CONSERVATION INCENTIVE PROGRAM
Quarterly Program Status Report
And Annual Report of
Program Results through September 30, 2010
Case 07-G-0141
Submitted to the New York State Department of Public Service
November 15, 2010

National Fuel Gas Distribution Corporation
6363 Main Street
Williamsville, NY 14221

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National Fuel Gas Distribution Corporation
New York Division
Case 07-G-0141

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I. Introduction

A. Case History

On September 20, 2007 the Commission issued its Order Adopting Conservation Incentive Program ("CIP Order")[1] for National Fuel Gas Distribution Corporation ("Distribution" or "Company"). The CIP Order required, among other things, that the Company submit its timetable for the implementation of the 2007-08 Conservation Incentive Program ("CIP") by October 1, 2007, (CIP Order, Page 13, Ordering paragraph 2). Distribution submitted a timetable on October 1, 2007. Included in the timetable was an entry for the submission of an initial report to the New York State Department of Public Service including a program description and measurement and verification ("M&V") plan by November 30, 2007, ("initial report"), as well as quarterly status reports beginning May 30, 2008.

On October 19, 2009 the Commission issued its Order Approving The Continuation of National Fuel Gas Distribution Corporation's Conservation Incentive Program With Modifications ("2009 CIP Order")[2]. The 2009 CIP Order, among other things, modified certain aspects of the Company's CIP. The Company filed a reporting timeline in its CIP Evaluation plan submitted to the Commission on December 15, 2009. This report is the Program Annual Report for program results through September 30, 2010 identified in the CIP Evaluation plan timeline.

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[1] Case 07-G-0141 - Proceeding on the Motion of the Commission as to the Rates, Rules, and Regulations of National Fuel Gas Distribution Corporation for Gas Service, Order Adopting Conservation Incentive Program, issued and effective September 20, 2007.

[2] Case 07-G-0141 - Proceeding on the Motion of the Commission as to the Rates, Rules, and Regulations of National Fuel Gas Distribution Corporation for Gas Service, Order Approving The Continuation of National Fuel Gas Distribution Corporation's Conservation Incentive Program With Modifications, issued and effective October 19, 2009.

B. Report Overview

This report summarizes the status of the Company's CIP as of September 30, 2010. Included in this report is an update of the status of the M & V plan. As explained in the initial report and this November 2010 quarterly report, the Company anticipates that the M & V plan will be modified to incorporate suggestions from Staff and other parties. Also, it is anticipated that additional modifications will be made to incorporate insights being developed in the currently ongoing Commission investigation into development of a statewide energy efficiency initiative.[3]

A number of the Company's CIP initiatives are being administered by New York State Energy Research and Development Authority ("NYSERDA") through that authority's existing programs.

II. Program Goal

Distribution has developed the CIP to foster more efficient use of natural gas on its system. The CIP Order recognized that "The CIP calls for the more efficient use of natural gas resources and it is consistent with the State's policy to encourage energy conservation." (CIP Order, p. 2). Distribution designed its CIP in conjunction with its proposed revenue decoupling mechanism ("RDM"). The Company's RDM is consistent with the guidelines established by the Commission for implementation of RDMs.[4]

A major challenge in the design of energy efficiency programs for Western New York is to promote the efficient use of energy in such a manner that it can be used as a strength when encouraging economic development in the region, among other things.

Further, the benefits of natural gas, both on an economic and environmental basis, should encourage the expansion of access to natural gas supplies to homes and businesses in Western New York.

III. CIP General Description

The CIP proposed by Distribution and approved by the Commission has three major components: (1) appliance rebates, (2) Low Income Usage Reduction Program ("LIURP"), and (3) general energy efficiency outreach initiative. Each of these programs and their subcomponents will be further described in detail later in this report. Included in those descriptions will be a planned M&V plan for each initiative.

The information to be provided for each program will be organized as follows:

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[3] Case 07-M-0548 - Proceeding on Motion of the Commission Regarding an Energy Efficiency Portfolio Standard, Order Instituting Processing, issued and effective May 16, 2007.

[4] Cases 03-E-0640 and 06-G-0746, RDM Proceeding, Order Requiring Proposals for Revenue Decoupling Mechanisms (issued and effective April 20, 2007).

1) Program Name
2) Program Description
3) General Program Goals
4) Program Information
5) Program Reporting
    a. Internal
    b. External
6) M&V Analysis
    a. General Description of Method Utilized for Determining Cost and Benefit
    b. Data Summary including:
        i. Cost Measurement
        ii. Calculation of Usage Savings over Life of Efficiency Measure
        iii. Natural Gas Supply ("NGS") Costs
        iv. Discount Rate Utilized for Discounting Future Benefits
        v. Cost Escalator utilized for NGS Costs
        vi. Western New York Benefit Variables
        vii. Societal Benefit Variables
    c. Savings Calculation Approach
        i. Account Specific
        ii. Sampling
        iii. Base Line
    d. Net Impact Evaluation
        i. Free Ridership
        ii. Spillover
        iii. Snapback
    e. Avoided Emissions Calculation

It should be recognized that Distribution envisions the CIP as an evolutionary program. That is, as knowledge is gained as to the effectiveness of various components of the program, it is likely that modifications will be made to individual components so that the overall benefits of the CIP are maximized. It is anticipated that future quarterly reports will identify successes and potential improvements in program design. Those quarterly reports may also include recommended changes to effectively meet the overall goal of the CIP.

IV. M&V Plans

A. General Description of M&V Plans

This report provides a preliminary estimate of the cost and benefits of the Company's CIP to date. This report reflects eleven quarters of operation of the Company's CIP. This report also will present a pre and post equipment installation consumption analysis for residential customer rebates.

The M&V plan includes a number of cost benefit analyses including: (1) Total Resource Cost Test ("TRC"), (2) Total Resource Cost Test – Western New York ("TRC-WNY"), and (3) Societal Test. The program results are provided (1) in total, (2) in summary of various program "portfolios", and (3) on an individual program basis. The table below summarizes program results to date in total and for the various program portfolios. Individual program results will be summarized in the individual program sections presented later in this report. Appendix E provides the detailed M&V program results.

Program M&V Summary Based on Deemed Savings Assumptions Included in the Company's Base Rate Case 07-G-0141				
	Total	Residential	Non Residential	Outreach
Base				
TRC	2.00	1.90	1.57	4.69
TRC-WNY	3.00	2.83	2.33	7.37
Societal Test	3.18	3.00	2.47	7.79
Adjusted				
TRC	1.85	1.75	1.53	4.03
TRC-WNY	2.77	2.60	2.27	6.39
Societal Test	2.94	2.76	2.41	6.75

The measurement of the cost and benefits of energy efficiency programs proceeds along a continuum of complexity. The TRC is perhaps the simplest to understand and implement while the Societal Test can be the most complex. Various additional measurements are added to the TRC leading up to a complete Societal Test. The three cost benefit analyses will be presented for each component of the CIP program.

The TRC utilized in this report will measure the cost expended under the program by the Company and customers for each initiative to the overall savings in customer costs. The NGS costs exclude the delivery and minimum charge rates billed to customers since in the long run these costs are not avoided.

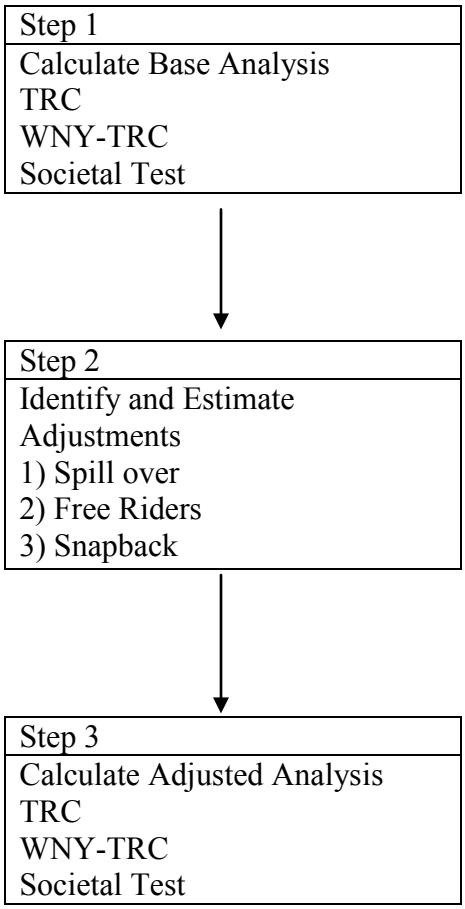
The TRC –WNY attempts to quantify the specific regional benefits derived from the specific CIP initiatives. For example, the LIURP will reduce the consumption of natural gas by low-income customers. That will be achieved by improving the energy efficiency of low-income customer homes. The cost of that program will largely consist of the efforts of local contractors in installing energy efficiency applications. The payments for energy efficiency improvements to local contractors effectively utilizes energy dollars that otherwise would have left the service territory with payments to local contractors that will largely stay in the service territory. The overall net savings of customers will also have a beneficial ripple effect on the WNY economy. The calculation of WNY expenditure multipliers and WNY income multipliers will be explained in Appendix F. The TRC-WNY is an attempt to quantify these benefits.

The Societal Test takes the TRC-WNY one step further by measuring the environmental benefits of the individual CIP initiatives and other societal costs and

benefits that may result from these energy efficiency initiatives. The Company developed an estimate of the societal benefits associated with reduced CO2 emissions. The societal benefit of $15 per ton CO2 reduction was provided by the Commission in Appendix 3, page 2 of its June 23, 2008 Order in Case 07-M-0548.

The Company employed three general steps in its M&V analysis. The first step was the determination of a base analysis. The base analysis would utilize specific and discrete program results associated with changes in energy efficiency behavior of participating customers.

Figure 1 – Summary of the General Steps Employed in the M&V Analysis



The Company employed a deemed savings approach for determining savings under the program to date. A TRC test has also been calculated for the residential rebate program based on a customer pre and post equipment installation consumption analysis. A summary of this information will be presented in the residential rebate section of this report.

Deemed savings apply stipulated values of savings for installed or promoted energy efficiency initiatives. Deemed savings calculations apply accepted savings amounts for an application or initiative to determine the amount of actual energy savings. A more detailed description of the deemed savings approach utilized in this preliminary estimate of cost and benefits will be provided in the description of individual programs. There are two sources of deemed savings that were considered for use in this report: (1) deemed savings estimates utilized in the Company's last base rate case where the CIPs was first approved by the Commission, and (2) savings estimates from the TecMarket Works Standard Technical Manual[5]. In order to be consistent with the results presented in previous quarterly reports, the deemed savings TRC scores presented in the tables of this report utilize the deemed savings estimates included in the Company's last base rate case. The Company anticipates that, based on the feedback from interested parties, that future reports will incorporate the TecMarket manual deemed savings value. The pre and post equipment installation analysis identified changes in annual weather normalized consumption for residential customers installing energy efficient appliances under the CIP rebate initiative. Appendix I provides a summary of the pre and post equipment installation consumption analysis.

The Company utilized a projection of the average natural gas supply costs for the upcoming year of approximately $10.00 per Mcf. As has been demonstrated during the recent past, the market prices of natural gas can be extremely volatile. Long range projections of natural gas prices can be dramatically off base. The $10.00 per Mcf price of natural gas utilized in this study is equal to the trend of natural gas prices experienced by customers from October 2003 through September 2010 and has been used in previous quarterly reports. The price trend has been updated through September 2010 and presented on the graph included in the last page of Appendix E. As can be seen from this graph, recent declines in prices have dropped the historical trend to approximately $10.00 per Mcf. In previous quarterly reports the Company has utilized a $12.00 and $11.00 per Mcf price variable included in the base analysis of Appendix E. The Company has updated the price variable to $10.00 per Mcf since this price reduction has occurred consistently over the recent past. Lines 246 through 257 of Appendix E provide a sensitivity analysis for the price variable. The Company will continue to monitor price changes and update the price variable if circumstances warrant in future reports. The potential volatility of key variables utilized in the M&V analysis highlights the importance of sensitivity analysis to gauge the robustness of program results over a reasonable range of values for key variables in the analysis.

Step 2 would identify and estimate adjustments to the base analysis. These adjustments would include estimates of: (1) spillover, (2) free ridership, and (3) snapback. Spillover results when there are additional customer behavioral changes that produce a positive increase in energy efficiency on the part of the customer. For example, under the residential rebate program, the Company will inform customers of

[5] New York Standard Approach for Estimating Savings from Energy Efficiency Programs, Single Family Residential Measures, December 16, 2009
Prepared for New York Department of Public Service by TecMarket Works ("Standard Technical Manual").

NYSERDA's whole house energy audit initiative. To the extent that customers receiving a rebate under the Company's CIP become aware of NYSERDA's whole house energy audits, and such audits result in increased savings, this would be considered a spillover benefit of the Company's CIP. Free riders are customers that would have implemented the program measure or practice in the absence of the CIP. Snapback occurs when customers actually increase their energy consumption due to reductions in the cost of energy. For example, increases in consumption can result when prices decline due to energy saving initiatives. In the pre and post equipment installation consumption analysis the snapback adjustment is set to zero because any snapback effect would be included in post equipment installation consumption.

The third step will add the results of the base analysis from Step 1 to the estimated adjustments in Step 2, to provide the final analysis of program results.

The Company believes that the measurement and evaluation analysis will evolve as more information is developed over the years. The Company will not only attempt to identify unique measurement issues associated with its programs, it will also strive to include pertinent information and best practices identified in other energy efficiency initiatives, including: (1) the New York Energy Efficiency Proceeding (Case 07-M-0548), (2) the National Action Plan for Energy Efficiency ("NAPEE"), (3) the North American Energy Standards Board ("NAESB"), (4) the National Association of Regulatory Commissioners ("NARUC"), and (5) other state initiatives.

B. Status of Data Development for M&V Plan

The Company has developed a preliminary report based on the program results to date. The Company has developed preliminary M&V results using four broad categories of data: (1) customer specific impact data from Company developed data bases, (2) M&V information that it believes is consistent with the requirements being developed through the statewide energy efficiency initiative (Case 07-M-0548), (3) M&V information consistent with that utilized in the New York Energy $mart^{sm}$ Program, Evaluation and Status Report, Year Ending December 31, 2007, Final Report, March 2008 ("Energy $mart^{SM}$ evaluation"), and (4) a sensitivity analysis on key variables. A brief description of each of these four broad categories of information follows.

1. Customer Impact Data from Company Developed Date Bases

The Company has developed a "before and after" consumption analyses for individual residential customers that are participating in the Company's rebate programs. A summary of the results for the rebate program is provided in the residential rebate section of this report. In this report the Company has also continued to provide deemed savings values as well as annual customer participation and cost information experienced to date to develop a preliminary estimate of the costs and benefits of the program.

The Company is also tracking the changes in consumption for the Company's service classifications subject to the revenue decoupling mechanism ("RDM") approved by the Commission in the Company's last base rate case. This information is summarized in the table below.[6]

Summary of Revenue Decoupling Usage per Account Information (Mcf/Account)		
	SC 1	SC 3 *
Case 07-G-0141 Imputed RDM Usage per Account	106.910	414.31
Consumption at Start of CIPs Program 12 ME 12/2007	107.837	404.17
Consumption 12 ME 9/2010	101.63	372.51
* SC 3 actual data adjusted for actual TC 1.1 and 2.0 migrations to date.		

2. M&V Information Consistent with the Requirements Being Developed Through the Statewide Energy Efficiency Initiative

On June 23, 2008, the Commission issued its Order Establishing Energy Efficiency Portfolio Standard and Approving Programs ("EEPS Program Order"), in Case 07-M-0548. On August 7, 2008, Staff issued Evaluation Guidelines for incorporation into gas energy efficiency programs as required by the EEPS Program Order. TecMarket Works has prepared for staff the New York Standard Approach for Estimating Energy Savings from Energy Efficiency Programs dated March 25, 2009. On January 4, 2010 the Commission issued its Order Approving Certain Commercial and Industrial; Residential; and Low-Income Residential Customer Energy Efficiency Programs With Modifications. Included in that January 4, 2010 Order was reference to an updated New York Standard Approach for Estimating Energy Savings from Energy Efficiency Programs, Single Family Residential Measures, dated March 16, 2009. On October 18, 2010 the Commission issued its Order Approving Consolidation and Revision of Technical Manuals in Case 07-M-0548 ("October 2010 Technical Manual Order"). The October 2010 Technical Manual Order, among other things, approved effective January 1, 2011, the "New York Standard Approach for Estimating Energy Savings – Residential, Multi-family and Commercial/Industrial Measures". The Company is in the Process of revising the savings measures in this manual and will include them in future reports beginning with the 2011 plan year. In order to be consistent with the results presented in previous quarterly reports, the deemed savings and appliance life estimates used in the TRC scores presented in the tables of this report utilize the deemed savings estimates included in the Company's last base rate case. The Company anticipates that, based on the feedback from interested parties, that future

[6] The information presented in this table is normalized for adjustments to service classification consumption for the "best rate" requirement in the Company's tariff. The "best rate" requirement is a statutory requirement that certain accounts (i.e., religious and veteran organizations) be placed in the service classification that would provide them with the lowest ("best") annual bill. In order to effectuate this provision, the Company annually reviews the bills for qualifying accounts and adjusts their service classifications as needed. In the Company's last rate case, a rate design change was effectuated such that this year's "best rate" review resulted in a significant migration of accounts. The table above eliminates the effect of this migration in order to provide a more consistent "before and after" analysis of consumption changes.

reports will incorporate the updated Technical Manual deemed savings and appliance life values.

The table below provides estimated deemed savings from the current TecMarket manual for the Company's residential rebate programs. The table provides summaries of deemed savings from the Standard Technical Manual, deemed savings based on the savings estimates included in the Company's last base rate case ("NFGDC Deemed" savings estimates), savings calculated through the Company's pre-post consumption analysis, and pre and post consumption results using the Princeton Scorekeeping Method[7] ("PRISM"). Also included in the table are the estimated appliance lives presented in the Company's last base rate case and appliance measure life estimates included in the latest TecMarket Manual.

Summary of Residential Rebate Savings Estimates						
	Heating Systems			Thermostats	Hot Water Systems	
	Forced Air Furnace	Water Boilers	Steam Boilers		Tank	Tankless
NFGDC Deemed (Dth)[8]	23.3	19.8	19.0	2.5	5.6	11.7
NFGDC Appliance Life (Years)	17	17	17	17	14	14
Tec Market Manual (Dth)[9]	26.0	28.7	24.7	10.4	3.0	7.0
Tec Market Manual Appliance Life (Years)	20	25	25	11	---	20
NFG Pre Post Analysis (Dth)	13.5			5.8	4.4	7.3
PRISM	13.2			NA		

3. M&V Information Consistent with the Energy $mart^{SM} Evaluation

The Energy $mart^{SM} evaluation includes an analysis of macroeconomic impacts. Consistent with the Energy $mart^{SM} evaluation, the Company has utilized IMPLAN Pro® Version 2.0 to develop macroeconomic multipliers for its service territory. The development of these multipliers is provided in Appendix F. Also included in this evaluation is a measurement of environmental benefits. As mentioned previously the Company utilized Commission provided CO2 cost per ton information and AGA lbs CO2 per Mmbtu of natural gas in determining societal cost savings from the CIP.

4. Sensitivity Analysis on Key Variables

As mentioned previously, the potential volatility of key variables utilized in the M&V analysis highlights the importance of sensitivity analysis to gauge the robustness of

[7] Appendix I provides greater detail on the PRISM method.
[8] Based on deemed savings provided in the Company's last base rate case.
[9] Based on TecMarket manual formulas and formula variable values for the Company's service territory.

program results over a reasonable range of values for key variables in the analysis. Pages 13 through 19 of Appendix E provide a sensitivity analysis for key variables included in the M&V analysis.

V. Summary of Programs

A. Low Income Usage Reduction Program ("LIURP")

1. Description

LIURP is a weatherization program for low-income customers. Participants receive a heating system check, an energy audit, installation of weatherization, infiltration reduction, natural gas usage reduction measures and consumer education. The program design is consistent with, and is being administered as part of, NYSERDA's EmPower New York[SM] ("EmPower) program, and contractors will follow procedures and guidelines developed for that program. Households receiving gas efficiency services paid for by Distribution will be evaluated for electric reduction measures to be paid for by NYSERDA with System Benefits Charge ("SBC") funds.

2. Goals

Conserve energy, reduce residential energy bills, and improve the health, safety, and comfort levels for participating households. Also reduce the incidence and risk of pay delinquencies and the costs associated with uncollectible accounts, late payment collections, and termination of service expenses. Measures installed will be cost effective and pay for themselves through energy savings in a specified time frame.

3. Program Information

a. Eligibility

Customers meeting the following criteria will be eligible to participate in the Company's LIURP:

- Preferred status to participants in Low Income Customer Affordability Assistance Program ("LICAAP").
- Income less than or equal to 60% New York State median income (HEAP eligible).
- Active account and residency in the premises for at least one year prior to weatherization.
- High consumption - minimum of 132 Mcf (start with 180 – 200+ Mcf or thousand cubic feet) per year.
- Owners and tenants eligible.
- Must be a single-family dwelling or two units if each has its own meter and both meet eligibility requirements.

b. Administrative Tasks Related to Start-Up

- NYSERDA negotiated and modified existing EmPower contracts, including budgets and statements of work with current Program Implementer, Honeywell International ("Honeywell"), and current Quality Assurance ("QA") Contractor, CSG Services, to include activities related to LIURP.
- NYSERDA modified current EmPower Contractor and Vendor Agreements for use in LIURP. NYSERDA procured contracts from area contractors and vendors, is monitoring contractor eligibility and has established a payment system for participating contractors.
- NYSERDA has modified the online tracking system, CRIS, the EmPower software tool, EmPCalc, and the online Contractor Portal to accommodate changes required for the inclusion of LIURP in the EmPower system.
- NYSERDA has modified current EmPower forms and integrated Distribution forms to accommodate LIURP.

c. Ongoing Administrative Tasks

- NYSERDA will reassess and enhance program procedures on an ongoing basis, ensuring that practices are consistent with standards of the Building Performance Institute ("BPI") and best practices as followed by contactors participating in EmPower. Forms, guidelines, software, and other materials will be modified as needed. NYSERDA program staff will consult with Counsel and Contract Management as needed to ensure that the program is implemented correctly.
- NYSERDA will monitor program progress and expenditure levels to ensure that program objectives are met within budget allocations. NYSERDA will conduct weekly meetings with the Program Implementer, and maintain daily contact as needed, to ensure that the program is progressing as required.
- NYSERDA will conduct weekly and monthly meetings with the QA Contractor, and maintain daily contact as needed, to ensure that QA procedures are being followed in accordance with the contract, and that QA issues are being resolved.
- NYSERDA and NYSERDA Program Implementer will meet with contractors on a regular basis, both on-site and by teleconference, to ensure that contractors understand and are following program procedures, and to elicit feedback regarding the program.
- NYSERDA will conduct an annual review of pricing to ensure that fees are appropriate, and provide financial support to the New York State Weatherization Director's Association for their bulk purchase bidding procedure. NYSERDA will ensure that appliance pricing is consistent with this bid.
- NYSERDA will conduct periodic reviews of the database to ensure quality of data entry.
- NYSERDA will develop and process incentives for contractors who participate in the program and become BPI accredited. These incentives will

consist of 75% reimbursement of BPI contractor fees for training, accreditation and quality assurance.

- NYSERDA will collaborate with the Weatherization Assistance Program to ensure consistency between programs and to maximize opportunities for collaboration, thereby allowing for enhanced workscopes.
- NYSERDA will modify energy efficiency and financial management workshops currently provided in Distribution service territory to include information related to Distribution low income programs.
- At Distribution's request, NYSERDA shall permit Company personnel to monitor and participate in these administrative tasks.
- NYSERDA will use its best efforts to accommodate an interface platform with Distribution's customer information systems to assure the proper transfer of customer information necessary to perform the obligations hereunder.

d. Process

- Distribution generated referrals from:
  - LICAAP
  - HEAP status/consumption report
  - CAC/Outside Agencies/Other

- Distribution screens for:
  - 12-month consumption history. Must be more than 132 Mcf (Ideally, 180-200+ Mcf initially).

- NYSERDA Program Implementer Screen for eligibility:
  - NYSERDA Program Implementer is sending a cover letter from Distribution with a LIURP/EmPower application to each potential participant. A second application will be sent if the first is not returned within a reasonable time frame.
  - Upon receipt of completed application NYSERDA Program Implementer will examine potential for natural gas energy efficiency services funded through Distribution, and determine eligibility for electric reduction services funded through the SBC and available to low-income electricity customers of National Grid and New York State Electric and Gas Corporation.
    - If the customer is a tenant, NYSERDA Program Implementer will send a letter (on Distribution letterhead) to landlord outlining requirements and soliciting landlord participation. Upon receipt of satisfactory landlord agreement, the customer may be accepted for energy services.
    - If the customer resides in a multifamily home (three units or greater), the customer will be ineligible for gas efficiency measures.

- If not eligible, NYSERDA Program Implementer will:

- Send a "no further services" letter to the customer (printed on Distribution letterhead).
- If referral was from Distribution or an outside agency, inform referring office/agency reason(s) why customer not eligible.
- Do nothing else with account.

- If above criteria met for eligibility, NYSERDA Program Implementer performs the following:
  - Assigns the customer to a participating contractor. Assignments will be made on the basis of current backlog, contractor availability, and past performance.
  - Sends a letter, on Distribution letterhead, to the customer informing them of their acceptance and providing contact information for the assigned contractor.

- When the customer is eligible for weatherization, NYSERDA Program Implementer will:
  - Enter relevant customer data into the EmPower database, including county designations and other information required by Distribution.
  - Enter weatherization-approved status.
  - System to accept periodic information verifying that the customer is still eligible and that service has not been shut off for non-payment, no pending close orders, no active shut off notices, and account is still active. Until automated, Honeywell will need to accept e-mail notifying an account is no longer eligible.

- Once work is in progress:
  - Distribution has access to the EmPower database. Distribution has access to screens/reports to identify, among other things, placed jobs that have yet to be picked up by contractors and the status of any placed jobs. Distribution has the ability to retrieve customer energy services record and to obtain an electronic report of jobs with information required by Distribution, such as first name, last name, address, city, state, postal code, contractor, home phone number, account number, meter number, mailing address, mailing city, mailing zip, and sent to contractor date.
  - NYSERDA Program Implementer is administering customer interactions/document procurements (letters sent to Distribution's customers on Distribution letterhead), including:
    - Customer Acceptance Letter
    - CIP/EmPower Audit Forms
    - Landlord/Tenant Agreements
    - Distribution LIURP Eligibility Affidavit/Information Waiver
    - Distribution Work Proposal Agreement
    - Customer Agreement
    - National Fuel Safety Check List
    - Certificate of Completion NYSERDA Program Implementer

- Contractor duties:
  - Within two weeks of receiving job, contractor calls customer to set up initial appointment.
  - Contractor goes to property and performs a comprehensive home assessment, including:
    - Heating system inspection and combustion efficiency test.
    - Blower door test for air leakage.
    - Inspection and measurement for insulation.
    - Health and safety checks, such as ambient CO testing and gas leak checks.
    - Energy education.
    - Instrumented audit and documentation on EmPower forms.
    - Discussion of workscope with appropriate household member.
    - If household is eligible for SBC-funded measures, installation of minor electric reduction measures, such as compact fluorescent light bulbs and evaluation of electric appliances.
  - If furnace problems are identified, contractor follows appropriate emergency and referral procedures outlined in Section 5 of the EmPower Guidelines and Procedures Manual.
  - If issues or problems are identified which preclude successful installation of measures, such as severe structural damage or serious code violations related to the work, contractor will notify the EmPower Program Implementer and further work will be cancelled until conditions are corrected.
  - NYSERDA Program Implementer will send letter (on Distribution letterhead) to customers explaining why work was cancelled and offering a timeline by which work may be resumed if conditions are corrected.
  - Contractor develops workscopes and proceeds with work according to EmPower Guidelines and Procedures Manual.
  - If customer does not respond to contractor calls or letters, contractor advises NYSERDA Program Implementer. (Contractor may be reimbursed for services rendered such as customer education, etc. despite the weatherization job not being completed. Reason why job may not have been completed could include customer not getting back to contractor, etc.).
  - Once a job is completed, Contactor sends all completed forms and invoice to the Program Implementer for processing.
  - Jobs to be completed within 60 days from referral.

- Invoice processing:
  - Invoices submitted must follow Invoicing Requirements listed on Section 15.3 of the EmPower Guidelines and Procedures Manual.
  - Honeywell reviews all forms and verifies invoice for accuracy. (Use a standard invoice for all contractors).

- If any discrepancies found with invoice, NYSERDA Program Implementer contacts contractor.
- If any forms not returned or incomplete, NYSERDA Program Implementer contacts the contractor.
- Honeywell provides the third-party QA Contractor with information for QA inspections.
- If the invoice is ok, NYSERDA Program Implementer recommends approval of the invoice, enters the final approved costs into the CRIS database, and locks the costs in place.
- NYSERDA approves and process contractor and vendor invoices, arrange payment, and resolve payment issues.
- NYSERDA tracks program expenditures and maintains payment records. Accounts payable forms and invoice maintained for six years.

- Job completion processing:
  - NYSERDA Program Implementer maintains a file of the following household data:
    - Customer application.
    - Energy usage.
    - Audit forms and workscope write-up.
    - Certificate of Completion.
    - Required permissions.
  - NYSERDA QA Contractor (currently CSG Services) will perform independent third-party QA field inspections on approximately 20% of completed jobs and phone QA interviews on an additional 15% of completed jobs. QA will be completed within one month of completion of work.

4. Reporting

a. Internal

As of September 30, 2010, a total of 19,470 customers have been referred to the contractor for LIURP services. Of these, 14,297 have been sent a letter/application, and 4,123 applications have been returned. This has resulted in 2,295 customers referred for services, 404 applications on hold and 1,424 customers deemed ineligible. Of the 1,752 currently active program participants, 1,620 jobs have been completed, with 57 jobs in process and another 75 energy audits in process. The 1,620 completed jobs consisted of insulation measures for 1,291 customers, air sealing measures for 1,323 customers, heating system repairs/replacements for 726 customers and low flow showerheads for 432 customers. The total cost of all the measures to date is $5,306,009, with an average cost per measure of $3,275.

Refer to Appendix A of this report for more detailed program summary information.

b. External

As of September 30, 2010, the Company estimates that the 1,620 completed conservation measure jobs will result in 69,374 Mcf of annual energy savings, which equates to $936,521 annually in energy bill savings.

The Company has developed an analysis of the changes in LIURP customer consumption characteristics after the installation of energy efficiency applications at the customer's household. Appendix I provides a summary of this analysis.

5. M&V Analysis

Appendix E, Pages 7 through 9, Column K, provide the preliminary M&V results for the LIURP program.

The Table below summarizes a number of results included in Appendix E.

LIURP M&V Summary Based on Deemed Savings Analysis	
TRC Base Analysis	1.77
Base Societal Test w/WNY Benefits	2.76
TRC Adjusted	1.74
Adjusted Societal Test w/WNY Benefits	2.72

The Mcf saved per participant, Row 20, on Appendix E, is the deemed LIURP program savings assumed when the CIP program was established. In developing the adjusted analysis no free ridership is assumed since it is unlikely that low income customers would have sufficient resources to make the energy efficiency improvements without the CIP initiatives. An assumed level of "Snapback" consumption was provided in the analysis based on Company surveys of the propensity of the average residential customer to turn up their thermostats based on assumed bill reductions.

Appendix E, pages 10 through 12, Column U, provides the M & V results based on pre and post installation energy efficiency improvement savings for residential customers receiving LIURP services.

LIURP M&V Summary Based on Pre Post Savings Analysis	
TRC Base Analysis	0.83
Base Societal Test w/WNY Benefits	1.31
TRC Adjusted	0.83
Adjusted Societal Test w/WNY Benefits	1.31

While the pre and post cost benefit analysis provides results that are less than those presented under the deemed savings analysis, the overall benefits of the residential

rebate programs still exceeds the costs. As explained in Appendix I, the pre and post analysis utilized sixteen months of data. When analyzing the pre-post savings results for the LIURP program consideration must also be given to the relatively slower startup time needed for this program. The slower startup for the LIURP program resulted in fewer accounts receiving services in the early months compared to the later months. Also after analysis of early months results, the Company and NYSERDA were able to develop improvements in services provided to customers. As can be seen from the graph at Appendix I, Attachment 2, page 6 it appears that the average savings generated by LIURP customers has improved in the more recent months that service was provided. The Company will update this study as more data becomes available.

B. Rebate Program - Residential

1. Description

The residential program is an equipment replacement program, modeled after a Vermont Gas Systems program, which was cited by the ACEEE, as one of the nation's exemplary natural gas energy efficiency programs. Distribution's program offers equipment replacement rebate incentives for single family and multi-family dwellings, to encourage them to install high efficiency space heating and water heating appliances. These appliances are by far the largest two users of natural gas in residential buildings, and are therefore most likely to show the largest savings to our customers when they upgrade their appliances. Distribution set minimum efficiency levels for each appliance type based on federal Energy Star and New York State Energy Smart guidelines.

2. Goals

The goal of this program is to encourage the installation of high efficiency appliances by customers. The installation of high efficiency appliances was identified by Staff in its fast track[10] proposal as offering one of the greatest potentials for cost effective natural gas energy efficiency initiatives.

3. Program Information

Rebates were available for qualifying natural gas equipment, beginning with installations made on or after November 1, 2007. Available for existing homes only, not new construction.

For residential customers in Distribution's New York service area, rebates were available on the purchase of the following items during Year 1 and 2 of the CIP (11/1/07 – 11/30/09):

[10] Case 07-M-0548, Proceeding on Motion of the Commission Regarding an Energy Efficiency Portfolio Standard; New York State Department of Public Service, Staff Preliminary Proposal for Energy Efficiency Program Design and Delivery; August 28, 2007, p. 101.

	Required Minimum Efficiency	Rebate Amount
Space Heating		
Hot Air Furnace	90% AFUE [11]	$300
Hot Water Boiler	85% AFUE	$400
Steam Boiler	81% AFUE	$200
Programmable Thermostat	Energy Star –Rated	$25
Water Heating		
Storage Tank Heater	0.61 EF[12]	$150
Tankless Heater	0.78 EF	$350

For Year 3 of the CIP, beginning 12/1/09, rebates are available on the purchase of the following items:

	Required Minimum Efficiency	Rebate Amount
Space Heating		
Hot Air Furnace	90% AFUE	$300
Hot Air Furnace with ECM	90% AFUE	$400
Hot Water Boiler	85% AFUE	$400
Steam Boiler	81% AFUE	$200
Programmable Thermostat	Energy Star –Rated	$25
Water Heating		
Indirect Water Heater	N/A	$300

Rebates were processed beginning on December 1, 2007. The following documentation was needed in order to complete the application for a rebate:

Purchased Item	Required Documentation
Programmable thermostat	Receipt; make and model number, UPC (bar code) label from the package (only Energy Star-rated models qualify).
Furnaces, Boilers and Water Heaters	Paid invoice or receipt(s) indicating the retailer/contractor name, business address, phone and Federal ID (tax) number. Itemized description of each product, including: 1. Manufacturer, and complete model number. 2. EF for natural gas water heaters. 3. AFUE (efficiency) rating for natural gas furnace or boiler. Product installation date.

[11] Annual Fuel Utilization Efficiency ("AFUE") is the most widely used measure of a furnace's heating efficiency. It measures the amount of heat actually delivered to a house compared to the amount of fuel that must supply the furnace.

[12] Energy Factor ("EF") is the efficiency of a storage water heater is indicated by its EF. An overall efficiency measure based on the use of 64 gallons of hot water per day, the EF takes into consideration both the transfer of heat to the water from the fuel used, and the standby loss of heat from the water.

The Company contracted with Energy Federation Inc. ("EFI") to administer the rebate processing. EFI has more than 15 years experience in administering energy efficiency programs for utilities nationwide.

4. Reporting

a. Internal

As of September 30, 2010, a total of 48,731 rebates were processed by EFI, for a total rebate amount of $8,965,313. This represents approximately 301% of the estimated total annual budget of $2,980,677 for this program, in the first thirty-five months since becoming effective. As of September 30, 2010, EFI was paid $596,516 to administer this program per Distribution's contract with them. This represents approximately 206% of the estimated total annual administration budget of $289,050 for this program. The table below illustrates a summary of the rebate activity to date versus the estimated annual projections by major rebate and program administration category:

	- Estimated Annual -		- Actual Cumulative -	
	Rebates	Rebate $	Rebates	Rebate $
Space Heating	3,853	$1,258,534	23,087	$7,319,600
Water Heating	5,783	$1,312,388	5,128	$1,133,350
Thermostat	16,390	$409,755	20,516	$512,363
Total Rebate	26,025	**$2,980,677**	48,731	**$8,965,313**
General Admin.				$95,200
Processing				$289,993
Inspections			2,429	$211,323
Total Admin.		**$289,050**		**$596,516**
Total Program		**$3,269,727**		**$9,561,829**

Refer to Appendix B of this report for more detailed program summary information.

Customer response to this program has been outstanding. Program inquiries to EFI have been very steady since the program began. Typical daily call levels have been in the range 40 - 50 calls per day, with peak levels reaching 75 - 80 calls per day during the first few months of the program introduction. The program administrator, EFI, who handles a large majority of the utility rebate programs in the northeast U.S., stated that this was by far the largest initial response to a residential rebate program that they have ever seen. According to Tim Brown, Chief Operating Officer of EFI, "this one certainly took off like no other program we've started up."

EFI also coordinates the process of conducting two additional quality control aspects of the program. First, they work with Conservation Services Group (CSG) to conduct random monthly on-site inspections of equipment installations to verify that the equipment receiving a rebate was actually installed. As of September 30, 2010, 2,429 of these inspections have been completed, which represents a 5% sample of the total rebate

population of 48,731 rebates, and no fraudulent claims have been discovered. Second, EFI has conducted a phone survey to a random sample of 1,454 customers (approximately 5% of the 33,293 customers receiving a rebate through September 2010), to gain their insight into issues such as program awareness source, impact of the rebate on the purchase decision and satisfaction with the rebate process. Regarding program awareness, the top 3 sources of program information to rebate customers were contractors (64%), National Fuel bill inserts (16%) and friends/word of mouth (11%). A total of 87% of rebate participants indicated the rebate was important in influencing them to make their equipment upgrade decision. Finally, 95% of rebate customers were satisfied with the overall rebate program process. A more detailed summary of the results of these surveys is included in Appendix H of this quarterly report.

b. External

The Company has developed an analysis of the changes in customer consumption characteristics after the installation of high efficiency appliances. Appendix I provides a summary of this analysis.

5. M&V Analysis

Appendix E, Pages 1 through 6, Columns B through I, provide the preliminary M&V results for each of the residential rebate programs. Appendix E, Pages 7 through 9, Column J, provide the preliminary M&V results for the total of the residential rebate programs.

The Table below summarizes a number of results included in Appendix E.

Residential Rebates M&V Summary Based on a Deemed Savings Analysis									
		Heating Systems					Hot Water		
		Furnace		Boiler					
	Total Res	Air	ECM	HW	Steam	T Stats	Indirect	Tank	Tankless
TRC Base Analysis	1.93	2.23	1.15	0.98	2.07	4.19	0.35	1.29	1.27
Base Societal Test w/WNY Benefits	3.05	3.53	1.81	1.54	3.26	6.67	0.54	2.05	2.03
TRC Adjusted	1.75	2.01	1.03	0.89	1.86	3.82	0.33	1.20	1.16
Adjusted Societal Test w/WNY Benefits	2.77	3.18	1.63	1.39	2.94	6.08	0.52	1.90	1.86

The Mcf saved per participant, Row 20, on Appendix E, are the deemed rebate program savings assumed when the CIP program was established.

