

Energy Efficiency and Natural Gas Utilities

Engaging local communities to save more energy

ENERGYSENSE HOME ASSESSMENTS AND COMPREHENSIVE REBATES

In 2011 Philadelphia Gas Works (PGW) launched the first of its six EnergySense demand side management programs, which are implemented to achieve five broad goals:

- Reduce customer bills
- Maximize customer value
- Contribute to the fulfillment of the City's sustainability plan
- Help the Commonwealth and the City of Philadelphia reduce greenhouse gas emissions
- Reduce PGW cash flow requirements

The **Home Rebates Program** was PGW's final EnergySense program to launch in September 2013. The program provides incentives to customers and contractors that perform comprehensive natural gas energy efficiency retrofits. The Home Rebates program has the following goals:

- Save natural gas through cost-effective residential retrofits.
- Achieve an average reduction of at least 20 percent in annual gas heating consumption among all participants.
- Promote better understanding of energy efficiency options available for the residential market.

Home Rebates provides incentives to single-family residential customers for implementing natural gas saving measures in their home. These include as air sealing, insulation, and heating system replacements. Customers are eligible for a subsidized energy assessment and can earn rebates based on the calculated first-year energy savings of their installed measures. PGW, through a third-party administrator, oversees a network of contractors approved to perform work under Home Rebates. The program builds on the lessons learned from implementing PGW's CRP Home Comfort program, which promotes similar energy efficiency packages among PGW's low-income population, which employs the services of approved conservation service providers ("CSPs").

Due to the program's potentially broad market appeal, PGW has used the Home Rebates program as the primary message in its residential marketing activities, with the intention of driving customers to a comprehensive set of efficiency retrofits first. If they are unable to participate, then we offer them the alternative: our prescriptive (individual measures) rebate programs.

PGW's program communications have relied heavily on neighborhood-based marketing efforts that use targeted advertisements, outreach through local businesses, presentations at community meetings, and participation in local events. The purpose of these activities is to establish multiple touch-points to develop "warm" leads who, by the time they contact the program, are ready to proceed with an assessment. To date, PGW has conducted similar targeted outreach activities in eight neighborhoods throughout the city.

One new campaign PGW recently launched is one that uses extensive data analytics and thermal imagery to identify customers that may benefit the most from a home retrofit project. The campaign offers customers the opportunity to opt-in to obtaining thermal photographs of their home, which show them air leakage and inefficiencies, thus making the case for proceeding with a full energy assessment.

Although participation in the Home Rebates program has been lower than originally projected, the marketing activities highlighted above have helped the program increase participation year over year. The program has not yet achieved cost-effectiveness, but improvements in program delivery and increased participation will put it on-track to do so in the coming program cycle.

Philadelphia Gas Works ("PGW") is a municipally-owned utility that provides natural gas service to approximately 500,000 customers within the city of Philadelphia, using approximately 6,000 miles of gas mains and services. PGW is the only utility currently distributing natural gas within the city of Philadelphia, and its mission is to provide safe, reliable natural gas service to the citizens of Philadelphia at a reasonable cost.

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Online Info: PGW EnergySense Residential Rebates
<http://www.pgworks.com/residential/savings/savings-rebates-incentives>