

STATE OF NEW YORK

Public Service Commission

Garry A. Brown, Chairman

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NFG'S EFFICIENCY PROGRAM APPROVED

— Money Set Aside to Help Low-Income Households Weatherize, Residential Rebates —

Albany, NY—11/18/10—The New York State Public Service Commission (Commission) today approved, with modifications, National Fuel Gas Distribution Corporation's (NFG's) request to continue its \$10.04 million energy efficiency program which provides rebates to residential and non-residential customers who purchase and install energy efficient equipment, as well as offering assistance to low-income customers.

“The Commission is keenly interested to ensure energy efficiency takes hold in this region,” said Commission Chairman Garry Brown. “NFG's territory has a relatively high percentage of low-income customers, coupled with an aging housing stock and a climate that creates demand for low-income weatherization activities.”

In direct response to public comments, the Commission ordered \$200,000 be redirected to low-income and residential programs, as well as some \$100,000 in unspent outreach and education money. Furthermore, the Commission authorized changing the way non-residential customer incentives are calculated, readjusted rebates for residential space and water heating equipment, and required the reporting of zip code information for completed projects to determine which communities are being served.

Chairman Brown noted that the increased budget for the low-income portion of NFG's Conservation Incentive Program (CIP) program budget will now be \$3.04 million, which equals 30 percent of the total budget, a higher proportion than other low-income gas programs statewide. Eligible NFG ratepayers can also participate in the statewide low-income program, EmPower.

In light of the obvious need in NFG's service territory for energy efficiency and weatherization help, the Commission encouraged NFG and other Energy Efficiency Portfolio Standard (EEPS) program administrators to coordinate with other programs and funding sources in order to promote job creation and economic development to the extent such efforts do not detract from the program's ability to deliver energy savings.

The CIP will provide rebates to residential customers installing energy efficiency measures as adjusted under the following schedule:

CIP Residential Market Rebates 2009-2010

Equipment	Minimum Efficiency	Rebate
Hot Air Furnace	90% AFUE	\$250
Hot Air Furnace w/ECM	90% AFUE	\$350
Hot Water Boiler	85% AFUE	\$350
Steam Boiler	81% AFUE	\$200
Thermostat	Programmable	\$25
Indirect Water Heater	N/A	\$250

The CIP offers both pre-qualified rebates and customized, performance based rebates to non-residential customers. The pre-qualified rebates are based on a predetermined list of space heating, water heating and cooking equipment. Additional measures such as pipe insulation, control system upgrades and flue gas economizers are also eligible. The Commission has modified the custom rebates to be the lesser of \$15/Dt multiplied by the energy consumption savings, or \$25,000.

The Commission's decision today, when issued, may be obtained by going to the Commission Documents section of the Commission's Web site at www.dps.state.ny.us and entering Case Number 07-G-0141 in the input box labeled "Search for Case/Matter Number." Many libraries offer free Internet access. Commission orders may also be obtained from the Commission's Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500).