PUBLIC SERVICE OF NEW HAMPSHIRE

SMART START 3rd QUARTER 2011 - REPORT PREPARED FOR

THE NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

DOCKET NO. DE 10-188

October 20, 2011

## I. INTRODUCTION

In its Report and Order No. 23,851 in Docket DE 01-080 dated November 29, 2001, the Commission approved the Pay-As-You-Save™ Energy Efficiency Products Pilot Program (PAYS®)[1]. As part of its report, the Commission required PSNH to file:

"...quarterly reports to the parties and staff with regard to program participation and expenditures."

Additionally, in its Report and Order No. 24,417 in Docket DE 04-052 dated December 30, 2004, the Commission directed "...the Parties, in consultation with Staff, to amend their quarterly reports to include expanded data collection, monitoring and reporting on the issues addressed in this order. The issues include, but are not limited to, the level of participation, the impact of reduced rebate levels on SMART START and CORE Programs, and the impact on utilities' bad debt that can be attributed to SMART START."

PSNH is complying with this order by filing this Quarterly Report.

## II. PROGRAM PARTICIPATION (3rd Quarter)

- Number of active projects carried-over from previous quarter: eighteen (18)
- Number of new projects with analysis: nine (9)
- Number of project completions: nine (9)
- Number of projects rejected by customer: zero (0)
- Number of projects removed due to inactivity: zero (0)
- Number of projects that failed screening: zero (0)
- Number of active projects remaining: eighteen (18)

Active projects are identified as projects in various stages of execution (identified as "In-Process" or "Potential"). The stages range from still waiting for signed agreements, to the point where energy efficiency measures have been installed and a payment to the

---

[1] As provided for in Order No. 24,417 the program was renamed Smart Start. The Smart Start name is used throughout the remainder of this report.

contractor is in process but which has not hit PSNH's accounting system yet. Projects include exit sign retrofits, indoor lighting retrofits, and street light conversions. It is expected that most will move forward to completion. The following table summarizes the status of all qualifying projects for the 3rd Quarter of 2011.

Summary of Qualified SMART START Projects

| Data as end of Q3 2011 Project Reporting Status | Number | Costs $ | Lifetime kWh Savings | Lifetime Bill Savings $ |
|---|---|---|---|---|
| Completed 3rd Qtr. | 9 | $223,846 | 6,132,776 | $972,281 |
| In-Process | 11 | $309,928 | 6,423,974 | $1,181,260 |
| Potential | 7 | $95,511 | 1,993,693 | $276,399 |
| Cumulative 2011 Completions (1st + 2nd + 3rd Qtrs.) | 20 | $587,123 | 14,549,701 | $3,059,930 |

Passage of SB300 on January 14, 2010, resulted in a shortfall in the 2010 energy efficiency budget. As part of an overall plan designed to minimize the impact of this shortfall, the Commission approved in Order No. 25,099 the transfer of $894,487 from the Smart Start revolving loan fund to the 2010 CORE Program. This transfer of funds, coupled with a strong demand for project financing, has substantially depleted the revolving loan fund balance. As a result loans are no longer available on demand. New loans are offered on a "first come, first serve" basis after consideration of the funds on hand and the projected repayment schedule of the outstanding loan portfolio.

## III. EXPANDED PROGRAM REPORTING ISSUES

As far as can be determined the reduction in the rebate amount (by 10%) had no effect on the level of participation in the Program for the 3rd Quarter 2011

## IV. PROGRAM EXPENDITURES

The 3rd Quarter 2011 SMART START Expenditures totaled $235,508 and breakdown as follows: PSNH administrative and implementation costs were $2,242, PSNH shareholder incentive of $9,420, and contractor payments for SMART START measures totaled $223,846

## V. SMART START DELIVERY CHARGE PAYMENTS

Program Delivery Charge (PDC) payments received for the 3rd Quarter 2011 totaled $157,004 which excludes an additional amount collected for Bad Debt of $7,850. There were no charges against the Bad Debt fund in the 3rd Quarter of 2011.