

THE STATE OF NEW HAMPSHIRE
before the
PUBLIC UTILITIES COMMISSION

CORE ENERGY EFFICIENCY PROGRAMS 2015-2016

Docket No. DE 14-216

SETTLEMENT AGREEMENT – 2016 NEW HAMPSHIRE STATEWIDE
CORE ENERGY EFFICIENCY PLAN

This Settlement Agreement relating to the 2016 New Hampshire Statewide Core Energy Efficiency Plan (the “2016 Plan”) as part of the 2015-2016 Statewide Core NH Electric Energy Efficiency Programs and Gas Energy Efficiency Programs (“Core Programs”) is entered into this 9th day of December 2015, by and among: Liberty Utilities (Granite State Electric) Corp. (“Granite State”); Unitil Energy Systems, Inc. (“UES”); Public Service Company of New Hampshire d/b/a Eversource Energy (“Eversource”); and the New Hampshire Electric Cooperative, Inc. (“NHEC”) (collectively, the “Electric Utilities”); Liberty Utilities (EnergyNorth Natural Gas) Corp. (“EnergyNorth”) and Northern Utilities, Inc. d/b/a Unitil (“Northern”) (collectively, the “Gas Utilities”) (the Electric Utilities and Gas Utilities are collectively referred to as the “Core Utilities”); the Staff of the New Hampshire Public Utilities Commission (“Staff”); the Office of Consumer Advocate (“OCA”); the Department of Environmental Services (“DES”); the Office of Energy and Planning (“OEP”); and the New Hampshire Community Action Association (“CAA”) (all collectively referred to as the “Settling Parties and Staff”), with the intent of resolving the issues discussed herein. This Settlement Agreement constitutes the recommendation of the Settling Parties and Staff with respect to the Commission’s approval of the Core Utilities’ proposed Core Programs for the 2016 program year.

I. INTRODUCTION AND PROCEDURAL HISTORY

On December 31, 2014, the Commission issued Order No. 25,747 in this docket approving a settlement agreement relative to the proposed Core Programs for the 2015-2016 program years (the "2015-2016 Filing"). As part of the approved 2015-2016 Filing, the Core Utilities had expressly noted that "The NH CORE Utilities recognize changes could occur over the next year that may necessitate an update to the 2016 program plan in order to accurately reflect program goals and budgets. If necessary, the NH CORE Utilities will file a Plan update by September 30, 2015." December 11, 2014 Settlement Agreement, Exhibit B, at 8. Consistent with that provision, the Core Utilities submitted the 2016 Plan on September 30, 2015.

The parties engaged in discovery on the proposed 2016 Plan and held a technical session on October 29, 2015. On November 12, 2015, the Staff submitted the testimony of James J. Cunningham, Jr., in response to the 2016 Plan. No other parties filed testimony. Following the submission of testimony, the Settling Parties and Staff entered into discussions resulting in this settlement relative to the 2016 Plan.

II. SETTLEMENT TERMS

The Settling Parties and Staff agree that the 2016 Plan as filed on September 30, 2015, and as modified by this settlement agreement, should be approved by the Commission. The Settling Parties agree that consistent with the testimony of Staff witness Mr. Cunningham, the 2016 Plan shall be modified such that the Core Utilities will incorporate certain changes in reporting – specifically, a new 2-page insert will be added to the Quarterly Core Report that will provide more information on the third-party buy-down financing option, and additional

information on Eversource's Customer Engagement Platform. The proposed format is attached to this Settlement Agreement as Attachment 1.

The Settling Parties and Staff also agree that Eversource will continue efforts to develop approaches to ensure that customers can download usage information for use in programs such as EPA's Portfolio Manager to facilitate their efforts to manage usage and take advantage of efficiency programs and measures.

III. RESERVATION OF RIGHTS

The Settling Parties and Staff agree that the terms of this Settlement Agreement are not intended to limit or waive any rights associated with other Commission proceedings, including consideration of any proposals that may be made relative to an Energy Efficiency Resource Standard in Docket No. DE 15-137.

IV. GENERAL PROVISIONS

Staff and the Settling Parties agree that all testimony and supporting documentation should be admitted as full exhibits for purposes of consideration of this Settlement Agreement. Agreement to admit all direct testimony without challenge does not constitute agreement by Staff and the Settling Parties that the content of the written testimony filed on behalf of Staff or the other Parties is accurate nor is it indicative of what weight, if any, should be given to the views of any witness. Furthermore, in light of the fact that they have entered into this Settlement Agreement, the Staff and the Settling Parties have agreed to forego cross-examining witnesses regarding their pre-filed testimony and, therefore, the admission into evidence of any witness's testimony or supporting documentation shall not be deemed in any respect to constitute an admission by any party to this Settlement Agreement that any allegation

or contention in this proceeding is true or false, except that the sworn testimony of any witness shall constitute an admission by such witness.

