NORTHEAST ENERGY EFFICIENCY PARTNERSHIPS

A Regional Perspective on Energy Efficiency Programs in the Northeast for the Massachusetts Energy Policy Review Commission

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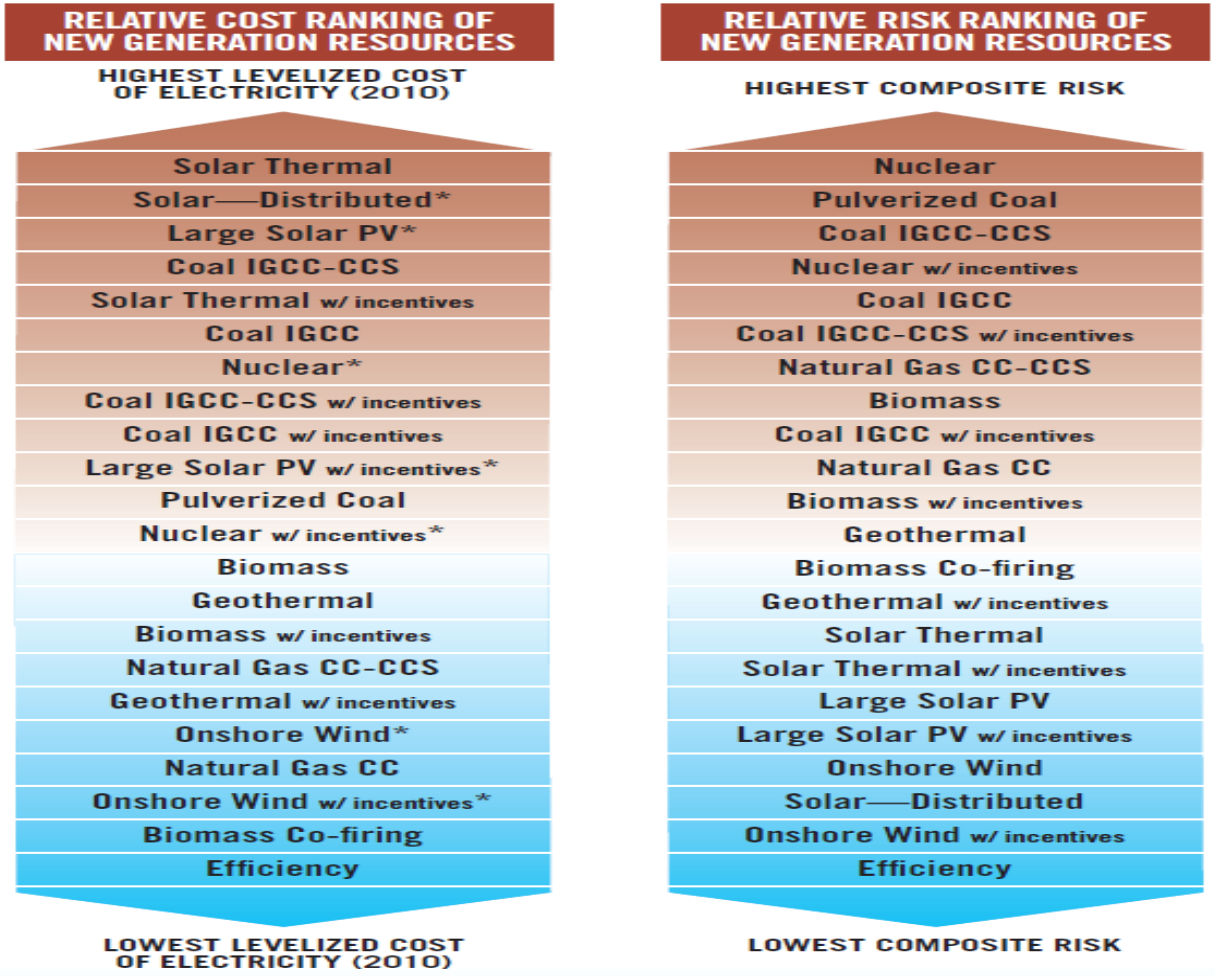
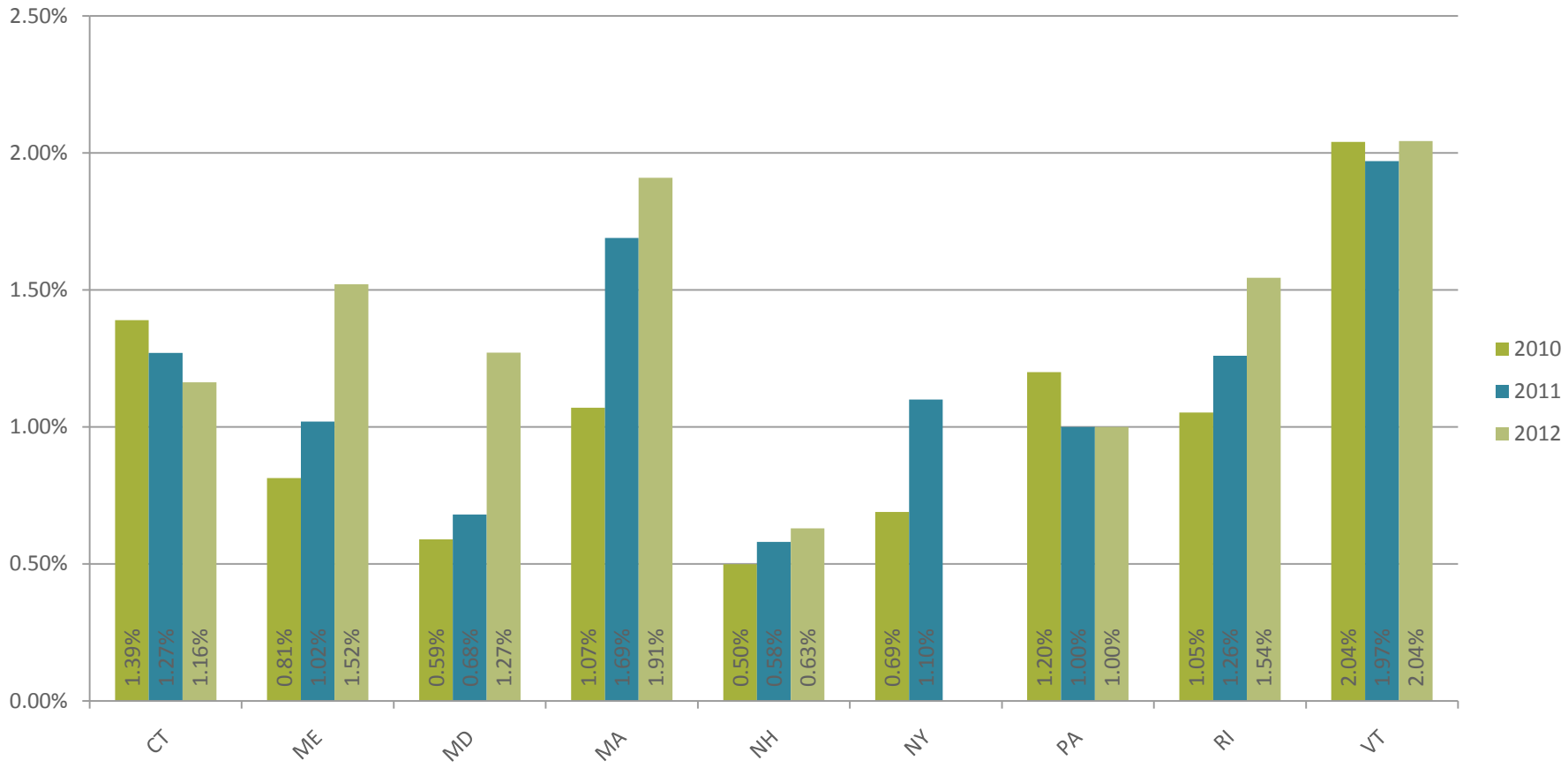
ENERGY EFFICIENCY REMAINS OUR LEAST COST, LOWEST RISK ENERGY RESOURCE



