



## **ABOUT THE COUNCIL**

### **What is the Council for Responsible Energy?**

The Council for Responsible Energy (CRE) is a non-profit association formed by the natural gas industry. Its mission: to educate and build awareness among consumers, businesses, and key decision makers that by choosing natural gas they can help save energy, reduce emissions and protect the environment without compromising performance or lifestyle.

### **Why was CRE Formed?**

Consumer research found that when it comes to the environment customers want to do the right thing, but many don't know how. And, more customers believe electricity is greener than natural gas. These responses came from current natural gas customers.

CRE leaders knew that individual organizations within the industry are addressing many of the same challenges – the need to increase retention rates, expand burner tips, and acquire new customers. We also saw that there is no consistent industry message and no infrastructure to make it happen.

Through CRE, we focus collective resources to present a unified natural gas marketing message. We can tell consumers about the positive attributes of natural gas in a consistent manner. We can develop national campaigns to reach key stakeholder audiences, spreading the costs across all companies.

### **Who Are our Audiences?**

We are focusing on opening doors and building relationships. We'll start by addressing our own industry. Then we are targeting the key influencers who impact our business: consumers, legislators, regulators and government officials. And we are reaching out to the building trades and national accounts.

### **Why a “Green” Message?**

First, we have a compelling story: A natural gas home produces fewer greenhouse gases than an electric or oil heated home. While the nation struggles to find sustainable energy options, we have a responsible choice for energy that also is comfortable.

Second, our industry is experiencing load loss and slipping market share in the energy and housing markets. Nationally and locally we are facing legislative and regulatory hurdles in the areas of carbon caps and green building regulations. And we are struggling to catch up as electric utilities establish stronger environmental positioning in our markets.

Third, energy and the environment are top of mind across the country. Green energy is one message that, regardless of region of the country, size of your company, or rate structure, everyone is can embrace.

As an industry, it's time to be heard.

### **How was CRE Formed?**

Over a year ago, CRE was born out of the natural gas industry's senior leadership. Today, our membership includes C-level and management from providers, industry associations, pipeline/producers, and manufacturers. We have a fulltime executive director and a national marketing, advertising, and PR agency known for environmental positioning and marketing.

### **What Are the Benefits to Members?**

In just our first year, CRE members have had the benefits of professional research, membership development, and marketing efforts. Our Tool Chest available now to members includes:

- "Comfortable. Responsible" logo, brand video, core messaging, member website, press releases, FAQs, letters to editors, and individual PR outreach announcing the CRE and each member's participation.

The following items are on target for the next several months (2008-09):

- Consumer research, bill stuffers, consumer Web site including an emissions calculator (developed with ICF), social marketing, national public relations campaign, and creative for outdoor, print, television, and online ads.

This is just the beginning. Our 5-Year-Plan includes expanded outreach to consumers and decision makers and broadening our base of strategic partners.

**Professional Programs – At Much Less Cost.** Our collective efforts enable members to have programs and materials of the highest quality, something it would be difficult for individual members to have on their own. Many elements are available to members at no charge, including the logo, emissions calculator, and consumer Web site.

### **PAYMENT AND FEES**

#### **How Much does it Cost to Join?**

We have worked to keep our fees reasonable and equitable, while allowing us to provide the highest-caliber services possible. Our fee structure is below.

Investor-Owned or Publicly-Owned Natural Gas Utility	\$.15 per resident meter up to \$350,000
Natural Gas Production Company	\$15,000
Natural Gas Transmission Company	\$15,000
Natural Gas Equipment Manufacturer	\$10,000
Natural Gas Equipment Distributor	\$10,000
Natural Gas Marketing Company	\$5,000

#### **What do you want as the average number of meters? As of a certain date or a 12 month average?**

The CRE believes it is important that the methodology to determining a company's average number of residential meters should be easy to calculate. Therefore, calculate the number of residential meters as the average of your company's previous 12-month residential meter count at the point of membership application.

#### **Will any of our corporate AGA fees support the CRE?**

Although there will be some overlap of members, the CRE is in the process of applying for a 501.C.3 status that is separate from the American Gas Association. Although the two groups advocate natural gas, the two work separately. AGA has an advisory position on the board of

CRE. However, CRE has a mission that is separate from AGA. Because of that, AGA fees will not support CRE.

**Are the fees given on the earlier slide on an annual basis?**

The CRE membership fees will be paid on an annual basis. CRE's fiscal year is October through September. If an organization decides to join during the fiscal year, the yearly fee still applies. CRE is willing to work with an organization that wants to join but may find that the membership dues are difficult to pay, or unbudgeted.

**Does any company process this through Demand Side Management (DSM) funding?**

Demand Side Management funding should be able to support CRE membership. One of the initial investors in the CRE is a utility from Florida, where the Public Service Commission has permitted rate-based energy conservation funding. The Florida PSC has approved a public awareness campaign to encourage direct use of energy efficient natural gas in the home or business. The campaign promotes energy conservation messaging, rebates available for conversion to or retention of natural gas, and is not brand-building or self-promotional for the utility. The CRE campaign will work in the same way for participating members.

**MEMBERSHIP/ROLES**

**What role do you see for equipment manufacturers and distributors?**

We do feel strongly that there is a very important role for equipment manufacturers and distributors, and certainly encourage participation.

**What are the plans for engaging equipment manufacturer members? Who will be making these contacts?**

A fee structure is already available for membership in the Council. Equipment manufacturers have already contacted us, as well as contacts will be made with equipment manufacturers by the Council on an on-going basis.

