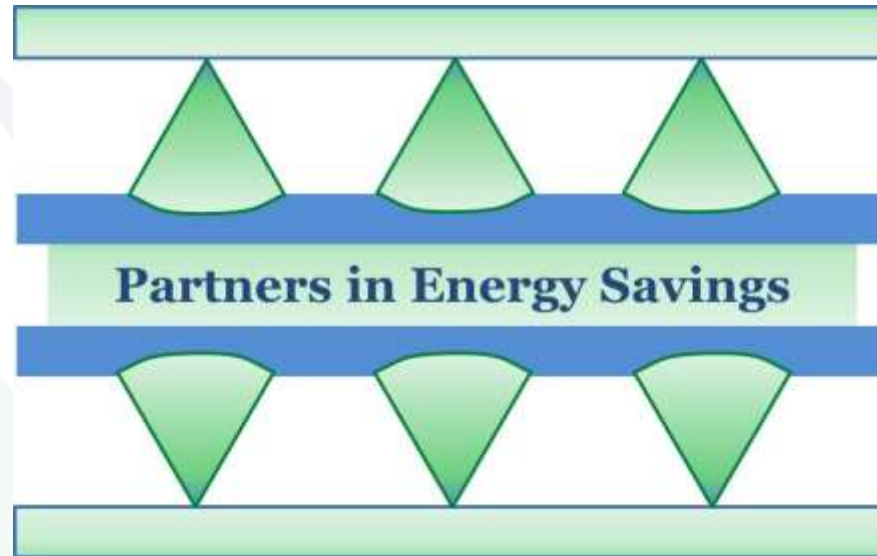


8th Annual Rocky Mountain Utility Efficiency Exchange

Building Successful Partnerships — Lessons Learned from the PIES Experience

Collaboration Members





Partners in Energy Savings (PIES)

Collaboration Members

- SourceGas
- Atmos Energy
- Colorado Natural Gas
 - Eastern Colorado Utility Co.
- Since 2009

ExcessIsOut.com

excess is out™



Since 2009, the three natural gas utilities have worked collaboratively to deliver a comprehensive energy efficiency program portfolio for their customers in Colorado.

This presentation will highlight the successes and identify the challenges of tailoring program offerings to meet the needs across three different utility service territories.

- Small utilities face unique set of challenges in designing and implementing demand-side management programs
 - Typically, emphasis on rules and evaluation is on large utilities
- Innovative solution
 - Strategic partnership
- **Desired result is greater program participation and cost-savings, compared to what otherwise could be achieved with each utility acting independently**

Energy Efficiency Programs:

- Energy Assessments
- Natural Gas Rebate Program
- Income Qualified Program including Weatherization/Kits
- Energy Efficiency Kits
 - Hot Water Savings Kits
 - School Kits
- Custom

PIES Natural Gas Rebate Program Measures



Air Sealing

Attic Insulation

Boiler (85%-94.9%)

Boiler (95%)

