

**CONNECTICUT FUEL OIL
CONSERVATION BOARD**

2009 Oil Conservation Plan

**Submitted for Public Comment
December 16, 2008**



I. BACKGROUND

In January 2008, the Connecticut Fuel Oil Conservation Board (FOCB) convened for the first time. The FOCB was created through state legislation: PA 07-242 Sec. 116, as amended by June Sp. Sess. PA 07-1 Sec. 131 and June 11 Sp. Sess., PA 08-2 Sec. 7. The legislation will be codified at CT Gen. Stat. sec. 16a-22f. It oversees the programs of the Connecticut Fuel Oil Conservation Fund, Inc. (CFOCF).

An RFP was issued to solicit applicants for an entity qualified to administer and implement conservation and energy efficiency programs for fuel oil customers. The contractor, ultimately retained in October 2008, is The Resource Link, LLC.

The FOCB is currently advising and assisting “the program administrator in the development and implementation of a comprehensive plan. . . that implements cost-effective fuel oil energy conservation programs and market transformation initiatives for residential, commercial and industrial fuel oil customers.” The FOCB has examined “opportunities to offer joint programs providing similar efficiency measures that save more than one fuel resource or to otherwise coordinate programs targeted at saving more than one fuel resource. Coordination with existing energy efficiency programs has begun.

Based on reports from Community Action Agencies (CAA) and the Connecticut Energy Efficiency Fund (CEEF), the FOCB believes that at least 75 to 150 low income oil heat homeowners have been identified with inoperable, unsafe or extremely inefficient furnaces or boilers that must be replaced or upgraded to ensure these households have adequate heat this winter. Low income customers, a particularly vulnerable group in light of volatile oil costs, are in acute need of financial assistance to make these unit purchases and/or repairs. The FOCB prioritized assistance to these households, and developed an immediate plan to provide such assistance. The 2008 Oil Conservation plan, submitted for public comment on October 29, 2008 and adopted by the FOCB on November 4, 2008, addressed these emergency needs as well as began the coordination of FOCB with numerous Connecticut energy efficiency programs currently in place.

CFOCF funding is based on the state of Connecticut’s fiscal year, July 1st through June 30th. However, the FOCB is required to file Oil Conservation Plans using the calendar year. Therefore to provide a full picture of our efforts, this 2009 plan provides for the following:

- Carryover programs and funding from the 2008 Oil Conservation Plan
- Programs in effect from 1/1/09 expected to run through 6/30/2010
- Funding level available through June 30, 2009: \$10 million
- Funding level available from 7/1/09 through 6/30/2010: \$5 million

In the fall of 2009, plans for calendar 2010 will be presented for review by the Energy Conservation Management Board (ECMB) and reviewed at a public hearing. The 2010 plan will outline program adjustments and budget allocations that reflect best practices from the 2009 Plan as well as new initiatives, if appropriate.

II. PLAN SUMMARY

The 2009 Oil Conservation Plan will carryover 2008 plan programs which include the low income heating system replacement program and residential programs that coordinate with existing statewide conservation programs.

The 2009 plan widens the scope of services to low income residents to include; broader weatherization services (the inclusion of renters) and expansion of the program for oil heating/water systems replacement to include grossly inefficient units, which may be operable.

Other program coordination efforts with existing conservation statewide programs are being rolled out and/or carried over from 2008.

The 2009 plan represents a considerable effort on behalf of the FOCB to coordinate with existing energy efficiency programs within the state. By piggy-backing onto the efforts of existing programs, it makes it easier for consumers to receive more comprehensive services and benefits at lower cost, with greater convenience to the consumer and less administrative costs to the FOCB. The plan provides for coordination with the following entities:

CL&P/UI – Docket 08-10-03, (also includes gas companies, Connecticut Natural Gas, Southern Connecticut Gas and Yankee Gas) www.ctsavesenergy.org

Community Action Agencies/ Department of Social Services – weatherization programs (through the CT Association for Community Action) www.ct.gov/dss , www.cafca.org

CT Municipal Electric Energy Cooperative – weatherization programs of municipal utilities www.ctsavesenergy.org

CT Office of Policy and Management – they are coordinating with the statewide Home Energy Solutions program to offer a home energy audit program for oil heat customers <http://ct.gov/opm>

The program descriptions in this plan focus mainly on the oil conservation coordination efforts with these entities. In the interest of avoiding redundancy, to learn more details about the overall program design and implementation for all fuels, please refer to the websites noted above to access their official filings with complete energy efficiency program details.