This Settlement Agreement is expressly conditioned upon the Commission's acceptance of all of its provisions without change or condition. If such acceptance is not granted, the Settlement Agreement shall be deemed to be null and void and without effect, and shall not constitute any part of the record in this proceeding nor be used for any other purpose. The Settling Parties and Staff agree to support approval of this Settlement Agreement before the Commission, and the Settling Parties and Staff shall not oppose this Settlement Agreement before any regulatory agencies or courts before which this matter is brought.

The Commission's acceptance of this Settlement Agreement does not constitute continuing approval of or precedent regarding any particular issue in this proceeding, but such acceptance does constitute a determination that, as the Settling Parties and Staff believe, the provisions set forth herein are just and reasonable. The discussions which have produced this Settlement Agreement have been conducted on the understanding that all offers of settlement and discussion relating thereto are and shall be privileged, and shall be without prejudice to the position of any party or participant representing any such offer or participating in any such discussion, and are not to be used in any manner in connection with this proceeding, any further proceeding or otherwise.

IN WITNESS WHEREOF, the Settling Parties and Staff have caused this Settlement Agreement to be duly executed in their respective names by their agents, each being fully authorized to do so on behalf of their principal.

STAFF OF THE NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION

By: Rorie E. Patterson
Rorie E. Patterson, Esq.
Staff Attorney

Date: 12-9-15

NEW HAMPSHIRE COMMUNITY
ACTION ASSOCIATION

By: _____
Ryan Clouthier
Energy Director

Date: _____

OFFICE OF ENERGY AND PLANNING

By: Meredith A. Hatfield
Meredith A. Hatfield, Esq.
Director

Date: 12/8/15

DEPARTMENT OF ENVIRONMENTAL SERVICES

By: Rebecca Ohler
Rebecca Ohler
Administrator, Technical Services Bureau
Air Resources Division

Date: 12/8/15

THE WAY HOME

By: _____
New Hampshire Legal Assistance
Dennis Labbe, Esq.

Date: _____

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

By: _____
Rorie E. Patterson, Esq.
Staff Attorney

Date: _____

**NEW HAMPSHIRE COMMUNITY
ACTION ASSOCIATION**

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Ryan Clouthie
Energy Director

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Rebecca Ohler
Administrator, Technical Services Bureau
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THE WAY HOME

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Dennis Labbe, Esq.

Date: _____

**Liberty Utilities (Granite State Electric) Corp.
Liberty Utilities (EnergyNorth Natural Gas)
Corp.
both d/b/a Liberty Utilities**

By:

**Michael Sheehan
Senior Regulatory Counsel
15 Buttrick Road
Londonderry, NH 03053
Telephone: 603-216-3635
Email: michael.sheehan@libertyutilities.com**

**LIBERTY UTILITIES (GRANITE STATE ELECTRIC) CORP.
D/B/A LIBERTY UTILITIES**

By: _____
Michael J. Sheehan, Esq.
Senior Counsel

Date: _____

NEW HAMPSHIRE ELECTRIC COOPERATIVE

By:  _____
Mark W. Dean, Esq.

Date: 12/9/15

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A EVERSOURCE ENERGY

By: _____
Matthew J. Fossum, Esq.
Senior Counsel

Date: _____

UNITIL ENERGY SYSTEMS, INC.

By: _____
Patrick Taylor, Esq.
Senior Counsel

Date: _____

**LIBERTY UTILITIES (ENERGYNORTH NATURAL GAS) CORP.
D/B/A LIBERTY UTILITIES**

By: _____
Michael J. Sheehan, Esq.
Senior Counsel

Date: _____

**NORTHERN UTILITIES, INC.
D/B/A UNITIL**

By: _____
Patrick Taylor, Esq.
Senior Counsel

Date: _____

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D/B/A LIBERTY UTILITIES**

By: _____
Michael J. Sheehan, Esq.
Senior Counsel

Date: _____

NEW HAMPSHIRE ELECTRIC COOPERATIVE

By: _____
Mark W. Dean, Esq.

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By:  _____
Matthew J. Fossum, Esq.
Senior Counsel

Date: 12/9/15

UNITIL ENERGY SYSTEMS, INC.

