



Vermont Gas Systems

January 2015

Vermont Gas Goals

- **Customer service**
- **Energy choice**
- **Conservation, efficiency**
- **Partnership in Vermont's clean energy future**
- **Prevent, find and repair leaks in the system**
- **Renewable gas options**
- **Gas islands where appropriate**



Drawing
warm baths
for the next
generation
since 1966.



About Vermont Gas

- Vermont's only natural gas utility, serving customers in Franklin & Chittenden counties and holding the franchise for all of Vermont
- Established in 1965, service in 1966
- Almost 150 employees
- Leader in energy efficiency and innovation
- Offers a clean, safe, affordable choice for nearly 50,000 Vermont homes, businesses and institutions
- Operates over 750 miles of underground pipeline serving Chittenden and Franklin counties
- Regulated by the Vermont Public Service Board

Customer
Focused

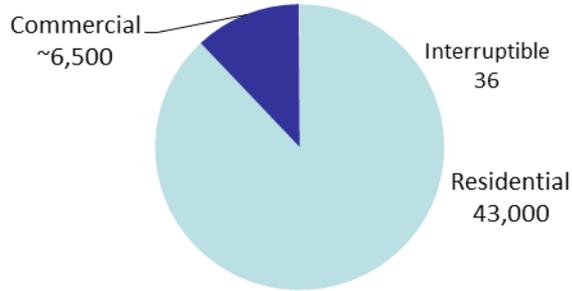
Community
Minded

Environmentally
Sensitive

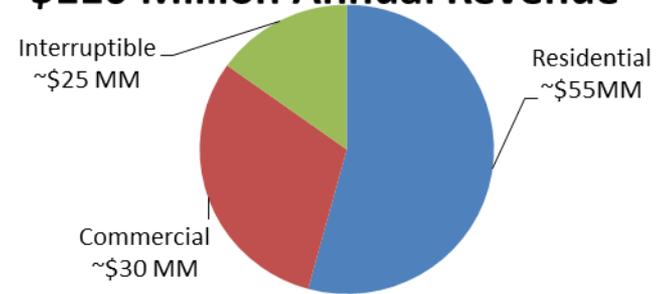


Key Statistics

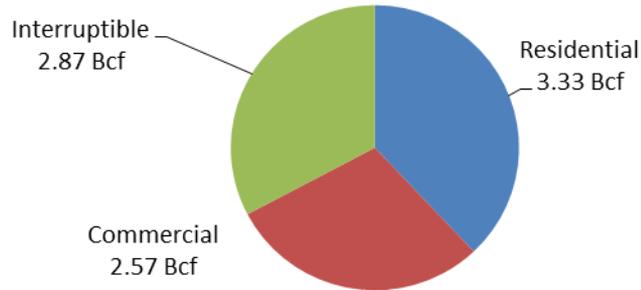
50,000 Customers



\$110 Million Annual Revenue



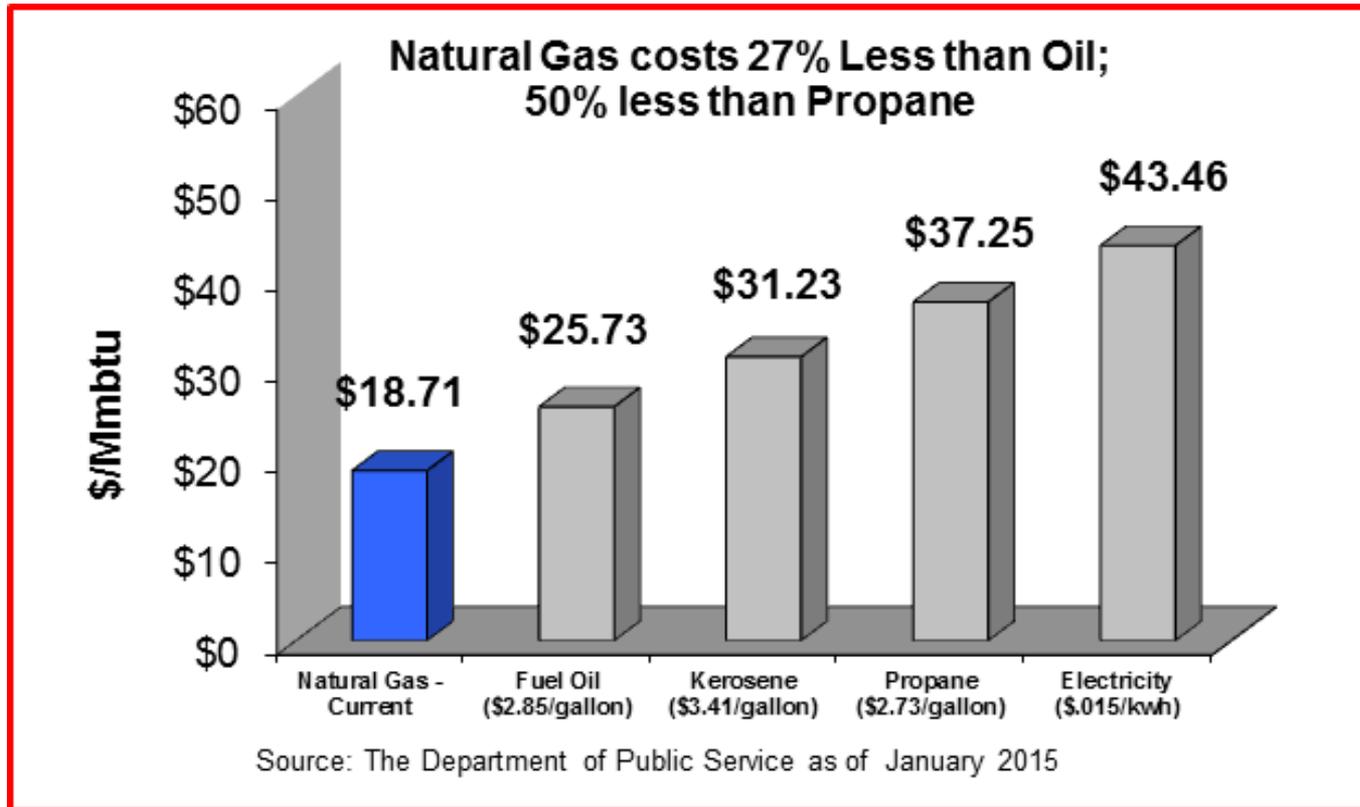
8.8 Bcf Annual Sales



- **\$1.7 million per year in property taxes to 24 municipalities**
- **More than \$800K per year in various GRT**



Significant Price Advantage



Benefits of Natural Gas

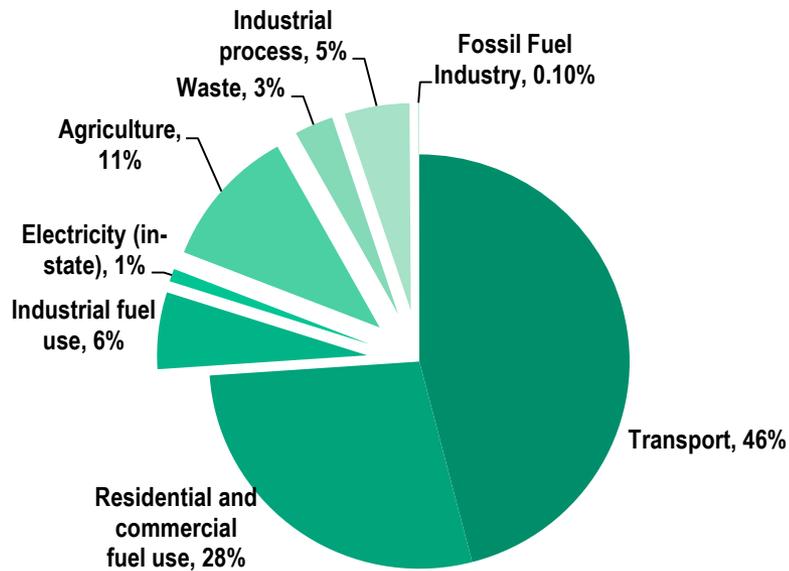
- **Lower Annual Energy Cost**
 - Significantly lower than fuel, oil, propane, or electricity
 - Typical households save between \$700-\$1500/year
- **Lower Green House Gas Emissions**
 - Lower cost allows more efficiency installations
 - Natural gas efficiency programs have eliminated hundreds of thousands of tons of CO2
- **Safety**
 - Pipeline delivery can eliminate many energy safety risks

