



INDUSTRIAL AND MAJOR ACCOUNTS CONSORTIUM OPPORTUNITY

MARKETPLACE NEED

The energy landscape is changing drastically. All energy sources are vying for a top spot in the marketplace while national policies guide the nation toward carbon reduction and further ozone regulations. Natural gas has a unique position of providing energy for electric production and energy for direct use at facilities and when 'electric production and direct use' are combined at one facility, the efficiency of using natural gas excels over other energy sources.

As the industrial sector begins to recover, utilities are recognizing greater opportunity to increase throughput and revenue in the industrial, institutional, and large energy user sectors. It is critical for utilities to develop marketing programs and equip their representatives with the tools they need to take advantage of this re-emerging market.

OBJECTIVES

The objective will be to increase the skills, knowledge, and ability of the industrial account or major account rep to successfully deliver natural gas solutions that will result in enhanced customer productivity, competitiveness, profitability, reliability, and comfort.

UTILITY BENEFITS

An Industrial and Major Accounts Consortium can leverage individual company efforts into strategic partnerships that will reduce program implementation costs and will increase customer satisfaction.

By participating in the consortium, members will be able to take advantage of the combined experience and existing relationships with corporate customers, equipment manufacturers, consultants, trade organizations and energy service companies. You'll have the opportunity to contribute and learn the advantages of specific process efficiency improvements and areas of growth. Analytical tools will be provided to help identify opportunities and provide guidance for cost effective energy efficiency investments by the customer. Identifying and prioritizing savings opportunities provides added value to customers, and often gives them the means to take advantage of growth opportunities leading to higher productivity. The end result is a strong, viable industrial base that is capable of producing a better product in a more economical way than in other parts of the world. This then lays the groundwork for expansion of our industrial base and the productive use of our natural gas commodity for manufacturing and process utilization.

Member Utility Benefits as a result of this Consortium effort are:

- Assist utility reps in identifying the unique energy needs of industrial, institutional, and other large users including alternate fuel usage, conversion opportunities, and onsite power generation opportunities.
- Increased customer competitiveness through more efficient natural gas utilization.
- Increased awareness that emission reductions are an integral part of efficiency improvement.
- Increased influence over regulatory entities and interveners by collaborating with industry trade associations and government agencies to improve market intelligence and discuss solutions related to greenhouse gas emission and cap and trade concerns.

CUSTOMER BENEFITS

Customers will benefit from this consortium effort because:

- The consortium will aim to identify and evaluate existing and emerging technologies, applications, and programs that are able to provide significant energy/cost savings at a customer's site. The goal will be to save energy while improving productivity, lowering emissions, and raising the customer's competitive position.
- Customers will be able to work with LDC's who have ready access to a suite of screening, evaluation, and application tools that will assist them with economic evaluations, emissions benefits, and the overall decision-making process.
- Workshops, marketing literature, and web-based platforms will provide the customer with easy access to current best-practices for highly, efficient natural gas products.
- Customer will view LDC as a credible and professional source of energy and business knowledge and advice.

PROGRAM PLAN

The roles and responsibilities of those LDC employees dedicated to industrial customers and major accounts are quite diverse today. They may include contract negotiations, reliability planning, DSM conservation planning and energy efficiency initiatives, to name a few. Consequently, to be successful, any new ESC consortium effort aimed at industrial and major account customers needs to reflect that diversity. We propose that the Industrial and Major Accounts Consortium consist of the following elements:

1. Increase industrial customer productivity, competitiveness and profitability through understanding of natural gas equipment, technologies and systems.
 - a. Monitor and Report on Improvements in Controls, Measurement, and Energy Management Tools
 - b. Develop Case Studies that will influence Customer Decisions toward Natural Gas Solutions
 - c. Initiate field trips to major industrial facilities that have deployed new gas systems and equipment
2. Pursue economic development opportunities that result in load growth or retention by maximizing the contribution of the industrial/major account rep
 - a. Engage LDC and local/regional Economic Development Specialists to exchange best practices and to better define the role of the industrial account rep in economic development and within the LDC Economic Development team
 - b. Identify LDC programs and state PUC regulations helpful to the expansion of gas lines to industrial customers
 - c. Development of Tools explaining the advantages of LDCs vs third party marketers
3. Develop and sustain more impactful Customer Relationship Management strategies by enhancing the capabilities, tools, and skills of industrial/major account reps
 - a. Maintain existing customer accessible websites and update with new and exciting information (<http://industrial.myescenter.com/>)
 - b. Refresh Gas Technology magazine content and format
 - c. Case Studies
 - d. Customer Focus Groups
 - e. Sales and marketing workshops

4. Provide insight on environmental and legislative impacts on industrial customers. Lead focused discussions on greenhouse gas emissions and cap and trade concerns and solutions.
5. Capitalize on the ESC CHP consortium to elevate CHP as an energy efficiency opportunity and as a DSM opportunity.
6. Provide formalized training in the types of gas equipment used in numerous industrial and large account processes and operations.
7. Identify customer load growth, retention, and energy efficiency opportunities by providing the industrial/major account rep with market sector intelligence and trends
 - a. Revive collaboration with DOE and industry trade associations such as CIBO, ABMA, IHEA
 - b. Redevelop an Expert Network
 - c. Bring industry consultants to TMAF
 - d. Specialized market research reports
 - e. Collaborate with DOE CHP TAP program
 - f. Consortia-funded attendance at specialty conferences
8. Retain and grow gas load by accelerating the introduction of new gas equipment to customers via technology demonstrations

Various Levels of Intensity:

 - a. Monitor field demos by utilities
 - b. Partner
 - c. Sponsor

DELIVERABLES

- Determined by consortium members upon joining

INVESTMENT

The programs and products outlined here are valued at \$100,000. If 10 members join the fee will be \$10,000 per member with the opportunity to pay over 2 or 3 years at a yearly installment as appropriate.

**to be finalized upon joining member consensus of deliverables*

ACTING PRODUCT CHAMPIONS

Aqeel Zaidi, Enbridge Gas

Phone: 416-495-6531 E-mail: Aqeel.Zaidi@enbridge.com

Cherif Youssef, SoCal Gas

Phone: 213-244-5325 E-mail: cyousef@semprautilities.com

Bentley Whitman, DTE Energy

Phone: 231-753-6143 E-mail: whitmanb@dteenergy.com

For more information contact:

Tina Read

ESC Manager of Commercial and Industrial Markets

400 N. Capitol N.W. Suite 450, Washington, DC 20001

Phone: 202-824-7151 E-mail: tread@escenter.org