In developing the adjusted analysis a 14% free ridership value is assumed. This assumed level of free ridership was based on customer survey results explained in section V.B.4.a. The TecMarket manual recommends a free ridership value of 10%. The Company anticipates that, based on the feedback from interested parties, that future

reports will incorporate the TecMarket freeridership value of 10%. The Company anticipates incorporating the TecMarket information when the final TecMarket manual is completed. Sensitivity analysis for the free ridership variable is provided in the free ridership section of Appendix E. An assumed level of "Snapback" consumption was provided in the analysis based on Company surveys of the propensity of the average residential customer to turn up their thermostats based on assumed bill reductions.

The Company has also performed a cost benefit analysis for residential appliance rebates based on a "before-and-after" analysis of the total natural gas consumption of residential customers receiving rebates. Appendix I provides a summary of the procedures used by the Company in determining pre and post efficient appliance installation consumption.

Appendix E, pages 10 through 12, provides the M & V results based on pre and post appliance installation savings for residential customers receiving rebates.

Residential Rebates M&V Summary Based on a Pre and Post Appliance Installation Savings Analysis					
	Total Res	Heating Systems	T Stats	HW Tank	Tankless HW
TRC Base Analysis	1.72	1.34	10.09	1.05	0.86
Base Societal Test w/WNY Benefits	2.73	2.12	16.00	1.67	1.40
TRC Adjusted	1.62	1.27	9.19	0.79	0.83
Adjusted Societal Test w/WNY Benefits	2.57	2.00	14.58	1.29	1.31

While the pre and post cost benefit analysis provides results that are somewhat less than those presented under the deemed savings analysis, the overall benefits of the residential rebate programs still exceeds the costs. As explained in Appendix I, the pre and post analysis utilized twenty months of data. The Company will update this study as more data becomes available.

C. Rebate Program – Small Non-Residential

1. Description

The small non-residential program is also an equipment replacement program, modeled after a Vermont Gas Systems program, which was cited by the ACEEE, as one of the nation's exemplary natural gas energy efficiency programs. Distribution's proposed program will offer equipment replacement customized rebate incentives to customers using less than 12,000 Mcf, to encourage them to install high efficiency space heating, water heating and process heating equipment. However, customers will also be eligible to receive rebates for non-equipment replacement changes made to heating, water heating and process heating equipment, such as adding insulation to a process heating oven, or updating controls to a space heating boiler. These custom incentives are set on a

case-by-case basis, based upon the incremental installed cost of the new equipment and the estimated resulting gas energy savings. A technical engineering analysis must first be performed to confirm energy savings. The rebate amount will be up to 50% of the incremental cost, with a cap of $25,000. The Company has contracted with NYSERDA to administer the day-to-day project management of this program.

2. Goals

The goal of the small non-residential rebate program is to provide cost effective incentives to small non-residential customers to utilize natural gas efficiently in their business operations.

3. Program Information

a. Administrative Tasks Related to Start-Up

- NYSERDA has modified existing Energy Efficiency Technical Assistance ("TA") contracts, including statements of work to include activities related to NRCIP.
- NYSERDA has modified the on-line tracking system, Buildings Portal, to accommodate changes required for the tracking of Distribution energy projects.
- NYSERDA has modified current Enhanced Commercial/Industrial Performance Program opportunity notices and Tier II forms to accommodate Distribution energy projects.

b. Ongoing Administrative Tasks

- NYSERDA will monitor program progress and expenditure levels to ensure that program objectives are met within budget allocations.
- NYSERDA will discuss by teleconference as needed with NYSERDA's TA Contractors, to ensure that contractors understand and are following program procedures, and to elicit feedback regarding the program.
- NYSERDA will conduct periodic reviews of the database to ensure quality of data entry and will provide Distribution with project data obtained on the application.
- NYSERDA will promote Distribution programs in any upcoming energy efficiency workshops /seminars/conferences provided in Distribution service territory.
- At Distribution's request, NYSERDA shall permit Distribution personnel to monitor and participate in these administrative tasks.

4. Process

- NYSERDA Application In-Take and Review:
  - Upon receipt of a completed Application (includes application and Technical Engineering Study) NYSERDA assigns the gas energy project and send a copy of the Application to a NYSERDA TA Contractor.
  - NYSERDA will enter data into the Buildings Portal Database to track the energy project.

- NYSERDA's TA Contractor will perform the following:
  - Will review the Application for completeness and eligibility and will review the engineering study for technical merit.
  - Will contact customer and/or contractor to conduct a pre-installation site visit to verify existing conditions.
  - Will provide NYSERDA with written correspondence on the Application summarizing the gas energy project and provide NYSERDA with a recommendation of the potential gas energy savings and financial incentive.
  - Will provide NYSERDA with a scope of work and budget to complete all phases related to the gas project.

- NYSERDA offers Purchase Order:

  - NYSERDA will review the TA Contractor's recommendation and, if approved, will request Distribution to send correspondence via an approval memorandum to the customer. In the alternative, NYSERDA may itself send such correspondence on letterhead supplied to NYSERDA by Distribution.
  - NYSERDA will develop a Purchase Order to contractually secure the financial incentives available for the gas energy project and offer a Purchase Order to the customer for their approval and signature.
  - NYSERDA will review the scope of work and budget and modify the existing TA Contractor's contract.
  - NYSERDA will update the data of the project in the Buildings Portal database.

- Customer completes Construction:

  - NYSERDA's TA Contractor will conduct a post-installation site-inspection of the energy project to verify that the energy project is completed and the same equipment and efficiency ratings that was specified in the Application was installed.
  - NYSERDA's TA Contractor will provide NYSERDA with correspondence in writing with a recommendation of the potential gas energy savings and financial incentives and notify any changes to the project.

- NYSERDA will request Distribution to provide the customer with correspondence in writing indicating the amount of financial incentive that the customer can invoice. In the alternative, NYSERDA may send such correspondence on letterhead supplied to NYSERDA by Distribution.
- NYSERDA will update the data of the project in the Buildings Portal database.

- Invoice Processing:
  - NYSERDA will review all invoices for accuracy, and if acceptable NYSERDA will process the invoice for payment following NYSERDA prompt payment policy.

5. Reporting

a. Internal

As of September 30, 2010, a total of 924 rebates were processed by EFI and NYSERDA, for a total rebate amount of $1,086,782. This represents approximately 82% of the estimated total annual budget of $1,319,860 for this program, since commencement of rebate processing on December 1, 2007, (for equipment purchases and installations completed on or after November 1, 2007). As of September 30, 2010, EFI and NYSERDA were paid a total of $97,001 to administer this program per Distribution's contract with them. This represents approximately 76% of the estimated total annual administration budget of $127,993 for this program. The table below illustrates a summary of the rebate activity to date versus the estimated annual projections by major rebate and program administration category:

	- Estimated Annual-		- Actual Cumulative-	
	Rebates	Rebate $	Rebates	Rebate $
Space Heating	N/A	N/A	493	$982,206
Water Heating	N/A	N/A	57	$32,001
Cooking	N/A	N/A	4	$3,000
Process Heating	N/A	N/A	2	$50,000
Thermostat	N/A	N/A	368	$19,575
Total Rebate	N/A	**$1,319,860**	924	**$1,086,782**
General Admin.				$0
Processing				$94,652
Inspections			71	$2,349
Total Admin.		**$127,993**		**$97,001**
Total Program		**$1,447,853**		**$1,183,783**

Refer to Appendix C of this report for more detailed program summary information.

Customer response to this program was very slow at the outset, but has been improving as a result of a series of direct mailings, print advertising and contractor meetings the Company has conducted over the past few years. Program inquiries to

NYSERDA have grown since the increased advertising and marketing campaigns began. Typical daily call levels have been in the range of 10-15 calls, with peak levels reaching 20-30 calls per day in some instances.

However, even with the increased call activity, the results to date have been less than expected. We feel this is due primarily to two factors. First, the majority of customers calling NYSERDA were very small businesses, typically with usage of less than 1,000 Mcf. Due to their small size, they were relatively unsophisticated when it came to knowledge of their existing energy equipment and their overall energy usage. They did not have any in-house energy expertise and many did not have any outside source (contractor, engineer, consultant, etc.) to rely upon. Second, even if they did have some level of energy expertise, either in-house or outside, they were typically too busy to spend any time analyzing their project as called for in the design of the customized rebate program. They were looking for something VERY easy to understand and apply for, such as our fixed rebate design in the residential market. This is the main reason NYSERDA ended up referring most of the rebates for the small non-residential program to EFI so the customer could take advantage of the simpler, albeit likely lower value, rebate through that source. These customers simply did not want to take the time or effort to complete even a simple analysis of their project to achieve the higher potential rebate level.

Over the first two years of the program, we have seen greater activity on the customized rebate design front. Even though only 44 rebates have been processed through this method as of September 30, 2010, NYSERDA currently has several applications in progress, with a few projects already approved for payment or pending, several of which are for substantial amounts of money. We feel this trend will continue as more customers become aware of the program, as well as becoming more comfortable with completing the simple technical analysis required.

Due to the issues cited above, the Company implemented a modification to this program design for year 2 of the program, effective December 1, 2008, that created a two-tiered approach –

1. A new, simpler, fixed rebate component for the smallest of the non-residential customers, similar to the residential program design, although at slightly higher rebate levels
2. The existing, more complex, customized rebate design for those customers willing and able to do the analysis required to likely achieve a greater rebate level through this approach than via the fixed rebate design.

The Company reviewed this concept with all the participants of the Collaborative Session held at the NYPSC office in Albany on March 25, 2009. Since the new fixed rebate became effective on December 1, 2008, the Company is encouraged by the growing response we have seen from our small non-residential customers. Through September 30, 2010, 880 customers have taken advantage of this simpler rebate option available to them.

Finally, now that the program introduction phase has passed, the Company plans on working with NYSERDA to finalize a phone survey which will be conducted to a random sample of customers receiving a rebate, to gain their insight into issues such as program awareness source, satisfaction with the rebate process and impact of the rebate on the purchase decision.

b. External

At this point, the Company does not have sufficient data for most rebate participants to accurately compare pre-versus post-installation consumption. As more data is available, we expect to conduct these analyses to estimate the energy efficiency savings realized for each rebate participant, as well as aggregate those results into the TRC test to evaluate the overall program effectiveness, and include them in future quarterly reports.

6. M&V Analysis

Appendix E, Pages 7 through 9, Column M, provide the preliminary M&V results for the non-residential rebate program.

The Table below summarizes a number of results included in Appendix E.

Non-Residential M&V Summary	
TRC Base Analysis	1.57
Base Societal Test w/WNY Benefits	2.47
TRC Adjusted	1.53
Adjusted Societal Test w/WNY Benefits	2.41

The Mcf saved per participant, Row 20, on Appendix E, is the deemed non-residential program savings for the participants provided CIP rebates to date.

In developing the adjusted analysis a 10% free ridership is assumed. Sensitivity analysis for the free ridership variable is provided in the free ridership section of Appendix E. No level of snapback was assumed for non-residential customers.

D. General Customer Outreach and Energy Efficiency Education

1. Description

The Company developed a communications plan to introduce the CIP to its customers, to help them become fully aware of its benefits and to encourage customers to take advantage of the rebate program.

The CIP is a well-established program in Distribution's service territory that continues to generate robust levels of customer participation, acceptance and satisfaction.

It also is producing data showing that it is effectively promoting conservation and efficiency, consistent with state objectives and program design.

Currently in year three of the CIP, Distribution is transitioning the program from an introductory phase to "one that maintains a solid awareness of the program."

2. Goal

The goal of the communications plan is to educate customers on the need for and the benefit of employing energy efficiency measures. CIP rebate and low-income programs are cornerstones for improving energy efficiency in homes and businesses throughout our Company's service territory.

The design, delivery and focus of outreach and education all continue to be directed at program maintenance and customer awareness of energy efficiency, while maintaining current levels of customer awareness and participation.

3. Program Information

Formal advertising and public relations initiatives associated with the CIP launched December 1, 2007. These initiatives included bill inserts, direct mail, outdoor advertising, transit and bus shelter advertising, online advertising, a dedicated website, print advertisements and grassroots efforts. Tactics executed during this reporting period (July 1, 2010 – September 30, 2010) included:

Print Advertisements:

- One print advertisement ran in our media market in September 2010, generating approximately 475,000 total impressions through 19 placements.
    - See **Appendix D, Exhibit 1** for a print ad sample.

Television Advertisement:

- 403 television spots ran from September 13 through September 30, 2010.
- We scheduled 744 gross rating points against a target audience of adults, ages 25-54.
- The three-week schedule delivered a 99 percent reach and an 8.9 frequency against this target audience.

Radio Advertisement:

- 558 thirty-second radio spots ran from September 13 through September 30, 2010.
- Against an audience of adults aged 25-54, 625 gross rating points were scheduled.
- The schedule was projected to deliver an 81 percent reach and a 9 frequency.

Transit Advertising (Bus Shelters and Bus Cards)

- This tactic was not employed during this quarter and was not part of our fall advertising campaign.

Outdoor Advertising – Billboards, Bulletins and Posters

- This tactic was not employed during this quarter and was not part of our fall advertising campaign.

Bill Inserts:

- Approximately 515,000 copies of our Company's Summer Quarterly Newsletter bill insert, which featured information on the CIP, were distributed in August 2010 to customers throughout our New York service territory.
    - See **Appendix D, Exhibit 2** for a sample bill insert.

Website (NationalFuelForThought.com)

- This program-specific website generated approximately 6,905 visits (with 23,158 page views among those visits) from July 1 to September 30, 2010.
    - See **Appendix D, Exhibit 3** for a screen shot of the website's homepage.

Other Website Outreach

- **Media Networks, Inc.** – generated 776,373 impressions, with a 0.10 average click-through rate, from July 1 to September 30, 2010.
- **WGRZ.com –** generated 116,399 impressions, with a 0.07 average click-through rate, from July 1 to September 30, 2010.
- **WIVB.com –** generated 333,325 impressions, with a 0.08 average click-through rate, from July 1 to September 30, 2010.

Other Website Outreach

- **Buffalo.com** – generated 302,792 impressions, with a 0.05 average click-through rate, from July 1 to September 30, 2010.
    - See **Appendix D, Exhibit 4** for sample website advertisements.

Handouts and Program Materials:

- Conservation kits and program materials were distributed at community events by employees and to customers throughout our service area through heating and cooling appliance dealers, area not-for-profit organizations, health and human service agencies, the offices of local elected officials and at local appliance stores.
    - Approximately 3,930 kits were distributed between July 1 and September 30, 2010.

- Along with starter-materials to help customers weatherize their homes and a flyer on programs and services for our customers, the conservation kits included:
    - **Program brochures, describing rebate program features for residential and non-residential customers.** These were also distributed upon request to employees, customers, heating and cooling appliance dealers and local appliance stores.
        - See **Appendix D, Exhibit 5** for samples of the residential and non-residential customer brochures.

    - **Conservation Tip Sheet, including tips and facts about energy conservation and websites that contain conservation information.** This tip sheet was redesigned and updated during June and July 2010. These were also distributed upon request to employees, customers, heating and cooling appliance dealers and local appliance stores.
        - See **Appendix D, Exhibit 6** for a sample tip sheet.

    - **Online Energy Analysis Flyer, including tips and facts about energy conservation and websites that contain conservation information.** This flyer was redesigned and updated during June and July 2010. These were also distributed upon request to employees, customers, heating and cooling appliance dealers and local appliance stores.
        - See **Appendix D, Exhibit 7** for a sample flyer.

- Postcards and letters have been created for distribution as part of the Low Income Usage Reduction Program (LIURP). Customers across the Company's entire service area are currently identified by the Company to participate in this program based on their income level and the amount of natural gas they use. These postcards and letters alert our customers that they are eligible to participate in LIURP and inform them of the steps they need to complete in order to be eligible for free weatherization services through the EmPower New York program, sponsored by the New York State Energy Research and Development Authority (NYSERDA), a state agency.
    - See **Appendix D, Exhibits 8 and 9** for a sample postcard and letter.

- A one-page flyer was also created for both the residential and non-residential rebate program, so that program information could be distributed electronically and through the mail with ease, in addition to conservation kits and program brochures.
    - See **Appendix D, Exhibit 10** for sample flyers.

- The CIP Savings Card was developed to help provide information to customers about how to use less energy and save more money. When customers present a Savings Card to a participating Energy Partner, they are eligible to receive discounts on energy-efficient products and services. Discounts are being offered on items like: service and repairs on natural gas appliances, furnace filters, home weatherization products, high-efficiency furnaces, water heaters and other natural gas appliances and much more. Savings Card discounts are offered to customers throughout our service area regardless of whether they have participated in our rebate or weatherization program previously.
    - See **Appendix D, Exhibit 11** for a sample Savings Card and **Appendix D, Exhibit 12** for a list of participating Energy Partners and discounts currently being offered to customers.

Community Outreach:

- Program materials and conservation kits were distributed at the following:
    - Erie County Fair – 2,330 kits
    - Pro Action of Steuben & Yates, Inc. – 40 kits
    - Orville's Home Appliances – 40 kits
    - UB Green – Operation Door Hanger and Conservation Fair – 320 kits
    - Western New York Construction Users Council Meeting – 30 kits
    - Western New York Plumbing & Mechanical Contracting Association – 60 kits
    - Village of Lancaster – Safety Sunday Event – 150 kits
    - UB Green – Greener Shade of Blue & You Day – 500 kits
    - Buffalo Niagara Partnership – 60 kits
    - Lowe's of East Amherst – Safety Saturday Event – 250 kits
    - GrowWNY.com / Apollo Alliance HECK Event – 150 kits
- Printed materials about the CIP and services for National Fuel customers were sent out for general distribution by:
    - Lowe's of East Amherst
    - Village of Lancaster
    - University at Buffalo
    - Pro Action of Steuben & Yates, Inc.
    - Buffalo Sabres Green Team
    - The NEED Project
- Program materials were provided or mailed out upon request at:
    - National Fuel's Buffalo Customer Assistance Center
    - National Fuel's AppleTree Customer Assistance Center
    - National Fuel's Jamestown Customer Assistance Center
    - National Fuel's New York Customer Response Center
- Continued sponsorship of the Buffalo Sabres Green Team's "Blue & Gold Make Green" Initiative:

- As of September 30, 2010, 4,032 Green Team members have signed up to participate in the program through the Sabres website. When new members joined the program, they were directed to a website that contained 10 energy efficiency tips. In addition, these tips were forwarded to their e-mail addresses. Green Team members are also mailed the Conservation Tip Sheet, the Online Energy Analysis flyer, a one-page flyer about the residential and non-residential rebate program and a CIP Savings Card.
- During this quarter, we did not run any television or in-arena advertisements and we did not sponsor any Sabres "green" games, as the regular season did not start until October 2010.
- Green Team online advertisements were placed on the Buffalo Sabres website periodically throughout the last three months, providing 1,283,748 impressions.
- CIP information and conservation tips are prominently featured on the Sabres' dedicated Green Team website.
- CIP materials are distributed to all new registrants.
- Two e-mail blasts about the CIP, including a link to our CIP website were sent between July 1 and September 30, 2010, to more than 128,000 Sabres Insider Club members and all Green Team members.
- A CIP online ad was placed on the Sabres' Green Team website periodically throughout the last three months, providing approximately 1,164 impressions.
- The Sabres posted 6 stories on the CIP or the Green Team to the Sabres website during the quarter.

- In April 2010, we launched a new sponsorship with the Buffalo Bisons, the triple-A affiliate of the New York Mets:
  - National Fuel currently sponsors "This date in Mets history" during every home game throughout the year. Upon the conclusion of this promotion, an energy conservation fact is read to the audience and is placed on the electronic scoreboard of the ballpark. The fact is brought to the audience by the CIP.
  - A CIP online banner ad was placed on the Buffalo Bisons website during the last three months. The website receives 640,000 unique visitors and 2.5 million page views each year.

Distribution also executed the following:

Legislative Outreach:

- Contact was maintained with elected officials, representing all districts of western New York at the state and local level, to describe the CIP, its features and benefits, to offer follow-up meetings with staff and constituents and to make conservation kits available.
- On July 6, 2010, a letter was sent to 87 elected officials to inform them that the Company filed a request with the Public Service Commission

to continue the CIP. A copy of the Company's June 30, 2010 press release titled "National Fuel Files for Year Four of the Conservation Incentive Program" was included with this letter.
    - See **Appendix D, Exhibit 13** for a copy of the letter.
- On September 24, 2010, a letter was sent to 134 elected officials to inform them that rebates are still available for our customers through the CIP. The letter also highlighted the Savings Card promotion as another way that the Company helps our customers manage their energy use. CIP Savings Cards and copies of the listing of participating Energy Partners and their discounts were included with this letter.
    - See **Appendix D, Exhibit 14** for a copy of the letter.

Media Relations:

- A press release titled "National Fuel Files for Year Four of Conservation Incentive Program" was issued on June 30, 2010.
    - See **Appendix D, Exhibit 15** for a copy of the release.
- A media advisory titled "National Fuel Responds to PUSH Buffalo's Rejection of the Company's Conservation Incentive Program" was issued on September 17, 2010.
    - See **Appendix D, Exhibit 16** for a copy of the release.
- Five CIP interviews were conducted with local media and the trade press between July 1 and September 30, 2010.
- Highlights of local coverage included:
    - Two news stories featured Cattaraugus-Little Valley Middle School as the winner of the Energy Detectives Classroom Contest:
        - "Cattaraugus-Little Valley Central named School of Year for energy education project," was published July 11, 2010 by the Olean Times Herald (edition circulation 14,409).
        - "Catt-LV Students Take Top Science Honors," was published July 22, 2010 by The Post-Journal (edition circulation 20,150).
    - A news story mentioning that rebates are available through the CIP even though federal tax credits are expiring, titled, "Energy Rebates Expiring," was published on September 15, 2010 by the Amherst Bee (edition circulation 6,048).
    - A news story highlighting how the CIP benefits local businesses and residents, titled, "Conservation Incentive Program assists many," was published on September 28, 2010 by the Buffalo News (edition circulation 162,213).

Dealer and Contractor Outreach:

- Area heating and cooling contractors, appliance dealers and others engaged in Distribution's Energy Partnership Program were provided supplies of residential and non-residential CIP brochures, CIP Savings Cards, conservation tip sheets, program flyers or information and videos about natural gas appliances to distribute to their customers. Participants receiving quantities or requesting quantities of some or all of the materials mentioned above during the last quarter included:
    - Acme the Appliance Store
    - Alden Pools & Play
    - American Eagle Fireplace
    - Arthur's Hardware
    - Besecker and Coss Service Inc.
    - Black Hat Chimney & Fireplace, Inc.
    - Countryside Stove & Chimney
    - Edwards Appliance
    - Ed Young's True Value
    - Fireplace Distributors
    - Gary Pools & Leisure
    - George's Appliance and Television
    - Hector's Hardware
    - Orville's Appliance Inc.
    - Patton Electric Co. Discount Appliance & TV Center
    - Pool Mart
    - Sears
    - South Towns Appliance
    - Southtowns Fireplace
    - The Home Depot
    - Valu Home Centers

- Sales staff training was completed with representatives from Orville's Appliance Inc. during the month of August.
- Discussed the CIP at the WNY Construction Users Council meeting on September 14.
- Discussed the CIP at the WNY Plumbing and Mechanical Contracting Association meeting on September 16.
- Gave a CIP presentation, mainly focusing on the non-residential program, at the Go Green Seminar held at the Buffalo Niagara Partnership on September 24.

4. Reporting

The Company is monitoring the progress and success of the communication activities related to the CIP. A benchmark customer survey was created in October 2007 to measure customer awareness of energy efficiency and current practices and behaviors associated with the efficient use of natural gas. Through the customer survey, the

Company is also monitoring the progress and success of the communication activities related to the CIP.

Follow-up surveys during the course of the CIP have been and will continue to be conducted to measure changes in customer behavior and awareness of the conservation messaging being advanced as part of the CIP.

The most recent round of surveying was completed in June 2010. Key findings from the June 2010 survey included:

- Respondents continue to rank National Fuel as a leading source for information about energy efficiency and conservation.
- General awareness of programs offering rebates to replace appliances is at 74 percent, the highest awareness rate since the beginning of the survey. Awareness of and participation in National Fuel's Conservation Incentive Program were slightly higher, compared to the last survey.
- 95 percent think it is important to conserve energy and they also consider themselves knowledgeable about how to conserve.
- 86 percent conserve energy in order to save money, which is consistent with prior results.
- 65 percent believe that natural gas is the most cost-effective type of energy for their personal use.
- As seen in prior studies, existing appliances would only be replaced for new, energy-efficient models only if the appliance stopped working.
- 83 percent of respondents felt that energy savings could offset the cost of a more efficient furnace over the life of a unit.
- Low-cost conservation tactics continue to be implemented prior to considering equipment upgrades. These tactics include: lowering thermostats, adding weather stripping or caulk, adding insulation, setting hot water tank temperatures to medium and preheating ovens only when necessary.
- 69 percent of households earning below $40,000 a year have replaced or are planning to replace their furnaces with more energy-efficient models within the next year.
- 59 percent of respondents expressed that they were somewhat or very likely to seek additional information on rebates.

At November 30, 2009, approximately $4.3 million was spent on communications initiatives for the first two years of the CIP. As of September 30, 2010, approximately $811,206 had been spent on outreach and education initiatives during the program's third year.

5. M&V Analysis

Appendix E, Pages 7 through 9, Column N, provide the preliminary M&V results for the Outreach program.

The Table below summarizes a number of results included in Appendix E.

Outreach M&V Summary	
TRC Base Analysis	4.69
Base Societal Test w/WNY Benefits	7.79
TRC Adjusted	4.03
Adjusted Societal Test w/WNY Benefits	6.75

Gauging the exact customer behavioral changes due to the Company's outreach effort is perhaps the most difficult part of this M&V analysis. The Company's outreach effort is broad based and cuts across a number of programs and initiatives as demonstrated in the program details above. The first step in the M&V analysis was to assign a portion of the outreach costs to the rebate programs since a significant effort was made to inform customers about the rebate programs. The assignment of outreach costs to the rebate programs was 50% of total outreach costs. Outreach costs associated with the rebate programs were included in the M&V results for the rebate programs. The Mcf saved per participant, Row 20, on Appendix E, is a deemed Mcf savings associated with the general outreach efforts. The sensitivity analysis section of the M&V report provides an analysis of the sensitivity of the adjusted TRC results to the volume savings assumption. The adjusted TRC results range from 6.58 if the volume savings resulting from general outreach are 50% greater than those assumed in the base analysis to 2.19 if the volume savings are 50% less than that assumed in the base analysis. The Company's general energy efficiency initiative included a broad based energy savings message as well as distribution of thousands of conservation kits; therefore, the isolation of any single activity on the part of individual customers is difficult to obtain. Perhaps the best estimate of outreach results will be to determine total changes in average usage less the impact associated with the rebate and LIURP programs.

In developing the adjusted analysis a 14% free ridership is assumed. Sensitivity analysis for the free ridership variable is provided in the free ridership section of Appendix E. No level of snapback was assumed related to the outreach effort.

VI. Conclusions

All aspects of the Company's CIP began operation on December 1, 2007. This is the Company's eleventh quarterly report, which has provided an overview of each component of the CIP along with a summary of results to date for each component. This report provided a preliminary analysis of M&V results based on program results to date. Appendix G provides a summary of allowances by program, Company expenditures for each CIP initiative, and NYSERDA expenditures under the Company's program through September 30, 2010. More information regarding M&V variables resulting from the actual operation of the CIP and the ongoing state-wide energy efficiency initiative should be available for inclusion in future quarterly reports. The Company also anticipates including reasonable data reporting modifications that may be suggested by Staff and others involved in making the energy efficiency initiatives included in the CIP available to the Company's customers.

Appendix A - Low Income Usage Reduction Program Cumulative Results through 9/30/10

I. PROGRAM INTAKE *(Cumulative / Program Years 1 & 2 & 3)*

Customers Referred (NFG & Other)	19,470			
Customer Letter/Application Sent	14,297	*	73%	of 19,470 Referrals
Applications Returned	4,123		29%	of 14,297 Applications Sent

II. STATUS of APPLICATION TRIAGE *(Cumulative / Program Years 1 & 2 & 3)*

Applications on Hold (Landlord Authorization):	388	9%	of 4,123 Applications Returned
Applications on Hold (Additional Information/Other):	16	0%	of 4,123 Applications Returned
Deemed Ineligible (house for sale etc)	1,424	35%	of 4,123 Applications Returned
Assigned to Contractors for Service	**2,295**	56%	of 4,123 Applications Returned

III. STATUS OF AUDITS/MEASURES *(Cumulative / Program Years 1 & 2 & 3)*

Audits in Process	**75**	3%	of 2,295 Households assigned to Contractors for Service
Jobs in Process	57	2%	of 2,295 Households assigned to Contractors for Service
Jobs Completed	1,620	71%	of 2,295 Households assigned to Contractors for Service
Program Participants	**1,752**		
Jobs Cancelled	543	24%	of 2,295 Households assigned to Contractors for Service

III. PROGRAM RESULTS *(Cumulative / Program Years 1 & 2 & 3)*

Conservation Measure	Jobs	Estimated Annual Energy Savings (Mcf)	Estimated Annual* Savings ($)	**Total Cost of Measures**	Average Cost per Measure
Audit Fee/Education	1,620	tbd	tbd	**$539,097**	$333
Insulation	1,291	49,223	$664,510	**$3,660,781**	$2,836
Air Sealing	1,323	11,723	$158,257	**$479,956**	$363
Heating System Repair/Replacement	726	5,693	$76,848	**$392,919**	$541
Thermostats	147	1,945	$26,261	**$15,326**	$104
DHW Improvements	119	280	$3,774	**$141,556**	$1,190
Showerheads	432	345	$4,654	**$7,193**	$17
Pipe Wrapping	517	144	$1,935	**$8,677**	$17
Other	246	21	$282	**$60,504**	$246
Total	**1,620**	69,374	$936,521	**$5,306,009**	$3,275

'* *Therm cost savings are based on the National Fuel Residential Utility Prices for Jan 2008 as posted by the PSC minus the non-bypassable service charge ($1.35 per therm).*

Appendix B - Residential CIP Rebate Program Cumulative Results through 9/30/10

Equipment	Quantity	Rebate Amount	Total Rebate	Processing Fee	Total Fee	Total
I. Space Heating						
Boiler - Hot Water	1709	$400.00	$683,600.00	$7.50	$12,817.50	$696,417.50
Boiler - Steam	72	$200.00	$14,400.00	$7.50	$540.00	$14,940.00
Furnace >= 90% with ECM	2283	$400.00	$914,700.00	$7.50	$17,122.50	$931,822.50
Furnace >= 90%	19023	$300.00	$5,706,900.00	$7.50	$142,665.00	$5,849,565.00
Subtotal	23087		$7,319,600.00		$173,145.00	$7,492,745.00
II. Water Heating						
Indirect Water Heater	133	$300.00	$39,900.00	$6.50	$864.50	$40,764.50
Water Heater - Storage Tank	3276	$150.00	$491,400.00	$6.50	$21,294.00	$512,694.00
Water Heater - Tankless	1719	$350.00	$602,050.00	$6.50	$11,173.50	$613,223.50
Subtotal	5128		$1,133,350.00		$33,332.00	$1,166,682.00
III. Programmable Thermostat	20516	$24.97 *	$512,363.57	$4.50	$83,515.50 **	$595,879.07
Total all Equipment	48,731		$8,965,313.57		$289,992.50	$9,255,306.07
Program Administration	14 months (11/07 - 12/08)			$2,000.00	$28,000.00	
	21 months (1/09 - 9/10)			$3,200.00	$67,200.00	
					$95,200.00	
Inspections	2429			$87.00	$211,323.00	
PROGRAM TOTAL						**$9,561,829.07**

* Average thermostat rebate amount. Rebate amount cannot exceed actual purchase price.

** Thermostat "Total Fee" reflects no fee charged after initial thermostat, on multiple thermostat installations.

Appendix C - Small Non-Residential CIP Rebate Program Cumulative Results through 9/30/10

I. FIXED Rebates

A. Through Residential CIP, Installed before 12/1/08 - Administered by EFI

Equipment	Quantity	Individual Rebate Amount	Total Rebate	Processing Fee	Total Fee	Total
I. Space Heating						
Boiler - Hot Water	19	$400.00	$7,600.00	$7.50	$142.50	$7,742.50
Boiler - Steam	0	$200.00	$0.00	$7.50	$0.00	$0.00
Furnace	144	$300.00	$43,200.00	$7.50	$1,080.00	$44,280.00
Subtotal	163		$50,800.00		$1,222.50	$52,022.50
II. Water Heating						
Water Heater - Storage Tank	12	$150.00	$1,800.00	$6.50	$78.00	$1,878.00
Water Heater - Tankless	8	$350.00	$2,800.00	$6.50	$52.00	$2,852.00
Subtotal	20		$4,600.00		$130.00	$4,730.00
III. Programmable Thermostat	210	$24.88 *	$5,224.96	$4.50	$945.00 **	$6,169.96
Total all Equipment	393		$60,624.96		$2,297.50	$62,922.46
Inspections	27			$87.00	$2,349.00	
PROGRAM SUBTOTAL						$65,271.46

* Average thermostat rebate amount. Rebate amount cannot exceed actual purchase price.

** Thermostat "Total Fee" reflects no fee charged after initial thermostat, on multiple thermostat installations.

Appendix C - Small Non-Residential CIP Rebate Program Cumulative Results through 9/30/10

I. FIXED Rebates (continued)

B. Through Small Non-Residential CIP, Installed after 12/1/08 - Administered by NYSERDA

Equipment	Quantity	Individual Rebate Amount	Total Rebate	Processing Fee	Total Fee	Total
I. Space Heating						
Boiler - Hot Water	66	$2,445.45 *	$161,400.00	9.00%	$14,526.00	$175,926.00
Boiler - Steam	4	$2,188.00	$8,752.00	9.00%	$787.68	$9,539.68
Unit Heater	24	$1,895.83 *	$45,500.00	9.00%	$4,095.00	$49,595.00
Furnace	197	$1,061.62 *	$209,140.00	9.00%	$18,822.60	$227,962.60
Subtotal	291		$424,792.00		$38,231.28	$463,023.28
II. Water Heating						
Water Heater - Storage Tank	17	$150.00	$2,550.00	9.00%	$229.50	$2,779.50
Water Heater - Tankless	17	$350.00	$7,350.00	9.00%	$661.50	$8,011.50
Subtotal	34		$9,900.00		$891.00	$10,791.00
III. Cooking	4	$500.00	$3,000.00	9.00%	$270.00	$3,270.00
IV. Programmable Thermostat	158	$90.82 *	$14,350.00	9.00%	$1,291.50 **	$15,641.50
Total all Equipment	487		$452,042.00		$40,683.78	$492,725.78
Inspections	0			N/A	$0.00	
PROGRAM SUBTOTAL						$492,725.78

* Average thermostat rebate amount. Rebate amount cannot exceed actual purchase price.

** Thermostat "Total Fee" reflects no fee charged after initial thermostat, on multiple thermostat installations.

Appendix C - Small Non-Residential CIP Rebate Program Cumulative Results through 9/30/10

II. CUSTOMIZED Rebates

Through Small Non-Residential CIP - Administered by NYSERDA

Equipment	Quantity	Average Rebate Amount	Total Rebate	Processing Fee	Total Fee	Total
I. Space Heating						
Boiler - Hot Water	28	$13,637.44	$381,848.24	9.00%	$34,366.34	$416,214.58
Boiler - Steam	0	$0.00	$0.00	9.00%	$0.00	$0.00
Unit Heater	1	$16,975.00	$16,975.00	9.00%	$1,527.75	$18,502.75
Furnace	0	$0.00	$0.00	9.00%	$0.00	$0.00
Other	10	$10,779.10 *	$107,791.00	9.00%	$9,701.19	$117,492.19
Subtotal	39	$12,990.11	$506,614.24		$45,595.28	$552,209.52
II. Water Heating						
Water Heater - Storage Tank	3	$5,833.67	$17,501.00	9.00%	$1,575.09	$19,076.09
Water Heater - Tankless	0		$0.00	9.00%	$0.00	$0.00
Subtotal	3	$5,833.67	$17,501.00		$1,575.09	$19,076.09
III. Process Heating	2		$50,000.00	9.00%	$4,500.00	$54,500.00
IV. Programmable Thermostat	0		$0.00	9.00%	$0.00	$0.00
Total all Equipment	44		$574,115.24		$51,670.37	$625,785.61
Inspections	44			N/A	$0.00	
PROGRAM SUBTOTAL						$625,785.61

Appendix C - Small Non-Residential CIP Rebate Program Cumulative Results through 9/30/10

III. TOTAL Rebates

Through Residential and Small Non-Residential CIP - Administered by EFI & NYSERDA

Equipment	Quantity	Average Rebate Amount	Total Rebate	Total Processing Fee	Total
I. Space Heating					
Boiler - Hot Water	113	$4,874.76	$550,848.24	$49,034.84	$599,883.08
Boiler - Steam	4	$0.00	$8,752.00	$787.68	$9,539.68
Unit Heater	25	$2,499.00	$62,475.00	$5,622.75	$68,097.75
Furnace	341	$740.00	$252,340.00	$19,902.60	$272,242.60
Other	10	$10,779.10	$107,791.00	$9,701.19	$117,492.19
Subtotal	493	$1,992.30	$982,206.24	$85,049.06	$1,067,255.30
II. Water Heating					
Water Heater - Storage Tank	32	$682.84	$21,851.00	$1,882.59	$23,733.59
Water Heater - Tankless	25	$406.00	$10,150.00	$713.50	$10,863.50
Subtotal	57	$561.42	$32,001.00	$2,596.09	$34,597.09
III. Cooking	4	$500.00	$3,000.00	$270.00	$3,270.00
IV. Process Heating	2	$0.00	$50,000.00	$4,500.00	$54,500.00
V. Programmable Thermostat	368	$53.19	$19,574.96	$2,236.50	$21,811.46
Total all Equipment	924		$1,086,782.20	$94,651.65	$1,181,433.85
Inspections	71			$2,349.00	
PROGRAM TOTAL					**$1,183,782.85**

APPENDIX D – General Customer Outreach and Energy Efficiency Education

EXHIBIT 1 – Print Advertisements

It's called the Conservation Incentive Program. Here's the incentive.

Save up to $400 in your home or up to $25,000 in your workplace when you replace equipment with qualifying, energy-efficient natural gas models.

Rebates for residential and small, non-residential customers in National Fuel's Western New York service area are still available through **National Fuel's Conservation Incentive Program (CIP).**

Our residential program offers rebates to those customers who replace space and water heating equipment with qualifying, energy-efficient models. When you combine these rebates with the fuel savings realized by using more efficient equipment, you'd be amazed at how quickly your new appliances can pay for themselves.

Rebates are available for the following items, providing they were installed on or after December 1, 2009.

Equipment	Minimum Required Efficiency	Your Rebate
Space Heating		
Hot Air Furnace	90% AFUE**	$300
Hot Air Furnace w/ ECM†	90% AFUE	$400
Hot Water Boiler	85% AFUE	$400
Steam Boiler	81% AFUE	$200
Programmable Thermostat‡	Energy Star®-rated	$25
Water Heating		
Indirect Water Heater	N/A	$300

** AFUE – Annual Fuel Utilization Efficiency is the most widely used measure of a furnace's heating efficiency. It measures the amount of heat actually delivered to a house compared to the amount of fuel that must supply the furnace.

