



April 3, 2015

BY ELECTRONIC MAIL

Debra A. Howland
Executive Director
New Hampshire Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, NH 03301

**Re: Docket IR 15-072, Energy Efficiency Investigation
CLF Comments on “Energy Efficiency Resource Standard: A Straw Proposal for New Hampshire”**

Dear Ms. Howland:

In response to the Commission’s Order of Notice, dated March 13, 2015, in the above-referenced docket, Conservation Law Foundation (“CLF”) is pleased to offer the following comments on the Commission Staff’s report, “Energy Efficiency Resource Standard: A Straw Proposal for New Hampshire,” dated February 3, 2015 (the “Report”).

CLF is a nonprofit, member-supported organization founded in 1966 with offices in New Hampshire, Maine, Massachusetts, Rhode Island, and Vermont. CLF works on behalf of its members to solve the region’s toughest environmental problems. CLF has a long history of advocating for clean energy solutions that will preserve our natural resources, build healthy communities, and sustain a vibrant economy. CLF is particularly focused on reducing energy sector carbon pollution, which is driving global climate change and contributing to the disruptive warming and extreme weather that New England has experienced in recent years.

Energy efficiency has been a major CLF priority since we spearheaded the publication in 1987 of “Power to Spare,” which was the first comprehensive, regional effort to assess the economic and technical potential for increased energy efficiency and to set a policy and action agenda for public officials and utilities to achieve that potential.¹ “Power to Spare” laid the groundwork for the energy efficiency programs underway throughout New England, which have virtually halted the growth of overall electric demand. By 2023, New England’s electric efficiency resources are projected to comprise 3,300 megawatts at summer peak loads, about 10% of our regional electric capacity.²

In ISO-NE’s energy efficiency forecast and in recent national and regional rankings on energy efficiency investment, New Hampshire lags behind the other New England states. Across New England but especially in New Hampshire, CLF continues to see substantial and unrealized potential

¹ New England Energy Policy Council, Power to Spare: A Plan for Increasing New England’s Competitiveness Through Energy Efficiency (1987), at http://web.mit.edu/jjay/Public/EE/Power_to_Spare_1987_medium.pdf

² See ISO-NE, Final 2014 Energy Efficiency Forecast, 2018-2023, at http://www.iso-ne.com/static-assets/documents/2014/08/eef_report_2018_2023_final.pdf.

for greater energy efficiency, which would further reduce the need for costly new energy supplies and transmission, cut air and greenhouse gas pollution, lower wholesale energy and capacity costs, and provide more direct and indirect savings to retail energy customers. In this regard, CLF strongly supports the policy direction of the New Hampshire State Energy Strategy, which identifies energy efficiency as one of the state's top energy priorities and endorses the results of recent studies showing that New Hampshire can significantly and cost-effectively ramp up its energy efficiency efforts with major benefits for all customers. The Report and the Commission's consideration of it are welcome steps toward achieving a stronger policy framework that will drive greater energy efficiency in New Hampshire in the years to come.

In general, CLF strongly supports the Report's recommendation to adopt an Energy Efficiency Resource Standard ("EERS") under the Commission's existing statutory authorities without delay. The Commission's authority over energy efficiency initiatives derives from numerous laws governing New Hampshire's electric and gas sectors, including RSA ch. 374-F, governing electric restructuring; RSA 378:37 and 39, governing integrated resource planning by electric and gas utilities; and RSA 374:2 and 378:7 and 27, requiring "just and reasonable" rates. *See generally* Order Approving Energy Efficiency Programs, Order No. 25,747, Docket No. DE 14-216 (Dec. 31, 2014), at 9-13. These statutory provisions together require the Commission to direct and "maximize" energy efficiency in the state; as laid out in the Report, setting efficiency savings goals through an EERS is a proven strategy to fulfill the Commission's obligation to prioritize cost-effective energy efficiency as a first-order resource for meeting the state's energy needs. *See, e.g.*, RSA 378:37 and 39.

CLF urges the Commission to consider strengthening the savings goals identified in the Report, which are minimally additive to status quo funding streams and programs. Both prior independent studies on New Hampshire's energy efficiency potential and the experience in other New England states demonstrate that greater cost-effective efficiency can be achieved more quickly than the trajectory of New Hampshire's current efforts. In this regard, the Commission should not rely on the Report's political judgments but instead focus on the Commission's broad legal authorities and the unimpeachable economic merits of adopting an EERS with stronger goals in the short and long term.

While CLF agrees with the Report that the utility-run Core programs are the logical starting points for implementing an EERS, the Commission should not rule out compelling the utilities to compete for the role of program administration with other qualified entities. There is tremendous potential in expanding the market for providing energy efficiency services and in scaling up the size and ambition of energy efficiency projects through private financing. Long-term EERS goals should incorporate deployment of these strategies.

Finally, CLF encourages the Commission to give consideration to the comments of other clean energy organizations that have filed comments in this docket, including the Jordan Institute, New Hampshire Sustainable Energy Association, New Hampshire Clean Tech Council, Acadia Center, and Sierra Club. Collectively, we are urging swift Commission action to establish an Energy Efficiency Resource Standard as a crucial policy framework that will help New Hampshire realize its untapped energy efficiency potential.



Thank you for your consideration of these comments.

Sincerely,

A handwritten signature in black ink, appearing to read "Christophe Courchesne", written in a cursive style.

Christophe Courchesne
Senior Attorney

cc: IR 15-072 Service List