By: _____
Patrick Taylor, Esq.
Senior Counsel

Date: _____

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By: _____
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Senior Counsel

Date: _____

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D/B/A UNITIL**

By: _____
Patrick Taylor, Esq.
Senior Counsel

Date: _____

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By: _____
Michael J. Sheehan, Esq.
Senior Counsel

Date: _____

NEW HAMPSHIRE ELECTRIC COOPERATIVE

By: _____
Mark W. Dean, Esq.

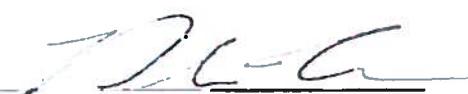
Date: _____

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A EVERSOURCE ENERGY

By: _____
Matthew J. Fossum, Esq.
Senior Counsel

Date: _____

UNITIL ENERGY SYSTEMS, INC.

By: 
Patrick Taylor, Esq.
Senior Counsel

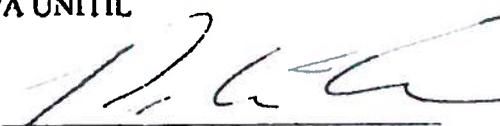
Date: 12/9/15

**LIBERTY UTILITIES (ENERGYNORTH NATURAL GAS) CORP.
D/B/A LIBERTY UTILITIES**

By: _____
Michael J. Sheehan, Esq.
Senior Counsel

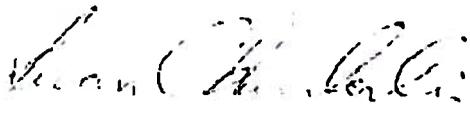
Date: _____

**NORTHERN UTILITIES, INC.
D/B/A UNITIL**

By: 
Patrick Taylor, Esq.
Senior Counsel

Date: 12/8/15

THE OFFICE OF CONSUMER ADVOCATE

By:  Date: 12/9/2015
Susan W. Chamberlin, Esq.
Consumer Advocate

Settlement Agreement
Attachment -1

New Hampshire CORE Energy Efficiency Programs
NHPUIC Docket No. DE 14-215

3rd Quarter Report
July 2015 - September 2015

Residential Third Party Financing Option
Funded Through BetterBuildings GEP/COFA Collaboration

Description	Electric Utilities					Gas Utilities			Grand Total
	Liberty Utilities	NHEC	EnergySource	Unit1	Sub-total Electric	LIJ Gas	Unit1 Gas	Sub-total Gas	
Amount Available for Interest Rate Buy-Downs									
Beginning Balance ¹	\$ 8,540	\$ 11,250	\$ 78,390	\$ 13,920	\$ 113,100	\$ 31,980	\$ 4,920	\$ 36,900	\$ 150,000
Less: Interest Rate Buy-Downs Paid	\$ 682	\$ 682	\$ 682	\$ 682	\$ 2,728	\$ 682	\$ 682	\$ 1,364	\$ 4,092
Current Balance	\$ 8,858	\$ 10,568	\$ 77,708	\$ 13,238	\$ 110,372	\$ 31,298	\$ 4,238	\$ 35,536	\$ 145,908
Less: Potential Interest Rate Buy-Downs ²	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amount Available for Interest Rate Buy-Downs	\$ 8,858	\$ 10,568	\$ 77,708	\$ 13,238	\$ 110,372	\$ 31,298	\$ 4,238	\$ 35,536	\$ 145,908
Year-to-date Project Loan Information									
No. of Projects Financed	2	2	2	2	8	2	2	4	12
Total Project Cost ³	\$ 32,000	\$ 32,000	\$ 32,000	\$ 32,000	\$ 128,000	\$ 32,000	\$ 32,000	\$ 64,000	\$ 192,000
Average Project Cost ⁴	\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000
Total Loan Amount	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 32,000	\$ 8,000	\$ 8,000	\$ 16,000	\$ 48,000
Average Loan Amount	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
Average Loan Term (years)	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Total Interest Rate Buy-Down Amount	\$ 682	\$ 682	\$ 682	\$ 682	\$ 2,728	\$ 682	\$ 682	\$ 1,364	\$ 4,092
Average Interest Rate Buy-Down Amount	\$ 341	\$ 341	\$ 341	\$ 341	\$ 341	\$ 341	\$ 341	\$ 341	\$ 341
Average Gross Interest Rate	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%
Average Customer Interest Rate	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Average Sq. Footage of Home (HPwES Projects)	2,300	2,200	2,400	2,500	2,350	2,400	2,600	2,500	2,400
Total Estimated Annual Space Heating Energy Savings (MMBtu) ⁴	44	44	44	44	176	44	44	88	264
Average Estimated Annual Space Heating Energy Savings (MMBtu)	22	22	22	22	22	22	22	22	22
No. of Loan Write-offs	-	-	-	-	-	-	-	-	-
Total Loan Write-off Amount	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pre-paid Interest Rate Buy-Down Amount Associated with Loan Write-off	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Notes:

(1) As of January 2015. All numbers on the report are for illustrative purposes only.

