

STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION

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Concord, New Hampshire

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RE: DE 17-136
ELECTRIC AND GAS UTILITIES:
2018-2020 New Hampshire Statewide
Energy Efficiency Plan.
(Prehearing conference)

PRESENT: Chairman Martin P. Honigberg, Presiding
Commissioner Kathryn M. Bailey
Commissioner Michael S. Giaimo

Sandy Deno, Clerk

APPEARANCES: Reptg. Public Service of New Hampshire
d/b/a Eversource Energy:
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Reptg. Unutil Energy Systems, Inc. and
Northern Utilities, Inc.:
Patrick H. Taylor, Esq.

Reptg. Liberty Utilities (Granite State
Electric) Corp. and Liberty Utilities
(EnergyNorth Natural Gas) Corp.:
Michael J. Sheehan, Esq.

Reptg. New Hampshire Electric
Cooperative:
Robert E. Dunn, Jr. Esq. (Devine...)

Court Reporter: Steven E. Patnaude, LCR No. 52

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ORIGINAL TRANSCRIPT

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APPEARANCES: (c o n t i n u e d)

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P R O C E E D I N G

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2 CHAIRMAN HONIGBERG: We here this
3 afternoon in Docket DE 17-136, which is a 2019
4 Plan Update for the 2018 to 2020 Statewide
5 Energy Efficiency Plan. We have a prehearing
6 conference scheduled for now, following that
7 there is a technical session.

8 There are a lot of people here, a lot
9 of parties to this docket. Before we do
10 anything else, let's take appearances.

11 MR. FOSSUM: Good afternoon,
12 Commissioners. Matthew Fossum, here for Public
13 Service Company of New Hampshire, doing
14 business as Eversource Energy.

15 MR. TAYLOR: Patrick Taylor, on
16 behalf of Unitil Energy Systems and Northern
17 Utilities, Incorporated. With me today are
18 Karen Asbury, Tom Palma, and Mary Downs.

19 MR. SHEEHAN: Good afternoon. Mike
20 Sheehan, for the Liberty Utilities' utilities,
21 EnergyNorth Natural Gas and Granite State
22 Electric.

23 MR. DUNN: Good afternoon. Robert
24 Dunn, of Devine Millimet. I'm here today on

1 behalf of New Hampshire Electric Co-op. And
2 with me is Carol Woods.

3 MS. BRAND: Good afternoon. Brianna
4 Brand representing the New Hampshire
5 Sustainable Energy Association.

6 MS. HAWES: Good afternoon. Ellen
7 Hawes representing Acadia Center.

8 MR. TOWER: Good afternoon -- good
9 afternoon. This is Attorney Steve Tower, at
10 New Hampshire Legal Assistance. I'm
11 representing The Way Home. With me today is
12 Alan Linder, who's assisting New Hampshire
13 Legal Assistance in this docket.

14 MS. BIRCHARD: Good afternoon. I'm
15 Melissa Birchard representing Conservation Law
16 Foundation.

17 MS. OHLER: Hello. Rebecca Ohler, on
18 behalf of the New Hampshire Department of
19 Environmental Services.

20 MR. KREIS: Good afternoon,
21 Commissioners. I am D. Maurice Kreis, doing
22 business as Don Kreis. I'm the Consumer
23 Advocate representing residential electric and
24 natural gas customers. The distinguished

1 gentleman to my left is our staff attorney,
2 Brian Buckley. And the distinguished gentleman
3 to his left is Jeff Loiter, of Optimal Energy,
4 who is our consultant on energy efficiency and
5 other matters.

6 MR. DEXTER: Good afternoon. Paul
7 Dexter, on behalf of the Commission Staff.
8 Joining me today from the Electric Division are
9 Les Stachow, Jim Cunningham, Jay Dudley, and
10 Liz Nixon.

11 CHAIRMAN HONIGBERG: Is there
12 anything we need to do before taking the
13 statements from the parties about their
14 preliminary positions and where we're going
15 from here?