Boiler - Proper Sizing

Crawlspace/Basement Insulation

Floor Insulation

Furnace

Furnace Maintenance

Furnace - Proper Sizing

Infiltration

Programmable Thermostat - Direct Install

Programmable Thermostat - Self-Install

Wall Insulation

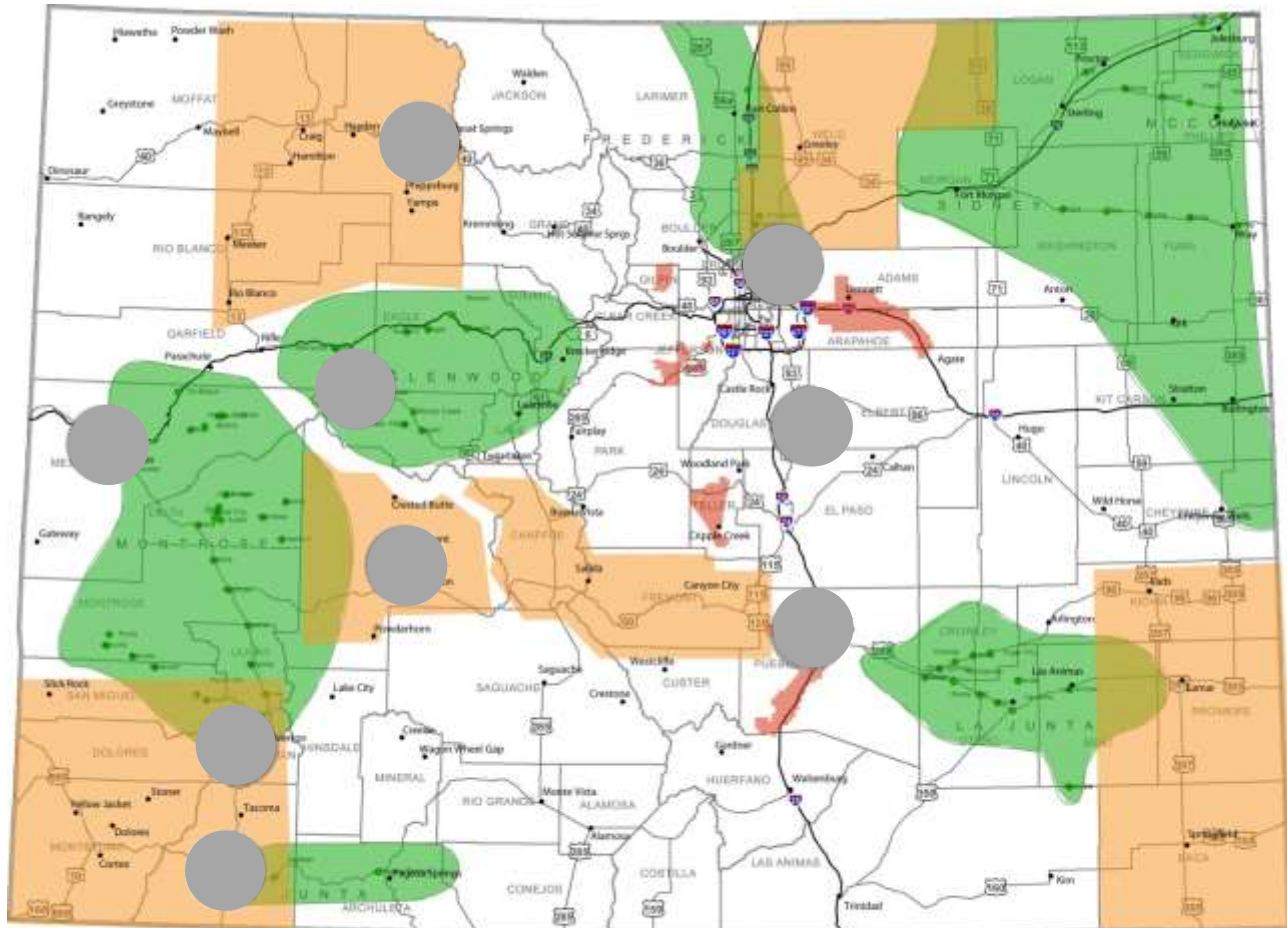
Water Heater (Tankless)





Benefits associated with this collaboration include:

- Economies-of-scale
- Similar Program Protocols
- Integrated, consistent training on program protocols, guidelines, and installation best practices
- Channeling more funds for Rebate Incentives

- Strength
 - Sharing costs, administration, and lessons
- Weakness
 - Non-contiguous service areas; difference in customer profiles
- Opportunity
 - Analyze the data, serve customers more effectively
- Threat
 - Cost overruns and ambitious goals

PIES Service Territories & Energy Raters



-  CNG Territory
-  Source Gas Territory
-  Atmos Territory
-  Energy Rater Location

PIES Territories



Shared Outside Services



Shared Vendors

- EGIA
 - Rebate processor
- CORE / Energy Smart
 - Energy Assessment
- Energy Outreach Colorado
 - Income Qualified
- Mesa Point
 - Custom
- Apex Analytics
 - Reporting and Planning
- Johnson Consulting
 - M & V
- AM Conservation
 - Hot Water Savings Kits
- Resource Action Programs
 - School Kits
- Blue Onion
 - Marketing

Expenditures



- Variable Costs allocated by customer count
- Fixed Costs spread evenly among the three utilities
- Contracts with vendors are individual to utility's agreement but RFPs and terms are agreed upon by all three partners

