2012 SWEEP Workshop

Santa Fe, NM
November 15, 2012
New Mexico Gas Company

- Divestiture from PNM January 2009
- 500,000+ Customers
- 4,300 Sq. Miles Service Territory
- 1,500,000 Service Territory Population
- 725 Employees
- 1,481 Miles of Pipeline
## Evolution Of NMGC Energy Efficiency

### 2009
1. Water Heater Tank Wrap
2. ENERGY STAR New Home
3. Income Qualified Weatherization

### 2010-2011
1. Low Flow Showerhead
2. Water Heating
3. Space Heating
4. Roof Insulation
5. ENERGY STAR New Homes
6. Income Qualified Weatherization

1. Commercial Water Heating
2. ES Fryer
3. ES Dishwasher
4. ES Griddle
5. ES Convection Oven
6. Low Flow Pre Rinse Valve
7. **Commercial Solutions***
8. **SCORE Pilot***

*Programs Approved in PY 2011*
Impact From Falling Gas Prices

- NMGC 2012 Final Order
- Discontinue Residential Space Heating
- Discontinue Residential Water Heating
- Speculation Gas Prices Continue To Fall
- Marginal TRC’s
- Programs Still Proven To Be Cost-Effective By M&V For PY 2011
San Juan Futures Prices
June 27, 2011 through November 7, 2012

Price Per MMBtu

April 19, 2012 - the absolute bottom of the market.
## 2012 Program Budget

<table>
<thead>
<tr>
<th>Program</th>
<th>2012 Year Expected Participation</th>
<th>2012 Actual Participation To Date</th>
<th>Lifetime Therms Saved *</th>
<th>Total Program Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low Flow Showerhead</td>
<td>3,500</td>
<td>4,908</td>
<td>399,000</td>
<td>$182,535</td>
</tr>
<tr>
<td>Residential Insulation</td>
<td>587</td>
<td>109</td>
<td>1,320,750</td>
<td>$368,962</td>
</tr>
<tr>
<td>ENERGY STAR Homes</td>
<td>650</td>
<td>95</td>
<td>1,716,000</td>
<td>$352,137</td>
</tr>
<tr>
<td>Low-Income Weatherization</td>
<td>600</td>
<td>67</td>
<td>2,520,000</td>
<td>$1,433,656</td>
</tr>
<tr>
<td><strong>Sub-Total Residential</strong></td>
<td>5,337</td>
<td>5,179</td>
<td>5,955,750</td>
<td>$2,237,290</td>
</tr>
<tr>
<td>Commercial Solutions**</td>
<td>423</td>
<td>8</td>
<td>1,766,278</td>
<td>$645,756</td>
</tr>
<tr>
<td>SCORE Pilot**</td>
<td>222</td>
<td>22</td>
<td>772,839</td>
<td>$346,795</td>
</tr>
<tr>
<td><strong>Sub-Total Commercial</strong></td>
<td>645</td>
<td>30</td>
<td>2,539,117</td>
<td>$992,551</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>5,982</td>
<td>5,209</td>
<td>8,494,867</td>
<td>$3,229,841</td>
</tr>
</tbody>
</table>

* Adjusted for free ridership

**Commercial Solutions and SCORE participation are projects associated with those programs
## 2013 “Proposed” Program Budget

<table>
<thead>
<tr>
<th>Program</th>
<th>2013 Year Expected Participation</th>
<th>Lifetime Therms Saved *</th>
<th>Total Program Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low Flow Showerhead</td>
<td>5,000</td>
<td>690,000</td>
<td>$227,416</td>
</tr>
<tr>
<td>ENERGY STAR Water Heating</td>
<td>540</td>
<td>642,600</td>
<td>$339,956</td>
</tr>
<tr>
<td>ENERGY STAR Space Heating</td>
<td>600</td>
<td>784,944</td>
<td>$346,025</td>
</tr>
<tr>
<td>Residential Insulation</td>
<td>750</td>
<td>1,448,438</td>
<td>$372,587</td>
</tr>
<tr>
<td>Low-Income Weatherization</td>
<td>882</td>
<td>2,663,000</td>
<td>$1,383,334</td>
</tr>
</tbody>
</table>

Sub-Total Residential 7,772 6,228,982 $2,669,318

<table>
<thead>
<tr>
<th>Program</th>
<th>2013 Year Expected Participation</th>
<th>Lifetime Therms Saved *</th>
<th>Total Program Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial Solutions**</td>
<td>157</td>
<td>1,560,144</td>
<td>$627,013</td>
</tr>
<tr>
<td>SCORE**</td>
<td>155</td>
<td>1,610,043</td>
<td>$555,950</td>
</tr>
</tbody>
</table>

Sub-Total Commercial 302 3,170,187 $1,182,963

<table>
<thead>
<tr>
<th>Program</th>
<th>2013 Year Expected Participation</th>
<th>Lifetime Therms Saved *</th>
<th>Total Program Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Portfolio Cost</td>
<td>N/A</td>
<td>N/A</td>
<td>$101,180</td>
</tr>
</tbody>
</table>

Total 8,074 9,399,169 $3,953,461

* Adjusted for free ridership

**Commercial Solutions and SCORE participation are projects associated with those programs
Meet “Rob”
New & Exciting

- Low Flow Packs – Redesign
- Residential Insulation – Third Party Administration
- SCORE Pilot – Proposed Full Fledge Program
- Commercial Solutions – Direct Install Measures
Low Flow Packs

- Drop Ship Delivery vs. POP
- Kitchen Sink Aerators
- Bathroom Sink Aerators
- Bundled With Low Flow Showerhead
- Bill Insert
- Print Advertisements
- Online Banner Advertisements
Residential Insulation

- Third Party Administration
- New Upstream Incentive Structure
- Use of New Marketing Materials
- Television Commercials
- Radio Advertisements
- Bill Insert
- Print Advertisements
- Online Banner Advertisements
SCORE & Commercial Solutions

- Proposed To Drop The “Pilot”
- Direct Install
- Collaboration With PNM & EPE Tri-Fold Brochures
Questions?

Dru Jones, Sr. Program Developer
505-798-3376 office
505-362-0492 cell