Please note that throughout the plan any reference to oil heat is inclusive of bioheat, even if not specifically stated.

Plan Cost Effectiveness

The FOCB will evaluate programs it adopts for cost-effectiveness and report this information to the state legislature on an annual basis. Programs included in the plan must be “evaluated as to cost-effectiveness by comparing the value and payback period of the program benefits to the program costs to ensure that the programs are designed to obtain fuel oil savings, the value of which are greater than the costs of the program.”¹ The first annual report to the legislative committees having cognizance of matters relating to energy and the environment is due on January 1, 2009. However, as FOCB program implementation began in December 2008, insufficient data will be available to conduct appropriate evaluation by this date.

The FOCB has researched existing oil cost effectiveness models that would allow the FOCB to calculate and compare benefit/cost ratios using the total resource cost, societal and participant tests. The model we seek must also allow the FOCB to calculate the program benefits related to emission reductions (SOX, NOX, CO2, particulates) and low income program benefits such as increased comfort, increased safety and reduced energy costs. The FOCB has entered into discussions with two prominent organizations with experience in oil cost effectiveness to provide assistance and expertise to the FOCB Program Administrator to develop an approach to calculating cost effectiveness ratios at both the program and measure level.

This cost effectiveness analysis will begin in December 2008 and conclude in late January 2009. The results of the modeling will be used to modify, if necessary and as appropriate, program design or implementation of the 2009 plan and report to the legislature. The final analysis will be posted to the FOCB website (www.ctfocb.com).

Plan Goals/Budgets

The total funding level for the CFOCF programs from 2008 through June 30, 2010 is \$15 million \$10 million through June 30, 2009 and up to \$5 million from July 1, 2009 through June 30, 2010. Therefore, in this Plan program budgets reflect anticipated funding and operation through June 30,

¹ Connecticut General Statutes sec. 16a-22/ (d)(2)(2008 Supplement)

2010, subject to modification in the CFOCF 2010 Plan. Some of the programs will not take effect until existing funds for programs expire, such as the Home Energy Solutions program coordination with the Office of Policy and Management. The plan reflects that later start date. See Appendix 1 for a plan summary of programs, participation levels and budgets.

The FOCB plans to closely monitor its programs as they are rolled out and implemented. The FOCB will review on a monthly basis the programs goals, budgets and customer participation levels and adjust the goals and budgets depending on progress. Estimated fund allocations for the programs may be moved between programs to meet demand and need, as appropriate.

CFOCF funding is to be deposited by the Connecticut Comptroller's Office into a FOCB interest bearing account. Interest collected on such account will be allocated by the FOCB to plan programs.

III. Residential Programs

1. Home Energy Solutions/Home Energy Savings and Oil System Clean Tune and Test

Program Description

Pursuant to August Special Session, Public Act No. and 08-2 sec. 9, the Connecticut Office of Policy and Management (OPM) implemented a \$7 million home energy audit program. OPM's program coordinates with the comprehensive whole house audits available through the Connecticut Energy Efficiency Fund (CEEF) program, Home Energy Solutions (HES), and the municipal utilities' Home Energy Savings programs. Before OPM developed its program, oil (and other deliverable fuel) heated households were required to pay \$300 to participate in the CEEF audit program. Households participating in the OPM program are eligible to receive both the CEEF or municipal utility audit and a clean, tune and test of an oil furnace or boiler by an OPM-authorized vendor/technician if the consumer did not have this service provided as part of a contract with their oil company. The OPM program requires a consumer make a \$75 co-pay to whichever program or vendor the consumer sees first. OPM pays \$200 for the clean, tune and test and \$300 for the home energy audit, minus the \$75 co-pay. For more information, go to www.ct.gov/opm.

The OPM funding will end on June 30, 2009, or when funds are exhausted, whichever comes first. The FOCB plan provides for continuing aspects, which prove cost-effective, of the OPM program through June 30, 2010 for oil heated households.