- The PIES group has utilized the online application rebate process for two years
 - Ability to continuously monitor rebate budgets ensuring that we don't have an overrun
 - Challenge due to providing a single method of rebate application
 - Most problems solved by customer speaking with a customer service agent when they don't have access to a computer or internet

- Recent Improvements due to Lessons Learned:
 - Complete revamp of the “Excess is Out” website
 - Improved, streamlined approach to the rebate application process
 - Refresh marketing materials such as brochures and commercials
 - Contracted with new Energy Assessment administrator with similar geography and connections
 - Additional incentive dollars on some prescriptive rebate measures if the customer followed through on the assessment recommendations

- Good customer satisfaction ratings
 - But awareness scores still low in certain areas
- Climate differences among the service areas create varying net energy saving estimates
- Unlinked program databases create tracking gaps
- Some contractor dissatisfaction due to application processing issues

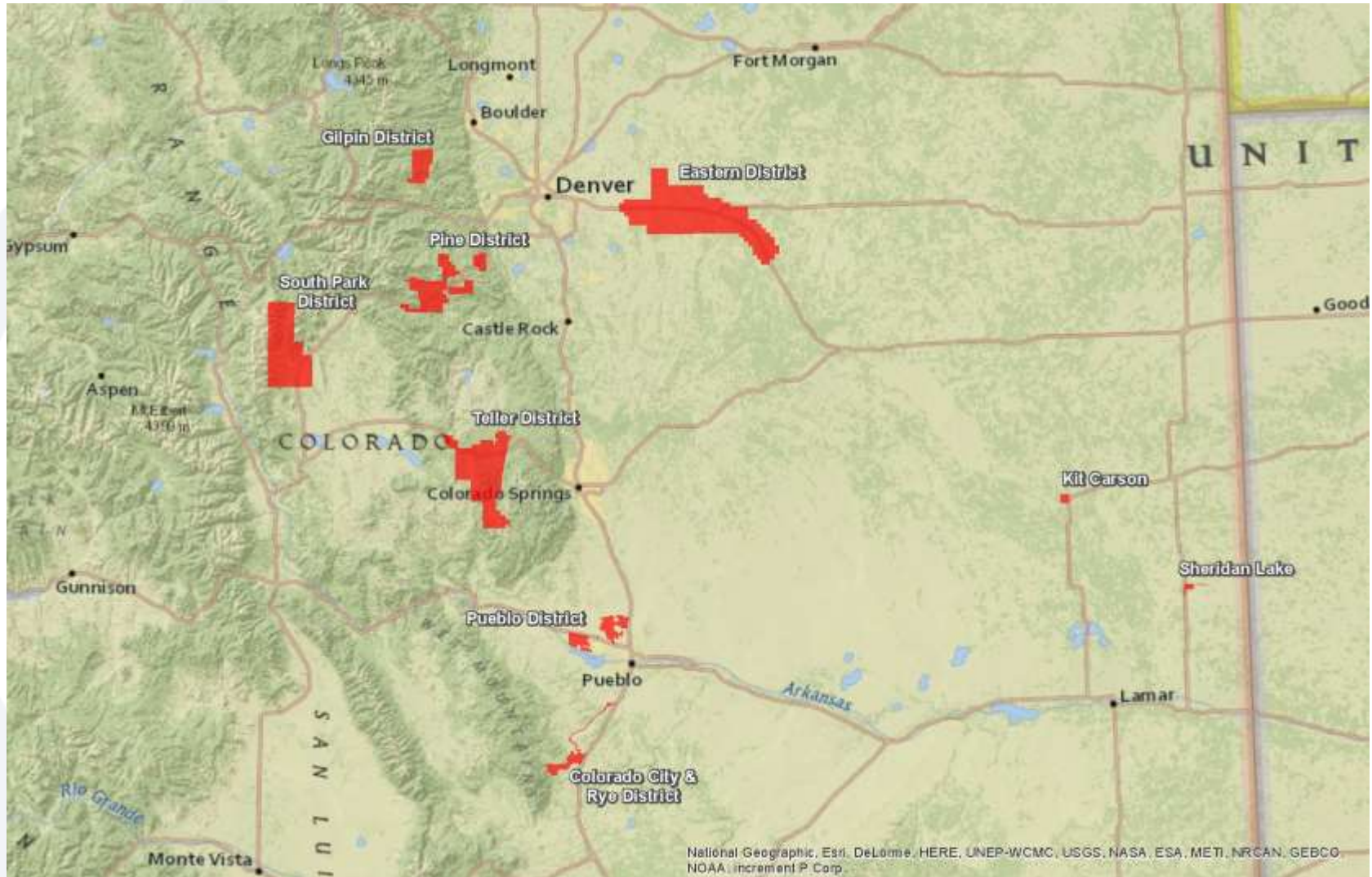
Colorado Natural Gas

- 2014 Budget and Goals
 - \$250K
 - 5000 Dth
 - 750 Participants
- 2013 Budget and Goals
 - \$240K
 - 12,416 Dth
 - 1,802 Participants

- Founded in 1997 to provide natural gas service to the mountain communities west of Denver and Colorado Springs
- Serve over 20,000 customers in Colorado
- Over 1,200 miles of natural gas mains installed

