

1 **STATE OF NEW HAMPSHIRE**
2 **PUBLIC UTILITIES COMMISSION**

3
4 **December 10, 2020 - 10:22 a.m.** **DAY 1**
5 **Morning Session ONLY**

6 *[Remote Hearing conducted via Webex]*

7
8 **RE: DE 20-092**
9 **ELECTRIC AND GAS UTILITIES:**
10 2021-2023 Triennial Energy
11 Efficiency Plan.

11 **PRESENT:** Chairwoman Dianne Martin, Presiding
12 Cmsr. Kathryn M. Bailey

13 Doreen Borden, Clerk
14 Eric Wind, PUC Remote Hearing Host

14 **APPEARANCES:** **Reptg. Public Service Company of New**
15 **Hampshire d/b/a Eversource Energy:**
16 Jessica A. Chiavara, Esq.

16 **Reptg. Unutil Energy Systems, Inc.**
17 **and Northern Utilities, Inc.:**
18 Patrick Taylor, Esq.

18 **Reptg. Liberty Utilities (Granite**
19 **State Electric) and Liberty Utilities**
20 **(EnergyNorth Natural Gas d/b/a**
21 **Liberty Utilities:**
22 Michael J. Sheehan, Esq.

21 **Reptg. New Hampshire Electric**
22 **Cooperative, Inc.:**
23 Mark W. Dean, Esq.

23 Court Reporter: Steven E. Patnaude, LCR No. 52
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APPEARANCES: (C o n t i n u e d)

Reptg. Clean Energy New Hampshire:
Elijah D. Emerson, Esq. (*Primmer...*)
Madeleine Mineau, Executive Director

Reptg. Conservation Law Foundation:
Nick Krakoff, Esq.

Reptg. The Way Home:
Raymond Burke, Esq. (*N.H. Legal Asst.*)

Reptg. Dept. of Environmental Services:
Rebecca Ohler
Christopher J. Skoglund

Reptg. Residential Ratepayers:
D. Maurice Kreis, Esq., Consumer Adv.
Office of Consumer Advocate

Reptg. PUC Staff:
Paul B. Dexter, Esq.
Brian D. Buckley, Esq.

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* * *

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CAROL M. WOODS, ERIC M. STANLEY,
DAVID G. HILL, PHILIP H. MOSENTHAL
CHRISTOPHER J. GOULDING, ERICA L.
MENARD, HEATHER M. TEBBETTS, REBECCA
OHLER, CHRISTOPHER J. SKOGLUND**

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SETTLING PARTIES

**WITNESS PANEL: KATHERINE W. PETERS
MARY A. DOWNES
CAROL M. WOODS
ERIC M. STANLEY
DAVID G. HILL
PHILIP H. MOSENTHAL**

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* * *

RECORD REQUEST: A one-page presentation of 128
the percentage of the proposed budget
dedicated to the 3 sectors of C&I and
Municipal, Residential, and
Income-Eligible

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E X H I B I T S

EXHIBIT NO.	D E S C R I P T I O N	PAGE NO.
1	2021-2023 New Hampshire Statewide Energy Efficiency Plan, with attachments (09-01-20)	<i>premarked</i>
2	Updated attachments to the September 1, 2020, Plan	<i>premarked</i>
3	Testimony of David B. Simek & Catherine A. McNamara, with attachments	<i>premarked</i>
4	Testimony of Christopher J. Goulding, Erica L. Menard, Heather M. Tebbetts, & Carol M. Woods, with attachments	<i>premarked</i>
5	Testimony of David G. Hill, with attachments	<i>premarked</i>
6	Testimony of Jay E. Dudley	<i>premarked</i>
7	Testimony of Stephen R. Eckberg, with attachments	<i>premarked</i>
8	Testimony of Elizabeth R. Nixon, with attachments	<i>premarked</i>
9	Testimony of Rebecca Ohler & Christopher Skoglund, with attachments	<i>premarked</i>
10	Testimony of Philip H. Mosenthal, with attachments	<i>premarked</i>
11	Rebuttal Testimony of Philip Mosenthal	<i>premarked</i>

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E X H I B I T S (continued)

EXHIBIT NO.	D E S C R I P T I O N	PAGE NO.
12	Rebuttal Testimony of David G. Hill	<i>premarked</i>
13	Rebuttal Testimony of Katherine Peters, Eric Stanley, Mary Downes, & Carol Woods	<i>premarked</i>
14	Settlement Agreement, with attachments	<i>premarked</i>
15	NH DES letter in support of Settlement Agreement	<i>premarked</i>
16	Utilities - Rate Analysis	<i>premarked</i>
17	RESERVED (Revised Att. H3)	<i>premarked</i> <i>(noted @ P15)</i>
18	RESERVED for Utilities	<i>premarked</i>
19	RESERVED for Utilities	<i>premarked</i>
20	RESERVED for Utilities	<i>premarked</i>
21	EERS Committee Meeting Minutes from 2/3/20 and 2/10/20 meetings	<i>premarked</i>
22	EESE Board 8/14/20 meeting minutes	<i>premarked</i>
23	2020 Plan Update filed in DE 17-136 on 1/15/2020 - Bates Pages 18 and 19	<i>premarked</i>
24	Eversource Request to over-spend Residential Sector Budget- filed in DE 17-136 on 11/23/2020	<i>premarked</i>

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E X H I B I T S (continued)

EXHIBIT NO.	D E S C R I P T I O N	PAGE NO.
25	Table 4 from E. Nixon testimony - Updated to Reflect proposed Settlement Rates	<i>premarked</i>
26	Massachusetts C&I Customer Participation Evaluation	<i>premarked</i>
27	Eversource Massachusetts Energy Efficiency Charge Rate	<i>premarked</i>
28	Rhode Island PUC Docket No. 5076 Materials	<i>premarked</i>
29	Vermont PUC Case No. 19-3272-PET Materials	<i>premarked</i>
30	Utilities Response to Staff 1-12, including attachments	<i>premarked</i>
31	Utilities Response to TS1-005, including attachments	<i>premarked</i>
32	Utilities Response to TS1-006, including attachments	<i>premarked</i>
33	Utilities Response to Staff 1-022	<i>premarked</i>
34	Utilities Responses to Staff 1-024	<i>premarked</i>
35	Utilities Responses to Staff 1-035 including attachments	<i>premarked</i>
36	Utilities Response to Staff 1-037 including attachments	<i>premarked</i>
37	Utilities Responses to Staff 2-017 and OCA 2-023	<i>premarked</i>

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E X H I B I T S (continued)

EXHIBIT NO.	D E S C R I P T I O N	PAGE NO.
38	Utilities Response to Staff 3-002 and Staff 1-005	<i>premarked</i>
39	Staff Response to Utilities 1-031	<i>premarked</i>
40	Utilities Response to Tech Session 1-9	<i>premarked</i>
41	ACEEE NH Energy Efficiency Scorecard from the Plan, Bates 16, Footnote 8	<i>premarked</i>
42	Accounts Receivable Information from IR 20-089 - By Electric Utility	<i>premarked</i>
43	Utilities Response to Staff 3-007	<i>premarked</i>

P R O C E E D I N G

1
2 CHAIRWOMAN MARTIN: We're here this
3 morning in Docket DE 20-092 regarding the 2021 to
4 2023 Statewide Energy Efficiency Plan.

5 I need to make the necessary findings
6 because this is a remote hearing.

7 As Chairwoman of the Public Utilities
8 Commission, I find that due to the State of
9 Emergency declared by the Governor as a result of
10 the COVID-19 pandemic, and in accordance with the
11 Governor's Emergency Order Number 12, pursuant to
12 Executive Order 2020-04, this public body is
13 authorized to meet electronically. Please note
14 that there is no physical location to observe and
15 listen contemporaneously to this hearing, which
16 was authorized pursuant to the Governor's
17 Emergency Order.

18 However, in accordance with the
19 Emergency Order, I am confirming that we are
20 utilizing Webex for this electronic hearing. All
21 members of the Commission have the ability to
22 communicate contemporaneously during this
23 hearing, and the public has access to
24 contemporaneously listen and, if necessary,

1 participate.

2 We previously gave notice to the public
3 of the necessary information for accessing the
4 hearing in the Order of Notice. If anyone has a
5 problem during the hearing, please call
6 (603)271-2431. In the event the public is unable
7 to access the hearing, the hearing will be
8 adjourned and rescheduled.

9 Okay. We need to take a roll call
10 attendance of the Commission. My name is Dianne
11 Martin. I am the Chairwoman of the Public
12 Utilities Commission. And I am alone.

13 Commissioner Bailey.

14 CMSR. BAILEY: Good morning, everyone.
15 Commissioner Kathryn Bailey. And I am alone.

16 CHAIRWOMAN MARTIN: Okay. Let's take
17 appearances, starting with Ms. Chiavara.

18 MS. CHIAVARA: Good morning. Jessica
19 Chiavara, here for Public Service Company of New
20 Hampshire, doing business as Eversource Energy.

21 CHAIRWOMAN MARTIN: Thank you.

22 Mr. Sheehan.

23 MR. SHEEHAN: Good morning. Mike
24 Sheehan, for Liberty Utilities (EnergyNorth

1 Natural Gas) and Liberty Utilities (Granite State
2 Electric).

3 CHAIRWOMAN MARTIN: All right. Thank
4 you. And Mr. Taylor.

5 MR. TAYLOR: Good morning,
6 Commissioners. Patrick Taylor, on behalf of
7 Northern Utilities, Inc., and Unitil Energy
8 Systems, Inc., collectively know as "Unitil".

9 CHAIRWOMAN MARTIN: Okay. Thank you.
10 And Mr. Dean.

11 MR. DEAN: Good morning. Mark Dean,
12 representing New Hampshire Electric Cooperative.

13 CHAIRWOMAN MARTIN: All right. And Mr.
14 Kreis.

15 MR. KREIS: Good morning, Chairwoman
16 Martin, Commissioner Bailey, colleagues. I am D.
17 Maurice Kreis, doing business as Don Kreis. I am
18 the Consumer Advocate. And, pursuant to RSA
19 363:28, I'm here to represent the interests of
20 residential utility customers.

21 CHAIRWOMAN MARTIN: Okay. Thank you.
22 And, for DES, who do we have today?

23 MS. OHLER: Good morning, Chairwoman
24 Martin. This is Rebecca Ohler, with Department

1 of Environmental Services. And with me is
2 Christopher Skoglund.

3 CHAIRWOMAN MARTIN: All right. Thank
4 you. Clean Energy New Hampshire?

5 MR. EMERSON: Good morning,
6 Commissioners. This is Eli Emerson, from
7 Primmer, Piper, Eggleston & Cramer, on behalf of
8 Clean Energy New Hampshire. Thank you.

9 CHAIRWOMAN MARTIN: Okay. Thank you.
10 And CLF?

11 MR. KRAKOFF: Good morning, Chairwoman
12 Martin and Commissioner Bailey. My name is Nick
13 Krakoff. I'm here on behalf of Conservation Law
14 Foundation.

15 CHAIRWOMAN MARTIN: Okay. Thank you.
16 Do we have anyone from Acadia Center?

17 *[No verbal response.]*

18 CHAIRWOMAN MARTIN: Okay. Hearing
19 none. The Way Home?

20 MR. BURKE: Good morning,
21 Commissioners. Raymond Burke, from New Hampshire
22 Legal Assistance, representing The Way Home.

23 CHAIRWOMAN MARTIN: All right. Thank
24 you. And Southern New Hampshire Services?

1 MR. CLOUTHIER: Good morning,
2 Chairwoman. This is Ryan Clouthier, with
3 Southern New Hampshire Services, the Community
4 Action Agency for Hillsborough and Rockingham
5 Counties.

6 CHAIRWOMAN MARTIN: All right. Thank
7 you. And for Staff?

8 MR. DEXTER: Good morning, Chairwoman
9 and Commissioner. This is Paul Dexter, on behalf
10 of the Commission Staff, joined by Brian Buckley.

11 CHAIRWOMAN MARTIN: All right. Thank
12 you.

13 Have I missed anyone? Speak out if I
14 have?

15 *[No indication given.]*

16 CHAIRWOMAN MARTIN: Okay. Great. We
17 plan to take public comment at the beginning of
18 each of these hearings. And, so, Mr. Wind, do we
19 have anyone who would like to make a comment this
20 morning?

21 MR. WIND: I have one request,
22 Representative Oxenham.

23 CHAIRWOMAN MARTIN: Okay. We were
24 going to limit public comment to five minutes.

1 And, if there is a need for additional time, we
2 can give additional time at the next hearing.

3 MR. WIND: All right. Representative,
4 I've just changed your status. So, you should be
5 able to unmute yourself, and turn on your video,
6 if you choose.

7 CHAIRWOMAN MARTIN: Representative, can
8 you hear me?

9 MR. WIND: All right.

10 REP. OXENHAM: Excuse me. I was having
11 difficulty with my machinery here. I have a very
12 brief comment.

13 Just that I think that the original
14 Plan was an excellent plan. And it will save
15 ratepayers money, it will reduce greenhouse gas
16 emissions. It will be a positive for the state.

17 And I would urge the Commission not to
18 back away from the ambitious goals, because what
19 upfront investments may be required, but over
20 time this is going to save millions, if not
21 hundreds of millions of dollars. And, so, I
22 think we have to look at this as an investment,
23 rather than a cost.

24 And I think that it would also be

1 useful if the Commission would look into
2 amortizing energy efficiency investments, to make
3 them less cost-prohibitive for commercial and
4 industrial users, as well as residential users.

5 Thank you.

6 CHAIRWOMAN MARTIN: Thank you,
7 Representative.

8 You said "the original Plan was a good
9 plan." Are you referring to the Plan adopted
10 under the Settlement Agreement or filed on
11 September 1st?

12 REP. OXENHAM: Filed on September 1st.

13 CHAIRWOMAN MARTIN: Okay. Thank you.

14 REP. OXENHAM: Thank you.

15 CHAIRWOMAN MARTIN: Commissioner
16 Bailey, do you have any questions?

17 *(Commissioner Bailey indicating in the*
18 *negative.)*

19 CHAIRWOMAN MARTIN: All right. Thank
20 you, Representative.

21 Anyone else, Mr. Wind?

22 MR. WIND: Not at this time.

23 CHAIRWOMAN MARTIN: Okay. Then, we
24 will move on.

1 I have Exhibits 1 through 16 and 21
2 through 43 prefiled and premarked for
3 identification. Is there anything else related
4 to exhibits?

5 MR. TAYLOR: Yes. Yes, Commissioners.
6 This is Patrick Taylor, from Unitil.

7 When preparing for this hearing, and
8 after the Exhibit List went in, I realized that I
9 had overlooked a Revised Exhibit H3 that Unitil
10 had submitted on December 2nd. We do intend to
11 introduce that as an exhibit, to ensure
12 completeness of the record. I have advised Staff
13 counsel about that, as well as my utility
14 co-counsel.

15 We do have some exhibit numbers that
16 were reserved for Utilities that haven't been
17 used. So, I will likely file that as
18 "Exhibit 17". And so, I just wanted to bring
19 that to your attention.

20 CHAIRWOMAN MARTIN: Okay. Thank you.
21 Anyone else?

22 CMSR. BAILEY: Madam Chair, can I ask a
23 question about that?

24 CHAIRWOMAN MARTIN: Of course. Go

1 ahead.

2 CMSR. BAILEY: Are we going to need to
3 see that exhibit today? And, if so, can somebody
4 email it to us, so that we have it, if you're
5 going to use it? Maybe it's not necessary, but I
6 don't know.

7 MR. TAYLOR: The exhibit or the -- the
8 filing itself is on the docket page, again, it
9 was filed on December 2nd. We, as Unitil, don't
10 intend to use that today. It wasn't introduced
11 by any of the other parties as an exhibit that
12 they intend to use.

13 I don't know that I will be
14 administratively able to get it prepared pursuant
15 to the guidelines during this hearing. But, if
16 the Commissioners would like, I can send around
17 the exhibit as it was filed to certain parties,
18 or to the service list.

19 CHAIRWOMAN MARTIN: Commissioner
20 Bailey, would that be helpful?

21 CMSR. BAILEY: It may be, but we're not
22 on the service list. So, I don't know how that
23 will get to us.

24 Maybe Staff -- maybe Staff could send

1 it to my administrative assistance, and she could
2 forward it to me, if Mr. Taylor would do that.