Implementation

There are two ways oil heat consumer may initiate participation in the OPM home energy audit program:

- One method is for consumers to fill out a Customer Interest Form, downloaded from a variety of websites or provided by OPM, and submit it to the CEEF or municipal utility program administrator. The administrator, the consumer's electric utility, forwards the consumer's request for service to a contractor for the Home Energy Solutions or Home Energy Savings programs, as appropriate. The contractor contacts the consumer and schedules a 2-4 hour audit appointment. Typically, the service provided for oil customers includes (subject to caps applicable to particular measures and for total expenditures covered):
- A home energy infiltration assessment, using blower-door technology to pinpoint critical drafts and air leaks. The technician will professionally seal leaks while at the home.
- A duct test to assess air leaks within the ductwork system. The technician will seal significant leaks.
- Installation of hot water-saving measures including low-flow showerheads and faucet aerators..

- Rebate applications are provided for insulation, clothes washers, water heaters and other rebates for electric related measures that are appropriate for the home.
- Installation of energy-efficient compact fluorescent light bulbs.
- Provision of a list of OPM HVAC contractors who can provide a clean, tune and test at no further charge..
- A “kitchen table wrap-up” where the technician reviews the work done in the home and provides additional information and resources to help the consumer save energy and money.

The consumer makes their \$75 co-pay to the HES contractor and, if eligible, contacts one of the OPM registered vendors to provide a clean, tune and test on their system. There is no additional co-pay for the clean, tune and test..

- The second method for an oil heat consumer to participate in the OPM program is to have the clean, tune and test portion of program first, followed by the HES audit. The consumer contacts any OPM registered vendor to provide the clean, tune and test (listed on OPM website). The clean, tune and test is a thorough 14-point service intended to ensure the heating system runs at peak efficiency and includes:
 - Pre-service AFUE efficiency test
 - Cleaning soot build-up
 - Replacement of the burner nozzle, fuel filter and air filter
 - System adjustment to achieve maximum efficiency
 - Post service AFUE test.

The consumer makes their \$75 co-pay to the HVAC technician and is provided information on how to participate in the HES program. There is no additional co-pay for the HES audit

After OPM funding is no longer available, the FOCB plans to continue funding aspects, which prove cost-effective, of the OPM program through June 30, 2010 for oil heated households. The FOCB will finalize details of its implementation plan after the end of the first quarter of 2009, when data on customer satisfaction, cost-effectiveness, program administrative implementation costs and other relevant information will be available. The FOCB will engage on an ongoing basis in the Home Energy Solutions Working Group formed by the DPUC; the first meeting is scheduled for Dec. 16, 2008 (Docket No. 08-10-03).

Target Audience

Connecticut residents who meet the current Home Energy Solutions or Home Energy Savings program guidelines and:

- Primary heat source energy is oil or bioheat, and
- A residential building of up to four dwelling units for which they seek services and one of the dwelling units is the owner's primary residence.

Marketing and Outreach

The FOCB plans to have the CEEF program administrators and municipal utility administrators of their respective HES programs modify the current application form for provision to oil heated consumers to indicate their interest in the FOCB funded program. The FOCB will develop an outreach plan directed at oil dealers and consumers, and will include this program in its general educational and marketing efforts, including the FOCB website, www.ctfocb.com, with links to a variety of other websites consumers may access for energy efficiency information. HES program materials are included in a “tool kit” package provided to consumers when they receive HES services; the FOCB will develop oil efficiency education materials and rebate forms for specific oil related efficiency measures and provide them for inclusion in the HES “tool kit”.

Goals/Budget

Program Name	Target Audience	Projected # Customers 7/1/09 thru 6/30/10	Average \$ per customer	Proposed * Budget 7/1/09 thru 6/30/10
Home Energy Solutions & Home Energy Savers (Partners - OPM/CEEF/CMEEC)	Residential/ all incomes	2,390	\$ 650	\$ 1,553,500

**includes, CEEF administration, outside services, incentives, marketing*

2. Rebates Offers – Home Energy Solutions/Home Energy Savers

Program Description

In 2009, the Connecticut Energy Efficiency Fund (CEEF), administered by Connecticut Light and Power and United Illuminating, will offer rebates to electric and gas customers participating in the Home Energy Solutions (HES) program for a host of electric and gas measures. The FOCB will fund rebates for HES oil heat customers to add wall or attic insulation and for oil hot water customers to upgrade their clothes washer and/or replace their hot water unit. The FOCB will also fund similar rebates if offered by the CT municipalities within the structure of their Home Energy Savers program.

