

**Leighton, Adele**

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**From:** Howland, Debra  
**Sent:** Wednesday, March 18, 2009 11:29 AM  
**To:** Leighton, Adele  
**Subject:** FW: Follow up :Tiered rate conservation incentives

Please put him on the interested persons list ofr DE 09-035.

**Debra A. Howland**

Executive Director & Secretary  
New Hampshire Public Utilities Commission  
21 S. Fruit St., Suite 10  
Concord, NH 03301-2429  
603.271.6003  
[debra.howland@puc.nh.gov](mailto:debra.howland@puc.nh.gov)

-----Original Message-----

**From:** Chuck Baldwin [mailto:[chucka\\_baldwin@yahoo.com](mailto:chucka_baldwin@yahoo.com)]  
**Sent:** Monday, March 16, 2009 10:37 AM  
**To:** Howland, Debra  
**Subject:** Follow up :Tiered rate conservation incentives

Dear Ms Howland ,  
Hoping to hear something from you regarding the below e-mail ?  
Thanks  
Chuck Baldwin

--- On **Wed, 2/25/09**, **Chuck Baldwin** <[chucka\\_baldwin@yahoo.com](mailto:chucka_baldwin@yahoo.com)> wrote:

From: Chuck Baldwin <[chucka\\_baldwin@yahoo.com](mailto:chucka_baldwin@yahoo.com)>  
Subject: Tiered rate conservation incentives  
To: [debra.howland@puc.nh.gov](mailto:debra.howland@puc.nh.gov)  
Date: Wednesday, February 25, 2009, 3:03 PM

Dear Ms. Howland,  
With a national initiative to reduce our dependence on energy and with the majority of New Hampshire communities passing a Climate Change Resolution I propose that New Hampshire adopt a tiered rate system to incent users to reduce energy demands.

This idea of having a tiered rate is not new per se - I recall when PSNH had a lower residential rate for the frist 250 kwh and I understand that Unitil still does....- however, I would propose a more progressive system with a number of breakpoints to incent graduated improvements.

In addition to having a lower rate for the first 250 kwh I would suggest something on the order as follows :

- 0-250
- 251-350
- 351-450
- 451-600

601-750

751+

Very possible these breakpoints could be adjusted based on more in depth analysis. Basically though I would see this as incentive to effect change in your energy use. I personally reduced my use by taking simple steps and would have been further incented to get below a rate range if such a program were in effect.

From what I understand, PSNH is a business for profit, but they are regulated and apply for rate changes through the PUC who considers their proposals based on measured standards. In the rate structure range that I show above, the lower end of the spectrum would pay a lower KWH rate than the higher level but PSNH would still recover their due. As our good citizens effect changes to their advantage then the rates would need to be reviewed periodically to insure fairness to PSNH operations. In theory if people did respond to this system, then PSNH may not need to build as much capacity or purchase as much power from outside sources keeping their costs in better control.

Whether you have electric heat or not everyone could reduce their demand ( by conservation methods and /or increasing the energy efficiency of their homes with products like insullation, better windows, CFL's , programmable thermostats , etc etc .) and benefit from a lower rate range.

It was my recollection of PSNH's 250 kwh rate that prompted the idea to expand on a tiered rate and I think it's one place this country can make dramatic improvements with sufficient incentive. I am currently serving as a volunteer on Durham NH's Integrated Waste Management Advisory Committee and have an interest in exploring ways to improve our sustainability.

I had a discussion with your Assistant Director Electric Division ,Steve Mullen (sp?), who suggested I write to you on this . I would appreciate some feedback as to the feasibility to adopt such a system and also to be advised when PSNH files for a rate case.

Sincerely,  
Chuck Baldwin