3 I mean, if everybody else has it, and
4 we're the only ones that don't have it, you don't
5 have to send it to the whole service list, you
6 can probably just send it to somebody on Staff,
7 and they could get it to us.

8 MR. TAYLOR: I'll send it to Staff
9 counsel, and trust that they can get it to you
10 after that.

11 CMSR. BAILEY: Thank you.

12 CHAIRWOMAN MARTIN: Okay. Any other
13 preliminary matters, before we go to witnesses?

14 MR. DEXTER: I would just like to weigh
15 in on that. I don't think sending it to Staff
16 counsel is going to be helpful at this time.
17 Staff counsel is rather busy.

18 I would ask Mr. Taylor -- Attorney
19 Taylor to send that, if you want to send it to
20 Staff counsel, that's fine. But would you please
21 also copy it to Elizabeth Nixon and Jacqueline
22 Trottier. And I suspect Jacqueline will be the
23 one that will get it to Commissioner Bailey and
24 Chairwoman Martin.

1 CHAIRWOMAN MARTIN: You could also just
2 send it to the Executive Director, and she could
3 get it to us as well. Whichever you have most
4 handy.

5 MR. DEXTER: I would also add, and
6 maybe this is -- maybe I'm wrong here, but I
7 don't understand why what's going to be on
8 Exhibit 17 isn't already included in Exhibit 2,
9 which is an update of all the schedules,
10 including, I believe, H3?

11 MR. TAYLOR: Right. That's a fair
12 question.

13 My understanding of Exhibit 2 is that
14 those are exhibits updated to reflect the
15 Settlement. The Exhibit H3, the Revised Exhibit
16 H3, which was filed in advance of the Settlement
17 being filed, is something that was provided by
18 the Company during discovery in response to a
19 Staff data request, and corrected for some errors
20 in the exhibit. And so, it was a way to -- it is
21 essentially a corrected version of what was
22 attached to the original document.

23 MS. CHIAVARA: Right. I'm sorry, if I
24 can -- if it's all right for me to jump in?

1 Yes. It is in Exhibit 2. It was a
2 correction based on math that happened, I
3 believe, yesterday. So, it would be a correction
4 to Exhibit 2. It's not anything that was left
5 out.

6 Do I have that right?

7 MR. TAYLOR: No. No. This is
8 something that was submitted prior to -- prior to
9 the Settlement exhibits. And I did take a look
10 at them, and I believe that the numbers are
11 different. But I will confirm that.

12 But, in any event, if it's duplicative,
13 then, you know, I apologize for that. But we did
14 file a revised exhibit. It's in the docket page.
15 And it made sense to me that we would also file
16 it as an exhibit in the case, just to complete
17 the record.

18 CHAIRWOMAN MARTIN: Okay. Thank you.
19 Just go ahead and file it. And then, if it is
20 duplicative, we can talk about it more at the
21 time it comes up.

22 Ms. Chiavara, do you have another
23 correction to Exhibit 2?

24 MS. CHIAVARA: No. I'm sorry. I was

1 just trying to help clarify, because there were
2 some technological problems yesterday. And so,
3 we were trying to resolve those. And I was
4 just -- I was trying to, I guess, help clarify
5 the difference between the docket webpage, what
6 the exhibits are, and what each document itself
7 is. I don't have anything to add.

8 CHAIRWOMAN MARTIN: Okay. Thank you.

9 All right. Well, I think we can
10 proceed with witnesses at this point. And I
11 noticed that DES's witnesses were here for the
12 purpose of adopting their testimony. Should we
13 start with them or is there a plan as to how the
14 parties would want to proceed?

15 MR. SHEEHAN: Madam Chair, we have had
16 some discussions, and I could make a suggestion.
17 The suggestion is that I've been asked to
18 introduce the testimony of all the utility
19 witnesses, have them adopt their testimony, and
20 then turn it to Mr. Emerson and Mr. Kreis to do
21 both their witnesses, and Mr. Kreis has
22 volunteered to help DES adopt their testimony.

23 My understanding is that the OCA's
24 witness and Clean Energy New Hampshire's witness

1 both want to make brief Q&As as they're being
2 adopted. And the Utilities propose to ask Ms.
3 Peters a handful of questions to sort of set the
4 stage, as sort of a finishing of direct, and then
5 we will be prepared to turn the witnesses over
6 for cross-examination.

7 CHAIRWOMAN MARTIN: Okay. I think that
8 sounds like a good plan. So, why don't we go
9 ahead. And, if you could identify the witnesses
10 you're referring to, so that Mr. Patnaude can get
11 the record straight, and go ahead with those,
12 we'll have them sworn in.

13 MR. SHEEHAN: Sure. And one other item
14 is that there are two panels of Settling
15 Parties/Utilities, and we plan to swear both in,
16 even though the first panel will testify first.
17 When we get around to the second panel, the
18 thought being that their testimony would already
19 have been adopted, and we can jump right into
20 questions.

21 So, with that, the first panel, we've
22 called it the "Settling Parties Panel", is Kate
23 Peters, Mary Downes, Carol Woods, Eric Stanley,
24 David Hill, and Philip Mosenthal. So, those

1 could be sworn in. As well as the Rates Panel,
2 Christopher Goulding, Erica Menard, Heather
3 Tebbetts. And, finally, the two DES witnesses,
4 Rebecca Ohler and Christopher Skoglund.

5 CHAIRWOMAN MARTIN: Okay. If the
6 witnesses who were just identified could raise
7 their hand. And, Mr. Patnaude, if you could
8 swear them in.

9 (Whereupon *Katherine W. Peters,*
10 *Mary A. Downes, Carol M. Woods,*
11 *Eric M. Stanley, David G. Hill,*
12 *Philip H. Mosenthal, Christopher J.*
13 *Goulding, Erica L. Menard, Heather M.*
14 *Tebbetts, Rebecca Ohler,* and
15 *Christopher J. Skoglund* were duly sworn
16 by the Court Reporter.)

17 CHAIRWOMAN MARTIN: All right.

18 Mr. Sheehan.

19 MR. SHEEHAN: Thank you.

20 **KATHERINE W. PETERS, SWORN**

21 **MARY A. DOWNES, SWORN**

22 **CAROL M. WOODS, SWORN**

23 **ERIC M. STANLEY, SWORN**

24 **CHRISTOPHER J. GOULDING, SWORN**

1 **ERICA L. MENARD, SWORN**

2 **HEATHER M. TEBBETTS, SWORN**

3 **DIRECT EXAMINATION**

4 BY MR. SHEEHAN:

5 Q I'll start with what's been marked as "Exhibit
6 13", which is the Rebuttal Testimony of Ms.
7 Peters, Ms. Downes, Ms. Woods, and Mr. Stanley.

8 So, first, Ms. Peters, if you could
9 identify yourself, who you work for?

10 A (Peters) My name is Kate Peters. And I'm a
11 Manager of our Energy Efficiency Programs at
12 Eversource Energy.

13 Q And, Ms. Peters, did you play a role in drafting
14 what has been marked as "Exhibit 13", the
15 rebuttal testimony of you and the others I just
16 identified?

17 A (Peters) Yes, I did.

18 Q And do you have any changes to the portions of
19 the testimony for which you are responsible that
20 you want to bring up this morning?

21 A (Peters) No. I have no changes.

22 Q And do you adopt the rebuttal testimony as your
23 sworn testimony here this morning?

24 A (Peters) Yes, I do.

Peters|Downes|Woods|Stanley|Goulding|Menard|Tebbetts

1 Q Thank you. Ms. Downes, the same questions.

2 Please identify yourself?

3 A (Downes) Sorry. I was having trouble getting off
4 mute.

5 My name is Mary Downes. I'm a Manager
6 of Energy Efficiency Administration and
7 Compliance for Unitil.

8 Mr. Sheehan, I lost audio of you. I'm
9 not sure if I'm the only one.

10 Q No. That was me. Did you also play a role in
11 drafting and preparing the testimony that's been
12 marked as "Exhibit 13"?

13 A (Downes) Yes, I did.

14 Q And do you have any changes that you would like
15 to bring to the Commission's attention this
16 morning?

17 A (Downes) No.

18 Q And do you adopt Exhibit 13 as your sworn
19 testimony today?

20 A (Downes) Yes, I do.

21 Q Thank you. Ms. Woods, the same questions.

22 Please identify yourself?

23 MR. DEAN: Sorry to interrupt. This is
24 Mark Dean. I just received a call from Carol

Peters|Downes|Woods|Stanley|Goulding|Menard|Tebbetts

1 Woods, who apparently the connection has failed,
2 and she's trying to reconnect right now. But, as
3 we saw from before we began, that that might take
4 some time.

5 MR. SHEEHAN: With the Commission's
6 okay, I'll continue, and we can pick up with Ms.
7 Woods when she reconnects.

8 BY MR. SHEEHAN:

9 Q Mr. Stanley, could you identify yourself please?

10 A (Stanley) Good morning. I'm Eric Matthew
11 Stanley. I'm employed by Liberty Utilities
12 Service Corp., which provides services to the two
13 utilities, Granite State Electric and EnergyNorth
14 Natural Gas. And my position at the Company is
15 the Manager of Energy Efficiency and Customer
16 Programs.

17 Q Mr. Stanley, did you also play a role in preparing
18 the testimony that's been marked as "Exhibit 13"?

19 A (Stanley) I did.

20 Q Do you have any changes you want to bring to the
21 Commission's attention?

22 A (Stanley) I have no changes.

23 Q And do you adopt the testimony as your sworn
24 testimony this morning?

1 A (Stanley) I do.

2 Q And could you give us just one or two sentences
3 of what Exhibit 13 is about?

4 A (Stanley) What Exhibit 13 is about is,
5 essentially, a response to a number of issues in
6 the Staff testimony that were raised, and to
7 support the Settlement Agreement filed by the New
8 Hampshire Utilities, along with the Office of
9 Consumer Advocate, Clean Energy New Hampshire,
10 Conservation Law Foundation, Southern New
11 Hampshire Services, and The Way Home.

12 Q Thank you. Turning now to the Rates Panel, we'll
13 go through the same process. As to Exhibit 4,
14 which is the Joint Testimony of Christopher
15 Goulding, Erica Menard, and Heather Tebbetts.
16 Mr. Goulding, could you please introduce
17 yourself?

18 A (Goulding) Hello. My name is Christopher
19 Goulding. I'm the Director of Rates and Revenue
20 Requirements for Unitil Service Corp. In this
21 role, I provide rates and regulatory support for
22 Unitil Energy Service and Northern Utilities.

23 Q Mr. Goulding, we don't see your face. Maybe you
24 could turn your camera on.

1 A (Goulding) Whoops. Here I am. How about now?

2 Q Perfect. Thank you.

3 A (Goulding) All right. Sorry about that.

4 Q Did you play a role in drafting testimony that's
5 been marked as "Exhibit 4"?

6 A (Goulding) Yes, I did.

7 Q And do you have any changes for those portions of
8 the testimony for which you were responsible?

9 A (Goulding) No changes to the testimony. As we
10 were talking about earlier, there was the Revised
11 Attachment H3 that was provided as "Exhibit 17".

12 Q Well, I'll ask. Can you clarify what was
13 apparent confusion of what Exhibit 17 is? Is it
14 fixing Exhibit 4 or does it predate Exhibit 4,
15 the -- I'm sorry, it's "post". Let me ask you
16 what Exhibit 17 is, if you know?

17 A (Goulding) Exhibit -- so, on September 1st, we
18 filed an H3, an attachment, which was the SBC
19 rates for Unitil. And, during discovery, it was
20 determined that one of the rates for the
21 Residential Sector was understated because the
22 budget was incorrect. So, this was revising the
23 original H3 attachment that was provided on
24 September 1, or filed on September 1st.

1 Q And, to Mr. Dexter's question, is it true that
2 the H3 that is in the revised documents, I think
3 we've marked them as "Exhibit 2", is the H3 in
4 that document, correct?

5 A (Goulding) Yes. That one corrects this error,
6 and updates the savings and LBR calculation
7 consistent with the Settlement.

8 Q Great. Thank you. I'm not sure I asked you, but
9 do you adopt the testimony that is Exhibit 4 here
10 this morning?

11 A (Goulding) Yes, I do.

12 Q Thank you.

13 CHAIRWOMAN MARTIN: Just a minute, Mr.
14 Sheehan.

15 MR. SHEEHAN: Yes.

16 CHAIRWOMAN MARTIN: I cannot see Ms.
17 Downes at this point, and I raise it because, if
18 she's having issues, I want to make sure she's
19 using this time to get back on video.

20 Oh, there you are. Ms. Downes, if you
21 can keep your video on, so long as you're part of
22 the panel, that would be great.

23 WITNESS DOWNES: Yes. That was
24 unintentional. I'm sorry about that.

1 CHAIRWOMAN MARTIN: Okay. Thank you.

2 Mr. Sheehan.

3 BY MR. SHEEHAN:

4 Q Ms. Menard, can you please introduce yourself?

5 A (Menard) Good morning. My name is Erica Menard.

6 I'm the Manager of Revenue Requirements for

7 Eversource Energy Service Company. And I'm

8 responsible for the rate and revenue calculations

9 associated with various rate and regulatory

10 filings before this Commission.

11 Q Ms. Menard, did you play a role in drafting the

12 testimony that has been marked as "Exhibit 4"?

13 A (Menard) Yes, I did.

14 Q And do you have changes you'd like to bring up to

15 the Commission's attention this morning?

16 A (Menard) No, I do not.

17 Q And do you adopt the testimony as your sworn

18 testimony here this morning?

19 A (Menard) Yes, I do.

20 Q Thank you. Ms. Tebbetts, please introduce

21 yourself?

22 A (Tebbetts) Good morning. My name is Heather

23 Tebbetts. And I'm the Manager of Rates and

24 Regulatory Affairs at Liberty Utilities Service

1 Company. And I'm responsible for rate-related
2 issues for Granite State Electric and EnergyNorth
3 Natural Gas.

4 Q And did you also play a role in drafting the
5 testimony that is marked as "Exhibit 4"?

6 A (Tebbetts) Yes.

7 Q And do you have any changes you'd like to bring
8 to the Commission's attention for the Liberty
9 portions of that testimony?

10 A (Tebbetts) Not for the testimony. But I do have
11 something that needs to be addressed with regards
12 to Exhibit 2 that was filed this week.

13 Q So, Exhibit 2, meaning the supplemental documents
14 that were filed with the Settlement Agreement, is
15 that correct?

16 A (Tebbetts) Yes. That's correct.

17 Q Okay. If you could identify that, we will get to
18 Exhibit 2 with Ms. Peters later, but what is the
19 correction that you'd like to bring up as to
20 Exhibit 2?

21 A (Tebbetts) Yes. So, on Bates Page 470, 4-7-0, we
22 presented our Attachment F3, which provides a
23 snapshot of our SBC rates for 2021, 2022, and
24 2023. And it was noticed that, for the 2022 and

1 2023 rates, under Column K, which is the "SBC
2 Rate EE Portion", that those rates have a zero
3 after the decimal point. And, so, those rates
4 should actually be "0.86" and "0.84" and, for
5 2023, "0.92" and "1.061". That should be the SBC
6 rate. There is an extra zero in front of them.

7 Q I'm sorry. So, as you say, the "extra zero", so
8 the decimal point is just in the wrong place for
9 those two years, is that correct?

10 A (Tebbetts) Yes. I apologize. Yes. The decimal
11 point is in the wrong place for those two years.

12 Q Okay. Thank you. With that correction, and
13 understanding it may not be part of Exhibit 4,
14 but with that correction, do you adopt the
15 testimony that is Exhibit 4 here this morning?

16 A (Tebbetts) Yes, I do.

17 Q And, Mr. Goulding, could you give us, in a
18 sentence or two, what the purpose of Exhibit 4
19 is, sort of at a high level?

20 A (Goulding) Sure. I was trying to just identify
21 what Exhibit 4 was.

22 So, the purpose of our testimony is to
23 present and support the calculations of the
24 annual rates for the energy efficiency and LBR

1 components of the System Benefits Charge proposed
2 for effect on January 1st, 2021, January 1st,
3 2022, and January 1st, 2023.

4 Additionally, to present the Energy
5 Efficiency Charge and Lost Revenue Rate for
6 Northern for illustrative purposes only, because
7 those are filed in the annual cost of gas filing.

8 MR. SHEEHAN: Thank you. That's all I
9 have for this stage. And, as I had mentioned, I
10 believe Mr. Kreis and Mr. Emerson will introduce
11 their witnesses. And then, I would request the
12 opportunity to ask Ms. Peters a few high-level
13 questions about what we're here for today.

