

**➤ Energy Savings Kit Product  
Summary of 60-Day notice**

Public Service proposes this 60-Day notice to modify energy savings for the Energy Savings Kit Product. After the 2012/2013 Plan was re-filed on February 28, 2012 containing all the program changes from the settlement, the Company received updated information for this product’s deemed savings. There are no changes to the product description as a result of this notice, however the program description has been attached to this notice for reference purposes. The following are the proposed changes:

1. Update the technical assumptions of the High Efficiency Showerhead measure within the Energy Savings Kit Product to reflect the same technical assumptions for the Company’s Energy Efficient Showerhead Product.
2. Update the technical assumptions to reflect a more accurate split of fuel types. When the original plan was filed (August 2011), the Company included in the technical assumptions a split of 85% of households have a gas water heater and 15% of the households have an electric water heater. The Company has recently received updated information that 89% of the households have a gas water heater and 11% of the households have an electric water heater.
3. In the forecast technical assumptions for the bathroom faucet aerator calculation the “high efficiency product consumption” field incorrectly referenced the savings of the measure rather than the consumption of the high efficiency measure thereby incorrectly lowering the savings for aerator from what they should have been. In the technical assumptions filed with this notice we are correcting this error. We are proposing adjusting the savings retroactively to January 1, 2012 and adjusting our forecasted savings for 2013, reflected in the table shown in this notice.
4. Update incremental capital costs for kit measures based on vendor pricing for 2012 and 2013.

The Company is not proposing to change or modify the file approved budgets or goals for this product, however, we anticipate the changes proposed in this 60-Day notice will result in a decrease of the 2012 forecasted electric spend by \$3,163 and an increase of the 2012 forecasted gas spend by \$12,328. In 2013 this proposal will result in a decrease of the electric spend by \$4,294 and an increase of the gas spend by \$11,856.

For both 2012 and 2013, the Net Gen kWh will decrease due to the reduced number of electric water heaters in the market. The Net Dth will increase due to the updated technical assumptions and the increased number of gas water heaters in the market.

**Electric**

<b>2012</b>	Budget	Net Gen kw	Net Gen kWh	MTRC
DSM Plan	\$647,664	301	5,195,061	2.64
2012 Forecasted	\$644,501	301	5,127, 994	3.15

**Gas**

<b>2012</b>	Budget	Net Dth	MTRC
DSM Plan	\$466,944	16,476	4.09
2012 Forecasted	\$479,272	23,692	5.43

**Electric**

<b>2013</b>	Budget	Net Gen kw	Net Gen kWh	MTRC
DSM Plan	\$510,957	194	3,497,334	2.20
2013 Forecasted	\$506,662	194	3,442,004	2.90

**Gas**

<b>2013</b>	Budget	Net Dth	MTRC
DSM Plan	\$494,467	13,593	3.62
2013 Forecasted	\$506,323	19,546	4.85

## ➤ Energy Savings Kit Product

### A. Description

The Energy Savings Kit Product will provide a bundle of home energy efficiency measures in a kit that can be distributed to low-income customers through direct mail campaigns and partnerships. The kits offer electricity and natural gas savings measures, as well as customer education to help lower customer bills and improve the comfort and safety of their dwellings.

Income-qualified customers will receive an offer through the mail informing them of their eligibility to receive a free Energy Savings Kit, what the contents are, and how much they could save if they install all the measures provided. If the customer chooses to receive a kit, they will send the business reply card, postage pre-paid, to the third party implementation vendor. Customers will receive a kit within 6-8 weeks, or on the next mailing cycle.

The Energy Savings Kits will include the following electric and natural gas efficiency measures:

- High Efficiency Showerhead (1.5 gpm)
- Kitchen Faucet Aerator (1.5 gpm)
- Bathroom Faucet Aerator (1.0 gpm)
- Four (4) Compact Fluorescent Bulbs- 14 Watt (60 Watt equivalent)
- Four (4) Compact Fluorescent Bulbs- 19 Watt (75 Watt equivalent)

### B. Goals, Participants & Budgets

#### Goals and Participants

The Company determined the number of kits to send out based on 2010 product performance and projections for possible participation in 2011. Participation for the 2012-2013 program years decreased due to the limited amount of income eligible customer data that the Company has access to. The kits in 2012-2013 will include two additional 19 Watt bulbs to maintain the same level of savings that were achieved in past years.

Energy savings goals for 2012-2013 included installation rates that occurred in the 2010 program.

#### Budgets

The Energy Savings Kit Product budgets for 2012-2013 are based on the number of participants and kits. The product budgets cover kit contents, education, production, distribution, and the fees from the third party implementation vendor.

### **C. Application Process**

Customers who have applied for LIHEAP funding, any energy assistance funding (including county assistance and fuel fund assistance), or LEAP funding, or other state assistance programs and live in Public Service's territory will be sent an offer via mail to qualify for the product. The third-party implementation vendor will track customer participation so that customers do not receive more than one kit. This tracking information will also be provided to Public Service on a regular basis.

### **D. Marketing Objectives, Goals & Strategy**

The overall objective of the product is to increase and expand education among the low-income customers on the importance of energy efficiency and the value of taking action to improve efficiency in their homes. Public Service will work with state and local agencies to obtain customer mailing lists to reach more customers annually. Included in the Energy Savings Kits will be program information regarding the Single Family Weatherization Product, encouraging the customer to take action to participate in other offerings available to them.

### **E. Product-Specific Policies**

In order to participate, customers must receive LIHEAP, LEAP, or any energy assistance funding (including county assistance and fuel fund assistance) or other state assistance programs. Public Service will explore in the future a method for allowing customers to self identify their income and allow customers slightly above the federal poverty level to participate. This would greatly expand the number of eligible customers and help individuals who are still struggling despite not meeting the income guidelines.

### **F. Stakeholder Involvement**

The Company will continue to work with local and state agencies to determine additional kit content needs.

### **G. Marketing Objectives, Goals & Strategy**

Public Service will fund 100% of the cost of the Energy Savings Kit. There will be no rebate provided to customers.