

STATE OF NEW HAMPSHIRE
BEFORE THE
PUBLIC UTILITIES COMMISSION

ORIGINAL
P.U.C. Case No. DE 09-170
Exhibit No. # 4
Witness
DO NOT WRITE IN THESE SPACES

DE 09-170

2010 CORE Electric Energy Efficiency Programs

PREFILED REPLY TESTIMONY OF

THOMAS PALMA
ON BEHALF OF

UNITIL ENERGY SYSTEMS, INC.

DECEMBER 9, 2009

1 **Q. Please state your name, position and business address for the record.**

2 A. Thomas Palma, Manager, Distributed Energy Resources, Planning and Design,
3 Unitil Service Corporation, 325 West Road, Portsmouth, New Hampshire, 03801.

4 **Q. Please summarize your educational background and experience.**

5 A. I have several years experience working as an energy engineer and attorney.
6 Most recently, I worked at the New Hampshire Electric Cooperative as the Project
7 Development Executive. In that position I developed renewable energy programs
8 and new energy efficient technology programs such as the low temperature heat
9 pump program. I started working at Unitil on November 30, 2009. My
10 responsibilities include planning and designing new renewable energy, energy
11 efficiency, and Smart Grid programs. I manage two staff members whose main
12 focus is energy efficiency program planning in MA and NH.

13 **Q. What is the purpose of your reply testimony?**

14 A. The purpose of my reply testimony is to support the sections of the filing made on
15 September 30, 2009 entitled "2010 CORE New Hampshire Energy Efficiency
16 Programs" that apply to Unitil Energy Systems, Inc. and to respond to some
17 issues that have been raised in the testimony submitted by Mr. Cunningham on
18 behalf of Commission Staff, the testimony submitted by Mr. Eckberg on behalf of
19 the Office of Consumer Advocate ("OCA"), as well as some issues that have
20 arisen during the discovery phase of this proceeding. More specifically, my
21 testimony addresses the following topics: 1) Staff's recommendation that

1 recommends that the FCM revenue and related interest calculation should be
2 included with the CORE programs. The second audit report recommendation is
3 that Unitil should correct a reporting error to reflect FCM revenues and expenses
4 as they relate to energy efficiency programs on a quarterly rather than cumulative
5 basis. The Audit Staff found that although Unitil's accounting model for posting
6 FCM information to the general ledger produced correct income, expenses and net
7 activity for the quarterly period, a reporting error had occurred. This error was
8 that FCM information was reported in terms of cumulative rather than quarterly
9 figures, thereby overstating amounts for the second and third quarters of 2008.

10 **Q. Does Unitil concur with Staff's recommendations concerning the accounting**
11 **and reporting of FCM revenues and costs?**

12 A. Yes.

13 **Q. What is Unitil's response to the OCA's position that the utilities' costs**
14 **associated with the Staff's audit of the energy efficiency programs should not**
15 **be paid by SBC funds?**

16 A. Unitil supports PSNH's position on this issue as presented by Mr. Gelineau.

17 **Q. During the discovery phase of this proceeding, questions arose concerning**
18 **Unitil's practice of including certain website costs in its energy efficiency**
19 **programs budget. Please describe the website costs that Unitil includes in its**
20 **energy efficiency programs budget and why Unitil believes it is appropriate**
21 **to do so.**

22 A. The costs in question, \$44,500, are licensing and maintenance fees associated
23 with the Company's web-based energy use applications, HomeEnergySuite™ and

Before the New Hampshire Public Utilities Commission
2010 Core Energy Efficiency Program Plan
Docket No. DE 09-170
Responses to Questions from Technical Session 12/01/09

Q-Staff Technical Session #2:

3. Reference OCA set 1, Q-OCA-008. Please provide the usage data of the proprietary software used by Unitil as follows:
- a. How many customers used the tool in last twelve months?
 - b. What data does Unitil collect through the tool?
 - c. How is that data used (please provide an illustrative example)?