14 Thank you.

15 MR. DEAN: This is Mark Dean. If I can
16 interject, I believe Carol Woods is back online
17 and connected. I don't know if you'd like to do
18 the qualifications and adoption of the testimony
19 while you're still dealing with that panel.

20 MR. SHEEHAN: Sure.

21 BY MR. SHEEHAN:

22 Q Ms. Woods, can you identify yourself please?

23 A (Woods) Hi. Can you hear me?

24 Q I can.

1 A (Woods) Okay. Hi. I'm Carol Woods. And I work
2 at the New Hampshire Electric Co-op. My position
3 is Energy Solutions Executive. And, in that
4 role, I am responsible for the regulatory and
5 planning aspects of the Energy Efficiency
6 Programs.

7 Q Thank you. And, Ms. Woods, did you participate
8 in the preparation of Exhibit 13, which is the
9 Joint Rebuttal Testimony of you and your three
10 utility colleagues?

11 A (Woods) Yes, I did.

12 Q And do you have any changes you'd like to bring
13 to the Commission's attention this morning?

14 A (Woods) I do not.

15 Q And do you adopt Exhibit 13 as your sworn
16 testimony here today?

17 A (Woods) Yes, I do.

18 MR. SHEEHAN: Thank you.

19 MR. KREIS: I believe that makes it my
20 turn, does it not?

21 CHAIRWOMAN MARTIN: Yes, it does.

22 MR. KREIS: Thank you, Madam
23 Chairwoman.

24 Just for the record, and to make sure

[WITNESSES: Ohler|Skoglund]

1 it's absolutely clear, I'm about to introduce the
2 two witnesses from the Department of
3 Environmental Services and have them adopt their
4 testimony. I do not represent either of them or
5 their department. However, they do not have
6 counsel with them today. And, simply as a
7 courtesy to them and to you, I'm going to serve
8 that ministerial role. And, so, I'll just move
9 right into that.

10 **REBECCA OHLER, SWORN**

11 **CHRISTOPHER J. SKOGLUND, SWORN**

12 **DIRECT EXAMINATION**

13 BY MR. KREIS:

14 Q Ms. Ohler, would you please identify yourself by
15 name and affiliation?

16 A (Ohler) Yes. My name is Rebecca Ohler. I work
17 for the Department of Environmental Services.
18 And I am the Administrator of our Technical
19 Services Bureau in the Air Resources Division.

20 Q Thank you. And, Mr. Skoglund, would you please
21 do the same.

22 A (Skoglund) My name is Christopher J. Skoglund. I
23 am the Climate and Energy Program Manager with
24 the Air Resources Division of New Hampshire

[WITNESSES: Ohler|Skoglund]

1 Department of Environmental Services.

2 Q Super. I'm going to ask a series of questions,
3 and I would propose that Ms. Ohler answer the
4 question first, and then Mr. Skoglund. Here we
5 go.

6 Did you prepare the document that has
7 been marked for identification as "Exhibit 9"?

8 A (Ohler) Yes.

9 A (Skoglund) Yes.

10 Q And do either of you have any corrections to
11 Exhibit 9?

12 A (Ohler) No.

13 A (Skoglund) No.

14 Q Does Exhibit 9 reflect your analysis as of the
15 date on that exhibit, which is October 29th of
16 this year, of the Triennial Plan that was filed
17 by the Program Administrators on September 1st in
18 this docket?

19 A (Ohler) Yes, it does.

20 A (Skoglund) Yes.

21 Q And, if I asked you today those same questions
22 that are reflected in Exhibit 9 right here on the
23 stand about the September 1st Plan, would those
24 be your answers here on the stand?

[WITNESSES: Ohler|Skoglund]

1 A (Ohler) Yes.

2 Q And, so, therefore, do -- oh, I'm sorry, I didn't
3 hear from Mr. Skoglund. Went too fast.

4 A (Skoglund) Yes.

5 Q And, so, therefore, do you adopt the testimony in
6 Exhibit 9 as your sworn testimony reflecting your
7 analysis of the September 1st Plan?

8 A (Ohler) I do.

9 A (Skoglund) Yes.

10 MR. KREIS: Okay. I think those are
11 the only questions I need to ask Ms. Ohler and
12 Mr. Skoglund to help them adopt their testimony.

13 And now, I intend to turn to the
14 witness whom I do represent, and who is
15 testifying on behalf of the Office of Consumer
16 Advocate, and that would be Mr. Mosenthal.

17 **PHILIP H. MOSENTHAL, SWORN**

18 **DIRECT EXAMINATION**

19 BY MR. KREIS:

20 Q Mr. Mosenthal, would you please identify yourself
21 by name and affiliation?

22 A (Mosenthal) I'm Philip Mosenthal. I am a partner
23 at Optimal Energy. And I am the witness
24 representing OCA.

[WITNESS: Mosenthal]

1 Q Thank you. Mr. Mosenthal, did you prepare the
2 document marked for identification as
3 "Exhibit 10"?

4 A (Mosenthal) Yes, I did.

5 Q Do you have any corrections to Exhibit 10?

6 A (Mosenthal) No.

7 Q Does Exhibit 10 reflect your analysis as of the
8 date on that exhibit, which is October 29th of
9 this year, of the Triennial Plan that was filed
10 by the Program Administrators on September 1st in
11 this docket?

12 A (Mosenthal) Yes.

13 Q And, if I asked you today those same questions
14 about the September 1st Plan, would those be your
15 answers?

16 A (Mosenthal) Yes.

17 Q And, so, therefore, do you adopt the testimony in
18 Exhibit 10 as your sworn testimony reflecting
19 your analysis of the September 1st Plan?

20 A (Mosenthal) I do. And one clarification I guess
21 I should make is, to the extent the answer
22 contradicts the Settlement, because the direct
23 testimony was prior to the Settlement, that might
24 be a different answer.

[WITNESS: Mosenthal]

1 Q Of course. And, so, therefore, turning to what
2 has been marked for identification as "Exhibit
3 11", this, too, is a document that was prepared
4 by you, and that we filed with the Commission on
5 December 3rd, yes?

6 A (Mosenthal) Yes.

7 Q Exhibit 11 is labeled "Rebuttal Testimony". Is
8 it fair to say that one of the purposes of
9 Exhibit 11 is to provide the Commission with your
10 response to the testimony that Staff filed on
11 October 29th?

12 A (Mosenthal) Yes.

13 Q And would it also be fair to say that another
14 purpose of Exhibit 11 is to provide your analysis
15 of the Settlement Agreement, filed on December
16 3rd, which is marked for identification here as
17 "Exhibit 14", to which the Office of the Consumer
18 Advocate is a signatory?

19 A (Mosenthal) Yes.

20 Q And did you participate in the discussions that
21 led to the Agreement reflected in Exhibit 14?

22 A (Mosenthal) Yes.

23 Q And, so, would it be fair to say that you're
24 familiar with the terms and compromises laid out

[WITNESS: Mosenthal]

1 in that document?

2 A (Mosenthal) Yes, I am.

3 Q And, if I asked you all of the questions in
4 Exhibit 11 today live on the stand, would your
5 answers be the same as to the subjects discussed
6 in that testimony?

7 A (Mosenthal) Yes.

8 Q And, so, therefore, you adopt Exhibit 11 as your
9 sworn testimony in this proceeding?

10 A (Mosenthal) Yes.

11 Q Okay. I just have a few substantive questions
12 now, just to sort of put your rebuttal testimony
13 in context and provide some highlights.

14 Do the increased System Benefits
15 Charges and LDAC charges in the Settlement
16 Agreement concern you as a ratepayer advocate?

17 A (Mosenthal) No. I mean, to the extent we could
18 capture all the cost-effective savings with lower
19 SBCs, that would, of course, be preferable. But,
20 no, I believe they're reasonable.

21 Q Mr. Mosenthal, you are, are you not, familiar
22 with the Granite State Test, which the Commission
23 adopted about a year ago, for purposes of
24 determining the cost-effectiveness of our state's

[WITNESS: Mosenthal]

1 energy efficiency programs?

2 A (Mosenthal) Yes, I am.

3 Q And, to your knowledge, did the Commission Staff
4 approve of this transition to the Granite State
5 Test?

6 A (Mosenthal) It's my understanding that they did,
7 yes.

8 Q What are -- what are the implications of the
9 transition to the Granite State Test, when it
10 comes to the Commission reviewing the SBC and
11 LDAC rates proposed in the Settlement Agreement?

12 A (Mosenthal) The Granite State Test essentially
13 compares the cost of the efficiency programs
14 against alternative supply-side energy resources.
15 So, essentially, if programs pass the Granite
16 State Test, it means they're a cheaper resource
17 than if you didn't acquire the energy savings and
18 had to replace it with supply.

19 Q If your prime concern was the mismatch between
20 the present effect of new energy efficiency
21 investments on rates, versus the fact that the
22 savings from those investments accrue over a much
23 longer period, what would you do?

24 A (Mosenthal) Well, one option would be to amortize

[WITNESS: Mosenthal]

1 the costs, so that they're more in line with the
2 timing of the benefits, which is typically how
3 supply-side power plants and pipelines and things
4 like that are done.

5 Q To your knowledge, did the Staff of the
6 Commission support anything like that while the
7 Plan was under discussion?

8 A (Mosenthal) No. They were -- they were not
9 supportive of amortization.

10 Q To the extent that the effect of the new SBC and
11 LDAC rates is possibly to expose a customer to
12 slightly higher costs for electricity or natural
13 gas, isn't that just an effective price signal to
14 nudge such customers into that kind of
15 participation?

16 A (Mosenthal) It certainly can be additional
17 encouragement to pursue efficiency as rates are
18 higher, yes.

19 Q Wouldn't it be fair to say that, because
20 commercial and industrial customers, especially
21 the really big ones, tend to be careful watchers
22 of their energy costs, that they're actually more
23 likely than the average customer to respond to
24 those price signals by signing up to participate

[WITNESS: Mosenthal]

1 in energy efficiency programs?

2 A (Mosenthal) I believe that's the case. And,
3 certainly, in other jurisdictions, I've seen
4 large C&I customers, commercial and industrial
5 customers, participate in efficiency programs in
6 disproportionately higher numbers than other
7 customers.

8 Q Mr. Mosenthal, towards the end of your rebuttal
9 testimony, you offer some criticism of the
10 analysis offered by Ms. Nixon of the Commission
11 Staff of the bill impacts from the Energy
12 Efficiency Programs as analyzed in Attachment M
13 to the original Plan.

14 What's the basic problem, in your
15 opinion, with her analysis?

16 A (Mosenthal) Well, I think I discuss the analysis
17 in two places. One is to point out that it's a
18 analysis of what a customer -- an average
19 customer's bill impact would be if they didn't
20 participate in the program. And, if you look at
21 the entire revenue requirement, essentially all
22 customers, collectively, bills would go down.

23 I also address that Ms. Nixon indicated
24 that the Eversource bills would go up for

[WITNESS: Mosenthal]

1 residential. And, while the Attachment M does
2 show that, I point out that, really, it's just
3 looking at electric rates and bills, and a large
4 amount of the savings, in fact, more than the
5 electric savings, in oil and propane would accrue
6 to those customers, and, in fact, their bills
7 would go down.

8 Q The Settlement Agreement made some revisions to
9 the Plan. Does that change your bill impact
10 analysis at all?

11 A (Mosenthal) The analysis in the -- well, to the
12 extent the analysis was based on September 1
13 numbers, September 1 Plan numbers, it would
14 likely change them, yes.

15 Q Could you briefly summarize how the -- the effect
16 of those changes?

17 A (Mosenthal) The primary changes to bill impacts
18 would be driven by Eversource reducing its
19 spending and SBC levels for C&I customers, and
20 increasing it somewhat for residential customers.

21 Q And let me ask you a quick question about your
22 direct testimony, which is Exhibit 10. Do you
23 recall that, in your direct testimony, you raised
24 concerns about the September 1st edition of the

[WITNESS: Mosenthal]

1 Plan that had to do with modifying savings goals
2 once the triennium begins, and the use of gross,
3 rather than net, savings in certain situations,
4 and performance metrics related to savings of
5 delivered fuels?

6 A (Mosenthal) Yes. That's correct.

7 Q Were all of those concerns reflected in the
8 Settlement Agreement?

9 A (Mosenthal) No. The concerns around modifying
10 savings, based on evaluations, was addressed in
11 the way I would have preferred. And the
12 net-to-gross was also addressed.

13 The last one, the Performance Incentive
14 mechanism for encouraging fossil fuel savings,
15 unregulated energy savings was not addressed.

16 Q Given the cogency and incisiveness of your
17 analysis, do you have a sense of why all of your
18 opinions and recommendations on those subjects
19 weren't simply adopted in the Settlement
20 Agreement?

21 A (Mosenthal) Well, like any settlement agreement,
22 it's a compromise. And parties -- usually no
23 party ends up getting everything they would
24 absolutely love. And I think this Settlement is

[WITNESS: Mosenthal]

1 a very good, solid settlement as packaged. But,
2 you know, it doesn't mean that every single thing
3 I discussed in my direct testimony was fully
4 resolved.

5 Q And, so, would it be fair to say that you're
6 satisfied that the Settlement terms overall
7 reasonably addressed the issues that you raised
8 in your direct testimony?

9 A (Mosenthal) Yes. I think they did.

10 Q Okay. One last question. Could you briefly
11 summarize what effect the COVID-19 pandemic
12 should have on the EERS and the Triennial Plan?
13 In particular, should it make the Commission more
14 inclined or less inclined to, I guess I would
15 say, lean into the quest for all cost-effective
16 energy efficiency?

17 A (Mosenthal) I believe it should make the
18 Commission more inclined to adopt the Settlement
19 and pursue robust cost-effective energy savings.
20 I think, while the rate impacts will raise rates
21 a little bit, the more important thing is to
22 provide customers that are really struggling with
23 paying their bills, particularly residential
24 customers and smaller commercial customers, with

[WITNESS: Mosenthal]

1 relief from their energy burden, and help with
2 improving their efficiency. And it goes a long
3 way to do that.

4 And I would also note that energy
5 efficiency tends to have significant other
6 economic benefits to the state. And, in my
7 rebuttal testimony, I did talk about some of
8 those. And, if you look -- if you compare New
9 Hampshire, assuming it has similar sort of
10 economic multipliers to a study done recently for
11 Commonwealth Edison in Illinois, it would create
12 about 17,500 job years, you know, about one
13 billion dollars in new labor income, and about
14 three and a half billion dollars in economic
15 output, indirect economic output over and above
16 the bill savings.

17 MR. KREIS: Thank you, Mr. Mosenthal.
18 Madam Chairwoman, those are all my questions for
19 Mr. Mosenthal by way of introducing his direct
20 testimony. And, so, therefore, I believe he is
21 now available for cross-examination.

22 CHAIRWOMAN MARTIN: Okay. And were we
23 going to hear from any other counsel before we go
24 to cross?

[WITNESS: Hill]

1 MR. EMERSON: Yes, Madam Chairwoman. I
2 have to introduce David Hill.

3 CHAIRWOMAN MARTIN: Okay. Go ahead.

4 MR. EMERSON: Okay.

5 **DAVID G. HILL, SWORN**

6 **DIRECT EXAMINATION**

7 BY MR. EMERSON:

8 Q Mr. Hill, could you please state your name,
9 employer, and position for the record?

10 A (Hill) Good morning. My name is David Hill. I
11 work with Energy Futures Group, based in
12 Hinesburg, Vermont.

13 Q And do you have before you prefiled direct
14 testimony dated October 29th, 2020, marked as
15 "Exhibit 5", and with that is one attachment?

16 A (Hill) I do.

17 Q And do you also have in front of you prefiled
18 rebuttal testimony dated December 3rd, 2020, and
19 that is marked as "Exhibit 12"?

20 A (Hill) Yes.

21 Q Mr. Hill, did you draft these two sets of
22 testimony?

23 A (Hill) I did.

24 Q Do you have any corrections to either set of

[WITNESS: Hill]

1 testimonies?

2 A (Hill) No, I do not.

3 Q Are both sets of testimony true and accurate to
4 the best of your knowledge?

5 A (Hill) Yes, they are.

6 Q The same testimony that you would give live
7 today?

8 A (Hill) Correct.

9 Q Okay. Do you adopt both sets of testimony in
10 this docket in this hearing today?

11 A (Hill) Yes, I do.

12 Q Okay. Just briefly, could you please explain why
13 you and Clean Energy New Hampshire are supporting
14 the Plan, as amended by the Settlement Agreement?