† $400 rebates are available for hot air furnaces with electronically commutated motors.

‡ Must be installed by a contractor in conjunction with a furnace or boiler replacement.

Plus, the savings are even greater when you replace your home's electric appliances with natural gas models. By switching to this clean, efficient, secure, abundant resource, a household can save money with each use, year after year.

Rebates for Non-Residential Customers

If you're a small, non-residential National Fuel customer using less than 12,000 Mcf (thousand cubic feet) of natural gas per year, rebates are available just for upgrading to more energy-efficient equipment. Choose from one of the following rebate options:

1. Fixed (Pre-Qualified) Rebate – Fixed rebates are available on pre-qualified equipment. Visit **www.NationalFuelForThought.com** for qualifying equipment and rebates.

2. Customized (Performance-Based) Rebate – Rebates are determined on a case-by-case basis, based on the results of an energy-use analysis. Customized rebates can be as much as 50 percent of the incremental equipment and installation costs, up to $25,000. Call **1-866-697-3732** or visit **www.NYSERDA.org** to get started.

CIP Savings Card

Our free CIP Savings Card can also help you save when you purchase energy-efficient products and services. Simply present the card to our participating Energy Partners at the time of purchase to take advantage of money-saving offers. Visit our website to print your own Savings Card and view a list of this year's participating retailers and the discounts they are offering.

Current CIP Year 3 rebates are available provided the qualifying equipment is installed on or after December 1, 2009. You can download a rebate application from our website. Please call 1-800-365-3234 or visit www.NationalFuelForThought.com to learn more about the CIP Savings Card promotion or for more information on CIP.

National Fuel®
fuel for thought
NationalFuelForThought.com

EXHIBIT 2 – Bill Inserts

Fuel for Thought

Summer 2010 Customer Newsletter

National Fuel

Things to think about:

- Saving with Natural Gas
- Natural Gas Safety
- Protecting Against Carbon Monoxide

www.nationalfuelgas.com

Natural Gas

The ultimate "alternative" fuel of the future

When it comes to dealing with energy costs and protecting the environment, natural gas is a major part of the solution to our country's energy concerns. Of the major sources of energy in the U.S., **natural gas is one of the most cost-effective, clean, efficient, secure and abundant fuels available.**

Natural gas costs less to use than other major home energy sources. The equivalent amount of electricity costs families roughly three times as much, on average, as natural gas.

Natural gas is clean, generating less sulfur dioxide (a cause of acid rain), less nitrogen oxides (that can produce smog) and less particulate matter (dust, dirt, soot or smoke) than oil or coal. And natural gas produces significantly less greenhouse gas emissions than other fossil fuels.

Natural gas appliances are more efficient than electric appliances, from generation to the point of use. As a result, gas users conserve energy resources and reduce greenhouse gas emissions.

Natural gas is secure and abundant. More than 97 percent of the U.S.'s natural gas supply comes from North America, of which 84 percent is produced in our country. And our total natural gas resource base is continually growing.

Although there are renewable forms of energy on the horizon that show promise, wind and solar power are not always available and presently make up less than 1 percent of our nation's total energy supply. Until other alternatives can be produced abundantly and cost-effectively, natural gas will continue to be the premier fuel of the future that is available today.

The Savings Add Up

Using natural gas appliances, like a gas clothes dryer, will save you money. Last year in Western New York, the average gas dryer cost $55[1] to operate whereas the average electric dryer cost $204.[2] Last year in northwestern Pennsylvania, the average gas dryer cost $62[1] to operate whereas the average electric dryer cost $145.[2] You could save a significant amount of money each year by making the switch to a gas dryer. You'll notice natural gas is not only gentle on your clothes, but it's gentle on your wallet and the environment, too.

[1]Based on a calendar year 2009 residential gas cost of $1.0673/Ccf (100 cubic feet) in New York, $1.1850/Ccf in Pennsylvania and an annual clothes dryer usage of 52 Ccf/year.
[2]Based on a calendar year 2009 residential electric cost of $0.1341/kWh (kilowatt hour) in New York, $0.0952/kWh in Pennsylvania and an annual clothes dryer usage of 1,520 kWh/year.

Start Preparing for the Winter Heating Season

Annually, have your heating system inspected by a qualified contractor before the heating season begins.

The contractor should provide the following services:

- Check the heat exchangers for cracks, rust and corrosion.
- Clean and check the flue and vent pipes for any obstructions.
- Check your heating system, or have it tested, for proper ventilation.
- Clean or replace all furnace filters.
- Check blower operation, clean and lubricate.
- Check and adjust any pilots and burners.
- Check that your gas appliances produce a sharp blue flame.
- Check all electrical connections and controls.

Always keep flammable materials outdoors, in approved containers and away from your furnace, water heater and other natural gas appliances.

EXHIBIT 3 – CIP Website (NationalFuelForThought.com)

EXHIBIT 4 – Online Advertisements – Website Outreach

EXHIBIT 4 – Online Advertisements – Website Outreach

EXHIBIT 5 – Residential Brochures

Receive these rebates on select natural gas appliances installed on or after December 1, 2009, and save energy and money!

Appliance	Required Minimum Efficiency	Rebate Amount
Space Heating		
Hot Air Furnace	90% AFUE*	$300
Hot Air Furnace w/ECM**	90% AFUE	$400
Hot Water Boiler	85% AFUE	$400
Steam Boiler	83% AFUE	$200
Programmable Thermostat (in conjunction with a furnace or boiler replacement)	Energy Star®-Rated	$25
Water Heating		
Indirect Water Heater	N/A	$300

*Annual Fuel Utilization Efficiency
**ECM: Electronically Commutated Motor

Residential Customers: The rebate offers listed above are available for qualifying equipment purchased and installed on or after December 1, 2009. All appliances must be installed by a contractor. In order to get a rebate on an Energy Star®-rated programmable thermostat, a contractor must install the thermostat at the time of a furnace or boiler replacement. Contractors must be able to supply one of the following in order for the rebate application to be considered complete: Federal ID number, a Certificate of Insurance or a Business Certificate showing their company's name and address. Rebates are available for equipment upgrades only regardless of income or annual energy usage. New builds are not eligible for rebates. **The residential rebates for years one and two of the CIP are still available for qualifying equipment installed between November 1, 2007, and November 30, 2009. To learn more about what equipment qualifies for years one and two of the CIP, visit www.NationalFuelForThought.com.**

Small, non-residential customers whose facilities use less than 12,000 Mcf (thousand cubic feet) of natural gas per year are also eligible to receive either fixed or customized rebates for upgrading to more energy-efficient equipment. To learn more about National Fuel's fixed rebates, visit **www.NationalFuelForThought.com**. Customized rebates are determined on a case-by-case basis, based on the results of an energy-use analysis. For these customers, rebates can be as much as 50% of the incremental equipment and installation costs, up to $25,000. Call **1-866-697-3732** or visit **www.NYSERDA.org** for more information. The fixed rebates being offered to non-residential customers are available for qualifying equipment installed on or after December 1, 2008.

National Fuel
fuel for thought
www.NationalFuelForThought.com

If you have a question, problem or request, please call us Monday through Friday, 7 a.m. to 6 p.m.
Buffalo, NY area: (716) 686-6123
All other areas: (800) 365-3234
For gas emergencies, call 1-800-444-3130
24 hours a day, 7 days a week.

Printed on Recycled Paper

RES CIP 11-09

Fuel for Thought

For Residential Customers

National Fuel
fuel for thought

The Conservation Incentive Program
For Residential Customers

Thinking about a new natural gas appliance? Choose high-efficiency and save.

The National Fuel **Conservation Incentive Rebate Program** offers residential and small, non-residential customers in National Fuel's western New York service area a number of money-saving rebates when you replace specified appliances with new, energy-efficient models. When you combine the rebates with the projected annual fuel savings realized by using more efficient equipment, you'd be amazed at how quickly these new appliances can pay for themselves.

So why is National Fuel helping you use less natural gas?

A lot of people believe that National Fuel controls the cost of natural gas and that higher natural gas costs mean the Utility makes more money. The truth is that utilities have no control over the market price of natural gas. By law, these costs are passed along without mark-up. The price you pay for natural gas is set in the energy marketplace where the forces of supply and demand affect prices most.

With the **Conservation Incentive Rebate Program**, National Fuel is partnering with customers on ways to use less natural gas, helping to bring balance back to the marketplace and lowering the price we all pay for the energy we use.

For more information about this program, visit **www.NationalFuelForThought.com**, where you can print a rebate application and learn more about how to use less energy.

By using natural gas wisely, you could help protect the environment.

Natural gas is the most efficient and cleanest fossil fuel available. According to the U.S. Environmental Protection Agency, natural gas also produces a significantly smaller volume of greenhouse gasses, compared to oil or other fossil fuels used in the production of electricity. When you conserve natural gas, you not only help your pocketbook, you reduce emissions further, making the air cleaner for everyone. And that's something that will help your children, their children, and generations to come.

The National Fuel **Conservation Incentive Rebate Program** also includes a number of other ways for you to save through energy-efficiency, including initiatives specifically designed for non-residential natural gas use and to assist lower income households. For complete details, visit **www.NationalFuelForThought.com**. If you've submitted a rebate application and have questions, call (toll free) **1-877-285-7824**.

An example of how you can make high-efficiency more affordable:

New 90% High Efficiency Furnace	$3,500
Standard 80% Efficient Furnace	$2,500
Cost Difference for Higher-Efficiency Model	$1,000
One-time Rebate	$300
Cost Difference After Rebate	$700
Annual Operating Cost Savings	$190/year**
Simple Payback on Cost for High-Efficiency Model	3.7 years*

And of course, by choosing a high-efficiency product for your home now, you'll continue to enjoy energy savings for years to come.

* With savings on annual operating costs of $190 per year, the $700 incremental investment will be paid back in 3.7 years.

** This is only an example. Your actual investment and savings may be higher or lower depending on the models you choose to install, the efficiency of the furnace you are replacing, fluctuating fuel costs and your actual installed cost. Based on average gas costs for 12 months ending September 30, 2009.

Rebates are available for residential customers, regardless of income or annual energy usage. Appliances purchased and installed in new-builds are not eligible for rebates.

EXHIBIT 5 – Non-Residential Brochures

An example of how a small, non-residential customer can make high-efficiency more affordable:

(2) New 95% High Efficiency, Condensing Boilers	$15,000
(2) Standard 80% Efficiency, Non-Condensing Boilers	$7,500
Cost Difference for Higher Efficiency Model	**$7,500**
One-time Fixed Rebate	$2,000
Cost Difference After Rebate	$5,500
Annual Operating Cost Savings	$2,731/year**
Simple Payback on Cost for High-Efficiency Model	2.0 years*

And of course, by choosing a high-efficiency product for your business now, you'll continue to enjoy energy savings for years to come.

** This is only an example. Your actual investment and savings may be higher or lower depending on the models you choose to install, the efficiency of the furnace you are replacing, fluctuating fuel costs and your actual installed cost. Based on average gas costs for 12 months ending September 30, 2009.

* With savings on annual operating costs of $2,731 per year, the $5,500 incremental investment will be paid back in 2.0 years.

By using natural gas wisely, you could help protect the environment.

Natural gas is the most efficient and cleanest fossil fuel available. According to the U.S. Environmental Protection Agency, natural gas also produces a significantly smaller volume of greenhouse gasses, compared to oil or other fossil fuels used in the production of electricity. When you conserve natural gas, you not only help your pocketbook, you reduce emissions further, making the air cleaner for everyone. And that's something that will help your children, their children, and generations to come.

The National Fuel **Conservation Incentive Rebate Program** also includes a number of other ways for you to save through energy-efficiency, including initiatives specifically designed for residential natural gas use and to assist lower income households. For complete details, visit **www.NationalFuelForThought.com.**

So why is National Fuel helping you use less natural gas?

A lot of people believe that National Fuel controls the cost of natural gas, and that higher natural gas costs means the Utility makes more money. The truth is that utilities have no control over the market price of natural gas. By law, these costs are passed along without mark-up. The price you pay for natural gas is set in the energy marketplace where the forces of supply and demand affect prices most.

With the **Conservation Incentive Rebate Program**, National Fuel is partnering with customers on ways to use less natural gas, helping to bring balance back to the marketplace and lowering the price we all pay for the energy we use.

For more information about this program, visit **www.NationalFuelForThought.com**, where you can print a rebate application and learn more about how to use less energy.

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If you have a question, problem or request, please call us Monday through Friday, 7am to 6pm.
Buffalo, NY area: (716) 686-6123
All other areas: (800) 365-3234

For gas emergencies, call 1-800-444-3130
24 hours a day, 7 days a week.

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NON RES CIP 11-09

Fuel for Thought

For Non-Residential Customers

National Fuel
fuel for thought

The Conservation Incentive Program
For Non-Residential Customers

Thinking about purchasing a new piece of natural gas equipment? Choose high-efficiency and save.

The National Fuel **Conservation Incentive Rebate Program** offers residential and small, non-residential customers in National Fuel's western New York service area a number of money-saving rebates when you replace specified appliances with new, energy-efficient models. When you combine the rebates with the projected annual fuel savings realized by using more efficient equipment, you'd be amazed at how quickly these new appliances can pay for themselves.

Fixed & customized rebates for non-residential customers.

Small, non-residential customers whose facilities use less than 12,000 Mcf (thousand cubic feet) of natural gas per year are eligible to receive either fixed or customized rebates for upgrading to more energy-efficient natural gas equipment.

Offering you two ways to save!

- **Fixed (Pre-Qualified) Rebate** – Fixed rebates available on pre-qualified equipment. It's fast and easy! Visit **www.NationalFuelForThought.com** for a rebate application.
- **Customized (Performance-Based) Rebate** – Rebates are determined on a case-by-case basis, based on the results of an energy-use analysis. Customized rebates can be as much as 50% of the incremental equipment and installation costs, up to $25,000. This may result in a larger rebate than if your company received a fixed rebate. Call **1-866-697-3732** or visit **www.NYSERDA.org** to get started.

Receive these fixed rebates on select natural gas appliances and save energy and money!

Equipment	Minimum Required Efficiency	Rebate	Equipment Size		
Space Heating		(<300kBtuh)	(300-499kBtuh)	(500-1,000kBtuh)	(>1,000kBtuh)
Hot Air Furnace	90% AFUE	$500	N/A	N/A	N/A
Hot Water Boiler	85% AFUE 90% AFUE	$600 $1,000	$750 $1,500	$1,500 $2,500	$2,500 $3,500
Steam Boiler	81% AFUE	$600	($2/kBtuh) $600-$1,000	($2/kBtuh) $1,000-$2,000	($2/kBtuh) $2,000+
Space Heating					
Unit Heater	90% AFUE	$1,000			
Low Intensity Infrared Heater	N/A	$500			
Programmable Thermostat	Energy Star®-rated	$25			
Water Heating					
Storage Tank Water Heater	0.61 EF	$150			
Tankless Water Heater	0.78 EF	$350			
Cooking					
Fryer	Energy Star®-rated	$750			
Broiler	30% AFUE	$500			
Convection Oven	40% AFUE	$500			
Combination Oven	40% AFUE	$750			
Steamer	Energy Star®-rated	$750			
Griddle	45% AFUE	$500			

(AFUE) Annual Fuel Utilization Efficiency (EF) Energy Factor (kBtuh) 1,000 Btu per hour

Please Note: all appliances must be installed by a contractor. Non-residential customers applying for a rebate AND contractors must be able to supply one of the following: Federal ID number, a Certificate of Insurance or a Business Certificate showing their company's name and address in order for the rebate application to be considered complete. The Conservation Incentive Program customized rebates are available for qualifying equipment purchased and installed on or after November 1, 2007, only. The fixed rebates being offered to non-residential customers are available for qualifying equipment installed on or after December 1, 2008.

Call **1-800-365-3234** or visit **www.NationalFuelForThought.com** to learn more and print a non-residential fixed rebate application.

EXHIBIT 6 – Conservation Tip Sheet *(front)*

Energy Efficiency Tips

National Fuel®
www.NationalFuelForThought.com

Saving money and energy is easier than you may think.

Extra money in your pocket. Cleaner air in your lungs. Natural gas gives you both. It's the ultimate "alternative" fuel of the future, generating less sulfur dioxide (a cause of acid rain), less nitrogen oxides (that can produce smog) and less particulate matter (dust, dirt, soot or smoke) than coal or oil. It costs less than other fuels. And there's enough natural gas to meet a large percentage of America's energy needs now. In fact, **natural gas is one of the most cost-effective, clean, efficient, secure and abundant fuels available!**

Quick, easy energy savings.

1 Set thermostats between 65 and 70 degrees during the winter and at 58 degrees when away from the house for more than a few hours. While sleeping, add an extra blanket for warmth. Keep in mind that warmer temperatures are recommended for homes with infants, ill or elderly persons.

2 Turn down thermostats automatically without sacrificing comfort by installing a programmable thermostat.

Savings: By turning your thermostat back 10 to 15 percent for eight hours per day, you can cut your annual heating bills by as much as 10 percent per year.

3 Change or clean furnace filters once a month during the heating season. Use the arrival of your natural gas bill as your reminder to change the filter.

4 Warm air rises, so use registers to direct warm air-flow across the floor.

5 Close vents and doors in unused rooms and close dampers on unused fireplaces.

6 Set your water heater to 120 degrees or the medium setting. You'll enjoy energy savings without sacrificing comfort. A family of four, each showering for five minutes a day, uses 700 gallons of water each week. Not surprisingly, water heating is a typical family's third-largest energy expense, accounting for about 14 percent of utility bills.

7 Insulate water heaters with insulation blankets in accordance with manufacturer's guidelines.

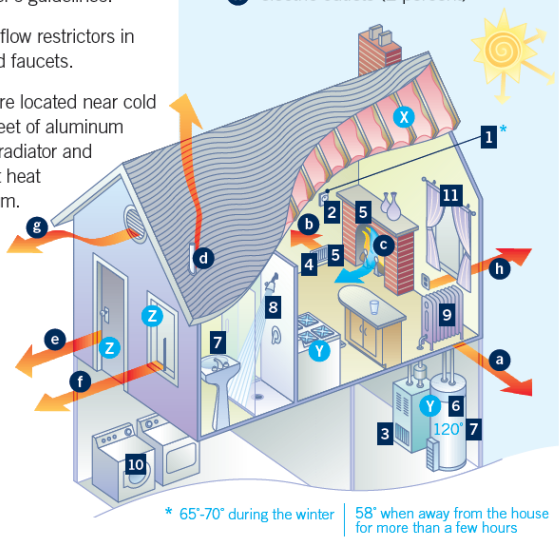
8 Install water-flow restrictors in showerheads and faucets.

9 If radiators are located near cold walls, place a sheet of aluminum foil between the radiator and the wall to reflect heat back into the room.

Keep the cold out to keep costs down.

Reducing air leaks with caulk or weather-stripping could cut as much as 10 percent from an average household's monthly energy bill. According to the U.S. Department of Energy, the most common places where air escapes from homes are:

- **a** floors, walls, ceilings (31 percent)
- **b** ducts (15 percent)
- **c** fireplaces (14 percent)
- **d** plumbing penetrations (13 percent)
- **e** doors (11 percent)
- **f** windows (10 percent)
- **g** fans and vents (4 percent)
- **h** electric outlets (2 percent)



* 65°-70° during the winter | 58° when away from the house for more than a few hours

EXHIBIT 6 – Conservation Tip Sheet *(back)*

10 Run washing machines and clothes dryers with a full load.

11 On sunny days, let in the sun's warmth. Open draperies and blinds on windows that receive direct sunlight. Close them at night or on cloudy days to insulate against cold air outside.

Save big with long-term improvements, too.

Natural gas appliances are more efficient than electric appliances from generation to the point of use. The equivalent amount of electricity would cost you approximately two to three times as much, on average, as natural gas. So, choose natural gas appliances whenever possible. You'll save money on energy and reduce pollutants.

Plus, consider having your home evaluated for energy efficiency. Through the *Home Performance with ENERGY STAR®* Program, a participating Building Performance Institute (BPI) accredited contractor will assess your home, make recommendations for energy improvements and provide a cost estimate to do the improvements.

Visit: **www.getenergysmart.org.**

If you are of low-to-moderate income, you can make your home more energy efficient and reduce your utility bills, if eligible, with the *Assisted Home Performance with ENERGY STAR®* Program.

X Make sure the recommended levels of insulation are installed in your attic and basement.

Y Older furnaces aren't nearly as fuel efficient as today's high-efficiency models. Even if it's still in good working condition, an older furnace could be using approximately 15 percent more fuel than a new high-efficiency furnace. And an old water heater could be just as inefficient as an older furnace. When shopping for new appliances, compare energy efficiency ratings and annual operating costs.

Z Install storm or thermal windows and doors or double-paned glass. A less expensive alternative is plastic sheeting, which can be temporarily fastened over doors and windows to prevent drafts and retain heat.

Enjoy money-saving rebates with National Fuel's Conservation Incentive Program

Save with rebates now, and save later by using less energy. As a residential or non-residential customer in National Fuel's Western New York service area, you can enjoy a number of money-saving rebates when you replace specified appliances with qualifying, energy-efficient natural gas models. For full details, visit **www.NationalFuelForThought.com** and click on "Get Cash Rebates" in the gray menu area on the right. Remember, when you conserve natural gas, you not only save money, you reduce emissions further, making the air cleaner for everyone.

Discover more ways to save.

Visit the following websites for more information on forecasted energy prices, detailed home energy conservation strategies and energy-efficient home improvement materials:

- www.aga.org: The American Gas Association is a valuable resource for understanding the benefits and availability of clean, safe, reliable natural gas.
- www.ase.org: The Alliance to Save Energy regularly posts information for consumers to help them save money, increase comfort and reduce pollution through energy efficiency.
- www.energysavers.gov: The Department of Energy offers additional information on general energy conservation tips.
- www.getenergysmart.org: The New York State Energy Research and Development Authority offers energy-saving tips and information on selecting a contractor for your energy upgrades.

FOR NATURAL GAS EMERGENCIES Call **1-800-444-3130,** 24 hours a day, 7 days a week.

National Fuel®
www.NationalFuelForThought.com

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If you have a question, problem or request, please call us Monday through Friday, 7 a.m. to 6 p.m.
Buffalo area: **716-686-6123** All other areas: **1-800-365-3234**

EXHIBIT 7 – Online Energy Analysis Flyer

Here's one audit you can feel good about – an energy audit.

HOME Energy Analysis

Our detailed Home Energy Analysis is designed to be **convenient and flexible**. Complete the analysis all at once, or enter information as you have it. Each analysis provides you with:

- Information on where your energy dollars go
- Quick and easy tips that will help lower your bills and energy usage
- Home improvement suggestions
- Information about helpful programs and services
- Ways to save more money by participating in National Fuel's Conservation Incentive Program

BUSINESS Energy Analysis

Understand your business's energy consumption more thoroughly, while finding ways to save money and energy. With each analysis you can:

- See where your energy dollars go
- Find ways to lower your costs that are personalized for your business
- See how your costs stack up against the competition
- Benchmark your energy costs across locations
- Learn how to save money by participating in National Fuel's Conservation Incentive Program

We know you're busy, which is why our analysis was designed keeping speed and ease of use in mind. Perform a **Quick Analysis** to get meaningful summary results or analyze your energy usage by appliance or end use with a **Detailed Analysis**.

To learn more and complete a customized online energy analysis, visit www.NationalFuelForThought.com and click on "Online Energy Analysis."

National Fuel®
www.nationalfuelgas.com

Printed on Recycled Paper

If you have a question, problem or request, please call us Monday through Friday, 7a.m. to 6p.m.
Buffalo area: **716-686-6123.** All other areas: **1-800-365-3234**

CIPts-7/10

EXHIBIT 8 – Low Income Usage Reduction Program (LIURP) Postcard

THINK FREE

FREE Energy-Saving Improvements to Help You Manage Your Energy Costs

National Fuel®

fuel for thought

Important Notice

You have been referred for **FREE** services to help manage your fuel costs and keep you warm and comfortable. National Fuel's **Conservation Incentive Program** provides weatherization measures such as insulation, furnace inspections and caulking, and you don't have to pay a thing!

You will be contacted shortly by a representative from EmPower New York, which manages this program. They will arrange for a qualified contractor to assess your needs. Please respond quickly so that you can enjoy greater comfort and savings as soon as the weather turns cold.

We care about your comfort and safety, and want to help you keep your fuel costs manageable. Call EmPower at **1-800-263-0960** for more information.

NationalFuelForThought.com

National Fuel®

fuel for thought

6363 Main Street, Williamsville, NY 14221

EXHIBIT 9 – Low Income Usage Reduction Program (LIURP) Letter

National Fuel
fuel for thought

DATE

ADDRESS – LINE 1
ADDRESS – LINE 2
ADDRESS – LINE 3

Dear National Fuel Customer:

We are pleased to let you know that you are eligible for FREE energy services through National Fuel's new **Conservation Incentive Program**.

Services provided through this program are free to low income households through the EmPower New York℠ program, sponsored by the New York State Energy Research and Development Authority (NYSERDA), a state agency. Gas saving measures are funded by National Fuel and electricity saving measures are funded through your electric utility.

You will not be asked to pay for anything, nor will you be asked to switch fuel suppliers. Our goal is to help you save energy.

We provide:

- FREE Measures to reduce your heating bill such as caulking and insulation;
- FREE measures to reduce your electric bill, such as free ENERGY STAR® lighting;
- FREE Safety Check of the heating system and minor heating system repairs;
- FREE Gas leak testing and Carbon Monoxide testing;
- FREE Tips to help you manage your energy use.

Please sign and return the enclosed Energy Services Application in the postage-paid envelope provided. If you have questions, or would like help in filling out the application, call EmPower New York℠ at 1-800-263-0960. Please let them know that you were referred by National Fuel. If you would like to talk to someone at National Fuel about the program, you can reach us at 716-686-6123 or 800-365-3234.

We at National Fuel developed the **Conservation Incentive Program** to help you reduce your energy bills while staying warm and comfortable. If you have any questions, please call us at one of the numbers above. We're glad to help!

Sincerely,
National Fuel

EXHIBIT 10 – Conservation Incentive Program Flyer - Residential

For Residential Customers

Conservation Incentive Program Year Three

National Fuel
fuel for thought
NationalFuelForThought.com

(Appliances installed on or after December 1, 2009)

For ***residential*** customers in National Fuel's western New York service area, rebates are available on high-efficiency natural gas equipment:

Equipment	Required Minimum Efficiency	Rebate Amount
Space Heating		
Hot Air Furnace	90% AFUE	$300
ECM-Equipped Furnace	90% AFUE	$400
Hot Water Boiler	85% AFUE	$400
Steam Boiler	81% AFUE	$200
Programmable Thermostat (in conjunction with a furnace or boiler replacement only)	ENERGY STAR®-Rated	$25
Water Heating		
Indirect Water Heater	N/A	$300

Please note the documentation required in order to complete the application for a rebate:

Purchased item	Required documentation
Programmable thermostat	Receipt; make and model number, UPC (bar code) label from the package (only ENERGY STAR®-rated models qualify).
Furnaces, Boilers and Water Heater	Paid invoice or receipt(s) indicating the Retailer/Contractor name, business address, phone and **Federal ID number, Certificate of Insurance** or a **Business Certificate**. Itemized description of each product, including: 1. Manufacturer, and **complete model number**. 2. Energy Factor (EF) for natural gas water heaters. 3. AFUE (efficiency) rating for natural gas furnace or boiler. Product installation date.

All appliances must be installed on or after December 1, 2009, by a licensed contractor. Rebates are available for equipment upgrades only. Equipment installed in new-builds is not eligible for rebates.

To learn more and get a rebate application, visit www.NationalFuelForThought.com or call 1-800-365-3234.

EXHIBIT 10 – Conservation Incentive Program Flyer – Non-Residential

For Non-Residential Customers

Conservation Incentive Program

National Fuel's Conservation Incentive Program offers ***Fixed (Pre-Qualified)*** and ***Customized (Performance-Based)*** rebates to ***small, non-residential customers*** whose facilities use less than 12,000 Mcf (thousand cubic feet) of natural gas per year for upgrading to more energy-efficient equipment.

Fixed rebate requirements for select natural gas appliances include:

Equipment	Minimum Required Efficiency	Rebate	Equipment Size		
Space Heating		(<300kBtuh)	(300–500kBtuh)	(500–1,000kBtuh)	(>1,000kBtuh)
Hot Air Furnace	90% AFUE	$500	N/A	N/A	N/A
Hot Water Boiler	85% AFUE 90% AFUE	$600 $1,000	$750 $1,500	$1,500 $2,500	$2,500 $3,500
Steam Boiler	81% AFUE	$600	($2/kBtuh) $600-$1,000	($2/kBtuh) $1,000-$2,000	($2/kBtuh) $2,000+
Space Heating					
Unit Heater	90% AFUE	$1,000			
Low Intensity Infrared Heater	N/A	$500			
Programmable Thermostat	Energy Star®-rated	$25			
Water Heating					
Storage Tank Water Heater	0.61 EF	$150			
Tankless Water Heater	0.78 EF	$350			
Cooking					
Fryer	Energy Star®-rated	$750			
Broiler	30% AFUE	$500			
Convection Oven	40% AFUE	$500			
Combination Oven	40% AFUE	$750			
Steamer	Energy Star®-rated	$750			
Griddle	45% AFUE	$500			

(AFUE) Annual Fuel Utilization Efficiency
(EF) Energy Factor (kBtuh) 1,000 Btu per hour

The fixed rebates being offered to non-residential customers are available for qualifying equipment installed on or after December 1, 2008.

Certain rules apply. Go to **www.NationalFuelForThought.com** to learn more.

Customized Rebates

National Fuel's Conservation Incentive Program provides ***small, non-residential customers*** with rebates of up to 50% (with a maximum of $25,000 per project) on the incremental cost to upgrade to qualifying energy efficient furnaces, boilers, water heaters, and process heating equipment. In addition, improvements directly related to gas equipment energy savings, including but not limited to measures such as steam/hot water distribution piping insulation, boiler control systems, flue gas economizers, and heat recovery, are eligible for consideration.

Call **1-866-NYSERDA (1-866-697-3732)** or visit www.nyserda.org to initiate the application process.

EXHIBIT 11 – Savings Card

EXHIBIT 12 – Savings Card – Participating Retailers

National Fuel
Conservation Incentive Program
Savings Card

Fall 2010 & Spring 2011 Conservation Incentive Program Energy Partners and Savings Card Discounts

All offers currently shown on National Fuel's website are valid until 3/31/2011.

A.G. Roehrig & Son, LLC
1277 Filmore Avenue
Buffalo, NY 14211
716-892-8857

- Free remote when you install a home stand-by generator 10 kilowatts or larger
- $100 off an energy efficient natural gas furnace

Acme The Appliance Store
1286 East Second Street
Jamestown, NY 14701
716-665-2317

- Free 10 year limited warranty, valued at $79.95, when you purchase a natural gas appliance and mention National Fuel

Aire Heating Services Inc.
1560 Harlem Road
Cheektowaga, NY 14206
716-825-8341

- $25 off a furnace clean and tune up
- $200 off an energy efficient natural gas furnace
- $50 off the installation of a new humidifier or any air cleaner unit
- $75 off the installation of any germicidal lamp
- $100 off the installation of an Arzel zoning system

Alongi Mechanical, Inc.
2728 Niagara Falls Boulevard, Suite 12
Tonawanda, NY 14150
716-692-5500

- $10 off a furnace clean and check
- $100 off an energy efficient natural gas furnace
- $5 off an Energy Star® thermostat

American Eagle Fireplace
8455 Main Street
Williamsville, NY 14221
716-632-5400

- $50 off gas logs
- $100 off on gas fireplaces, inserts or stoves, plus a free thermostatic remote valued at $190
- $25 off a gas fireplace cleaning

Anderson Shortell
616 West State Street
Olean, NY 14760
716-372-3456

- Ten percent off a furnace clean and check
- Ten percent off a service call or repair
- $100 off an energy efficient natural gas furnace or boiler

EXHIBIT 12 – Savings Card – Participating Retailers

National Fuel
Conservation Incentive Program
Savings Card

Fall 2010 & Spring 2011 Conservation Incentive Program Energy Partners and Savings Card Discounts

All offers currently shown on National Fuel's website are valid until 3/31/2011.

Arctic Refrigeration
26 Cedar Street
Batavia, NY 14020
585-343-2678

- $10 off a furnace clean and check
- $100 off an energy efficient natural gas furnace

Armor Heating Co.
3697 Abbott Road
Orchard Park, NY 14127
716-824-4209

- $5 off a service call
- $5 off the installation of a humidifier only
- $25 off the installation of a furnace
- $50 off the installation of a furnace and air conditioning
- $25 off a natural gas generator
- $15 off a hot water tank
- $30 off a tankless water heater

Belknap Heating
8655 Transit Road
East Amherst, NY 14051
716-688-1728

- $20 off a furnace clean and check
- $100 off a 95 percent energy efficient natural gas furnace

Black Hat Chimney & Fireplace, Inc.
3155 Seneca Street
West Seneca, NY 14224
716-674-0367

- $200 off the installation of a natural gas stove, fireplace or insert

Capital Heating & Cooling
2975 Walden Avenue
Depew, NY 14043
716-683-7336

- $20 off a furnace clean and check
- $100 off an energy efficient natural gas furnace
- Ten percent off on weatherization products

Circle Mechanical Plumbing & Heating
2345 Foote Avenue Ext. Rt. 60
Jamestown, NY 14701
716-664-2580

- $10 off a furnace clean and check
- $100 off an energy efficient natural gas furnace, boiler or tankless water heater

EXHIBIT 12 – Savings Card – Participating Retailers

National Fuel
Conservation Incentive Program
Savings Card

Fall 2010 & Spring 2011 Conservation Incentive Program Energy Partners and Savings Card Discounts

All offers currently shown on National Fuel's website are valid until 3/31/2011.

Colburn's A/C & R, Inc.
17 White Drive, P.O. Box 9430
Frewsburg, NY 14738
716-569-3695

- Ten percent off a precision tune up for a natural gas furnace
- $50 off duct cleaning
- Ten percent off the installation of a humidifier
- $150 off a 95 percent energy efficient natural gas furnace or boiler

Complete Heat Inc.
3474 Walden Avenue
Depew, NY 14043
716-681-3800

- Twenty five percent off furnace filters and humidifier pads

Controlled Environment Co.
917 Military Road
Kenmore, NY 14217
716-877-5558

- Ten percent off preventative maintenance on furnaces
- Ten percent off a service call
- $50 off an energy efficient natural gas furnace
- Free Energy Star® programmable thermostat with the installation of an energy efficient natural gas furnace

Countryside Stove & Chimney
7576 Olean Road
Holland, NY 14080
716-652-4118

- $100 off an energy efficient natural gas fireplace or insert

D.H. Berry Inc.
365 Payne Avenue
North Tonawanda, NY 14120
716-693-2762

- Ten percent off a furnace or boiler clean and check
- Receive a free efficiency test for your furnace or boiler
- $100 off a 95 percent energy efficient natural gas furnace

Danny Heineman & Sons, Inc.
13980 East Schutt Road
Sardinia, NY 14134
716-496-5037

- $50 off duct cleaning
- $100 off a 90+ modulating variable speed natural gas furnace

EXHIBIT 12 – Savings Card – Participating Retailers

National Fuel
Conservation Incentive Program
Savings Card

Fall 2010 & Spring 2011 Conservation Incentive Program Energy Partners and Savings Card Discounts

All offers currently shown on National Fuel's website are valid until 3/31/2011.

Don Weimer Heating & A/C
9710 Wehrle Drive
Clarence, NY 14031
716-759-6711

- $10 off a furnace clean and check
- $150 off a furnace replacement

Hectors Hardware
876 Maple Road
Williamsville, NY 14221
716-688-4488

- Sale prices and free shipping are being offered on select models of Rinnai natural gas vented heaters

Jamestown Heating & Air Systems, Inc.
1279 E. Second Street
Jamestown, NY 14701
716-488-8275

- $10 off a furnace or boiler clean and check
- $100 off the installation of a new furnace with an energy efficiency rating of 95 percent or more
- $100 off the installation of a new boiler
- $10 off the installation of a new window when you replace an existing window

Energy Cost Control
105 Wagner Avenue
Buffalo, NY 14212
716-896-5000

- $200 off the installation of a natural gas generator

Ivy Lea Construction Inc.
440 Northwood Drive
Tonawanda, NY 14223
716-875-8654

- $500 off any purchase over $5,000 on home weatherization, insulation, air sealing, windows, doors or ventilation products (not valid with any other offer)
- $500 off any purchase over $5,000 on high-efficiency furnaces, boilers or on-demand hot water heaters (not valid with any other offer)

Jim Collins Heating & Cooling
46 Bernice Drive
West Seneca, NY 14224
716-674-8500

- $15 off a furnace clean and check
- $100 off an energy efficient natural gas furnace

EXHIBIT 12 – Savings Card – Participating Retailers

Fall 2010 & Spring 2011 Conservation Incentive Program Energy Partners and Savings Card Discounts

All offers currently shown on National Fuel's website are valid until 3/31/2011.

JP Heating & Cooling LLC
195 Fancher Avenue
Tonawanda, NY 14223
716-832-8200

- $100 off a 95 percent energy efficient two stage furnace with an electronically commutated motor
- $75 off a 80 or 95 percent energy efficient standard style furnace
- Receive a $78 furnace clean and check
- $50 off a humidifier or air cleaner
- Free furnace clean and check with the purchase of duct cleaning
- Ten percent off duct sealing or replacement
- Ten percent off new gas lines or a dryer vent
- Ten percent off a chimney liner or vent piping

J.R. Swanson Plumbing Co. Inc.
413 103rd Street
Niagara Falls, NY 14304
716-283-3802

- $10 off a furnace clean and check
- 10 percent off the installation of a new heating unit

Keiffer Southtown Ent. Inc.
4945 Southwestern Boulevard
Hamburg, NY 14075
716-649-3866

- $10 off a furnace clean and check
- $100 off an energy efficient natural gas furnace

Klemat Plumbing & Heating, Inc.
3280 South Park Avenue
Lackawanna, NY 14218
716-826-0002

- All coupons to be presented at time of estimate
- One coupon per household- not to be combined with any other offers
- Free estimate for the installation of a furnace, boiler or air conditioner
- $100 off the installation of a boiler, furnace, central air conditioning or a whole-house natural gas generator
- $10 off a furnace, boiler or air conditioning tune up
- $10 off a service call

EXHIBIT 12 – Savings Card – Participating Retailers

National Fuel
Conservation Incentive Program
Savings Card

Fall 2010 & Spring 2011 Conservation Incentive Program Energy Partners and Savings Card Discounts

All offers currently shown on National Fuel's website are valid until 3/31/2011.

