The State of New Hampshire Public Utilities Commission

DE 17-136
Electric and Gas Utilities
2018-2020 New Hampshire Statewide Energy Efficiency Plan
2019 Plan Update

<u>Preliminary Statement of Position and Concerns</u> On Behalf of The Way Home

The Way Home (TWH) sets forth the following preliminary statements and concerns regarding the electric and gas utilities' jointly filed 2019 Plan Update to the 2018-2020 Statewide Energy Efficiency Plan. The Way Home reserves the right to add to and/or modify the positions and concerns set forth below.

I. The Home Energy Assistance Program Should Be Designed To Serve As Many Low Income Households as Possible in Order To Address the Large Unmet Need in New Hampshire.

The Way Home looks forward to continuing to work with all of the parties to ensure that the Home Energy Assistance (HEA) Program operates as effectively as possible to provide energy efficiency measures to low income households in New Hampshire. Low income families and seniors on fixed incomes often spend a larger proportion of their income on energy than the average household because they commonly live in older, less efficient housing. This means that they frequently face trade-offs between paying their energy bills and paying for other basic necessities, such as food and medical care.

Since its creation, the HEA Program has sought to ensure that New Hampshire's energy efficiency plan serves all customers equitably by providing services to low income households that face barriers to participating in energy efficiency initiatives. To that end, the HEA Program

also strives to provide services statewide. This is a big challenge in light of the large waiting lists for low income weatherization services around the state. According to the last census, approximately 20% of New Hampshire's population meets the HEA income requirement. In order to address this large need and to serve all customers equitably, the HEA Program has always included participation goals, and the Program's funding has always been tied to a specific percentage of the overall energy efficiency budget.

The Energy Efficiency Resource Standard (EERS) provides a critical opportunity to both meet and exceed these goals. The Way Home encourages the parties to meet the challenge to exceed the current HEA participation goals whenever the budget allows. Ways to address this challenge include 1) avoid any underspending of the HEA budget, and 2) continue to carry out the Commission's historic policy to carry over all unspent HEA funds to the next program year(s).

II. HEA Funding Should Be Spent To Ensure that There Are No Lost Opportunities in Light of the Waiting Lists for Low Income Energy Efficiency Services.

The Way Home is concerned that the 2019 Plan Update proposes to decrease the HEA budget from the original amount that the stakeholders agreed to in the settlement that the Commission approved in Order No. 26,095 on January 2, 2018. While TWH acknowledges that New Hampshire is still in the early stages of implementing the new EERS, it is concerned about potential obstacles that are preventing New Hampshire from spending the HEA budget to serve as many low income households as possible.

The Way Home also has concerns about the underspending in the 2017 HEA Program, especially in light of the significant 2017 carryovers that will impact the 2019 budget. The 2017 Annual Report shows that one utility spent only 72% of its 2017 HEA budget (leaving over

\$150,000 unspent at the end of the program year), yet it met only 72% of its participant goal, leaving a number of low income homes unserved. According to the 2019 Plan Update, only the New Hampshire Electric Cooperative, Inc. proposes to devote any of its 2017 carryover to the HEA program in 2019. The proposed allocation of the 2017 carryover funding implicates the program goals of equity and fairness in light of the long HEA waiting lists. The Way Home looks forward to working with the other stakeholders to address this matter so as to achieve the goals of the HEA program.

III. The Way Home Supports the Utilities' Proposal To More Accurately Account for Non-Energy Impacts in the HEA Program.

The Way Home appreciates the significant time and effort that the stakeholders devoted to the working groups in 2018. A central topic in one of those working groups was how to improve New Hampshire's benefit cost test in order to better account for non-energy impacts (NEIs). The Way Home believes that this is an important issue because the evidence shows that the current test under-values the benefits that low income families receive from the HEA Program. The Way Home supports the utilities' proposal in the 2019 Plan Update to increase the NEI adder from 10% to 20% in the HEA Program because it is reasonable and supported by the preponderance of the evidence from other states.

The Way Home continues to support the NEI studies that are underway in New Hampshire. However, these studies will not be able to examine every NEI that might be relevant to New Hampshire's benefit cost test given the time frame, budget, and scope of the studies.

Therefore, the issue of how to account for the value of NEIs could persist beyond the completion of these studies 2019. Based on the substantial evidence from other states, New Hampshire

should take steps now to improve its benefit cost test and continue to refine the test as more information becomes available.

Respectfully submitted, The Way Home

By Its Attorney

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Certification of Service

I certify that on this date copies of this preliminary statement of position were hand delivered to the Commission and filed electronically, and copies were sent electronically to the Office of the Consumer Advocate and parties on the service list in this docket.

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