15 A (Hill) Certainly. Good morning, Commissioners.
16 I appreciate the opportunity to testify before
17 you today on behalf of Clean Energy New
18 Hampshire.

19 To briefly summarize my direct and
20 rebuttal testimony, I support the NHSaves Plan as
21 originally filed, and the Agreement filed by the
22 Settling Parties on December 3rd. Both are the
23 result of significant time and effort by the
24 Utilities and stakeholders. They demonstrate the

[WITNESS: Hill]

1 potential for constructive collaboration and
2 illustrate how New Hampshire's Energy Efficiency
3 Resource Standard can create significant economic
4 benefits.

5 For example, using the Granite State
6 Test, the estimated net benefits for the original
7 Plan are \$619 million. The ratio of benefits to
8 costs is 2.78. This highlights how well-designed
9 and implemented energy efficiency initiatives can
10 be an economic engine. Broadly speaking, the
11 wellbeing of the communities throughout New
12 Hampshire will be greatly improved when we make
13 investments that provide this type of return.

14 Over their lifetime, the installed
15 measures are expected to save customers more than
16 \$1.3 billion on their bills for electricity,
17 natural gas, and other fuels.

18 The Plan also promotes --

19 CHAIRWOMAN MARTIN: Mr. Hill, could you
20 please hold. I apologize for interrupting you.

21 I cannot see Ms. Chiavara, and I want
22 to make sure she's still here.

23 MS. CHIAVARA: I am here. Sorry, I
24 don't know what's going on. Is my audio okay?

[WITNESS: Hill]

1 CHAIRWOMAN MARTIN: I can hear you, but
2 I can't see you. As long as you can hear and
3 you're comfortable, we can proceed while you kind
4 of work through your video issue.

5 MS. CHIAVARA: Yes. Nothing's changed
6 on my end. I'm sorry. Everything is fine from
7 here.

8 CHAIRWOMAN MARTIN: Okay. Excellent.

9 MS. CHIAVARA: Thank you.

10 CHAIRWOMAN MARTIN: Go ahead, Mr. Hill.
11 I apologize.

12 WITNESS HILL: No problem.

13 **CONTINUED BY THE WITNESS:**

14 A (Hill) The Plan also promotes job creation and
15 address workforce development and training for
16 the local jobs that will be created as the Plan
17 is implemented. This is important, as research
18 conducted by Clean Energy New Hampshire has found
19 that, while energy efficiency employment in the
20 state has experienced steady growth, less than
21 one in five surveyed firms report no difficulties
22 in hiring.

23 The Plan also includes financing
24 strategies, and it devotes 20 percent of the

[WITNESS: Hill]

1 funding to services for households with limited
2 incomes.

3 These are all commendable features of
4 the Plan, and they highlight the importance of
5 energy efficiency as a least-cost resource. In
6 my experience, not all energy efficiency plans
7 are as collaboratively developed or as complete
8 as the proposed NHSaves Plan.

9 I also support the proposed Settlement
10 Agreement, as it maintains the fundamental
11 benefits of the original Plan, while fairly
12 addressing concerns and recommendations raised in
13 the Parties' respective testimonies and the
14 ensuing negotiations.

15 As one example, the Settlement
16 increases the number of planned electric
17 baseboard to cold climate heat pump conversions
18 by 1,200. And this modification is consistent
19 with one of the recommendations in my direct
20 testimony.

21 The proposed Settlement also includes a
22 reduction in the total budget for Eversource of
23 5.7 percent, with the intent of addressing
24 concerns raised by Commission Staff on the

[WITNESS: Hill]

1 near-term rate impact for Eversource's commercial
2 and industrial customers. I support the
3 Settlement Agreement modifications as meaningful
4 and appropriate responses to Staff's concerns.

5 I respectfully, but strongly, disagree
6 with the notion that planning and screening for
7 the NHSaves portfolio be dictated by a specific
8 acceptable near-term rate impact. Replacing the
9 Granite State Test, the cost-effectiveness test,
10 framework with such a limit is antithetical to
11 creating maximum statewide benefits from an EERS.

12 Finally, with less than a month
13 remaining before the start of the new
14 implementation cycle, no specific alternative to
15 the proposed Settlement Agreement has been
16 proposed.

17 Thank you. I appreciate the
18 opportunity to provide these comments. And I'm
19 happy to answer any questions.

20 MR. EMERSON: Mr. Hill is now available
21 for questions.

22 CHAIRWOMAN MARTIN: Okay. Thank you.

23 MR. SHEEHAN: Madam Chair, as I
24 indicated earlier, we'd like to ask Ms. Peters a

[WITNESS: Hill]

1 few similar preliminary questions at this time,
2 if that's appropriate?

3 CHAIRWOMAN MARTIN: Just a moment.

4 Mr. Hill, could you please mute?

5 WITNESS HILL: Certainly.

6 CHAIRWOMAN MARTIN: And, Mr. Sheehan,
7 and other counsel, can we move the Rates Panel
8 down at this point, and then move them back up
9 when we are dealing with that panel? Or, do you
10 need to have them on the screen?

11 MR. SHEEHAN: I believe they can be
12 demoted now, as well as the DES folks.

13 CHAIRWOMAN MARTIN: Thank you. All
14 right. Go ahead.

15 MR. SHEEHAN: Thank you. Ms. Peters,
16 we have a handful of questions for you, as you
17 know.

18 *(Presentation of the **Settling Parties***
19 ***Panel** comprised of the witnesses that*
20 *are noted below.)*

21 **KATE W. PETERS, PREVIOUSLY SWORN**

22 **MARY A. DOWNES, PREVIOUSLY SWORN**

23 **CAROL M. WOODS, PREVIOUSLY SWORN**

24 **ERIC M. STANLEY, PREVIOUSLY SWORN**

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

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DAVID G. HILL, PREVIOUSLY SWORN

PHILIP H. MOSENTHAL, PREVIOUSLY SWORN

DIRECT EXAMINATION (*resumed*)

BY MR. SHEEHAN:

Q Let's start with, could you identify what Exhibit 1 is?

A (Peters) yes. Hello, everyone. Exhibit 1 is the Plan as it was submitted by the Utilities on September 1st, 2020, including all of the Plan attachments.

Q Thank you. And please identify what Exhibit 2 is?

A (Peters) Exhibit 2 is the revised set of Plan attachments incorporating the adjustments made by the Settlement Agreement.

Q And what is the purpose of the updated attachments?

A (Peters) The attachments provide the detailed backup for the budgets and energy savings. So, they show the breakdown of programs, budgets, savings targets, cost-effectiveness screening, and numerous other items for each utility. So, the attachments are outputs from the benefit-cost models for the Plan, and the Exhibit 2

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 attachments include the backup for the budgets
2 and targets that are addressed in the Settlement
3 Agreement.

4 Q And could you identify Exhibit 14 please, which,
5 of course, is the Settlement Agreement?

6 A (Peters) Yes. So, the Settling Parties who
7 signed the Settlement Agreement have agreed upon
8 certain adjustments to the September 1st Plan.
9 So, we are seeking approval of the Plan as
10 updated by the Settlement Agreement. Any
11 elements of the September 1 filing that are not
12 directly addressed in the Settlement Agreement,
13 or those revised attachments that we just talked
14 about, would remain as originally filed on the
15 September 1st Plan.

16 For example, the "workforce development
17 strategy", which is discussed in the September 1
18 Plan, was not discussed further in the
19 Settlement. So, that strategy remains as
20 proposed in the September 1 document.

21 Q Can you give us an overview of the Settlement
22 please?

23 A (Peters) Yes. So, as I just noted, the
24 Settlement revises the Plan with a series of

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 adjustments that have resulted from the testimony
2 and the discussion in the docket. The
3 comprehensive Settlement results in a 21 to --
4 2021 to 2023 Energy Efficiency Plan that will
5 continue to move New Hampshire forward in our
6 shared effort to achieve more energy efficiency
7 savings for residents, businesses, and
8 municipalities across the state.

9 4.5 percent of the 29 [sic] electric
10 sales and 2.8 percent of the 2019 -- sorry. Let
11 me say that again. 4.5 percent of 2019 electric
12 sales and 2.8 percent of 2019 natural gas sales
13 are the energy savings targets that are
14 identified in the Settlement.

15 Some of the adjustments to the
16 September filing reflect adjustments to
17 Eversource's budgets and to some of the savings
18 assumptions, energy savings assumptions. The
19 Settlement makes some clarifications and further
20 streamlines the administrative framework for the
21 true Three-Year Plan, which was identified early
22 during planning as a high priority by
23 stakeholders. And it provides for transparency,
24 flexibility, and predictability, that will be

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 beneficial to regulators, stakeholders, and
2 program administrators, and, most importantly, to
3 the contractors and customers who participate in
4 the programs and implement the work.

5 The Agreement does not make many
6 changes at all to the suite of comprehensive
7 program offerings that are designed to help
8 customers implement energy efficiency projects
9 over the next three years. And this is important
10 to note, because this is the bulk of the
11 offerings that we have for the public and,
12 really, the meat of what we do in the energy
13 efficiency programs. And these programs and
14 approaches were developed during the stakeholder
15 process. They are based on best practices from
16 here in New Hampshire, and our experience here
17 and in other states around the region. And
18 they're really a great roadmap for how we can
19 interact with customers, and for the types of
20 projects that will be implemented to achieve the
21 energy savings.

22 So, in addition to a few other items,
23 the Settlement lays out a new iteration of the
24 stakeholder process that can be used in

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 development of the next plan, but also as an
2 ongoing opportunity to exchange information and
3 gather feedback during the course of the next
4 three years.

5 That's my overall summary of the
6 Settlement.

7 Q Can you describe how the stakeholder process and
8 the EERS framework resulted in the savings
9 targets, which was the process approved in prior
10 Commission orders?

11 A (Peters) Definitely. The Plan was developed
12 during an extensive process, which started more
13 than a year ago. And it included input and ideas
14 from numerous stakeholders, members of the
15 public, expert consultants, customers, primary
16 research, and all parties to this docket.

17 Two full drafts of plans were presented
18 to the EERS Committee, one on April 1st and one
19 on July 1st. Both drafts included full budgets,
20 energy savings calculations, benefit-cost
21 analysis, and a narrative with program
22 descriptions and other details. We then
23 collected feedback on these drafts, and used that
24 feedback to make adjustments and inform the

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 September 1 filing.

2 The Settling Parties have now since
3 made additional revisions, taking into account
4 the items raised during this docket. And, like
5 any iterative process, with many participants,
6 numerous compromises and adjustments were made
7 during the development of the Plan.

8 I think the Settling Parties are
9 confident that the Settlement Plan represents a
10 holistic approach that balances numerous
11 interrelated issues and priorities.

12 Q Can you explain how this Plan started with
13 savings targets, and then developed budgets, as
14 opposed to setting budgets first?

15 A (Peters) As noted in Commission Order 25,932,
16 which approved the EERS framework that we're
17 working in now, an EERS is a policy that sets
18 specific targets or goals for energy savings
19 which utility companies serving New Hampshire
20 ratepayers must meet. The Plan and the budgets
21 are then built to achieve those savings.

22 In practice, our recent process
23 included plan development, while discussions
24 about savings targets were also going on. But

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1 the primary driver of the September 1 Plan was
2 the energy savings targets, which were a subject
3 of significant discussion with the stakeholder
4 group, and the driver was not so much a specific
5 budget or rate level. And this is the way it was
6 intended to be done under the EERS.

7 The stakeholder process clearly
8 identified energy savings goals of 5 percent of
9 2019 sales for electric and 3 percent of 2019
10 sales for natural gas. These ambitious, but
11 achievable, targets were informed by all of the
12 discussions and drafts, and also by the New
13 Hampshire Potential Study, which is a study that
14 happened this year, looking to identify the
15 potential for additional cost-effective energy
16 efficiency that can be achieved in the state.
17 And the midrange potential from that study
18 indicated 6.3 percent over the term for electric
19 and 3.8 percent over the term for natural gas.
20 So, that's not even completely all
21 cost-effective, that's kind of a midrange of
22 cost-effective efficiency that the Potential
23 Study identified. And, through discussion and
24 consensus, you know, the savings targets that we

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1 are proposing here are lower than even that
2 midrange of the Potential Study.

3 Q What are the priorities that the Settling Parties
4 considered and balanced in order to reach the
5 Plan that's embodied in the Settlement Agreement
6 before us today?

7 A (Peters) So, there are several interrelated
8 priorities and Plan elements that the Settling
9 Parties considered. To my mind, there are three
10 primary ones. First, a continued focus on
11 ambitious energy savings goals to continue New
12 Hampshire's forward progress on energy
13 efficiency. Additionally, an awareness of rate
14 impacts, and a particular concern that was
15 brought up in testimony about the Eversource C&I
16 rates. And, then, also adjustments to energy
17 savings assumptions that were raised in testimony
18 by several parties.

19 Q How does the Settlement balance these priorities?

20 A (Peters) So, the Settling Parties had to consider
21 carefully how to adjust the budgets and the
22 rates, and also apply changes to the savings
23 assumptions, while still maintaining an ambitious
24 energy savings target of 4.5 percent of electric

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1 sales -- 2019 electric sales, sorry.

2 The realization rates and net-to-gross
3 factors that were discussed in the Settlement
4 document account for a portion of the reduction
5 in the energy savings without reducing costs.
6 But those elements were determined by the Parties
7 to be appropriate and supportable applications.

8 In terms of budgets and rates, the
9 Eversource C&I rate was reduced, in 2023, the
10 highest year, by 18 percent, by lower percents in
11 the prior years. But the Eversource C&I rate was
12 reduced in all three years, while the residential
13 rates were adjusted upwards at Eversource to
14 achieve more energy savings in that sector and to
15 better balance costs.

16 Q Is it possible to change one element of the Plan,
17 say, the savings budget, without adjusting other
18 elements of the Plan?

19 A (Peters) It's not, really. Any adjustment in
20 budget would almost necessarily result in
21 reductions to energy savings measures, and thus
22 the savings targets. Additionally, the Plan
23 would need to be rethought and rebalanced; which
24 programs and measures would be cut; would there

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 be shifts to focus on different elements; what
2 new items, such as workforce, would need to
3 remain, even if budgets for other items would be
4 reduced?

5 So, all of these items and more would
6 need to be carefully considered in order to
7 create a new and balanced plan, if one of the key
8 primary items we just talked about were changed
9 or adjusted.

10 Q Is there before the Commission another specific
11 balanced alternative to the Settlement?

12 A (Peters) No, there is not.

13 Q We all are familiar with the phrase from the EERS
14 order that the utilities are to pursue "all
15 cost-effective energy efficiency". Are the
16 programs in this plan cost-effective?

17 A (Peters) Yes, they are. The programs are
18 cost-effective, and they show an overall
19 benefit-to-cost ratio of more than two for the
20 portfolio of every utility throughout every year
21 of the Plan.

22 While the savings targets are
23 ambitious, as I was just saying, they don't
24 attempt to achieve all the potential

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1 cost-effective efficiency that could be achieved,
2 because, as we just discussed, we're also
3 balancing awareness of short-term rate impacts
4 with that potential for more energy savings.

5 Q Does the Plan's cost-effectiveness provide other
6 benefits to customers and the state?

7 A (Peters) Yes. And, as my colleague, David Hill,
8 was just referring to, there are numerous
9 benefits to investing in energy efficiency. The
10 September 1 filing calculates some of those
11 benefits. In addition to the energy savings, we
12 see customer cost savings. So, this is money
13 that customers save, because they have reduced
14 their energy use, and they do not have to spend
15 this money now on paying their energy bills. And
16 it's more than \$1.3 billion over the lifetime of
17 the measures that were recommended in the
18 September 1 filing. This is money that they can
19 spend on other priorities, hopefully here in our
20 local economy.

21 The environmental benefits of energy
22 efficiency are also very significant: Reducing
23 greenhouse gas emissions by more than 4.4 million
24 tons, as calculated in the September 1 filing,

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1 and thousands of workers across the state are
2 employed by local contractors and professional
3 trades, the electricians, the plumbers, the
4 engineers, to provide the products and services
5 that support the energy efficiency installations.

6 Q Finally, you mentioned that the Settlement has a
7 description of a future three-year structure.
8 What are the benefits of that structure as
9 embodied in the Settlement?