Lindsay's Plumbing & Heating
2748 Pixley Hill Road
Wellsville, NY 14895
585-593-6539

- $100 off an energy efficient natural gas furnace or boiler
- Twenty five percent off air duct cleaning and sanitizing
- Twenty five percent off a furnace or boiler clean and check
- Twenty five percent off energy efficiency testing

Logel Appliance Inc.
3145 Route 39, Box 153
Yorkshire, NY 14173
716-492-5200

- Receive a free major component warranty with a natural gas appliance purchase; valid for 10 years

Logel Appliance Inc.
3909 Main Street, Box 150
Strykersville, NY 14145
585-457-3061

- Receive a free major component warranty with a natural gas appliance purchase; valid for 10 years

Luca Plumbing & Heating
118 S. 8th Street
Olean, NY 14760
716-373-0751

- Free heat loss analysis and estimate
- Ten percent off when you install an energy efficient water heater
- $150 off when you install an energy efficient natural gas furnace or boiler

Minotti Heating & Air Conditioning Co.
248 Lehavre Drive
Cheektowaga, NY 14227
716-656-0872

- $30 off a furnace clean and check
- $100 off an energy efficient natural gas furnace

Modern Mechanical Inc.
77 Amherst Street
Buffalo, NY 14220
716-228-2913

- Ten percent off weatherization products
- Ten percent off a natural gas furnace
- Ten percent off a furnace clean and tune

EXHIBIT 12 – Savings Card – Participating Retailers

National Fuel
Conservation Incentive Program
Savings Card

Fall 2010 & Spring 2011 Conservation Incentive Program Energy Partners and Savings Card Discounts

All offers currently shown on National Fuel's website are valid until 3/31/2011.

NOCO Heating and Cooling
2440 Sheridan Drive
Tonawanda, NY 14150
1-800-662-6776

- $200 off an energy efficient natural gas furnace
- $20 off a furnace tune and clean
- Twenty percent off heating service or repairs

Northeast Mechanical, Inc.
139 Sawyer Avenue
Depew, NY 14043
716-684-6301

- $100 off a natural gas furnace with an energy efficiency rating of 95 percent or more
- Ten percent off on service calls
- Free air conditioner cover with the purchase of a complete home comfort system

O'Donnell Heating & Cooling
2032 Eggert Road
Amherst, NY 14226
716-836-8000

- $100 off an energy efficient natural gas furnace

Ohrt & Goodman, Inc.
358 Center Road
West Seneca, NY 14224
716-674-3582

- $39 furnace clean and check, plus tax
- $25 off of $1,000 worth of work, up to a $75 maximum

Paul E. Vogel Plumbing & Heating Inc.
814 Mineral Springs Road
West Seneca, NY 14224
716-823-0968

- $20 off a furnace clean and check
- $100 off an energy efficient natural gas furnace or a tankless water heater

Peerless Air Conditioning & Heating Co., Inc.
24 Lansing Street
Buffalo, NY 14207
716-875-3727

- $10 off a furnace or boiler clean and check
- $100 off an energy efficient natural gas furnace or boiler

Rick's Heating & Air
4881 Seneca Street
West Seneca, NY 14224
716-675-HEAT (4328)

- $30 off a furnace clean and check
- $100 of a 90 percent energy efficient natural gas furnace

Ridout's Heating & Cooling
721 Route 394
Kennedy, NY 14747
716-267-2282

- Receive 90 days same as cash financing
- $5 off a furnace clean and check
- $100 off a 95 percent energy efficient furnace or a high efficiency boiler

EXHIBIT 12 – Savings Card – Participating Retailers

National Fuel
Conservation Incentive Program
Savings Card

Fall 2010 & Spring 2011 Conservation Incentive Program Energy Partners and Savings Card Discounts

All offers currently shown on National Fuel's website are valid until 3/31/2011.

Seneca Plumbing & Heating Supply Co.
192 Seneca Street
Buffalo, NY 14204
716-852-4744

- $50 off the installation of a tankless water heater
- Ten percent off of heating controls

Service Pro Heating & Cooling Co.
5229 Subbera Road
Lockport, NY 14094
716-830-4710

- Free humidifier with the purchase of a new furnace
- $30 off a furnace tune up
- $100 off a new furnace

South Towns Appliance, Inc.
267 Lake Street
Hamburg, NY 14075
716-649-4800

- Fifty percent off the installation of a natural gas range or dryer, up to a $50 value

Southtowns Fireplace
4307 Camp Road
Hamburg, NY 14224
716-627-5211

- Twenty percent off a natural gas fireplace or insert
- Twenty percent off cellulose wall or attic insulation

Steve's Heating & Air Conditioning Inc.
3001 Military Road
Niagara Falls, NY 14304
716-297-6444

- $10 off a furnace clean and check
- $100 off the installation of a high efficiency furnace
- $40 off a complete duct cleaning

Superior Heat Co. LLC
3461 N. Benzing Road
Orchard Park, NY 14127
716-834-0384

- Furnace or air conditioning clean and check for $49.95
- $100 off the installation of an energy efficient furnace
- $50 off the installation of an energy efficient air conditioner or hot water tank

Sure-Temp Heating & Air Conditioning
434 76th Street
Niagara Falls, NY 14304
716-308-3030

- $200 off an energy efficient natural gas furnace
- Furnace clean and check for $59.95

EXHIBIT 12 – Savings Card – Participating Retailers

National Fuel
Conservation Incentive Program
Savings Card

Fall 2010 & Spring 2011 Conservation Incentive Program Energy Partners and Savings Card Discounts

All offers currently shown on National Fuel's website are valid until 3/31/2011.

T.J.'s Plumbing & Heating
1005 Allen Street
Jamestown, NY 14701
716-488-0066

- $100 off an energy efficient natural gas furnace or boiler
- $25 off a new natural gas hot water tank
- $50 off a new natural gas tankless water heater

Tom's Precision Heat Plus
12 Bobby Drive
Depew, NY 14043
716-656-5396

- $30 off a furnace clean and check
- $150 off an energy efficient natural gas furnace

Turnbull Heating & Air Conditioning
50 Franklin Street
Batavia, NY 14020
585-343-2005

- $50 off a 95.5 percent efficient furnace with a PSC motor
- $75 off a 96 percent efficient furnace with an electronically commutated motor
- $100 off a 97.5 percent efficient furnace with an electronically commutated motor
- Ten percent off a furnace or boiler tune up
- Free Energy Star® thermostat with the installation of a furnace or boiler
- Five percent off any scheduled maintenance contract
- $100 off the replacement of a water boiler with a model that is 80 percent efficient
- $150 off the replacement of a water boiler with a model that is 90 percent efficient or higher
- $100 off the replacement of a steam boiler with a model that is 80 percent efficient or higher

Vacinek Heating
504 Pleasant Avenue
Hamburg, NY 14075
716-649-3225

- Free service call during regular business hours, up to a $69 value
- $100 off an energy efficient natural gas furnace or boiler with an efficiency of 90 percent or higher
- $50 off an energy efficient natural gas hot water tank

EXHIBIT 12 – Savings Card – Participating Retailers

National Fuel
Conservation Incentive Program
Savings Card

Fall 2010 & Spring 2011 Conservation Incentive Program Energy Partners and Savings Card Discounts

All offers currently shown on National Fuel's website are valid until 3/31/2011.

Vastola Heating & Air Conditioning
300 Firetower Drive
Tonawanda, NY 14150
716-885-4292

- $100 off an energy efficient natural gas furnace
- $10 off a furnace clean and tune
- $10 off a residential boiler clean and tune
- $75 off a natural gas tankless water heater
- $150 off an energy efficient natural gas boiler

Warm & Fuzzy Home Heating & Cooling
1111 Niagara Street
Buffalo, NY 14213
716-885-8888

- $100 off the installation of a high efficiency furnace
- $10 off a precision tune up special

VIP Heating and Cooling
6745 Old Beattie Road
Lockport, NY 14094
716-393-0847

- $95 off a 95 percent energy efficient natural gas furnace
- $95 off an energy efficient natural gas boiler with an efficiency of 90 percent or higher
- $5 off a furnace clean and check

William C. Handley & Sons Htg.
2 Main Street, Box 107
Depew, NY 14043
716-681-2733

- $100 off a furnace clean and check
- $50 off an 80 percent energy efficient furnace
- $100 off a 92 percent energy efficient furnace
- $150 off a 95 percent energy efficient furnace

EXHIBIT 12 – Savings Card – Participating Retailers

National Fuel
Conservation Incentive Program
Savings Card

Fall 2010 & Spring 2011 Conservation Incentive Program Energy Partners and Savings Card Discounts

All offers currently shown on National Fuel's website are valid until 3/31/2011.

Zenner & Ritter
3404 Bailey Avenue
Buffalo, NY 14215
716-833-2463

- $200 off the installation of a boiler with an efficiency of 90 percent or higher
- $150 off the installation of a variable speed furnace with an efficiency of 95 percent
- $125 off the installation of any Lennox, Heil or Rheem air conditioning
- $200 off the installation of a generator that is 14 kilowatts or larger
- $50 off the installation of a high-efficiency water heater
- $10 off any emergency service
- All offers above come with Western New York's best price guarantee and cannot be combined with any other program or offer

EXHIBIT 13 – Letter to Legislators – July, 6 2010

July 6, 2010

«Status» «FirstName» «LastName»
«Address1»
«Address2»
«Address3»
«City», «State» «PostalCode»

Dear «Title» «LastName»:

Enclosed is a copy of a press release announcing our filing with the New York State Public Service Commission to extend our Conservation Incentive Program (CIP) through November 30, 2011. This program has been very effective in offering rebates on energy efficient heating equipment and other gas appliances in addition to weatherization assistance through the New York State Energy Research and Development Authority (NYSERDA).

We encourage you to refer your constituents to opportunities to reduce energy consumption and save money through this program. If you have any questions about CIP, please call our Energy Services Department at (716) 857-7023 or our customer service number at (800) 365-3234.

Sincerely,

Patricia J. Paul
Manager
Government Affairs Department

PJP/vlb
Enc.

EXHIBIT 14 – Letter to Legislators – September 24, 2010

September 24, 2010

«Status» «FirstName» «LastName» «Suffix»
«Address1»
«Address2»
«Address3»
«City», «State» «PostalCode»

Dear «Title» «LastName»:

As the warm summer months come to an end and the crisp autumn air begins to creep into Western New York, we all know that the cold winter months cannot be far behind. With that in mind, I wanted to send along some information for you to share with your constituents on National Fuel's **Conservation Incentive Program.**

The **Conservation Incentive Program** offers rebates to Western New York residential and small, non-residential customers who upgrade their natural gas heating equipment to more energy-efficient models. Customers will not only receive cash rebates, they will save year after year by using less energy.

The **Conservation Incentive Program Savings Card** is another way that we are helping customers to manage their energy use. Our energy partners are offering discounts to customers on a wide range of energy-related products and services. A listing of our Energy Partners and the savings they are offering is enclosed along with a small supply of Savings Cards. Two brochures are also enclosed, one that explains the program for residential customers and one that explains the program offered for non-residential customers.

For complete details on rebates, for rebate applications and additional savings cards, visit www.NationalFuelForThought.com.

If you have any specific questions about the program, please e-mail crahene@natfuel.com or call Evan Crahen at 716-857-7625. I appreciate your help in providing this information to your constituents, which can make it easier for them to manage their energy bills during these difficult economic times. As always, if I can be of any assistance to you, please contact me at 716-857-7780.

Regards,

Pattie Paul
Manager - Government Affairs

PJP/vlf
Encs.

EXHIBIT 15 – Press Release – National Fuel Files for Year Four of Conservation Incentive Program

NEWS National Fuel

6363 MAIN STREET/WILLIAMSVILLE, NY 14221/TEL 800-634-5440
www.nationalfuelgas.com

FOR ADDITIONAL INFORMATION, CONTACT:

Nancy Taylor at 814-871-8699

National Fuel Files for Year Four of Conservation Incentive Program

(June 30, 2010) Williamsville, N.Y.: National Fuel Gas Distribution Corporation's New York division, the natural gas utility serving approximately 500,000 customers in Western New York, announces that it has filed a request with the New York State Public Service Commission to approve a plan for extending the Utility's Conservation Incentive Program (CIP) for its fourth year, beginning Dec. 1, 2010.

The CIP includes money-savings rebates for residential and non-residential customers for purchasing high-efficiency natural gas equipment. It also offers free weatherization services for qualifying low-income households.

National Fuel is committed to helping its customers conserve energy and save on heating costs. In 2007, National Fuel was the first natural gas utility in New York State to offer customers a comprehensive, multi-million dollar conservation and energy efficiency program designed to provide more efficient housing and lower gas costs for customers. Since its inception, National Fuel's CIP has provided:

- Over 45,000 rebates, totaling more than $8 million, to customers who installed energy-efficient gas appliances and other equipment;
- Over 1,500 qualifying low-income households with energy efficiency funding at an average cost of $4,000 per household;
- CIP customers with experienced measured drops in usage and heating systems savings of approximately 12 percent of annual consumption; and
- Added and preserved jobs for local heating contractors, appliance retailers and energy service companies.

Rebates are still available for qualifying equipment for year three of the CIP through Nov. 30, 2010. Equipment purchased and installed on Dec. 1, 2009, or after, must be eligible based on the charts listed on the following pages in order to qualify for a rebate. Visit www.NationalFuelForThought.com for those requirements.

Details on Rebates for Residential Customers: The CIP offers residential customers in National Fuel's Western New York service area rebates when they replace specified appliances with new, energy-efficient models and install an Energy Star®-rated programmable thermostat.

(more)

EXHIBIT 15 – Press Release – National Fuel Files for Year Four of Conservation Incentive Program

Rebates are available for the following items:

Equipment	Required Minimum Efficiency	Rebate Amount
Space Heating		
Hot Air Furnace	90% AFUE*	$300
Hot Air Furnace w/ ECM**	90% AFUE	$400
Hot Water Boiler	85% AFUE	$400
Steam Boiler	81% AFUE	$200
Programmable Thermostat (in conjunction with a furnace or boiler upgrade)	Energy Star®- rated	$25
Water Heating		
Indirect Water Heater	N/A	$300

*AFUE stands for annual fuel utilization efficiency, which is the most widely used measure of a furnace's heating efficiency. It measures the amount of heat actually delivered to a house compared to the amount of fuel that must supply the furnace. **ECM stands for electronically commutated motor.

Please Note: Some requirements apply. Visit www.NationalFuelForThought.com to learn more.

Details on Rebates for Non-Residential Customers: Rebates are available for small, non-residential customers whose facilities use less than 12,000 Mcf (thousand cubic feet) of natural gas per year for upgrading to more energy-efficient equipment. These customers can choose from one of two rebate options:

1. **Fixed (Pre-Qualified) Rebate** – Fixed rebates available on pre-qualified equipment. The list below summarizes the types of equipment and rebates associated with upgrades to those items that are now being offered as part of the CIP.
2. **Customized (Performance-Based) Rebate** – Rebates are determined on a case-by-case basis, based on the results of an energy-use analysis.

Fixed rebate requirements for select natural gas appliances include:

Equipment	Required Minimum Efficiency	Rebate Amount			
Space Heating		**(<300 kBtuh)**	**(300-499 kBtuh)**	**(500-1,000 kBtuh)**	**(>1,000 kBtuh)**
Hot Air Furnace	90% AFUE	$500	N/A	N/A	N/A
Hot Water Boiler	85% AFUE	$600	$750	$1,500	$2,500
	90% AFUE	$1,000	$1,500	$2,500	$3,500
Steam Boiler	81% AFUE	$600	($2/kBtuh) $600-$1,000	($2/kBtuh) $1,000-$2,000	($2/kBtuh) $2,000+

(more)

EXHIBIT 15 – Press Release – National Fuel Files for Year Four of Conservation Incentive Program

Continued - ***Fixed*** rebate requirements for select natural gas appliances include:

Equipment	Required Minimum Efficiency	Rebate Amount
Space Heating		
Unit Heater	90% AFUE	$1,000
Low Intensity Infrared Heater	N/A	$500
Programmable Thermostat	Energy Star®-rated	$25
Water Heating		
Storage Tank Water Heater	0.61 EF	$150
Tankless Water Heater	0.78 EF	$350
Cooking		
Fryer	Energy Star®-rated	$750
Broiler	30% AFUE	$500
Convection Oven	40% AFUE	$500
Combination Oven	40% AFUE	$750
Steamer	Energy Star®-rated	$750
Griddle	45% AFUE	$500

(AFUE) Annual Fuel Utilization Efficiency
(EF) Energy Factor
(kBtuh) 1,000 Btu per hour

The CIP continues to include a non-residential rebate offer for customers whose facilities use less than 12,000 Mcf (thousand cubic feet) of natural gas per year that is not based on a fixed rebate schedule. This program feature is implemented in partnership with the New York State Energy Research and Development Authority (NYSERDA) through its Existing Facilities Program. For these customers, ***customized*** rebates will be based upon the installed cost for the new equipment and the amount of savings it will generate. As much as 50 percent of the incremental equipment and installation costs, up to $25,000 per project, is currently offered. Small, non-residential customers interested in customized rebates should call 1-866-NYSERDA, or 1-866-697-3732, to learn more.

Please Note: Some requirements apply to both components of the non-residential rebates available. Visit www.NationalFuelForThought.com to learn more.

(more)

EXHIBIT 15 – Press Release – National Fuel Files for Year Four of Conservation Incentive Program

The CIP includes free weatherization assistance implemented in partnership with the NYSERDA through its EmPower New York[SM] program. This is a comprehensive, whole-house weatherization program available to qualifying low-income households throughout National Fuel's Western New York service area. Customers who may be eligible for free weatherization assistance through the CIP will be identified by National Fuel and social service providers and referred to EmPower New York[SM].

To learn more about the CIP or to download residential and/or non-residential rebate applications, visit www.NationalFuelForThought.com or call 1-800-365-3234.

National Fuel Gas Distribution Corporation is the utility segment of National Fuel Gas Company, a diversified energy holding company that is engaged in a number of natural gas-related activities. The Utility provides natural gas service to approximately 500,000 customers in Western New York. Additional information about National Fuel and its customer services is available at www.nationalfuelgas.com or by calling 1-800-365-3234.

Media Contact: **Nancy Taylor** **814-871-8699**

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EXHIBIT 16 – Media Advisory – National Fuel Responds to PUSH Buffalo's Rejection of the Company's Conservation Incentive Program

MEDIA ADVISORY

National Fuel Responds to PUSH Buffalo's Rejection of the Company's Conservation Incentive Program

(September 17, 2010) Williamsville, N.Y.: National Fuel Gas Distribution Corporation (the "Utility") replied this week to comments from community activist organization People United for Sustainable Housing of Buffalo ("PUSH") in a filing to the New York State Public Service Commission ("PSC"). PUSH demanded the PSC reject National Fuel's filing for a fourth year of its Conservation Incentive Program ("CIP").

The Utility noted since the inception of the CIP in 2007, it has already weatherized 1,500 low-income homes in Western New York and will reach 3,000 homes by the end of 2011. In 2010-11, the CIP, if approved, will spend another $2.94 million on such improvements, bringing the total spent to more than $10 million. In addition, the CIP has provided more than 27,000 furnace and water heater rebates to residential customers, as well as equipment rebates to nearly 900 commercial customers.

For 2010-11, the low-income weatherization funding represents 29 percent of an overall $10.1 million. The rest is fairly allocated towards energy savings outreach and education, and residential and commercial customer appliance rebates.

In response to assertions from PUSH to the PSC that National Fuel should emphasize energy savings to low-income customers, exclusive of other customers, National Fuel's filing states: "This is unfair to all customers who are already paying for CIP, as well as other assistance programs that [the company] offers and which produce lower bills for low-income customers."

National Fuel urges customers to understand the harmful implications if the CIP is altered, delayed or eliminated as a result of PUSH's demands. The Utility strongly opposes PUSH's stance for the following reasons:

- The CIP's objective is to promote energy conservation and efficiency across the service territory for all customers. PUSH's objective is to improve the low-income housing stock on Buffalo's West Side.
- The CIP is a conservation and efficiency program funded by all customers and designed to benefit all customers by reducing natural gas consumption. Therefore, the CIP's funding is allocated to programs in a balanced way and is available to customers across the Utility's service territory.
- The CIP supports jobs for small businesses, including local contractors.
- If the PSC suspends the CIP, jobs could be lost. More so, rebates and free weatherization would no longer be available. All customers would suffer.

(more)

EXHIBIT 16 – Media Advisory – National Fuel Responds to PUSH Buffalo's Rejection of the Company's Conservation Incentive Program

In addition, National Fuel has declined to partner with PUSH and will continue to do so.

"For some time, PUSH has been engaged in a public campaign against National Fuel using demands, ultimatums and misinformation with a stated goal of having National Fuel stop rebates and fund the weatherization of 1000 homes on Buffalo's West Side," said Nancy J. Taylor, spokesperson for National Fuel. "We have responded that our CIP already has a strong weatherization element available to *all* National Fuel customers, including those on the West Side. Now, PUSH demands that the PSC reject a sound, fair and effective broad-based conservation program and advocates it be changed into a low-income weatherization program. We wish PUSH well with its efforts to improve the West Side, but we disagree with the group's effort to suspend the CIP unless or until it is changed into a low-income weatherization program, dictating terms of employment and hiring to weatherization contractors. PUSH's tactics, approach and way of doing business are not consistent with National Fuel's or any responsible business. Therefore, we will continue to decline to partner with PUSH. We are aware that our decision to not partner with PUSH may be criticized and misunderstood by some, but we choose our business partners carefully. We only partner with parties when mutual trust exists and that is not the case with PUSH."

In addition to the CIP, National Fuel also continues to support the Home Energy Assistance Program ("HEAP"), which pays the heating bills of thousands of Western New Yorkers.

HEAP customers can receive regular payments by meeting the household income eligibility requirements, whether or not they pay separately for heat. Emergency HEAP grants provide for additional assistance payments needed to prevent termination of energy service or to restore it. Funding through HEAP is also available for furnace repair and/or replacement. HEAP money is applied directly to customer accounts to help pay their bills.

National Fuel Gas Company is an integrated energy company with $4.9 billion in assets comprised of the following four operating segments: Exploration and Production, Pipeline and Storage, Utility and Energy Marketing. National Fuel Gas Distribution Corporation, the Utility segment, provides natural gas service to more than 500,000 customers in Western New York. Additional information about the Utility and its customer services is available at www.nationalfuelgas.com or by calling 1-800-365-3234.

Media Contact: Nancy J. Taylor 814-871-8699

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	A	B	C	D	E	F	G
1	National Fuel Gas Distribution Corporation						
2	New York Division						
3	Conservation Incentive Program						
4	Program Measurement and Verification Summary						
5							
6	11/9/2010						
7	Quarter	Year	Month				
8	11	Sep-10	34				
9		Total Residential					
10		Residential Appliance Rebates					
11		**Appliance Rebates - Hot Air Furnace Residential**	**Appliance Rebates - Hot Water Boiler Residential**	**Appliance Rebates - Steam Boiler Residential**	**Appliance Rebates - Hot Air Furnace Residential ECM Motors**	**Appliance Rebates - Programable Tstat Residential**	**Appliance Rebates - Indirect Heater Residential**
12	**Base Analysis**						
13	**I. Customer and Volume Information**						
14	Number of Customers Eligible	351,219	93,658	23,415	351,219	468,292	468,292
15	Participation Rate	5.42%	1.82%	0.31%	0.65%	4.38%	0.03%
16	Total Number of Participants	19,023	1,709	72	2,283	20,516	133
17	Total Annual Mcf Saved	428,018	32,642	1,325	51,368	49,238	718
18	DTH Conversion	1.035	1.035	1.035	1.035	1.035	1.035
19	Total DTH Saved	442,998	33,784	1,371	53,165	50,962	743
20	Mcf Saved per Participant Base	22.50	19.10	18.40	22.50	2.40	5.40
21	Multiple Factor for Sensitivity Analysis	0%	0%	0%	0%	0%	0%
22	Mcf Saved per Participant	22.50	19.10	18.40	22.50	2.40	5.40
23	DTH Saved per Participant	23.29	19.77	19.04	23.29	2.48	5.59
24	Estimated Peak Day Impact Mcf	3,909	298	12	469	450	7
25	Estimated Peak Day Impact DTH	4,046	309	13	486	465	7
26	Total Average Annual Accounts	482,775	482,775	482,775	482,775	482,775	482,775
27	Impact on Total Average Annual Usage Per Account Per Mcf	0.89	0.07	0.00	0.11	0.10	0.00
28	**II. Program Cost Information**						
29	Company Direct Costs	$ 5,849,573	$ 696,418	$ 14,940	$ 930,323	$ 595,879	$ 40,765
30	Company Admin Costs	$ 193,769	$ 23,069	$ 495	$ 30,817	$ 19,739	$ 1,350
31	Company Advertising Costs	$ 1,450,024	$ 172,632	$ 3,703	$ 230,613	$ 147,710	$ 10,105
32	Total Initial Program Costs - Company	$ 7,493,366	$ 892,118	$ 19,138	$ 1,191,753	$ 763,328	$ 52,220
33	Total Initial Program Costs - Participant	$ 13,316,100	$ 2,734,400	$ 50,400	$ 3,652,800	$ 512,900	$ 146,300
34	Total Initial Program Costs	$ 20,809,466	$ 3,626,518	$ 69,538	$ 4,844,553	$ 1,276,228	$ 198,520
35	Per Participant Initial Program Costs - Company	$ 307.50	$ 407.50	$ 207.50	$ 407.50	$ 29.04	$ 306.50
36	Per Participant Initial Program Costs - Participant	$ 700.00	$ 1,600.00	$ 700.00	$ 1,600.00	$ 25.00	$ 1,100.00
37	Total Initial Program Costs per Annual Participant	$ 1,007.50	$ 2,007.50	$ 907.50	$ 2,007.50	$ 54.04	$ 1,406.50
38	Annual Ongoing Costs - Company per Participant	$ -	$ -	$ -	$ -	$ -	$ -
39	Annual Ongoing Costs - Participant per Participant	$ -	$ -	$ -	$ -	$ -	$ -
40	Total Annual Ongoing Costs per Participant	$ -	$ -	$ -	$ -	$ -	$ -
41	Annual Ongoing Costs - Company	$ -	$ -	$ -	$ -	$ -	$ -
42	Annual Ongoing Costs - Participant	$ -	$ -	$ -	$ -	$ -	$ -
43	Total Annual Ongoing Costs	$ -	$ -	$ -	$ -	$ -	$ -
44	**III. Discount Assumptions**						
45	Anticipated Life of Program Measure (Years)	17	17	17	17	17	14
46	Discount Rate	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
47	PVIFA	10.8646	10.8646	10.8646	10.8646	10.8646	9.5896
48	**IV. Incremental Savings**						
49	Natural Gas Supply Rate ($/Mcf)	$ 10.00	$ 10.00	$ 10.00	$ 10.00	$ 10.00	$ 10.00
50	Natural Gas Supply Rate ($/Dth)	$ 9.66	$ 9.66	$ 9.66	$ 9.66	$ 9.66	$ 9.66
51	Annual NGS Savings per Participant	$ 225.00	$ 191.00	$ 184.00	$ 225.00	$ 24.00	$ 54.00
52	Total NGS Savings	$ 4,280,175	$ 326,419	$ 13,248	$ 513,675	$ 492,384	$ 7,182
53	**V. Direct Cost Benefit Summary**						
54	Present Value of Participant Savings	$ 2,444.54	$ 2,075.14	$ 1,999.09	$ 2,444.54	$ 260.75	$ 517.84
55	Present Value of Total Savings	$ 46,502,426	$ 3,546,415	$ 143,934	$ 5,580,878	$ 5,349,559	$ 68,873
56	Present Value of Total Initial Program Costs per Annual Participant	$ 1,008	$ 2,008	$ 908	$ 2,008	$ 54	$ 1,407
57	Present Value of Total Initial Program Costs	$ 20,809,466	$ 3,626,518	$ 69,538	$ 4,844,553	$ 1,276,228	$ 198,520
58	TRC	2.23	0.98	2.07	1.15	4.19	0.35
59	**VI. TRC-WNY**						
60	WNY Incremental Expenditures	$ 19,359,442	$ 3,453,887	$ 65,835	$ 4,613,940	$ 1,128,518	$ 188,415
61	WNY Expenditure Multiplier	0.46	0.46	0.46	0.46	0.49	0.46
62	WNY Expenditure Benefits	$ 8,905,343	$ 1,588,788	$ 30,284	$ 2,122,412	$ 552,974	$ 86,671
63	Advertising	$ 1,450,024	$ 172,632	$ 3,703	$ 230,613	$ 147,710	$ 10,105
64	Adverttising Multiplier	0.87	0.87	0.87	0.87	0.87	0.87
65	Advertising Benefits	$ 1,261,521	$ 150,190	$ 3,222	$ 200,634	$ 128,507	$ 8,791
66	WNY Expenditure & Adv Benefits	$ 10,166,864	$ 1,738,977	$ 33,506	$ 2,323,046	$ 681,481	$ 95,462
67	Customer Net Savings	$ 25,692,960	$ (80,104)	$ 74,396	$ 736,325	$ 4,073,332	$ (129,647)
68	WNY Income Multiplier	0.49	0.49	0.49	0.49	0.49	0.49
69	WNY Customer Net Savings Benefits	$ 12,589,551	$ (39,251)	$ 36,454	$ 360,799	$ 1,995,933	$ (63,527)
70	Total WNY Benefits	$ 22,756,414	$ 1,699,727	$ 69,960	$ 2,683,845	$ 2,677,414	$ 31,935
71	TRC-WNY	3.33	1.45	3.08	1.71	6.29	0.51
72	**VII. Societal Test**						
73	Environmental						
74	Total	$ 4,223,408	$ 322,090	$ 13,072	$ 506,862	$ 485,854	$ 6,255
75	Other						
76	Total						
77	Total Incremental Societal Benefits	$ 4,223,408	$ 322,090	$ 13,072	$ 506,862	$ 485,854	$ 6,255
78	Total Benefits W/ TRC WNY	$ 73,482,249	$ 5,568,231	$ 226,967	$ 8,771,585	$ 8,512,827	$ 107,063
79	Societal Test	3.53	1.54	3.26	1.81	6.67	0.54

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6	11/9/2010						
7	Quarter	Year	Month				
8	11	Sep-10	34				
9		Total Residential					
10		Residential Appliance Rebates					
11		**Appliance Rebates - Hot Air Furnace Residential**	**Appliance Rebates - Hot Water Boiler Residential**	**Appliance Rebates - Steam Boiler Residential**	**Appliance Rebates - Hot Air Furnace Residential ECM Motors**	**Appliance Rebates - Programable Tstat Residential**	**Appliance Rebates - Indirect Heater Residential**
80	**Adjustment Detail**						
81	**I. Spillover**						
82	Total Spillover Impact (Mcf)	-	-	-	-	-	-
83	Total Participants	19,023	1,709	72	2,283	20,516	133
84	Adjustment to Per Participant Volume Due to Spillover	-	-	-	-	-	-
85	**II. Free Riders**						
86	Mcf Saved per Participant	22.50	19.10	18.40	22.50	2.40	5.40
87	Free Ridership %	14%	14%	14%	19%	14%	14%
88	Adjustment to Per Participant Volume Due to Free Riders	3.15	2.67	2.58	4.28	0.34	0.76
89	**III. Snapback**						
90	Total Snapback Impact (Mcf)	17,653	1,586	67	2,119	-	-
91	Total Participants	19,023	1,709	72	2,283	20,516	133
92	Adjustment to Per Participant Volume Due to Snapback	0.93	0.93	0.93	0.93	-	-
93	**IV. Total Volume Adjustment**						
94	Total Volume Adjustments	(4.08)	(3.60)	(3.50)	(5.20)	(0.34)	(0.76)
95	**Adjustment Impact**						
96	**I. Customer and Volume Information**						
97	Number of Customers Eligible	351,219.00	93,658.00	23,415.00	351,219.00	468,292.00	468,292.00
98	Participation Rate	5.42%	1.82%	0.31%	0.65%	4.38%	0.03%
99	Annual Number of Participants	19,023	1,709	72	2,283	20,516	133
100	Total Mcf Adjusted	(77,576)	(6,156)	(252)	(11,878)	(6,893)	(101)
101	DTH Conversion	1.035	1.035	1.035	1.035	1.035	1.035
102	Total DTH Adjusted	(80,291)	(6,371)	(261)	(12,294)	(7,135)	(104)
103	Mcf Adjusted per Participant	(4.08)	(3.60)	(3.50)	(5.20)	(0.34)	(0.76)
104	DTH Adjusted per Participant	(4.22)	(3.73)	(3.63)	(5.39)	(0.35)	(0.78)
105	**II. Program Cost Information**						
106	Company Direct Costs	$ -	$ -	$ -	$ -	$ -	$ -
107	Company Admin Costs						
108	Company Advertising Costs						
109	Total Initial Program Costs - Company	$ -	$ -	$ -	$ -	$ -	$ -
110	Total Initial Program Costs - Participant	$ (1,864,254)	$ (382,816)	$ (7,056)	$ (694,032)	$ (71,806)	$ (20,482)
111	Total Initial Program Costs	$ (1,864,254)	$ (382,816)	$ (7,056)	$ (694,032)	$ (71,806)	$ (20,482)
112	Per Participant Initial Program Costs - Company	$ -	$ -	$ -	$ -	$ -	$ -
113	Per Participant Initial Program Costs - Participant	$ (98.00)	$ (224.00)	$ (98.00)	$ (304.00)	$ (3.50)	$ (154.00)
114	Total Initial Program Costs per Annual Participant	$ (98.00)	$ (224.00)	$ (98.00)	$ (304.00)	$ (3.50)	$ (154.00)
115	Annual Ongoing Costs - Company per Participant						
116	Annual Ongoing Costs - Participant per Participant						
117	Total Annual Ongoing Costs per Participant						
118	Annual Ongoing Costs - Company						
119	Annual Ongoing Costs - Participant						
120	Total Annual Ongoing Costs						
121	**III. Discount Assumptions**						
122	Anticipated Life of Program Measure (Years)	-	-	-	-	-	-
123	Discount Rate	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
124	PVIFA	-	-	-	-	-	-
125	**IV. Incremental Savings**						
126	Natural Gas Supply Rate ($/Mcf)	$ 10.00	$ 10.00	$ 10.00	$ 10.00	$ 10.00	$ 10.00
127	Natural Gas Supply Rate ($/Dth)	$ 9.66	$ 9.66	$ 9.66	$ 9.66	$ 9.66	$ 9.66
128	Annual NGS Savings per Participant	$ (40.78)	$ (36.02)	$ (35.04)	$ (52.03)	$ (3.36)	$ (7.56)
129	Total NGS Savings	$ (775,758)	$ (61,558)	$ (2,523)	$ (118,784)	$ (68,934)	$ (1,005)

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8	11	Sep-10	34				
9		Total Residential					
10		Residential Appliance Rebates					
11		**Appliance Rebates - Hot Air Furnace Residential**	**Appliance Rebates - Hot Water Boiler Residential**	**Appliance Rebates - Steam Boiler Residential**	**Appliance Rebates - Hot Air Furnace Residential ECM Motors**	**Appliance Rebates - Programable Tstat Residential**	**Appliance Rebates - Indirect Heater Residential**
130	**Adjusted Analysis**						
131	**I. Customer and Volume Information**						
132	Number of Customers Eligible	351,219	93,658	23,415	351,219	468,292	468,292
133	Participation Rate	5.42%	1.82%	0.31%	0.65%	4.38%	0.03%
134	Total Number of Participants	19,023	1,709	72	2,283	20,516	133
135	Total Mcf Saved	350,442	26,486	1,073	39,489	42,345	618
136	DTH Conversion	1.035	1.035	1.035	1.035	1.035	1.035
137	Total DTH Saved	362,707	32,642	1,110	40,871	43,827	639
138	Mcf Saved per Participant	18.42	15.50	14.90	17.30	2.06	4.64
139	DTH Saved per Participant	19.07	19.10	15.42	17.90	2.14	4.81
140							
141	Estimated Peak Day Impact Mcf	3,200.38	241.88	9.79	360.63	386.71	5.64
142	Estimated Peak Day Impact Dth	3,312.39	250.35	10.14	373.25	400.25	5.84
143	Total Average Annual Accounts	482,775	482,775	482,775	482,775	482,775	482,775
144	Impact on Total Average Annual Usage Per Account	0.73	0.05	0.00	0.08	0.09	0.00
145	**II. Program Cost Information**						
146	Company Direct Costs	$ 5,849,573	$ 696,418	$ 14,940	$ 930,323	$ 595,879	$ 40,765
147	Company Admin Costs	$ 193,769	$ 23,069	$ 495	$ 30,817	$ 19,739	$ 1,350
148	Company Advertising Costs	$ 1,450,024	$ 172,632	$ 3,703	$ 230,613	$ 147,710	$ 10,105
149	Total Initial Program Costs - Company	$ 7,493,366	$ 892,118	$ 19,138	$ 1,191,753	$ 763,328	$ 52,220
150	Total Initial Program Costs - Participant	$ 11,451,846	$ 2,351,584	$ 43,344	$ 2,958,768	$ 441,094	$ 125,818
151	Total Initial Program Costs	$ 18,945,212	$ 3,243,702	$ 62,482	$ 4,150,521	$ 1,204,422	$ 178,038
152	Per Participant Initial Program Costs - Company	$ 393.91	$ 522.01	$ 265.81	$ 522.01	$ 37.21	$ 392.63
153	Per Participant Initial Program Costs - Participant	$ 602.00	$ 1,376.00	$ 602.00	$ 1,296.00	$ 21.50	$ 946.00
154	Total Initial Program Costs per Annual Participant	$ 995.91	$ 1,898.01	$ 867.81	$ 1,818.01	$ 58.71	$ 1,338.63
155	Annual Ongoing Costs - Company per Participant	$ -	$ -	$ -	$ -	$ -	$ -
156	Annual Ongoing Costs - Participant per Participant	$ -	$ -	$ -	$ -	$ -	$ -
157	Total Annual Ongoing Costs per Participant	$ -	$ -	$ -	$ -	$ -	$ -
158	Annual Ongoing Costs - Company	$ -	$ -	$ -	$ -	$ -	$ -
159	Annual Ongoing Costs - Participant	$ -	$ -	$ -	$ -	$ -	$ -
160	Total Annual Ongoing Costs	$ -	$ -	$ -	$ -	$ -	$ -
161	**III. Discount Assumptions**						
162	Anticipated Life of Program Measure (Years)	17	17	17	17	17	14
163	Discount Rate	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
164	PVIFA	10.86	10.86	10.86	10.86	10.86	9.59
165	**IV. Incremental Savings**						
166	Natural Gas Supply Rate ($/Mcf)	$ 10.00	$ 10.00	$ 10.00	$ 10.00	$ 10.00	$ 10.00
167	Natural Gas Supply Rate ($/Dth)	$ 9.66	$ 9.66	$ 9.66	$ 9.66	$ 9.66	$ 9.66
168	Annual NGS Savings per Participant	$ 184.22	$ 154.98	$ 148.96	$ 172.97	$ 20.64	$ 46.44
169	Total NGS Savings	$ 3,504,417	$ 264,861	$ 10,725	$ 394,891	$ 423,450	$ 6,177
170	**V. Direct Cost Benefit Summary**						
171	Present Value of Participant Savings	$ 2,001.48	$ 1,683.80	$ 1,618.39	$ 1,879.25	$ 224.25	$ 445.34
172	Present Value of Total Savings	$ 38,074,120	$ 2,877,609	$ 116,524	$ 4,290,331	$ 4,600,621	$ 59,231
173	Present Value of Total Initial Program Costs per Annual Participant	$ 996	$ 1,898	$ 868	$ 1,818	$ 59	$ 1,339
174	Present Value of Total Initial Program Costs	$ 18,945,212	$ 3,243,702	$ 62,482	$ 4,150,521	$ 1,204,422	$ 178,038
175	TRC	2.01	0.89	1.86	1.03	3.82	0.33
176	**VI. TRC-WNY**						
177	WNY Incremental Expenditures	$ 17,495,188	$ 3,071,071	$ 58,779	$ 3,919,908	$ 1,056,712	$ 167,933
178	WNY Expenditure Multiplier	0.46	0.46	0.46	0.46	0.49	0.46
179	WNY Expenditure Benefits	$ 8,047,786	$ 1,412,692	$ 27,038	$ 1,803,158	$ 517,789	$ 77,249
180	Advertising	$ 1,450,024	$ 172,632	$ 3,703	$ 230,613	$ 147,710	$ 10,105
181	Adverttising Multiplier	0.87	0.87	0.87	0.87	0.87	0.87
182	Advertising Benefits	$ 1,261,521	$ 150,190	$ 3,222	$ 200,634	$ 128,507	$ 8,791
183	WNY Expenditure & Adv Benefits	$ 9,309,307	$ 1,562,882	$ 30,260	$ 2,003,791	$ 646,296	$ 86,040
184	Customer Net Savings	$ 19,128,908	$ (366,093)	$ 54,042	$ 139,810	$ 3,396,200	$ (118,807)
185	WNY Income Multiplier	0.49	0.49	0.49	0.49	0.49	0.49
186	WNY Customer Net Savings Benefits	$ 9,373,165	$ (179,386)	$ 26,481	$ 68,507	$ 1,664,138	$ (58,215)
187	Total WNY Benefits	$ 18,682,472	$ 1,383,496	$ 56,741	$ 2,072,298	$ 2,310,434	$ 27,825
188	TRC-WNY	3.00	1.31	2.77	1.53	5.74	0.49
189	**VII. Societal Test**						
190	Environmental						
191	Total	$ 3,457,939	$ 261,348	$ 10,583	$ 389,653	$ 417,834	$ 5,379
192	Other						
193	Total	$ -	$ -	$ -	$ -	$ -	$ -
194	Total Incremental Societal Benefits	$ 3,457,939	$ 261,348	$ 10,583	$ 389,653	$ 417,834	$ 5,379
195	Total Benefits W/TRC-WNY	$ 60,214,531	$ 4,522,454	$ 183,848	$ 6,752,282	$ 7,328,889	$ 92,435
196	Societal Test	3.18	1.39	2.94	1.63	6.08	0.52

