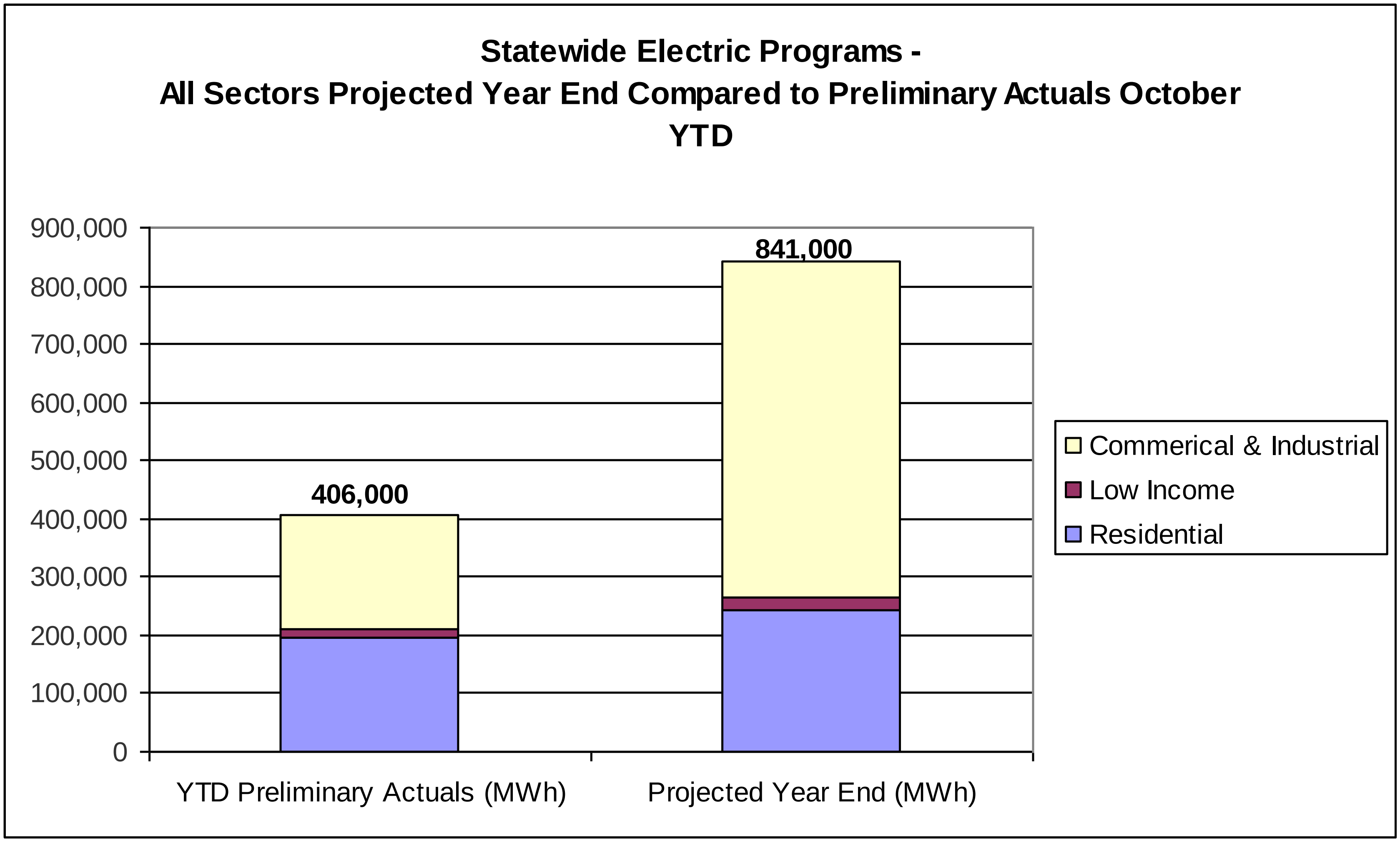

Statewide Electric Programs -
Low Income Projected Year End Compared to Plan Goal
35,000
30,000
25,000
20,000
15,000
10,000
5,000
0
30,000
23,000
CLC
Unitil
WMECO
NSTAR
National Grid
Annual Goal (MWh)
Projected Year End (MWh)


