

June 16, 2020

Via Electronic Mail

Debra A. Howland Executive Director and Secretary N.H. Public Utilities Commission 21 South Fruit Street, Suite 10 Concord, N.H. 03301

RE: <u>Docket DE 20-XXX: Unitil Energy Systems, Inc. Request to Amend Tariff and Provide a</u> Non-Residential Energy Efficiency Loan to the City of Concord

Dear Ms. Howland,

Unitil Energy Systems, Inc. ("Unitil" or the "Company") hereby requests, pursuant to RSA 378:3 and Puc 202.01 and 1605, that the Commission approve certain amendments to the Company's Non-Residential Energy Efficiency Loan Program Tariff (First Revised Page 112 – Second Revised Page 113) ("Non-Residential EELP Tariff"). The Company also concurrently requests that the Commission permit the Company to provide an energy efficiency loan under the Non-Residential EELP Tariff to the City of Concord, New Hampshire in an amount that exceeds the \$50,000 per-project and \$150,000 per-customer per-year limits in the existing and proposed amended Tariff. To the extent necessary, the Company requests that the Commission treat this letter as a petition pursuant to Puc 203 and waive the formal requirement of Puc 203.04.

I. Unitil's Request to Amend its Non-Residential EELP Tariff

The Company's currently effective Non-Residential EELP Tariff allows municipal and commercial and industrial customers installing energy efficiency measures under a Commission-approved energy efficiency program to borrow all or a portion of the customer's share of the installed cost of the energy efficiency measures through an additional charge on their monthly electric service bill. NHPUC No. 3 – Electricity Delivery, Unitil Energy Systems,

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Inc. First Revised Page 112 (effective Nov. 1, 2011). The "Customer Loan Amount" must be equal \$500 and less than or equal to \$50,000 per project and must not exceed the Customer's share of the installed cost of the energy efficiency measures. Id. A single customer is limited to \$150,000 per year in loan funds, with no limit on the number of projects. Id. However, "[i]f at any point there are no loan fund recipients or there have been no loan fund recipients in a given year, the Company may petition the Commission to allow a particular customer to receive more than \$150,000 in loan funds in a given year." Id.

The currently effective Non-Residential EELP Tariff therefore contains certain restrictive conditions upon the Company's ability to seek Commission permission to loan a customer more than \$150,000 per year. Moreover, the Tariff provides no ability for the Company to seek Commission permission to loan more than \$50,000 in connection with a single project. Unitil's proposed amendments would enable the Company to (a) seek approval from the Commission to loan more than \$50,000 per project and (b) seek approval from the Commission to loan more than \$150,000 to a single customer in a given year regardless of whether loans have been granted to other customers. These proposed amendments will remove the unnecessarily restrictive language from the Non-Residential EELP Tariff and provide more flexibility to the Company to seek permission from the Commission to provide loans in excess of the per-project and per-customer caps when warranted, while retaining Commission oversight of such loans.

Unitil is providing clean and redlined copies of its proposed amended Non-Residential EELP Tariff (First Revised Page 112 and Second Revised Page 113) with this letter. The Company is also providing the Testimony of Cindy Carroll, Vice President of Customer Energy Solutions in support of the proposed amendments. Ms. Carroll's testimony more fully describes the proposed amendments, the justification for the amendments, and why the amendments are reasonable. The Company has not provided supportive schedules pursuant to Puc 1605.02(a)(4) as the Company is not proposing any rate adjustment in connection with the proposed amendments.

II. Unitil's Request to Provide an Energy Efficiency Loan to the City of Concord in Excess of the Per-Project and Per-Customer Caps

Concurrent with Unitil's request to amend its Non-Residential EELP Tariff, the Company requests permission from the Commission to provide a loan to the City of Concord in an amount up to \$325,000 pursuant to the amended tariff in connection with the City's planned conversion of its existing streetlights to energy-efficient LED fixtures. As amended, the Non-Residential Tariff would allow the Company to "petition the Commission to allow a Customer Loan Amount in an amount exceeding \$50,000 per project and / or to allow a particular Customer to receive more than \$150,000 in loan funds in a given year." The Company's request

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to provide an energy efficiency loan to the City of Concord in an amount of up to \$325,000 for repayment through on-bill financing over a period of up to ten (10) years is hereby made pursuant to the referenced tariff provision, provided such provision is approved by the Commission. As explained in the accompanying Testimony of Cindy Carroll, this loan will enable the City to convert its existing streetlights to energy efficient LED fixtures, and will not impair the Company's ability to continue to provide energy efficiency loans to other non-residential customers from the Company's existing revolving loan fund.

The Company respectfully requests that the Commission approve the Company's proposed amendments to its Non-Residential EELP Tariff and concurrently grant the Company permission to provide a loan under said Tariff to the City of Concord in an amount up to \$325,000 for repayment through on-bill financing over a term of up to ten (10) years. The Company further requests that the Commission approve the Company's requests as expeditiously as possible to ensure that the City may receive the loan amounts as soon as practicable and begin the process of purchasing and installing the LED fixtures.

Consistent with the Commission's suspension of paper filings, the Companies submit these reports in electronic format only, but will provide hard copies if and when requested.

Regards,

Patrick Taylor Senior Counsel

Enclosures