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11		**Appliance Rebates - Storage Tank Water Heater Residential**	**Appliance Rebates - Storage Tankless Water Heater Residential**
12	**Base Analysis**		
13	**I. Customer and Volume Information**		
14	Number of Customers Eligible	468,292	23,415
15	Participation Rate	0.70%	7.34%
16	Total Number of Participants	3,276	1,719
17	Total Annual Mcf Saved	17,690	18,393
18	DTH Conversion	1.035	1.035
19	Total DTH Saved	18,310	19,037
20	Mcf Saved per Participant Base	5.40	10.70
21	Multiple Factor for Sensitivity Analysis	0%	0%
22	Mcf Saved per Participant	5.40	10.70
23	DTH Saved per Participant	5.59	11.07
24	Estimated Peak Day Impact Mcf	162	168
25	Estimated Peak Day Impact DTH	167	174
26	Total Average Annual Accounts	482,775	482,775
27	Impact on Total Average Annual Usage Per Account Per Mcf	0.04	0.04
28	**II. Program Cost Information**		
29	Company Direct Costs	$ 512,694	$ 612,824
30	Company Admin Costs	$ 16,983	$ 20,300
31	Company Advertising Costs	$ 127,089	$ 151,910
32	Total Initial Program Costs - Company	$ 656,767	$ 785,034
33	Total Initial Program Costs - Participant	$ 655,200	$ 601,650
34	Total Initial Program Costs	$ 1,311,967	$ 1,386,684
35	Per Participant Initial Program Costs - Company	$ 156.50	$ 356.50
36	Per Participant Initial Program Costs - Participant	$ 200.00	$ 350.00
37	Total Initial Program Costs per Annual Participant	$ 356.50	$ 706.50
38	Annual Ongoing Costs - Company per Participant	$ -	$ -
39	Annual Ongoing Costs - Participant per Participant	$ -	$ -
40	Total Annual Ongoing Costs per Participant	$ -	$ -
41	Annual Ongoing Costs - Company	$ -	$ -
42	Annual Ongoing Costs - Participant	$ -	$ -
43	Total Annual Ongoing Costs	$ -	$ -
44	**III. Discount Assumptions**		
45	Anticipated Life of Program Measure (Years)	14	14
46	Discount Rate	5.50%	5.50%
47	PVIFA	9.5896	9.5896
48	**IV. Incremental Savings**		
49	Natural Gas Supply Rate ($/Mcf)	$ 10.00	$ 10.00
50	Natural Gas Supply Rate ($/Dth)	$ 9.66	$ 9.66
51	Annual NGS Savings per Participant	$ 54.00	$ 107.00
52	Total NGS Savings	$ 176,904	$ 183,933
53	**V. Direct Cost Benefit Summary**		
54	Present Value of Participant Savings	$ 517.84	$ 1,026.09
55	Present Value of Total Savings	$ 1,696,447	$ 1,763,853
56	Present Value of Total Initial Program Costs per Annual Participant	$ 357	$ 707
57	Present Value of Total Initial Program Costs	$ 1,311,967	$ 1,386,684
58	TRC	1.29	1.27
59	**VI. TRC-WNY**		
60	WNY Incremental Expenditures	$ 1,184,877	$ 1,234,774
61	WNY Expenditure Multiplier	0.46	0.46
62	WNY Expenditure Benefits	$ 545,044	$ 567,996
63	Advertising	$ 127,089	$ 151,910
64	Adverttising Multiplier	0.87	0.87
65	Advertising Benefits	$ 110,568	$ 132,162
66	WNY Expenditure & Adv Benefits	$ 655,611	$ 700,158
67	Customer Net Savings	$ 384,481	$ 377,169
68	WNY Income Multiplier	0.49	0.49
69	WNY Customer Net Savings Benefits	$ 188,395	$ 184,813
70	Total WNY Benefits	$ 844,007	$ 884,970
71	TRC-WNY	1.94	1.91
72	**VII. Societal Test**		
73	Environmental		
74	Total	$ 154,073	$ 160,195
75	Other		
76	Total		
77	Total Incremental Societal Benefits	$ 154,073	$ 160,195
78	Total Benefits W/ TRC WNY	$ 2,694,527	$ 2,809,018
79	Societal Test	2.05	2.03

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11		**Appliance Rebates - Storage Tank Water Heater Residential**	**Appliance Rebates - Storage Tankless Water Heater Residential**
80	**Adjustment Detail**		
81	**I. Spillover**		
82	Total Spillover Impact (Mcf)	-	-
83	Total Participants	3,276	1,719
84	Adjustment to Per Participant Volume Due to Spillover	-	-
85	**II. Free Riders**		
86	Mcf Saved per Participant	5.40	10.70
87	Free Ridership %	14%	14%
88	Adjustment to Per Participant Volume Due to Free Riders	0.76	1.50
89	**III. Snapback**		
90	Total Snapback Impact (Mcf)	-	-
91	Total Participants	3,276	1,719
92	Adjustment to Per Participant Volume Due to Snapback	-	-
93	**IV. Total Volume Adjustment**		
94	Total Volume Adjustments	(0.76)	(1.50)
95	**Adjustment Impact**		
96	**I. Customer and Volume Information**		
97	Number of Customers Eligible	468,292.00	23,415.00
98	Participation Rate	0.70%	7.34%
99	Annual Number of Participants	3,276	1,719
100	Total Mcf Adjusted	(2,477)	(2,575)
101	DTH Conversion	1.035	1.035
102	Total DTH Adjusted	(2,563)	(2,665)
103	Mcf Adjusted per Participant	(0.76)	(1.50)
104	DTH Adjusted per Participant	(0.78)	(1.55)
105	**II. Program Cost Information**		
106	Company Direct Costs	$ -	$ -
107	Company Admin Costs		
108	Company Advertising Costs		
109	Total Initial Program Costs - Company	$ -	$ -
110	Total Initial Program Costs - Participant	$ (91,728)	$ (84,231)
111	Total Initial Program Costs	$ (91,728)	$ (84,231)
112	Per Participant Initial Program Costs - Company	$ -	$ -
113	Per Participant Initial Program Costs - Participant	$ (28.00)	$ (49.00)
114	Total Initial Program Costs per Annual Participant	$ (28.00)	$ (49.00)
115	Annual Ongoing Costs - Company per Participant		
116	Annual Ongoing Costs - Participant per Participant		
117	Total Annual Ongoing Costs per Participant		
118	Annual Ongoing Costs - Company		
119	Annual Ongoing Costs - Participant		
120	Total Annual Ongoing Costs		
121	**III. Discount Assumptions**		
122	Anticipated Life of Program Measure (Years)	-	-
123	Discount Rate	5.50%	5.50%
124	PVIFA	-	-
125	**IV. Incremental Savings**		
126	Natural Gas Supply Rate ($/Mcf)	$ 10.00	$ 10.00
127	Natural Gas Supply Rate ($/Dth)	$ 9.66	$ 9.66
128	Annual NGS Savings per Participant	$ (7.56)	$ (14.98)
129	Total NGS Savings	$ (24,767)	$ (25,751)

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11		**Appliance Rebates - Storage Tank Water Heater Residential**	**Appliance Rebates - Storage Tankless Water Heater Residential**
130	**Adjusted Analysis**		
131	**I. Customer and Volume Information**		
132	Number of Customers Eligible	468,292	23,415
133	Participation Rate	0.70%	7.34%
134	Total Number of Participants	3,276	1,719
135	Total Mcf Saved	15,214	15,818
136	DTH Conversion	1.035	1.035
137	Total DTH Saved	15,746	16,372
138	Mcf Saved per Participant	4.64	9.20
139	DTH Saved per Participant	4.81	9.52
140			
141	Estimated Peak Day Impact Mcf	138.94	144.46
142	Estimated Peak Day Impact Dth	143.80	149.51
143	Total Average Annual Accounts	482,775	482,775
144	Impact on Total Average Annual Usage Per Account	0.03	0.03
145	**II. Program Cost Information**		
146	Company Direct Costs	$ 512,694	$ 612,824
147	Company Admin Costs	$ 16,983	$ 20,300
148	Company Advertising Costs	$ 127,089	$ 151,910
149	Total Initial Program Costs - Company	$ 656,767	$ 785,034
150	Total Initial Program Costs - Participant	$ 563,472	$ 517,419
151	Total Initial Program Costs	$ 1,220,239	$ 1,302,453
152	Per Participant Initial Program Costs - Company	$ 200.48	$ 456.68
153	Per Participant Initial Program Costs - Participant	$ 172.00	$ 301.00
154	Total Initial Program Costs per Annual Participant	$ 372.48	$ 757.68
155	Annual Ongoing Costs - Company per Participant	$ -	$ -
156	Annual Ongoing Costs - Participant per Participant	$ -	$ -
157	Total Annual Ongoing Costs per Participant	$ -	$ -
158	Annual Ongoing Costs - Company	$ -	$ -
159	Annual Ongoing Costs - Participant	$ -	$ -
160	Total Annual Ongoing Costs	$ -	$ -
161	**III. Discount Assumptions**		
162	Anticipated Life of Program Measure (Years)	14	14
163	Discount Rate	5.50%	5.50%
164	PVIFA	9.59	9.59
165	**IV. Incremental Savings**		
166	Natural Gas Supply Rate ($/Mcf)	$ 10.00	$ 10.00
167	Natural Gas Supply Rate ($/Dth)	$ 9.66	$ 9.66
168	Annual NGS Savings per Participant	$ 46.44	$ 92.02
169	Total NGS Savings	$ 152,137	$ 158,182
170	**V. Direct Cost Benefit Summary**		
171	Present Value of Participant Savings	$ 445.34	$ 882.44
172	Present Value of Total Savings	$ 1,458,944	$ 1,516,913
173	Present Value of Total Initial Program Costs per Annual Participant	$ 372	$ 758
174	Present Value of Total Initial Program Costs	$ 1,220,239	$ 1,302,453
175	TRC	1.20	1.16
176	**VI. TRC-WNY**		
177	WNY Incremental Expenditures	$ 1,093,149	$ 1,150,543
178	WNY Expenditure Multiplier	0.46	0.46
179	WNY Expenditure Benefits	$ 502,849	$ 529,250
180	Advertising	$ 127,089	$ 151,910
181	Adverttising Multiplier	0.87	0.87
182	Advertising Benefits	$ 110,568	$ 132,162
183	WNY Expenditure & Adv Benefits	$ 613,416	$ 661,411
184	Customer Net Savings	$ 238,706	$ 214,461
185	WNY Income Multiplier	0.49	0.49
186	WNY Customer Net Savings Benefits	$ 116,966	$ 105,086
187	Total WNY Benefits	$ 730,382	$ 766,497
188	TRC-WNY	1.79	1.75
189	**VII. Societal Test**		
190	Environmental		
191	Total	$ 132,503	$ 137,768
192	Other		
193	Total	$ -	$ -
194	Total Incremental Societal Benefits	$ 132,503	$ 137,768
195	Total Benefits W/TRC-WNY	$ 2,321,830	$ 2,421,178
196	Societal Test	1.90	1.86

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11		**Total Res Rebates**	**LIURP**	**Total Res**	**Total Non Res Rebates**	**General Outreach**	**Total Program**
12	**Base Analysis**						
13	**I. Customer and Volume Information**						
14	Number of Customers Eligible		15,000		34,100	482,775	
15	Participation Rate		10.80%		2.71%	100.00%	
16	Total Number of Participants		1,620		924	482,775	
17	Total Annual Mcf Saved	599,392	85,860	685,252	95,277	482,775	1,263,304
18	DTH Conversion	1.035	1.035	1.035	1.035	1.035	1.035
19	Total DTH Saved	620,371	88,865	709,236	98,612	499,672	1,307,520
20	Mcf Saved per Participant Base		53.00		103.11	1.00	
21	Multiple Factor for Sensitivity Analysis		0%		0%	0%	
22	Mcf Saved per Participant		53.00		103.11	1.00	
23	DTH Saved per Participant		54.86		106.72	1.04	
24	Estimated Peak Day Impact Mcf	5,474	784	6,258	870	4,409	11,537
25	Estimated Peak Day Impact DTH	5,665	812	6,477	901	4,563	11,941
26	Total Average Annual Accounts	482,775	482,775	482,775	34,100	482,775	
27	Impact on Total Average Annual Usage Per Account Per Mcf	1.24	0.18	1.42	2.79	1.00	
28	**II. Program Cost Information**						
29	Company Direct Costs	$ 9,253,414	$ 5,306,009	$ 14,559,423	$ 1,086,782		$ 15,646,205
30	Company Admin Costs	$ 306,523	$ 1,209,833	$ 1,516,356	$ 58,769		$ 1,575,126
31	Company Advertising Costs	$ 2,293,786	$ -	$ 2,293,786	$ 269,397	$ 2,563,184	$ 5,126,367
32	Total Initial Program Costs - Company	$ 11,853,723	$ 6,515,842	$ 18,369,565	$ 1,414,949	$ 2,563,184	$ 22,347,698
33	Total Initial Program Costs - Participant	$ 21,669,750	$ -	$ 21,669,750	$ 5,179,388	$ -	$ 26,849,138
34	Total Initial Program Costs	$ 33,523,473	$ 6,515,842	$ 40,039,315	$ 6,594,337	$ 2,563,184	$ 49,196,836
35	Per Participant Initial Program Costs - Company		$ 4,022.12		$ 1,531.33	$ 5.31	
36	Per Participant Initial Program Costs - Participant		$ -		$ 5,605.40	$ -	
37	Total Initial Program Costs per Annual Participant		$ 4,022.12		$ 7,136.73	$ 5.31	
38	Annual Ongoing Costs - Company per Participant		$ -		$ -	$ -	
39	Annual Ongoing Costs - Participant per Participant		$ -		$ -	$ -	
40	Total Annual Ongoing Costs per Participant		$ -		$ -	$ -	
41	Annual Ongoing Costs - Company		$ -		$ -	$ -	
42	Annual Ongoing Costs - Participant		$ -		$ -	$ -	
43	Total Annual Ongoing Costs		$ -		$ -	$ -	
44	**III. Discount Assumptions**						
45	Anticipated Life of Program Measure (Years)	16.74	25	18	17	2.75	17.1
46	Discount Rate	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
47	PVIFA	9.1276	13.4139	11.2775	10.8646	2.4893	10.9194
48	**IV. Incremental Savings**						
49	Natural Gas Supply Rate ($/Mcf)		$ 10.00		$ 10.00	$ 10.00	
50	Natural Gas Supply Rate ($/Dth)		$ 9.66		$ 9.66	$ 9.66	
51	Annual NGS Savings per Participant		$ 530.00		$ 1,031.14	$ 10.00	
52	Total NGS Savings	$ 5,993,920	$ 858,600	$ 6,852,520	$ 952,771	$ 4,827,750	$ 12,633,041
53	**V. Direct Cost Benefit Summary**						
54	Present Value of Participant Savings		$ 7,109.38		$ 11,202.91	$ 24.89	
55	Present Value of Total Savings	$ 64,652,385	$ 11,517,203	$ 76,169,587	$ 10,351,485	$ 12,017,647	$ 98,538,720
56	Present Value of Total Initial Program Costs per Annual Participant		$ 4,022		$ 7,137	$ 5	
57	Present Value of Total Initial Program Costs	$ 33,523,473	$ 6,515,842	$ 40,039,315	$ 6,594,337	$ 2,563,184	$ 49,196,836
58	TRC	1.93	1.77	1.90	1.57	4.69	2.00
59	**VI. TRC-WNY**						
60	WNY Incremental Expenditures	$ 31,229,687	$ 6,515,842	$ 37,745,529	$ 6,324,939	$ -	$ 44,070,468
61	WNY Expenditure Multiplier		0.46		0.46	0.46	
62	WNY Expenditure Benefits	$ 14,399,511	$ 2,997,287	$ 17,396,799	$ 2,909,472	$ -	$ 20,306,271
63	Advertising	$ 2,293,786	$ -	$ 2,293,786	$ 269,397	$ 2,563,184	$ 5,126,367
64	Adverttising Multiplier		0.87		0.87	0.87	
65	Advertising Benefits	$ 1,995,594	$ -	$ 1,995,594	$ 234,376	$ 2,229,970	$ 4,459,940
66	WNY Expenditure & Adv Benefits	$ 16,395,105	$ 2,997,287	$ 19,392,393	$ 3,143,848	$ 2,229,970	$ 24,766,210
67	Customer Net Savings	$ 31,128,912	$ 5,001,360	$ 36,130,272	$ 3,757,148	$ 9,454,464	$ 49,341,884
68	WNY Income Multiplier		0.49		0.49	0.49	
69	WNY Customer Net Savings Benefits	$ 15,253,167	$ 2,450,667	$ 17,703,833	$ 1,841,003	$ 4,632,687	$ 24,177,523
70	Total WNY Benefits	$ 31,648,272	$ 5,447,954	$ 37,096,226	$ 4,984,851	$ 6,862,657	$ 48,943,734
71	TRC-WNY	2.87	2.60	2.83	2.33	7.37	3.00
72	**VII. Societal Test**						
73	Environmental						
74	Total	$ 5,871,810	$ 1,046,007	$ 6,917,817	$ 940,135	$ 1,091,458	$ 8,949,410
75	Other						
76	Total						
77	Total Incremental Societal Benefits	$ 5,871,810	$ 1,046,007	$ 6,917,817	$ 940,135	$ 1,091,458	$ 8,949,410
78	Total Benefits W/ TRC WNY	$ 102,172,467	$ 18,011,163	$ 120,183,631	$ 16,276,470	$ 19,971,762	$ 156,431,863
79	Societal Test	3.05	2.76	3.00	2.47	7.79	3.18

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11		**Total Res Rebates**	**LIURP**	**Total Res**	**Total Non Res Rebates**	**General Outreach**	**Total Program**
80	**Adjustment Detail**						
81	**I. Spillover**						
82	Total Spillover Impact (Mcf)		-		-	-	
83	Total Participants		1,359		924	482,775	
84	Adjustment to Per Participant Volume Due to Spillover		-		-	-	
85	**II. Free Riders**						
86	Mcf Saved per Participant		53.00		103.11	1.00	
87	Free Ridership %		0%		10%	14%	
88	Adjustment to Per Participant Volume Due to Free Riders		-		10.31	0.14	
89	**III. Snapback**						
90	Total Snapback Impact (Mcf)		1,261		-	-	
91	Total Participants		1,359		924	482,775	
92	Adjustment to Per Participant Volume Due to Snapback		0.93		-	-	
93	**IV. Total Volume Adjustment**						
94	Total Volume Adjustments		(0.93)		(10.31)	(0.14)	
95	**Adjustment Impact**						
96	**I. Customer and Volume Information**						
97	Number of Customers Eligible		15,000.00		34,100.00	482,775.00	
98	Participation Rate		10.80%		2.71%	100.00%	
99	Annual Number of Participants		1,620		924	482,775	
100	Total Mcf Adjusted		(1,503)		(9,528)	(67,589)	
101	DTH Conversion		1.035		1.035	1.035	
102	Total DTH Adjusted		(1,556)		(9,861)	(69,954)	
103	Mcf Adjusted per Participant		(0.93)		(10.31)	(0.14)	
104	DTH Adjusted per Participant		(0.96)		(10.67)	(0.14)	
105	**II. Program Cost Information**						
106	Company Direct Costs		$ -		$ -	$ -	
107	Company Admin Costs						
108	Company Advertising Costs						
109	Total Initial Program Costs - Company	$ -	$ -	$ -	$ -	$ -	$ -
110	Total Initial Program Costs - Participant		$ -		$ (517,939)	$ -	
111	Total Initial Program Costs		$ -		$ (517,939)	$ -	
112	Per Participant Initial Program Costs - Company		$ -		$ -	$ -	
113	Per Participant Initial Program Costs - Participant		$ -		$ (560.54)	$ -	
114	Total Initial Program Costs per Annual Participant		$ -		$ (560.54)	$ -	
115	Annual Ongoing Costs - Company per Participant						
116	Annual Ongoing Costs - Participant per Participant						
117	Total Annual Ongoing Costs per Participant						
118	Annual Ongoing Costs - Company						
119	Annual Ongoing Costs - Participant						
120	Total Annual Ongoing Costs						
121	**III. Discount Assumptions**						
122	Anticipated Life of Program Measure (Years)		-		-	-	
123	Discount Rate		5.50%		5.50%	5.50%	
124	PVIFA		-		-	-	
125	**IV. Incremental Savings**						
126	Natural Gas Supply Rate ($/Mcf)		$ 10.00		$ 10.00	$ 10.00	
127	Natural Gas Supply Rate ($/Dth)		$ 9.66		$ 9.66	$ 9.66	
128	Annual NGS Savings per Participant		$ (9.28)		$ (103.11)	$ (1.40)	
129	Total NGS Savings		$ (15,034)		$ (95,277)	$ (675,885)	

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11		**Total Res Rebates**	**LIURP**	**Total Res**	**Total Non Res Rebates**	**General Outreach**	**Total Program**
130	**Adjusted Analysis**						
131	**I. Customer and Volume Information**						
132	Number of Customers Eligible		15,000		34,100	482,775	
133	Participation Rate		10.80%		2.71%	100.00%	
134	Total Number of Participants		1,620		924	482,775	
135	Total Mcf Saved	491,484	84,357	575,841	85,749	415,187	1,076,777
136	DTH Conversion	1.035	1.035	1.035	1.035	1.035	1.035
137	Total DTH Saved	513,915	87,309	601,224	88,751	429,718	1,119,693
138	Mcf Saved per Participant		52.07		92.80	0.86	
139	DTH Saved per Participant		53.89		96.05	0.89	
140							
141	Estimated Peak Day Impact Mcf	4,488.44	770.38	5,258.82	783.10	3,791.66	9,833.58
142	Estimated Peak Day Impact Dth	4,645.53	797.34	5,442.88	810.51	3,924.37	10,177.75
143	Total Average Annual Accounts	482,775	482,775	482,775		482,775	
144	Impact on Total Average Annual Usage Per Account	1.02	0.17	1.19		0.86	
145	**II. Program Cost Information**						
146	Company Direct Costs	$ 9,253,414	$ 5,306,009	$ 14,559,423	$ 1,086,782	$ -	$ 15,646,205
147	Company Admin Costs	$ 306,523	$ 1,209,833	$ 1,516,356	$ 58,769	$ -	$ 1,575,126
148	Company Advertising Costs	$ 2,293,786	$ -	$ 2,293,786	$ 269,397	$ 2,563,184	$ 5,126,367
149	Total Initial Program Costs - Company	$ 11,853,723	$ 6,515,842	$ 18,369,565	$ 1,414,949	$ 2,563,184	$ 22,347,698
150	Total Initial Program Costs - Participant	$ 18,453,345	$ -	$ 18,453,345	$ 4,661,449	$ -	$ 23,114,794
151	Total Initial Program Costs	$ 30,307,068	$ 6,515,842	$ 36,822,910	$ 6,076,398	$ 2,563,184	$ 45,462,492
152	Per Participant Initial Program Costs - Company		$ 4,022.12		$ 1,531.33	$ 5.31	
153	Per Participant Initial Program Costs - Participant		$ -		$ 5,044.86	$ -	
154	Total Initial Program Costs per Annual Participant		$ 4,022.12		$ 6,576.19	$ 5.31	
155	Annual Ongoing Costs - Company per Participant		$ -		$ -	$ -	
156	Annual Ongoing Costs - Participant per Participant		$ -		$ -	$ -	
157	Total Annual Ongoing Costs per Participant		$ -		$ -	$ -	
158	Annual Ongoing Costs - Company		$ -		$ -	$ -	
159	Annual Ongoing Costs - Participant		$ -		$ -	$ -	
160	Total Annual Ongoing Costs		$ -		$ -	$ -	
161	**III. Discount Assumptions**						
162	Anticipated Life of Program Measure (Years)	16.74	25	18	17	2.75	17
163	Discount Rate	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
164	PVIFA	9.13	13.41	11.32	10.86	2.49	10.93
165	**IV. Incremental Savings**						
166	Natural Gas Supply Rate ($/Mcf)		$ 10.00		$ 10.00	$ 10.00	
167	Natural Gas Supply Rate ($/Dth)		$ 9.66		$ 9.66	$ 9.66	
168	Annual NGS Savings per Participant		$ 520.72		$ 928.02	$ 8.60	
169	Total NGS Savings	$ 4,914,840	$ 843,566	$ 5,758,406	$ 857,494	$ 4,151,865	$ 10,767,765
170	**V. Direct Cost Benefit Summary**						
171	Present Value of Participant Savings		$ 6,984.90		$ 10,082.62	$ 21.41	
172	Present Value of Total Savings	$ 52,994,293	$ 11,315,543	$ 64,309,836	$ 9,316,337	$ 10,335,177	$ 83,961,349
173	Present Value of Total Initial Program Costs per Annual Participant		$ 4,022		$ 6,576	$ 5	
174	Present Value of Total Initial Program Costs	$ 30,307,068	$ 6,515,842	$ 36,822,910	$ 6,076,398	$ 2,563,184	$ 45,462,492
175	TRC	1.75	1.74	1.75	1.53	4.03	1.85
176	**VI. TRC-WNY**						
177	WNY Incremental Expenditures	$ 28,013,282	$ 6,515,842	$ 34,529,124	$ 5,807,001	$ -	$ 40,336,124
178	WNY Expenditure Multiplier		0.46		0.46	0.46	
179	WNY Expenditure Benefits	$ 12,917,811	$ 2,997,287	$ 15,915,098	$ 2,671,220	$ -	$ 18,586,319
180	Advertising	$ 2,293,786	$ -	$ 2,293,786	$ 269,397	$ 2,563,184	$ 5,126,367
181	Adverttising Multiplier		0.87		0.87	0.87	
182	Advertising Benefits	$ 1,995,594	$ -	$ 1,995,594	$ 234,376	$ 2,229,970	$ 4,459,940
183	WNY Expenditure & Adv Benefits	$ 14,913,405	$ 2,997,287	$ 17,910,692	$ 2,905,596	$ 2,229,970	$ 23,046,258
184	Customer Net Savings	$ 22,687,226	$ 4,799,701	$ 27,486,926	$ 3,239,939	$ 7,771,993	$ 38,498,858
185	WNY Income Multiplier		0.49		0.49	0.49	
186	WNY Customer Net Savings Benefits	$ 11,116,741	$ 2,351,853	$ 13,468,594	$ 1,587,570	$ 3,808,277	$ 18,864,440
187	Total WNY Benefits	$ 26,030,145	$ 5,349,141	$ 31,379,286	$ 4,493,166	$ 6,038,246	$ 41,910,698
188	TRC-WNY	2.61	2.56	2.60	2.27	6.39	2.77
189	**VII. Societal Test**						
190	Environmental						
191	Total	$ 4,813,008	$ 1,027,692	$ 5,840,700	$ 846,121	$ 938,654	$ 7,625,475
192	Other						
193	Total		$ -		$ -	$ -	
194	Total Incremental Societal Benefits	$ 4,813,008	$ 1,027,692	$ 5,840,700	$ 846,121	$ 938,654	$ 7,625,475
195	Total Benefits W/TRC-WNY	$ 83,837,447	$ 17,692,375	$ 101,529,822	$ 14,655,624	$ 17,312,077	$ 133,497,523
196	Societal Test	2.77	2.72	2.76	2.41	6.75	2.94

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11		**Appliance Rebates - Heating Systems Residential**	**Appliance Rebates - Programable Tstat Residential**	**Appliance Rebates - Water Heater Tank Residential**	**Appliance Rebates - Tankless Water Heater Residential**	**Total Res Rebates**	**LIURP**
12	**Base Analysis**						
13	**I. Customer and Volume Information**						
14	Number of Customers Eligible	468,292	468,292	468,292	468,292		15,000
15	Participation Rate	4.44%	4.38%	0.70%	0.37%		10.80%
16	Total Number of Participants	20,804	20,516	3,276	1,719		1,620
17	Total Annual Mcf Saved	280,836	119,457	14,400	12,455	427,149	40,247
18	DTH Conversion	1.035	1.035	1.035	1.035	1.035	1.035
19	Total DTH Saved	290,665	123,638	14,904	12,891	442,099	41,656
20	Mcf Saved per Participant Base	13.50	5.82	4.40	7.25		24.84
21	Multiple Factor for Sensitivity Analysis	0%	0%	0%	0%		0%
22	Mcf Saved per Participant	13.50	5.82	4.40	7.25		24.84
23	DTH Saved per Participant	13.97	6.03	4.55	7.50		25.71
24	Estimated Peak Day Impact Mcf	2,565	1,091	132	114	3,901	368
25	Estimated Peak Day Impact DTH	2,654	1,129	136	118	4,037	380
26	Total Average Annual Accounts	482,775	482,775	482,775	482,775	482,775	482,775
27	Impact on Total Average Annual Usage Per Account Per Mcf	0.58	0.25	0.03	0.03	0.88	0.08
28	**II. Program Cost Information**						
29	Company Direct Costs	$ 6,397,230	$ 603,581	$ 512,694	$ 612,824	$ 8,126,328	$ 5,306,009
30	Company Admin Costs	$ 211,911	$ 19,994	$ 16,983	$ 20,300	$ 269,188	$ 1,209,833
31	Company Advertising Costs	$ 1,585,780	$ 149,619	$ 127,089	$ 151,910	$ 2,014,398	$ -
32	Total Initial Program Costs - Company	$ 8,194,921	$ 773,193	$ 656,767	$ 785,034	$ 10,409,914	$ 6,515,842
33	Total Initial Program Costs - Participant	$ 14,562,800	$ 512,900	$ 655,200	$ 601,650	$ 16,332,550	$ -
34	Total Initial Program Costs	$ 22,757,721	$ 1,286,093	$ 1,311,967	$ 1,386,684	$ 26,742,464	$ 6,515,842
35	Per Participant Initial Program Costs - Company	$ 307.50	$ 29.42	$ 156.50	$ 356.50		$ 4,022.12
36	Per Participant Initial Program Costs - Participant	$ 700.00	$ 25.00	$ 200.00	$ 350.00		$ -
37	Total Initial Program Costs per Annual Participant	$ 1,007.50	$ 54.42	$ 356.50	$ 706.50		$ 4,022.12
38	Annual Ongoing Costs - Company per Participant	$ -	$ -	$ -	$ -		$ -
39	Annual Ongoing Costs - Participant per Participant	$ -	$ -	$ -	$ -		$ -
40	Total Annual Ongoing Costs per Participant	$ -	$ -	$ -	$ -		$ -
41	Annual Ongoing Costs - Company	$ -	$ -	$ -	$ -		$ -
42	Annual Ongoing Costs - Participant	$ -	$ -	$ -	$ -		$ -
43	Total Annual Ongoing Costs	$ -	$ -	$ -	$ -		$ -
44	**III. Discount Assumptions**						
45	Anticipated Life of Program Measure (Years)	17	17	14	14	16.7	25
46	Discount Rate	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
47	PVIFA	10.8646	10.8646	9.5896	9.5896	10.7450	13.4139
48	**IV. Incremental Savings**						
49	Natural Gas Supply Rate ($/Mcf)	$ 10.00	$ 10.00	$ 10.00	$ 10.00		$ 10.00
50	Natural Gas Supply Rate ($/Dth)	$ 9.66	$ 9.66	$ 9.66	$ 9.66		$ 9.66
51	Annual NGS Savings per Participant	$ 134.99	$ 58.23	$ 43.96	$ 72.45		$ 248.44
52	Total NGS Savings	$ 2,808,362	$ 1,194,573	$ 144,004	$ 124,549	$ 4,271,487	$ 402,475
53	**V. Direct Cost Benefit Summary**						
54	Present Value of Participant Savings	$ 1,466.63	$ 632.61	$ 421.53	$ 694.81		$ 3,332.57
55	Present Value of Total Savings	$ 30,511,749	$ 12,978,563	$ 1,380,946	$ 1,194,378	$ 46,065,637	$ 5,398,766
56	Present Value of Total Initial Program Costs per Annual Participant	$ 1,008	$ 54	$ 357	$ 707		$ 4,022
57	Present Value of Total Initial Program Costs	$ 22,757,721	$ 1,286,093	$ 1,311,967	$ 1,386,684	$ 26,742,464	$ 6,515,842
58	TRC	1.34	10.09	1.05	0.86	1.72	0.83
59	**VI. TRC-WNY**						
60	WNY Incremental Expenditures	$ 21,171,941	$ 1,136,475	$ 1,184,877	$ 1,234,774	$ 24,728,066	$ 6,515,842
61	WNY Expenditure Multiplier	0.46	0.49	0.46	0.49		0.49
62	WNY Expenditure Benefits	$ 9,739,093	$ 556,873	$ 545,044	$ 605,039	$ 11,446,048	$ 3,192,763
63	Advertising	$ 1,585,780	$ 149,619	$ 127,089	$ 151,910	$ 2,014,398	$ -
64	Adverttising Multiplier	0.87	0.87	0.87	0.87		0.87
65	Advertising Benefits	$ 1,379,629	$ 130,168	$ 110,568	$ 132,162	$ 1,752,526	$ -
66	WNY Expenditure & Adv Benefits	$ 11,118,721	$ 687,041	$ 655,611	$ 737,201	$ 13,198,574	$ 3,192,763
67	Customer Net Savings	$ 7,754,028	$ 11,692,470	$ 68,980	$ (192,305)	$ 19,323,172	$ (1,117,076)
68	WNY Income Multiplier	0.49	0.49	0.49	0.49		0.49
69	WNY Customer Net Savings Benefits	$ 3,799,474	$ 5,729,310	$ 33,800	$ (94,229)	$ 9,468,354	$ (547,367)
70	Total WNY Benefits	$ 14,918,195	$ 6,416,351	$ 689,411	$ 642,971	$ 22,666,929	$ 2,645,396
71	TRC-WNY	2.00	15.08	1.58	1.32	2.57	1.23
72	**VII. Societal Test**						
73	Environmental						
74	Total	$ 2,771,115	$ 1,178,729	$ 125,419	$ 108,475	$ 4,183,739	$ 490,323
75	Other						
76	Total						
77	Total Incremental Societal Benefits	$ 2,771,115	$ 1,178,729	$ 125,419	$ 108,475	$ 4,183,739	$ 490,323
78	Total Benefits W/ TRC WNY	$ 48,201,059	$ 20,573,644	$ 2,195,777	$ 1,945,825	$ 72,916,304	$ 8,534,485
79	Societal Test	2.12	16.00	1.67	1.40	2.73	1.31

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10	Resic						
11		**Appliance Rebates - Heating Systems Residential**	**Appliance Rebates - Programable Tstat Residential**	**Appliance Rebates - Water Heater Tank Residential**	**Appliance Rebates - Tankless Water Heater Residential**	**Total Res Rebates**	**LIURP**
80	**Adjustment Detail**						
81	**I. Spillover**						
82	Total Spillover Impact (Mcf)	-	-	-	-		-
83	Total Participants	20,804	20,516	3,276	1,719		1,620
84	Adjustment to Per Participant Volume Due to Spillover	-	-	-	-		-
85	**II. Free Riders**						
86	Mcf Saved per Participant	13.50	5.82	4.40	7.25		24.84
87	Free Ridership %	14%	14%	14%	14%		0%
88	Adjustment to Per Participant Volume Due to Free Riders	1.89	0.82	0.62	1.01		-
89	**III. Snapback**						
90	Total Snapback Impact (Mcf)	-	-	-	-		-
91	Total Participants	20,804	20,516	3,276	1,719		1,620
92	Adjustment to Per Participant Volume Due to Snapback	-	-	-	-		-
93	**IV. Total Volume Adjustment**						
94	Total Volume Adjustments	(1.89)	(0.82)	(0.62)	(1.01)		-
95	**Adjustment Impact**						
96	**I. Customer and Volume Information**						
97	Number of Customers Eligible	468,292.00	468,292.00	468,292.00	468,292.00		15,000.00
98	Participation Rate	4.44%	4.38%	0.70%	0.37%		10.80%
99	Annual Number of Participants	20,804	20,516	3,276	1,719		1,620
100	Total Mcf Adjusted	(39,317)	(16,724)	(2,016)	(1,744)		-
101	DTH Conversion	1.035	1.035	1.035	1.035		1.035
102	Total DTH Adjusted	(40,693)	(17,309)	(2,087)	(1,805)		-
103	Mcf Adjusted per Participant	(1.89)	(0.82)	(0.62)	(1.01)		-
104	DTH Adjusted per Participant	(1.96)	(0.84)	(0.64)	(1.05)		-
105	**II. Program Cost Information**						
106	Company Direct Costs	$ -	$ -	$ -	$ -		$ -
107	Company Admin Costs						
108	Company Advertising Costs						
109	Total Initial Program Costs - Company	$ -	$ -	$ -	$ -		$ -
110	Total Initial Program Costs - Participant	$ (2,038,792)	$ (71,806)	$ (91,728)	$ (84,231)		$ -
111	Total Initial Program Costs	$ (2,038,792)	$ (71,806)	$ (91,728)	$ (84,231)		$ -
112	Per Participant Initial Program Costs - Company	$ -	$ -	$ -	$ -		$ -
113	Per Participant Initial Program Costs - Participant	$ (98.00)	$ (3.50)	$ (28.00)	$ (49.00)		$ -
114	Total Initial Program Costs per Annual Participant	$ (98.00)	$ (3.50)	$ (28.00)	$ (49.00)		$ -
115	Annual Ongoing Costs - Company per Participant						
116	Annual Ongoing Costs - Participant per Participant						
117	Total Annual Ongoing Costs per Participant						
118	Annual Ongoing Costs - Company						
119	Annual Ongoing Costs - Participant						
120	Total Annual Ongoing Costs						
121	**III. Discount Assumptions**						
122	Anticipated Life of Program Measure (Years)	-	-	-	-		-
123	Discount Rate	5.50%	5.50%	5.50%	5.50%		5.50%
124	PVIFA	-	-	-	-		-
125	**IV. Incremental Savings**						
126	Natural Gas Supply Rate ($/Mcf)	$ 10.00	$ 10.00	$ 10.00	$ 10.00		$ 10.00
127	Natural Gas Supply Rate ($/Dth)	$ 9.66	$ 9.66	$ 9.66	$ 9.66		$ 9.66
128	Annual NGS Savings per Participant	$ (18.90)	$ (8.15)	$ (6.15)	$ (10.14)		$ -
129	Total NGS Savings	$ (393,171)	$ (167,240)	$ (20,161)	$ (17,437)		$ -