16 *[No verbal response.]*

17 CHAIRMAN HONIGBERG: All right.
18 Mr. Fossum, why don't you start us off.

19 MR. FOSSUM: Thank you. And good
20 afternoon. Last year the Commission approved
21 the implementation of the EERS New Hampshire
22 through its approval of the three-year Plan of
23 the utilities offered under the "NHSaves"
24 banner. That Plan covered the years of 2018

1 through 2020, with periodic reviews and
2 updates. And this filing represents the update
3 for calendar year 2019.

4 Consistent with an update, the
5 proposed changes in this Plan are gradual. The
6 changes proposed are not intended to make
7 wholesale adjustments to the programs, but
8 generally to sweep in the latest information
9 and knowledge, to make refinements to the
10 existing programs and program delivery.

11 As the Commission is aware, the
12 savings targets have risen for 2019, just as it
13 will rise again for 2020. This Plan updates
14 the funding budgets, savings assumptions, based
15 on recent data and information, to assure that
16 those goals will be achieved.

17 In short, the utilities have
18 developed a plan that cost-effectively and
19 efficiently will deliver the products and
20 services that are going to continue to meet the
21 energy efficiency goals of New Hampshire.

22 This Plan Update also reflects the
23 efforts of various working groups that have
24 convened over the course of the last year.

1 It's not to say that each of those groups
2 completed its work be achieving complete
3 agreement, but the information shared and
4 knowledge gained in those sessions has informed
5 this update and was accounted for in the
6 proposal that is before you. There is still
7 some work to be done in some of those groups,
8 and we will continue with that work as
9 efficiently as possible to ensure that it's
10 appropriately considered in the next Plan
11 Update.

12 For this proceeding, we will work
13 with the parties in a proficient manner, and
14 hopefully find a mutually agreed upon
15 resolution so that we can seamlessly continue
16 to provide energy efficiency products and
17 services to our customers. I fully anticipate
18 that we can reach an agreed upon resolution in
19 the time available.

20 Lastly, for this afternoon, and also
21 relative to the time available, I ask the
22 Commission that, because there are rate changes
23 associated with this Update Plan filing that
24 come out of formulas and adjustments the

1 Commission has previously authorized, that the
2 Commission approve this Plan in sufficient time
3 to allow implementation on January 1st.

4 Assuring that this update is approved in the
5 proper time will aid the utilities, but more
6 importantly, timely approval will assure that
7 the overall continuity of these important
8 programs is not disrupted for our partners and
9 our customers.

10 And that's what I have this
11 afternoon.

12 CHAIRMAN HONIGBERG: Mr. Taylor.

13 MR. TAYLOR: Thank you,
14 Commissioners. I'm going to say today the same
15 thing that I said last year, which is that I
16 can't improve upon what Mr. Fossum said, and I
17 won't attempt to.

18 So, I'll simply say that we
19 appreciate the Commission's consideration of
20 the update. And we look forward to working
21 with the parties in this case.

22 CHAIRMAN HONIGBERG: Mr. Sheehan.

23 MR. SHEEHAN: I echo what you've
24 heard from fellow counsel. Thank you.

1 CHAIRMAN HONIGBERG: Mr. Dunn.

2 MR. DUNN: I'd echo the same thing.

3 Thank you.

4 CHAIRMAN HONIGBERG: Ms. Brand.

5 MS. BRAND: Thank you, Mr. Chairman.

6 The New Hampshire Sustainable Energy
7 Association, NHSEA, applauds the utilities for
8 their hard work in developing the 2019 Update
9 to New Hampshire's Statewide Energy Efficiency
10 Plan. We are very appreciative of the time and
11 effort that went into the drafting, and we're
12 overall very supportive of this new plan to
13 advance energy efficiency in New Hampshire.

14 One topic that NHSEA would like to
15 see the plan address in greater detail is the
16 potential for delivering more cost-effective
17 energy efficiency improvements through outdoor
18 LED streetlight conversions.

19 Approximately 33 communities across
20 New Hampshire have already converted their
21 streetlights to LED technology. Streetlights
22 can be one of the highest energy costs for a
23 municipality, so reducing energy through
24 streetlight conversion is a logical way to

1 reduce costs, often by more than 50 percent
2 each year. Clearly, LED streetlight
3 conversions represent a major opportunity for
4 cities and towns to invest in cost-effective
5 energy efficiency. However, we still have a
6 long way to go if we are to expand these
7 benefits to all New Hampshire communities,
8 particularly smaller communities that have less
9 capacity to initiate these types of projects on
10 their own.

