CT Comprehensive Energy Strategy

An Innovative Approach to Improve the Economics of Energy to Your Company

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The Comprehensive Energy Strategy brings down energy costs for residents & businesses

Governor Dannel Malloy: “Focusing on innovative approaches to energy efficiency – cost effective renewable power, smarter building management, and expanded use of low-cost natural gas, we are reducing consumer costs, making the state more competitive, and creating good jobs with good benefits.”

Connecticut’s Comprehensive Energy Strategy (CES)

Prepared by DEEP in coordination with:
- PURA
- Legislature
- DECD
- Numerous other stakeholders

Five Priority Areas:
- Energy Efficiency
- Industrial energy needs
- Electric Supply including renewables
- Transportation
- Natural Gas
2013 Comprehensive Energy Strategy

- **Energy Efficiency**
  - Increase CLM funding to capture all cost-effective CLM
  - Broader and deeper measures

- **Industry energy needs**
  - Energy efficiency, gas expansion, & clean energy options

- **Electricity supply**
  - Cheaper, cleaner, more reliable electricity

- **Transportation**
  - Infrastructure improvement and investment in clean fuels

- **Natural Gas Expansion**
  - Unique opportunity to expand natural gas distribution system
  - Required the Gas LDC’s to submit a Natural Gas Infrastructure Expansion Plan
  - Put CT on par with other states by raising the gas penetration from 30% to 50%
Benefits of Natural Gas

- **Economical** – About half the price of oil or propane. Gas equipment costs less to operate and increases your property value.
- **Low Maintenance** - Natural gas is cleaner, so less maintenance and repairs are required over the years.
- **Available** - Produced in North America, natural gas is delivered via in-ground pipe network with no delivery trucks.
- **Efficient** – 95% efficient
- **Environmental Benefits** – Cleanest burning fossil fuel, reduces emissions.
- **Reliable** - Always there, long equipment lifespan, guaranteed heat content.
- **Versatile** - Ideal for heating, hot water, cooking & manufacturing.
- **Quality of Life** - With no spills, or smoke and quieter running; natural gas creates a more comfortable environment.
The Region and CES

Increase Competitiveness and economic growth

- Level the playing field – Commercial and Industrial
- In heating and industrial manufacturing, Connecticut significantly lags surrounding states in the utilization of natural gas

30-35% - Connecticut
47% - Massachusetts
48% - Rhode Island
40+% - New England
50% - US
Benefits CES

Converting 300K residents and business to Natural Gas

- $2.8 billion savings over the next 20 yrs.
- Offers about 50% heating cost savings all sectors
- Reduce annual industrial customers bills -$25K/yr.
- Job creation - Statewide 7,000
Expansion Plan

Timeline
• June 14th - CNG, SCG and YG filed Joint Plan with DEEP and PURA
• DEEP provided comments July 16th
• Currently involved in PURA hearings and expect a Decision in November

Highlights
• Increased supply from gas transmission system and LNG upgrades
• 900 miles of new gas mains (many to ‘anchor loads’)
• 300,000 new gas customers over a ten year period
Infrastructure Expansion Plan

Gas LDC Recommendations

• A comprehensive and balanced plan for the systematic expansion of the gas distribution system
• Consistent with Public Act 13-298, a road map for gas expansion
• Extend Hurdle Rate Model, Eliminate hurdle rate for prospects less than 150‘main
• Ability to forecast future project conversions over 3 to 5 year period
• Portfolio view of projects
• Establish expanded project prioritization model which includes: societal benefits, economic activity, environmental benefits and economic development
• Financing options
• Funding from new gas tariffs – Shared Savings Rate and System Expansion Rate
SCG and CNG Growth Strategy with CES

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<th>Year</th>
<th>SCG &amp; CNG Projected Annual Change in Customer Count</th>
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Gas Company Territory Map

NATURAL GAS SERVICE AREAS
- Connecticut Natural Gas
- Southern Connecticut Gas
- Yankee Gas Service Company
- City of New York Dept. of Public Utilities

Source: Connecticut Natural Gas, Southern Connecticut Gas, and Yankee Gas
Is Gas Available?

Internal Customer Analysis & Mapping Tool
For More Information

- “Get Connected!” Initiative
  - [www.facebook.com/getconnectedct](http://www.facebook.com/getconnectedct)
  - [www.twitter.com/getconnectedct](http://www.twitter.com/getconnectedct)

- Energize Connecticut
  - [www.energizect.com/businesses](http://www.energizect.com/businesses)

- LDC Websites
  - [www.cngcorp.com](http://www.cngcorp.com)
  - [www.soconngas.com](http://www.soconngas.com)
  - [www.yankeegas.com](http://www.yankeegas.com)

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