10 A (Peters) So, the Plan, as adjusted by the
11 Settlement, allows for what we call a "true
12 three-year plan", where the energy savings
13 targets can be achieved across all three years,
14 and the budgets do not stop and start on a
15 calendar year basis. So, this allows flexibility
16 to react to changes in the marketplace, to take
17 advantage of positive momentum where it exists,
18 and provides stability for contractors and
19 customers.

20 The true three-year plan will prevent
21 the start-and-stop of programs due to the
22 requirement that we currently have for annual
23 approval, and that was one of the most consistent
24 feedback items we received during the public

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1 comment sessions, where we heard from members of
2 the contractor community and members of the
3 public.

4 The structure of notifications and
5 modification requests, the reporting and
6 stakeholder interactions that are described in
7 the Settlement provides for greater transparency
8 and administrative efficiency, even though we're
9 working on a three-year plan basis, rather than a
10 one-year approval basis.

11 Q And truly finally, is it the Settling Parties'
12 opinion that the Plan, as embodied in the
13 Settlement Agreement, is in the public interest,
14 and does result in just and reasonable rates for
15 all the utility customers?

16 A (Peters) Yes, it is.

17 MR. SHEEHAN: Thank you. Madam Chair,
18 now we can say clearly that the Settlement Panel
19 is ready for cross-examination. And, of course,
20 that's Ms. Peters, Ms. Downes. Ms. Woods, Mr.
21 Stanley, Mr. Hill, and Mr. Mosenthal.

22 Thank you.

23 CHAIRWOMAN MARTIN: Okay. Thank you.
24 Mr. Dexter.

1 MR. DEXTER: Thank you, Madam
2 Chairwoman. I'm going to try to rearrange some
3 things on my computer here. So, I might need a
4 moment or two before I ask my first question.
5 Hopefully, this will go well.

6 CHAIRWOMAN MARTIN: Mr. Dexter?

7 MR. DEXTER: Yes.

8 CHAIRWOMAN MARTIN: I'm told that
9 Representative Oxenham wanted to clarify her
10 comments. Would now be a good time to fit that
11 in?

12 MR. DEXTER: I have no objection to
13 that.

14 CHAIRWOMAN MARTIN: Mr. Wind, is
15 Representative Oxenham still available?

16 REP. OXENHAM: Yes, I am.

17 CHAIRWOMAN MARTIN: All right.
18 Representative, if you'd like to clarify now,
19 that would be great.

20 REP. OXENHAM: Thank you very much.

21 I was a little flustered when I gave my
22 comments due to the problems with my computer. I
23 wanted just to make it very clear that I not only
24 support the original Plan, but also the

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1 Settlement Agreement before the Commission today.

2 Thank you very much.

3 CHAIRWOMAN MARTIN: Okay. Thank you,
4 Representative.

5 Commissioner Bailey, any questions on
6 that?

7 *(Commissioner Bailey indicating in the*
8 *negative.)*

9 CHAIRWOMAN MARTIN: Okay. Thank you.
10 Mr. Dexter, just let us know when
11 you're ready. You are on mute.

12 MR. DEXTER: So, I just want to make
13 sure that I am questioning the Settlement Panel
14 right now, not the Rates Panel? Is that
15 everyone's understanding?

16 CHAIRWOMAN MARTIN: Yes.

17 MR. DEXTER: Okay. Great.

18 **CROSS-EXAMINATION**

19 BY MR. DEXTER:

20 Q So, my first question is going to go to rates.
21 Because, in any case -- well, in this case, the
22 proponents, the Utilities, are proposing to
23 change rates at this time. Would everyone agree
24 with that?

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1 A (Peters) Yes.

2 A (Stanley) Yes.

3 Q And you are, the -- the Utilities, the
4 Petitioners, are also asking the Commission to
5 approve the Settlement, which is Exhibit 14. Is
6 that correct?

7 A (Stanley) Yes.

8 A (Peters) Yes.

9 Q And, if I were to go to --

10 CHAIRWOMAN MARTIN: Excuse me a
11 minute, Mr. Dexter. I apologize for
12 interjecting. If the witnesses could please
13 speak your objection [answer?] and come off mute,
14 Mr. Patnaude actually needs to record the vocal
15 testimony. I apologize.

16 And, Mr. Dexter, if you're speaking to
17 a particular witness, if you could just identify
18 them, that might help, too.

19 Thank you.

20 MR. DEXTER: Okay. But, I mean, I
21 could ask the questions, these last few
22 questions, of all four utilities. But I would
23 accept the answer of one witness, sort of
24 speaking on behalf of the Utilities, if that's

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1 easier. And I guess, if another utility
2 disagreed, then they would have to correct. I
3 don't know. I don't know how to proceed. I
4 don't want to ask the questions four times.

5 CHAIRWOMAN MARTIN: No, and I don't
6 think you need to, so long as Mr. Patnaude is
7 able to get down the responses from each witness.
8 Mr. Patnaude, just let us know if you're having
9 trouble or did not get them.

10 Go ahead, Mr. Dexter.

11 BY MR. DEXTER:

12 Q Okay. And, if I were to go to the attachments to
13 the Settlement, I would find proposed rates for
14 Eversource, is that correct?

15 A (Peters) Yes. That's correct. It's Attachment C
16 to the Settlement.

17 Q And I would find proposed rates for Unitil, is
18 that correct?

19 A (Downes) That is my understanding, yes.

20 Q I would not find proposed rates for Liberty, is
21 that correct?

22 A (Stanley) That is correct.

23 Q And, in order to find the proposed rates for
24 Liberty, I would need to go to a part of

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1 Attachment 2 [Exhibit 2?], is my understanding, I
2 believe. We were talking about "Bates Page 470".
3 I'll just throw that out there. And I think
4 that's a question I need to take up with the
5 Rates Panel?

6 A (Stanley) That is correct. And -- sorry.

7 Q No. Go ahead.

8 A (Stanley) I'm sorry, too. I'm just confirming
9 your question, or responding to your question.

10 Q Okay. And with respect to the New Hampshire
11 Electric Co-op, if I were to go to the Settlement
12 Agreement, I think I would find -- would I find
13 proposed rates for the Electric Co-op as well?

14 A (Woods) In the Settlement Agreement, yes.

15 Q And those rates for the Electric Co-op, in the
16 Settlement Agreement, are just the SBC portion,
17 correct?

18 A (Woods) That is correct.

19 Q Does the New Hampshire Electric Co-op also
20 include the EAP, the Assistance Program, rates in
21 their SBC?

22 A (Woods) Yes. You know, and those are reflected
23 in the Attachment G3, but not in the Settlement
24 Agreement.

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1 Q Okay. Okay. Thank you. So, for more detailed
2 questions on the calculation of these rates, I
3 will hold that off for the Rates Panel later on.
4 But I just wanted to point to the Commission, you
5 know, what rates are at issue.

6 I do have a preliminary question I'd
7 like to ask, and I guess this would go to
8 Eversource, but maybe to all the Utilities.

9 Is it correct that, over the three
10 years, for the Eversource C&I customers, that the
11 proposed rates are more than doubling an increase
12 from the current rates?

13 A (Peters) I don't have the calculation in front of
14 me for the rate of increase, Paul. But they are
15 increasing over the three years, and I will take
16 your word on the calculation, not having that
17 with me at the moment.

18 Q A moment ago, OCA Witness Mosenthal described
19 this Plan as "increasing rates a little bit".
20 Does anybody on the panel believe that the
21 results of doubling the Eversource C&I rate, and
22 the other rates that I've just identified, are
23 properly classified as "increasing a little bit"?

24 A (Peters) I think you need to look more at the

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1 overall impact on the bill of the SBC rate,
2 rather than the SBC rate in isolation. It is a
3 small portion of a customer's overall bill. And
4 the rates attachments that we were just talking
5 about, that are part of Exhibit 2, all -- I'm
6 getting an echo.

7 Q Sorry. Let me mute.

8 A (Peters) Thank you. The rates attachments that
9 are part of Exhibit 2 all include a bill impact
10 analysis, which provides percentage increases
11 from year to year on the actual bill impact of
12 those SBC rates, which I would pose is a more
13 accurate way to look at the SBC increases in
14 context.

15 Q Yes, I understand that. But would you agree with
16 the statement that the SBC rates proposed,
17 including the one where the SBC rate has doubled
18 over three years, is "increasing rates a little
19 bit"?

20 A (Peters) I wouldn't put a specific adjective to
21 it. The rate is increasing over the three years,
22 as the energy savings and the budgets increase.

23 Q And I guess Mr. Mosenthal is on with this panel,
24 so maybe I should ask that question of Mr.

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1 Mosenthal.

2 Mr. Mosenthal, do you consider the
3 proposed SBC increases to be "increasing rates a
4 little bit"?

5 A (Mosenthal) Well, I probably shouldn't have used
6 that adjective, because, you know, it's a vague
7 and undefined term. I will note that, in, you
8 know, comparison to full retail rates, and
9 including all the generation, you know, I think
10 the highest rate is in the range of a 10 percent
11 increase, which I don't think is too extreme,
12 compared to the benefits and the bill savings,
13 let's put it that way.

14 Q Well, do you disagree that the highest rate
15 increase proposed is more than a doubling? You
16 just said it's "10 percent".

17 A (Mosenthal) More than a doubling? A doubling
18 from what? I guess I'm not sure what you mean.

19 Q Well, I guess I probably should save this for the
20 Rates Panel. But, if I were to go to the
21 attachment in the Settlement where the rates are
22 laid out, and I was to start with the Eversource
23 rate, which I believe is about 0.7 cents per kWh,
24 and if I were to compare that to the 2023 rate

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1 for Eversource C&I customers, which is just under
2 2 cents, I read that as almost a tripling of the
3 current rate. So, I don't see where the 10
4 percent comes in as the highest increase?

5 A (Mosenthal) I was -- I was comparing the rate to
6 the rates that the customers are paying, the
7 retail rates. I wasn't comparing it to the 2020
8 SBC. So, I do agree, as a percentage of the 2020
9 SBC, it is more than double, when you consider
10 all the LBR and EAP portions as well.

11 Q Okay. I'll hold the rest of the specific rates
12 questions for the Rates Panel.

13 So, there's been some talk in the
14 direct examination about how the savings goals
15 were achieved. And the Settlement, as I
16 understand it, calls for savings goals to be set
17 at 4.5 percent of 2019 electric sales and 2.8
18 percent of 2019 gas sales. Do I have that
19 correct?

20 A (Peters) Yes.

21 A (Downes) Yes, you do.

22 MR. DEXTER: Every time I mute and
23 unmute, I lose my outline, which is on the same
24 screen. And, so, if I'm -- when I'm not muted, I

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1 understand it creates a lot of background noise,
2 is that right?

3 WITNESS PETERS: I don't think that was
4 you, Paul, before, I think it was someone else,
5 just if that's helpful.

6 MR. DEXTER: Yes. I was more asking
7 the Chair, but thanks.

8 WITNESS PETERS: Oh. Sorry.

9 WITNESS DOWNES: I think --

10 CHAIRWOMAN MARTIN: Ms. Downes, just a
11 second. Mr. Patnaude, how is it for you? That's
12 what really matters.

13 *(Brief off-the-record response by the*
14 *Court Reporter.)*

15 MR. DEXTER: Then, I will try my best
16 to see if I can work through this.

17 CHAIRWOMAN MARTIN: Mr. Dexter, does
18 that give you cause to take a break and get
19 organized in a different way?

20 MR. DEXTER: Perhaps a break would be
21 appropriate at this time.

22 CHAIRWOMAN MARTIN: Okay. How much
23 time do you think you would need?

24 MR. DEXTER: Ten minutes.

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1 CHAIRWOMAN MARTIN: Okay. We will
2 return in ten minutes.

3 MR. DEXTER: Thank you.

4 *(Recess taken at 11:41 a.m. and the*
5 *hearing resumed at 11:54 a.m.)*

6 CHAIRWOMAN MARTIN: Okay. Thank you.
7 Let's go back on the record.

8 MR. DEXTER: Okay.

9 CHAIRWOMAN MARTIN: Go ahead.

10 BY MR. DEXTER:

11 Q So, when we had broke, the panel had just
12 confirmed what the proposed goals are. My
13 question about those proposed goals are, is there
14 any -- is there any reason that those goals
15 couldn't have been higher or lower? I would like
16 the panel to discuss a little bit more how they
17 arrived at 4.5 percent of electric savings and
18 2.8 percent of gas savings, and explain why, in
19 their opinion, those are the correct goals for
20 this case, as opposed to, say, 4 percent or 7
21 percent?

22 MR. KREIS: I object to that question,
23 to the extent it calls for any of the witnesses
24 to disclose discussions that took place during

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1 settlement negotiations.

2 CHAIRWOMAN MARTIN: Mr. Dexter.

3 MR. DEXTER: I wouldn't expect the
4 witnesses to disclose anything that took place
5 during settlement negotiations.

6 But I do think the witnesses ought to
7 be able to explain why the proposed goals are the
8 correct goals in this docket, as opposed to
9 something higher or something lower. I think
10 that's a reasonable question.

11 CHAIRWOMAN MARTIN: I would advise the
12 witnesses not to disclose anything that was part
13 of settlement discussions. But, to the extent
14 you can answer that question, please go ahead.

15 **BY THE WITNESS:**

16 A (Peters) So, I can speak to this a little bit.
17 As I noted in some of my responses just a little
18 bit ago, the primary focus here is finding the
19 right balance between a number of different
20 interrelated factors. And, so, the stakeholder
21 process, you know, worked for quite a long time
22 to look at various iterations of the Plan that we
23 presented in drafts, to look at the Potential
24 Study, to gather feedback from a wide variety of,

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1 you know, different parties that were involved in
2 that process. And the stakeholder process
3 ultimately came to agreement that 5 percent of
4 2019 electric sales and 3 percent of 2019 natural
5 gas sales were the goals that New Hampshire
6 should pursue in this Three-Year Plan. They
7 could have been higher. We talked about the
8 Potential Study earlier. They could have been
9 lower.

10 Some of the drafts, if you look back at
11 what we presented, had lower goals. But there
12 was a whole conversation that happened, and a
13 consensus that formed around the 5 percent and
14 the 3 percent.

15 The Settlement, as I noted, has made
16 some adjustments to those goals. And we were
17 balancing primarily three things: The desire to
18 continue with ambitious energy savings goals in
19 the state; the application of some adjustments to
20 energy savings calculations; and some revisions
21 to the budgets. And the balancing of those three
22 elements led us to the goals that have been
23 articulated in the Settlement. It is not an
24 exact science. It is a discussion and it is a

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1 process of looking into the benefit-cost models,
2 and making adjustments, and, you know,
3 formulating goals that were acceptable to all the
4 Parties in the Settlement.

5 BY MR. DEXTER:

6 Q Can you explain why the goals are much higher for
7 the electric sector versus the gas sector?

8 A (Peters) I'm not an expert on the gas piece,
9 because Eversource is not a natural gas company.
10 I do know that the electric savings targets here
11 in New Hampshire have consistently been higher
12 than the natural gas savings targets for many
13 years.

14 And, so, I believe Mr. Stanley might be
15 able to speak more specifically to the gas piece.

16 A (Stanley) Yes. Thanks, Ms. Peters. And also,
17 Ms. Downes could speak to this as well.

18 But I think it really boils down to
19 there being more technical savings applications
20 that can be achieved within the electric
21 portfolio, as compared to natural gas. And
22 that's very consistent with what you see
23 elsewhere across North America, when you look at
24 what is achieved typically from electric

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1 utilities, in terms of savings potential, as
2 compared to the natural gas utilities. So,
3 really, it boils down to that.

4 CHAIRWOMAN MARTIN: Mr. Dexter, you're
5 on mute.

6 MR. DEXTER: Sorry.

7 BY MR. DEXTER:

8 Q Did you say "it boils down to there being more
9 potential on the electric side", Mr. Stanley?

10 A (Stanley) There's simply more technical
11 applications that can be captured within the
12 electric market, as opposed to the natural gas
13 market.

14 Q What does that mean, "technical applications"?

15 A (Stanley) So, primarily, within the natural gas
16 market, you're looking at thermal-type savings,
17 whether that's through envelope measures,
18 heating/hot water measures, as opposed to there's
19 simply a vast array of different electricity
20 power technologies that you can make investments
21 in to realize savings within the electric
22 portfolio. So, it's an apples-and-oranges
23 comparison.