Comparison of the costs and risks for electricity resource options.

Ceres, “Practicing Risk-Aware Electricity Regulation,” April 2012, http://www.ceres.org/resources/reports/practicing-risk-aware-electricity-regulation

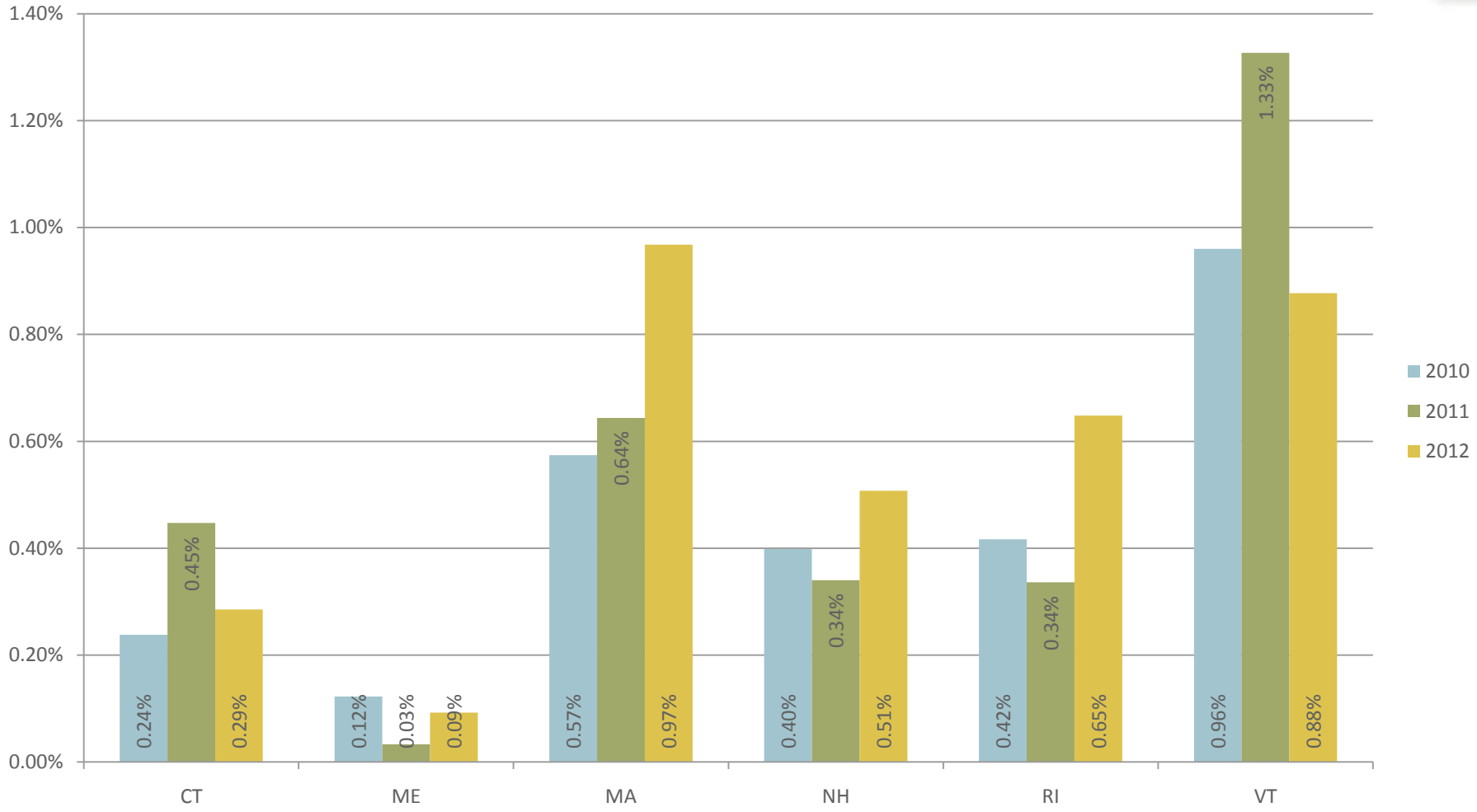
ELECTRIC SAVINGS FROM STATE ENERGY EFFICIENCY PROGRAMS AS A PERCENTAGE OF RETAIL SALES, 2010-2012



Massachusetts is on track to meet its ambitious electric energy savings goals, and is second only to Vermont in savings on a retail sales basis through 2012. The goals set for 2013-2015 are the highest in the nation.

Electricity savings are taken from state annual efficiency reports from 2010 to 2012. States without reported savings data for particular years are left blank. Electricity sales data are taken from the EIA's State Electricity Profiles website. Data included are final sales for 2010 & 2011 (2011 data are use for 2012 sales).

