

Liberty Utilities Gas Energy Efficiency

Home Energy Assistance Program

Program Year 2012 Budget Carryover to Program Year 2013

Summary of Key Changes		
Category	Before	After
Page 94 - Attachment D-G: Total Resource Benefit Cost Analysis		
TRC B/C	1.04	1.10
TRC Net Benefits	\$ 28,856	\$ 91,676
Total Benefits	\$ 778,856	\$ 1,032,252
Total Costs	\$ 750,000	\$ 939,576
PA Costs	\$ 750,000	\$ 939,576
Annual MMBTU Savings	4,459	5,903
Lifetime MMBTU Savings	89,172	118,069
Participant Goal	156	207
Page 95 - Attachment D-G: Shareholder Incentive Page 1 of 4		
Target B/C Ratio	1.55	1.53
Target Lifetime MMBTU	695,757	724,654
Threshold MMBTU	452,242	471,025
Budget	\$ 2,370,000	\$ 2,559,576
Target Res Incentive	\$ 189,600	\$ 204,766
Total Target Incentive	\$ 374,400	\$ 389,566
Page 96 - Attachment D-G: Shareholder Incentive Page 2 of 4		
Benefits from Eligible Programs	\$ 5,953,227	\$ 6,205,623
Implementation Expenses	\$ 2,370,000	\$ 2,259,576
Shareholder Incentive	\$ 189,600	\$ 204,766
Total Costs Including Shareholder Incentive	\$ 3,848,827	\$ 4,053,569
Benefit/Cost Ratio - Residential Sector	1.55	1.53
Page 138 - Attachment H-G: Projected Program Expenses		
External Admin	\$ 75,000	\$ 99,305
Rebates	\$ 510,000	\$ 675,271
Total	\$ 750,000	\$ 939,576

Attachment D-G: Total Resource Benefit Cost Analysis

January 1, 2013 - December 31, 2013 TRC BENEFIT COST TEST

Liberty Utilities Gas Energy Efficiency

New Hampshire Program Year ONE

Revised: July 26, 2013

Summary of Benefit, Costs Program Year 2013 (January 1, 2013 - December 31, 2013)

Total Resource Cost Test									
BCR Activity	TRC Benefit/ Cost	TRC Net Benefits	Total Benefits (\$000)	Total Costs (\$000)	PA Costs (\$000)	Participant Costs (\$000)	Annual MMBTU Savings	Lifetime MMBTU Savings	Participant Goal
Residential									
Home Energy Assistance	1.10	\$92	\$1,031	\$940	\$940	\$0	5,903	118,069	207
Home Performance with ENERGY STAR	2.71	\$2,064	\$3,268	\$1,205	\$730	\$475	18,708	374,164	569
ENERGY STAR Appliances	1.11	\$162	\$1,688	\$1,526	\$730	\$796	12,407	207,559	2,578
ENERGY STAR Homes	2.01	\$110	\$218	\$108	\$90	\$18	995	24,863	37
Building Practices and Demo	NA	(\$70)	\$0	\$70	\$70	\$0	-	-	-
Shareholder Incentive					\$205				
Subtotal: Residential	1.53	\$2,357	\$6,206	\$4,054	\$2,764	\$1,289	38,013	724,654	3,390
Commercial & Industrial									
Large Business	1.36	\$648	\$2,441	\$1,793	\$1,184	\$609	19,125	295,915	178
Small Business	1.71	\$1,248	\$3,015	\$1,767	\$1,093	\$673	22,711	365,747	313
Codes, Audit Training & Education	NA	(\$32)	\$0	\$32	\$32	\$0	-	-	-
Shareholder Incentive					\$185				
Subtotal: Commercial & Industrial	1.44	\$1,863	\$5,455	\$3,777	\$2,495	\$1,282	41,836	661,662	491
Grand Total	1.49	\$4,220	\$11,661	\$7,830	\$5,259	\$2,571	79,849	1,386,316	3,881