(2) Estimated based on outstanding loan authorizations.

(3) Includes utility and customer costs.

(4) Also reported in the applicable Residential program reports. Includes space heating savings associated with all fuel sources.

Settlement Agreement
Attachment -1

New Hampshire COM Energy Efficiency Programs
MMPUC Docket No. DE 14-216

3rd Quarter Report
July 2015 - September 2015

Residential Third Party Financing Option
Funded Through the COM Programs

Description	Electric Utilities					Gas Utilities			Grand Total
	Liberty	NHSC	EverSource	Unsub	Sub-total	LL Gas	Unsub Gas	Sub-total	
	Utilities				Electric			Gas	
Amount Available for Interest Rate Buy-Downs									
Beginning Balance ⁽¹⁾	\$ 7,640	\$ 22,448	\$ 40,000	\$ 18,737	\$ 88,833	\$ 29,776	\$ 9,082	\$ 38,858	\$ 127,681
Less: Interest Rate Buy-Downs Paid	\$ 682	\$ 682	\$ 682	\$ 682	\$ 2,728	\$ 682	\$ 682	\$ 1,364	\$ 4,092
Current Balance	\$ 6,958	\$ 21,766	\$ 39,318	\$ 18,055	\$ 86,105	\$ 29,094	\$ 8,400	\$ 37,494	\$ 123,589
Less: Potential Interest Rate Buy-Downs ⁽²⁾	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amount Available for Interest Rate Buy-Downs	\$ 6,958	\$ 21,766	\$ 39,318	\$ 18,055	\$ 86,105	\$ 29,094	\$ 8,400	\$ 37,494	\$ 123,589
Year-to-date Project Loan Information									
No. of Projects Financed	1	2	2	2	8	2	2	4	12
Total Project Cost ⁽³⁾	\$ 32,000	\$ 32,000	\$ 32,000	\$ 32,000	\$ 128,000	\$ 32,000	\$ 32,000	\$ 64,000	\$ 192,000
Average Project Cost ⁽³⁾	\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000
Total Loan Amount	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 32,000	\$ 8,000	\$ 8,000	\$ 16,000	\$ 48,000
Average Loan Amount	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
Average Loan Term (years)	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Total Interest Rate Buy-Down Amount	\$ 682	\$ 682	\$ 682	\$ 682	\$ 2,728	\$ 682	\$ 682	\$ 1,364	\$ 4,092
Average Interest Rate Buy-Down Amount	\$ 341	\$ 341	\$ 341	\$ 341	\$ 341	\$ 341	\$ 341	\$ 341	\$ 341
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No. of Loan Write-offs	-	-	-	-	-	-	-	-	-
Total Loan Write-off Amount	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pre-paid Interest Rate Buy-Down Amount Associated with Loan Write-off	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Notes:

(1) As of January 2015. All numbers on the report are for illustrative purposes only.

(2) Estimated based on outstanding loan authorizations.

(3) Includes utility and customer costs.

(4) Also reported in the applicable Residential program reports. Includes space heating savings associated with all fuel sources.

SERVICE LIST - EMAIL ADDRESSES - DOCKET RELATED

Pursuant to N.H. Admin Rule Puc 203.11 (a) (1): Serve an electronic copy on each person identified on the service list.

Executive.Director@puc.nh.gov	maureen.karpf@libertyutilities.com
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alexander.speidel@puc.nh.gov	Meredith.hatfield@nh.gov
allen.desbiens@nu.com	michael.sheehan@libertyutilities.com
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carroll@unitil.com	palma@unitil.com
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downesm@unitil.com	rhonda.bisson@psnh.com
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mark.naylor@puc.nh.gov	thomas.belair@psnh.com
matthew.fossum@eversource.com	

Docket #: 14-216-1 Printed: December 09, 2015

FILING INSTRUCTIONS:

- a) Pursuant to N.H. Admin Rule Puc 203.02 (a), with the exception of Discovery, file 7 copies, as well as an electronic copy, of all documents including cover letter with:**
- DEBRA A HOWLAND
EXECUTIVE DIRECTOR
NHPUC
21 S. FRUIT ST, SUITE 10
CONCORD NH 03301-2429
- b) Serve an electronic copy with each person identified on the Commission's service list and with the Office of Consumer Advocate.**
- c) Serve a written copy on each person on the service list not able to receive electronic mail.**

tlenahan@bm-cap.org

tom.frantz@puc.nh.gov

woodsca@nhec.com