Statewide Gas Programs -
C&I Projected Year End Compared to Plan Goal
10,000,000
9,000,000
8,000,000
7,000,000
6,000,000
5,000,000
4,000,000
3,000,000
2,000,000
1,000,000
0
9,407,000
7,025,000
NSTAR
National Grid
Unitil
Berkshire
NE Gas
Columbia
Annual Goal (Therms)
Projected Year End (Therms)



Statewide Electric Programs -
C&I Projected Year End Compared to Plan Goal
700,000
600,000
500,000
400,000
300,000
200,000
100,000
0
655,000
575,000
CLC
Unitil
WMECO
NSTAR
National Grid
Annual Goal (MWh)
Projected Year End (MWh)


Statewide Gas Programs -
All Sectors Projected Year End Compared to Preliminary Actuals
October YTD
18,000,000
16,000,000
14,000,000
12,000,000
10,000,000
8,000,000
6,000,000
4,000,000
2,000,000
0
9,505,000
15,615,000
YTD Preliminary Actuals (Therms)
Projected Year End (Therms)
Commerical & Industrial
Low Income
Residential


Statewide Electric Programs -
All Sectors Projected Year End Compared to Preliminary Actuals October YTD
900,000
800,000
700,000
600,000
500,000
400,000
300,000
200,000
100,000
0
406,000
841,000
Commerical & Industrial
Low Income
Residential
YTD Preliminary Actuals (MWh)
Projected Year End (MWh)

APPENDIX A
Q3 Quantitative Report

Key Statewide Findings

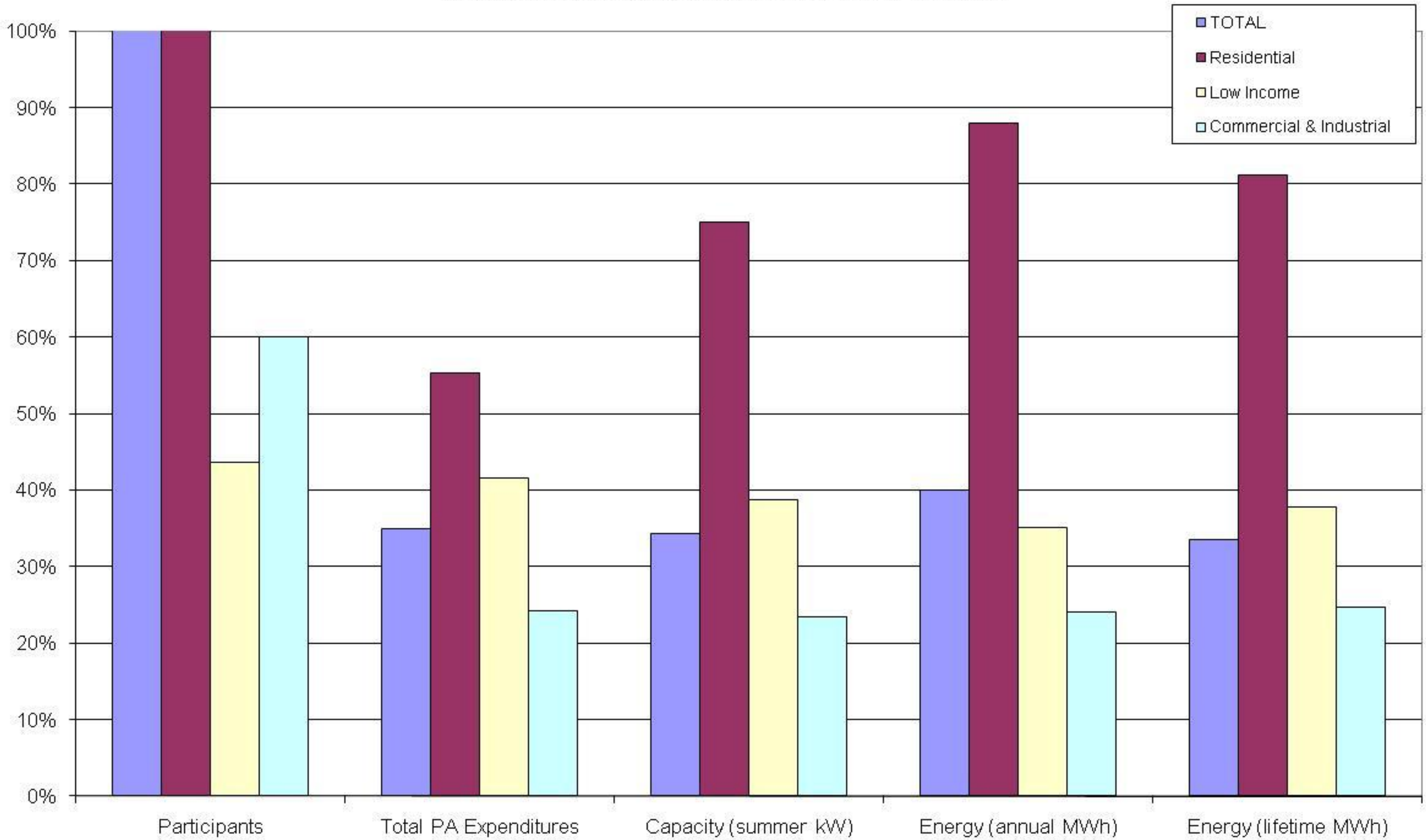
- Overall results:
  - Residential sector showing overall strong results for the third quarter
  - Low Income sector continues to pick up in Q3
  - C&I sector behind target; PAs are continuing to work with customers to complete projects before year-end
    - Note: savings are not counted until the project is fully completed
- Continuing to see increased activity in Q3