**Is there going to be a need for a member company's to have participants in the effort or will the involvement primarily be through contribution and using materials locally?**

All utility member companies are allowed one voting member, and certainly input is welcome, and from time to time, member companies may be ask to work on committees. Involvement will primarily be through contribution and ability to utilize materials in "tool chest" on a local basis, as well as more global basis.

**Will participants be provided hard copies of the presentation as well as membership materials for review and consideration?**

Electronic copies, vs. paper copies, will be provided in keeping with our "green" initiative. A link will be provided to cremembers.org, so that the presentation from August 14th can be viewed, as well as membership materials for review and consideration.

**Can we get a copy of the powerpoint presentation and the great video to allow us to add to our internal proposal and discussion?**

Yes!! The presentation and video are being made available for downloading at cremembers.org.

**Will the best practices be available to CRE members only or to anyone in the gas industry?**

Best practices will be made available to CRE members.

## **MESSAGE**

### **How soon can promotional materials be made available?**

Promotional materials are available to members now and we will continue to add more materials as they become available. On the members-only intranet site [cremembers.org](http://cremembers.org), you can download logos and the brand essence video as well as the message map which will help you incorporate the CRE messages into your local marketing. In the next couple of weeks, a press release and boilerplate language will also be available. We are starting work on creative elements such as television, radio, and print and will roll those materials out as they are ready in the next few months.

### **Is there going to be a speakers' bureau or spoke people who are part of the team that will answer media questions, go to commissions, etc.?**

National media enquiries will be directed to the Council's communications partner Porter Novelli who will, where appropriate, engage member executives in responses. Porter Novelli will be developing a list of members who are well-versed and trained on communicating CRE's messages. In addition, media talking points and other media materials such as press releases and fact sheets will be provided to the members for use in their own local and regional communications.

### **How will regional competitiveness be handled?**

The efforts of CRE are complimentary to, but not meant to replace, local marketing efforts where specific competitive environments exist. Many of the tools that will be available to members will be customizable and the messages available to incorporate into current marketing efforts.

### **Those of us from gas and electric combination utilities are not at all interested in marketing, communications materials and advertising messages that slam electricity. Here in the northeast, however, we'd love to take away some business from the oil heat.**

In no way is the CRE slamming the electric industry or its product. Quite the contrary, the CRE is looking to place the best fuel for the right appliance - water and space heating, cooking and drying cloths. The direct use of natural gas for these applications are the most efficient and offer significant environmental advantages in lowering green house gas emissions and carbon. In educating and directing our customers to the right fuel choice for their appliances we are doing the right thing for our customers and environment. The bottom-line, promoting the direct use of natural gas is the responsible thing to do as a corporate citizen. In addition, a combination utility has a unique advantage to use natural gas in its energy conservation strategies and lowering overall carbon emissions and the future cost of compliance.

Currently, two CRE board members represent combination utilities – one being an initial investor. The strategy of the CRE has been straightforward and clear: there is no need to “slam” or disparage electric utilities – or any other energy source – within this campaign. Natural gas is the cleanest-burning fossil fuel, it has significantly fewer greenhouse gas emissions, it is energy efficient and it is comfortable. These are the facts. Combination utilities stand to benefit greatly from the CRE effort, particularly those with demand-side management initiatives. The natural gas business can contribute to the electric utility's conservation efforts while increasing revenue and possibly defraying the immediate need for generation investment.

**As an LDC, the ability to recover the cost of supporting the organization may hinge on whether it is deemed "self promotion" (no recovery allowed) or an alliance to educate consumers & other stakeholders on the environmentally friendly benefits of natural gas at the burner tip & thus recovery is possible as an energy efficiency/conservation or even demand-side management message.**

The Council for Responsible Energy is not about branding a specific company and is not self-promotional in its very nature. The CRE was born out of the need to promote the benefits of natural gas as an eco-friendly, energy efficient and domestic energy source for North America.

**In terms of the energy policy debate, how will CRE differ from what AGA is already doing?**

This is one of the most exciting things about the CRE: the Council is a unified effort to reach consumers across North America. The relationship between the CRE and other natural gas industry associations is reciprocal. The CRE campaign will work to enhance the existing efforts of the American Gas Association and other associations. At the same time, the associations support the CRE.

AGA, SGA, the Energy Solutions Center, and the American Public Gas Association have all been a part of the CRE's launch. Tom Moskitis, vice president of external affairs for AGA, has been very involved with the CRE development and growth. Dave Parker, president and CEO of AGA, said "AGA applauds and supports CRE's leadership in this effort and urges natural gas utilities across the nation to join this worthwhile initiative."

**Would CRE consider utilizing "Choice" and "Reliable or Reliability" as part of the campaign?**

The Council for Responsible Energy will be most successful with an active membership, and participation in development and implementation of the campaign is encouraged.

Porter Novelli has spent much time and effort to understand the natural gas business, consumers and the environmental movement through primary and secondary research initiatives. With this knowledge base, a message map was created that will guide the campaign with a focus on the tenants of natural gas – including safety, reliability, comfort and being the right choice for our country right now.

**Thank you for considering CRE**

As we take our message public, our goal is to include as many members of the industry as possible. Join CRE today. We all have a stake in the natural gas industry being successful. You'll help make sure the voice of the natural gas industry is heard.

To participate in CRE, visit [www.cremembers.org](http://www.cremembers.org) to complete your member form or call Executive Director Larry Farthing at (972) 620-4018.