January 1, 2014 - December 31, 2014 TRC BENEFIT COST TEST

Liberty Utilities Gas Energy Efficiency

New Hampshire Program Year TWO

Summary of Benefit, Costs Program Year 2014 (January 1, 2014 - December 31, 2014)

Total Resource Cost Test									
BCR Activity	TRC Benefit/ Cost	TRC Net Benefits	Total Benefits (\$000)	Total Costs (\$000)	PA Costs (\$000)	Participant Costs (\$000)	Annual MMBTU Savings	Lifetime MMBTU Savings	Participant Goal
Residential									
Home Energy Assistance	1.07	\$59	\$846	\$788	\$788	\$0	4,677	93,543	164
Home Performance with ENERGY STAR	2.80	\$2,280	\$3,545	\$1,265	\$767	\$498	19,591	391,817	595
ENERGY STAR Appliances	1.24	\$388	\$1,980	\$1,592	\$767	\$825	13,937	236,334	2,697
ENERGY STAR Homes	2.08	\$123	\$237	\$114	\$95	\$19	1,044	26,106	38
Building Practices and Demo	NA	(\$74)	\$0	\$74	\$74	\$0	-	-	-
Shareholder Incentive					\$199				
Subtotal: Residential	1.64	\$2,777	\$6,608	\$4,030	\$2,688	\$1,343	39,249	747,799	3,495
Commercial & Industrial									
Large Business	1.45	\$851	\$2,738	\$1,887	\$1,244	\$643	20,466	319,440	198
Small Business	1.80	\$1,500	\$3,373	\$1,874	\$1,149	\$725	24,870	394,862	347
Codes, Audit Training & Education	NA	(\$32)	\$0	\$32	\$32	\$0	-	-	-
Shareholder Incentive					\$194				
Subtotal: Commercial & Industrial	1.53	\$2,318	\$6,111	\$3,987	\$2,620	\$1,367	45,336	714,302	545
Grand Total	1.59	\$5,095	\$12,719	\$8,017	\$5,307	\$2,710	84,585	1,462,101	4,040

Attachment D-G: Shareholder Incentive Page 1 of 4

Liberty Utilities Gas Energy Efficiency

Target Shareholder Incentive Year ONE- January 1, 2013 - December 31, 2013

Revised: July 26, 2013

Commercial/Industrial Incentive

1. Target Benefit/Cost Ratio	1.44
2. Threshold Benefit/Cost Ratio	1.00
3. Target lifetime MMBTU	661,662
4. Threshold MMBTU	430,080
5. Budget	\$2,310,000
6. CE Percentage	4.00%
7. Lifetime MMBTU Percentage	4.00%
8. Target C/I Incentive	\$184,800
9. Cap	\$277,200

Residential Incentive

10. Target Benefit/Cost Ratio	1.53
11. Threshold Benefit/Cost Ratio	1.00
12. Target lifetime MMBTU	724,654
13. Threshold MMBTU	471,025
14. Budget	\$2,559,576
15. CE Percentage	4.00%
16. Lifetime MMBTU Percentage	4.00%
17. Target Residential Incentive	\$204,766
18. Cap	\$307,149
19. TOTAL TARGET INCENTIVE	\$389,566

Line No. Notes:

- 1, 3, 5, 10, 12, and 14. See Exhibit B
- 2, 6, 7, 11, 15, and 16. Report to the New Hampshire Public Utilities Commission on Ratepayer-Funded Energy Efficiency Issues in New Hampshire, Docket No. DR 96-150, page 21.
4. 65% of line 3.
8. 8% of line 5.
9. 12% of line 5.
13. 65% of line 12.
17. 8% of line 14.
18. 12% of line 14.
19. Line 8 plus line 17.