11 The development of the 2019 Statewide
12 Energy Efficiency Plan represents a prime
13 opportunity to learn from the successful
14 deployment of LED streetlights and consider how
15 we can move towards delivering the benefits of
16 these conversions to more communities in the
17 state.

18 NHSEA sees the EERS as a vital policy
19 for energy efficiency in New Hampshire, and
20 therefore would like to see more emphasis
21 placed on the LED streetlight conversions so
22 that we move towards a future where every city
23 and town in New Hampshire is benefiting from
24 cost-effective energy efficiency.

1 We feel it makes good sense to
2 explore this issue in the review of the 2019
3 New Hampshire Statewide Energy Efficiency Plan.
4 We hope we can take some time during this
5 docket to explore LED streetlight conversions
6 as a low-hanging fruit opportunity to deploying
7 cost-effective energy efficiency to the benefit
8 of New Hampshire's cities and towns.

9 Thank you.

10 CHAIRMAN HONIGBERG: Ms. Hawes.

11 MS. HAWES: Good afternoon. On
12 behalf of Acadia Center, thank you for this
13 opportunity to speak.

14 In general, Acadia Center is pleased
15 with the first year implementation of the EERS.
16 However, we believe there are a few tweaks
17 necessary to more firmly set the EERS on the
18 path towards long-term effectiveness.

19 Our primary concern is to gain a
20 clearer and more effective role for the
21 Stakeholder Advisory Committee going forward.
22 I think we share an understanding with many of
23 the stakeholders and the utilities that the
24 multitude of separate working groups, while

1 doing effective work, were quite
2 resource-intensive and sometimes duplicative.

3 I think it's most effective, instead
4 of just dropping many of those working groups
5 going forward, to perhaps combine them with the
6 existing EERS Subcommittee, and gain some
7 clarity on perhaps a more frequent meeting of
8 that Subcommittee, and perhaps additional
9 consultant budget to aid in that process.

10 In addition, we believe that the PI
11 Work Group that will continue to meet in
12 quarter one should have a broader range of
13 proposals to consider, in addition to the
14 utility proposal that they mention in the
15 update.

16 Finally, we are concerned that their
17 proposal to reduce the SBC increase beyond what
18 was estimated in the original three-year Plan
19 might be harmful, particularly given the lack
20 of ability to raise it in future years, and
21 also given some of the high cost/benefit ratios
22 that we have and the relatively low targets in
23 the State of New Hampshire. I think it would
24 just give us more flexibility over the total

1 plan period to keep the original -- originally
2 envisioned SBC.

3 Thank you.

4 CHAIRMAN HONIGBERG: Mr. Tower, we
5 have the paper filing that you submitted.
6 Anything you want to add to that?

7 MR. TOWER: I was just going to
8 highlight some of the points that we made in
9 it, if that's okay?

10 CHAIRMAN HONIGBERG: Sure.

11 MR. TOWER: To begin, The Way Home
12 believes that the Home Energy Assistance
13 Program should be designed to serve as many
14 low-income households as possible, in order to
15 address the large unmet need here in New
16 Hampshire.

17 The HEA Program seeks to ensure that
18 New Hampshire's energy efficiency plan serves
19 all customers equitably by providing services
20 low-income households that would face barriers
21 to participation in other energy efficiency
22 initiatives can access.

23 This is a big challenge here in the
24 State of New Hampshire, where approximately 20

1 percent of residents are income-eligible for
2 the HEA Program, and there are long waiting
3 lists for these programs.

4 To that end, The Way Home believes
5 that HEA funding should be spent to ensure
6 there are no lost opportunities to serve
7 households on the waiting lists for low income
8 energy efficiency services. The Way Home is
9 concerned that the 2019 Plan Update proposes to
10 decrease the HEA budget from the original
11 amount that the stakeholders agreed on in last
12 year's settlement. The proposed decreases of
13 the HEA budget reduces the opportunity to meet
14 or exceed the program's participation goals and
15 serve as many households as possible.

