

**THE STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DE 10-188

ELECTRIC AND GAS UTILITIES

**2011-2012 CORE Electric Energy Efficiency Programs
and Natural Gas Energy Efficiency Programs**

ORDER OF NOTICE

On August 3, 2010, Granite State Electric Company d/b/a National Grid, New Hampshire Electric Cooperative, Inc., Public Service Company of New Hampshire, Unitil Energy Systems, Inc. (collectively, the Electric Utilities), Energy North Natural Gas, Inc. d/b/a National Grid NH (EnergyNorth) and Northern Utilities Inc. d/b/a/ Unitil (Northern Utilities) (the latter two collectively, the Gas Utilities) jointly filed with the Commission proposals for the 2011-2012 CORE New Hampshire Energy Efficiency Programs of the Electric Utilities and the Energy Efficiency Plan of the Gas Utilities for the period January 1, 2011 through December 31, 2012. Funding for the CORE electric energy efficiency programs is provided through the System Benefits Charge paid by ratepayers, and is supplemented by funds available through the Independent System Operator – New England’s Forward Capacity Market and the Regional Greenhouse Gas Initiative. Funding for the natural gas energy efficiency programs is provided through the conservation charge, a component of the Local Distribution Adjustment Charge for Energy North and Northern Utilities.

In the CORE filing, the Electric Utilities seek to continue with certain modifications to the statewide programs previously approved in Order No. 25,062 (January 5, 2010) and Order No. 25,099 (April 30, 2010) that were implemented during calendar year 2010. The Gas Utilities

seek to continue their utility-specific programs previously approved in Order No. 24,995 (July 31, 2009) applicable to Energy North and Order No. 24,968 (May 21, 2009), with program modifications approved in Order No. 25,136 (August 11, 2010), applicable to Northern Utilities.

Both proposals provide details pertaining to performance targets and budgets for each of the utilities, including utility-specific program enhancements. In addition, the CORE electric proposal contains a number of enhancements, including a new two-year proposal (2011-2012) instead of a single-year proposal, a change to the current performance incentive formula reflecting the use of actual expenses as the basis for quantifying the target incentive amount rather than budgeted expenses, and an increase in the allocation of funds for the low income energy efficiency programs. Also, the filing includes findings from an assessment of a fuel neutral pilot program previously approved by the Commission for Public Service Company of New Hampshire and Unitil Energy Systems, Inc. for 2009 and 2010 and being conducted within the NH Home Performance with ENERGY STAR® Program.

The Gas Utilities stated that the natural gas Energy Efficiency Plan, also proposed for a two-year period, is structured to more closely align with electric CORE program. In addition, the Gas Utilities are proposing to include rebates for residential energy efficient storage water heaters and EnergyNorth is proposing to add a program element to address individually metered gas multifamily facilities of five or more units. The Gas Utilities have also proposed a new program structure for commercial customers that aligns with the structure in place with the Electric Utilities.

The filing raises, inter alia, issues related to whether the proposed two-year duration of the programs is appropriate, whether the formula change for performance incentive calculations is appropriate, whether the increase in the allocation of funds for the low income programs is

reasonable, whether the fuel neutral pilot program should be continued, whether the other proposed changes to the electric and gas energy efficiency programs are reasonable and should be approved, and whether the proposed energy efficiency programs are consistent with applicable law and Commission requirements, including RSA 374-F:3,X and Order No. 23,574 (2000) relative to cost effectiveness and the need for program consistency, and with the public interest. Each party has the right to have an attorney represent them at their own expense.

Based upon the foregoing, it is hereby

ORDERED, that a Prehearing Conference, pursuant to N.H. Admin. Rules Puc 203.15, be held before the Commission located at 21 S. Fruit St., Suite 10, Concord, New Hampshire on August 31, 2010 at 9:00 a.m., at which each party will provide a preliminary statement of its position with regard to the petition and any of the issues set forth in N.H. Admin. Rule Puc 203.15 shall be considered; and it is

FURTHER ORDERED, that, immediately following the Prehearing Conference, the Electric and Gas Utilities, the Staff of the Commission and any Intervenors hold a Technical Session to review the filing and allow the Electric and Gas Utilities to provide any amendments or updates to their filing; and it is

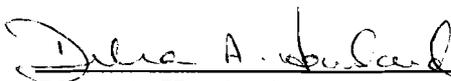
FURTHER ORDERED, that pursuant to N.H. Admin. Rules Puc 203.12, the Electric and Gas Utilities shall notify all persons desiring to be heard at this hearing by publishing a copy of this Order of Notice no later than August 18, 2010, in a newspaper with general circulation in the state, publication to be documented by affidavit filed with the Commission on or before August 31, 2010; and it is

FURTHER ORDERED, that pursuant to N.H. Admin. Rules Puc 203.17, any party seeking to intervene in the proceeding shall submit to the Commission seven copies of a Petition

to Intervene with copies sent to Utilities and the Office of the Consumer Advocate on or before August 26, 2010, such Petition stating the facts demonstrating how its rights, duties, privileges, immunities or other substantial interest may be affected by the proceeding, as required by N.H. Admin. Rule Puc 203.17 and RSA 541-A:32,I (b); and it is

FURTHER ORDERED, that any party objecting to a Petition to Intervene make said Objection on or before August 31, 2010.

By order of the Public Utilities Commission of New Hampshire this twelfth day of August, 2010.



Debra A. Howland
Executive Director

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability, should contact the Americans with Disabilities Act Coordinator, NHPUC, 21 S. Fruit St., Suite 10, Concord, New Hampshire 03301-2429; 603-271-2431; TDD Access: Relay N.H. 1-800-735-2964. Notification of the need for assistance should be made one week prior to the scheduled event.