- Planning and goals can't be applied as a portion of the total collaboration. Participation and Energy Savings goals need to be customized.
 - Example: CNG Energy Assessment goals were reduced by 50% from 2013 to 2014 after the next triennial plan had been vetted based on past performance
 - Income Qualified program has performed well by exceeding projected energy savings. In the fourth quarter of 2013, increased the cap on the single-family program for the effect of more financial benefit per customer and to align the energy savings with incentives

Colorado Natural Gas Service Territory



2014 Pro Challenge Program Ad



**A TUNED BIKE CAN SAVE
YOU MINUTES, A TUNED
HOME CAN SAVE YOU
HUNDREDS.**

Colorado Natural Gas offers huge rebates and programs to help you reduce excess energy and save you big money!

For a home energy evaluation call **855.372.5064** or visit **ExcessIsOut.com** for a full list of upgrades and rebates.



SourceGas

- 2014 Budget and Goals
 - \$779K
 - 22,000 Dth
 - 1,804 Participants
- 2013 Budget and Goals
 - \$795K
 - 30,000 Dth
 - 2,649 Participants

- Serve approximately 92,000 sales customers in Colorado territory
 - 86% Residential with 61% of load
 - 12% Small Commercial with 16% of load
 - 2% Large Commercial with 22% of load
 - 0.34% Seasonal with 2% of load
- Customers and Load by Region
 - Western Slope – 61% customers, 68% load
 - Southwest – 6% customers, 4% load
 - Arkansas Valley – 11% customers, 9% load
 - North Central – 15% customers, 12% load
 - North Eastern – 7% customers, 7% load

Program participation by Area (2011- June 2014)

