

THE STATE OF NEW HAMPSHIRE



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Thomas B. Getz

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Clifton C. Below
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EXECUTIVE DIRECTOR
AND SECRETARY
Debra A. Howland

PUBLIC UTILITIES COMMISSION
21 S. Fruit Street, Suite 10
Concord, N.H. 03301-2429

Tel. (603) 271-2431

FAX (603) 271-3878

TDD Access: Relay NH
1-800-735-2964

Website:
www.puc.nh.gov

September 8, 2011

Debra Howland, Executive Director
N.H. Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, New Hampshire 03301-2429

Re: DE 10-188 - CORE Electric Energy Efficiency and Gas Energy Efficiency Programs – Request for approval to implement a full fuel neutral Home Performance with Energy Star program (HPwES)

Dear Ms. Howland:

Pursuant to the Settlement Agreement approved by the Commission in Order 25,189, Public Service Company of New Hampshire (PSNH) and Unitil Energy Systems, Inc.'s (UES) agreed to seek approval of either the continuation of the HPwES pilot, or a full fuel neutral program for beginning January 1, 2012. The Settlement Agreement further indicated that PSNH and UES would make a specific request for such approval to the Commission no later than September 1, 2011, subsequent to the completion of the evaluation of the pilot HPwES program.

On September 1, 2011, PSNH and UES filed a letter seeking approval to implement a full fuel neutral HPwES program beginning January 1, 2012. In Staff's view, this full fuel neutral program is not ripe for review. According to the letter, some details pertaining to the HPwES program are still preliminary at this time. Specifically, PSNH and UES propose budget amounts for the HPwES program that are preliminary. Also, PSNH and UES propose to modify the HPwES performance incentive calculation, seeking a performance incentive on all savings derived from customer participation in the program. Further, the utilities plan to re-run the Benefit/Cost model by incorporating updated savings and updated avoided cost estimates from the recent evaluation studies conducted by Cadmus and Synapse.¹ These changes, along with any other program changes proposed for 2012, will be provided no later than September 30, 2011, pursuant to the Settlement Agreement.

¹ Available on the Commission website: <http://www.puc.nh.gov/Electric/coreenergyefficiencyprograms.htm>

Based on the above, Staff believes that no action needs to be taken by the Commission at this time. According to the Settlement Agreement approved by the Commission in Order No. 25,189, PSNH and UES agreed that any proposed changes for 2012 would be filed with the Commission no later than September 30, 2011. At that time, Staff will seek final data pertaining to the HPwES program and provide its recommendation in the context of the proceeding that will be opened to discuss the HPwES program changes and any other proposed program changes.

Sincerely,

James J. Cunningham, Jr.
(db)

James J. Cunningham, Jr.
Utility Analyst IV

CC: Service List