

State of New Hampshire
Public Utilities Commission

DE 07-064

Investigation Into Energy Efficiency Rate Mechanisms

**Objection Of The Way Home To
Motion For Scheduling Order**

The Way Home objects to the Conservation Law Foundation's Motion For Scheduling Order dated June 30, 2008 for the following reasons:

A. The Motion Is Premature.

1. The Conservation Law Foundation (CLF) has requested not only a scheduling order, but an order seeking a specific outcome to this proceeding. CLF requests an order

“setting a schedule for:

1. Receiving comments from parties regarding the optional structure and design of a different rate treatment to promote energy efficiency, such as a decoupling mechanism...
2. Holding any necessary proceedings to facilitate development of that rate treatment...
3. Issuing a final order in this matter.”

CLF Motion, page 3, 4.

2. By Secretarial letter dated March 13, 2008 the Commission requested comments from the parties concerning various issues raised in this docket. The Way Home and other parties submitted written comments in April 2008. The Commission has not issued an Order with respect to the written comments.

3. The Commission has various options available to it upon completion of its review of the parties' written comments. Options range from undertaking a full investigation into the merits of a decoupling mechanism to closing this docket.

4. It would be premature to issue a scheduling order for the purposes suggested by CLF when the Commission has yet to determine whether decoupling merits further investigation and a record has not been developed to demonstrate that decoupling would be a just and reasonable rate mechanism. See Order Of Notice dated May 14, 2008, page 3 in DE 07-064:

The investigation raises, inter alia, issues related to whether rates developed pursuant to a revenue decoupling or other appropriate rate setting mechanism will be just and reasonable pursuant to RSA 378:5 and :7.

5. A scheduling order would be premature until such time as the Commission issues an Order or Secretarial letter, following review of the parties' written comments, to provide guidance on the next step in this proceeding.

B. An Evidentiary Record is Lacking in this Docket.

1. The CLF Motion urges adoption of "a different rate treatment to promote energy efficiency, such as a decoupling mechanism" (Motion, page 4).

2. The record in this proceeding does not support the ruling urged by CLF. In fact, there is no formal record. "Comments" by parties and "presentations" (CLF Motion, para. 2, pages 1, 2) do not constitute a formal record. Parties have not been presented with a specific rate mechanism to review and have not been provided with an opportunity for discovery, evidentiary hearings with sworn testimony, evidence tested by cross examination, and an opportunity for briefing of complex legal issues.

3. The record does not demonstrate a link between decoupling and energy efficiency. Decoupling alone has not been shown to encourage investment in energy efficiency. At best, decoupling may only remove disincentives for utilities to promote energy efficiency. See Comments Of The Way Home dated April 1, 2008, page 2.

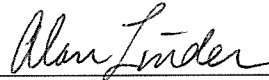
4. No evidence has been offered whether and to what extent decoupling and similar rate mechanisms would have an adverse impact on rates pursuant to RSA 378:5 and :7, especially as to low income customers. Indeed, decoupling may result in the significant shifting of risk from the utility and its shareholders to customers. See Comments Of The Way Home, pages 3 and 4.

C. Conclusion.

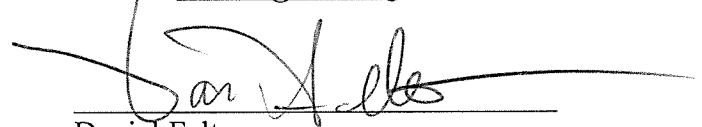
For the foregoing reasons, The Way Home recommends that the CLF Motion be denied without prejudice.

Respectfully submitted,

The Way Home
By Its Attorney
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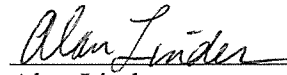
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July 10, 2008

Certification Of Service

I certify that on this date a copy of the within document was sent by email to the Commission and all parties on the service list in this docket.

New Hampshire Legal Assistance

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Alan Linder

Attorney for The Way Home

July 10, 2008