Implementation/Coordination

The oil related rebates will piggy-back the existing rebate package that is part of the HES program. While providing HES program services, the technician will also evaluate oil heat/water homes regarding the need for additional wall or attic insulation, an upgraded clothes washer (over 15 years old and/or non ENERGY STAR) and/or a replacement hot water heater (based on age).

When HES rebate forms are revised, the FOCB will work with the HES program administrators to include the oil component to the rebate form for simplification. Only if warranted will a separate oil rebate form be developed for oil. The oil rebate amounts for insulation and clothes washer will remain consistent with the electric/gas rebate levels unless it is determined that for cost effectiveness purposes, it should be modified.

To further coordinate efforts, all customer rebate forms, regardless of heating fuel, will be processed by the HES third party vendor, currently EFI, Inc., and invoiced to the HES program administrator. The FOCB will be invoiced for any oil rebates by the HES program administrator and provide rebate reports to the FOCB on a monthly basis on oil savings.

Target Audience

- Customers who participate in the Home Energy Solutions/Home Energy Savers programs and their home audit indicates additional insulation, or replacement of the water heater and/or clothes washer is appropriate to improve energy efficiency
- Customers who heat with oil or bioheat

Marketing/Outreach

Modifications to existing HES material to include the availability of these rebates will be coordinated between the FOCB and the CEEF program administrators to promote this program. It is part of the customer package that is provided to Home Energy Solutions customers. The FOCB will include this program in all future educational and marketing efforts, including the FOCB website, www.ctfocb.com and linking to a variety of other websites that the consumer would typically access for this type of program information.

Cost Effectiveness

Please refer to the explanation of our cost effective strategies as outlined in II. Plan Summary above.

Goals/Budget

Program Name	Target Audience	Projected # Customers 1/1/09 thru 6/30/10	Projected Avg. cost per participant	Proposed Budget 1/1/09 thru 6/30/10*
Rebates - Insulation, HES program	Residential/ all incomes	1,000	\$ 450	\$ 450,000
Rebates - Clothes Washer, HES program	Residential/ all incomes	500	\$ 345	\$ 172,500
Rebates - Water Heater, HES program	Residential/ all incomes	500	\$ 400	\$ 200,000
Total				\$ 822,500

**includes, CEEF administration, outside services, incentives, marketing, carryover from 2008*

3. Residential New Construction (RNC) Program

Program Description

In 2009, the Connecticut Energy Efficiency Fund, administered by Connecticut Light and Power and The United Illuminating Company, will offer this program to electric and gas and oil (reduced incentives) new construction builders. The program is designed to reduce the energy use in new housing, increase builder and consumer awareness by promoting the benefits of energy-efficient building practices, oil conservation through the use of bioheat and to affect permanent market movement to more energy-efficient residential construction in the state of CT. In 2009 the CEEF proposed to pay 30% of incentives toward oil heated homes. The CFOCF funding will allow for oil heated new construction homes to participate 100% in the incentive packages for this program by paying the remaining 70%.

Implementation

The FOCB will piggy-back with the 2009 CEEF Residential New Construction (RNC) program to allow homes that heat with oil/bioheat and/or oil/bioheat hot water new construction homes to receive energy efficiency incentives for high performance insulation levels, ENERGY STAR heating and hot water systems and obtain ENERGY STAR certification.