Response:

- a. In the last 12 months, there have been 24,956 visits to the on-line tool with a total of 120,200 page visits. The Company is expecting that customers will perform 1,750 audits by the end of the year. Attachment PUC-3a shows the page visits broken down by month.
- b. Attachment PUC-3b shows the data points collected by users of the on-line audit tool and a sample of the level of detail that is collected when a customer completes an audit.
- c. The data that is collected is used in several ways:
 - Customers who run audits are coming away with actionable items that are customized for them and as a result, are learning about how to make a real difference in energy use in their home.
 - Customers are steered towards EE programs through completing the audits. Well placed links and icons on the audit pages direct customers to specific programs.
 - The administrative tool collects all the data on the individual home profiles and any potential changes homeowners analyzed. This is providing a wealth of knowledge about where customer interests lie to help target rebate programs and direct recommendations for efficiency improvements. Attachment PUC-3c provides an illustration of how Unitil customers use the Apogee tool to save money and energy.

The Apogee tools come with over \$20,000 in marketing value (free of charge) to promote the tools and steering of customers into PUC-approved programs provided by Unitil.

The Apogee tools are "future proof" meaning that they are adaptable to future changes in programs and information. (This is not the case with free tools.) This feature is important

Past 12 Months	Visits	Pages
Dec-08	1,555	6,265
Jan-09	1,323	6,249
Feb-09	1,174	3,920
Mar-09	1,462	6,487
Apr-09	975	3,027
May-09	1,236	3,622
Jun-09	1,760	6,998
Jul-09	1,744	5,611
Aug-09	3,123	19,399
Sep-09	3,677	20,686
Oct-09	3,890	21,682
Nov-09	3,037	16,254
Total	24,956	120,200

	# of Audits	Value per Audit	Total
Online Audits	1,750	\$50/audit	\$ 87,500.00

http://unitil.apogee.net/homes/inter/calcs/rescalc/vie...

http://unitil.apogee.net/homes/inter/calcs/rescalc/vie...

Energy Savings Recommendations

The following are recommended actions based on your home profile as you described it.

Low Cost Recommendations

- Heating Setting:** If you lower your heating setpoint from 72 to 68, you could save as much as \$1,161 a year.
- Weatherize your Home:** If you caulk around your windows and doors, make certain the weather stripping on your doors and windows is tight, weather strip your attic door, and take other actions to seal your house further, you could save up to \$85 a year.
- Compact Fluorescent:** If you changed out 50% of the light bulbs in your house you use most often and replace them with compact fluorescent bulbs, you could save up to \$74 a year.

Long Term Recommendations

- Energy Star®:** If you changed out the major appliances in your house to Energy Star®, you could save up to \$191 a year.
- Heating System Upgrade:** If your heating system is over 10 years old, consider replacing it with a new high efficiency model.

Customize your Recommendations: You can go back to the calculator, make changes to your profile, and run the calculator again to directly see the benefit of making those changes compared with your existing home profile.

[Print Recommendations](#) [Close this window and return to the Calculator.](#)

Internet 100%



HOME ENERGY CALCULATOR LIGHTING CALCULATOR

Energy Costs

[INSTRUCTIONS](#)

Propane **Water Heat Type**

High **Water Heat Setting**

Leaky **Air Leaks**

Single Pane **Windows (panes)**

Electric **Cook Stove**

Electric **Dishwasher**

Electric **Clothes Washer**

Electric **Clothes Dryer**

1 **Refrigerator/Freezers**

Pre 1993 **Refrigerator Type**

[View Monthly](#) [View Report](#) [Compare Monthly](#)

Your Recommended Changes:

[Give us your feedback](#)

Controlling Your Energy Costs

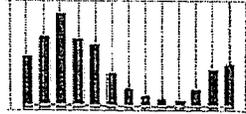
Tip

This calculator will provide you with estimates of energy use costs based on your inputs. The Annual and Monthly results are not intended to be extremely accurate but rather to provide a

Your Approximate Energy Costs

Your Current Estimated Costs

	Annual	Monthly
Electricity	\$1,120	\$94
Fuel Costs	\$5,263	\$439
Base Total	\$9,643	\$793
Carbon	22.7 Tons	1.9 Tons



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[Start Over](#)

...ather that is representative of the Concord, NH area.