16 The Way Home also has concerns about
17 the underspending in the 2017 HEA Program,
18 especially in light of unmet participation
19 goals and the significant 2017 carryovers that
20 will impact the 2019 budget. According to the
21 2019 Plan Update, only the New Hampshire
22 Electric Co-op proposes to devote any of its
23 2017 carryover to the HEA Program in 2019. In
24 light of the long HEA waiting lists, the

1 proposed allocation of the 2017 carryover
2 funding implicates the program goals of equity
3 and fairness.

4 The Way Home looks forward to working
5 with the other stakeholders to address this
6 matter so as to achieve the goals of the HEA
7 Program.

8 Finally, The Way Home supports the
9 utilities' proposal to more accurately account
10 for non-energy impacts in the HEA Program. The
11 Way Home believes that this is an important
12 issue because the evidence shows that the
13 current test undervalues the benefits that
14 low-income families receive from the HEA
15 Program.

16 The Way Home supports the utilities'
17 proposal in the 2019 Plan Update to increase
18 the NEI adder from 10 percent to 20 percent in
19 the HEA Program because it is reasonable and
20 supported by the preponderance of evidence in
21 other states.

22 The Way Home continues to support the
23 NEI studies that are underway in New Hampshire.
24 But believes that, based on the substantial

1 evidence from other states, New Hampshire
2 should take steps now to improve its
3 benefit/cost test and continue to refine that
4 test as more information becomes available.

5 Thank you.

6 CHAIRMAN HONIGBERG: Ms. Birchard.

7 MS. BIRCHARD: Thank you. On behalf
8 of Conservation Law Foundation, I appreciate
9 the opportunity to speak.

10 CLF welcomes the 2019 Statewide
11 Energy Efficiency Plan. This Plan confirms
12 that New Hampshire is saving money for all
13 ratepayers by investing in important energy
14 efficiency measures. And CLF agrees with the
15 utilities and with New Hampshire Legal
16 Assistance that certain incentives and
17 cost/benefit methodologies in the Energy
18 Efficiency Resource Standard need to be
19 modified to strengthen the state's ability to
20 achieve efficiency and lower costs.

21 We are disappointed that, while at
22 the same time the state's gas utilities seek to
23 expand expensive infrastructure, those same
24 utilities are leaving cheaper energy efficiency

1 opportunities on the table.

2 At the same time we observe that the
3 utilities -- that the Plan put forward by the
4 utilities proposes to decrease the target
5 Systems Benefit Charge, despite the clear and
6 proven cost savings that accrue to New
7 Hampshire ratepayers from these efficiency
8 measures. We look forward to working with the
9 utilities and other stakeholders to strengthen
10 these aspects of the Plan.

11 In addition, we look forward to
12 continuing discussions as promised and required
13 under the prior settlement order in this
14 docket -- excuse me, settlement and order in
15 this docket. And those are the working groups
16 that have been referenced by other parties.
17 While we are not agreeable to foreclosing these
18 critical discussions, we are amenable to
19 considering methods for improving the
20 efficiency of these discussions through
21 consolidation and other measures.

22 In short, CLF continues to be
23 enthusiastic about the state's cost and
24 emission savings energy efficiency programs.

1 We believe the future of work in this area is
2 rich and promising, and just beginning. These
3 measures improve the lives of low-income
4 communities, as well as benefiting families and
5 businesses across the State of New Hampshire.

6 Thank you.

7 CHAIRMAN HONIGBERG: Ms. Ohler.

8 MS. OHLER: Thank you. On behalf of
9 the Department of Environmental Services, I'd
10 just like to echo my appreciation, our
11 appreciation for the level of discussion and
12 collaboration over this past year in the
13 implementation of the first year of the Energy
14 Efficiency Resource Standard. This level of
15 discussion has led to tangible improvements in
16 the 2019 Program Plan, including the increased
17 effort to seek other funding sources to
18 supplement the SBC funds, and the increase in
19 the low income Non-Energy Impacts adder, just
20 to name two.