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11		**Appliance Rebates - Heating Systems Residential**	**Appliance Rebates - Programable Tstat Residential**	**Appliance Rebates - Water Heater Tank Residential**	**Appliance Rebates - Tankless Water Heater Residential**	**Total Res Rebates**	**LIURP**
130	**Adjusted Analysis**						
131	**I. Customer and Volume Information**						
132	Number of Customers Eligible	468,292	468,292	468,292	468,292		15,000
133	Participation Rate	4.44%	4.38%	0.70%	0.37%		10.80%
134	Total Number of Participants	20,804	20,516	3,276	1,719		1,620
135	Total Mcf Saved	241,519	102,733	12,384	10,711	367,348	40,247
136	DTH Conversion	1.035	1.035	1.035	1.035	1.035	1.035
137	Total DTH Saved	249,972	106,329	12,818	11,086	380,205	41,656
138	Mcf Saved per Participant	11.61	5.01	3.78	6.23		24.84
139	DTH Saved per Participant	12.02	5.18	3.91	6.45		25.71
140							
141	Estimated Peak Day Impact Mcf	2,205.65	938.20	113.10	97.82	3,354.77	367.56
142	Estimated Peak Day Impact Dth	2,282.85	971.04	117.06	101.24	3,472.19	380.42
143	Total Average Annual Accounts	482,775	482,775	482,775	482,775		482,775
144	Impact on Total Average Annual Usage Per Account	0.50	0.21	0.03	0.02		0.08
145	**II. Program Cost Information**						
146	Company Direct Costs	$ 6,397,230	$ 603,581	$ 512,694	$ 612,824	$ 8,126,328	$ 5,306,009
147	Company Admin Costs	$ 211,911	$ 19,994	$ 16,983	$ 20,300	$ 269,188	$ 1,209,833
148	Company Advertising Costs	$ 1,585,780	$ 149,619	$ 127,089	$ 151,910	$ 2,014,398	$ -
149	Total Initial Program Costs - Company	$ 8,194,921	$ 773,193	$ 656,767	$ 785,034	$ 10,409,914	$ 6,515,842
150	Total Initial Program Costs - Participant	$ 12,524,008	$ 441,094	$ 563,472	$ 517,419	$ 14,045,993	$ -
151	Total Initial Program Costs	$ 20,718,929	$ 1,214,287	$ 1,220,239	$ 1,302,453	$ 24,455,907	$ 6,515,842
152	Per Participant Initial Program Costs - Company	$ 393.91	$ 37.69	$ 200.48	$ 456.68		$ 4,022.12
153	Per Participant Initial Program Costs - Participant	$ 602.00	$ 21.50	$ 172.00	$ 301.00		$ -
154	Total Initial Program Costs per Annual Participant	$ 995.91	$ 59.19	$ 372.48	$ 757.68		$ 4,022.12
155	Annual Ongoing Costs - Company per Participant	$ -	$ -	$ -	$ -		$ -
156	Annual Ongoing Costs - Participant per Participant	$ -	$ -	$ -	$ -		$ -
157	Total Annual Ongoing Costs per Participant	$ -	$ -	$ -	$ -		$ -
158	Annual Ongoing Costs - Company	$ -	$ -	$ -	$ -		$ -
159	Annual Ongoing Costs - Participant	$ -	$ -	$ -	$ -		$ -
160	Total Annual Ongoing Costs	$ -	$ -	$ -	$ -		$ -
161	**III. Discount Assumptions**						
162	Anticipated Life of Program Measure (Years)	17	17	14	14	17	25
163	Discount Rate	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
164	PVIFA	10.86	10.86	9.59	9.59	10.75	13.41
165	**IV. Incremental Savings**						
166	Natural Gas Supply Rate ($/Mcf)	$ 10.00	$ 10.00	$ 10.00	$ 10.00		$ 10.00
167	Natural Gas Supply Rate ($/Dth)	$ 9.66	$ 9.66	$ 9.66	$ 9.66		$ 9.66
168	Annual NGS Savings per Participant	$ 116.09	$ 50.07	$ 37.80	$ 62.31		$ 248.44
169	Total NGS Savings	$ 2,415,191	$ 1,027,332	$ 123,843	$ 107,112	$ 3,673,479	$ 402,475
170	**V. Direct Cost Benefit Summary**						
171	Present Value of Participant Savings	$ 1,261.30	$ 544.04	$ 362.52	$ 597.54		$ 3,332.57
172	Present Value of Total Savings	$ 26,240,104	$ 11,161,564	$ 1,187,614	$ 1,027,165	$ 39,616,448	$ 5,398,766
173	Present Value of Total Initial Program Costs per Annual Participant	$ 996	$ 59	$ 372	$ 758		$ 4,022
174	Present Value of Total Initial Program Costs	$ 20,718,929	$ 1,214,287	$ 1,220,239	$ 1,302,453	$ 24,455,907	$ 6,515,842
175	TRC	1.27	9.19	0.97	0.79	1.62	0.83
176	**VI. TRC-WNY**						
177	WNY Incremental Expenditures	$ 19,133,149	$ 1,064,669	$ 1,093,149	$ 1,150,543	$ 22,441,509	$ 6,515,842
178	WNY Expenditure Multiplier	0.46	0.49	0.46	0.49		0.49
179	WNY Expenditure Benefits	$ 8,801,248	$ 521,688	$ 502,849	$ 563,766	$ 10,389,551	$ 3,192,763
180	Advertising	$ 1,585,780	$ 149,619	$ 127,089	$ 151,910	$ 2,014,398	$ -
181	Adverttising Multiplier	0.87	0.87	0.87	0.87	$ 3	3.48
182	Advertising Benefits	$ 1,379,629	$ 130,168	$ 110,568	$ 132,162	$ 1,752,526	$ -
183	WNY Expenditure & Adv Benefits	$ 10,180,877	$ 651,856	$ 613,416	$ 695,928	$ 12,142,077	$ 3,192,763
184	Customer Net Savings	$ 5,521,175	$ 9,947,277	$ (32,625)	$ (275,287)	$ 15,160,540	$ (1,117,076)
185	WNY Income Multiplier	0.49	0.49	0.49	0.49		0.49
186	WNY Customer Net Savings Benefits	$ 2,705,376	$ 4,874,166	$ (15,986)	$ (134,891)	$ 7,428,665	$ (547,367)
187	Total WNY Benefits	$ 12,886,253	$ 5,526,022	$ 597,430	$ 561,037	$ 19,570,742	$ 2,645,396
188	TRC-WNY	1.89	13.74	1.46	1.22	2.42	1.23
189	**VII. Societal Test**						
190	Environmental						
191	Total	$ 2,383,159	$ 1,013,707	$ 107,861	$ 93,288	$ 3,598,015	$ 490,323
192	Other						
193	Total	$ -	$ -	$ -	$ -	$ -	$ -
194	Total Incremental Societal Benefits	$ 2,383,159	$ 1,013,707	$ 107,861	$ 93,288	$ 3,598,015	$ 490,323
195	Total Benefits W/TRC-WNY	$ 41,509,516	$ 17,701,293	$ 1,892,905	$ 1,681,491	$ 62,785,204	$ 8,534,485
196	Societal Test	2.00	14.58	1.55	1.29	2.57	1.31

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8	11	Sep-10	34				
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10		Residential Appliance Rebates					
11		**Appliance Rebates - Hot Air Furnace Residential**	**Appliance Rebates - Hot Water Boiler Residential**	**Appliance Rebates - Steam Boiler Residential**	**Appliance Rebates - Hot Air Furnace Residential ECM Motors**	**Appliance Rebates - Programable Tstat Residential**	**Appliance Rebates - Indirect Heater Residential**
221	Sensitivity Analysis						
222	TRC - Free Ridership Sensitivity	Adjusted Analysis - TRC					
223		2.01	0.89	1.86	1.03	3.82	0.33
224	0%	2.14	0.93	1.97	1.03	4.19	0.35
225	10%	2.05	0.90	1.90	1.03	3.93	0.34
226	20%	1.94	0.87	1.81	1.03	3.65	0.33
227	30%	1.82	0.82	1.72	1.03	3.34	0.31
228	40%	1.68	0.77	1.60	1.03	3.00	0.30
229	50%	1.51	0.71	1.46	1.03	2.62	0.27
230	60%	1.30	0.63	1.28	1.03	2.21	0.25
231	70%	1.05	0.52	1.05	1.03	1.75	0.21
232	80%	0.73	0.37	0.74	1.03	1.24	0.17
233							
234	Societal - Test Free Ridership Sensitivity	Adjusted Analysis - Societal TRC					
235		3.18	1.39	2.94	1.63	6.08	0.52
236	0%	3.39	1.46	3.10	1.63	6.67	0.54
237	10%	3.24	1.41	2.99	1.63	6.26	0.53
238	20%	3.08	1.36	2.86	1.63	5.81	0.51
239	30%	2.89	1.30	2.71	1.63	5.32	0.49
240	40%	2.66	1.22	2.53	1.63	4.79	0.47
241	50%	2.40	1.12	2.31	1.63	4.20	0.44
242	60%	2.07	1.00	2.03	1.63	3.55	0.40
243	70%	1.68	0.83	1.67	1.63	2.83	0.35
244	80%	1.18	0.61	1.19	1.63	2.02	0.29
245							
246	TRC Gas Cost Sensitivity	Adjusted Analysis - TRC					
247		2.01	0.89	1.86	1.03	3.82	0.33
248	$ 16.00	3.22	1.42	2.98	1.65	6.11	0.53
249	$ 15.00	3.01	1.33	2.80	1.55	5.73	0.50
250	$ 14.00	2.81	1.24	2.61	1.45	5.35	0.47
251	$ 13.00	2.61	1.15	2.42	1.34	4.97	0.43
252	$ 12.00	2.41	1.06	2.24	1.24	4.58	0.40
253	$ 11.00	2.21	0.98	2.05	1.14	4.20	0.37
254	$ 10.00	2.01	0.89	1.86	1.03	3.82	0.33
255	$ 9.00	1.81	0.80	1.68	0.93	3.44	0.30
256	$ 8.00	1.61	0.71	1.49	0.83	3.06	0.27
257	$ 7.00	1.41	0.62	1.31	0.72	2.67	0.23
258	Discount Rate Sensitivity	Adjusted Analysis - TRC					
259		2.01	0.89	1.86	1.03	3.82	0.33
260	1%	2.88	1.27	2.67	1.03	5.47	0.33
261	2%	2.64	1.17	2.45	1.03	5.02	0.33
262	3%	2.44	1.08	2.26	1.03	4.63	0.33
263	4%	2.25	0.99	2.09	1.03	4.28	0.33
264	5%	2.09	0.92	1.94	1.03	3.96	0.33
265	6%	1.94	0.86	1.80	1.03	3.68	0.33
266	7%	1.81	0.80	1.68	1.03	3.43	0.33
267							
268	Volume Savings Sensitiviity	Adjusted Analysis - TRC					
269		2.01	0.89	1.86	1.03	3.82	0.33
270	50%	3.07	1.43	2.86	1.03	5.73	0.33
271	40%	2.85	1.32	2.66	1.03	5.35	0.33
272	30%	2.64	1.22	2.46	1.03	4.97	0.33
273	20%	2.43	1.11	2.26	1.03	4.58	0.33
274	10%	2.22	1.00	2.06	1.03	4.20	0.33
275	0%	2.01	0.89	1.86	1.03	3.82	0.33
276	-10%	1.80	0.78	1.67	1.03	3.44	0.33
277	-20%	1.59	0.67	1.47	1.03	3.06	0.33
278	-30%	1.38	0.56	1.27	1.03	2.67	0.33
279	-40%	1.17	0.45	1.07	1.03	2.29	0.33
280	-50%	0.95	0.34	0.87	1.03	1.91	0.33
281							

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8	11	Sep-10	34				
9		Total Residential					
10		Residential Appliance Rebates					
11		**Appliance Rebates - Hot Air Furnace Residential**	**Appliance Rebates - Hot Water Boiler Residential**	**Appliance Rebates - Steam Boiler Residential**	**Appliance Rebates - Hot Air Furnace Residential ECM Motors**	**Appliance Rebates - Programable Tstat Residential**	**Appliance Rebates - Indirect Heater Residential**
282	Gas Cost/Free Ridership Total Program TRC Sensitivity						
283	Gas Cost	Free Ridership					
284	1.85	0%	10%	20%	30%	40%	50%
285	$ 16.00	3.13	3.01	2.87	2.68	2.47	2.25
286	$ 15.00	2.94	2.82	2.69	2.51	2.32	2.11
287	$ 14.00	2.74	2.63	2.51	2.34	2.16	1.97
288	$ 13.00	2.54	2.44	2.33	2.18	2.01	1.83
289	$ 12.00	2.35	2.26	2.15	2.01	1.86	1.69
290	$ 11.00	2.15	2.07	1.97	1.84	1.70	1.55
291	$ 10.00	1.96	1.88	1.79	1.67	1.55	1.41
292	$ 9.00	1.76	1.69	1.61	1.51	1.39	1.27
293	$ 8.00	1.57	1.50	1.43	1.34	1.24	1.12
294	$ 7.00	1.37	1.32	1.26	1.17	1.08	0.98
295							
296	Gas Cost/Free Ridership Total Program TRC Sensitivity						
297	Gas Cost	Free Ridership					
298	2.94	0%	10%	20%	30%	40%	50%
299	$ 16.00	4.86	4.67	4.46	4.17	3.85	3.50
300	$ 15.00	4.57	4.39	4.19	3.92	3.62	3.29
301	$ 14.00	4.27	4.11	3.92	3.67	3.39	3.09
302	$ 13.00	3.98	3.83	3.65	3.42	3.16	2.88
303	$ 12.00	3.69	3.55	3.39	3.17	2.93	2.67
304	$ 11.00	3.40	3.27	3.12	2.92	2.70	2.46
305	$ 10.00	3.11	2.99	2.85	2.67	2.47	2.25
306	$ 9.00	2.82	2.71	2.59	2.42	2.24	2.04
307	$ 8.00	2.53	2.43	2.32	2.17	2.01	1.83
308	$ 7.00	2.23	2.15	2.05	1.92	1.78	1.62

	A	H	I
1	National Fuel Gas Distribution Corporation		
2	New York Division		
3	Conservation Incentive Program		
4	Program Measurement and Verification Summary		
5			
6	11/9/2010		
7	Quarter		
8	11		
9			
10	Resic		
11		**Appliance Rebates - Storage Tank Water Heater Residential**	**Appliance Rebates - Storage Tankless Water Heater Residential**
221	Sensitivity Analysis		
222	TRC - Free Ridership Sensitivity		
223		1.20	1.16
224	0%	1.29	1.27
225	10%	1.22	1.20
226	20%	1.15	1.11
227	30%	1.06	1.02
228	40%	0.97	0.92
229	50%	0.86	0.81
230	60%	0.74	0.69
231	70%	0.60	0.55
232	80%	0.43	0.39
233			
234	Societal - Test Free Ridership Sensitivity		
235		1.90	1.86
236	0%	2.05	2.03
237	10%	1.95	1.91
238	20%	1.83	1.78
239	30%	1.70	1.64
240	40%	1.55	1.48
241	50%	1.39	1.31
242	60%	1.19	1.12
243	70%	0.97	0.90
244	80%	0.72	0.65
245			
246	TRC Gas Cost Sensitivity		
247		1.20	1.16
248	$ 16.00	1.91	1.86
249	$ 15.00	1.79	1.75
250	$ 14.00	1.67	1.63
251	$ 13.00	1.55	1.51
252	$ 12.00	1.43	1.40
253	$ 11.00	1.32	1.28
254	$ 10.00	1.20	1.16
255	$ 9.00	1.08	1.05
256	$ 8.00	0.96	0.93
257	$ 7.00	0.84	0.82
258	Discount Rate Sensitivity		
259		1.20	1.16
260	1%	1.62	1.58
261	2%	1.51	1.47
262	3%	1.41	1.37
263	4%	1.32	1.28
264	5%	1.23	1.20
265	6%	1.16	1.13
266	7%	1.09	1.06
267			
268	Volume Savings Sensitiviity		
269		1.20	1.16
270	50%	1.79	1.75
271	40%	1.67	1.63
272	30%	1.55	1.51
273	20%	1.43	1.40
274	10%	1.32	1.28
275	0%	1.20	1.16
276	-10%	1.08	1.05
277	-20%	0.96	0.93
278	-30%	0.84	0.82
279	-40%	0.72	0.70
280	-50%	0.60	0.58
281			

	A	H	I
1	National Fuel Gas Distribution Corporation		
2	New York Division		
3	Conservation Incentive Program		
4	Program Measurement and Verification Summary		
5			
6	11/9/2010		
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8	11		
9			
10	Resic		
11		**Appliance Rebates - Storage Tank Water Heater Residential**	**Appliance Rebates - Storage Tankless Water Heater Residential**
282	Gas Cost/Free Ridership Total Program TRC Sensitivity		
283	Gas Cost		
284	1.85	60%	70%
285	$ 16.00	2.00	1.73
286	$ 15.00	1.88	1.62
287	$ 14.00	1.75	1.51
288	$ 13.00	1.63	1.41
289	$ 12.00	1.50	1.30
290	$ 11.00	1.38	1.19
291	$ 10.00	1.25	1.08
292	$ 9.00	1.13	0.97
293	$ 8.00	1.00	0.87
294	$ 7.00	0.88	0.76
295			
296	Gas Cost/Free Ridership Total Program TRC Sensitivity		
297	Gas Cost		
298	2.94	60%	70%
299	$ 16.00	3.13	2.71
300	$ 15.00	2.94	2.55
301	$ 14.00	2.75	2.39
302	$ 13.00	2.57	2.22
303	$ 12.00	2.38	2.06
304	$ 11.00	2.19	1.90
305	$ 10.00	2.01	1.74
306	$ 9.00	1.82	1.58
307	$ 8.00	1.63	1.42
308	$ 7.00	1.45	1.26

	A	J	K	L	M	N	O
1	National Fuel Gas Distribution Corporation						
2	New York Division						
3	Conservation Incentive Program						
4	Program Measurement and Verification Summary						
5							
6	11/9/2010						
7	Quarter						
8	11						
9							
10	Resic						
11		**Total Res Rebates**	**LIURP**	**Total Res**	**Total Non Res Rebates**	**General Outreach**	**Total Program**
221	Sensitivity Analysis						
222	TRC - Free Ridership Sensitivity						
223		1.75	1.74	1.75	1.53	4.03	1.85
224	0%	1.87	1.74	1.84	1.53	4.69	1.96
225	10%	1.78	1.74	1.78	1.53	4.22	1.88
226	20%	1.69	1.72	1.70	1.53	3.75	1.79
227	30%	1.59	1.54	1.58	1.53	3.28	1.67
228	40%	1.47	1.37	1.45	1.53	2.81	1.55
229	50%	1.33	1.19	1.30	1.53	2.34	1.41
230	60%	1.17	1.01	1.14	1.53	1.88	1.25
231	70%	0.98	0.84	0.95	1.53	1.41	1.08
232	80%	0.76	0.66	0.73	1.53	0.94	0.89
233							
234	Societal - Test Free Ridership Sensitivity						
235		2.77	2.72	2.76	2.41	6.75	2.94
236	0%	2.95	2.72	2.91	2.41	7.79	3.11
237	10%	2.82	2.72	2.80	2.41	7.05	2.99
238	20%	2.68	2.69	2.68	2.41	6.31	2.85
239	30%	2.52	2.41	2.49	2.41	5.57	2.67
240	40%	2.33	2.13	2.29	2.41	4.83	2.47
241	50%	2.12	1.85	2.06	2.41	4.09	2.25
242	60%	1.87	1.57	1.80	2.41	3.34	2.01
243	70%	1.57	1.29	1.51	2.41	2.60	1.74
244	80%	1.22	1.01	1.17	2.41	1.86	1.45
245							
246	TRC Gas Cost Sensitivity						
247		1.75	1.74	1.75	1.53	4.03	1.85
248	$ 16.00	2.80	2.78	2.79	2.45	6.45	2.95
249	$ 15.00	2.62	2.60	2.62	2.30	6.05	2.77
250	$ 14.00	2.45	2.43	2.45	2.15	5.65	2.59
251	$ 13.00	2.27	2.26	2.27	1.99	5.24	2.40
252	$ 12.00	2.10	2.08	2.10	1.84	4.84	2.22
253	$ 11.00	1.92	1.91	1.92	1.69	4.44	2.03
254	$ 10.00	1.75	1.74	1.75	1.53	4.03	1.85
255	$ 9.00	1.57	1.56	1.57	1.38	3.63	1.66
256	$ 8.00	1.40	1.39	1.40	1.23	3.23	1.48
257	$ 7.00	1.22	1.22	1.22	1.07	2.82	1.29
258	Discount Rate Sensitivity						
259		1.75	1.74	1.75	1.53	4.03	1.85
260	1%	2.44	2.85	2.51	2.20	4.37	2.57
261	2%	2.25	2.53	2.30	2.02	4.29	2.37
262	3%	2.09	2.25	2.12	1.86	4.22	2.20
263	4%	1.94	2.02	1.95	1.72	4.14	2.05
264	5%	1.81	1.82	1.81	1.59	4.07	1.91
265	6%	1.69	1.65	1.69	1.48	4.00	1.79
266	7%	1.59	1.51	1.57	1.38	3.93	1.68
267							
268	Volume Savings Sensitiviity						
269		1.75	1.74	1.75	1.53	4.03	1.85
270	50%	2.59	2.62	2.60	2.30	6.05	2.75
271	40%	2.42	2.44	2.43	2.15	5.65	2.57
272	30%	2.26	2.27	2.26	1.99	5.24	2.39
273	20%	2.09	2.09	2.09	1.84	4.84	2.21
274	10%	1.92	1.91	1.92	1.69	4.44	2.03
275	0%	1.75	1.74	1.75	1.53	4.03	1.85
276	-10%	1.58	1.56	1.58	1.38	3.63	1.67
277	-20%	1.41	1.38	1.41	1.23	3.23	1.48
278	-30%	1.24	1.21	1.24	1.07	2.82	1.30
279	-40%	1.07	1.03	1.06	0.92	2.42	1.12
280	-50%	0.90	0.85	0.89	0.77	2.02	0.94
281							

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1	National Fuel Gas Distribution Corporation						
2	New York Division						
3	Conservation Incentive Program						
4	Program Measurement and Verification Summary						
5							
6	11/9/2010						
7	Quarter						
8	11						
9							
10	Resic						
11		**Total Res Rebates**	**LIURP**	**Total Res**	**Total Non Res Rebates**	**General Outreach**	**Total Program**
282	Gas Cost/Free Ridership Total Program TRC Sensitivity						
283	Gas Cost	Free Ridership					
284	1.85	80%	90%	100%			
285	$ 16.00	1.43	1.10	0.72			
286	$ 15.00	1.34	1.03	0.68			
287	$ 14.00	1.25	0.96	0.63			
288	$ 13.00	1.16	0.89	0.59			
289	$ 12.00	1.07	0.82	0.54			
290	$ 11.00	0.98	0.75	0.50			
291	$ 10.00	0.89	0.68	0.45			
292	$ 9.00	0.80	0.62	0.41			
293	$ 8.00	0.72	0.55	0.36			
294	$ 7.00	0.63	0.48	0.32			
295							
296	Gas Cost/Free Ridership Total Program TRC Sensitivity						
297	Gas Cost	Free Ridership					
298	2.94	80%	90%	100%			
299	$ 16.00	2.25	1.73	1.16			
300	$ 15.00	2.11	1.63	1.09			
301	$ 14.00	1.98	1.53	1.02			
302	$ 13.00	1.85	1.43	0.95			
303	$ 12.00	1.71	1.32	0.89			
304	$ 11.00	1.58	1.22	0.82			
305	$ 10.00	1.45	1.12	0.75			
306	$ 9.00	1.31	1.02	0.69			
307	$ 8.00	1.18	0.92	0.62			
308	$ 7.00	1.05	0.81	0.55			

	A	P	Q	R	S	T	U
1	National Fuel Gas Distribution Corporation						
2	New York Division						
3	Conservation Incentive Program						
4	Program Measurement and Verification Summary						
5							
6	11/9/2010						
7	Quarter						
8	11						
9		Pre/Post Analysis					
10	Resid						
11		**Appliance Rebates - Heating Systems Residential**	**Appliance Rebates - Programable Tstat Residential**	**Appliance Rebates - Water Heater Tank Residential**	**Appliance Rebates - Tankless Water Heater Residential**	**Total Res Rebates**	**LIURP**
221	Sensitivity Analysis						
222	TRC - Free Ridership Sensitivity						
223		1.27	9.19	0.97	0.79	1.62	0.83
224	0%	1.34	10.09	1.05	0.86	1.72	0.83
225	10%	1.29	9.46	1.00	0.81	1.65	0.83
226	20%	1.23	8.77	0.94	0.75	1.57	0.83
227	30%	1.16	8.02	0.87	0.69	1.48	0.83
228	40%	1.08	7.20	0.79	0.63	1.37	0.83
229	50%	0.99	6.30	0.70	0.55	1.24	0.83
230	60%	0.87	5.31	0.60	0.47	1.09	0.83
231	70%	0.73	4.20	0.49	0.37	0.90	0.83
232	80%	0.55	2.96	0.35	0.26	0.67	0.83
233							
234	Societal - Test Free Ridership Sensitivity						
235		2.00	14.58	1.55	1.29	2.57	1.31
236	0%	2.12	16.00	1.67	1.40	2.73	1.31
237	10%	2.04	15.00	1.59	1.32	2.62	1.31
238	20%	1.95	13.92	1.49	1.24	2.49	1.31
239	30%	1.84	12.73	1.39	1.14	2.34	1.31
240	40%	1.72	11.44	1.27	1.04	2.18	1.31
241	50%	1.57	10.02	1.13	0.92	1.98	1.31
242	60%	1.39	8.45	0.98	0.79	1.74	1.31
243	70%	1.17	6.70	0.80	0.65	1.45	1.31
244	80%	0.90	4.75	0.59	0.48	1.10	1.31
245							
246	TRC Gas Cost Sensitivity						
247		1.27	9.19	0.97	0.79	1.62	0.83
248	$ 16.00	2.03	14.71	1.56	1.26	2.59	1.33
249	$ 15.00	1.90	13.79	1.46	1.18	2.43	1.24
250	$ 14.00	1.77	12.87	1.36	1.10	2.27	1.16
251	$ 13.00	1.65	11.95	1.27	1.03	2.11	1.08
252	$ 12.00	1.52	11.03	1.17	0.95	1.94	0.99
253	$ 11.00	1.39	10.11	1.07	0.87	1.78	0.91
254	$ 10.00	1.27	9.19	0.97	0.79	1.62	0.83
255	$ 9.00	1.14	8.27	0.88	0.71	1.46	0.75
256	$ 8.00	1.01	7.35	0.78	0.63	1.30	0.66
257	$ 7.00	0.89	6.43	0.68	0.55	1.13	0.58
258	Discount Rate Sensitivity						
259		1.27	9.19	0.97	0.79	1.62	0.83
260	1%	1.81	13.17	1.32	1.07	2.31	1.36
261	2%	1.67	12.09	1.23	1.00	2.13	1.21
262	3%	1.53	11.14	1.15	0.93	1.96	1.08
263	4%	1.42	10.29	1.07	0.87	1.81	0.96
264	5%	1.31	9.54	1.00	0.81	1.68	0.87
265	6%	1.22	8.86	0.94	0.76	1.56	0.79
266	7%	1.14	8.26	0.89	0.72	1.46	0.72
267							
268	Volume Savings Sensitiviity						
269		1.27	9.19	0.97	0.79	1.62	0.83
270	50%	1.90	13.79	1.46	1.18	2.43	1.24
271	40%	1.77	12.87	1.36	1.10	2.27	1.16
272	30%	1.65	11.95	1.27	1.03	2.11	1.08
273	20%	1.52	11.03	1.17	0.95	1.94	0.99
274	10%	1.39	10.11	1.07	0.87	1.78	0.91
275	0%	1.27	9.19	0.97	0.79	1.62	0.83
276	-10%	1.14	8.27	0.88	0.71	1.46	0.75
277	-20%	1.01	7.35	0.78	0.63	1.30	0.66
278	-30%	0.89	6.43	0.68	0.55	1.13	0.58
279	-40%	0.76	5.52	0.58	0.47	0.97	0.50
280	-50%	0.63	4.60	0.49	0.39	0.81	0.41
281							

	A	B	C	D	E	F	G
1	National Fuel Gas Distribution Corporation						
2	New York Division						
3	Conservation Incentive Program						
4	Program Measurement and Verification Summary						
5							
6	11/9/2010						
7	Quarter	Year	Month				
8	11	Sep-10	34				
9		Total Residential					
10		Residential Appliance Rebates					
11		**Appliance Rebates - Hot Air Furnace Residential**	**Appliance Rebates - Hot Water Boiler Residential**	**Appliance Rebates - Steam Boiler Residential**	**Appliance Rebates - Hot Air Furnace Residential ECM Motors**	**Appliance Rebates - Programable Tstat Residential**	**Appliance Rebates - Indirect Heater Residential**
197	Work Paper 1						
198	Participant Calculations						
199							
200	Program Participants	19,023	1,709	72	2,283	20,516	133
201	Annualization Factor	1	1	1	1	1	1
202	Total Participants for Analysis	19,023	1,709	72	2,283	20,516	133
203							
204	Workpaper 2						
205							
206	CO2 Benefit						
207							
208	Cost of CO2 $/Ton	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00
209							
210	Cost of CO2 $/Pound	$ 0.01	$ 0.01	$ 0.01	$ 0.01	$ 0.01	$ 0.01
211							
212	Lbs CO2 / Billion BTU	117,000	117,000	117,000	117,000	117,000	117,000
213							
214	Lbs CO2 / Million BTU	117	117	117	117	117	117
215							
216	DTH Conversion Factor	1.035	1.035	1.035	1.035	1.035	1.035
217							
218	Lbs CO2 / Mcf	121.095	121.095	121.095	121.095	121.095	121.095
219							
220	Cost of CO2 $/Mcf	$ 0.91	$ 0.91	$ 0.91	$ 0.91	$ 0.91	$ 0.91

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8	11		
9			
10	Resic		
11		**Appliance Rebates - Storage Tank Water Heater Residential**	**Appliance Rebates - Storage Tankless Water Heater Residential**
197	Work Paper 1		
198	Participant Calculations		
199			
200	Program Participants	3,276	1,719
201	Annualization Factor	1	1
202	Total Participants for Analysis	3,276	1,719
203			
204	Workpaper 2		
205			
206	CO2 Benefit		
207			
208	Cost of CO2 $/Ton	$ 15.00	$ 15.00
209			
210	Cost of CO2 $/Pound	$ 0.01	$ 0.01
211			
212	Lbs CO2 / Billion BTU	117,000	117,000
213			
214	Lbs CO2 / Million BTU	117	117
215			
216	DTH Conversion Factor	1.035	1.035
217			
218	Lbs CO2 / Mcf	121.095	121.095
219			
220	Cost of CO2 $/Mcf	$ 0.91	$ 0.91

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1	National Fuel Gas Distribution Corporation						
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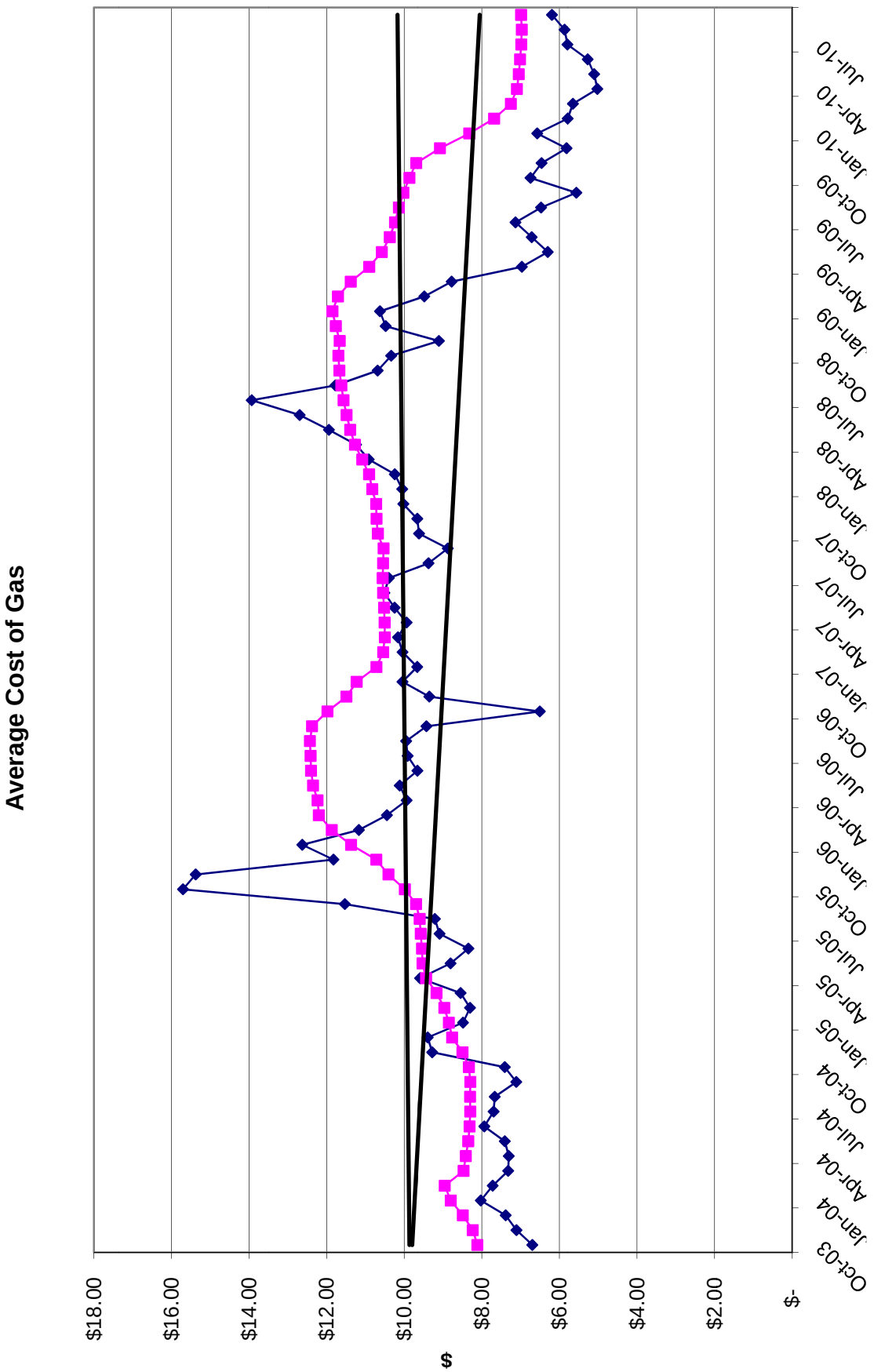
3	Conservation Incentive Program						
4	Program Measurement and Verification Summary						
5							
6	11/9/2010						
7	Quarter						
8	11						
9							
10	Resic						
11		**Total Res Rebates**	**LIURP**	**Total Res**	**Total Non Res Rebates**	**General Outreach**	**Total Program**
197	Work Paper 1						
198	Participant Calculations						
199							
200	Program Participants				924		
201	Annualization Factor				1		
202	Total Participants for Analysis				924		
203							
204	Workpaper 2						
205							
206	CO2 Benefit						
207							
208	Cost of CO2 $/Ton	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00
209							
210	Cost of CO2 $/Pound	$ 0.01	$ 0.01	$ 0.01	$ 0.01	$ 0.01	$ 0.01
211							
212	Lbs CO2 / Billion BTU	117,000	117,000	117,000	117,000	117,000	117,000
213							
214	Lbs CO2 / Million BTU	117	117	117	117	117	117
215							
216	DTH Conversion Factor	1.035	1.035	1.035	1.035	1.035	1.035
217							
218	Lbs CO2 / Mcf	121.095	121.095	121.095	121.095	121.095	121.095
219							
220	Cost of CO2 $/Mcf	$ 0.91	$ 0.91	$ 0.91	$ 0.91	$ 0.91	$ 0.91

	A	P	Q	R	S	T	U
1	National Fuel Gas Distribution Corporation						
2	New York Division						
3	Conservation Incentive Program						
4	Program Measurement and Verification Summary						
5							
6	11/9/2010						
7	Quarter						
8	11						
9		Pre/Post Analysis					
10	Resid						
11		**Appliance Rebates - Heating Systems Residential**	**Appliance Rebates - Programable Tstat Residential**	**Appliance Rebates - Water Heater Tank Residential**	**Appliance Rebates - Tankless Water Heater Residential**	**Total Res Rebates**	**LIURP**
197	Work Paper 1						
198	Participant Calculations						
199							
200	Program Participants						
201	Annualization Factor						
202	Total Participants for Analysis						
203							
204	Workpaper 2						
205							
206	CO2 Benefit						
207							
208	Cost of CO2 $/Ton	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00
209							
210	Cost of CO2 $/Pound	$ 0.01	$ 0.01	$ 0.01	$ 0.01	$ 0.01	$ 0.01
211							
212	Lbs CO2 / Billion BTU	117,000	117,000	117,000	117,000	117,000	117,000
213							
214	Lbs CO2 / Million BTU	117	117	117	117	117	117
215							
216	DTH Conversion Factor	1.035	1.035	1.035	1.035	1.035	1.035
217							
218	Lbs CO2 / Mcf	121.095	121.095	121.095	121.095	121.095	121.095
219							
220	Cost of CO2 $/Mcf	$ 0.91	$ 0.91	$ 0.91	$ 0.91	$ 0.91	$ 0.91


Average Cost of Gas
$
$18.00
$16.00
$14.00
$12.00
$10.00
$8.00
$6.00
$4.00
$2.00
$-
Oct-03
Jan-04
Apr-04
Jul-04
Oct-04
Jan-05
Apr-05
Jul-05
Oct-05
Jan-06
Apr-06
Jul-06
Oct-06
Jan-07
Apr-07
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Jan-08
Apr-08
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Oct-08
Jan-09
Apr-09
Jul-09
Oct-09
Jan-10
Apr-10
Jul-10

National Fuel Gas Distribution Corporation

Conservation Incentive Program

Preliminary Measurement and Verification Analysis

Development of Multipliers Used in Development of the Western New York – Total Resource Cost Test

August 15, 2008

Introduction

Included in the Preliminary Measurement and Verification ("M&V) analysis of National Fuel Gas Distribution Corporation's ("Distribution" or "the Company") conservation incentive program ("CIP") is an estimate of the Western New York Total Resource Cost Test ("WNY-TRC"). The WNY-TRC test was included in the CIP's M&V analysis to provide an estimate of the impact of the benefits of the program directly to the economy of the Company's service territory. The Company's CIP provides two direct benefits to its service territory: (1) overall net natural gas supply cost savings to customers, and (2) increased economic activity associated with program spending.

