

Hi Everyone,

My apologies for getting this message out late. I have been pre-occupied the last couple of weeks with other PUC dockets. Thanks again to Kate and the utilities for providing us with another excellent review of MA's performance incentive and possible applications here in NH. Also, many thanks to Emily Levin of VEIC for taking the time to join us and sharing her insights. Below is a recap of some of the key takeaways from that meeting:

1. MA PI Model – possible applications:
 - Consider adopting portfolio approach as opposed to current sector approach in terms of spending, saving, and benefits.
 - ✓ Could help low-income projects with low B/C.
 - Remove B/C as formula component and utilize as a minimum threshold.
 - Consider \$ benefits as a calculation component.
 - Revisit and reconsider adopting budget \$ instead of actual spending \$. See attached PUC Order (at 9-10, 22-23) and transcript (at 25-26) in DE 10-188 for historical perspective on this issue (provided by Jim C.).
 - Retain focus on kWh targets and energy savings while considering benefits of fossil fuel and kWh reductions.
2. Discontinue 55% electric savings requirement and increase current minimum threshold of 65% to 75%.
3. Gross savings v. net savings: PUC uses gross savings based on the cost/difficulty associated with measuring free-rider and spillover effects.
4. Consider metrics for Summer and Winter peak demand reductions similar to VT QPI's. The PUC recently reiterated its interest in peak load reduction in its Order in DE 18-051 (see Order at 9 attached).
5. Consider both lifetime savings and annual savings with greater weight on lifetime savings.
6. "Market Transformation" metrics were recently discontinued by VEIC due to the complexity of the calculations.
7. Consider metric for "Energy Optimization" under the scope of the Order in DE 17-136 – legal issue to be discussed at a future meeting.

Homework assignment:

1. Designing a low income metric: How would it be structured? Should the \$17M spending requirement be maintained?
2. Continue discussion for next meeting on: portfolio approach, benefits measurement, budget v. actual, tiered incentives.

Thank you. See you all on 6/20.