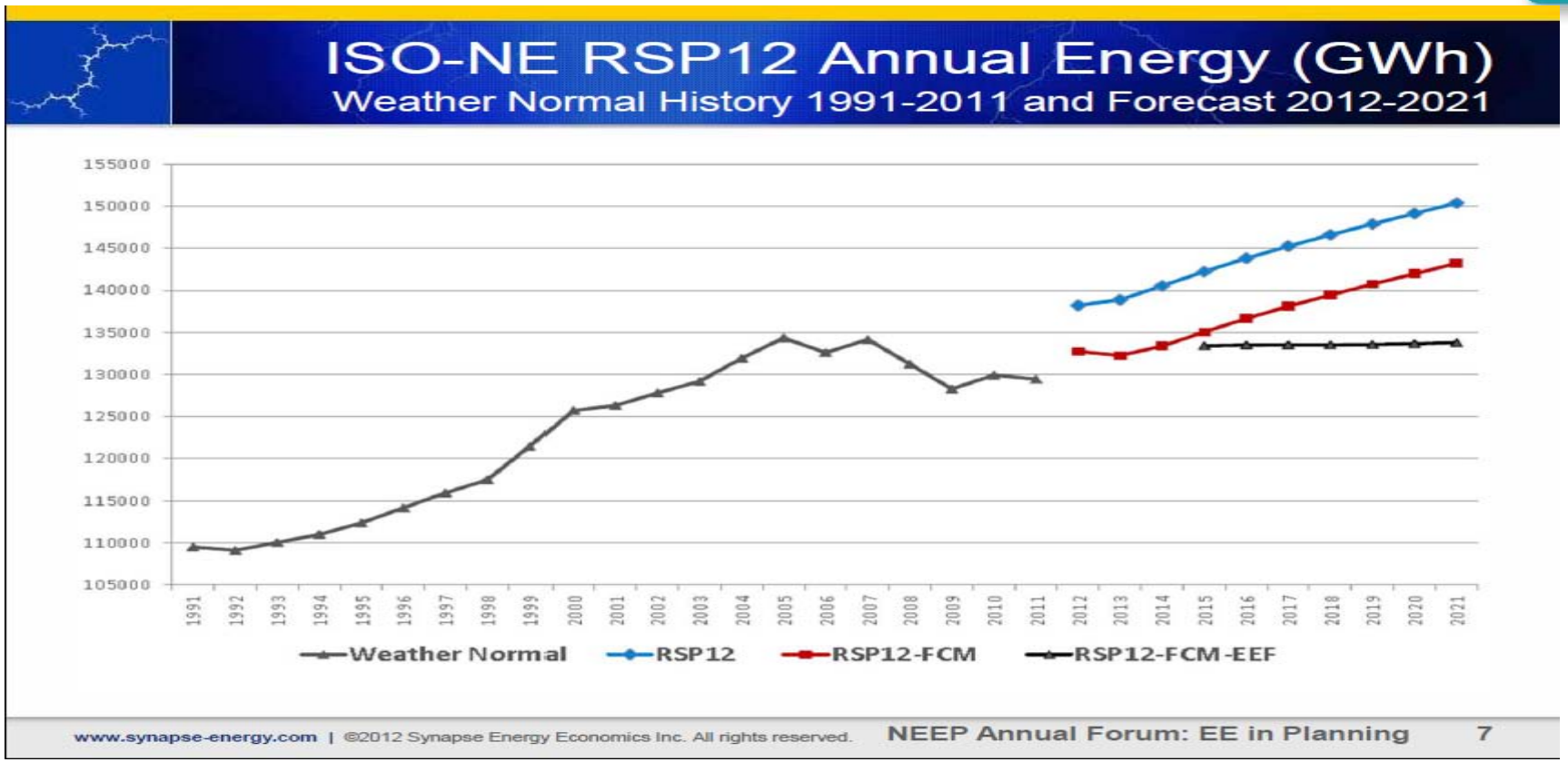
GAS SAVINGS FROM STATE ENERGY EFFICIENCY PROGRAMS AS A PERCENTAGE OF RETAIL SALES, 2010-2012



Massachusetts is also a leader in achieving natural gas energy efficiency savings, with savings increasing significantly over the last 3 years.

States that have natural energy efficiency programs are included in this chart. Natural savings are taken from state annual efficiency reports from 2010 to 2012. Natural gas sales are taken from the EIA Natural Gas Consumption by End Use site. Data included are final sales for 2010 & 2012 (2011 data are use for 2012 sales).