Target Audience

- New construction, residential buildings with up to 4 individual units
- Homes designed to heat with oil or bioheat
- Homes designed to use oil to heat domestic water
- Builders willing to demonstrate and support best building practices for optimal energy efficiency

Marketing/Outreach

The program efforts for 2009 will rely on coordination with the CEEF administrators and industry leaders (building and industry associations, and oil dealer associations) to market participation in the RNC program to their members. The marketing strategy will be based on the provision of timely, relevant information. The messaging will include information on

current technology/building trends and program benefits and details. Communication tactics outlined in the 2009 CEEF plan include:

- Program seminars targeting builders using industry association lists as a base for participants.
- Selected advertising in local and regional trade publications.
- Article submission to local and regional trade publications and consumer publications. Articles can be written in collaboration with builders.
- Write and distribute case studies. Case studies can be posted on the Companies' web sites and linked to CTEnergyInfo.com. Printed versions can be distributed at all events.
- Participation in consumer events such as home shows.
- Participation in association events including sponsorships, when appropriate.
- Outreach to legislative audiences through their newsletters, forums, one-on-one meetings and public events.

To promote the addition of oil incentives to the program, the FOCB will work CEEF program administrators to enhance all of the communication tactics above and to include outreach efforts to oil dealers as well.

Cost Effectiveness

Please refer to the explanation of our cost effective strategies as outlined in II. Plan Summary above.

Goals/Budget

Program Name	Target Audience	Projected # Customers 1/1/09 thru 6/30/10	Projected Avg cost per participant	Proposed *Budget 1/1/09 thru 6/30/10
Residential New Construction (CEEF)	Residential/all incomes	225	\$ 2,000	\$ 450,000

**includes, CEEF administration, outside services, incentives, marketing*

4. Low Income Heating and Hot Water System Program

Program Description

To fund the replacement/upgrade of inoperable, unsafe or grossly inefficient oil heating and hot water systems for Connecticut households with income at or below 60% of the state median income (see Target Audience section below for complete eligibility requirements).

Implementation

The CFOCF plans to continue to contract with the Connecticut Association for Community Action (CAFCA) and member CAAs to implement this program in conjunction with their energy and weatherization assistance programs and to contract with others including CEEF administrators and municipal utility conservation program administrators, as appropriate. The program is designed to:

- Utilize the CT Department of Social Services (DSS) intake network for energy assistance, to determine eligibility for this FOCB program. Like the DSS energy assistance program, eligibility is capped at 60% state median income, and the DSS energy assistance program asset limits are also applied. Income and assets are determined in accordance with the DSS energy assistance program guidelines. This facilitates leveraging other assistance for program beneficiaries.

- Operate with a streamlined FOCB authorization process to enable a quick response in emergency situations.
- Capture and analyze data points for use in evaluation of cost-effectiveness.
- Result in installation of ENERGY STAR heating and/or hot water units as frequently as practical.
- Provide the FOCB program administrator the flexibility to authorize licensed HVAC technicians independent from current networks to perform the heating system replacement or repair work provided the income levels and asset test of the participant have been met.
- Expand program services to include cost-effective replacement of grossly inefficient or unsafe heating systems that may be operable.
- Expand program services to include cost-effective repairs or upgrades on systems, rather than a complete replacement.
- Coordinate efforts with existing statewide programs providing weatherization services to the same audience to fast track FOCB program recipients for weatherization to treat these homes with a holistic approach, including the Connecticut Energy Efficiency Fund (CEEF), municipal utilities and Community Action Agencies.
- Ensure energy conservation education is a component of the weatherization assistance provided to program participants.
- Explore discounted bulk purchase of heating and hot water equipment directly from manufacturers, to stretch plan funds.

Target Audience

Connecticut residents who want to be considered for participation in this program must meet the following requirements:

1. Status of resident – owner (no co-funding requirement)
2. Housing type - Single family, owner occupied homes of 1-4 unit dwelling units, where the owner permanently resides in one of the four units. All units can be included in the FOCB program.
3. Income and asset requirements – household income must be at or below 60% of the CT state median income and under the asset limits in the “2008/2009 Allocation Plan for the Low Income Home Energy Assistance Program Block Grant.” Income and assets shall be calculated as they are in this allocation plan.
4. Heating and hot water systems – units must be certified by licensed HVAC contractors as inoperable, unsafe, unrepairable and/or unable to attain a 75% AFUE. Priority will be given to inoperable units and those relied upon for domestic water use and where possible repairs would be too costly.
5. Heating Fuel type – oil, bioheat
6. Weatherization – participating households must agree to participate in a weatherization program that FOCB designates.
7. Research – participating households must agree to participate in pre/post inspections and be responsive to customer surveys regarding this program and any related weatherization services.