21 DES looks forward to additional
22 discussion regarding the utilities' proposal to
23 decrease the System Benefits Charge in lieu of
24 increasing program offerings. It should be

1 noted that the targets for the 2019, or for the
2 three years of the program, are a floor, not a
3 ceiling. And if we exceed those targets,
4 that's not a bad thing.

5 Over the past year, there have been
6 numerous meetings to address a variety of
7 topics, as have been mentioned. And while the
8 number of meetings was burdensome for all
9 parties, much was achieved by that level and
10 frequency of communication.

11 DES looks forward to discussing how
12 the EESE Board and its EERS Committee can be
13 utilized to maintain timely and detailed
14 communications going forward so that we can
15 continue to improve this program with each
16 year.

17 And again, on behalf of the
18 Environmental Services, we appreciate the level
19 of collaboration and open discussion by all
20 parties involved.

21 Thank you.

22 CHAIRMAN HONIGBERG: Mr. Kreis.

23 MR. KREIS: Thank you, Mr. Chairman,
24 Commissioners. Well, you've heard from all the

1 good cops, and I guess today it's my job to be
2 the bad cop, because we are stuck.

3 Just yesterday, the American Council
4 for an Energy Efficient Economy released its
5 annual state energy efficiency scorecard, and,
6 yet again, New Hampshire is ranked number 21
7 among the 50 states and the District of
8 Columbia. You literally have to go below the
9 Mason-Dixon line to find another state that is
10 ranked below this one. And given how cold it
11 is here, and how expensive energy is here, this
12 is simply an unacceptable result. We are
13 literally surrounded by states that are
14 outperforming us. Our share of the region's
15 coincident peak electric load is growing, and
16 yet energy efficiency features prominently in
17 the state's ten-year energy plan as released
18 earlier this year by the governor.

19 Moreover, the state ranked number one
20 for energy efficiency, Massachusetts, is the
21 flagship state for our biggest electric
22 utility, Eversource. Unitil also operates
23 there. So, we know our utilities, which serve
24 as program administrators in both states, know

1 how to help a state be number one.

2 My point is that even though the
3 subject of this prehearing conference seems to
4 be a prosaic one, an update of a three-year
5 Plan roughly at its midpoint, this is no time
6 for complacency and not an occasion for
7 business as usual.

8 I want to start by acknowledging that
9 we appreciate the work that the utilities have
10 put into developing this Plan and its Update,
11 and while we will spare the Commission from
12 hearing about some of the more programmatic
13 suggestions that we'll make in our written
14 testimony, we'd like to take this opportunity
15 to note for the Commission some of the higher
16 level issues that we've identified as potential
17 points of contention and/or improvements that
18 the parties may find it necessary to discuss
19 over the next couple of months. These high
20 level points of improvement primarily relate to
21 funding, the fate of the working groups we
22 established last year, lost revenues, and the
23 weight attributed to the recommendations of the
24 EESE Board.

1 We intend to conduct robust discovery
2 in this proceeding and then to submit prefiled
3 direct testimony that will call for significant
4 improvements to what the utilities are
5 proposing here. Subject to refinement and
6 discussion, here are some of the concerns that
7 we've identified, and you've heard of some of
8 them already:

9 One is program funding. We're really
10 happy to see that the utilities have made
11 efforts to adopt many of the recommendations
12 developed in the Funding and Finance Working
13 Group related to financing, such as expanding
14 on-bill loan offerings and exploring other
15 creative mechanisms that are meant to amortize
16 the impact of up-front program participant
17 co-pays.

18 But the 2019 Plan Update rolls back
19 the utilities' program funding requests. They
20 propose a System Benefits Charge that is
21 17 percent lower than what the parties have
22 previously agreed to, and the Commission
23 approved, in the original EERS docket. That is
24 not okay.

1 It's not okay if we're going to gain
2 ground in quest of all cost-effective energy
3 efficiency, the holy grail, and it is
4 especially not okay in light of House Bill 317,
5 which, as everyone in this room knows, limits
6 the Commission's ability to increase the SBC in
7 the future. We should not be arbitrarily
8 trimming our program budgets.

