

2008 New Jersey Clean Energy Conference
“Clean Tech and Utilities: Building a Successful Future Together”

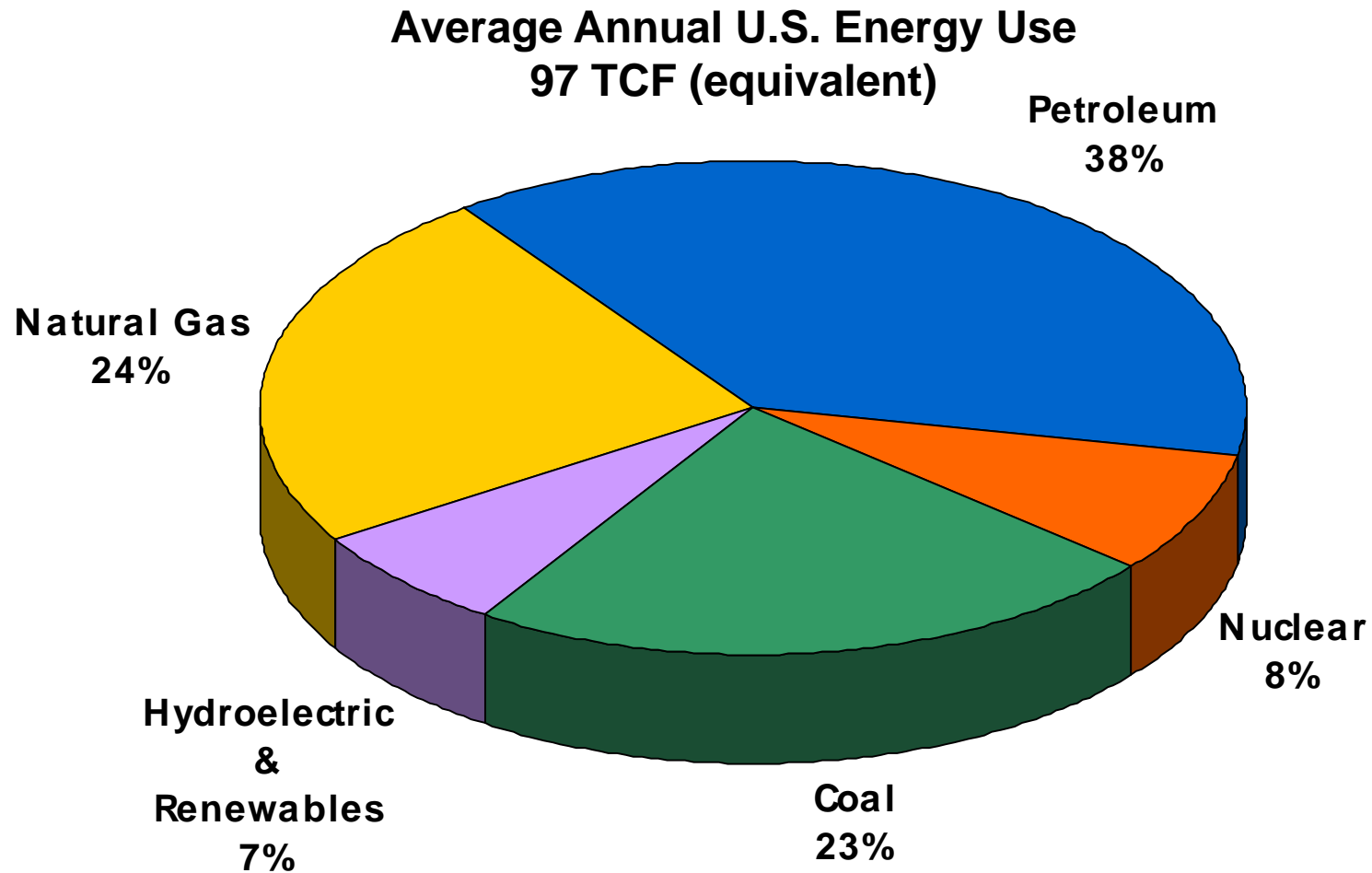
**“The Utility Connection -
Partners for a Better Tomorrow”**

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We Live In A Carbon-Based World



Source: National Petroleum Council



It Just Makes Sense

Why do Clean Tech Solutions Make Good Business Sense?

