



Natural Gas and Industrial Program Planning Committees

Identifying Robust Opportunities for Natural
Gas Savings in Industry

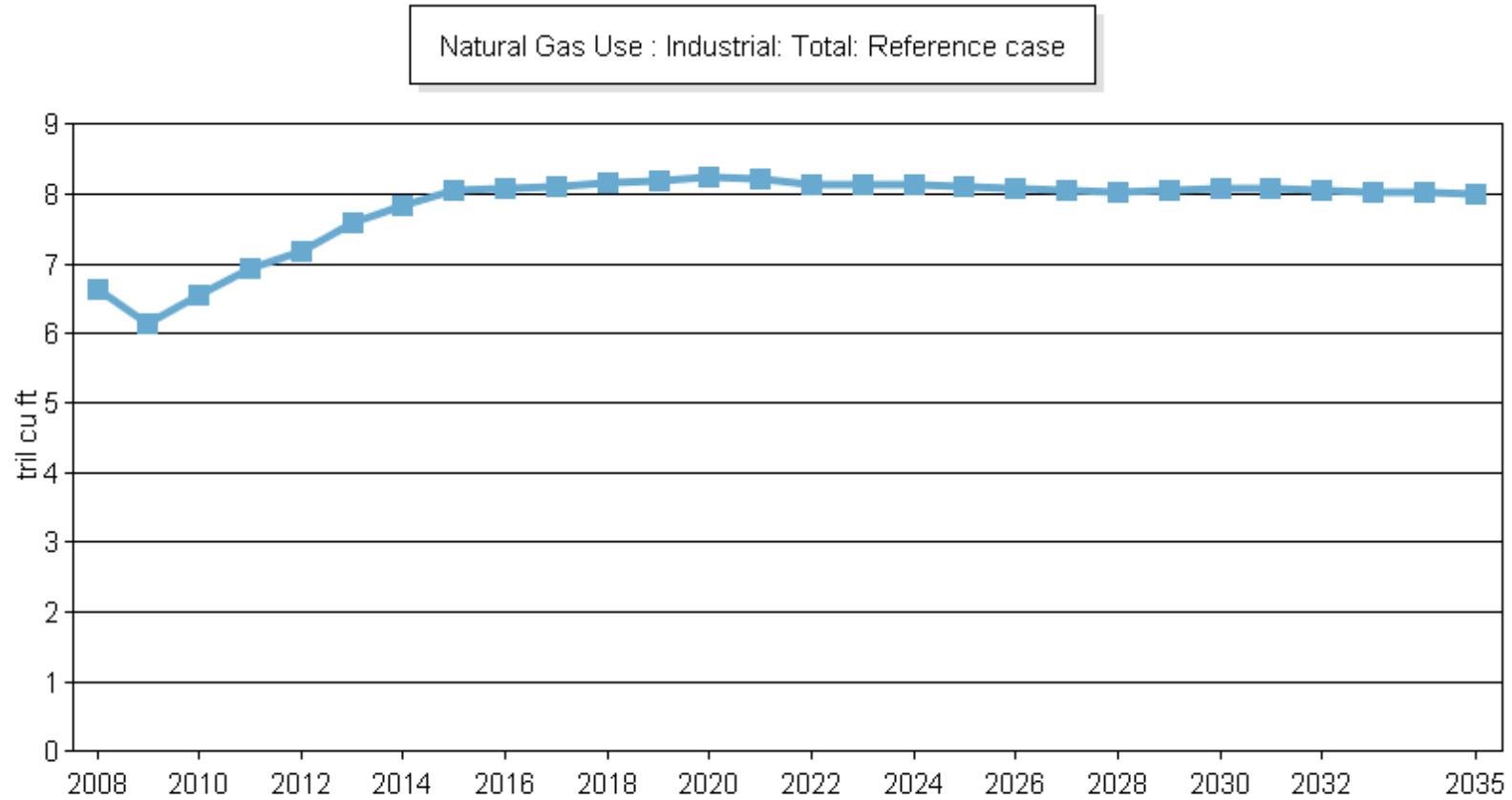
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January 24, 2012
San Diego, California



Why Are We Here?

