

Exhibit E: Program Year-1 Summary - January 1, 2003 - April 30, 2004

1	2	3	4	5	6	7	8	9	10
Program	Budget	Design Goal	Projected Lifetime Therm Savings	Actual Lifetime Therm Savings	Actual LTT/Projected LTT ratio	Projected TRC	Actual TRC	Actual TRC/Projected TRC ratio	Estimated Before-Tax Design Incentive
<b>Residential</b>									
Residential Conservation Services (RCS)	\$84,000	N/A (therms) <sup>1</sup> 180 participants	N/A	N/A		N/A	N/A		
Residential Custom Measures	\$75,530	25,000 therms 180 participants	375,300	102,298		2.11	1.68		
Residential Low Income Custom Measures	\$48,500	4,810 therms 17-20 participants	72,000	34,107		0.87	0.94		
Residential High Efficiency (HE) Heating Equipment	\$69,479	33,997 therms 190 participants	680,200	84,580		3.87	1.62		
High Efficiency (HE) Water Heating	\$3,381	476 therms 17 participants	5,712	2,520		0.99	0.82		
ENERGY STAR® Homes	\$5,715	2,880 therms 9 participants	72,000	0		3.98	0.00		
<b>Total</b>	<b>\$286,605</b>		<b>1,133,212</b>	<b>223,505</b>	<b>0.20</b>	<b>1.86</b>	<b>0.94</b>	<b>0.50</b>	<b>\$0</b>
<b>Multifamily and C&amp;I</b>									
Multifamily Custom Measures	\$227,674	73,359 therms 12 participants	1,320,408	21,500		2.05	0.24		
Small Commercial and Industrial Custom Measures Prog	\$220,965	75,000 therms 13 participants	1,177,453	20,620		1.93	0.22		
Medium and Large Commercial and Industrial Custom M	\$152,605	70,000 therms 2-3 participants	923,868	1,008,800		2.33	3.84		
Commercial High Efficiency (HE) Heating Program	\$12,920	4,924 therms 27 participants	98,280	16,740		3.32	1.11		
Infrared (IR) Heating Program	\$5,512	4,725 therms 7 participants	94,500	89,760		6.04	6.54		
<b>Total</b>	<b>\$619,676</b>		<b>3,614,509</b>	<b>1,157,420</b>	<b>0.32</b>	<b>2.02</b>	<b>2.32</b>	<b>1.15</b>	<b>\$28,468</b>
<b>Total</b>	<b>\$906,281</b>		<b>4,747,721</b>	<b>1,380,925</b>					<b>\$28,468</b>

- Notes:**
- The Residential Conservation Services Program is educational program open to all residential customers, and although all customers can benefit from the program, the total benefits are not readily quantifiable.
  - Calculation based on NH PUC order 23,850 and 23,574
  - Threshold: The Gas Utilities must achieve a minimum "threshold" performance before being eligible to earn an incentive.  
For the cost-effectiveness component, the Gas Utilities must achieve an actual year-end TRC of 1.0 before any incentive can be earned.  
For the energy savings component, the Gas Utilities must achieve a minimum of 65% of projected lifetime therm savings before any incentive can be earned.
  - The earned incentive is based on a sliding scale from 0% to 12% by Sector.
  - There were no performance incentives for the Residential Portfolio of programs  
The performance incentives for the C&I portfolio of programs is 4.59% of the C/I budget.  
The total performance incentives for both portfolios combined is 3.14% of the total budget  
The full design level incentive for both the residential and C&I portfolio of programs combined would have been approximately \$72,502

**Assumptions:**

- Design Target Incentive = 8%
- Incentive Calculation Formula: 
$$\text{Incentive}_{\text{RES}} = \text{Budget}_{\text{RES}} \times \{ [4\% \times (\text{TRC}_{\text{Actual}} / \text{TRC}_{\text{Projected}})] + [4\% \times \text{Lifetime Therm Savings}_{\text{Actual}} / \text{Lifetime Therm Savings}_{\text{Projected}}] \}$$
  
Plus  
$$\text{Incentive}_{\text{C\&I}} = \text{Budget}_{\text{C\&I}} \times \{ [4\% \times (\text{TRC}_{\text{Actual}} / \text{TRC}_{\text{Projected}})] + [4\% \times \text{Lifetime Therm Savings}_{\text{Actual}} / \text{Lifetime Therm Savings}_{\text{Projected}}] \}$$