Attachment D-G: Shareholder Incentive Page 2 of 4
Liberty Utilities Gas Energy Efficiency
Target Benefit-Cost Ratio by Sector
Year ONE- January 1, 2013 - December 31, 2013

Revised: July 26, 2013

Commercial & Industrial:	<u>Planned</u>
1. Benefits (Value) From Eligible Programs	\$5,455,428
2. Implementation Expenses	\$2,277,686
3. Customer Contribution	\$1,282,033
4. Shareholder Incentive	\$184,800
5. Total Costs Including Shareholder Incentive	\$3,744,519
6. Benefit/Cost Ratio - C&I Sector	1.46
Residential:	
7. Benefits (Value) From Eligible Programs	\$6,205,623
8. Implementation Expenses	\$2,559,576
9. Customer Contribution	\$1,289,227
10. Shareholder Incentive	\$204,766
11. Total Costs Including Shareholder Incentive	\$4,053,569
12. Benefit/Cost Ratio - Residential Sector	1.53

Line No. Notes:

1 - 4 and 7-11. See Exhibit B.

5. Sum of lines 2-4.

6. Line 1 divided by line 5. The shareholder incentive mechanism described by the New Hampshire Energy Efficiency Working Group and approved by the Commission in Order No. 23,574 includes a circular calculation. A portion of the earned shareholder incentive is related to the benefit/cost ratio (BCR). However, the shareholder incentive is supposed to be included as an EE cost in determining the BCR. For the purpose of calculating the shareholder incentive, the Company has calculated the planned BCR including the shareholder incentive for one iteration and will compare the actual BCR including the shareholder incentive to the planned BCR including shareholder incentives when determining the earned incentive.

11. Sum of lines 7 - 10.

12. Line 7 divided by line 11. The shareholder incentive mechanism described by the New Hampshire Energy Efficiency Working Group and approved by the Commission in Order No. 23,574 includes a circular calculation. A portion of the earned shareholder incentive is related to the benefit/cost ratio. However, the shareholder incentive is supposed to be included as an EE cost in determining the benefit/cost ratio. For the purpose of calculating the shareholder incentive, the Company has calculated the planned benefit/cost ratio including the shareholder incentive for one iteration and will compare the actual benefit/cost ratio including the shareholder incentive to the planned benefit/cost ratio including shareholder incentives when determining the earned shareholder incentive.

NH CORE Energy Efficiency Program - 2013 Budget Details

Liberty Utilities - Gas

Residential	Internal Adm	External Adm	Cust Rebts/Services	Internal Impl.	Marketing	Evaluation	Total
ENERGY STAR Homes	\$7,200	\$9,000	\$58,500	\$8,100	\$2,700	\$4,500	\$90,000
ENERGY STAR Lighting							
ENERGY STAR Appliances	\$58,400	\$73,000	\$474,500	\$65,700	\$21,900	\$36,500	\$730,000
Home Performance with ENERGY STAR	\$58,400	\$73,000	\$474,500	\$65,700	\$21,900	\$36,500	\$730,000
Home Energy Assistance Education	\$60,000	\$99,305	\$675,271	\$67,500	\$0	\$37,500	\$939,576
Energy Code Training							
Building Practices & Demo	\$5,600	\$7,000	\$45,500	\$6,300	\$2,100	\$3,500	\$70,000
Total - Residential	\$189,600	\$261,305	\$1,728,271	\$213,300	\$48,600	\$118,500	\$2,559,576
Commercial & Industrial							
Large Business Energy Solutions	\$96,096	\$120,120	\$780,780	\$91,305	\$36,036	\$60,060	\$1,184,397
Small Business Energy Solutions	\$88,704	\$110,880	\$720,720	\$84,281	\$33,264	\$55,440	\$1,093,289
Codes, Audit Training & Education	\$0	\$0	\$0	\$32,314	\$0	\$0	\$32,314
Total - C&I	\$184,800	\$231,000	\$1,501,500	\$207,900	\$69,300	\$115,500	\$2,310,000
Grand Total	\$374,400	\$492,305	\$3,229,771	\$421,200	\$117,900	\$234,000	\$4,869,576