Marketing

The FOCB program administrator will work with the CAFCA staff to provide updated program information and participate in training sessions for the CAAs weatherization directors to inform and educate about this program and implementation. For the public, updated program information will be available on the FOCB website, www.ctfocb.com. Additionally, the FOCB will create educational and marketing materials required to get the word out about this

program. These efforts will include piggy-backing on existing materials and the development of new materials. The FOCB will work with fuel banks, DSS, oil dealers, municipalities, social service providers and others as needed to raise awareness of the program.

Cost Effectiveness

Please refer to the explanation of our cost effective strategies as outlined in II. Plan Summary above.

Goals/Budget

Program Name	Target Audience	Projected # Customers 1/1/09 thru 6/30/10	Projected Avg cost per participant	Proposed Budget 1/1/09 thru 6/30/10*
Low Income Heating/Water System Replacement Program	Residential/ low income	1,250	\$ 6,000	\$ 7,500,000
Low Income Heating/Water System Repair/Upgrade Program	Residential/ low income	465	\$ 2,000	\$ 1,130,000

Total \$ 8,630,000

**includes, CAA/DSS application intake, general contract management by CAA, HVAC labor/parts, outreach and carryover from 2008 plan*

5. Low Income Weatherization Program

Program Description

To fund a comprehensive direct install weatherization program that serves Connecticut low income oil heat/hot water customers. Participants of the FOCB heating and water system replacement programs will be prioritized for weatherization services to ensure a holistic approach. The FOCB will partner with existing low income weatherization programs, such as those being implemented by the Connecticut Energy Efficiency Fund (CEEF), Connecticut Municipal Electrical Energy Cooperative (CMEEC) and the Community Action Agency (CAA) programs (funded through the Connecticut Department of Social Services -- DSS). FOCB funds will supplement these existing programs by funding oil energy efficiency weatherization work for their program participants.

Implementation

The most immediate and cost effective way to coordinate the funding and installation of these oil saving measures is by piggy-backing on the current Connecticut Energy Efficiency Fund (CEEF), Connecticut Municipal Electrical Energy Cooperative (CMEEC) and the Community Action Agency (CAA) programs (funded through the Connecticut Department of Social Services - DSS). The FOCB expects to have signed work agreements with all partners by mid-December 2008 to coordinate the installation of oil saving measures for oil customers who participate in their programs. The FOCB can direct interested residents to these programs to apply and receive services.

The program will be structured to take into account the following:

- The FOCB will provide a budgeted funding level to each partner based on projected number of oil customers to be served in 2009.

- The FOCB will piggy-back existing marketing and outreach efforts on those providing services.
- The FOCB will abide by the current weatherization program requirements for income eligibility of each of the existing weatherization programs to simplify outreach efforts.
- The FOCB will define the oil measures that qualify for direct installation in each of the existing programs funded by CEEF, CMEEC and CAA. An agreed upon price per measure will be in place for monthly invoicing of oil only measures to the FOCB. Measures currently part of the oil portion of measures are blower door audit, air leakage sealing, water saving measures, insulation measures and a clean, tune and test.
- All contractors will work with the FOCB to provide accurate consumer and installation reporting to capture and analyze oil energy savings in a cost-effective manner and invoice the FOCB monthly.
- Ensure energy conservation education is a component of the weatherization program provided to program participants.

Target Audience

Connecticut residents who want to be considered for participation in this program must meet the following requirements:

1. Housing type - priority will be given to single family homeowners, particularly those who participated in the heating system replacement program funded by FOCB. Renters who pay for their own oil heat and live in buildings with up to 4 units are eligible; however, based on the partner program guidelines, landlord co-pay and authorization may be required. The FOCB will work within the guidelines of these existing programs to maintain consistency, subject to meeting FOCB cost-effective analysis.
2. Income and asset requirements – household income must meet the criteria for the partner program in which the household is participating. For example, CAA weatherization program requires income be at or below 60% of state median income and under the asset limits in the “2008/2009 Allocation Plan for the Low Income Home Energy Assistance Program Block Grant.” Assets are not an eligibility factor in the receipt of weatherization services.
3. Heating Fuel type – oil, bioheat

Marketing

The FOCB will work with fuel banks, DSS, oil dealers, municipalities, social service providers and others as needed to raise awareness of the program. These efforts will include piggy-backing on existing materials and the development of new materials. The FOCB is developing a marketing/educational plan for its overall energy conservation plans and intends to include this program in all future educational and marketing efforts, including the FOCB website, www.ctfocb.com. Additionally, the FOCB will create the necessary educational and marketing materials required to get the word out about this program.