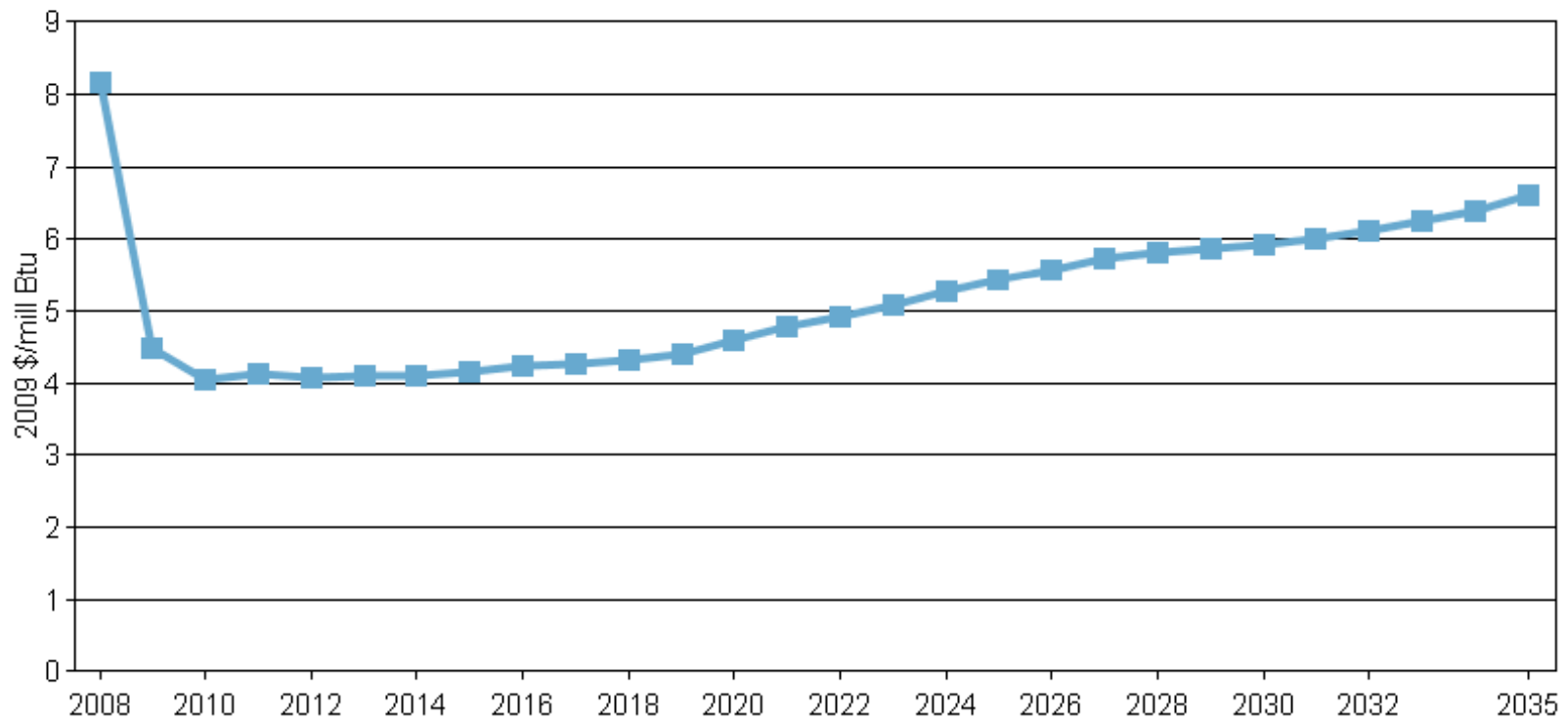
- ▶ There is growing interest among CEE members in natural gas efficiency measures targeting the industrial sector. Why?
 - Rising codes and standards in the residential and commercial sectors
 - Rising energy savings targets
 - Historically low natural gas prices (putting pressure on cost effectiveness)
 - Does our industry need a way to identify efficiency measures both deep and broad in the industrial sector?