24 A (Downes) Mr. Dexter, I might just add that the

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1 Potential Study that's been referenced a couple
2 of times also supports that. That the electric
3 potential, because of the diversity of measures
4 that use electricity, and the range of prices and
5 measure lives of those measures, everything from
6 lighting, which has a short life, to -- and
7 behavior programs, to, you know, weatherization,
8 which heating -- and heating systems, which have
9 a much longer measure life, there just tends to
10 be more opportunity and turnover on electric
11 measures than on the natural gas measures.

12 Q Thank you. I'd like to direct the panel's
13 attention to Exhibit 1, Bates 028, which is Table
14 1.3.

15 MR. DEXTER: And I will note that, when
16 I'm dealing with Exhibit 1, I just received it
17 last night with new Bates numbers. And I believe
18 I've got the Bates numbers right, but I'm going
19 to ask the Commissioners' indulgence if I don't.
20 The correct Exhibit 1 came in about 6:00 p.m.
21 last night.

22 WITNESS DOWNES: Could you please
23 repeat the Bates number?

24 MR. DEXTER: Yes. I'm looking at Bates

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1 028, Table 1.3.

2 WITNESS DOWNES: Thank you.

3 *[Court reporter interruption to confirm*
4 *who made the previous statement.]*

5 WITNESS DOWNES: It was Mary Downes
6 stating that.

7 MR. PATNAUDE: Okay. Thank you.

8 BY MR. DEXTER:

9 Q Am I correct that Table 1.3 indicates that
10 Eversource will be achieving 77 percent of the
11 electric savings over the course of the Plan?

12 A (Downes) Yes, Mr. Dexter. That's correct.

13 I think that, with so many panelists,
14 it's a little difficult to know who is going to
15 respond. So, I think it might make sense to have
16 Ms. Peters be the respondent if there is a
17 general question. I'm not sure if she's having
18 trouble getting off mute.

19 A (Peters) Sorry. I was on mute there, and I am
20 back.

21 And I would just note that this Table
22 1.3, there is a revised version of that table in
23 the Settlement, which reflects the Settlement
24 savings, and that is Attachment A to the

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1 Settlement document. So, in that document,
2 Eversource is achieving 76 percent of the state's
3 electric savings across the three years.

4 Q And is it correct that in the last three-year --

5 CHAIRWOMAN MARTIN: Mr. Dexter?

6 MR. DEXTER: Yes, I'm muted. Oh, no?
7 Okay. Sorry.

8 CHAIRWOMAN MARTIN: I wanted to make
9 sure I'm in the right place. Exhibit 14, Bates
10 031, is that right?

11 WITNESS STANLEY: It's Bates Page 030,
12 Madam Commissioner -- Madam Chairwoman, sorry.

13 MR. DEXTER: Madam Chair, may I take
14 another two to three minute break? I apologize.

15 CHAIRWOMAN MARTIN: Yes. We'll return
16 in two minutes.

17 MR. DEXTER: Thank you.

18 CHAIRWOMAN MARTIN: Off the record.

19 *(Recess taken at 12:04 p.m. and the*
20 *hearing resumed at 12:12 p.m.)*

21 CHAIRWOMAN MARTIN: All right. Let's
22 go back on the record. Mr. Dexter.

23 MR. DEXTER: Thank you.

24 BY MR. DEXTER:

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1 Q So, when we broke --

2 MR. DEXTER: And I apologize for that
3 delay. I think I'll be good till lunch, and then
4 I can try some other things.

5 BY MR. DEXTER:

6 Q I believe that, Ms. Peters, from Eversource,
7 indicated that Table 1.3 had been updated in the
8 Settlement Agreement, and that Eversource's share
9 of the total savings for the state were no longer
10 77 percent, but were now 76 percent. Did I get
11 that right, Ms. Peters?

12 A (Peters) That is correct.

13 Q Thank you. And last time, in the last Three-Year
14 Plan, Eversource's share was 77 percent. Would
15 you agree with that?

16 A (Peters) That sounds correct. I don't have the
17 prior Plan in front of me, but that sounds
18 accurate.

19 Q Okay. And Table 1.4, which comes directly below
20 Table 1.3, Exhibit 1, Bates 028, is the "Savings,
21 by Sector", is that right?

22 A (Peters) Yes, it is.

23 Q And, by "sector", we mean "C&I and Municipal"
24 being one sector, "Residential" being another

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1 sector, and "Income-Eligible" is in the third
2 section?

3 A (Peters) That is correct.

4 Q Is it correct that this Plan calls for 85 percent
5 of the projected savings over the Three-Year Plan
6 to come from the C&I and Municipal Sector?

7 A (Peters) That is correct, based on the September
8 1 filing. That number, with the Settlement, may
9 be slightly adjusted, as we added some savings to
10 the Residential Sector, the heat pumps that Mr.
11 Mosenthal noted earlier. But we -- that is what
12 is reflected in the September 1 filing.

13 Q Do you have an updated calculation that you could
14 provide on this Table 1.4?

15 A (Peters) I don't at the moment. We could take
16 that as a request, though, if the Commission
17 would like. I'm certain we could provide that at
18 some point today.

19 Q Do you think the results would be significantly
20 different from what's on Exhibit 1?

21 A (Peters) Not significantly. The C&I portion
22 would go down slightly, and the residential
23 portion would go up slightly, based on the
24 revisions that we made in the Settlement.

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1 Q Do you -- do you recall what the percent of C&I
2 and Municipal was from the last Plan?

3 A (Peters) I don't.

4 Q I looked it up, and I recall that it was 78
5 percent, and that comes from Bates Page 029 of a
6 compliance plan filed on January 12th, 2018. I
7 don't expect you to have that in front of you.
8 But does that sound right, that it was about 78
9 percent from the C&I Sector last time?

10 A (Peters) It does. I would rely on your reference
11 for that.

12 Q Could you explain for the Commission why the
13 portfolio this time is shifting higher towards
14 the C&I and Municipal Sector?

15 A (Peters) Yes. As we looked to increase energy
16 savings, we have to look at where the potential
17 for achieving that energy savings is. And there
18 is more potential for achieving more energy
19 efficiency in the Commercial & Industrial Sector
20 than there is in the Residential Sector.

21 And some of this goes back to not just
22 how much energy is used in the Commercial Sector.
23 But, as Mr. Stanley was talking about earlier,
24 comparing electric and gas, there are different

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1 measures and different technologies that can be
2 looked at as potential efficiency solutions.

3 And, so, in the Residential Sector,
4 there are a list of items that a home would
5 typically have in it that used electricity. And
6 that list of items is, you know, not extremely
7 small, but also not extremely large. It is a
8 fairly knowable universe. Sometimes there's a
9 new technology that comes into play.

10 On the Commercial & Industrial side,
11 there is a much larger variety of electric end
12 uses that we could work with customers to reduce.
13 So, there is lighting, as there is in
14 residential, but there are also, you know,
15 significant manufacturing processes; motors,
16 drives, large heating and cooling systems. Just
17 a much wider variety of high electric use
18 variable items in the Commercial Sector. And,
19 so, when we look at "where can we achieve more
20 savings?" The potential to identify and work on
21 those various different end uses is where we see
22 more potential. And, so, when we're increasing
23 the energy savings targets, we are looking more
24 towards those uses in the Commercial Sector, and

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 how we can work with customers to reduce energy
2 use there.

3 Q Wouldn't those same factors and phenomena that
4 you just described have been in place three years
5 ago, when you proposed the last -- the first
6 Triennial Plan?

7 A (Peters) They could have. So, the marketplace in
8 energy efficiency is also shifting across time.
9 The last Three-Year Plan that we had had much
10 more lighting retrofit types of measures in it,
11 because lighting, in the past, has been a less
12 expensive and more easily implemented way of
13 achieving energy efficiency.

14 As we move forward, as the lighting
15 market itself has changed, we still are doing
16 lighting retrofits, especially in commercial, but
17 the energy savings that you get for those
18 retrofits is different, because the baseline for
19 lighting in the marketplace is different. And we
20 are now looking towards much more comprehensive
21 projects with our commercial customers, that go
22 to a number of those other types of end uses that
23 I was just talking about.

24 And, so, as in the past Plan, this Plan

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1 identifies a lot of energy savings in the
2 Commercial Sector. But the types of things we're
3 looking at, and as we increase our penetration
4 into the market, we do come to rely on the
5 Commercial Sector savings more as we reach for
6 those higher targets than we've achieved in the
7 past.

8 CHAIRWOMAN MARTIN: Mr. Dexter, Mr.
9 Stanley had his hand up before, just in case you
10 didn't see.

11 **BY THE WITNESS:**

12 A (Stanley) Thank you. I just wanted to add, in
13 addition to what Kate -- what Ms. Peters was
14 highlighting, that the key change within the
15 residential market in the proposed Plan is a
16 significant reduction in the consumer retail
17 lighting within the Residential Sector. So, the
18 claimable savings that can be achieved for retail
19 LED products has greatly diminished during the
20 three-year term. And that's really the key
21 difference between the 2018 to 2020 Plan and the
22 proposed Plan in front of us today.

23 MR. DEXTER: Madam Chair, I'd like to
24 proceed with -- whoops.

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 **CONTINUED BY THE WITNESS:**

2 A (Stanley) I'm sorry. I would just also highlight
3 that for last year, at least for Liberty's,
4 Liberty Electric's 2020 Plan, we were closer,
5 based on those same factors happening in the
6 marketplace, we were closer to an 83 percent C&I
7 versus 17 percent ratio of C&I electric savings
8 versus residential electric savings. So, this
9 dynamic and trend has already been happening.
10 It's just more pronounced now over the next
11 three-year term.

12 A (Downes) Might I add something as well? So, this
13 is Mary Downes.

14 I might point you also to Exhibit 1,
15 Part 2, in the outputs from our benefit-cost
16 plans, on Bates 622. This is Eversource's
17 cost-effectiveness table for the first year.
18 There are multiple of these. Eversource just
19 happens to be the first one in the packet.

20 And it's important to note that the
21 Residential Sector is not -- not set up. Many of
22 the programs in the Residential Sector are
23 focused on saving fossil fuel energy, and less so
24 on saving electricity and kilowatt-hours.

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1 And I would -- I'm looking at
2 Eversource's plan here, in the first year, of
3 almost 30 percent of the total energy being saved
4 is from fossil fuels. It's going to be different
5 for different years and for different companies.
6 But that is an important contributor to our all
7 cost-effective energy efficiency pursuit is the
8 fossil fuel displacement.

9 Now, the EERS is focused on the primary
10 energy goals of electricity and natural gas, on
11 the natural gas side. But it's important to note
12 that the Residential Sector is saving a lot of
13 energy, it just happens to be mostly in the form
14 of fossil fuels.

15 CMSR. BAILEY: Can you say what page
16 that was on again please?

17 WITNESS DOWNES: Sure. It is in
18 Exhibit 1, Part 2, Bates 622. And it's 49 of the
19 pdf, if you're looking at a pdf.

20 MR. DEXTER: And, Madam Chair, do you
21 prefer that the witnesses raise their hand before
22 they speak or -- I mean, I'm perfectly happy, if
23 I were in the hearing room, I would be speaking
24 to a panel, and I think, you know, the witnesses

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1 would just speak up. But I don't mind waiting
2 for them to be recognized by you. I just want to
3 know how to proceed.

4 CHAIRWOMAN MARTIN: No. The witnesses
5 should feel free to speak out. I think Mr.
6 Stanley had attempted to do so, and didn't get to
7 speak, and so he put his hand up. You don't have
8 to do that, unless you're having trouble being
9 recognized.

10 WITNESS DOWNES: Thank you.

11 MR. DEXTER: Okay. Thanks. And I'll
12 try to see if I see any hands up.

13 **BY THE WITNESS:**

14 A (Mosenthal) I just wanted to add to that
15 question. While the -- you know, first of all, I
16 agree with that. I've done lots of potential
17 studies, and C&I generally has much higher
18 potential and opportunities at lower costs per
19 kilowatt-hour to capture than residential.

20 But I also note that, while the savings
21 are a very large portion of the total savings,
22 you know, C&I savings, as a portion of total.
23 The actual spending is roughly 58 percent of the
24 total budget, which I point out in my rebuttal

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1 testimony, on Bates 017, Line 2, which almost
2 exactly matches the share of C&I load on the
3 system.

4 BY MR. DEXTER:

5 Q I wanted to ask about the July draft. It's not
6 in the record. But, when I looked at the July
7 draft, I saw that the Residential Sector was
8 scheduled to receive 14 percent of the total
9 savings, as compared to the 13 percent of the
10 total savings that's in Exhibit 1.

11 Can anybody on the panel confirm my
12 recollection?

13 A (Peters) I would have to dig out that filing,
14 Paul. If you're looking at it, I believe that
15 what you're looking at is true.

16 Q And isn't it correct that the overall savings
17 targets in the July draft were lower than what's
18 proposed in Exhibit 1 and what's proposed in the
19 Settlement?

20 A (Peters) Yes. I believe they were.

21 Q So, can we conclude from that that, in moving
22 from July to September to December, which is the
23 draft Plan, to the filing Plan, to the
24 Settlement, that the targets -- the savings

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1 targets on the electric side increased in total,
2 but none of that increase came from the Electric
3 [Residential?] Sector, it all came from the C&I
4 and Municipal Sector?

5 A (Peters) In the Settlement -- so, it's hard for
6 me to speak from all three, you know, at once.
7 The Settlement, as compared to the September 1
8 filing, and as is noted in the Settlement
9 Agreement, Eversource specifically increased the
10 budget in the Residential Sector and increased
11 the energy savings measures in the Residential
12 Sector, as it decreased the budget in the
13 Commercial Sector. And, so, between September
14 and the Settlement, Eversource specifically made
15 an effort to shift some of the savings from
16 commercial to residential, as we rebalanced the
17 Plan.

18 I don't have, you know, those specific
19 percentage windows that you are looking at, Paul.
20 But, as a high-level effort, that is what we did.

21 A (Downes) I might add --

22 Q And -- oh, go ahead.

23 A (Downes) I might add that, as Mr. Mosenthal was
24 just indicating, it is far more cost-effective to

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 get kilowatt-hour savings from the C&I sector
2 than it is from the Residential Sector.

3 So, if you -- if we're looking at
4 increasing our savings goals, and we're also
5 concerned about budget impacts, then we're most
6 responsible and efficient to be increasing the
7 goals from the C&I Sector.

8 Q And then, you would agree that, as compared to
9 the July draft, from the July draft to the
10 filing, when the goals were being increased, the
11 extra savings, if you will, the proponents, the
12 Utilities, looked to the Commercial Sector versus
13 the Residential Sector for the reasons that you
14 just stated?

15 A (Downes) As a general statement, yes, that's
16 true. Though, I believe that we worked to
17 increase the savings where we could, including
18 from the Residential Sector, where it was
19 available.

20 Q Okay. Thanks. I want to turn to Table 1-6 now,
21 which is, in my version, which I think is
22 correct, Bates 029 in Exhibit 1. And this shows
23 the sectors for the Gas Program. And this shows
24 that 61 percent of the gas savings are going to

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1 come from the C&I side, while 35 percent are
2 going to come from the Residential side, or 39
3 percent, if you add in Income-Eligible, because
4 Income-Eligible customers are all residential
5 customers.

6 Can you explain why this Gas Program is
7 less relying on C&I savings versus the Electric
8 Program?

9 A (Downes) Sure. As I was just indicating with the
10 Residential Program on the electric side, much of
11 the savings that can be captured is fossil fuel
12 savings. And, as natural gas is a fossil fuel,
13 residential customers have end uses related to
14 weatherization of their homes and their heating
15 systems that accrue directly to the natural gas
16 targets. So, there's more direct energy savings
17 related to natural gas from Residential Sector on
18 the gas side than on the electric side.

19 A (Stanley) I'll also add, Mr. Dexter, that, for
20 our natural gas business, at least specific to
21 EnergyNorth, that the sales volume within our
22 territory is approximately 68 percent, almost
23 70 percent, is from our residential customers, in
24 terms of natural gas consumption, and only about

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1 32 percent or 30 percent is from C&I customers.
2 Versus, if you were to look at our electric
3 business, Granite State Electric, the sales
4 volume is more heavily dependent within our C&I
5 customers, almost, I mean, it's not the exact
6 inverse, but it's a different relationship there.

7 So, the savings that are represented
8 for our natural gas company is, again, more in
9 line with where our sales volume is, and then
10 where the corresponding savings potential exists.