Cost Effectiveness

Please refer to the explanation of our cost effective strategies as outlined in Section II. Plan Summary, above.

Goals/Budget

Program Name	Target Audience	Projected # Customers 1/1/09 thru 6/30/10	Projected Avg cost per participant	Proposed Budget 1/1/09 thru 6/30/10*
Low Income Heating/Water System Replacement Program	Residential /low income	3,250	\$ 750	\$ 2,437,500

* Includes application intake costs, general contract management by CAA/CEEF, HVAC labor/parts, outreach and carryover from 2008 plan

IV. Commercial and Industrial Pilot Program

Program Description

In 2009, the Connecticut Energy Efficiency Program (CEEF) will implement over \$45 million in a variety of programs for the commercial and industrial (C&I) sector. The FOCB will fund a pilot to explore the integration, where appropriate, of oil efficiency measures in delivery of the electric portion of the CEEF programs.

The FOCB pilot will explore the cost effectiveness of offering rebates for prescriptive oil efficiency measures such as, but not limited to:

- Small C&I high efficiency heating systems
- Small C&I high efficiency water heating rebates
- C&I infrared heating equipment rebates
- ENERGY STAR® programmable thermostats
- EMS controls for oil measures

Implementation

The FOCB, in conjunction with the CEEF program administrators, will develop a list of the cost-effective measures and rebate levels. The final list of rebates will be provided to the CEEF program implementers and delivered to the appropriate customers participating in the electric efficiency program.

It is envisioned that the FOCB will provide separate forms for the oil rebates, but utilize the existing infrastructure for receipt and payment of those rebates.

Target Audience

The FOCB will work with the CEEF program administrators to determine in which customer sector FOCB coordination would be most cost-effective.

Marketing

Modifications to existing C&I marketing materials to include the availability of these rebates will be coordinated by the FOCB and CEEF program administrators, to promote this program. Efforts to include oil dealers in program updates will be developed. The FOCB will include this program in future educational and marketing efforts, including the FOCB website, www.ctfocb.com and will link to other websites C&I customers would typically access for this type of program information.

Cost Effectiveness

Please refer to the explanation of our cost effective strategies as outlined in Section II. Plan Summary, above.

Goals/Budgets

Program Name	Target Audience	Projected # Customers 1/1/09 thru 6/30/10	Projected Avg cost per participant	Proposed Budget 1/1/09 thru 6/30/10*
Commercial & Industrial Rebate Pilot	C&I	300	\$ 1,000	\$ 300,000

*includes, CEEF administration, incentives, marketing

V. Other Programs

Program Planning and Evaluation Reporting

In 2009, the FOCB will engage industry experts to assist with a fundamental review of the FOCB programs for impact and process assessment. The full scope of the research and evaluation will be determined with input from the FOCB members and industry experts. The final scope of work will be posted on the FOCB website.

Energy Conservation Training

In an effort to broaden support and promote growth in the area of “green jobs” for oil efficiency initiatives, the FOCB will fund training programs that will benefit the oil efficiency efforts outlined in this plan. Training focus will include, but not be limited to, training of HVAC technicians on energy efficiency techniques and methodologies, development of an introductory training for oil dealers on the value of FOCB programs to their customers, and financial assistance to oil dealers to participate in these trainings

Goals/Budgets

Program Name	Target Audience	Proposed Budget 1/1/09 thru 6/30/10	Proposed Budget 7/1/09 thru 6/30/10
Program Planning and Evaluation Reporting	C&I and Residential	\$ 75,300	\$ 25,000
Energy Conservation Training	HVAC technicians, oil dealers	\$ 56,200	\$ -
Total		\$ 131,500	\$ 25,000