Electric Portfolio

Portfolio Summary – Statewide Electric

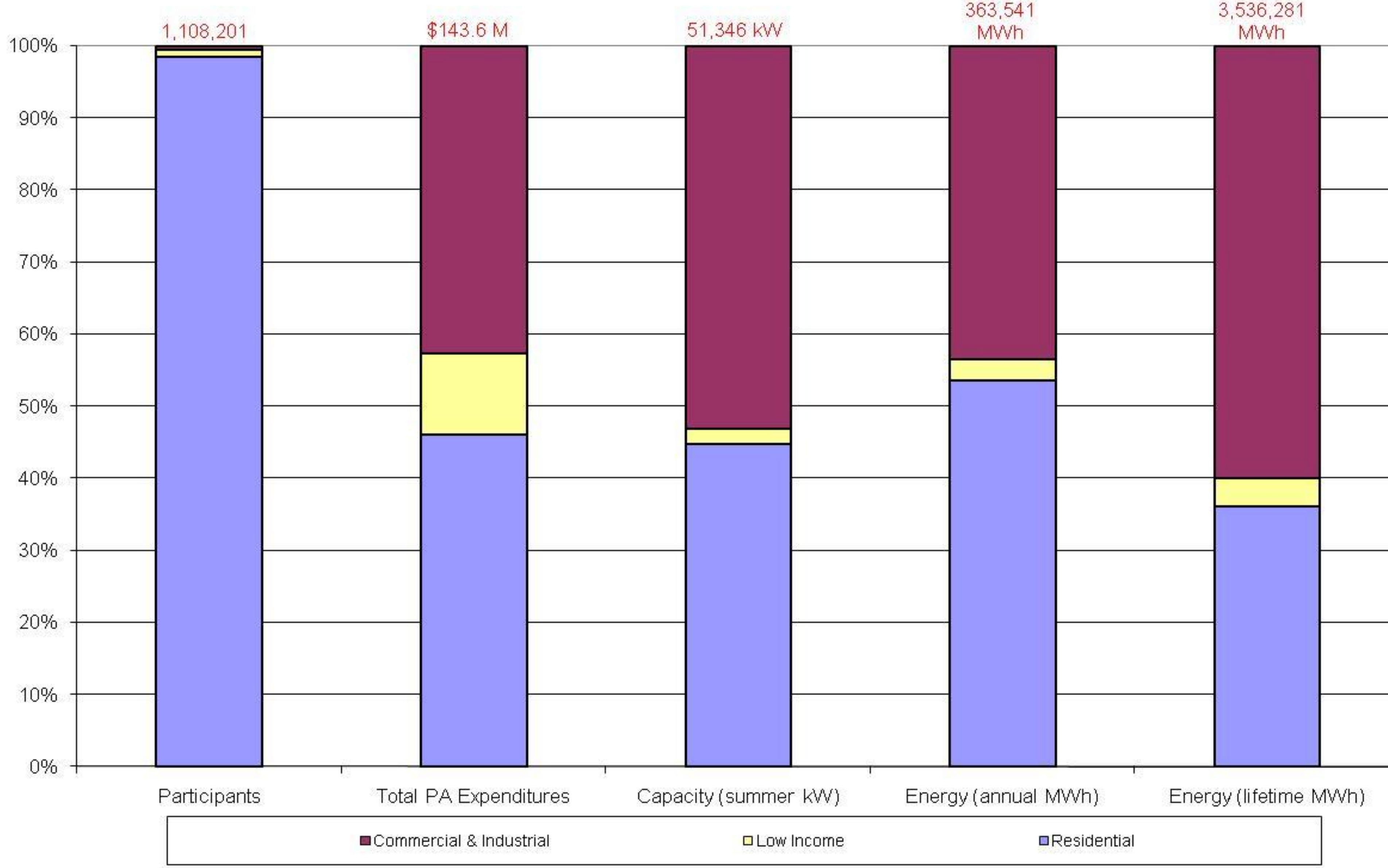
- Overall – Electric YTD (% of 2011 goal)
  - Participation - 100%
  - Spending - 35%
  - Capacity (summer kW) – 34%
  - Energy (annual MWh) - 40%
  - Energy (lifetime MWh) - 34%
- Costs and savings tracking well together
- Participation percentage and percentage of lifetime MWh goal affected by Behavior/Feedback programs

