

Hello PI Working Group,

Thanks to all participants for another very informative and enlightening session last Wednesday. A special thank you to our two presenters Amy Boyd and Mary Downes for providing valuable insights on the MA approach to PI and energy efficiency. In keeping with the last two meetings, below is a recap of some of the key takeaways from the meeting:

1. Development of peak load reduction metrics currently under review in MA and NY. Staff reiterated that this is an area of interest for the Commissioners.
2. The upcoming release of the 2018 Avoided Cost Study by the AESC Study Group is expected to show a continuing decline in benefits (avoided costs) in the NE region. Reminder: the AESC Study results will be presented at the next B/C Working Group meeting on 4/11.
3. "All cost effective" mandate now the focus of MA energy efficiency policy.
4. MA once had (now rescinded) fifteen separate performance metrics which utilities found cumbersome in terms of compliance. The consensus of the group is to avoid replicating that situation in NH.
5. MA splits their performance incentive between two components, savings (61.5%) and value (38.5%), with the focus on dollars as opposed to kWh. There appears to be some interest in the group to explore this model further for potential application NH and to shift from a kWh savings focus to focusing on dollar benefits so as to account for kW savings and fuel neutral savings.
6. Consider basing PI on portfolio performance as opposed to sector performance.
7. The proposed timeline for completion of the working group's assignment is for a final proposal to be submitted to the PUC in September 2018 (recognizing that the potential for new information or complications in formulating a proposal could delay its submission beyond September).

Scheduling: Concerns were expressed at the meeting that the regular monthly meeting day of Wednesday made it difficult for some participants to attend. Upon further consideration, Staff is not prepared to modify the existing schedule at this time.

Homework assignments:

1. Staff will follow-up with VEIC on Staff's request for additional information concerning peak load reductions and VEIC's recommendations contained in the 7/11/17 presentation before the EERS Planning Team.
2. Utilities to drill down on a reasonable target/metrics for peak load reduction. Customer peak or ISO peak? Both? Utilities to provide a presentation on the pilots addressing peak load direction conducted in other states.
3. If MA's "split" model for PI, and its focus on dollars vs. kWh, is appropriate for NH how would it be applied? (Utilities)
4. Is VT's QPI model still a potential alternative?

Again, many thanks to all of you for a great session. See you next time.