

BEFORE THE STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION

In the matter of:

Granite State Electric Company d/b/a Liberty Utilities)
New Hampshire Electric Cooperative, Inc.)
Public Service Company of New Hampshire) DE 12-262
EnergyNorth Natural Gas, Inc. d/b/a Liberty Utilities)
Northern Utilities, Inc.)
)
2014 CORE New Hampshire Energy Efficiency Programs)

Direct Prefiled Testimony
Of
Rebecca Ohler
Transportation and Energy Programs Manager
NH Department of Environmental Services

Dated: November 1, 2013

1 I. Introduction

2 **Q. Please state your name, business address and position.**

3 A. My name is Rebecca Ohler. I am employed by the State of New Hampshire, Department
4 of Environmental Services (DES), as the Transportation and Energy Programs Manager.
5 Included in my testimony is attachment RO-1, a statement of my education and work
6 experience.

7
8 **Q. Have you previously testified before the Commission?**

9 A. Yes, I testified before the Commission in December 2012 regarding the 2013-2014
10 CORE program filing in the current docket, DE 12-262.

11
12 **Q. Please briefly describe your experience and specific knowledge or skills that relate
13 to your testimony in this docket.**

14 A. I have been working in the field of air pollution control since 1989. For the past 4 years I
15 have served as the energy program manager for the Air Resources Division, during which
16 time I have been involved in the policy development and discussion regarding the Regional
17 Greenhouse Gas Initiative (RGGI), the Renewable Portfolio Standard (RPS), and other state
18 policies aimed at reducing both criteria pollutants and greenhouse gas (GHG) emissions. I
19 have served on the project proposal evaluation team for the past three RPS solicitations and
20 for past RGGI solicitations. In addition, I was active as department staff in the development
21 of the State's 2009 Climate Action Plan.

22
23 **Q. Please describe the purpose of your testimony.**

24 A. The purpose of my testimony is to provide support for the proposed Third Party
25 Financing Pilot Program, and to suggest the Liberty Utilities-Gas Early Boiler Replacement
26 incentive be structured such that recipients are encouraged to implement all cost effective
27 energy efficiency measures either prior to or in conjunction with the boiler replacement.

28
29 **Q. Please address the first issue you have identified.**

30 A. In the proposed 2014 CORE Third Party Financing Pilot the gas utilities propose offering
31 low interest third party financing to support residential customers' participation in the CORE
32 Energy Efficiency Programs. Under this pilot program the gas utilities will work with local

1 lending institutions to encourage them to offer unsecured energy efficiency loans by ensuring
2 the lender receives their full interest payment, while at the same time incenting the consumer
3 to take advantage of the loan opportunity by buying down the interest rate to 2%.

4 Numerous studies and reports, including the 2009 Climate Action Plan¹ and the
5 2009 GDS Associates, Inc.'s *Additional Opportunities for Energy Efficiency in New*
6 *Hampshire*,² document the high potential for increasing energy efficiency in existing
7 building stock as well as the cost effectiveness of making such improvements relative to
8 the cost of investing in new energy sources and distribution. Likewise, demand for
9 energy efficiency improvements is high, but the initial investment necessary to
10 implement projects is often prohibitive. There are not adequate public dollars to meet the
11 current need, but there is strong interest in the private sector in investing in this market.

12 At the Technical Session held on October 7, 2013, information was presented by
13 the utilities regarding the positive experience of the banks who have participated in
14 similar programs, leading to stronger connections with their local communities. This
15 type of program can help transform the market in New Hampshire by making private
16 capital available for deep energy efficiency measures and providing an opportunity for
17 NH's local banks to safely invest in their communities. Lack of experience and history in
18 the energy efficiency market by lending institutions is a barrier to broader market
19 transformation and this program helps overcome this barrier. The department strongly
20 supports this pilot program proposal.

21
22 **Q. Please address the second issue you have presented.**

23 A. The Early Boiler Replacement incentive proposed by Liberty Utilities-Gas builds upon
24 the pilot program of the same name offered in NH in 2013 and upon a similar program in
25 Massachusetts. Implementation of energy efficiency measures can reduce heating load and
26 thus the size required of a boiler. To maximize the effectiveness of a boiler replacement, the
27 Liberty Utilities-Gas Early Boiler Replacement program should be structured such that
28 recipients are aware of the availability and benefits of programs and incentives that will help
29 them implement all cost effective energy efficiency measures either prior to or in conjunction

¹ http://des.nh.gov/organization/divisions/air/tsb/tps/climate/action_plan/nh_climate_action_plan.htm

² <http://www.puc.state.nh.us/Electric/GDS%20Report/NH%20Additional%20EE%20Opportunities%20Study%202-19-09%20-%20Final.pdf>

1 with the boiler replacement, and strongly encourage the participant to make those cost
2 effective improvements as part of the project

3

4 **Q. Does this conclude your testimony?**

5 A. Yes.