Industrial Natural Gas Consumption Outlook



Outlook for Natural Gas Prices in Industry

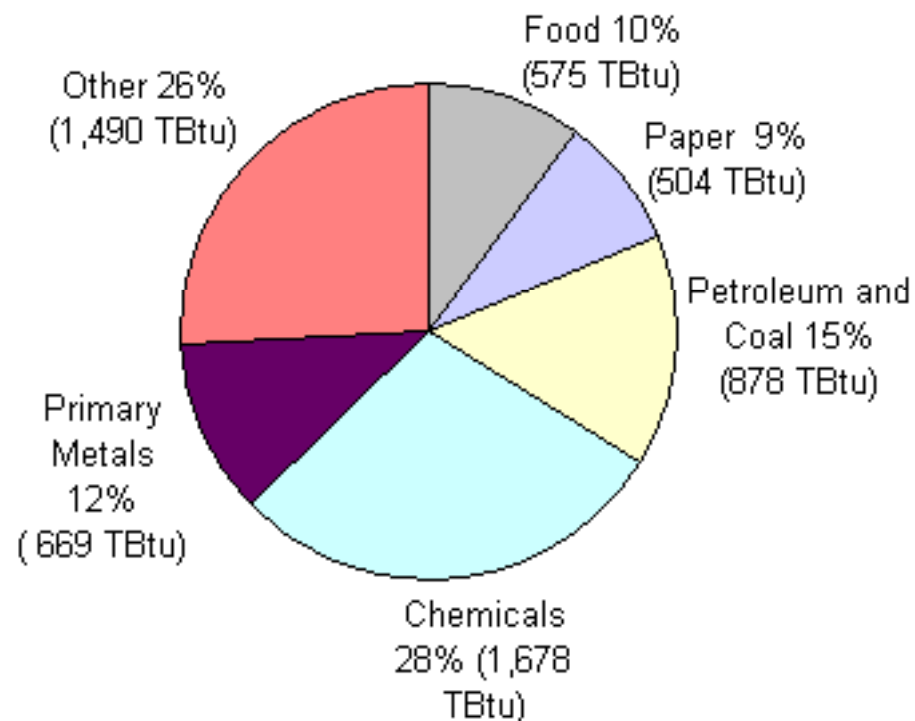
Industrial : Energy Prices: Natural Gas Heat and Power: Reference case



Independent Statistics & Analysis
U.S. Energy Information
Administration

Industrial Natural Gas Consumption

Figure 5. Manufacturing Sector Consumption of Natural Gas as a Fuel by Industry, 2002



Source: Energy Information Administration, Manufacturing Energy Consumption Survey -- Table 3.2: Fuel Consumption.
2002: http://www.eia.doe.gov/emeu/mecs/mecs2002/data02/excel/tables3.2_02.xls.

What Kind of Measures? You Did Some Homework

- ▶ We asked members to identify gas efficiency measures that they would recommend to their peers:
 - Most implemented in a given year
 - Most savings per measure
 - Most innovative, unique measure
- ▶ Thank you Vermont Gas, Energy Trust of OR, Union Gas and Excel Energy!

A+

Objectives

- ▶ Highlight two types industrial gas efficiency measures
 - deep and broad
- ▶ Identify enabling assumptions, conditions and program features
- ▶ Assess the types of industrial customers that are eligible for natural gas efficiency programs good candidates for them
- ▶ Identify opportunities for members to work together at CEE to enhance their industrial gas programs

Agenda

▼ Natural Gas Program Panel

- Kerry Klemm, Xcel Energy
 - Mass market, prescriptive measures
- Ray Hawksley, Energy Trust of OR
 - Custom measures for deeper savings
- Amanda McAlorum, Union Gas
 - Measures for large and small customers
- Chris Goff, Southern California Gas Company
 - Innovative measures

▼ Clarifying Questions, Discussion

▼ Next Steps

Clarifying Questions, Discussion

- ▼ What makes a gas efficiency measure specific to the industrial sector? (Process only, or space/water heating as well)
- ▼ How is a collection of efficiency measures useful/helpful to members? Should we pursue it?
- ▼ Is there greater value to members in focusing on one or two industrial gas measures, say steam trap replacements?
- ▼ Is there a more pressing opportunity to support member industrial natural gas efficiency programs that would provide greater value?

Next Steps: How Shall We Proceed?

Contact

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