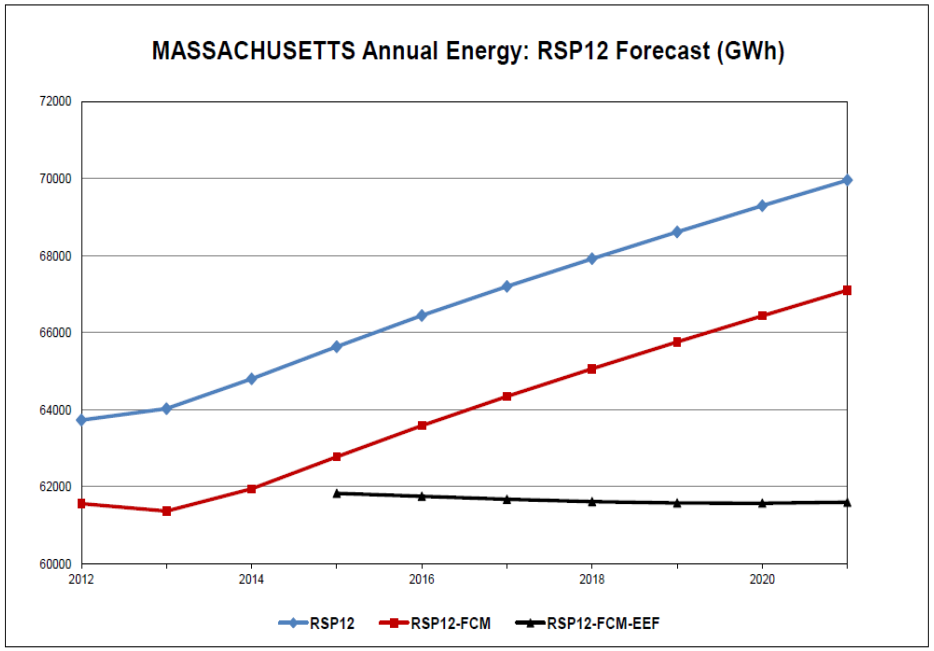
ENERGY EFFICIENCY WILL SIGNIFICANTLY REDUCE REGIONAL ELECTRICITY LOAD IN NEW ENGLAND

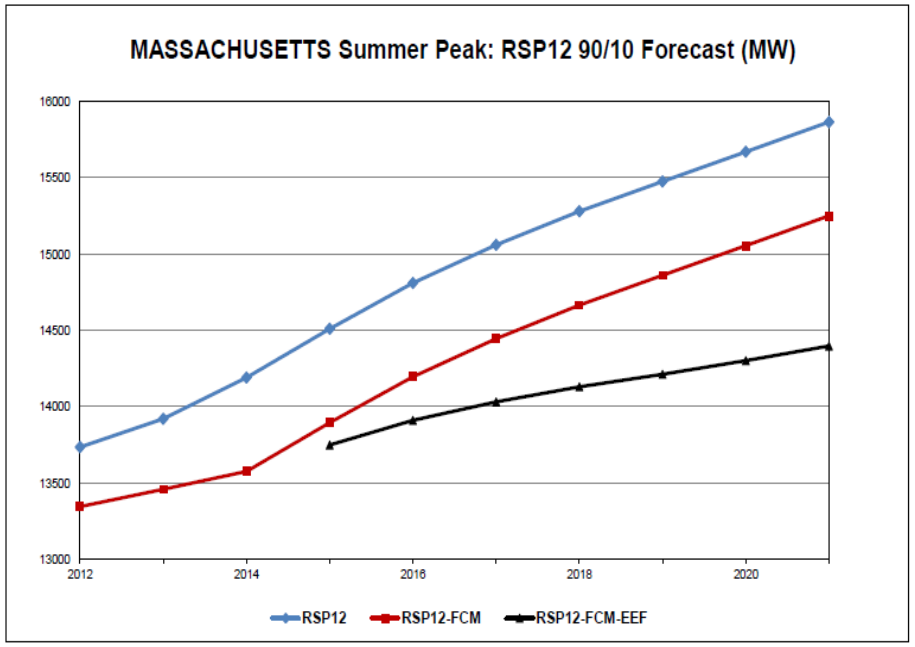


According to ISO-New England, the $6 billion in planned investments in energy efficiency in New England will significant curb peak demand and keep electric load growth flat through 2021. This shift has already resulted in $260 million savings from deferred transmission upgrades in NH and VT.

Paul Peterson, Synapse Energy Economics, Presentation at EM&V Forum Annual Public Meeting, December 2012, http://neep.org/uploads/EMV%20Forum/Calendars/Synapse%20EE%20in%20System%20Forecasting.pdf

