

February 12, 2021

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

> Re: Docket No. DE 20-092 Electric and Natural Gas Utilities 2021-2023 New Hampshire Statewide Energy Efficiency Plan

Dear Ms. Howland:

The American Council for an Energy Efficient Economy (ACEEE) welcomes this opportunity to offer some comments in response to Order No. 26,440, issued by the Commission in the above-referenced docket on December 29, 2020.

ACEEE is a non-profit 501(c)(3) research organization that works in the area of efficiency polices and programs. We have been active on energy efficiency issues for more than four decades, collecting extensive best-practice information on approaches to utility regulation. We regularly monitor utility sector energy efficiency policies and programs in states across the nation.

In addition, ACEEE has had some specific involvement in this particular matter in New Hampshire. ACEEE Senior Fellow, Dr. Martin Kushler, was invited to provide an in-person presentation regarding best state practices for utility energy efficiency to the New Hampshire Performance Incentive Working Group on March 21, 2019. He also provided subsequent written comments on the draft 2021-2023 New Hampshire Statewide Energy Efficiency Plan to the Energy Efficiency Resource Standard (EERS) Committee on July 15, 2020. We were pleased to see the compromise settlement agreement for the 2021-2023 plan filed on December 3, 2020, and somewhat surprised to see the December 29<sup>th</sup> order deferring a decision on that widely supported settlement agreement. We submit these comments today to help the Commission in its deliberations on that issue.

In that regard, we would like to provide the following information.

Among the ACEEE's activities is the publication of an annual State Energy Efficiency Scorecard. A summary of the results from the 2019 Scorecard as to New Hampshire is of record as Exhibit 41. As you may know, we issued the 2020 edition of the Scorecard in December, just as you were conducting your hearings in this proceeding. Our comments here rely on that most recent edition of the Scorecard.<sup>1</sup>

Although the 2020 Scorecard does not appear in the record, the results were the subject of testimony at hearing. From 2019 to 2020, New Hampshire's overall Scorecard ranking improved from 20 to 18 among the 51 jurisdictions assessed (which include the District of Columbia). In the specific category of "Utility

<sup>&</sup>lt;sup>1</sup> https://www.aceee.org/research-report/u2011

and Public Benefits Programs and Policies," New Hampshire improved its ranking to 13. We observed on page 15 of the scorecard that, in New Hampshire, "utility-sector savings have gradually ramped up in recent years since the state established its first energy efficiency resource standard in 2016."

We respectfully draw the Commission's attention to the fact that the 2020 Scorecard awarded New Hampshire 3 of a possible 7 points in the category of electricity program savings. States receiving the full 7 points in this subcategory – which include Massachusetts, Rhode Island, and Vermont – achieved *annual* savings in electric sales of 2 percent or greater during calendar year 2019. What these results for nearby states suggest is that the electric savings goal of 4.5 percent over the full three years of the 2021-2023 triennium, is very achievable, but by no means the upper limit of achievable, cost-effective energy efficiency in New Hampshire.

In the near term, delaying the effectiveness of the 2021-2023 Triennial Plan can only serve to make the achievement of cost-effective energy efficiency more difficult, and result in the loss of achievable benefits to ratepayers and the state economy. (As you likely know, New Hampshire has to import 100% of the coal, natural gas and petroleum products it consumes from other states and countries, resulting in a significant annual 'dollar drain' from the state. Energy efficiency can help reduce that dollar drain.)

We recognize that COVID-19 and the resulting recession has affected New Hampshire residents and the economy. But with vaccinations stepping up, energy efficiency efforts should be able to ramp up again later this year and can be an important part of efforts to reduce consumer expenses and help them cope with the economic downturn. Indeed, the economic stimulus provided by increasing energy efficiency work in New Hampshire could help with economic recovery, and several states in the region have decided to increase energy efficiency efforts with that in mind.

Based on our longstanding and extensive monitoring of utility energy efficiency performance around the nation, we are confident that New Hampshire can achieve the goals established in the 2021-2023 plan submitted in the settlement agreement...and that this would deliver substantial net economic and environmental benefits to the ratepayers and citizens of New Hampshire. We therefore hope that the Commission will approve the proposed Triennial Plan as expeditiously as possible.

The ACEEE commends New Hampshire's utilities for their progress on energy efficiency achieved to date under the aegis of the Commission. We look forward to New Hampshire achieving additional progress in 2021, 2022, and 2023, which will be reflected in future editions of our annual State Scorecard. And we stand prepared to assist New Hampshire in its ongoing effort to achieve all cost-effective energy efficiency on behalf of its citizens and energy customers.

Thank you for considering our views as you deliberate on your forthcoming order in this docket.

Sincerely,

Martin Kushler, Ph.D. Senior Fellow ACEEE <u>Mgkushler@aceee.org</u> (248) 956-7290