VI. FOCB Budget

The budget for the FOCB's direct responsibilities for 2008-2010 is as follows:

	BUDGET 7/1/08 thru 6/30/09	PROPOSED BUDGET 7/1/09 thru 6/30/10
Grant revenue	\$ 10,000,000.00	\$ 5,000,000.00
Program Expenses	\$ 9,600,000.00	\$ 4,750,000.00
General Administration Expenses		
Program Administrator	\$ 200,000.00	\$ 210,000.00
Legal Fees	\$ 10,000.00	\$ 5,000.00
Accounting Fees	\$ 25,000.00	\$ 25,000.00
Travel Expenses	\$ 5,000.00	\$ 1,000.00
Insurance Expenses	\$ 5,000.00	\$ 1,700.00
Advertising Expense	\$ 25,000.00	\$ 5,000.00
Contingencies	\$ 130,000.00	\$ 2,300.00
Total General Administration Expenses	\$ 400,000.00	\$ 250,000.00
Percent of total grant amount	4%	5%

Contact Information

Requests for additional information and/or to submit additional comments should be directed to:

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Appendix 1

CT FUEL OIL CONSERVATION BOARD 2009 PLAN SUMMARY

	Program Name	Coordination with existing program	Avg. # customers served 1/1/08 thru 6/30/10	Avg \$ per customer	Proposed Budget 1/1/08 thru 6/30/09'	% of total	Proposed Budget 7/1/09 thru 6/30/10	% of total	Total All Years	% of total
Residential Programs - all incomes										
1	Home Energy Solutions & Clean Tune Test (OPM/CEEF/CMEEC)	√	2,390	\$ 650	\$ -		\$ 1,553,500		\$ 1,553,500	
2	Insulation rebates (OPM/CEEF/CMEEC)	√	1,000	\$ 450	\$ 315,000		\$ 135,000		\$ 450,000	
3	Clothes washer rebates (oil hot water) (OPM/CEEF/CMEEC)	√	500	\$ 345	\$ 103,500		\$ 69,000		\$ 172,500	
4	Oil Water Heater rebates (OPM/CEEF/CMEEC)	√	500	\$ 400	\$ 120,000		\$ 80,000		\$ 200,000	
5	New Construction Rebate (CEEF)	√	225	\$ 2,000	\$ 300,000		\$ 150,000		\$ 450,000	
				<i>Sub-Total</i>	\$ 838,500	8%	\$ 1,987,500	39.8%	\$ 2,826,000	19%
Commercial Programs										
1	Commercial & Industrial Rebate Pilot	√	300	\$ 1,000	\$ 200,000		\$ 100,000		\$ 300,000	
				<i>Sub-Total</i>	\$ 200,000	2%	\$ 100,000	2.0%	\$ 300,000	2.0%
Residential Programs - low income										
1	Low Income Heating System Replacement Program	√	1,250	\$ 6,000	\$ 6,000,000		\$ 1,500,000		\$ 7,500,000	
2	Low Income Heating System Repairs Program	√	465	\$ 2,000	\$ 930,000		\$ 200,000		\$ 1,130,000	
3	Low Income Weatherization	√	3,250	\$ 750	\$ 1,500,000		\$ 937,500		\$ 2,437,500	
				<i>Sub-Total</i>	\$ 8,430,000	84%	\$ 2,637,500	52.8%	\$11,067,500	73.8%
Other Programs										
1	Program Evaluations, Potential Study	New Initiative	NA	NA	\$ 75,300		\$ 25,000		\$ 100,300	
2	HVAC energy conservation training	New Initiative	NA	NA	\$ 56,200		\$ -		\$ 56,200	
3	FOCB expenses (administration budget = 5% or less of fiscal yr total)	NA	NA	NA	\$ 400,000		\$ 250,000		\$ 650,000	
				<i>Sub-Total</i>	\$ 531,500	5%	\$ 275,000	5.5%	\$ 806,500	5.4%
<i>1 Includes total 2008 budget carryover</i>				Total	\$ 10,000,000	100%	\$ 5,000,000	100%	\$15,000,000	100%