MASSACHUSETTS' EE POLICY IS DRIVING REDUCTIONS IN ELECTRICITY USE AND PEAK DEMAND

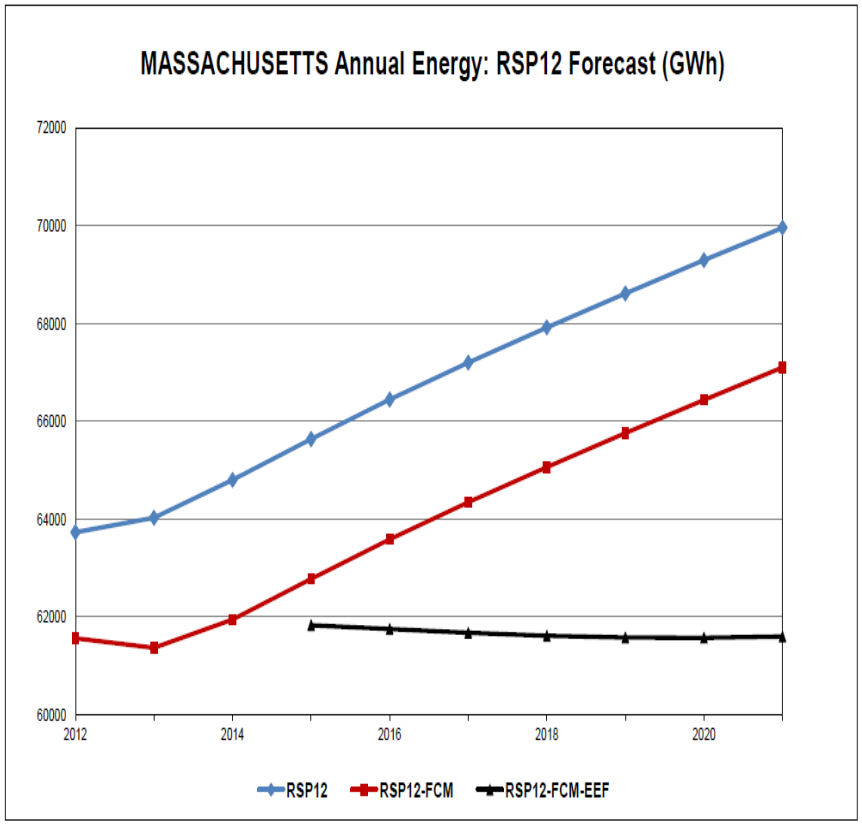


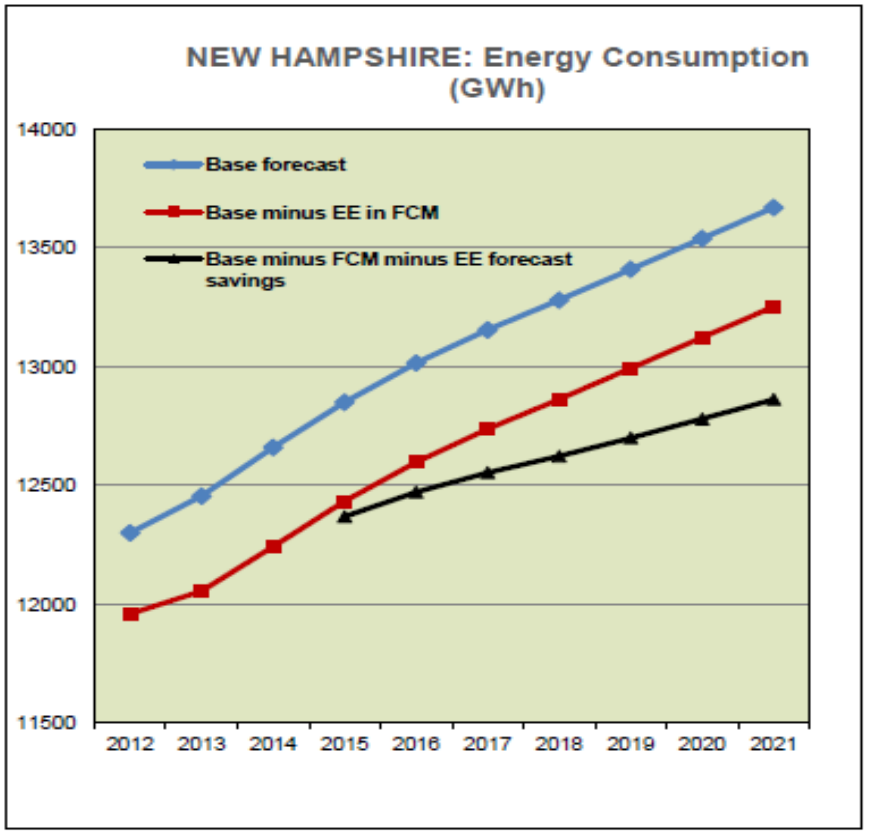


Because of its investments, Massachusetts will see their electricity consumption decline and reduce peak demand growth over the next decade. This peak demand savings will total 853 MW by 2021, similar to the capacity of electric generation plants in the state, such as the Salem Harbor coal plant or the Pilgrim Nuclear Generation station.