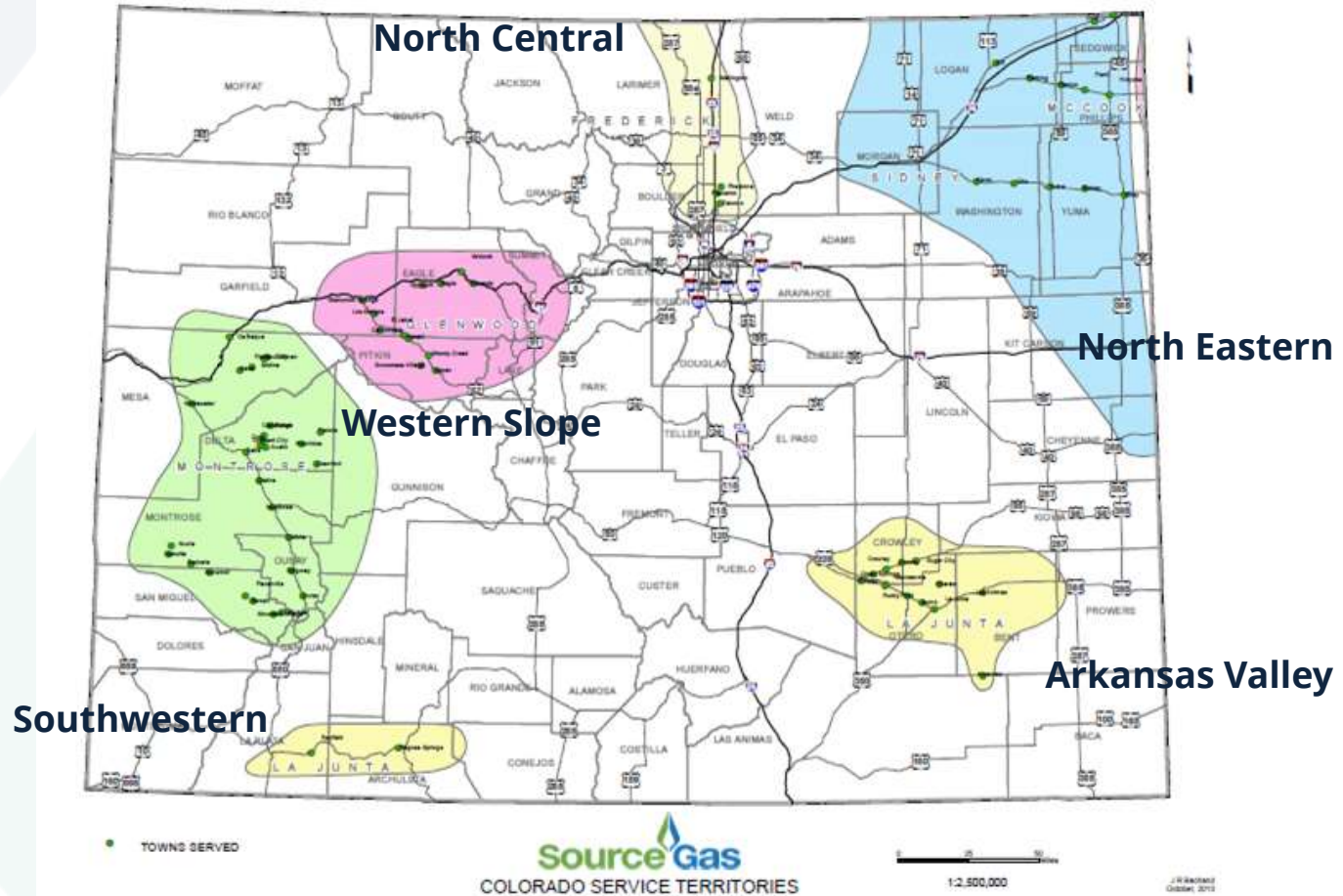
- Energy Assessment
 - Western Slope – 98.83%
 - North Central – 1.17%

- Prescriptive Rebate
 - Western Slope – 50%
 - Southwest – 2%
 - Arkansas Valley – 4%
 - North Central – 36%
 - North Eastern – 8%

- Low Income
 - Western Slope – 75%
 - Southwest – 0%
 - Arkansas Valley – 19%
 - North Central – 2%
 - North Eastern – 4%

- School Kits
 - Western Slope – 41%
 - North Central – 41%
 - North Eastern – 18%