- **Good for customers**
 - Help Meet Energy Needs and Manage Costs
- **Good for the environment**
 - Reduce emissions and protect our natural resources
- **Good for Business**
 - Future growth potential for a company
 - Economic development opportunities for the community

**We view it not as a cost, but an investment
in the future**



What's Driving Our Actions

- Policies are changing
 - Energy Master Plan
 - Aggressive goals to reduce greenhouse gas emission 20 percent by 2020 and 80 percent by 2050
 - RGGI Legislation
 - Aims to reduce emissions from power plants
- In order to meet these goals, it is critical for utilities to be active and involved partners

It is simply the right thing to do for our industry, our customers and our future

The Utility Connection

As utilities, we have a unique role to play. We are:

- A lifeline service provider
- An economic engine that supports New Jersey's businesses
- A corporate partner dedicated to helping strengthen our communities
- A trusted channel to the market place

As utilities, we are in a unique position to encourage, implement and promote clean energy solutions



Conserve to Preserve

- On October 12, 2006, the BPU approved our program
- Aligns the companies interests with those of our customers and state
- Aggressively promotes conservation and energy efficiency for customers
- Promotes New Jersey's clean energy policies



What We've Done

- Conserve to Preserve Business Online
 - FREE service for commercial customers looking to increase operational efficiency and effectively manage energy costs
 - Connect to the NJCEP Smart Start Program
- Monthly Newsletter
 - Monthly communication with the latest energy-saving information
- E-Tips
 - Free, monthly e-mails with the latest energy-saving information
 - Since it launched, 26,000 have subscribed
- Conserve to Preserve Dashboard
 - A living audit tool to help analyze your energy costs and identify areas for savings
 - Integrated with the NJ Clean Energy Program's Home Energy Analysis



New Jersey Natural Gas became the first utility to join the state's efforts to reduce its carbon emissions 20 percent by 2020

What We Learned

- We undertook a comprehensive review of our operations to identify what our carbon footprint was
- Working with The Conservation Fund, calculated our carbon footprint at almost 20,000 tons
- Armed with this information, developed a plan offset and reduce our emissions
- And we are committed to helping our customers do the same

Getting Started

- Purchase 100 percent of our electric needs through the state's **CleanPower Choice** program
 - NJNG is the largest purchaser of clean, renewable energy through this program
- Convert all of our vehicles to hybrids, alternate fuel and compressed natural gas
 - We have already converted 34 trucks and 15 pieces of construction equipment to biodiesel reducing our emissions by 10 percent or 200 tons annually
- Installed motion sensor lighting in our buildings
- Evaluate the potential of solar and wind energy to power our facilities
- Planting For Our Future
 - Planted more than 22,000 trees offsetting nearly 30,000 tons of emissions



What Can You Do

- Know where your emissions are coming from
 - Emissions produced by such things as cars, energy consumed to heat, cool and power your home or business, as well as indirect sources such as paper usage
- Set a goal
 - How much do you want to reduce your emissions by
 - Get others involved
 - Seek solutions from everyone
- Act now
 - Learn about the programs and resources available to help
 - You have to start somewhere, what better time than now

Clean Tech and Utilities: Working Together

- As utilities, we understand your energy profile and the challenges you face
- Use your utility as a resource
 - There is a lot of information out there, we can get you pointed in the right direction
- Combining our efforts
 - For example:
 - Ask us about special tariff rates for combined heat and power generation
 - Ask your electric provider about demand response opportunities
- Little things make a big difference
 - Remember changing the things you use every day can have a great impact
 - Using power management functions can help you save as much as \$75 per computer annually



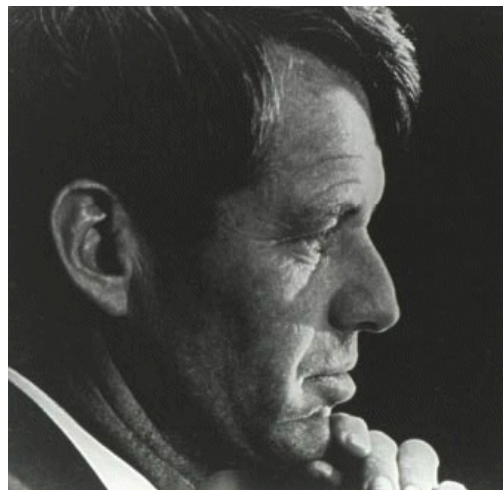
Making A Difference

- If we are going to reach our goals, then we have to do it together
- Clean tech solutions are critical to our industry, our environment and our future
- We need to look at new models and new opportunities to help leverage utility resources to benefit customers
- The choices we make have the potential to change the world

It is going to take all of us doing our part
to make a difference

Conclusion

“The future will be shaped in the arena of human activity, by those willing to commit their minds and their bodies to the task.”



Robert Kennedy