11 Q More so in line than on the electric side?

12 A (Stanley) Not "more so in line", it's -- well,
13 it's in proportion to, on the natural gas side,
14 where our sales volume is, and there's also less
15 diversity of measures on the natural gas side,
16 where you're really looking at two or three key
17 measures, in terms of thermal savings, heating
18 system savings, which is -- it's very consistent,
19 for the most part, between residential and
20 non-residential customers.

21 So, therefore, you see more of a
22 consistency in the savings ratio within the
23 natural gas companies, as opposed to the electric
24 companies, where there's more of a dependency on

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1 commercial/industrial savings, because there's
2 simply more different types of applications in
3 many cases within the commercial and industrial
4 market to be served.

5 Q Thank you. I'd like to talk a bit about the
6 ACEEE rating that has been brought up in the
7 Plan. My outline says it's "Bates Page 016", but
8 I'm seeing that's not right. I'm going to see if
9 I can find that.

10 But, Ms. Peters, maybe if you can find
11 the paragraph in Exhibit 1 that talks about
12 "ACEEE rating", that would be helpful. I think
13 it might be Page 13.

14 A (Peters) Sorry. I'm looking for it and trying to
15 unmute at the same time. It looks like Bates
16 Page -- I'm seeing a reference on Page 34.

17 A (Mosenthal) If I can jump in? I just searched
18 for the term "ACEEE", and I'm finding it on Bates
19 Page 018 of Exhibit 1.

20 I believe that's what Mr. Dexter was
21 referring to.

22 Q Thank you. That's exactly it. And that was
23 Bates Page 016 in the September filing, and so I
24 was off two pages. Thank you. That was Mr.

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 Mosenthal that provided that?

2 A (Mosenthal) Correct.

3 Q Thank you very much. I appreciate that.

4 So, on Bates 018, the Utilities talk
5 about two different rankings from the ACEEE. One
6 was a 20th ranking, out of 50 states I guess this
7 is, and one was a 13th ranking, out of 50 states.

8 Is that correct? When I see the "20th"
9 and the "13th", that's out of 50 possible?

10 A (Peters) Yes. I think you're on mute, Paul.

11 Q Could you explain the criteria where the
12 Utilities were ranked 20th?

13 A (Peters) I don't have all of the criteria. But,
14 at a high level, the ACEEE provides this
15 scorecard every year, and they look at multiple
16 factors in each state that contribute towards
17 that state's energy efficiency scorecard.

18 One of the factors that they look at is
19 utility or other customer energy efficiency
20 programs, such as the ones we're talking about
21 today. They also look at various state rules
22 related to state buildings or energy codes. They
23 look at the transportation network of kind of
24 legislative items/goals for energy savings.

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 There's a number of different categories. And I
2 don't recall off the top of my head exactly how
3 many there are, but there are a number of
4 categories, one of which is the utility energy
5 efficiency programs.

6 And, so, we rank, in that particular
7 scorecard, we ranked 20th, when you look at all
8 of the categories. And, when you looked at the
9 utility categories specifically, we ranked 13th.

10 Q Right. And I actually provided that scorecard as
11 an exhibit. It's Exhibit 41. I just took a
12 moment to pull it up, and I don't know if you
13 want to or not, but I had a question on that.
14 I'm going to try to get that exhibit back.

15 And that's not going to do it. Can you
16 hear me, Ms. Peters? I can't tell if I'm muted
17 or not.

18 A (Peters) I can hear you. Yes.

19 Q Okay. Good.

20 A (Peters) And I've been able to open Exhibit 41.

21 Q Okay. So, the different criteria you're talking
22 about are listed right there on that page in
23 light blue, correct?

24 A (Peters) Yes.

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 Q Okay. And, so, for what we're talking about
2 today, the energy efficiency utility-sponsored
3 Energy Efficiency Programs, is it correct that
4 those programs are what's intended to be captured
5 under the title "Utilities", which is the first
6 criteria listed there?

7 A (Peters) Yes.

8 Q And that's the ranking where the Utilities ranked
9 13th out of 50th, rather than 20th out of 50, is
10 that correct?

11 A (Peters) Yes. That is correct.

12 Q And would you agree that things like
13 transportation are, for the most part, not at
14 issue in this case?

15 A (Peters) Yes. I would agree with that.

16 Q And I won't go through all the other criteria.
17 But would you agree that the more accurate way to
18 assess New Hampshire's progress under this ACEEE
19 scorecard, with respect to utility-sponsored
20 programs, is the 13th ranking, as opposed to 20th
21 ranking?

22 A (Peters) Yes. I agree that that is the piece of
23 the ranking that focuses most specifically on the
24 types of programs that we're talking about today.

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 Q Okay. And, so, then it would be more
2 appropriate, when setting goals, to recognize
3 that the starting point for the Utilities is that
4 your 13th out of 50th, rather than 20 out of
5 50th. Would you agree with that?

6 A (Peters) I think I would. And, you know, perhaps
7 the point that we were trying to make in the Plan
8 document is that the states surrounding us are
9 doing better than that in this category. And,
10 yes, there are certainly many states that are not
11 doing as well. I think we should be proud of
12 what we have achieved with our energy efficiency
13 programs in the past number of years. And it's
14 taken a lot of work on behalf of all of the
15 people here, and support from the Commission.
16 And I really do think we should be very proud of
17 it.

18 I think the point we were trying to
19 make maybe in the filing is that there is still
20 more that we can do. And we should be perhaps
21 using these types of comparisons as, you know, a
22 spur to encourage us to continue to try to
23 achieve more in the efficiency sector when there
24 is more that we can do.

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 A (Downes) I would like to add that the ACEEE
2 scorecard is not a static assessment either.
3 That the criteria change annually. And some of
4 the types of initiatives and activities that we
5 have proposed, both in the September Plan and
6 also the Settlement, things like active demand,
7 comprehensiveness, codes and standards work,
8 looking at other, you know, integration with
9 other activities and factors, is something that
10 is actively being looked at by ACEEE.

11 So, the idea of resting on our laurels
12 here is not something, in terms of ACEEE, that
13 won't keep us at 13th, if we don't continue to
14 push. And we believe that the Plan does that.

15 Q So, I'd like to turn --

16 A (Hill) This is David Hill. If I could just
17 comment briefly on the scorecard, and share, too.
18 I think it notes "New Hampshire's utilities have
19 begun to ramp up savings in accordance with the
20 targets." So, I think the rating itself, the
21 commentary on that rating score indicates that
22 "the utilities have begun to ramp up savings".
23 And the Plan and the Settlement Agreement would
24 continue in that regard.

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 CHAIRWOMAN MARTIN: Just a moment, Mr.
2 Dexter. It looks like we lost -- oh, Ms. Downes
3 is back. We lost your video for a moment.

4 Go ahead, Mr. Dexter.

5 BY MR. DEXTER:

6 Q So, I want to move on from this, but what I'm
7 gathering from the last three witnesses was that,
8 if the Settlement were approved, the rating on
9 this particular criteria might even go up from
10 number 13 to something higher. Is that a fair
11 summary of the point you're trying to make?

12 A (Downes) I don't think that is necessarily true,
13 for --

14 A (Peters) I was going to say something similar.
15 It kind of depends on what other states are doing
16 in concert as to what we're doing. And, so, you
17 know, if all states are doing more and moving
18 forward, you know, you have to compare against
19 the other states next goals as well, and we don't
20 know what those are at the moment.

21 Q Right. And I believe the reason you brought this
22 up in the report was to point out that one of the
23 things you were trying to do in the September 1st
24 Plan was to improve your score, is that not

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 correct?

2 A (Peters) Yes. And we can't tell how much it
3 would improve. But we know that, by not looking
4 to achieve more savings, we definitely won't
5 improve our score. And, so, if there are more
6 savings to achieve, and we are working towards
7 achieving those savings, that should provide, you
8 know, a positive reflection in that score, Paul.

9 A (Hill) All that I can say is the scorecard is an
10 indicator. It's not the regulatory target to
11 improve one's score in the ACEEE. And it's
12 conjecture on what the other states would be
13 doing, in terms of how you end up relatively.
14 But it's helpful in terms of context, and has
15 been used as that.

16 A (Mosenthal) And I would like to add that, you
17 know, as David Hill mentioned, you know, it talks
18 about "beginning to ramp up". And, if you
19 compare New Hampshire to Massachusetts, where
20 most of the New Hampshire utilities also operate,
21 even with the Settlement, we're getting up to
22 around 2 percent savings on electric as a percent
23 of load, which is considerably lower than what
24 Massachusetts has been doing for a number of

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 years now, which has been closer to 3 percent.
2 So, we'd still be, you know, behind our peer to
3 the south.

4 Q I thought the goal was 4.5 percent?

5 A (Mosenthal) I'm sorry. I'm talking about annual
6 savings. So, in other words, in 2023, you know,
7 right now New Hampshire is at about 1.3 percent
8 per year of load, and the Settlement ramps us up
9 to around 2 percent of load in 2023.

10 Q Okay. Well, I'm going to move to a different
11 topic. I'd like now to talk about Exhibit 1,
12 Bates 019, which is "Figure 1.1". It's a bar
13 chart with a blue line on it. And I'd like to
14 focus on the blue line. And ask the witnesses to
15 confirm that in 2020 -- 2015, the blue line is
16 the electric budget, that, in 2015, the budget
17 for the electric programs was in the area of
18 \$72 million. That sound about right? Am I
19 reading this graph right?

20 A (Peters) Yes, you are.

21 Q And, if I go to the 2023 -- the "2021 to 2023
22 Plan", I'm at a figure of about \$350 million, is
23 that right?

24 A (Peters) Yes.

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 Q Now, is that -- are those annual numbers? Those
2 aren't annual numbers, are they?

3 A (Peters) That's the three-year total.

4 Q And the other number that I started with, that
5 was also a three-year total, right? 2015, '16
6 and '17, right?

7 A (Peters) Yes.

8 Q Right. So, it's fair to say then that, compared
9 to that Plan from 2015 to '17 to the proposed
10 Plan, that we will be increasing the budgets
11 about five times, in other words, 72 million
12 times five gets you a little over 350 -- it gets
13 you to 360 million, is that right?

14 A (Peters) I'll take your word on the math. But
15 those are the budget numbers.

16 Q Okay. Well, you would agree that it's a five --
17 you wouldn't agree that it's a fivefold increase?

18 A (Peters) I agree those are the budget numbers.
19 I'm not questioning you, Paul. I am just not
20 someone who is good at doing math in my head.

21 Q Okay. Well, we've got six people on the panel.
22 Can someone confirm for me that the Plan for 2021
23 to 2023 is five times -- the budget is five times
24 higher than the Plan from 2015 to 2017?

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 A (Downes) It's not quite five times, but, yes.
2 General ballpark.

3 Q Thank you. Now, if you were to go down to
4 Figure 1.2, this is a similar schedule for the
5 Gas Programs, correct?

6 A (Downes) Yes.

7 A (Stanley) Correct.

8 A (Peters) Yes.

9 Q And, if I were to make the same comparison, it
10 looks to me like the gas figures are going from
11 19 million in that early three-year block, to 42
12 million, which I calculated as somewhat just over
13 a doubling. Can you confirm that?

14 A (Stanley) Yes. That's correct.

15 A (Downes) It's a little more than double, yes.

16 Q And can you explain to me why, or to the
17 Commission, why, over these comparable time
18 periods, the electric energy efficiency budgets
19 have gone up so much more significantly than the
20 gas budget?

21 A (Peters) It looks like Mary wants to talk.

22 A (Downes) Sure. I was waiting for you, Kate, but
23 I can go.

24 I think this goes back to what Kate

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 Peters laid out at the very beginning. Is that
2 we started not with a budget in mind, but with
3 trying to figure out what the right goal was for
4 the Energy Efficiency Resource Standard, as a
5 larger stakeholder group. This wasn't just the
6 utilities. And, given the support of the
7 Potential Study and other, you know, expertise
8 that lives in the utilities that, as was noted,
9 you know, we operate in Massachusetts, as well as
10 New Hampshire, all but the Electric Co-op,
11 there's more opportunity on the electric side to
12 go capture in a three-year period than on the gas
13 side. And this is pretty standard for, if you
14 look at other jurisdictions across the country
15 and their goals for electricity versus natural
16 gas, their electric goals are higher.

17 And, so, the budgets and the cost to
18 achieve that EERS savings goals follow from the
19 target that's set, rather than us looking and
20 saying "how much money do we want to spend?"
21 That was the old way we used to do it, because we
22 had a fixed SBC rate. And, now that we are under
23 the EERS, we have a stakeholder process to
24 develop the appropriate goals, and then we

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 determine what it will take to -- how much money
2 it will take to achieve those goals, and then
3 there's a negotiation to balance all of the
4 elements that Kate very ably laid out earlier.

5 Q And the stakeholder process was used to establish
6 the gas goals as well, correct?

7 A (Downes) Yes.

8 A (Peters) Yes.

9 A (Mosenthal) And I would add that, you know, I
10 think there's two significant drivers of why
11 electric costs might be going up faster than gas.
12 One is, in terms of the overall cost-effective
13 efficiency potential, electric was farther behind
14 in proportion by quite a bit, in terms of what it
15 was doing. And a second thing that is driving
16 cost per kilowatt-hour saved up generally is that
17 a very large amount of savings has been
18 traditionally coming from residential lighting,
19 which is extremely cheap, and is really going
20 away. There is some of it in 2021, and then it's
21 completely gone in the rest of the Plan.

22 Q And I wanted to --

23 A (Woods) I guess I just wanted to -- sorry. This
24 is Carol Woods.

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 I would just want to add one other
2 thing, is that, when you look at the difference
3 between the gas and the electric programs, as
4 Mary said earlier, there's a significant amount
5 of fossil fuel savings that's being funded. And,
6 so, it isn't just -- so, the budgets are not just
7 for electric savings, and which is part of what,
8 you know, we discussed in the stakeholder
9 process, in that, you know, the Agreement is that
10 those residential programs are, you know, saving
11 a significant amount of fossil fuels.

12 And then, in addition to that, there is
13 the requirement that the Legislature put in
14 place, that 20 percent of the SBC needs to fund
15 the Home Energy Assistance Program, which, as
16 the, you know, as the budgets -- which is a
17 program that really has significant fossil fuel
18 savings. So, as the budgets for the other
19 programs increase, there is a significant
20 increase to that Home Energy Assistance Program
21 that is not providing a significant amount of
22 electric savings.

23 A (Hill) And I would -- I would agree with all of
24 those comments from Ms. Downes and Mr. Mosenthal

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 and Ms. Woods and Peters.

2 One thing is that, while lighting
3 savings don't show up in terms of the utility
4 programs, the benefit of those savings that are a
5 result of the work that's been done over time,
6 those savings are still there, and they're
7 benefiting, you know, consumers and ratepayers in
8 New Hampshire. People are using more efficient
9 lighting now. So, the savings are there, it's
10 just not being counted as part of the utility
11 programs anymore, which is appropriate. But the
12 programs have helped to facilitate those savings,
13 and those are real savings that continue for the
14 economy.

15 And then, another point that maybe just
16 helpful is to consider all consumers have
17 electric bills, not everyone has a gas services
18 bill. So, just another factor to consider.

19 Q Okay. So, I would like to move to Bates 017 of
20 Exhibit 1, this is Table 1.1.

21 CHAIRWOMAN MARTIN: Mr. Dexter?

22 MR. DEXTER: Yes.

23 CHAIRWOMAN MARTIN: We will need to
24 break -- we will need to break for lunch shortly.

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 Is this a good stopping point or would you like
2 to get to your next set of questions?

3 MR. DEXTER: I'd like to just address
4 this one table, because it sort of goes along
5 with what I've been getting at. And then, I'm
6 going to move to a different topic, which is how
7 this plan -- well, there's actually -- there's
8 actually two more topics on this whole slicing
9 and dicing of the goals and the sectors and the
10 industries.

11 So, I'd like to continue for another
12 ten minutes or so, would that be okay?

13 CHAIRWOMAN MARTIN: Okay. That's fine.

14 MR. DEXTER: Maybe till one o'clock.
15 And then, after that. Yes, that's what I would
16 like to do.

17 BY MR. DEXTER:

18 Q So, we were looking at Bates 017, which is "Table
19 1.1". And this table lays out the prior Plan
20 versus the current Plan. I understand that the
21 current Plan has been superseded by the
22 Settlement, but I don't have an updated Table 1.1
23 that I know of. If you guys know of one, then
24 please correct me.