ISO New-England, "ISO on Background: Energy-Efficiency Forecast," December 14, 2012 (p. 32): http://www.iso-ne.com/nwsiss/pr/2012/ee_forecast_final_12122012_post.pdf

STATES THAT INVEST LESS IN EE WILL SEE HIGHER LEVELS OF ELECTRICITY LOAD GROWTH

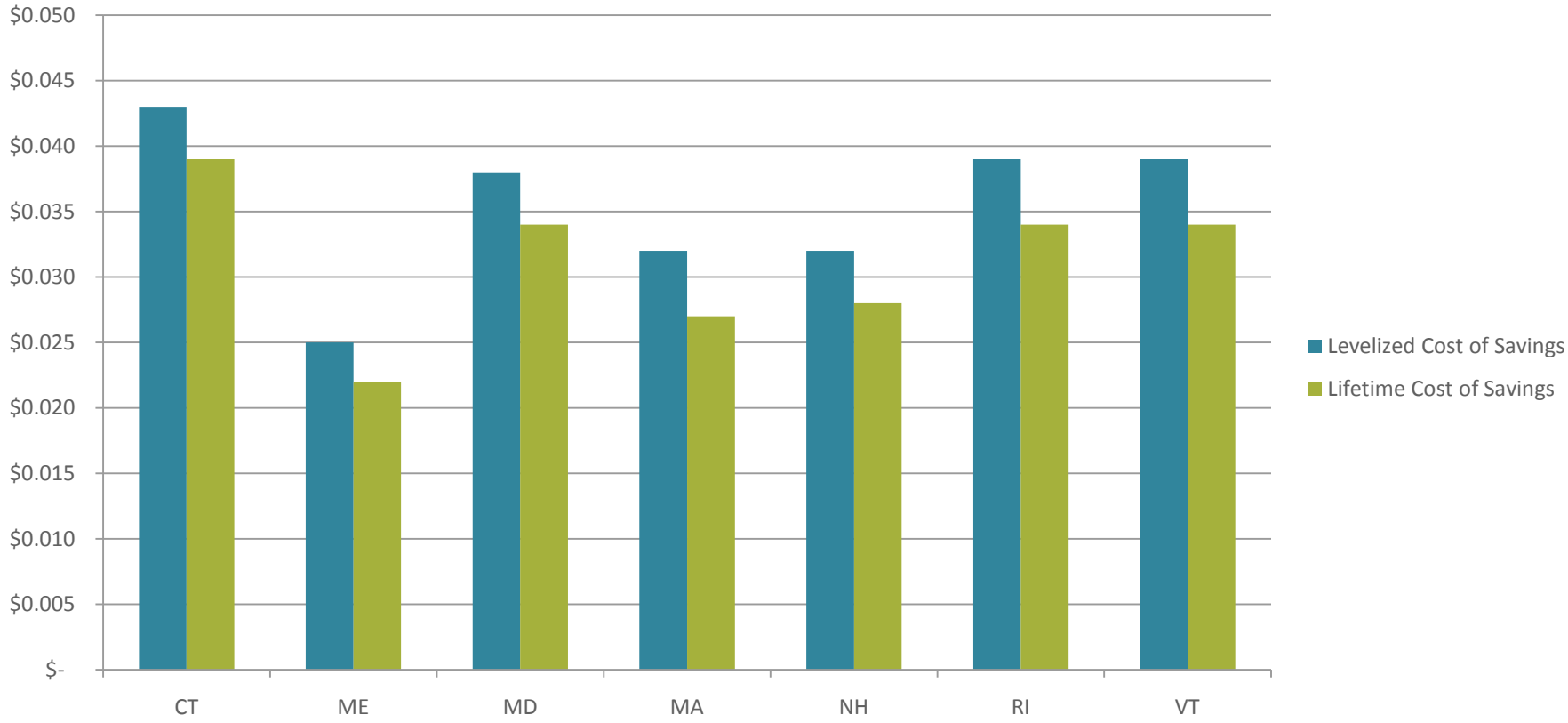




States that are not prioritizing energy efficiency investments, such as New Hampshire, however, will not see the same type of benefits as Massachusetts.