Statewide Electric Programs - Q3, 2011
YTD Preliminary Actuals as a Percent of Plan Goal



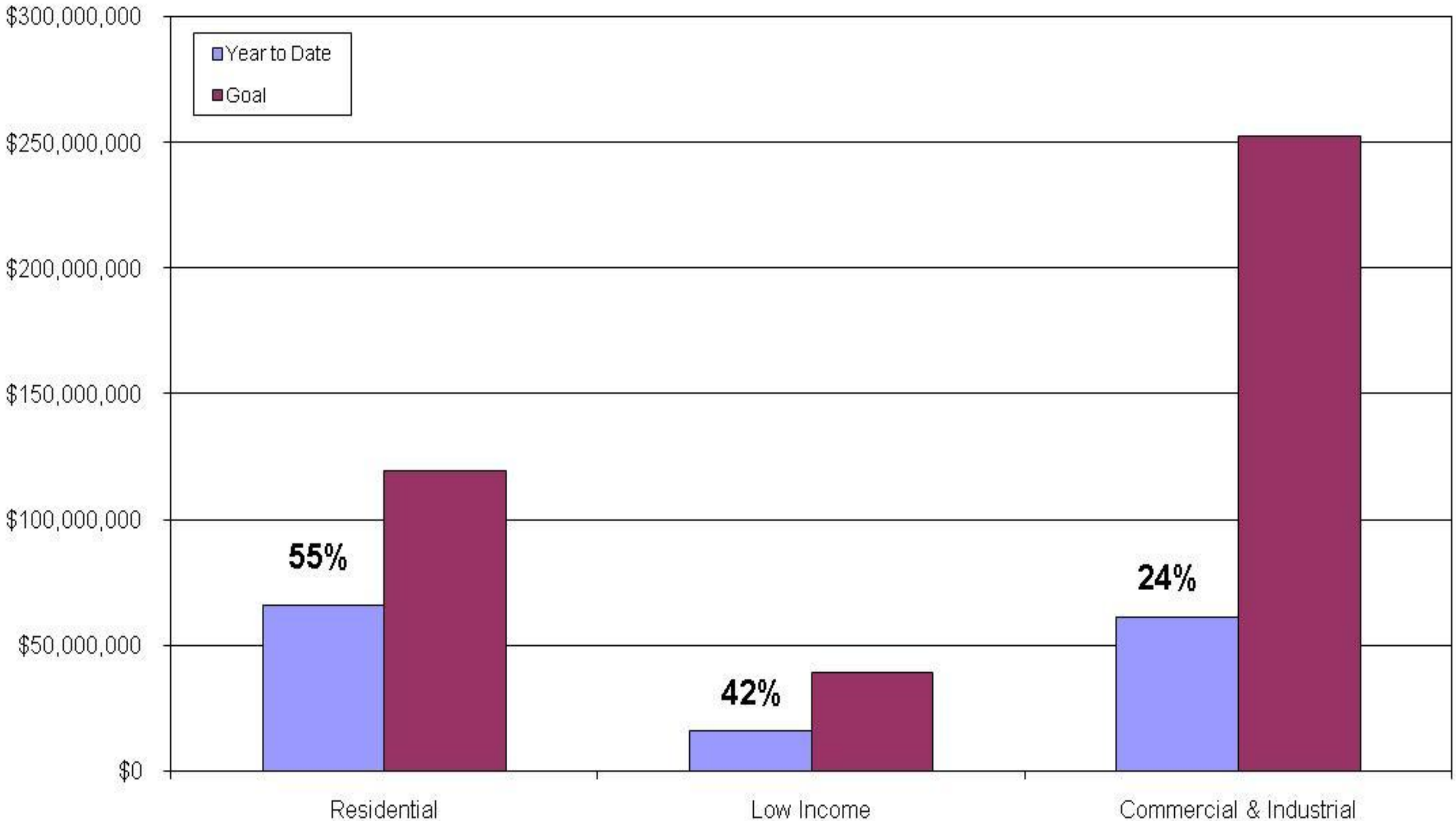
NOTES: This data is preliminary and subject to revision and check. Costs and savings will not align until year end and it is important to understand that savings and costs fo not accrue linearly throughout the program year.