SourceGas Service Territory - Colorado



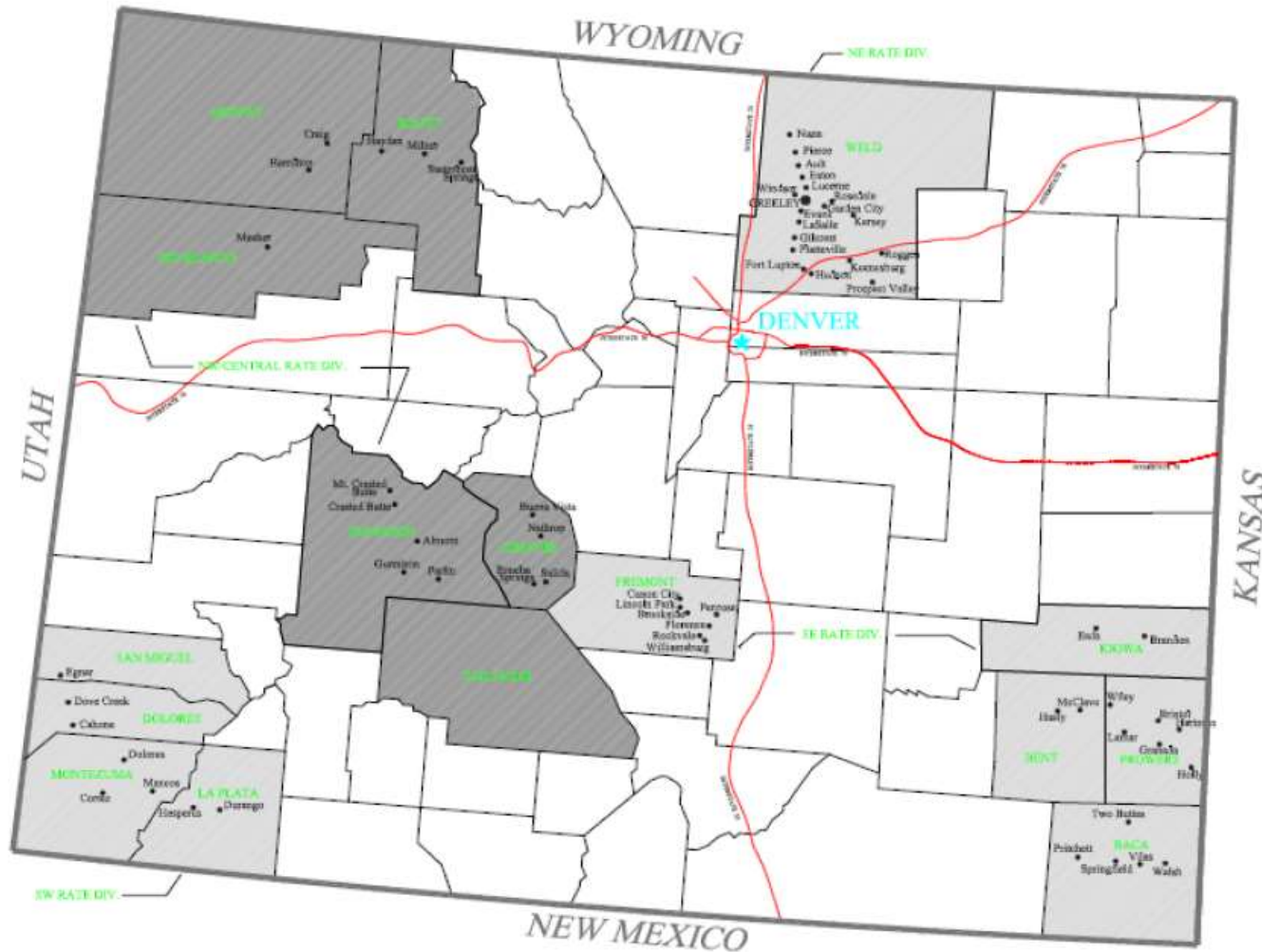
Confidential

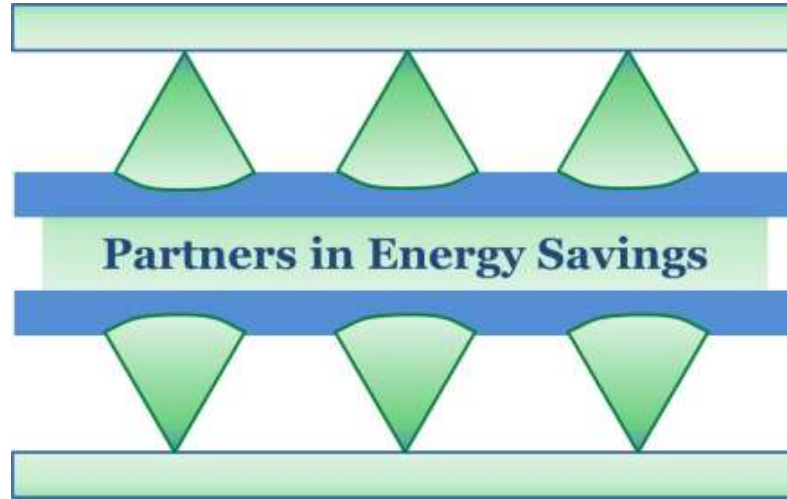
- Maintaining and maximizing trade allies
 - Contractor workshops
 - Community events
 - Contests and initiatives
- Progress
 - Employee education
 - Customer awareness
 - Creative marketing

Atmos Energy

- 2014 Budget and Goals
 - \$606k
 - 18,929 Dth
 - 1,955 Participants
- 2013 Budget and Goals
 - \$718k
 - 16,385 Dth
 - 2,365 Participants

- Serve approximately 112,000 active gas customers in Colorado.
- Division Office in Denver and Greeley is the largest community served.
- Elevations of towns served range from 11,000' to 3,800', from Sky Resorts to Agriculture.





Questions?