

Media Advisory

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Massachusetts Energy Efficiency Providers Unveil Unprecedented \$4 Billion Savings Plan

Three-year plan will spur development of the Commonwealth's green economy

(Fitchburg – May 5, 2009) In an unparalleled move to dramatically reduce energy use in Massachusetts, a coalition of the Commonwealth's leading energy efficiency providers is unveiling a three-year plan to deliver services to residents and businesses that will ultimately net more than \$4 billion in energy savings. If the plan is approved, the coalition will begin offering an increased level of services to their customers in 2010.

The coalition, made up of Massachusetts utilities NSTAR, National Grid, Western Massachusetts Electric, New England Gas, Unitil, Berkshire Gas, Bay State Gas, Blackstone Gas, and the municipal aggregator Cape Light Compact, drafted the plan in response to the Green Communities Act, landmark energy legislation signed into law by Governor Deval Patrick. The Act calls for the Commonwealth's energy efficiency program administrators to develop a statewide plan to meet energy demand by first investing in energy efficiency and demand reduction before purchasing new energy supply. The GCA, along with the Global Warming Solutions Act and the Green Jobs Act, sets Massachusetts on a path to becoming a worldwide leader in developing the green economy.

In keeping with the Acts, the enhanced energy efficiency plan filed by the coalition provides innovative new programs for electricity and natural gas customers across Massachusetts, while also promoting the reduction of greenhouse gas emissions and spurring job creation in the clean energy sector.

"This unprecedented ramp-up in energy efficiency programs builds significantly on the successes that Unitil and the other Program Administrators have already achieved in providing cost-effective energy efficiency solutions to customers," said Robert G. Schoenberger, Unitil's Chairman and Chief Executive Officer. "Energy efficiency is the consumer's number one weapon in the fight against higher energy prices and over-dependence on imported fossil fuels."

The program administrators met collaboratively to determine appropriate goals and budgets to allow for deeper and broader levels of savings at customer homes and businesses. The plan calls for a savings of close to 2.5 million megawatt-hours of electricity and roughly 45 million therms of natural gas over the three year period. The corresponding reduction in greenhouse gas emissions would be the equivalent of taking nearly 40% of the cars off the road in Massachusetts today. The plan also calls for the creation of 4,000 jobs in the clean energy sector in the Commonwealth.

"Massachusetts consumers have the potential to save billions by investing in lower cost energy efficiency," said Jeremy McDiarmid, attorney with Environment Northeast, a regional non-profit organization that represents the environmental community on the newly created Energy Efficiency Advisory Council, which will now review the utilities' plan. "The Commonwealth is putting itself on a path to achieve huge savings for all customer sectors while simultaneously achieving significant greenhouse gas reductions by embracing this bold new efficiency procurement model that is now a keystone of state energy policy."

"This plan marks the transformation of the design and delivery of energy efficiency programs in the Commonwealth," added Shanna Cleveland, Staff Attorney for the Conservation Law Foundation. "The program administrators have worked tirelessly with a large supporting cast of stakeholders to craft a plan that will not only provide real economic benefits to ratepayers, but substantial greenhouse gas reductions."

Historically, the award-winning energy efficiency programs in Massachusetts have consistently saved consumers far more energy dollars than they've cost. The reach of these programs, which offer a host of savings options, including energy audits, equipment rebates and low-interest financing, will be greatly enhanced by the new plan. With a cost of \$1.8 billion and projected energy savings of \$6 billion, the net savings to consumers will be over \$4 billion for the three-year period.

The plan will be reviewed by the Energy Efficiency Advisory Council, an advisory board of energy efficiency stakeholders established by the Green Communities Act. The Council will make a recommendation to the Massachusetts Department of Public Utilities with respect to the plan by July 31st of this year. Coalition members will submit individual three year plans to the DPU in October 2009 for implementation in the period from 2010 through December 2012.