9 At this very moment, there is a
10 waiting list of more than 8,000 low-income
11 households. These households have all applied
12 for weatherization services and have yet to
13 receive them. If the Commission were to
14 approve the reduced SBC rate set forth in the
15 Plan, it would be sending a signal to all of
16 those people and the communities they live in,
17 and ratepayers in general, that we are more
18 concerned about a single line item on customer
19 bills than we are with reducing ratepayers'
20 overall energy burden through investment in
21 cost-effective energy efficiency.

22 Point number two: What to do about
23 the working groups. The utilities seem to be
24 suffering from meeting fatigue. I feel their

1 pain, since the OCA has a fraction of their
2 resources, and yet I've been serving as the
3 chair of the EESE Board, and my staff attorney,
4 Mr. Buckley, to my left, has served ably as the
5 EESE Board's representative to the EM&V Working
6 Group. Yes, at times, all of these meetings
7 have been a drain on resources for all
8 involved. But the progress that these meetings
9 have facilitated, breaking down information
10 asymmetries, developing consensus, and
11 pinpointing issues that are not subject to
12 consensus, these things all comprise important
13 progress for our state.

14 Under the aegis of the Commission,
15 we've been entrusted with the stewardship of
16 programs that have an annual aggregate budget
17 of more than \$50 million. So, of course it
18 takes resources to ensure that all that money
19 is being spent in a manner that maximizes the
20 benefit to New Hampshire ratepayers. We do
21 think, however, that there are best practices
22 that we can adopt from our neighboring states,
23 the ones with those terrific rankings, to
24 streamline the stakeholder process in a manner

1 that avoids having the same discussions
2 multiple times in different venues. We think
3 the answer probably lies, as you've already
4 heard, in making better use of the EESE Board,
5 much as its counterpart in Massachusetts is
6 used, for example. We want to talk about that
7 with the utilities, and also to explore ways of
8 supplementing the inadequate budget for
9 providing the EESE Board with the consulting
10 help it needs to be effective as we look
11 forward to the next three-year Plan.

12 Number three: Lost revenue. We have
13 come a long way from the blunt instrument we
14 use to employ for -- that we used to employ for
15 determining how to make utilities whole for the
16 revenue they lose to energy efficiency. But
17 for as long as we continue this practice, we
18 must always strive to determine what revenues
19 are actually being lost with the greatest
20 accuracy possible. We reiterate here what we
21 said back in June in response to the report of
22 the Lost Base Revenue Working Group. The lost
23 base revenue in the Plan falls short, primarily
24 because it fails to consider the impact of

1 ratchets, measures that reduce run time, and it
2 also contains possibly overstated coincidence
3 factors.

4 Finally, regarding the EESE Board's
5 recommendations of last June. I believe I'm
6 talking about last June, as in last June of
7 last year. On July 21st of last year, the EESE
8 Board unanimously approved, with the PUC
9 abstaining, a resolution that was developed by
10 the EERS Committee, after seven weeks of
11 gathering input from stakeholders, including
12 technical consultants hired by the Commission
13 to help with the process and provide subject
14 matter expertise.

15 That resolution contained several
16 recommendations, including adoption of a
17 10 percent placeholder adder to account for
18 non-energy impacts; adoption of an additional
19 10 percent placeholder NEI adder for low-income
20 households; expanded offerings for customers to
21 finance their up-front co-payments; expanded
22 evaluation, measurement, and verification
23 efforts, with input from the EESE Board; a
24 greater focus on peak demand reduction within

1 the performance incentive; and piloting new
2 program models, including the geo-targeting of
3 energy efficiency upgrades, sometimes describes
4 as "non-wires alternative projects".

5 Thanks to many hours of debate and
6 discussion within the working groups over the
7 past year, the first four of those
8 recommendations are now part of the 2019 Plan
9 Update. However, the last two remain
10 unaddressed. It is time, in connection with
11 implementing this Plan Update, to make progress
12 on making peak demand reduction part of the
13 formula by which we reward utility shareholders
14 for devoting their business empires to the
15 noble task of energy efficiency. And it is
16 time to embrace geo-targeting.