For purposes of this analysis the Company focused on net program benefits. That is, the overall natural gas supply cost savings are the difference between savings to customers from reduced consumption less the costs incurred by the Company and the customer to bring those savings about. The direct effect of energy efficiency savings is to increase the overall income of customers within the Company's service territory. In order to capture the ripple effect of this increase in income the Company developed an "income multiplier" for use in the CIP's M&V analysis.

The analysis also recognizes that the cost incurred to bring those savings about has an additional benefit to the service territory since the costs incurred to bring about those savings were largely spent in the service territory. In effect, expenditures on energy efficiency initiatives by the customer and the Company transfer costs from natural gas supply charges that, for the most part, leave the service territory, to purchases of equipment and services within the service territory that ripple through the local economy to the overall benefit of the service territory. In order to capture the ripple effect of these expenditures the Company developed "expenditure multipliers" for use in the CIP M&V analysis.

The table below summarizes the multipliers used in the M&V analysis for the WNY-TRC calculation.

Multipliers Used in the CIP's M&V Analysis	
Description	Multiplier
WNY Income Multiplier	0.49
Expenditure Multiplier – Appliance Rebates and LIURP	0.46
Expenditure Multiplier – Thermostats	0.49
Expenditure Multiplier – Advertising	0.87

Development of Multipliers

The Company utilized IMPLAN Pro® Version 2.0 to develop macroeconomic multipliers for its service territory. IMPLAN Pro® Version 2.0, uses Input-output analysis to develop multipliers for specific regions that the user can define. For purposes of the development of multipliers to be used in the WNY-TRC test the region was defined as the major counties in the Company's service territory. As explained in the IMPLAN Pro® Version 2.0 user manual:

> "***Input-output analysis*** is a means of examining relationships within an economy, both between businesses and between businesses and final consumers. It captures all monetary market transactions for consumption in a given time period. The resulting mathematical formulae allow examination of the effects of a change in one or several economic activities on an entire economy (impact analysis)."[1]

The Table below lists the counties in the Company's service territory, including, the number of customers, and identifies whether the county was included in the analysis.

Counties in National Fuel Gas Distribution Corporation's New York Service Territory		
Counties	Customers	Included in Study?
Allegany	10,955	Yes
Cattaraugus	13,775	Yes
Chautauqua	44,999	Yes
Erie	353,057	Yes
Genesee	11,066	Yes
Livingston	841	No
Monroe	1,039	No
Niagara	50,824	Yes
Ontario	1,792	Yes
Steuben	6,671	No
Wyoming	5,721	Yes
Total	499,740	

The counties included in the analysis were counties where the Company has a significant presence and where there are no larger population areas within the county that are served by another local natural gas distribution company.

Spending within an economy will result in three overall ripple effects: (1) direct, (2) indirect, and (3) induced. Direct effects are the impacts that result from the direct purchase of a product or service within the study area (for example, the payments made by a customer to a contractor for the installation of a furnace). Indirect effects result from the industries purchasing from other industries in order to meet the initial demand. (Continuing with the example, the contractor must purchase supplies and services from other vendors in order to support its business). Induced effects result from the impact on all local industries generated by the direct and indirect effects of the initial demand. Throughout these iterations dollars of demand "leak" from the local economy to other domestic regional (United States) and foreign economies. The energy efficiency initiatives of CIP can be seen as transferring the satisfaction of BTU demand from extra-

[1] IMPLAN Pro® Version 2.0; User Guide, Analysis Guide, Data Guide, Page 95.

regional natural gas commodity purchases to intra-regional energy efficiency purchases. In other words, without the CIP 100% of the satisfaction customer BTU demand "leaks" out of the service territory, with CIP some portion of the benefits of satisfying that demand remains in the local economy.

IMPLAN Pro® Version 2.0 provides the impact of such spending into two general categories: (1) Overall demand ("Output"), and (2) Value Added which is equal to labor income, other property type income, and indirect business taxes. For purposes of this analysis multipliers were developed focusing only on value added results in order to be conservative.

Calculation of WNY Income Multiplier

The WNY Income multiplier was developed by determining: (1) the propensity of households to spend on products and services within the service territory and, (2) a calculation of the ripple effect of such spending through the economy. Utilizing IMPLAN Pro® Version 2.0, it was determined that approximately 87% of household income in the service territory was spent on goods and services.

Page 1 of Attachment 1 to this appendix provides the various income multipliers for the households reported in IMPLAN Pro® Version 2.0. The value added multiplier for household spending within the service territory is estimated to be 56%. That is for every dollar of household spending, an additional $0.56 of value will be added to the local economy through increased labor income, other property type income, and indirect business taxes resulting from that spending. Based on the approximately 87% of household income that is spent on goods and services by households within the service territory and the 56% value added associated with local spending an overall income multiplier to apply to savings under the CIP was calculated at 49% (49% = 87% multiplied by 56%).

Calculation of Expenditure Multipliers

The analysis developed three expenditure multipliers to be applied in the M&V analysis to program expenditures: (1) Appliance Rebates and LIURP, (2) Thermostats, and (3) Advertising. Each of these expenditures will be satisfied from purchases of goods and services from various industries in the local economy. IMPLAN Pro® Version 2.0 can be utilized to determine the ripple effects of these purchases in the local economy. The table below provides a summary of the allocation of program costs to the selected industries in the local economy.

Expenditure Industry Allocations			
	Expenditures		
Industry Segment	Appliance Rebates and LIURP	Thermostats	Advertising
Contractors	50%	50%	
Wholesale Equipment and Insulation	50%		
Retail Building Supplies		50%	
Advertising			100%

Utilizing IMPLAN Pro® Version 2.0, the ripple effect of an assumed $1,000,000 of purchases in each of the industries was utilized to develop the multipliers. Page 2 of Attachment 1 to this appendix provides the various multipliers reported in IMPLAN Pro® Version 2.0 for the industries utilized by the Company's CIP.

The value added multipliers for each industry are summarized in the table below.

Industry Value Added Multipliers	
Industry Segment	Multiplier
Contractors	72.2%
Wholesale Equipment and Insulation	20.0%
Retail Building Supplies	26.1%
Advertising	86.8%

Applying the value added multipliers to the allocations from the previous table determines the program multipliers used in the M&V analysis.

Expenditure Industry Multipliers			
	Expenditures		
Industry Segment	Appliance Rebates and LIURP	Thermostats	Advertising
Contractors	36.1%	36.1%	
Wholesale Equipment and Insulation	10.0%		
Retail Building Supplies		13.0%	
Advertising			86.8%
Total	46.1%	49.1%	86.8%

New York Division

Calculation of WNY Multipliers

Impact of Income Change in Selected Segment
Income Impact $ 1,000,000

Segment:	LT $10K			
Impact	Direct	Indirect	Induced	Total
Value Added	$ 354,320	$ 97,114	$ 111,270	$ 562,704
Output	$ 950,950	$ 183,718	$ 186,854	$1,321,522
Employment	5.6	1.4	1.7	8.7
Multiplier				
Value Added	35%	10%	11%	56%
Output	95%	18%	19%	132%
Segment:	$10K-15K			
Impact	Direct	Indirect	Induced	Total
Value Added	$ 354,632	$ 97,016	$ 112,265	$ 563,913
Output	$ 950,994	$ 182,732	$ 188,524	$1,322,250
Employment	5.9	1.4	1.8	9.1
Multiplier				
Value Added	35%	10%	11%	56%
Output	95%	18%	19%	132%
Segment:	$15K-25K			
Impact	Direct	Indirect	Induced	Total
Value Added	$ 354,632	$ 97,016	$ 112,265	$ 563,913
Output	$ 950,994	$ 182,732	$ 188,524	$1,322,250
Employment	5.9	1.4	1.8	9.1
Multiplier				
Value Added	35%	10%	11%	56%
Output	95%	18%	19%	132%
Segment:	$25K-35K			
Impact	Direct	Indirect	Induced	Total
Value Added	$ 354,126	$ 95,425	$ 111,538	$ 561,089
Output	$ 951,628	$ 178,951	$ 187,303	$1,317,882
Employment	5.9	1.4	1.7	9
Multiplier				
Value Added	35%	10%	11%	56%
Output	95%	18%	19%	132%
Segment:	$35K-50K			
Impact	Direct	Indirect	Induced	Total
Value Added	$ 363,948	$ 93,021	$ 107,496	$ 564,465
Output	$ 951,775	$ 173,671	$ 180,517	$1,305,963
Employment	5.7	1.3	1.7	8.7
Multiplier				
Value Added	36%	9%	11%	56%
Output	95%	17%	18%	131%
Segment:	$50K-75K			
Impact	Direct	Indirect	Induced	Total
Value Added	$ 374,539	$ 92,880	$ 107,337	$ 574,756
Output	$ 951,627	$ 172,513	$ 180,249	$1,304,389
Employment	5.8	1.3	1.7	8.8
Multiplier				
Value Added	37%	9%	11%	57%
Output	95%	17%	18%	130%
Segment:	$75K-100K			
Impact	Direct	Indirect	Induced	Total
Value Added	$ 383,411	$ 93,743	$ 109,380	$ 586,534
Output	$ 951,115	$ 173,102	$ 183,680	$1,307,897
Employment	6.1	1.4	1.7	9.2
Multiplier				
Value Added	38%	9%	11%	59%
Output	95%	17%	18%	131%
Segment:	$100K-150K			
Impact	Direct	Indirect	Induced	Total
Value Added	$ 383,411	$ 93,743	$ 109,380	$ 586,534
Output	$ 951,115	$ 173,102	$ 183,680	$1,307,897
Employment	6.1	1.4	1.7	9.2
Multiplier				
Value Added	38%	9%	11%	59%
Output	95%	17%	18%	131%
Segment:	GT $150K			
Impact	Direct	Indirect	Induced	Total
Value Added	$ 383,411	$ 93,743	$ 109,380	$ 586,534
Output	$ 951,115	$ 173,102	$ 183,680	$1,307,897
Employment	6.1	1.4	1.7	9.2
Multiplier				
Value Added	38%	9%	11%	59%
Output	95%	17%	18%	131%

National Fuel Gas Distribution Corporation
New York Division

Calculation of WNY Multipliers

Impact of Spending in Selected Segment
Spending Amount $ 1,000,000

Segment:	Contractors			
Impact	Direct	Indirect	Induced	Total
Value Added	$ 341,429	$ 183,832	$ 197,232	$ 722,493
Output	$ 968,335	$ 360,096	$ 331,211	$ 1,659,642
Employment	6.8	2.8	3.1	12.7
Multiplier				
Value Added	34.1%	18.4%	19.7%	72.2%
Output	96.8%	36.0%	33.1%	166.0%
Segment:	Retail Building Supplies			
Impact	Direct	Indirect	Induced	Total
Value Added	$ 159,549	$ 46,063	$ 55,770	$ 261,382
Output	$ 265,187	$ 79,724	$ 93,651	$ 438,562
Employment	3.4	0.7	0.9	5
Multiplier				
Value Added	16.0%	4.6%	5.6%	26.1%
Output	26.5%	8.0%	9.4%	43.9%
Segment:	Wholesale			
Impact	Direct	Indirect	Induced	Total
Value Added	$ 131,938	$ 27,898	$ 40,221	$ 200,057
Output	$ 195,701	$ 49,399	$ 67,541	$ 312,641
Employment	6.8	2.8	3.1	12.7
Multiplier				
Value Added	13.2%	2.8%	4.0%	20.0%
Output	19.6%	4.9%	6.8%	31.3%
Segment:	Advertising			
Impact	Direct	Indirect	Induced	Total
Value Added	$ 486,679	$ 164,745	$ 216,583	$ 868,007
Output	$ 948,478	$ 317,323	$ 363,704	$ 1,629,505
Employment	7.1	2.4	3.4	12.9
Multiplier				
Value Added	48.7%	16.5%	21.7%	86.8%
Output	94.8%	31.7%	36.4%	163.0%

M&V Multipliers				
	Direct	Indirect	Induced	Total
LIURP, Res Appliance Rebates & Commercial Rebates				
% Contractors	50%	50%	50%	50%
% Wholesale	50%	50%	50%	50%
Value Added	24%	11%	12%	46%
Output	58%	20%	20%	99%
Tstat Rebates				
% Contractors	50%	50%	50%	50%
% Retail	50%	50%	50%	50%
Value Added	25%	11%	13%	49%
Output	62%	22%	21%	105%
Outreach				
% Advertising	100%	100%	100%	100%
Value Added	48.7%	16.5%	21.7%	86.8%
Output	94.8%	31.7%	36.4%	163.0%

NATIONAL FUEL GAS DISTRIBUTION CORPORATION
NEW YORK DIVISION
CIP SUMMARY THROUGH SEPTEMBER 30, 2010

		CIP Expenditures	CIP Funding	NYSERDA Spending [1]
LIURP				
Payments to NYSERDA				
2007 payments		$500,000.00		
2008 payments		2,440,000.00		
2009 payments		3,140,000.00		
	2/10/2010	1,270,000.00		
	5/27/2010	735,000.00		
	8/31/2010	735,000.00		
		$8,820,000.00		
Funding of LIURP by CMR				
	3/7/2008		$500,000.00	
Expenditures made by NYSERDA				
Audit Fee/Education				$539,097.00
Insulation				3,660,781.00
Air Sealing				479,956.00
Heating System Repair/Replacement				392,919.00
Thermostats				15,326.00
DHW Improvements				141,556.00
Showerheads				7,193.00
Pipe Wrapping				8,677.00
Other				60,504.00
Total Through 9/30/10				$5,306,009.00
Residential Rebate Program				
Payments to EFI				
2007 payments		$203,033.86		
2008 payments		4,262,174.26		
2009 payments		3,491,608.84		
	1/20/2010	274,736.56		
	1/28/2010	445,547.29		
	2/11/2010	273,958.44		
	2/19/2010	96,304.50		
	3/10/2010	207,395.98		
	3/24/2010	254,244.46		
	4/5/2010	187,471.47		
	4/20/2010	164,016.50		
	5/19/2010	133,337.50		
	5/27/2010	123,915.46		
	6/9/2010	106,219.00		
	6/21/2010	63,889.00		
	7/6/2010	90,985.00		
	7/22/2010	96,753.98		
	8/2/2010	100,392.50		
	8/27/2010	65,774.00		
	9/15/2010	143,955.50		
	9/22/2010	102,999.00		
	9/30/2010	98,343.50		
		$10,987,056.60		
Mailing to Contractors May 2008		$123.00		
Non-residential rebates paid by EFI		$38,048.96		
Residential Rebates paid by EFI		$10,949,130.64		

NATIONAL FUEL GAS DISTRIBUTION CORPORATION
NEW YORK DIVISION
CIP SUMMARY THROUGH SEPTEMBER 30, 2010

		CIP Expenditures	CIP Funding	NYSERDA Spending [1]
Non Residential Rebate Program				
Payments to NYSERDA				
2007 payments		$200,000.00		
2008 payments		$1,161,951.04		
2009 payments		$0.00		
	2/10/2010	$500,000.00		
	7/30/2010	$400,000.00		
		$2,261,951.04		
Non-residential rebates paid by EFI		$38,048.96		
Subtotal Non-residential Rebates		$2,300,000.00		
Transfer to Multi Family Program		522,516.00		
Total Non-residential Rebates		$1,777,484.00		
Funding of Rebates by CMR				
	3/7/2008		$200,000.00	
Expenditures by NYSERDA through 9/30/10				$685,312.24
Jobs Encumbered through 9/30/10 or Paid by NYSERDA after 9/30/10				$340,845.00
Multi Family Program				
Payments to NYSERDA				
Transfer from Non Residential Rebates		$522,516.00		
	2/10/2010	8,132.00		
	4/30/2010	265,324.00		
	7/31/2010	265,324.00		
Total Multi Family Program		$787,840.00		
Commercial & Industrial Program				
Payments to NYSERDA				
	2/10/2010	$171,033.75		
	4/30/2010	$171,033.75		
	7/31/2010	171,033.75		
		$513,101.25		
Total Commercial & Industrial Program				
New Construction Program				
Payments to NYSERDA				
	4/15/2010	$18,776.33		
	5/27/2010	$18,776.33		
	8/31/2010	18,776.33		
Total New Construction Program		$56,328.99		
EnergyStar Program				
Payments to NYSERDA				
	4/15/2010	$861,133.33		
	5/27/2010	861,133.33		
	8/31/2010	861,133.33		
Total EnergyStar Program		$2,583,399.99		

NATIONAL FUEL GAS DISTRIBUTION CORPORATION
NEW YORK DIVISION
CIP SUMMARY THROUGH SEPTEMBER 30, 2010

	CIP Expenditures	CIP Funding	NYSERDA Spending [1]
General Outreach and Education			
Expenditures (In House)	Cumulative		
Material	$3,361.25		
Transportation	137.00		
Contractors	791,360.56		
Office Employee	6,778.36		
Print Advertising	370,799.76		
Radio Advertising	324,932.32		
TV Advertising	299,313.91		
Brochures	61,490.79		
Bill Inserts	74,967.53		
Direct mail	285,312.50		
Internet	97,275.22		
Billboards	322,532.91		
Misc. Advertising	918,959.42		
Postage	1,437.83		
Transfer to Austerity Bill Credit [2]	800,000.00		
	$4,358,659.36		
Funding of Outreach by CMR			
3/7/2008		$911,634.82	
Low Income Outreach and Education			
Expenditures (In House)	Cumulative		
Material	$151.97		
Transportation	0.00		
Contractors	189,855.50		
Office Employee	1,825.70		
Print Advertising	157,825.45		
Radio Advertising	144,138.92		
TV Advertising	129,963.52		
Brochures	21,408.60		
Bill Inserts	30,715.62		
Direct mail	135,364.91		
Internet	34,389.49		
Billboards	160,740.78		
Misc. Advertising	561,026.74		
Postage	300.78		
	$1,567,707.98		
Funding of Outreach by CMR			
3/7/2008		$104,624.22	
Conservation Incentive Program Surcharge (through 9/30/10)			
		Cumulative	
Surcharge		$28,764,062.32	
Refund of overcollection		$1,716,196.31	
NYSERDA Administration Fees per NYSERDA Reconciliation through November 2009			$608,458.00
NYSERDA Interest per NYSERDA Reconciliation (NYSERDA estimate) through November 2009			($76,422.00)
Total	$28,773,923.23	$32,196,517.67	$6,864,202.24

1 - NYSERDA Spending updated through 9/30/10
2 - Transfer to Austerity Bill Credit C 09-M-0435

Appendix H - Residential CIP Rebate Program Customer Survey Results Cumulative thru 09/30/2010

	Total		
Rebates Received	42,821		
Flawed Rebates	9,528	22%	of 42,821 Rebates Received
Rebates Processed	33,293	78%	of 42,821 Rebates Received
Randomly Selected Customers	4157	12%	of 33,293 Rebates Processed
Customers Actually Contacted	2490	60%	of Randomly Selected Customers
Responsive Customers	1454	58%	of Customers Contacted
Non-Responsive Customers (refused to participate or hung up on phone rep)	1036	42%	of Customers Contacted
Q1 - Program Awareness			
Contractor	937	64%	of Customers Responding
NFG Bill Insert	228	16%	" " "
News/Newspapers	148	10%	" " "
Friends/Word of Mouth	155	11%	" " "
TV	118	8%	" " "
NFG Website	99	7%	" " "
NFG Letters	22	2%	" " "
NFG Billboards	14	1%	" " "
Radio	54	4%	" " "
Other			
***Note: responses total > 1330 since many customers cited several sources**	**1775**		
Q2 - Rebate Influence on Upgrade Decision			
Not Important	186	13%	of the Customers were NOT Influenced by the NFG rebate in their purchase
Somewhat Important	552	38%	
Very Important	715	49%	87% of the Customers were Influenced by the NFG rebate in their purchase
	1453		
Q3 - Received Rebate Check			
Yes	1418	98%	of the Customers had received their rebate check
No	35	2%	
	1453		
Q4 - Satisfaction with Time to Receive Rebate			
1- Very Dissatisfied	31	2%	4% of the Customers were NOT satisfied with the time it took to receive rebate
2- Dissatisfied	34	2%	
3- Neither Dissatisfied or Satisfied	127	9%	
4- Satisfied	291	21%	
5- Very Satisfied	934	66%	87% of the Customers were satisfied with the time it took to receive rebate
	1417		
N/A	40	3%	of the Customers had NOT received their rebate check
	1457		
Q5 - Satisfaction with the Application Process			
1- Very Dissatisfied	29	2%	4% of the Customers were NOT satisfied with the application process
2- Dissatisfied	30	2%	
3- Neither Dissatisfied or Satisfied	113	8%	
4- Satisfied	325	22%	
5- Very Satisfied	956	66%	88% of the Customers were satisfied with the application process
	1453		
Q6 - Satisfaction with Administrator, EFI			
1- Very Dissatisfied	16	4%	6% of the Customers contacting EFI by phone were NOT satisfied with EFI
2- Dissatisfied	7	2%	
3- Neither Dissatisfied or Satisfied	44	12%	
4- Satisfied	76	20%	
5- Very Satisfied	228	61%	81% of the Customers contacting EFI by phone were satisfied with EFI
	371		
N/A	1082	74%	of the Customers did not contact EFI by phone
	1453		
Q7 - Satisfaction with Inspection by CSG			
1- Very Dissatisfied	6	2%	of the Customers with inspections were NOT satisfied with CSG
2- Dissatisfied	3	0%	
3- Neither Dissatisfied or Satisfied	14	4%	
4- Satisfied	37	12%	
5- Very Satisfied	255	81%	83% of the Customers with inspections were satisfied with CSG
	315		
N/A	1138	78%	of the Customers had no inspection done
	1453		
Q8 - Overall Satisfaction with Rebate Program			
1- Very Dissatisfied	13	1%	of the Customers were NOT satisfied with rebate program
2- Dissatisfied	5	0%	
3- Neither Dissatisfied or Satisfied	50	3%	
4- Satisfied	203	14%	
5- Very Satisfied	1182	81%	95% of the Customers were satisfied with rebate program
	1453		

Pre-/Post Consumption Analysis Methodology

The pre/post analysis of customer consumption reviewed the consumption characteristics for customers receiving rebates twelve months before the customer installed the high efficiency natural gas equipment and twelve months after the customer installed the high efficiency natural gas equipment. All consumption information was normalized to remove the effects of weather from the pre/post consumption analysis.

The procedure for conducting the analysis followed the following steps. From the customer's rebate application the month that the customer installed the high efficiency natural gas equipment was determined. The customer's consumption for the twelve months previous to the equipment installation was determined, summed for all customers receiving rebates during the month, and the changes in consumption due to weather were eliminated. That is, the customers' previous months consumption was "weather normalized". The analysis next determined the customer's consumption for the twelve months after the equipment was installed, summed the consumption information, and weather normalized that data stream. If a customer did not have twelve months of pre or post equipment consumption available for analysis that customer was removed from the analysis.

The Company currently has twenty months of complete pre and post consumption data for the following residential rebate categories: (1) Heating Systems, (2) Programmable Thermostats, (3) Heating Systems with Programmable Thermostats, (4) Hot Water Tank Systems, and (5) Tankless Hot water Systems. In order to isolate the impact of the effect of installing individual units, customers that installed multiple high efficiency applications were removed from the analysis. Sixteen months of data is available for the Company's Low Income Usage Reduction Program ("LIURP"). The Company currently has pre/post consumption data for the time periods provided in Table 1 below.

Table 1		
Month Equipment Installed	Pre Equipment Installation Consumption Month	Post Equipment Installation Consumption Month
November 2007	November 2006-October 2007	December 2007 – November 2008
December 2007	December 2006-November 2007	January 2008-December 2008
January 2008	January 2007-December 2007	February 2008-January 2009
February 2008	February 2007-January 2008	March 2008-February 2009
March 2008	March 2007-February 2008	April 2008-March 2009
April 2008	April 2007-March 2008	May 2008–April 2009
May 2008	May 2007 – April 2008	June 2008–May 2009
June 2008	June 2007 – May 2008	July 2008-June 2009
July 2008	July 2007-June 2008	August 2008-July 2009
August 2008	August 2007-July 2008	September 2008–August 2009
September 2008	September 2007-August 2008	October 2008-September 2009
October 2008	October 2007-September 2008	November 2008-October 2009
November 2008	November 2007-October 2008	December 2008-November 2009
December 2008	December 2007-November 2008	January 2009-December 2009
January 2009	January 2008-December 2008	February 2009-January 2010
February 2009	February 2008-January 2009	March 2009-February 2010
March 2009	March 2008-February 2009	April 2009-March 2010
April 2009	April 2008-March 2009	May 2009–April 2010
May 2009	May 2008 – April 2009	June 2009–May 2010
June 2009	June 2008 – May 2009	July 2009-June 2010

The average consumption change over the fourteen months period tested is summarized in Table 2 below.

Table 2		
	Change in Consumption Per Account	
Equipment	Mcf per Account	Percent Change
Heating Systems	13.499	11.9%
Programmable Thermostats	5.823	5.5%
Heating Systems W/P.Tstats	14.414	13.2%
Storage Tank Water Heater	4.396	4.1%
Tankless Water Heater	7.245	6.8%
LIURP (Data for 10 Mths)	24.844	13.4%

Attachment 1 to this appendix provides the consumption change for each piece of equipment by month.

How do these results compare to the changes in consumption for the average residential account on the Company's system and the average usage per account for non-participating customers? Attachment 2 provides a response to these questions. Attachment 2 provides a graphical representation of pre and post rebate percent average annual savings by month, percent average changes in residential usage per account by month, and estimated percent average changes in non-participant usage per account by month. As can be seen from these graphs the percent average reduction in usage for customers receiving heating system rebates and LIURP program participants is significantly greater than the average for the residential customer class as a whole and the estimated percent average reduction in the usage per account of the non-participating customers. Reductions in usage for customers receiving rebates for thermostats only was lower than LIURP customers and customers receiving rebates for heating systems. Customers receiving rebates for hot water systems had usage reductions only slightly above the average for the residential class as a whole and non-participating customers. Attachment 3 provides a description of how the average changes in normalized residential class usage per account and changes in non-participant usage per account were estimated. Attachment 3 also explains why using such total system averages is a reasonable benchmark the National Fuel Gas Distribution Corporations service territory.

The Company has compared its weather normalization method used in its pre and post consumption analysis with the Princeton Scorekeeping Method (PRISM). The weather normalization technique utilized by the Company is the standard weather normalization technique utilized by the Company for reporting purposes for rate cases, Company sales forecasts, gas supply planning, etc. PRISM is a statistical procedure that utilizes simple regression analysis for determining weather normalized consumption.

Both the Company weather normalization method and PRISM share the basic formula that customer consumption will be equal to the summation of a customer's non-heating sensitive (eg., cooking, water heating, clothes drying, etc) requirements and heat sensitive requirements (eg., the space heating applications of furnaces and boilers). Both models also share the assumption that heat sensitive requirements will be the function of usage per heating degree day multiplied by the total number of heating degree days. Where the methods differ is in the calculation of the non-heating variable and the usage per heating degree day variable. Under the Company method the non-heating usage per month is determined to be the average monthly consumption in months with no heating degree days (typically July and August). The Company then determines the usage per heating degree day by month to be the ratio of monthly consumption less non-heating usage per month divided by the number of heating degree days in the month. The Company method defines heating degree days using the same definition of the National Oceanic and Atmospheric Administration ("NOAA"), namely, total heating degree days are the difference between the base temperature of 65º F and actual daily temperature (actual temperatures above 65º F are consider to be cooling degree days). The PRISM methodology utilizes simple regression analysis for determining these variables. The PRISM methodology utilizes an iterative analysis to determine base consumption. That is the PRISM methodology adjusts the base temperature used for determining HDD in a step by step manner recalculating the regression analysis. The PRSIM method determines the level of base temperature for calculating HDDs, the non-heating (constant) variable, and the heating usage per degree day

variables by using the regression model that yields the best R^2 (a statistical measure of the explanatory power of the model – ie., the higher the R^2 the better the variables in the model explain consumption). Where the Company method uses a constant base temperature (65º F) for each set of pre and post consumption analysis, the PRISM model will determine base temperature upon the "best fitting" regression line.

The purpose of this report is not to identify the merits of the PRISM methodology or the methodology used by the Company. The purpose is to identify what the differences in those methods are. The Table 3 below summarizes the total results of the two methods for heating system rebates and the LIURP program. Attachment 4 provides additional results on a monthly basis.

Table 3

Weather Normalized Consumption – Mcf

	Usage Per Account				Weighted Annual Consumption	
	1 Year Prior	1 Year After	Change	% Change	Pre	Post
Heating Systems – Total Installed 11/07-03/09						
Company Method	113.463	100.209	-13.254	-11.7%	355,820.4	314,255.4
PRISM	113.171	99.998	-13.173	-11.6%	354,904.3	313,594.6
LIURP						
Company Method	191.197	166.165	-25.032	-13.1%	89,671.3	77,931.1
PRISM	190.729	166.031	-24.699	-12.9%	89,452.1	77,868.4

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Heating System Only													
Normalized Consumption (Mcf)													
						Weighted Annual Consumption						Weighted Annual Consumption	
Month Unit Installed	Customers	1 Year Prior to Installation	1 Year After Installation	Change	% Change	Pre	Post	1 Year Prior to Installation	2nd Year After Installation	Change	% Change	Pre	Post
November-07	217	113.755	100.688	-13.067	-11.5%	24,684.8	21,849.3	113.755	99.063	-14.692	-12.9%	24,684.8	21,496.7
December-07	387	116.280	101.096	-15.184	-13.1%	45,000.4	39,124.2	116.280	97.612	-18.668	-16.1%	45,000.4	37,775.8
January-08	231	119.108	108.567	-10.541	-8.8%	27,513.9	25,079.0	119.108	105.426	-13.682	-11.5%	27,513.9	24,353.4
February-08	164	120.654	105.466	-15.188	-12.6%	19,787.3	17,296.4	120.654	103.787	-16.867	-14.0%	19,787.3	17,021.1
March-08	126	119.770	106.402	-13.368	-11.2%	15,091.0	13,406.7	119.770	103.761	-16.009	-13.4%	15,091.0	13,073.9
April-08	106	112.830	101.546	-11.284	-10.0%	11,960.0	10,763.9	112.830	99.136	-13.694	-12.1%	11,960.0	10,508.4
May-08	108	106.127	92.297	-13.830	-13.0%	11,461.7	9,968.1	106.127	89.892	-16.235	-15.3%	11,461.7	9,708.3
June-08	101	112.002	98.726	-13.276	-11.9%	11,312.2	9,971.3	112.002	96.899	-15.103	-13.5%	11,312.2	9,786.8
July-08	132	101.358	92.564	-8.794	-8.7%	13,379.3	12,218.4						
August-08	141	107.451	93.230	-14.221	-13.2%	15,150.6	13,145.4						
September-08	172	106.911	90.596	-16.315	-15.3%	18,388.7	15,582.5						
October-08	240	119.448	103.702	-15.746	-13.2%	28,667.5	24,888.5						
November-08	232	108.043	93.877	-14.166	-13.1%	25,066.0	21,779.5						
December-08	247	108.059	96.729	-11.330	-10.5%	26,690.6	23,892.1						
January-09	199	115.896	106.339	-9.557	-8.2%	23,063.3	21,161.5						
February-09	153	112.845	99.351	-13.494	-12.0%	17,265.3	15,200.7						
March-09	129	125.386	111.144	-14.242	-11.4%	16,174.8	14,337.6						
April-09	90	107.800	94.073	-13.727	-12.7%	9,702.0	8,466.6						
May-09	90	113.248	98.561	-14.687	-13.0%	10,192.3	8,870.5						
June-09	90	111.512	92.179	-19.333	-17.3%	10,036.1	8,296.1						
Total	3,355	113.439	99.940	-13.499	-11.9%	380,587.7	335,298.1	115.841	99.809	-16.033	-13.8%	166,811.3	143,724.4

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Programmable Thermostats Only														
Normalized Consumption (Mcf)														
						Weighted Annual Consumption							Weighted Annual Consumption	
Month Unit Installed	Customers	1 Year Prior to Installation	1 Year After Installation	Change	% Change	Pre	Post	1 Year Prior to Installation	2nd Year After Installation	Change	% Change	Pre	Post
November-07	46	106.821	102.178	-4.643	-4.3%	4,913.8	4,700.2	106.821	99.164	-7.657	-7.2%	4,913.8	4,561.5
December-07	136	106.258	104.654	-1.604	-1.5%	14,451.1	14,232.9	106.258	100.269	-5.989	-5.6%	14,451.1	13,636.6
January-08	124	107.183	103.903	-3.280	-3.1%	13,290.7	12,884.0	107.183	98.604	-8.579	-8.0%	13,290.7	12,226.9
February-08	84	104.967	97.956	-7.011	-6.7%	8,817.2	8,228.3	104.967	96.887	-8.080	-7.7%	8,817.2	8,138.5
March-08	92	98.259	91.875	-6.384	-6.5%	9,039.8	8,452.5	98.259	89.056	-9.203	-9.4%	9,039.8	8,193.2
April-08	49	96.922	88.830	-8.092	-8.3%	4,749.2	4,352.7	96.922	89.102	-7.820	-8.1%	4,749.2	4,366.0
May-08	40	105.705	98.943	-6.762	-6.4%	4,228.2	3,957.7	105.705	96.439	-9.266	-8.8%	4,228.2	3,857.6
June-08	43	106.979	100.993	-5.986	-5.6%	4,600.1	4,342.7	106.979	98.776	-8.203	-7.7%	4,600.1	4,247.4
July-08	46	93.449	91.018	-2.431	-2.6%	4,298.7	4,186.8						
August-08	34	106.950	99.737	-7.213	-6.7%	3,636.3	3,391.1						
September-08	30	95.999	93.016	-2.983	-3.1%	2,880.0	2,790.5						
October-08	101	104.517	96.371	-8.146	-7.8%	10,556.2	9,733.5						
November-08	160	114.277	106.318	-7.959	-7.0%	18,284.3	17,010.9						
December-08	120	102.037	95.490	-6.547	-6.4%	12,244.4	11,458.8						
January-09	87	107.677	100.411	-7.266	-6.7%	9,367.9	8,735.8						
February-09	64	102.027	95.873	-6.154	-6.0%	6,529.7	6,135.9						
March-09	54	105.163	96.644	-8.519	-8.1%	5,678.8	5,218.8						
April-09	34	102.889	96.758	-6.131	-6.0%	3,498.2	3,289.8						
May-09	31	102.495	94.816	-7.679	-7.5%	3,177.3	2,939.3						
June-09	31	119.851	120.282	**0.431**	**0.4%**	3,715.4	3,728.7						
Total	1,406	105.233	99.410	-5.823	-5.5%	147,957.4	139,770.7	104.381	96.462	-7.919	-7.6%	64,090.1	59,227.6

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Heating System and Programmable Thermostat Only													
Normalized Consumption (Mcf)													
						Weighted Annual Consumption							Weighted Annual Consumption
Month Unit Installed	Customers	1 Year Prior to Installation	1 Year After Installation	Change	% Change	Pre	Post	1 Year Prior to Installation	2nd Year After Installation	Change	% Change	Pre	Post
November-07	177	106.088	90.674	-15.414	-14.5%	18,777.6	16,049.3	106.088	89.154	-16.934	-16.0%	18,777.6	15,780.3
December-07	325	111.399	95.566	-15.833	-14.2%	36,204.7	31,059.0	111.399	92.246	-19.153	-17.2%	36,204.7	29,980.0
January-08	249	116.227	101.976	-14.251	-12.3%	28,940.5	25,392.0	116.227	98.281	-17.946	-15.4%	28,940.5	24,472.0
February-08	170	112.014	96.831	-15.183	-13.6%	19,042.4	16,461.3	112.014	94.094	-17.920	-16.0%	19,042.4	15,996.0
March-08	194	115.309	100.932	-14.377	-12.5%	22,369.9	19,580.8	115.309	99.681	-15.628	-13.6%	22,369.9	19,338.1
April-08	221	109.824	95.655	-14.169	-12.9%	24,271.1	21,139.8	109.824	93.564	-16.260	-14.8%	24,271.1	20,677.6
May-08	181	103.843	88.629	-15.214	-14.7%	18,795.6	16,041.8	103.843	87.032	-16.811	-16.2%	18,795.6	15,752.8
June-08	203	97.123	84.896	-12.227	-12.6%	19,716.0	17,233.9	97.123	83.504	-13.619	-14.0%	19,716.0	16,951.3
July-08	217	107.945	94.999	-12.946	-12.0%	23,424.1	20,614.8						
August-08	206	109.329	94.636	-14.693	-13.4%	22,521.8	19,495.0						
September-08	308	109.344	95.507	-13.837	-12.7%	33,678.0	29,416.2						
October-08	485	112.113	97.006	-15.107	-13.5%	54,374.8	47,047.9						
November-08	548	106.867	91.927	-14.940	-14.0%	58,563.1	50,376.0						
December-08	396	109.425	95.325	-14.100	-12.9%	43,332.3	37,748.7						
January-09	309	111.847	96.085	-15.762	-14.1%	34,560.7	29,690.3						
February-09	281	110.999	96.097	-14.902	-13.4%	31,190.7	27,003.3						
March-09	253	110.889	96.062	-14.827	-13.4%	28,054.9	24,303.7						
April-09	255	107.005	94.050	-12.955	-12.1%	27,286.3	23,982.8						
May-09	257	107.820	94.725	-13.095	-12.1%	27,709.7	24,344.3						
June-09	306	106.595	93.419	-13.176	-12.4%	32,618.1	28,586.2						
Total	5,541	109.264	94.851	-14.414	-13.2%	605,432.2	525,566.9	109.371	92.412	-16.959	-15.5%	188,117.8	158,948.0

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Storage Tank Water Heating Only													
Normalized Consumption (Mcf)													
						Weighted Annual Consumption							Weighted Annual Consumption
Month Unit Installed	Customers	1 Year Prior to Installation	1 Year After Installation	Change	% Change	Pre	Post	1 Year Prior to Installation	2nd Year After Installation	Change	% Change	Pre	Post
November-07	12	96.865	93.346	-3.519	-3.6%	1,162.4	1,120.2	96.865	88.003	-8.862	-9.1%	1,162.4	1,056.0
December-07	49	105.019	100.358	-4.661	-4.4%	5,145.9	4,917.5	105.019	96.582	-8.437	-8.0%	5,145.9	4,732.5
January-08	87	112.825	112.559	-0.266	-0.2%	9,815.8	9,792.6	112.825	109.528	-3.297	-2.9%	9,815.8	9,528.9
February-08	49	110.413	106.412	-4.001	-3.6%	5,410.2	5,214.2	110.413	104.402	-6.011	-5.4%	5,410.2	5,115.7
March-08	69	107.708	105.081	-2.627	-2.4%	7,431.9	7,250.6	107.708	101.872	-5.836	-5.4%	7,431.9	7,029.2
April-08	110	109.250	105.834	-3.416	-3.1%	12,017.5	11,641.7	109.250	102.611	-6.639	-6.1%	12,017.5	11,287.2
May-08	81	106.730	100.764	-5.966	-5.6%	8,645.1	8,161.9	106.730	97.853	-8.877	-8.3%	8,645.1	7,926.1
June-08	50	109.066	103.839	-5.227	-4.8%	5,453.3	5,192.0	109.066	97.713	-11.353	-10.4%	5,453.3	4,885.7
July-08	53	98.518	95.345	-3.173	-3.2%	5,221.5	5,053.3						
August-08	46	111.953	108.495	-3.458	-3.1%	5,149.8	4,990.8						
September-08	56	105.965	99.153	-6.812	-6.4%	5,934.0	5,552.6						
October-08	49	106.503	101.846	-4.657	-4.4%	5,218.6	4,990.5						
November-08	59	111.257	107.739	-3.518	-3.2%	6,564.2	6,356.6						
December-08	73	106.707	103.150	-3.557	-3.3%	7,789.6	7,530.0						
January-09	65	103.631	97.022	-6.609	-6.4%	6,736.0	6,306.4						
February-09	87	109.428	105.255	-4.173	-3.8%	9,520.2	9,157.2						
March-09	80	109.888	102.961	-6.927	-6.3%	8,791.0	8,236.9						
April-09	80	110.067	105.099	-4.968	-4.5%	8,805.4	8,407.9						
May-09	71	103.989	97.247	-6.742	-6.5%	7,383.2	6,904.5						
June-09	76	99.941	95.931	-4.010	-4.0%	7,595.5	7,290.8						
Total	1,302	107.367	102.971	-4.396	-4.1%	139,791.2	134,068.0	108.643	101.699	-6.944	-6.4%	55,082.1	51,561.3

