

PSE&G's Proposed Carbon Abatement Programs

Overview

The initiative is targeted to inner-city residents, small businesses, industrial customers, and hospitals.

▪ Small Business	\$ 1 million
▪ Large Business / Warehouse	\$ 1 million
▪ Existing Hospitals	\$ 1 million
▪ New Hospitals	\$ 1 million
▪ Residential Home Energy Tune Up	\$ 775,000
▪ Residential Thermostat Installation	\$ 225,000

Residential Home Energy Tune-up Program

- Targeted to residential customers in one-to-four family homes in Trenton and Newark
- Direct installation of cost-effective energy efficiency measures, as recommended by an energy audit and blower door test
- Measures could include: caulking, weatherstripping, compact fluorescent light bulbs (CFLs), programmable thermostat, attic insulation, duct sealing and/or duct insulation
- PSE&G provides 100% of cost for low-income customers
- For all other customers, including landlord-owned units, PSE&G initially provides 100% of the cost for the installation of attic insulation, duct sealing and/or duct insulation. The customer must repay 20% of the total cost to PSE&G over 2 years, interest free.
- \$775,000 program budget

Programmable Thermostat Installation Program

- The program is targeted to homeowners living in the cities of Trenton and Newark
- PSE&G Appliance Service technicians replace existing standard thermostats with programmable thermostats at no cost to customers during routine utility gas service calls
- The service technicians will also provide the customer with an energy savings kit, consisting of 5 compact fluorescent light bulbs (CFLs)
- If the customer wishes to purchase additional CFLs, she/he may do so and will be charged for these additional bulbs through their PSE&G monthly bill
- \$225,000 program budget

Small Business Direct Installation Program

- Targeted at small businesses located in Trenton and Newark, with an average electric demand of 200 kilowatts or less, or 40,300 kilowatt-hours or less, per month
- PSE&G will provide a walk-through energy evaluation and a report of recommended energy savings improvements.
- PSE&G will initially provide 100% of the cost to install the recommended improvements.
- The customer must repay 20% of the total cost to PSE&G, interest free, over 24 months through the PSE&G bill.
- Typical energy efficiency improvements available through this program include:
 - Lighting upgrades
 - Insulation
 - Refrigeration upgrades
 - HVAC upgrades
- \$1,000,000 program budget

Large Business Best Practices & Technology Demonstration Pilot

- Targeted to warehouse facilities in PSE&G's electric service territory
- PSE&G, working with Orion Energy Systems and GE Consumer and Industrial, will provide a free lighting audit and the installation of a warehouse lighting system for high-bay applications that includes:
 - Advance fixtures with high-intensity fluorescent lighting
 - Day lighting "light tubes", with automated controls
 - Fixture level lighting controls
 - Real-time measurement and verification of performance
- A financial incentive will be paid to effectively reduce the pay-back period for the system to 2 years
- \$1,000,000 program budget

Hospital Best Practices & Technology Demonstration Pilot - Retrofit

- Targeted to hospitals in PSE&G's electric and gas service territory
- Customers will receive an investment grade audit of their hospital campus
- Audit results will determine the potential savings derived through a variety of measures and technologies: HVAC, humidification, building envelop motors, and other energy-consuming equipment. Lighting will also be included, if applicable.
- A financial incentive will be paid to effectively reduce the pay-back period for the system to 2 years
- \$1,000,000 program budget

Hospital Best Practices & Technology Demonstration Pilot – New Construction

- Targeted to hospitals in PSE&G's electric and gas service territory on which construction will begin in 2008
- Customers will submit a proposal to PSE&G for new construction funding that will provide an incentive for environmentally friendly construction above the levels required by code
- Measures that have a payback of 7 years or less will be considered. PSE&G will provide incentives that will effectively reduce the payback down to 2 years
- The incentive will be paid upon completion of the project and after a successful post implementation audit is conducted.
- \$1,000,000 program budget