Statewide Electric Programs - Q3 2011
Sector Contributions to YTD Costs and Savings



NOTES: This data is preliminary and subject to revision and check. Costs and savings will not align until year end and it is important to understand that savings and costs fo not accrue linearly throughout the program year.

Statewide Electric Programs - Q3, 2011
YTD Preliminary Costs as compared to Plan Budget



NOTES: Costs are those booked for PPA, Marketing, Customer Incentive, STAT, and Evaluation. This data is preliminary and subject to revision and check.

Gas Portfolio

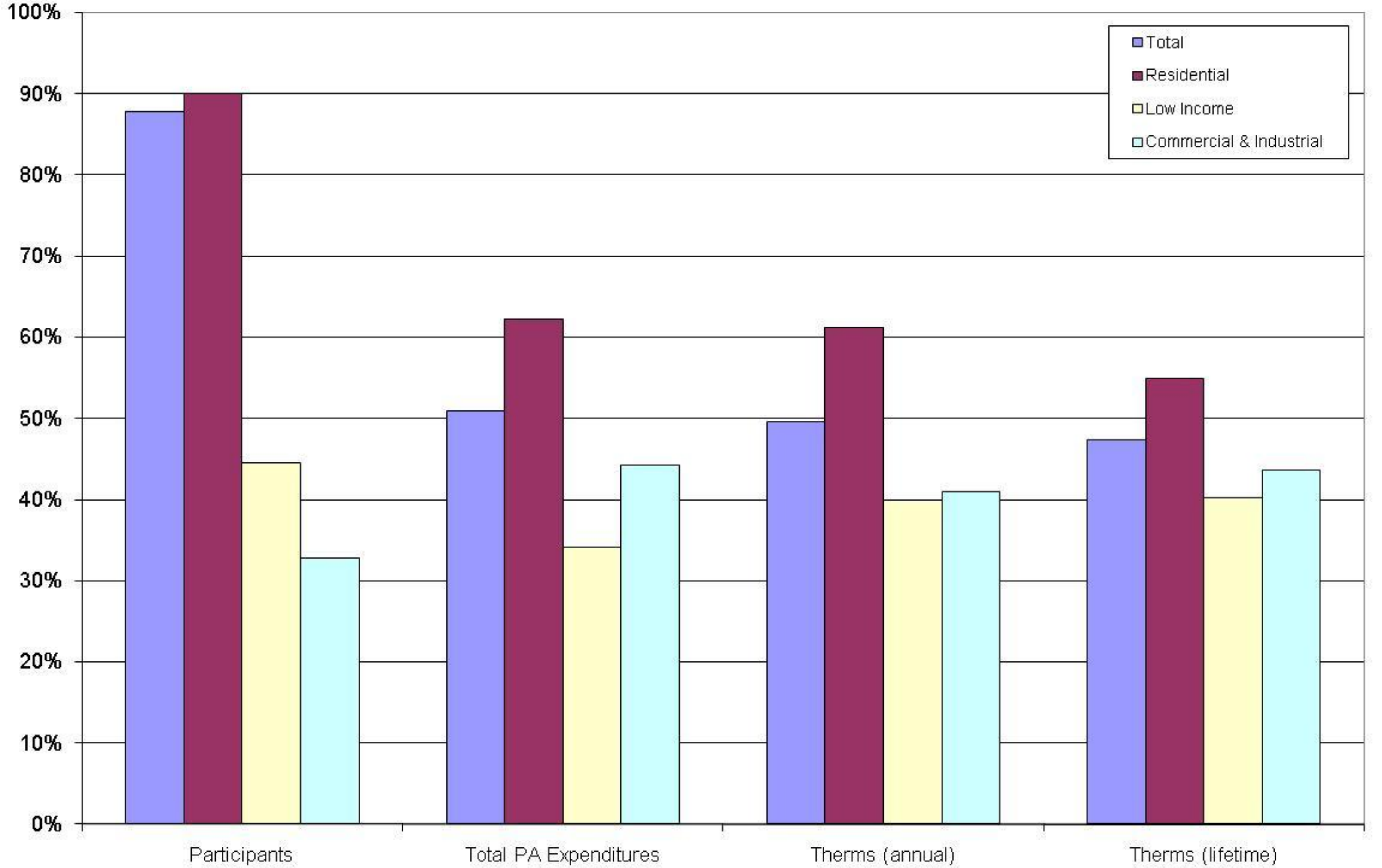
mass save
Savings through energy efficiency

