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N.H.P.U.C. Case No.	DE 12-262
Exhibit No.	#8
Witness	Rebecca Ohler
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BEFORE THE STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION

In the matter of:

Granite State Electric Company d/b/a Liberty Utilities)
New Hampshire Electric Cooperative, Inc.)
Public Service Company of New Hampshire) DE 12-262
EnergyNorth Natural Gas, Inc. d/b/a Liberty Utilities)
Northern Utilities, Inc.)
)
CORE Electric and Gas Energy Efficiency Programs for 2013-2014)

Direct Prefiled Testimony
Of
Rebecca Ohler
Transportation and Energy Programs Manager
NH Department of Environmental Services

Dated: December 4, 2012

1 I. Introduction

2 **Q. Please state your name, business address and position.**

3 A. My name is Rebecca Ohler. I am employed by the State of New Hampshire, Department
4 of Environmental Services (DES), as the Transportation and Energy Programs Manager.
5 Included in my testimony is attachment ES-1, a statement of my education and work
6 experience.

7

8 **Q. Have you previously testified before the Commission?**

9 A. No, I have not testified before the Commission, but have recently been involved in the
10 CORE proceedings both under the current docket and DE 10-188.

11

12 **Q. Please briefly describe your experience and specific knowledge or skills that relate
13 to your testimony in this docket.**

14 A. I have been working in the field of air pollution control since 1989. For the past 3 years I
15 have served as the energy program manager for the Air Resources Division, during which
16 time I have been involved in the policy development and discussion regarding the Regional
17 Greenhouse Gas Initiative (RGGI), the Renewable Portfolio Standard (RPS), and other
18 policies of the state aimed at reducing both criteria pollutants and greenhouse gas (GHG)
19 emissions. I have served on the project proposal evaluation team for the past two RPS
20 solicitations and the most recent RGGI solicitation. In addition, I was active as department
21 staff in the development of the State's 2009 Climate Action Plan.

22

23 **Q. Please describe the purpose of your testimony.**

24 A. The purpose of my testimony is to address a concern in the current joint filing of the NH
25 CORE Utilities in DE 12-262 related to the limited ability of the CORE programs,
26 particularly the Home Performance with Energy Star (HPwES) program as currently
27 structured, to encourage and incentivize the type of deep energy retrofits that have been
28 shown to be cost effective in reducing GHG emissions in New Hampshire. Additionally, I
29 would like to provide testimony specific to the proposed higher rebate cap for gas customers
30 participating in the HPwES program. The department's specific interest in this matter stems
31 from the our responsibilities under the Regional Greenhouse Gas Initiative (RGGI) program

1 and the changes to the use of the RGGI auction proceeds resulting from the passage of HB
2 1490 in the 2012 session.

3

4 **Q. Please address the first issue you have identified.**

5 A. Under the proposed 2013-14 CORE HPwES program the scope of energy efficiency
6 measures that may qualify for rebates and/or financing is fairly limited and consists primarily
7 of the low cost, easily implemented measures that have a high benefit/cost ratio. While
8 supportive of the cost effective use of the System Benefit Charge and RGGI funds, I am
9 concerned that by including only the most cost-effective measures in the CORE programs,
10 rather than allowing a holistic approach that blends measures with the shortest payback
11 period with those that, while still cost-effective, may have a longer payback period, the
12 deeper "whole building" energy efficiency measures necessary to increase the efficiency of
13 homes and businesses to the levels recommended in the State's Climate Action Plan will no
14 longer be considered viable due to the longer payback period of those deeper measures on
15 their own. This could potentially leave these additional measures stranded for years to come.

16

17 **Q. What course of action do you recommend to address this concern?**

18 A. It is possible that the current structure of the Residential Programs allow for a more
19 creative approach to energy efficiency than has been taken in the past. As an individual who
20 has utilized the HPwES program for my own home, I have first hand experience with the
21 limited solutions presented by that program. Because the efficiency measures available for
22 funding are limited and the expertise of the contractor in any given area may also be limited,
23 so too is the scope of the home energy audit report presented. While I know that my 1930's
24 home would benefit from air sealing of the envelope and additional insulation in the walls,
25 the assigned contractor did not include that in his report at all. I think a possible solution to
26 this is to take time in the coming year to closely examine the current offerings under the
27 HPwES program as well as the training and expertise of the contractors utilized by the
28 utilities and assess whether, with more in depth analysis of all potential measures, home
29 owners might be willing and able to conduct deeper energy efficiency measures, with or
30 without incentive funds. If this evaluation results in the conclusion that additional expertise
31 within the program's contractors and additional information presented in energy audit reports
32 could result in additional efficiency measures being undertaken, then changes could be
33 proposed for the second year of the program.

1 **Q. Are there elements of the proposed programs that do seek to address the need for**
2 **creative and aggressive efficiency measures?**

3 A. Yes. The combined heat and power (CHP) pilot program proposed by Unitil, while
4 limited in funding and therefore reach, is a good use of the additional funding provided by
5 RGGI. The Environmental Protection Agency touts CHP as “an efficient, clean, and
6 reliable approach to generating power and thermal energy from a single fuel source.”
7 Installation of a CHP system designed to meet both the thermal and electrical base loads
8 of a facility can increase operational efficiency and decrease energy costs. CHP has also
9 been shown to reduce the emission of GHGs. By conducting a pilot program beginning
10 in 2013, Unitil will be able to provide New Hampshire-specific data to evaluate the
11 efficacy of inclusion of this option in future CORE filings.

12

13 I also think some of the other utility-specific programs such as the Residential Customer
14 Engagement Pilot Program and Smart Start being offered by PSNH have potential to be
15 highly effective programs and encourage an in-depth analysis of these in the first year of the
16 program, with consideration given to shifting funding to these programs should they prove to
17 be effective at achieving deeper energy efficiency measures.

18

19 **Q. Please address the second issue you have presented.**

20 A. The current HPwES proposal for gas customers allows them to receive the maximum
21 \$4000 from their electric company in addition to the \$4000 from their gas company. Staff
22 has expressed concern with this proposal apparently because they feel participants would be
23 paid twice for the same work. DES does not concur with this assessment and supports
24 enabling these customers to utilize both efficiency programs to undertake efficiency
25 measures that will reduce both gas and electricity use in their homes.

26

27 **Q. Do you have any additional comments you would like to make?**

28 A. Yes. I would like to recognize that prior to this docket DES has participated in, but not
29 provided testimony, regarding the CORE program parameters and as such we are anxious to
30 work with the utilities to achieve common goals. The goal of the department is to ensure that
31 the funding provided to the CORE program from RGGI auction proceeds is utilized in a
32 manner that achieves the greatest possible reductions in both criteria pollutants and GHGs in

1 order to help the state meet the recommendations and goals established in the state's Climate
2 Action Plan (CAP). The CAP's GHG reduction goal is based on a horizon year of 2050, thus
3 the department is supportive of efforts that achieve efficiency over a longer timeframe than
4 might be viewed as viable under the current CORE programs. The department looks forward
5 to on-going participation in the docket to assist in the evaluation of the CORE programs so
6 that they may be tailored appropriately to help achieve the goals of the CAP.

7

8 **Q. Does this conclude your testimony?**

9 A. Yes.