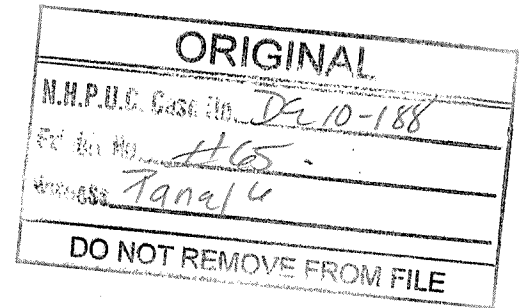




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August 28, 2012

Debra A. Howland, Executive Director
NH Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, NH 03301

**RE: DE 10-188 Electric and Gas Utilities
2011-2012 CORE Electric Energy Efficiency and Gas Energy Efficiency Programs**

Dear Ms. Howland:

TRC Energy Services, an intervener in this process, understands that the Commission is interested in the most appropriate manner in which to allocate the Regional Greenhouse Gas Initiative (RGGI) proceeds that will be received before January 1, 2013. We further understand that the Commission will consider alternatives to the existing core programs and that the expenditures may extend beyond January 1, 2013.

On November 24, 2010, the NH Public Utilities Commission awarded TRC Energy Services a grant to develop and implement the Pay for Performance Program. In doing so, the Commission displayed outstanding leadership by putting New Hampshire at the forefront of energy efficiency program innovation nationally. At the federal level, the U.S. EPA has embraced the Pay for Performance concept and selected the Program to participate in the pilot launch of the Building Performance with ENERGY STAR Program. The Program has also been highlighted by the Commercial Building Performance Committee of the Consortium for Energy Efficiency (CEE).

The specifics of the NH and NJ Pay for Performance Programs were recently presented at the 2012 American Council for an Energy Efficient Economy (ACEEE) Summer Study on Energy Efficiency in Buildings, prompting interest from many program administrators. In a September 2010 report entitled "States Stepping Forward: Best Practices for State-Led Energy Efficiency Programs", ACEEE named Pay for Performance as one of the top eighteen programs in the country. In this report, ACEEE noted:

One of the goals of the Program is to expand the network of energy efficiency firms that can provide these services in order to make the incentives more accessible to commercial and industrial customers. This market-based approach helps develop the workforce capacity necessary to achieve the ambitious energy savings targets.

To date, the Program has developed a network of nearly thirty (30) Program Partner firms that are working with businesses and municipalities throughout New Hampshire on whole-building, comprehensive work scopes. New Hampshire companies who have projects currently underway include:

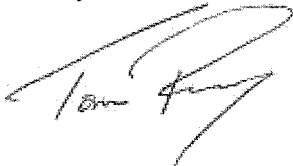
- BAE Systems
- North Conway Grand Hotel
- City of Manchester
- Southern NH University
- Oyster River High School
- HiRel Systems
- Len-Tex Corporation
- Town of Wolfeboro Wastewater Treatment Plant
- Turbocam International
- Monadnock Regional School District
- Brazonics, Inc.
- Grappone Center & Courtyard Marriott
- Pleasant View Center (Senior Housing)
- Coliseum (Senior Housing)

These companies along with many others, representing more than 4 million square feet of building space, stand to save more than 5 million kWh of electricity and 30,000 MMBTU of fossil fuel. This level of savings is derived from comprehensive, whole-building analyses that identify opportunities beyond traditional equipment and lighting replacement.

Several states on the leading edge of energy efficiency believe that the next generation of energy efficiency programs involve whole-building work scopes that generate deep energy savings. Examples include NYSEERDA under direction of the New York Department of Public Service, the NJ Clean Energy Program under direction of the New Jersey Board of Public Utilities, and Pacific Gas and Electric (PG&E) under direction of the California Public Utilities Commission.

We encourage the NH Public Utilities Commission to maintain the foresight in funding the innovative Pay for Performance program and allow it to continue and expand beyond January 1, 2013.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Rooney", with a stylized flourish at the end.

Tom Rooney
Technical Director

Enclosures: 7 copies
CC: Service list, DE 10-188