
New Hampshire Independent Study of Energy Policy Issues





Presentation for the NH EESE Board

February 11, 2011

**Christine Donovan,
Project Manager, VEIC**

**Scudder Parker, VEIC
Jeffrey Taylor, JHTA
Steve Whitman, JHTA**

Agenda

1. Remind us of the context for this study –
Christine (10 minutes)
 2. Describe the study – Scudder & Discussion (30 minutes)
 3. Explain stakeholder outreach & engagement –
Jeff (10 minutes)
 - Break
 4. Obtain your insights & perspectives –
Jeff & Discussion (30 minutes)
 5. Summarize next steps & EESE Board roles –
Christine (10 minutes)
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Study Context

- NH “SB 323” charges NH PUC to:

“Contract for an independent study, through means of a non-adjudicative investigation utilizing a broad collaborative process, regarding legislative, regulatory, and market-based policy options, to address the following issues ...”

Study Purpose - per SB 323

- “Comprehensive review and analysis of EE, conservation, demand response, and SE programs and incentives ... and recommendations for possible improvements to maximize their effectiveness and increase coordination...”
- “The appropriate role of regulated energy utilities, providers of energy and EE, and others ... to achieve the state’s EE potential for all fuels...”

Study Purpose (Con't) – Per SB 323

- “The effectiveness and sustainability of all funds available to stimulate investment in EE and clean energy to advance the state’s energy goals...”
- “Policy changes that may be necessary ... to achieve the state’s EE and SE goals and to create the most cost-effective delivery systems to ensure optimum use of state funds, initiatives, and programs...”

Study Structure

- NH PUC – executed the contract
 - Study Coordination Team (SCT) – oversees the study and the contractor
 - Contractor conducts the study & provides an independent, third party report
 - EESE Board decides which aspects of the report to incorporate (or not) in its work moving forward
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Study Coordination Team (SCT)

- Clifton Below, PUC Commissioner
- Dan Feltes, NH Legal Assistance
- Tom Frantz, PUC Electric Division
- George Gantz, Unitil
- Gil Gelineau, PSNH
- Meredith Hatfield, Office of Consumer Advocate
- Michael Licata, NH Business & Industry Association
- Joanne Morin, NH Office of Energy & Planning
- Jack Ruderman, PUC Sustainable Energy Division
- Deborah Schachter, NH Charitable Foundation

Contractor Team

- Vermont Energy Investment Corporation (VEIC) - Prime
 - Christine Donovan, Project Manager
 - Scudder Parker, Energy Policy & Regulatory Lead

 - Jeffrey H. Taylor & Associates – Subcontractor
 - Jeff Taylor, NH Planning and Stakeholder Outreach Lead
 - Steve Whitman, Local Energy Committees Outreach Lead

 - Optimal Energy, Inc. (OEI) – Subcontractor
 - Phil Mosenthal, Performance Incentives Lead

 - Supported by 7+ specialists with expertise in:
 - EE and SE Program Design & Review, ISO-NE/Smart Grid/Demand Response, Low Income Weatherization, and Financing & Investment
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Study Results

- Independent, third party review that:
 - Describes what is currently underway in NH
 - Assesses how NH policies and approaches compare to “best practices” and lessons learned in other locations
 - Contemplates new policies and approaches to overcoming barriers to market transformation
 - Identifies a spectrum of policy changes and approaches that could maximize effectiveness, increase coordination, and result in sustainable funding through a combination of public support and private investment

2. Study Description



Seven Areas of Focus

- Utility “Core” EE Programs, Low Income Weatherization Programs, & Other Key EE & SE Programs
- Utility Performance Incentives
- Smart Grid
- All Fuels (Increasing Thermal Efficiency)
- Community Planning and Development
- Sustainable Funding – Public and Private Financing & Investment
- Policy and Regulatory Framework

Key Work to be Done

1. Describe what is currently going on in NH
2. Assess how NH policies and approaches compare to “best practices” and lessons learned in other locations
3. Articulate key barriers to and opportunities for further EE & SE market transformation moving forward
4. Contemplate new policies and approaches to overcoming barriers
5. Identify a spectrum of policy changes and approaches for NH

Key Issues to be Addressed

- Utility “Core” EE Programs, Low Income Weatherization Programs, & Other Key EE & SE Programs
 - Are the programs meeting goals and transforming markets?
 - How do costs and benefits compare to leading programs in other states?
 - Could impacts be enhanced by increased partnering with other local or state initiatives or reaching out in new ways to trade allies?
 - Utility Performance Incentives
 - Are utilities provided clear incentives to pursue EE and DR aggressively and on equal footing with supply side resources?
 - Do incentives achieve a proper balance between utility and customer interests?
 - Do incentives enable innovation and collaboration among utilities?
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Key Issues to be Addressed (con't)

■ Smart Grid

- What opportunity does Smart Grid infrastructure provide for thinking in new ways about EE and SE?
- What policy changes and other approaches might ensure a balance between utility and customer interests moving forward?

■ All Fuels

- What new policies and approaches could better address thermal efficiency in NH?
- How best to engage the heating fuel industry and ensure a win-win for all?

Key Issues to be Addressed (con't)

■ Community Planning and Development

- How best leverage the momentum and work of 150+ Local Energy Committees?
- What new policies and approaches can link “smart growth” principles with EE and SE planning and initiatives?

■ Sustainable Funding – Public and Private Investment

- What new approaches or models could better leverage and sustain public and private funding moving forward?
- How best to further stimulate private investment in EE and SE to stimulate jobs and economic growth?

Key Issues to be Addressed (con't)

- Policy and Regulatory Framework
 - How can the current framework be “tweaked” or modified to catalyze market transformation moving forward?
 - What policy changes are needed to achieve state EE, SE, and GHG reductions goals?

Desired End Result

A new approach to transforming EE and SE markets that

- ... reflects what is unique about NH and

- ... draws upon the learning in other states & jurisdictions.

3. Stakeholder Outreach & Engagement



Stakeholder Outreach

- Utility Managers and Program Administrators
- State Personnel, NPO's, and Other EE and SE Program Managers
- EE and SE Trade Allies Implementing Programs
- Project Developers, ESCO's, Financing Entities, Investors, Etc.
- Key Policymakers and Legislators
- Customers, Interested Citizenry

Stakeholder Engagement



- Interviews
- Stakeholder Working Sessions
- Survey Monkey

Stakeholder Questions

1. What is working well in NH already and should be continued and/or enhanced?
2. What is not working well and should be modified, dropped, or replaced?
3. What is working well elsewhere that should be contemplated here?

Stakeholder Input

- Will inform the study team's work moving forward

4. Seeking Your Input



EESE Board Questions

1. What is working well in NH already and should be continued and/or enhanced?

EESE Board Questions (con't)

2. What is not working well and should be modified, dropped, or replaced?

EESE Board Questions (con't)

3. What is working well elsewhere that should be contemplated here?

5. Next Steps and EESE Board Roles



Key Deliverables

- Draft Report – June 1
- Final Report - August 1
- EESE Board Presentations – Today & May/June
- 2 Public Presentation Days - Fall 2011 & Winter 2012

Future Interaction with EESE Board

We welcome your insights and ideas!

- Outreach during research and assessment
- EESE Board Presentation – May/June
- Public Presentations in late 2011, 2012



For More Information

Christine Donovan, Project Manager, VEIC
255 So. Champlain Street, Burlington, Vermont 05401
802-658-6060 Ext. 1301
cdonovan@veic.org