17 I've been deliberately frank and
18 plain-spoken in my comments today. But, like
19 the other stakeholders, the OCA is, as always,
20 ready, willing and able to work collaboratively
21 with the other parties, especially the
22 utilities, in quest of the kind of agreed-upon
23 resolution of the issues we have typically been
24 able to achieve in the realm of

1 ratepayer-funded energy efficiency. We can,
2 and we will, get un-stuck.

3 CHAIRMAN HONIGBERG: Mr. Dexter.

4 MR. DEXTER: Thank you, Mr. Chairman.
5 Staff's taken a review of the Plan with the
6 time that it's had so far and is generally
7 supportive of the proposed budgets, filing, and
8 the materials presented.

9 Our overall approach in this phase of
10 the docket will be to make sure that the items
11 that we agreed on in settlement in the
12 three-year Plan continue to their fruition,
13 including the work groups that were mentioned.

14 While being generally supportive of
15 the proposed programs, we do have some issues
16 that we'd like to highlight today that we
17 expect to dedicate our resources to over the
18 next couple of months.

19 A couple of the parties have
20 mentioned spending carryovers. Staff intends
21 to look closely at the spending carryovers
22 from the various programs for various
23 utilities. Our basic position is fairly
24 obvious, that carryovers should be minimized.

1 And we want to look at that issue to see what's
2 causing them and what can be done with the
3 carryovers to ensure the original intent of the
4 programs.

5 Concerning the cost/benefit analysis
6 that's applied to these programs, there's been
7 some discussion about the Non-Energy Impact
8 adder that's proposed by the utilities in this
9 Plan. Staff will look at that proposal, and in
10 particular with an eye towards making sure that
11 it's in conformity with what was agreed to in
12 the settlement last year.

13 Concerning lost base revenues, Staff
14 was pleased that the Plan Update incorporated
15 the results of the work of the LBR Working
16 Group with respect to capturing demand savings.
17 We continue to have questions about the impact
18 of billing demand ratchets on lost base
19 revenues, and we'll continue our inquiry into
20 that issue in the course of this case. We
21 weren't able to reach a general consensus on
22 that issue in the work group, but we will
23 continue that in this phase.

24 Fourth, concerning the Eversource's

1 customer engagement platform, which we
2 mentioned we had some concerns with last year
3 in terms of its cost, its participant --
4 participation rate, and the overall usefulness
5 of the program. We continue to have those
6 concerns, and we'll look at the Plan as its
7 presented in this Update to see if any of the
8 issues that we identified last year have been
9 resolved. And if not, there are provisions in
10 the settlement from last year that allow for
11 parties to make alternative proposals, and we
12 will be exploring that.

13 Concerning funding and financing, we
14 are generally supportive of the progress that's
15 been made as set forth in this 2019 Update.
16 But, generally speaking, Staff's position is
17 that the progress has been slower than we would
18 have liked. So, we will be looking to move
19 that forward, again in conformance with the
20 settlement that was signed last year.

21 Regarding the work groups, we believe
22 they're all delineated and their tasks were
23 laid out in last year's settlement. And while
24 we are open to efficiency, talking about

1 efficiency, we're not interested in cutting the
2 work of any of those short, until they have
3 either reached their -- until they have reached
4 the goals that were clearly laid out in last
5 year's settlement.

6 So, in conclusion, generally
7 supportive of the Plan. We hope to be able to
8 work with the parties to achieve a settlement
9 in the short time that the procedural schedule
10 allows for.

11 Thank you very much.

12 CHAIRMAN HONIGBERG: All right. Did
13 I miss anyone? Is there anyone else who would
14 like to speak for the first time?

15 *[No verbal response.]*

16 CHAIRMAN HONIGBERG: Is there anybody
17 who would like to add to what they have already
18 said?

19 *[No verbal response.]*

20 CHAIRMAN HONIGBERG: All right.
21 Seeing no takers on any of those, I think we
22 are ready to leave you to your technical
23 session.

24 So, if there's nothing else, we will

1 adjourn the prehearing conference. Thank you
2 all.

3 *(Whereupon the prehearing*
4 *conference was adjourned at*
5 *2:08 p.m., and a technical*
6 *session was held thereafter.)*

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