ISO New-England, "ISO on Background: Energy-Efficiency Forecast," December 14, 2012: http://www.iso-ne.com/nwsiss/pr/2012/ee_forecast_final_12122012_post.pdf

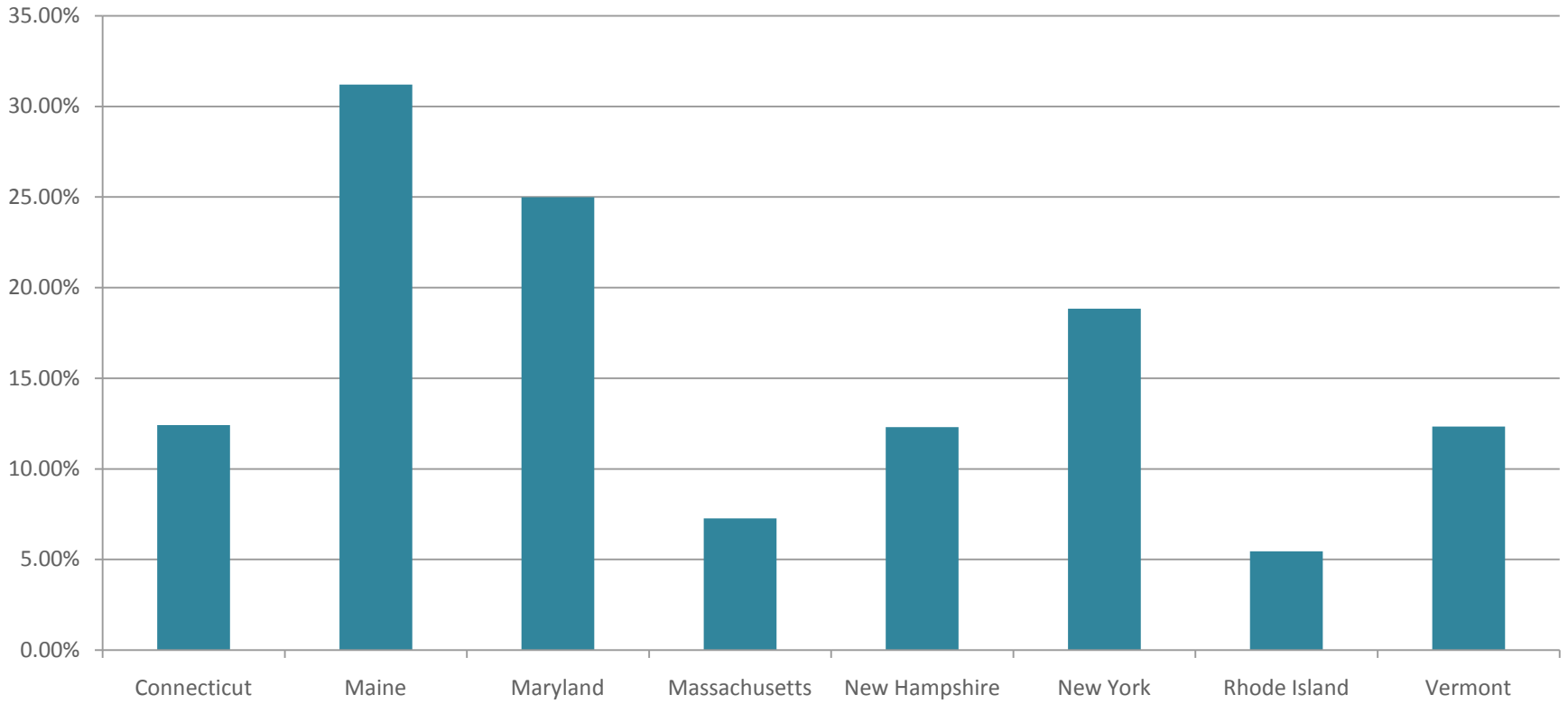
LEVELIZED & LIFETIME PRODUCTION COSTS OF STATE ELECTRIC EE PROGRAMS ($/KWH), 2011



Program costs per kWh on a levelized and lifetime basis for Massachusetts' EE programs are consistent with those around the Northeast region, despite its high level of investment.

2011 data submitted from state EE programs to NEEP's Regional Energy Efficiency Database (REED). Available at http://www.neep-reed.org. NEEP makes no representation or warranty as to the accuracy, reliability or completeness of the information provided in the REED, has not independently verified the accuracy and reliability of such information, and is not responsible for any inaccuracies, errors, omissions, misinterpretations or infringement in such information.

ADMINISTRATIVE COSTS AS PERCENT OF TOTAL COSTS FOR STATE ELECTRIC EE PROGRAMS, 2011



Administrative costs for Massachusetts programs were modest in comparison with those from other programs around the region in 2011.

2011 data submitted from state EE programs to NEEP's Regional Energy Efficiency Database. Available at http://www.neep-reed.org. NEEP makes no representation or warranty as to the accuracy, reliability or completeness of the information provided in the REED, has not independently verified the accuracy and reliability of such information, and is not responsible for any inaccuracies, errors, omissions, misinterpretations or infringement in such information.

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