

Natural Gas: Coming to Your Neighborhood Soon?

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Natural Gas and The Connecticut Comprehensive Energy Strategy

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

Press Release, State of Connecticut, Governor Dannel P. Malloy, February 19, 2013











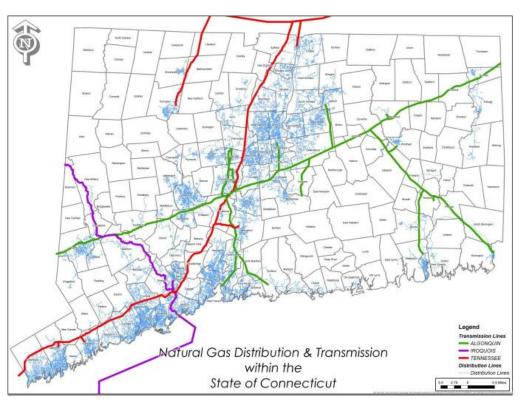
Natural Gas Expansion Plan

Timeline

- June 14th CNG, SCG and YG filed Joint Plan with DEEP and PURA
- Recently completed PURA hearings
- Final Decision expected November 21st

Highlights

- Increased supply from gas transmission system and LNG upgrades
- > 900 miles of new gas mains (many to 'anchor loads')
- 280,000 new gas customers statewide over a ten year period













Natural Gas Opportunity by Customer Segment

Segment A

- 180,000 On-Main and Low-Use customer prospects
- Very cost effective due to low conversion costs

Segment B

- 90,000 viable off-main prospects
 - Anchor customers with high energy consumption
 - > Residential clusters with proximity to gas main and other potential customers

Segment C

- Almost half of CT residences are unlikely prospects for gas conversion
 - At this time, their distance from gas mains limits opportunity
 - Drive this segment to broader and deeper participation in Conservation & Load Management programs







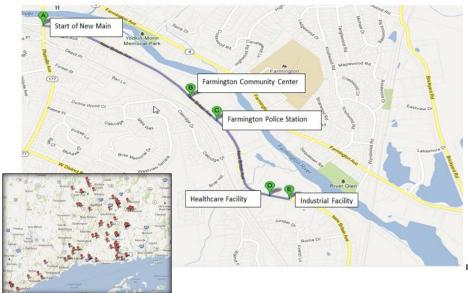




Segment B Prospects

Anchor Customers

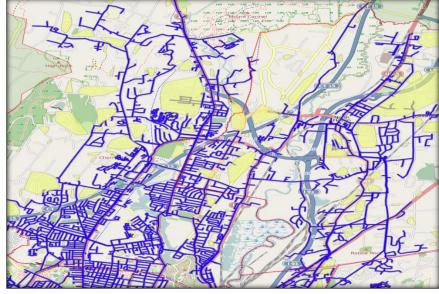
New Britain Ave. Expansion, Farmington CT, 1.5 miles, 162 Residential Prospects



- > Create clusters and rank densities of homes for proactive expansion into neighborhoods
- > CES tools Hurdle rate model, projection of future participation, financing, etc. will help to accelerate expansion

- Municipal buildings, schools, factories, health care facilities, etc.
- Cost-effective expansion of gas distribution system which, in turn, allows access for other prospects

Residential Clusters













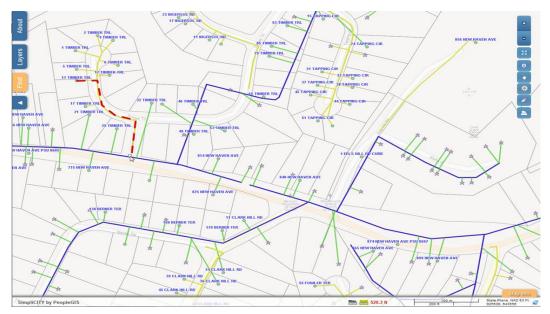
Is Gas Available in my Neighborhood?

External website for customers to determine if they are near gas main

Based on CES Segments –Segment A- Yes, Segment B - Maybe, Segment C - No

Internal Customer Analysis & Mapping Tool

- Overlay of SCG and CNG gas distribution system and municipal premise data
- ➤ Allows expedited assessment of off-main expansion potential













Tools to Implement Gas Growth

- Maximize manufacturers' rebates
- Develop a contractor partnership program
- Provide residential conversion credits
- > Launch new financing options
- Maximize rebates from energy efficiency
- Eliminate customer contribution
 - no charge 150 feet from main
 - include future load additions













For More Information

- "Get Connected!" Initiative
 - www.facebook.com/getconnectedct
 - www.twitter.com/getconnectedct
- Energize Connecticut
 - www.energizect.com/businesses
- LDC Websites
 - www.cngcorp.com
 - www.soconngas.com
 - www.yankeegas.com
- Call your Account Manager or Sales Representative

















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