

*Commercial/Industrial Custom and Comprehensive
Exemplary Program*

***Energy Initiative Custom Program
National Grid***

PROGRAM OVERVIEW

National Grid's Energy Initiative Custom Program is designed to target energy efficiency opportunities in existing commercial, industrial, and government facilities. The program targets equipment that continues to function but is outdated and energy inefficient.

Measures installed as part of the program include efficient lighting, high-efficiency HVAC controls, variable frequency drives, and premium-efficient motors. Generally these measures are treated under the prescriptive track of the Energy Initiative program. However, when a project doesn't fit into the prescriptive track, it is put into the custom track. Examples of custom track projects include manufacturing process equipment upgrades, specialized HVAC upgrades, and unique motor systems. Over time, more Energy Initiative projects are following the custom track such that custom projects now reflect over 55% of the annual savings achieved in the Energy Initiative program.

In addition, many new technologies are first introduced to Energy Initiative through the custom track. As data and experience are gained, some of these new technologies end up as prescriptive measures (new lighting technologies are an example).

This program targets customers and trade allies (such as equipment vendors) to educate and encourage their adoption of new design features and equipment selection in order to promote efficient energy usage in commercial, government, institutional, and industrial buildings. The Energy Initiative Program is available to all non-residential customers. Rebates cover 50% of the total cost of installation. Installation is the customer's responsibility.

National Grid markets the Energy Initiative Custom Program through extensive personal communication by the company's account managers with customers, vendors, and contractors; seminars; training sessions; and other direct marketing approaches. Through Energy Initiative, the company actively supports regional and national market transformation initiatives in the areas of operations and maintenance, compressed air and retro-commissioning.

The company offers customers financial incentives, technical assistance, training, and commissioning. Financial incentives reduce the cost barrier to investing in energy efficiency. Technical assistance provides information and education to participants in the use of energy-efficient engineering practices to advance better design in buildings. Additional education opportunities for customers and trade allies are offered through the company's participation in the regional and national market transformation initiatives. Commissioning ensures that the designs and systems specified for efficient buildings operate as intended by the design professionals.

PROGRAM PERFORMANCE

The Energy Initiative Custom Program has achieved significant success in both energy and demand savings and penetration rates.

- Since 1989, the program has served 5,000 participants (this number includes prescriptive participants) representing approximately 55% of the eligible market in Massachusetts.
- Since 1994, cumulative energy savings of 1.6 GWh have been achieved.
- Since 1994, cumulative peak demand savings of 55 MW have been achieved.
- The Energy Initiative Custom Program is probably the leading program in the country promoting chiller retrofits. The Comprehensive Chiller Initiative targets interactive measures such as lighting that are good retrofit opportunities at the time of a planned chiller replacement.
- Another unique aspect of the Energy Initiative Customer Program is the Industrial Systems Optimization Service (ISOS), an extension of technical assistance that, in addition to electric savings, quantifies non-electric energy benefits when an industrial process is being retrofitted. In addition to electric energy savings, ISOS might quantify savings in raw material, scrap, labor, and water when a system improvement is proposed.

PROGRAM AT A GLANCE

Program Name: Energy Initiative Custom Program

Targeted Customer Segments: Commercial, industrial, and government facilities.

Program Start Date: 1989

Program Participants to Date: Over 5,000 Energy Initiative overall (custom and prescriptive projects) (4,183 for Massachusetts from 1992 to 1999; assume this constitutes 77% of total, Narragansett Electric accounts for 20%, and Granite State Electric Company accounts for 3%)

Eligible Population or Customer Segment: Over 10,000

Participation Rate: Approximately 55% of National Grid's customers have participated (based on information in the 2000–2002 5 year plan for Massachusetts; assume this is the same for Rhode Island and New Hampshire).

Annual Energy Savings Achieved: Cumulative since 1994, 1.6 GWh overall for Energy Initiative Custom Program

Peak Demand (Summer) Savings Achieved: Cumulative since 1994, 55 MW

Budget

Year	Total Rebates (NGRID)
2000	\$6.5 million
2001	\$11.3 million
2002	\$5.0 million (as of 11-02)

Year	Approximate Customer Costs
2000	\$6.5 million
2001	\$11.3 million
2002	\$ 5.0 million (as of 11-02)

Year	Total Costs
2000	\$13.0 million
2001	\$22.6 million
2002	\$10.0 million

Funding Source: System benefits charge

Best Person to Contact for Information about the Program

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