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 But I'm looking at, I guess, the last
2 two lines of Table 1.1, which is "Funding" and
3 "Cost per Lifetime kWh Savings". And, I mean, I
4 won't repeat -- well, I guess I will repeat. The
5 second to the last line indicates the increases
6 in the budgets that we've been talking about, is
7 that right?

8 A (Peters) Yes.

9 Q And the next line talks about the -- how much it
10 costs to achieve each kWh of savings, is that
11 right?

12 A (Peters) Yes, it is.

13 Q And I'm reading this table as saying that there's
14 going to be a significant increase in the cost
15 per kWh savings in this Plan versus the last
16 Plan, is that right?

17 A (Peters) It is right. And there are -- assuming
18 you're going to ask why?

19 Q Yes.

20 A (Peters) There are a couple factors that play
21 into the cost to achieve shifting. And the first
22 of which is kind of this, we've referenced
23 before, the shifting of the baselines in the
24 marketplace. So, several years ago, when you

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 replaced a light bulb, the claimable savings for
2 that light bulb, I'm going to make it up, right,
3 but it was 50 kilowatt-hours, because, you know,
4 based on what the customer could have replaced it
5 with outside of the energy efficiency programs
6 and the amount of savings that they would see
7 from that bulb.

8 The baselines have changed. The old
9 incandescent bulbs that used to be the
10 replacement baseline are no longer the baseline
11 in the marketplace. And, so, the delta of energy
12 savings that you can claim for that exact same
13 LED bulb is smaller. And, so, you take the same
14 bulb, you put it in the same socket next year,
15 compared to three years ago, and the energy
16 savings that we can claim for the programs is
17 much smaller than it was three years ago. And,
18 so, there's a kind of claimable savings change
19 that is happening with measures in the
20 marketplace as baselines change. And this is
21 like a totally layman's way of explaining it.
22 I'm sure someone with more technical competence
23 would explain it in a more technical way.

24 And, so, that is happening very

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 significantly, even with the very cost-effective
2 lighting measures that we do still have in this
3 Plan across the three years. And, so, in
4 addition to those -- those costs to achieve for
5 those types of measures changing, in order to
6 achieve more energy savings, we are also doing
7 more than before other types of measures, like
8 the HVAC change-outs and the process changes for
9 large commercial, *etcetera*. And, in most cases,
10 these measures are more complicated and more
11 costly than lighting, and they're also
12 cost-effective, but more of the energy savings in
13 the portfolio than in the past is coming from
14 non-lighting measures, which have different costs
15 than the lighting did in the past.

16 So, it's kind of a -- there's a couple
17 of factors there coming together that mean that
18 the energy savings that we are claiming in the
19 Plan is a bit more expensive to claim than it
20 would have been in the past.

21 And that's my layman's explanation. I
22 will let others maybe correct that in a technical
23 way. But that's what I see as two of the main
24 factors.

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 A (Hill) I'm going to offer, I think that's a very
2 good explanation. You know, efficiency, like
3 other resources, has kind of a marginal cost
4 curve. And as you get deeper savings, the cost
5 per unit of savings go up. And these are all
6 still cost-effective measures. But, as you
7 diversify a portfolio away from lighting
8 measures, as you go deeper and deeper in savings,
9 the marginal cost for the efficiency measure per
10 unit can be expected to go up.

11 Q So, sort of in summary then, in this Plan versus
12 the last Plan, we see the figures right on that
13 table, there is a more than doubling of
14 cumulative program funding, and for that doubling
15 the customers can expect less savings per dollar
16 than what they would have gotten last time. Is
17 that right?

18 A (Downes) That's not quite necessarily true across
19 the board, Paul. That one of the other issues,
20 and Kate started to talk about this, but is the
21 savings that's attributable to our programs. And
22 the savings that's attributable to our programs
23 is not quite the same as what the customer will
24 realize as a result of putting that light bulb

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 in.

2 So, one of the major changes between
3 the September 1 Plan and the Settlement is some
4 adjustments to the net-to-gross factors, and the
5 recognition that, as the lighting market
6 transforms, there are more people who are going
7 to take our rebate and put in a light bulb that
8 they probably would have put in without our
9 rebate, and that's called "free ridership". And
10 we have applied free ridership rates to this Plan
11 for the first time to many of the lighting
12 measures and some of the other upstream measures,
13 to account for the fact that we are not
14 necessarily responsible as the program for
15 everybody's decision to use the high-efficiency
16 equipment. So, it's an adjustment that the
17 customer is realizing, but we're not counting.

18 Does that make sense?

19 Q And Mr. Buckley will get into this in more detail
20 later, but -- just a minute, Mr. Mosenthal, if I
21 could finish my question please. Mr. Buckley
22 will get into that in more detail later.

23 But I just want to ask you quickly,
24 these free ridership adjustments that you

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 mentioned, have they been in place in neighboring
2 states? Are they and have they been in place in
3 neighboring states?

4 A (Downes) Yes. In Massachusetts and Connecticut
5 and Vermont, and I'm sure in other places as
6 well, free ridership, as well as the reverse of
7 that, which is "spillover", --

8 Q Yes.

9 A (Downes) -- are taken into account. They have
10 not been studied in New Hampshire to date for New
11 Hampshire, because there -- of an old
12 longstanding decision that the programs would be
13 designed to minimize free ridership, and that we
14 would avoid the cost of studying that. We have
15 now gotten to the point, given the lighting
16 market, that we think it's important to account
17 for some of those impacts.

18 Q As I said, Mr. Buckley is going to get into more
19 of that later, probably this afternoon.

20 Mr. Mosenthal, did you --

21 A (Mosenthal) Yes. I just wanted to add, you know,
22 I agree with everything that's been said about
23 the, you know, the issues around the costs going
24 up more than the savings.

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 But I wanted to point out one
2 additional thing, is that there's additional
3 dollar savings to the consumers beyond just
4 electricity. And, as residential lighting has
5 basically gone away after 2021, and it's
6 significantly reduced in 2021, there's been much
7 more of a shift to making the whole home more
8 efficient through improving the building
9 envelope. And most of those savings end up being
10 fossil fuels, not electricity.

11 So, the electric utility is still
12 paying for those, everywhere that doesn't have
13 gas service, and the customer is still saving
14 substantial amounts of money on their energy
15 bills. It's just not showing up as electric
16 bills.

17 Q And this phenomena of increasing costs to achieve
18 does not appear to be taking hold in the gas
19 industry, if I look at Table 1.2, the bottom line
20 in that table. Would you agree with that?

21 A (Stanley) There's not as drastic transformational
22 issues that the other panelists spoke to, in
23 terms of there isn't a direct example of a
24 similar phenomenon, such as the LED lighting

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 technologies, transforming within the natural gas
2 market. So, no. There isn't a change in terms
3 of -- or, a significant change in terms of the
4 cost to achieve savings on the natural gas side.

5 Although, it's still impacted, because
6 there are other factors, in terms of the
7 realization rates, that are impacting the Natural
8 Gas Programs as well, it's just not as
9 significant as on the electric portfolio.

10 MR. DEXTER: Thank you. Madam
11 Chairman, it is 1:01. And I would like to ask a
12 few more questions on this before we break, not
13 on this table, but on one more table that's
14 related. It probably will take about five
15 minutes.

16 CHAIRWOMAN MARTIN: Okay. Go ahead.

17 MR. DEXTER: Thank you.

18 BY MR. DEXTER:

19 Q So, I'd like the witnesses to look at Exhibit 23,
20 which is a chart from the 2020 Plan Update. And
21 this was filed on January 15th, 2020, and it
22 appears at Page 18. It's a pie chart. And it
23 breaks down the Program's budgets between "C&I
24 and Municipal", "Residential", and

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 "Income-Eligible".

2 And I would ask you to confirm that the
3 C&I and Municipal budgets in this Plan Update,
4 which was the 2020 Plan, so just this year, was
5 51 percent C&I? And if you don't want to find
6 the exhibit and take that subject to check,
7 that's fine. But it's Exhibit -- I made this pie
8 chart "Exhibit 23".

9 A (Downes) Mr. Dexter, I wonder if this was prior
10 to the requirement that made us have to scramble
11 at the last minute for the 2020 Plan regarding 20
12 percent of SBC funds going to Income-Eligible.
13 It just strikes me that that "17 percent" for
14 Income-Eligible looks low. So, I'm not sure that
15 this actually is what was in place in the, you
16 know, related to the final order in the 2020
17 Update.

18 Q Well, I took this from the compliance filing,
19 which was made after the final order. It was
20 filed January 15th, 2020. So, I think it's the
21 right chart.

22 A (Downes) If this is from the narrative, I'll
23 defer to Ms. Peter.

24 A (Peters) Yes, I'm not totally sure. We did a lot

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 of analysis last year to make sure we were in
2 compliance with that law, which got passed during
3 the docket process. And, so, I'm not totally
4 sure if this chart reflects that or not. But I
5 know we did end up making sure that we met the
6 law. It's probably fairly close.

7 Q Yes. I'm sorry to cut you off, I just -- I want
8 to move on.

9 But I didn't find -- my point is that
10 this chart, which I'm sure is correct, because it
11 came in after the case, after the law was passed,
12 after the revised exhibits, and it, in fact,
13 shows 17 percent of the low-income budget going
14 to low-income, which is what I think you have to
15 do.

16 My point is that I didn't find a
17 similar pie chart in the current plan. And
18 that's what I wanted to ask you to produce. And
19 I don't expect you to do it on the spot. Or, if
20 you could just simply tell me what percent of the
21 three-year budget as proposed is dedicated toward
22 C&I and Municipal?

23 A (Peters) I can tell you for Eversource, Paul.
24 So, if you look at the Settlement document,

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 Attachments B has the Eversource budgets as
2 adjusted by the Settlement. And we had some
3 confusion on Bates pages on that particular
4 exhibit earlier, so it's probably around Bates
5 Page 031 or 032, but it's Attachment B to the
6 Settlement.

7 So, the Eversource budgets are there.
8 And, in the right-hand column, you'll see the
9 total budgets by sector for the Plan. And
10 you'll see that the Settlement budget for the
11 C&I and Municipal Sector is 148.585 million. And
12 the total Settlement budget is 258.181 million.
13 So, if you do the division, which I just did on
14 my calculator, the C&I and Municipal budget is
15 57.5 percent of the total budget, if I did that
16 math correctly.

17 Q And, so that -- and thank you for doing that
18 math. And it's fair to say then, for all the
19 reasons we've been talking about this morning,
20 that this Plan reflects a conscious shift of the
21 budgets towards the C&I customers, away from the
22 Residential Sector, is that right?

23 A (Peters) Well, I would say the C&I portion of the
24 total budget is a bit higher than it was in the

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 last Plan. So, that's what the numbers say.

2 A (Mosenthal) And I just wanted to reiterate. I
3 mentioned this before, but, as Kate said, it's
4 57.something percent. And I believe Eversource's
5 C&I load is about 58 percent of their entire
6 load. So, it is commensurate with their share of
7 electric usage in the state.

8 A (Peters) If it would be helpful, I could
9 certainly have the folks who have the models and
10 all of the numbers in front of them kind of
11 generate these three numbers while we're on the
12 lunch break, so it's not, you know, my quick math
13 happening. And we could provide that.

14 MR. DEXTER: Well, I would think, I
15 would ask the Bench, but I would think it would
16 be helpful to have these numbers. And it doesn't
17 have to be a pie chart. But, rather than just
18 have the Eversource number, I didn't get a chance
19 to open up that Settlement attachment, but I
20 assume the other companies are in there as well.
21 Though, actually, no, they're not, now that I
22 think about it.

23 I think it would be very useful to have
24 in the record, on one page, the percentage of the

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 proposed budget that's being dedicated to these
2 three sectors, C&I and Municipal, Residential,
3 and Low-Income.

4 CHAIRWOMAN MARTIN: Commissioner
5 Bailey, do you have thoughts on that? Would it
6 be helpful?

7 CMSR. BAILEY: I think that would be
8 useful, to be able to compare to what was
9 approved last time. And I think also it would be
10 interesting to know what the percentage of load
11 is for each of those sectors. I don't know if
12 the Utilities can do that on, you know, a
13 combined basis.

14 WITNESS PETERS: I think we could take
15 that as a request. But maybe one of our lawyers
16 could say more.

17 MR. TAYLOR: Sorry. I was just going
18 to ask, it's unclear to me, if this is a record
19 request, which, you know, typically, the
20 utilities would have a day or two to provide an
21 answer to, or if the Commission is asking the
22 Utilities to try to pull this information
23 together over the lunch break? And I can't speak
24 for our folks, and, unfortunately, we're not in

[PANEL: Peters|Downes|Woods|Stanley|Hill|Mosenthal]

1 the room together, so I don't what the ability of
2 that is.

3 But, just procedurally, it would be
4 helpful to understand what's being asked of the
5 Utilities?

6 CHAIRWOMAN MARTIN: Given that it's all
7 of the Utilities combined in one chart, I think
8 it's reasonable to do it as a record request.
9 But if, for some reason, over the lunch break, if
10 you learn that it can easily be done, we would
11 certainly appreciate it.

12 MR. DEXTER: I just have to note for
13 the record, Madam Chairwoman, that if the
14 Utilities can't tell us at this stage in the game
15 what percent of their program is dedicated to C&I
16 and Municipal, then I'm dumbfounded.

17 WITNESS DOWNES: Well, Eversource just
18 provided it. Unutil's C&I budget over the term,
19 in net present value dollars, is 54.8 percent for
20 C&I.

21 WITNESS STANLEY: Yes. And, for
22 Granite State Electric, it's 55 percent for C&I.

23 MR. TAYLOR: And just to respond to
24 Attorney Dexter, that I understand his point that

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1 the Utilities ought to know what percentage of
2 the budgets the sectors represent. However, he's
3 making a request during a hearing for aggregated
4 information of multiple utilities, with people
5 that are scattered throughout the state and
6 perhaps somewhere else. And, so, just from a
7 logistical standpoint, I was making the point
8 that we may need more time than a lunch break to
9 do it.

10 I'm not suggesting that we don't know
11 the answer to the question.

12 CHAIRWOMAN MARTIN: Thank you. I think
13 we'll keep it the way I described it before,
14 which is it will be a record request, unless you
15 are able to put it together in less time.

16 Mr. Dexter.

17 MR. DEXTER: Thank you. I appreciate
18 that. I would agree that this would be an
19 appropriate time for a lunch break.

20 CHAIRWOMAN MARTIN: Okay. We will
21 recess until 2:00.

22 MR. TAYLOR: Before we break for lunch,
23 I just wanted to make one, I guess, procedural
24 point going forward today, or maybe it's not

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1 procedural, it's more of a witness availability
2 issue. And I wanted to get a sense for whether
3 the Staff thought that they were going to reach
4 the Rates Panel today?

5 And the reason that I ask is because
6 Mr. Goulding is going to be unavailable after
7 4:00, and I know the hearing goes till 4:30.
8 And, so, just for planning purposes, I wanted to
9 get a sense for where the Staff was going to be.
10 And maybe -- maybe we need the answer to that
11 question after lunch, but I just wanted to raise
12 the point.

13 CHAIRWOMAN MARTIN: Mr. Dexter, do you
14 have a sense of timing on your part?

15 MR. DEXTER: Is Mr. Goulding available
16 on Monday, which is our next hearing date?

17 MR. TAYLOR: Yes.

18 MR. DEXTER: I do have some questions
19 for the Rates Panel. They're going to be very
20 brief. I could do them right after lunch, and
21 that would resolve the conflict. I don't have
22 any problem with that.

23 CHAIRWOMAN MARTIN: I think that the
24 Commission will have questions as well. And, so,

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1 it may make sense just to proceed with the order
2 that we're going, and have -- to the extent we
3 run longer than Mr. Goulding's availability, have
4 that on Monday.

5 MR. DEXTER: Yes. I don't think I'll
6 be finished, and Mr. Buckley has questions as
7 well with the Settlement Panel, between 2:00 and
8 4:00 p.m. We might just be wrapping up by then,
9 but it's hard to guess. But I think we're moving
10 along pretty well, considering the logistics
11 we're dealing with, but it's probably going to be
12 right around that point.

13 MR. TAYLOR: Okay. Thanks.

14 CHAIRWOMAN MARTIN: All right. Thank
15 you.

16 *(Lunch recess taken at 1:14 p.m., and*
17 *the hearing resumes under separate*
18 *cover in the transcript noted as*
19 *"Day 1 Afternoon Session ONLY".)*

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