Portfolio Summary – Statewide Gas

- Overall – Gas YTD (% of 2011 goal)
  - Participation - 88%
  - Spending - 51%
  - Savings (annual Therms) - 50%
  - Savings (lifetime Therms) - 47%

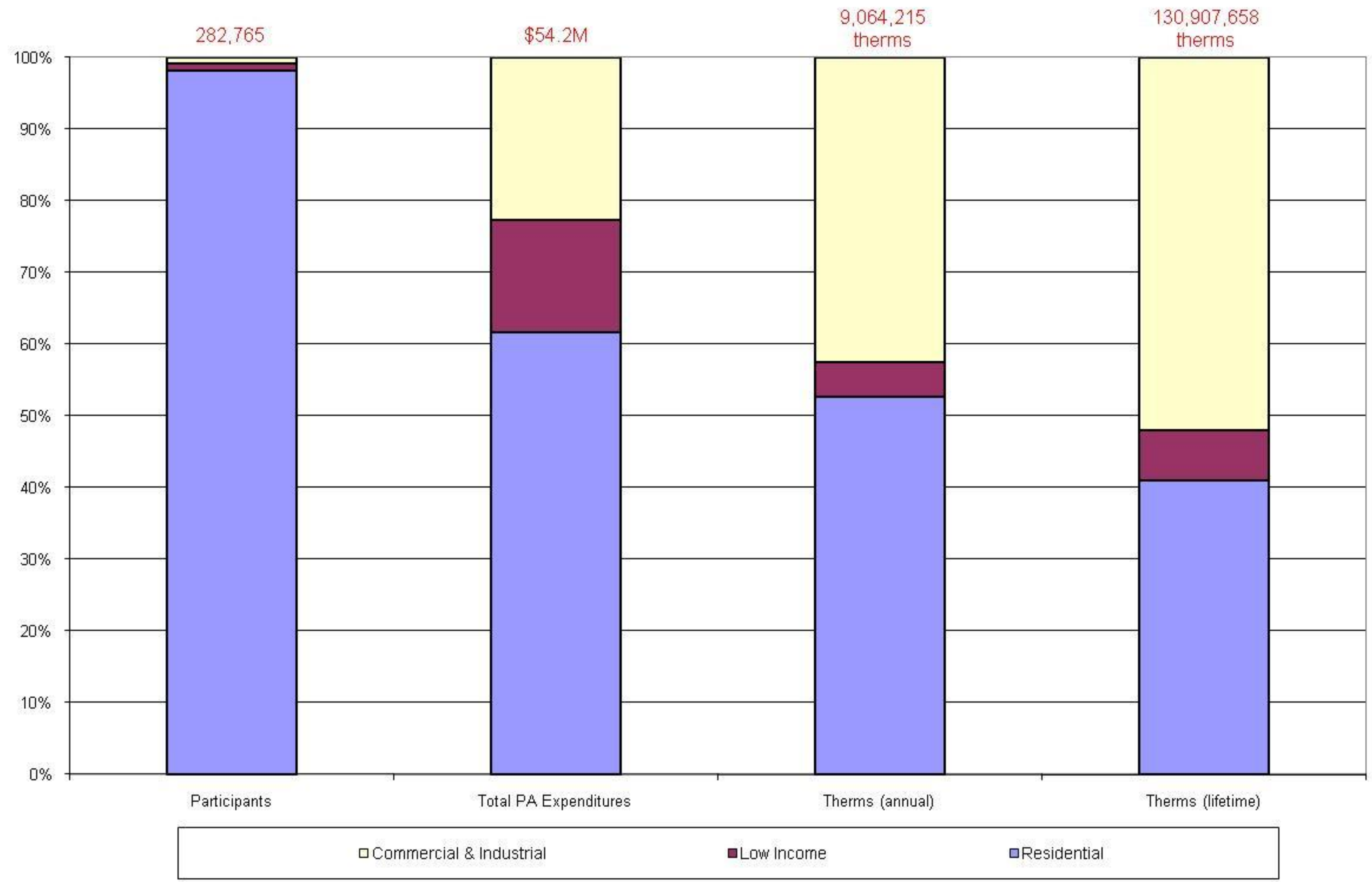
- Costs and savings tracking well together
- Participation percentage affected by Behavior/ Feedback program