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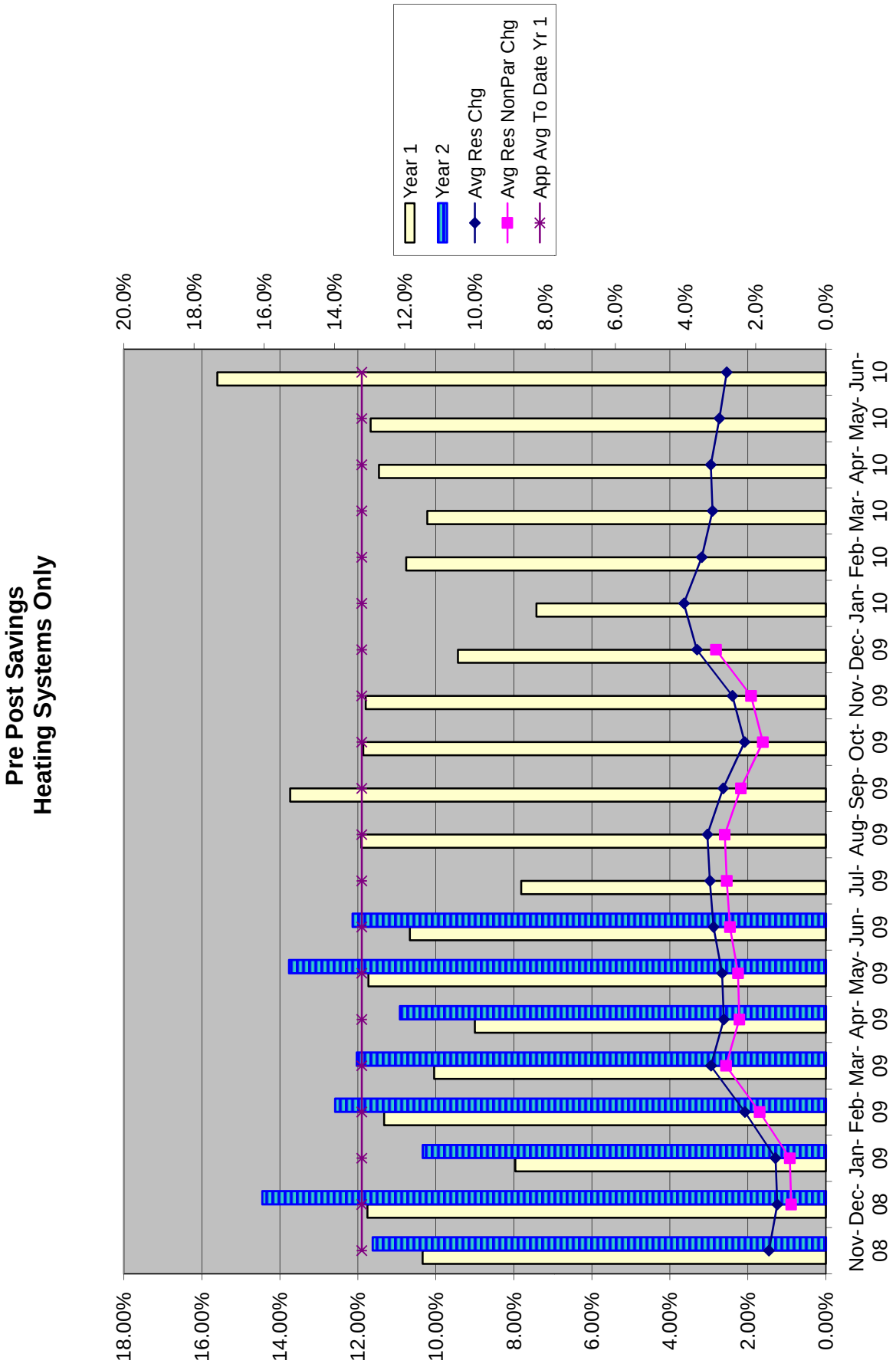
Pre and Post Installation Consumption Analysis

Tankless Water Heating Only													
Normalized Consumption (Mcf)													
						Weighted Annual Consumption							Weighted Annual Consumption
Month Unit Installed	Customers	1 Year Prior to Installation	1 Year After Installation	Change	% Change	Pre	Post	1 Year Prior to Installation	2nd Year After Installation	Change	% Change	Pre	Post
November-07	19	99.701	96.095	-3.606	-3.6%	1,894.3	1,825.8	99.701	93.786	-5.915	-5.9%	1,894.3	1,781.9
December-07	65	107.197	101.110	-6.087	-5.7%	6,967.8	6,572.2	107.197	99.187	-8.010	-7.5%	6,967.8	6,447.2
January-08	59	117.536	107.971	-9.565	-8.1%	6,934.6	6,370.3	117.536	106.255	-11.281	-9.6%	6,934.6	6,269.0
February-08	40	97.714	90.321	-7.393	-7.6%	3,908.6	3,612.8	97.714	92.283	-5.431	-5.6%	3,908.6	3,691.3
March-08	22	109.863	101.476	-8.387	-7.6%	2,417.0	2,232.5	109.863	97.596	-12.267	-11.2%	2,417.0	2,147.1
April-08	36	109.076	100.951	-8.125	-7.4%	3,926.7	3,634.2	109.076	96.206	-12.870	-11.8%	3,926.7	3,463.4
May-08	30	103.154	97.014	-6.140	-6.0%	3,094.6	2,910.4	103.154	95.659	-7.495	-7.3%	3,094.6	2,869.8
June-08	28	109.443	104.361	-5.082	-4.6%	3,064.4	2,922.1	109.443	103.494	-5.949	-5.4%	3,064.4	2,897.8
July-08	24	105.331	95.989	-9.342	-8.9%	2,527.9	2,303.7						
August-08	27	92.507	84.045	-8.462	-9.1%	2,497.7	2,269.2						
September-08	35	108.948	105.931	-3.017	-2.8%	3,813.2	3,707.6						
October-08	26	106.637	103.218	-3.419	-3.2%	2,772.6	2,683.7						
November-08	22	108.638	103.228	-5.410	-5.0%	2,390.0	2,271.0						
December-08	24	118.880	107.896	-10.984	-9.2%	2,853.1	2,589.5						
January-09	28	101.039	93.251	-7.788	-7.7%	2,829.1	2,611.0						
February-09	35	122.161	121.186	-0.975	-0.8%	4,275.6	4,241.5						
March-09	40	96.685	89.901	-6.784	-7.0%	3,867.4	3,596.0						
April-09	61	114.201	102.279	-11.922	-10.4%	6,966.3	6,239.0						
May-09	43	92.550	83.227	-9.323	-10.1%	3,979.7	3,578.8						
June-09	45	91.648	84.364	-7.284	-7.9%	4,124.2	3,796.4						
Total	709	105.931	98.685	-7.245	-6.8%	75,104.8	69,967.8	107.719	98.888	-8.831	-8.2%	32,208.1	29,567.6

National Fuel Gas Distribution Corporation
New York Division
Conservation Incentive Program
Pre and Post Installation Consumption Analysis

LIURP Customers														
Normalized Consumption (Mcf)														
						Weighted Annual Consumption							Weighted Annual Consumption	
Month Unit Installed	Customers	1 Year Prior to Installation	1 Year After Installation	Change	% Change	Pre	Post	1 Year Prior to Installation	2nd Year After Installation	Change	% Change	Pre	Post
Mar-08	2	224.434	206.736	-17.698	-7.9%	449	413	224.434	208.902	-15.532	-6.9%	449	418
Apr-08	15	211.722	191.564	-20.158	-9.5%	3,176	2,873	211.722	177.315	-34.407	-16.3%	3,176	2,660
May-08	21	193.695	173.116	-20.579	-10.6%	4,068	3,635	193.695	164.187	-29.508	-15.2%	4,068	3,448
Jun-08	15	182.703	171.813	-10.890	-6.0%	2,741	2,577	182.703	169.302	-13.401	-7.3%	2,741	2,540
Jul-08	11	180.138	166.938	-13.200	-7.3%	1,982	1,836						
Aug-08	22	200.760	176.109	-24.651	-12.3%	4,417	3,874						
Sep-08	26	208.194	180.900	-27.294	-13.1%	5,413	4,703						
Oct-08	35	189.075	172.159	-16.916	-8.9%	6,618	6,026						
Nov-08	58	198.754	173.035	-25.719	-12.9%	11,528	10,036						
Dec-08	28	207.121	177.327	-29.794	-14.4%	5,799	4,965						
Jan-09	47	197.394	170.811	-26.583	-13.5%	9,278	8,028						
Feb-09	60	179.009	151.906	-27.103	-15.1%	10,741	9,114						
Mar-09	106	178.338	149.129	-29.209	-16.4%	18,904	15,808						
Apr-09	82	182.926	151.323	-31.603	-17.3%	15,000	12,408						
May-09	40	166.298	144.481	-21.817	-13.1%	6,652	5,779						
Jun-09	46	144.821	132.430	-12.391	-8.6%	6,662	6,092						
Total	614	184.730	159.886	-24.844	-13.4%	113,424	98,170	196.846	171.037	-25.809	-13.1%	10,433	9,065


Pre Post Savings
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Year 2
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Avg Res NonPar Chg
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16.0%
14.0%
12.0%
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8.0%
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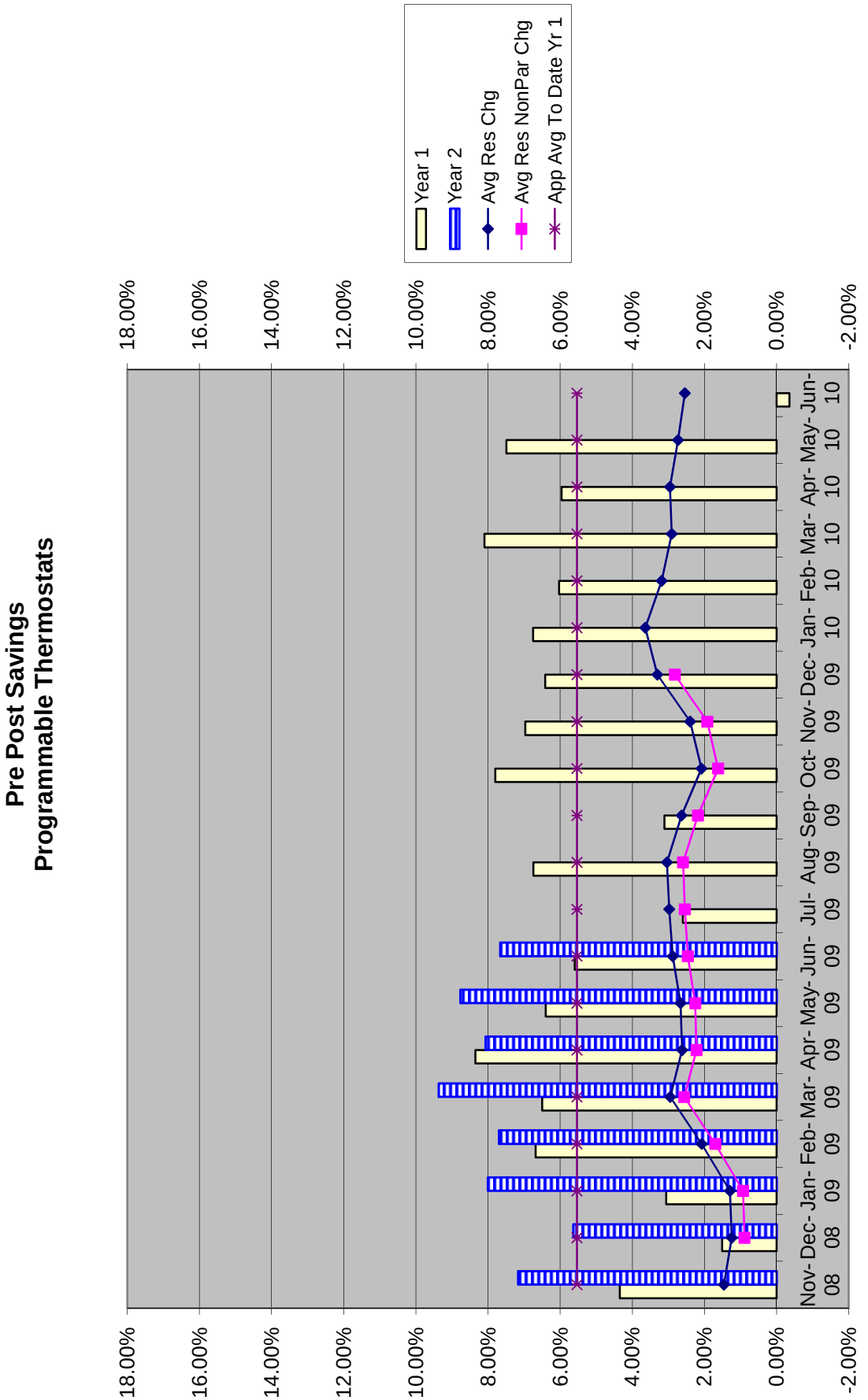
Pre Post Savings
Programmable Thermostats
Year 1
Year 2
Avg Res Chg
Avg Res NonPar Chg
App Avg To Date Yr 1
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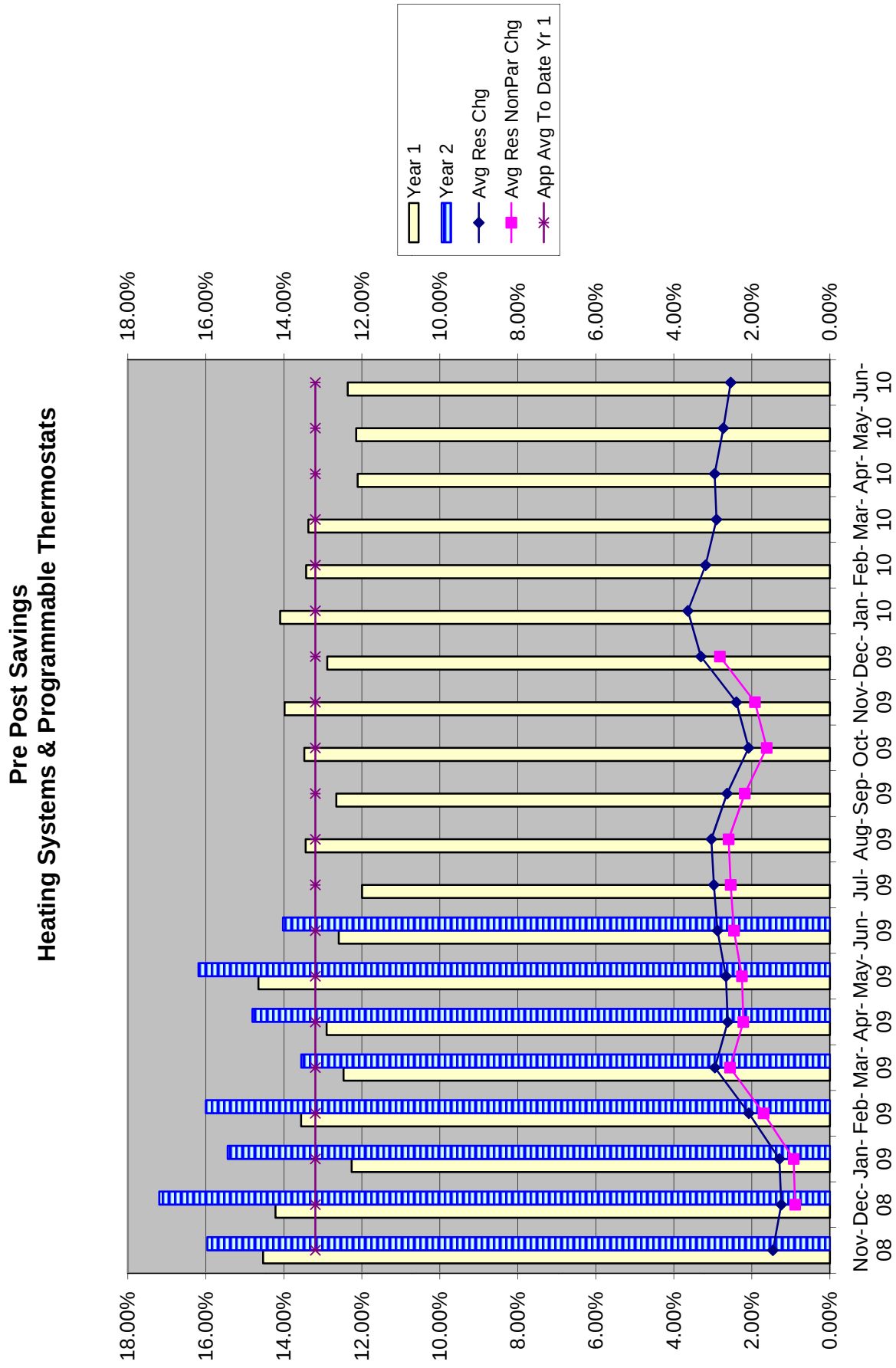
Jun-10


Pre Post Savings
Heating Systems & Programmable Thermostats
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Year 2
Avg Res Chg
Avg Res NonPar Chg
App Avg To Date Yr 1
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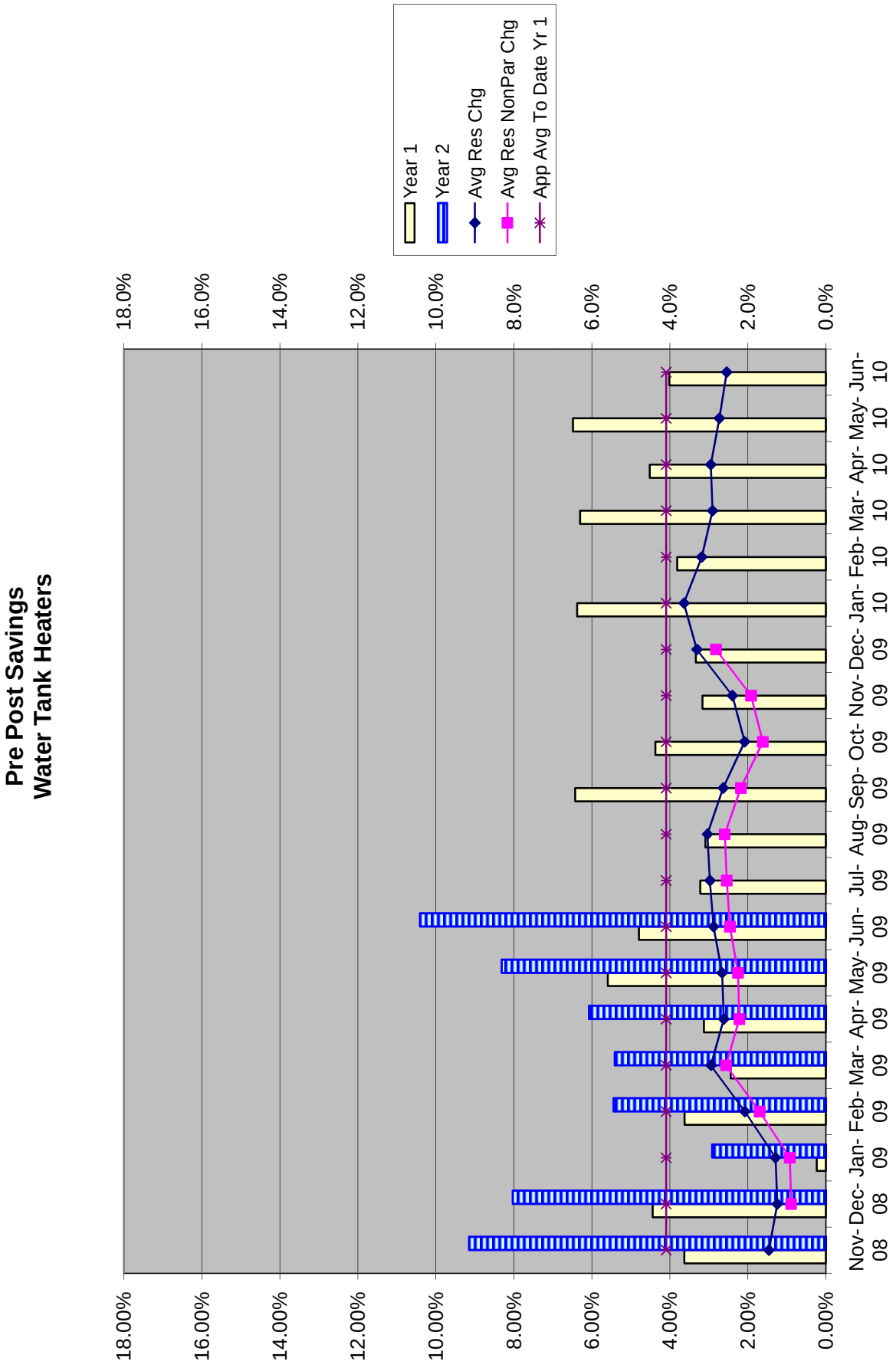
Pre Post Savings
Water Tank Heaters
Year 1
Year 2
Avg Res Chg
Avg Res NonPar Chg
App Avg To Date Yr 1
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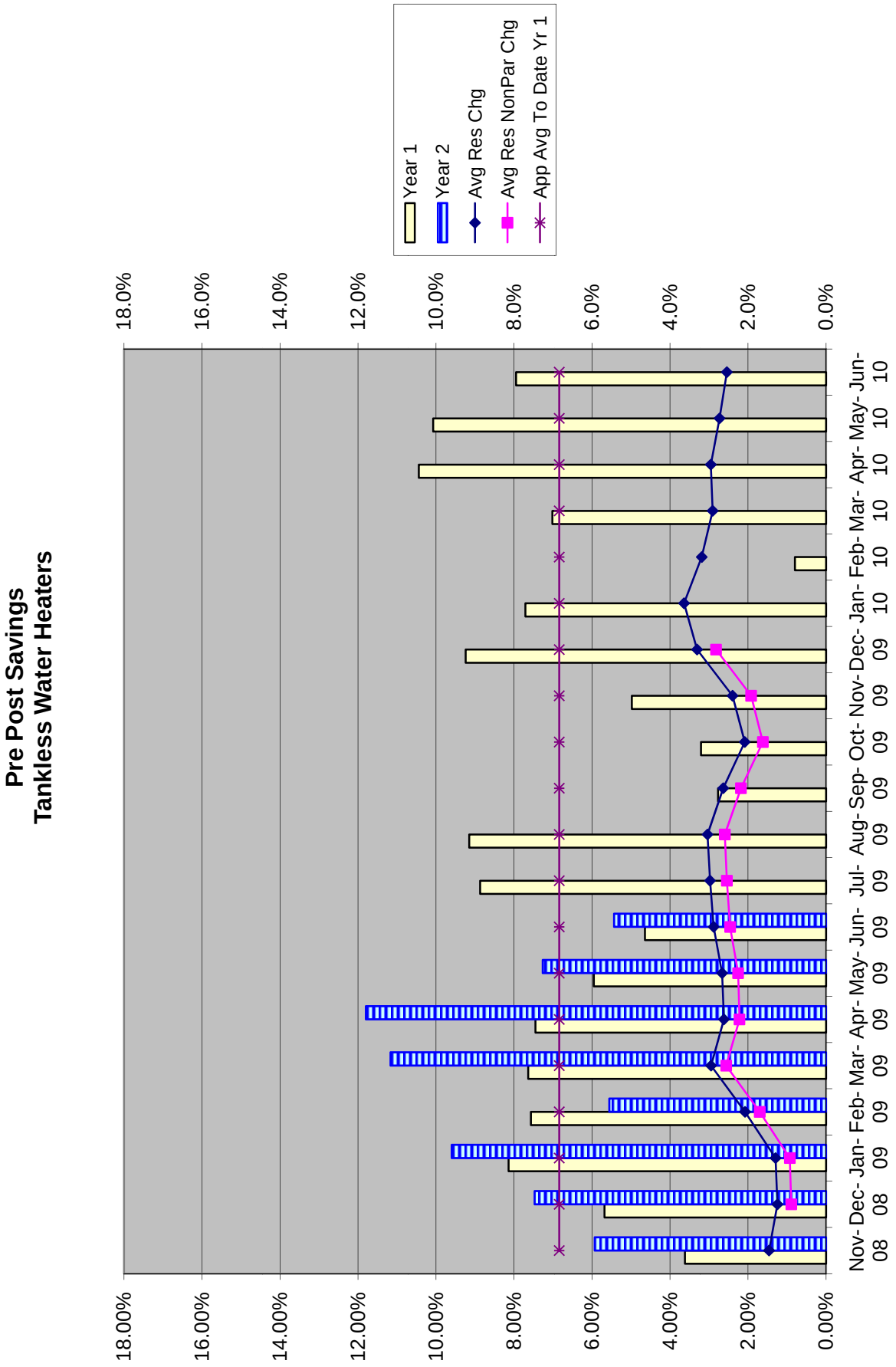
Pre Post Savings
Tankless Water Heaters
Year 1
Year 2
Avg Res Chg
Avg Res NonPar Chg
App Avg To Date Yr 1
18.0%
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14.0%
12.0%
10.0%
8.0%
6.0%
4.0%
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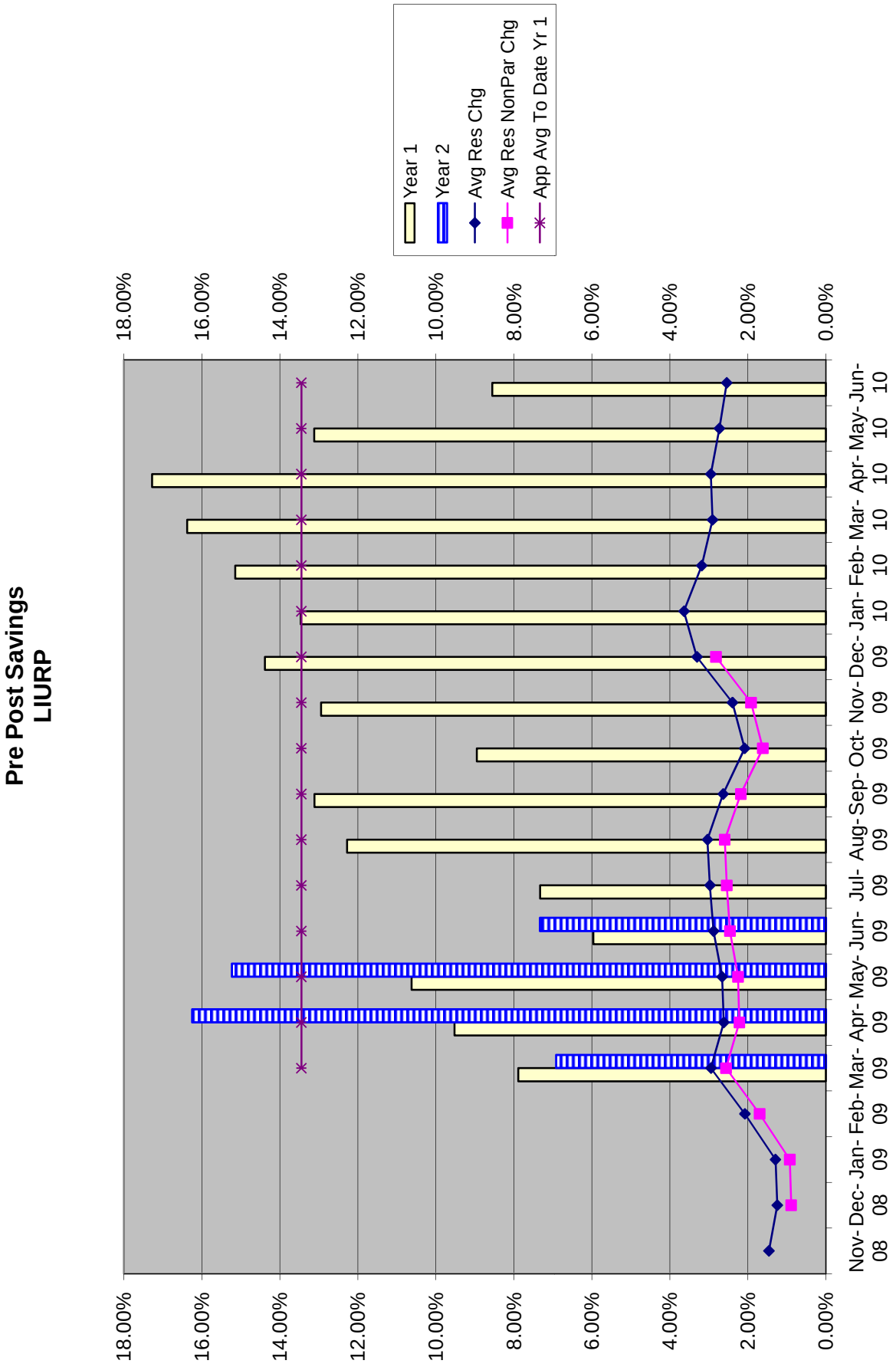
Pre Post Savings
LIURP
Year 1
Year 2
Avg Res Chg
Avg Res NonPar Chg
App Avg To Date Yr 1
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Appendix I
Attachment 3

Control Group for Measuring Significance of Residential Customer Rebate Program and Low Income Usage Reduction Program ("LIURP") Participant Savings.

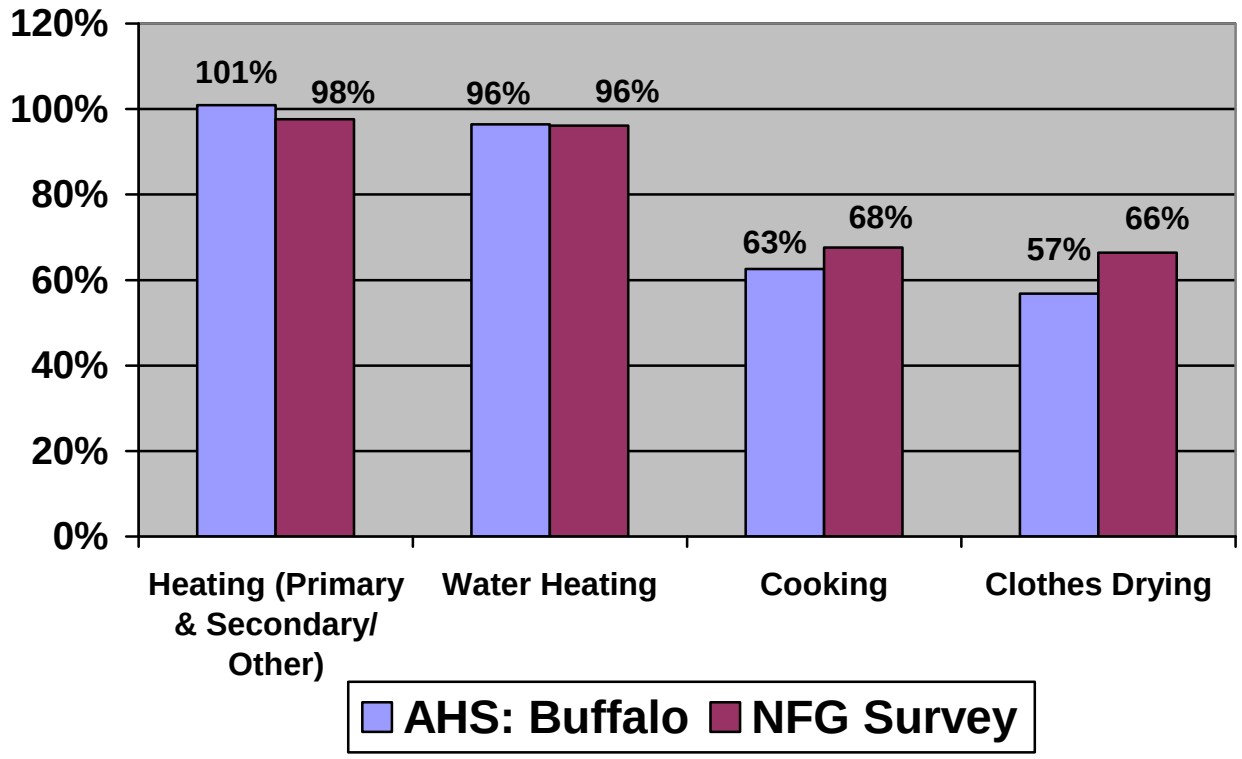
I) Summary

This appendix describes the control group used for comparing the natural gas savings of customers receiving appliance rebates under the CIPs program with those customers that have not received a rebate. Due to the somewhat unique characteristics of National Fuel Gas Distribution Corporation's residential customer base, the average actual consumption per account for the residential class of customer will be used as the starting point for any determination of differences in consumption between customers participating in the rebate program and non-participating customers.

The residential customers on the Company's system are relatively homogeneous in terms of whether they use natural gas for space heating and water heating. Based on both internal Company sponsored studies and US Department of Census information, the percentage of residential customers that use natural gas for space heating and water heating is between approximately 96% to 98%. Chart 1 below provides a summary of the percentage of the Company's customers that utilize natural gas in the major natural gas burning appliances.

CHART 1

National Fuel Gas Distribution Corporation
New York Division
Residential Market Share For Natural Gas Appliances
Percentages are the % of National Fuel Gas Customers Using the Specified Natural Gas Equipment



Since nearly all residential customers use natural gas for both space heating and water heating, the starting point for determining non-participant customer consumption is the average usage per residential account. Table l, Column (1), provides this amount for the 12 months ended December 2007, December 2008, and December 2009. This value is the total average consumption of both customers participating in the CIP program and non-participating customers. In order to determine the average consumption of non-

participating customers, estimated average savings of customers participating in the CIPs program are identified (Column (2) of Table 1) and subtracted from the average total usage per account to determine non-participating customers (Column (3) of Table 1).

Table 1					
	(1)		(2)	(3)	
12 Months Ended	Total Residential Weather Normalized Usage Per Account		Impact on Total Avg. Usage per Account for Rebate & LIURP Participants	Total Usage Per Account Non-Participants	
	(Mcf)	% Chg	(Mcf)	(Mcf)	% Chg
December 2007	107.4			107.4	
December 2008	106.0	-1.3%	0.4	106.4	-0.9%
December 2009	102.5	-3.3%	0.9	103.4	-2.8%

The results of Table 1 provide a reasonable benchmark to compare actual measured savings of participating customers from the pre and post consumption analysis with a reasonable estimated range of changes in consumption for non-participating customers. The reasonable range of consumption change for non-participating customers is likely to be within the percent change provided in Columns (1) and Columns (3).

II) Sources Used For Determining Market Share Information Provided in Chart 1

The sources of the data used in Chart 1 include: (1) American Housing Survey for the Buffalo Metropolitan Area: 2002; Issued July 2003; conducted by the U.S. Census Bureau for the U.S. Department of Housing and Urban Development, ("AHS: Buffalo"); and (2) National Fuel Gas Distribution Corporation, 2006 Residential Market Study ("NFG Survey"). The AHS: Buffalo study reports fuel uses for major residential applications for households within the Buffalo metropolitan area. The Buffalo metro area is defined in the AHS: Buffalo as Niagara and Erie County. The NFG Survey is a

random telephone survey of 400 households across the twelve counties in New York that comprise National Fuel Gas Distribution Corporation's New York service territory.

Table 2					
	AHS: Buffalo			NFG Survey	
	Housing Units	Gas as % of Total	% of Housing Units w/gas Using Gas in Listed Application	Gas as % of Total	% of Housing Units w/gas Using Gas in Listed Application
	(000)	%	%	%	%
Occupied Housing Units	461.3				
Units Using Natural Gas	422.6	92%		84%	
Main House/Primary Heating Fuel	402.2	87%	95%	81%	96%
Other House/Secondary Heating Fuels[1]	24.3	6%	6%	2%	2%
Total Heating	426.5	93%	101%	83%	98%
Water Heating	407.3	88%	96%	81%	96%
Cooking	264.6	57%	63%	57%	68%
Clothes Drying	239.9	52%	57%	59%	66%

As can be seen from the results reported in Table 2 both the AHS: Buffalo study and the NFG Survey provide evidence that nearly all residential customers that have access to natural gas supplies utilize natural gas for heating. This is not surprising given the cost advantages of natural gas compared to other fuel sources used for heating. The nearly complete dominance of natural gas as the primary heating fuel for residential

[1] The AHS: Buffalo study allows for more than one appliance being reported for "Other Heating Equipment". Therefore multiple other heating units could be reported. For example a customer may have a wood burning stove that they may characterize as their "main heating fuel" they may also have a natural gas furnace and a natural gas fireplace. It is the capability to report more than one other heating source that likely leads to a percentage total of natural gas heating applications of greater than 100% for the AHS: Buffalo study. In contrast, the NFG Survey allows for only one "secondary heating" source to be reported by the customer.

households within the Company's service territory is likely unique among the major metropolitan areas in New York State.[2]

This high saturation amount supports the use of total average residential consumption as a reasonable benchmark to compare savings with residential customers that have received rebates. It is likely that customers that received rebates face the same economic, behavioral, and other influences on energy consumption that the average non-participating customer experiences. For example, both residential customers that have received rebates and those that have not have received messages regarding the importance to conserve energy from a variety of sources including, the Company, the New York Public Service Commission, and NYSERDA. These customers also face the same pricing signals as well as the overall influence of economic circumstances within the service territory.

III) Description of Data and Calculations Used in Table 1

The data included in Table 1 is developed from the following sources:

Column (1) of Table 1 is the total weather normalized usage per account for residential customers on the Company's system. Column (1) of Table 1 is the total weather normalized average consumption from residential customers including customers participating in the CIPs and customers that are not participating in the CIP. Column (3) provides an estimate of residential usage per account for non-participating customers. It was determined as calculated below in Table 3. The estimate of non-participating customer usage per account simply takes the deemed savings associated with customers participating in the program and adds them back to the total annual residential

[2] For example American Housing Surveys for the New York City and Rochester metropolitan areas yield heating saturations for households with natural gas service in the 50% and 92% range respectively.

consumption per accounts and then divides this sum by the total number of residential accounts.

Table 3

Year 12 Months Ended December	Total Annual Residential Volumes (Mcf) (1)	Estimated Residential Rebate & LIURP Savings (Mcf) (2)	Annual Volumes Assuming no Savings (Mcf) (3)= (1)+(2)	Avg Number of Accts (4)	Average Unadjust Res Usage per Acct (Mcf) (5)= (1)/(4)	Average Adjusted Res Usage per Account (Mcf) (6)= (3)/(4)	Impact on Total Usage per Account (7)= (2)/(4)
2007	51,497,773			479,638	107.4		
2008	51,047,444	179,618	51,227,062	481,666	106.0	106.4	0.4
2009	49,425,458	412,565	49,838,023	482,209	102.5	103.4	0.9