- **Affordable**
- **Clean**
- **Reliable**
- **Safe**

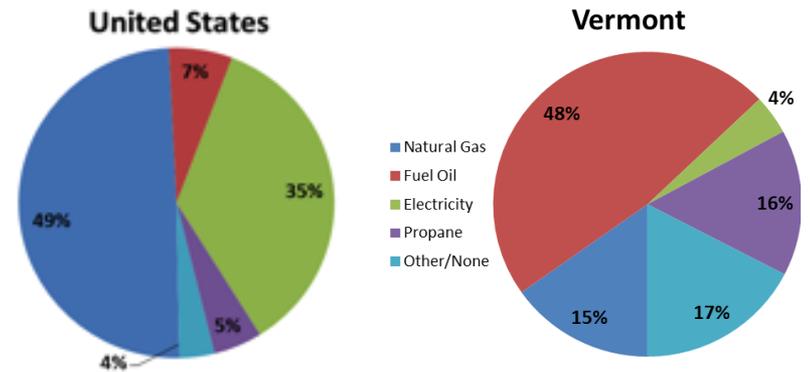


Natural Gas Can Reduce VT's Greenhouse Gas Emissions and Over Reliance on Fuel Oil

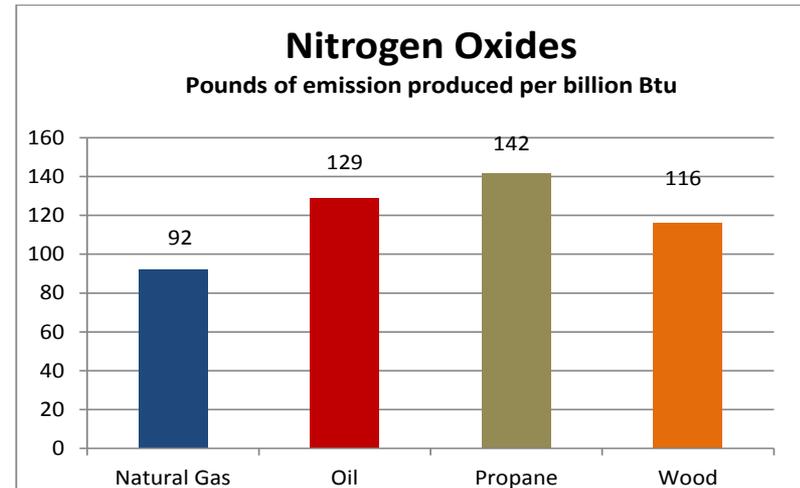
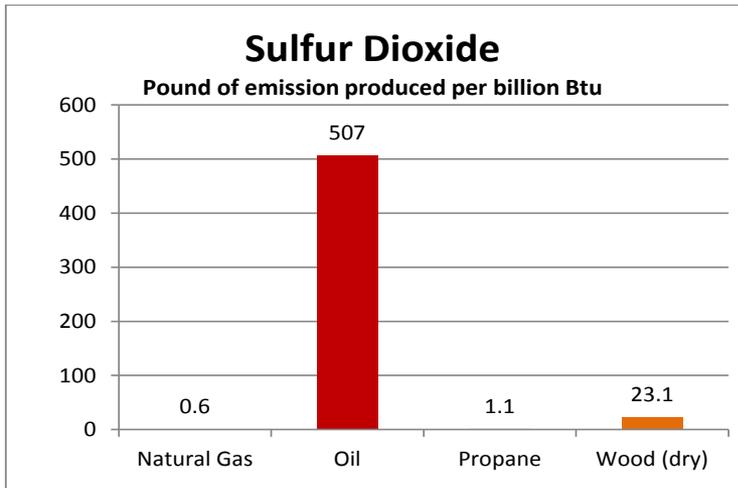
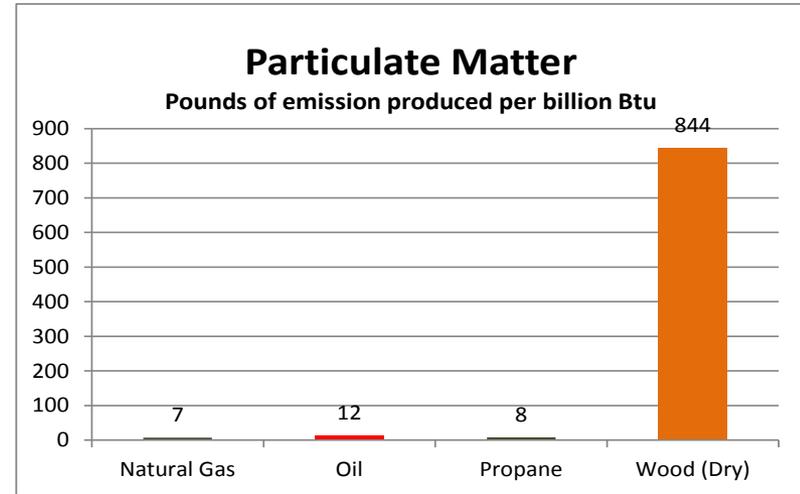
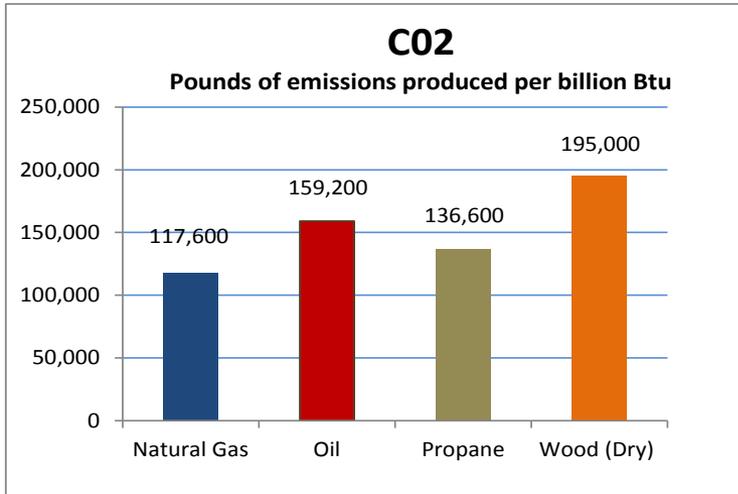
80% of GHG emissions come from transportation and fuel use in heating



64% of Vermont homes are heated with oil or propane vs. 12% in the US



Natural Gas is an Extremely Clean Fuel



VGS Award-Winning Efficiency Programs

- **\$2 million per year investment in energy efficiency**
- **\$28 million invested since 1992**
- **Nationally recognized by ACEEE and DOE for Exceptional Energy Efficiency Programs**
- **Served over 27,000 homes and businesses**
- **Saves customers more than \$13 million per year**
- **Eliminated over 700,000 tons of carbon dioxide**
- **Free energy audits for qualified customers**
- **Rebates, incentives and low interest loans**