Statewide Gas Programs - Q3, 2011
YTD Preliminary Actuals as a Percent of Plan Goal



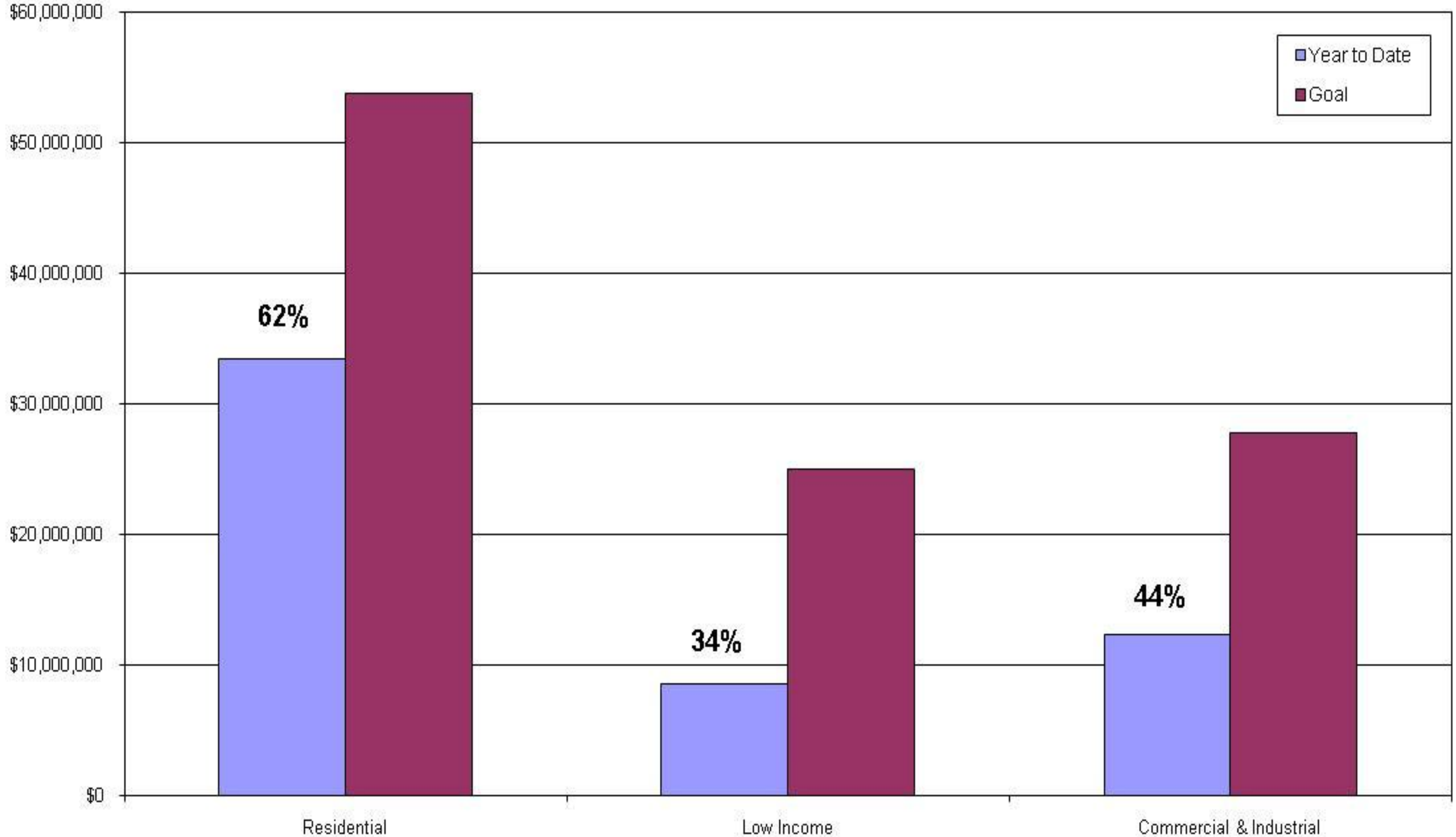
NOTES: This data is preliminary and subject to revision and check. Costs and savings will not align until year end and it is important to understand that savings and costs do not accrue linearly throughout the program year.

Statewide Gas Programs - Q3, 2011
Sector Contributions to YTD Costs and Savings



NOTES: This data is preliminary and subject to revision and check. Costs and savings will not align until year end and it is important to understand that savings and costs fo not accrue linearly throughout the program year.

Statewide Gas Programs - Q3, 2011
YTD Preliminary Costs as compared to Plan Budget



NOTES: Costs are those booked for PPA, Marketing, Customer Incentive, STAT, and Evaluation. This data is preliminary and subject to revision and check.

Sector Results

Residential Programs

- Electric
  - Participation - 102%
  - Spending - 55%
  - Capacity (summer kW) – 75%
  - Energy (annual MWh) - 88%
  - Energy (lifetime MWh) - 81%
- Gas
  - Participation - 90%
  - Spending - 62%
  - Savings (annual Therms) - 61%
  - Savings (lifetime Therms) - 55%

Participant numbers reflect behavior programs.

Residential Gas HEHE (revised) showing strong demand.

Residential Lighting (including high LED response), Appliances and New Construction, are on target.

PAs continue to focus on integration in all programs, with a special emphasis on Multifamily Retrofit Program across the state.

Home Performance Contractor training model rolled out in Q3.

Low Income Programs

- Electric
  - Participation - 44%
  - Spending - 42%
  - Capacity (summer kW) – 39%
  - Energy (annual MWh) - 35%
  - Energy (lifetime MWh) - 38%
- Gas
  - Participation - 44%
  - Spending - 34%
  - Savings (annual Therms)-40%
  - Savings (lifetime Therms)-40%

Strong results noted in electric Low Income New Construction program for some PAs

Interest in Multifamily is high – increased activity in Q3 and expected to increase in Q4

C&I Programs

- Electric
  - Participation - 60%
  - Spending - 24%
  - Capacity (summer kW) – 23%
  - Energy (annual MWh) - 24%
  - Energy (lifetime MWh) - 25%
- Gas
  - Participation - 33%
  - Spending - 44%
  - Savings (annual Therms)-41%
  - Savings (lifetime Therms)-44%

C&I Programs historically are initiated in Q1 & Q2; completion of projects are now being realized

Results vary for different programs and PAs; economic conditions are creating customer uncertainty

Continued emphasis on Integration, MBA Financing, CHP and major projects

Increased interest in multi-year projects

APPENDIX B
Data Dashboard
YTD through October 31, 2011

Data Dashboard
YTD Sector Data through October 31, 2011

- PAs continue to make progress on challenging 2011 goals; strong participation, but below goal for savings and spending
- Overall – Electric YTD (% of 2011 goal)
  - Energy (annual MWh) - 40% in Q3 to 45% through October
  - Energy (lifetime MWh) - 34% in Q3 to 40% through October
- Overall – Gas YTD (% of 2011 goal)
  - Savings (annual Therms) - from 50% in Q3 to 52% through October
  - Savings (lifetime Therms) – from 47% in Q3 to 51% through October
- Electric C&I sector continuing to make substantial progress each month