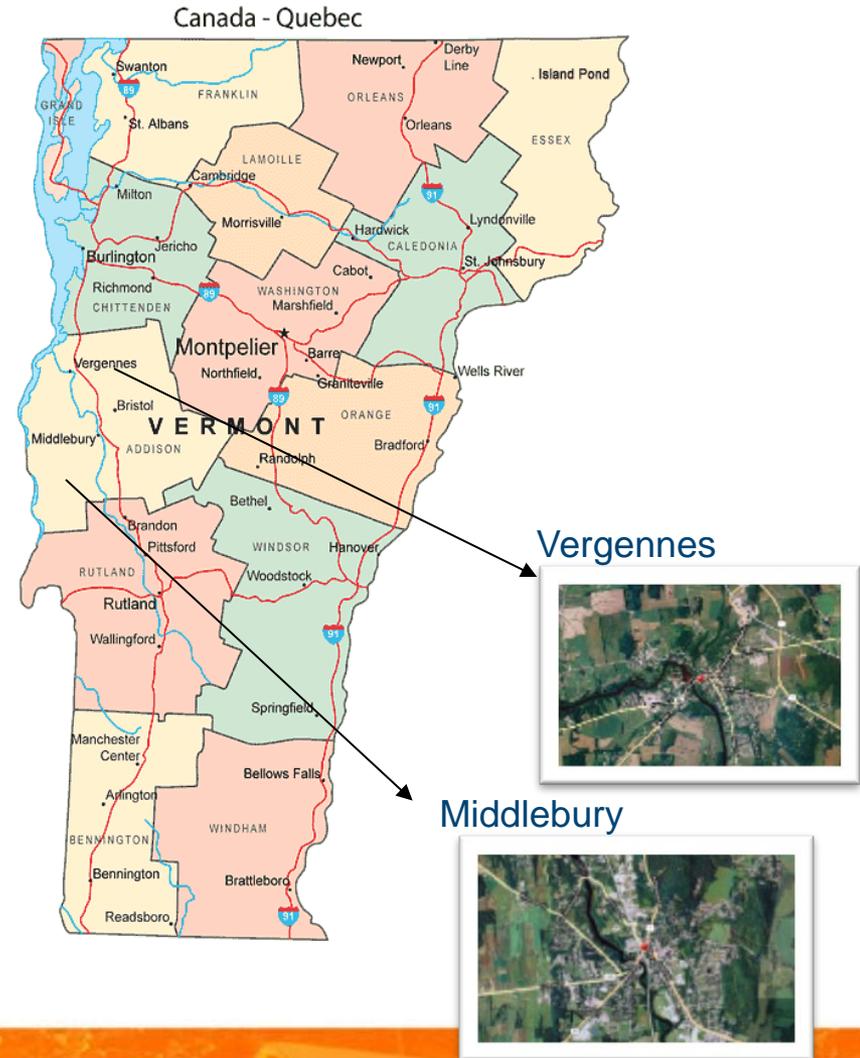
Audits Examine:

- insulation levels,
- air-tightness,
- Heating system efficiency

Addison Rutland Natural Gas

Project: Phase 1

- **ARNGP would bring service to 4,000 homes, businesses and institutions**
- **Extends service to Middlebury, Vergennes, Bristol, Monkton, New Haven**
- **Reduces energy costs by >\$190 million over 20 years**
- **Eliminates 300,000 tons of GHG emissions over 20 years (equivalent to about 36 million passenger vehicle miles per year)**
- **Three years of construction with up to 444 annual Vermont jobs**



Addison Rutland Natural Gas

Project: Phase 2

- **Expand service to Ticonderoga Paper Mill, making the plant more competitive, reducing emissions (greenhouse gases and particulates)**
- **Quickly reduce greenhouse gas emissions by 50,000 tons/yr – same as 4,500 homes' energy use**
- **Bring the natural gas choice to Shoreham and Cornwall**
- **Continue supporting mill demand for forest products (about 15% from Vermont)**



Questions

