

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

IR 22-042

ELECTRIC AND GAS UTILITIES

Investigation of Energy Efficiency Planning, Programming, and Evaluation

Procedural Order Re: Process Following Issuance of Investigation Report

On August 10, 2022, the Commission opened this investigative docket.¹ Prior to opening this investigation, in Docket DE 20-092, 2021-2023 Triennial Energy Efficiency Plan, the Commission conditionally approved the 2022–23 New Hampshire Energy Efficiency Plan (2022–23 Plan), including approval of energy efficiency programs to operate in 2022 and 2023, a utility performance incentive, and several lost base revenue adders. See Order No. 26,621 (April 29, 2022). In Order No. 26,621, the Commission analyzed the 2022–23 Plan, focusing on key topics, including: Electric System Savings; Energy Efficiency Program Optimization; Performance Incentives; the Impact on the New Hampshire Economy; Market Barriers; Low-income Customers; Evaluation, Measurement and Verification; and Lost Base Revenue Adders.

The Commission conditioned approval of the 2022–23 Plan on future plans meeting the statutory requirement under RSA 374-F:3, VI(a)(d)(4) that “in no instance shall an electric utility’s planned electric system savings fall below 65 percent of its overall planned energy savings,” and on the Joint Utilities responding to new reporting requirements throughout 2022 and 2023. The reporting requirements served to aid the Commission in better understanding energy efficiency program topics including: 1) optimization of ratepayer savings made possible by funding; 2) the appropriate prioritization of program

¹ https://www.puc.nh.gov/Regulatory/Docketbk/2022/22-042/INITIAL%20FILING%20-%20PETITION/22-042_2022-08-10_NHPUC_ORDER-OF-NOTICE.PDF

offerings among and within customer classes; and 3) adequate design addressing state policy principles related to market barriers. *See* RSA 374-F:3, VI-a(d), RSA 374-F:3, VI-a(d)(4), and RSA 374-F:3, X.

Over the past few years, the General Court has changed both the composition of the Commission and the methods used to implement energy efficiency programs. Prior to the establishment of the New Hampshire Department of Energy on July 1, 2021, Commission staff actively participated in the public processes used to develop and review energy efficiency programming. The Commission no longer serves in such capacity under RSA Ch. 12-P and RSA 125-O:5-a. Furthermore, effective January 1, 2022, House Bill 549 (2022) amended RSA 374-F:3 to codify the electric utility's 65 percent savings threshold, the Commission's use of the Avoided Energy Supply Cost Study for New England, and use of the Granite State Test and Total Resource Cost test in reviewing utility energy efficiency programs.

With these legislative directives in mind and a desire to better understand energy efficiency programming in a non-adjudicative, public, and transparent process, the Commission embarked on this investigation. As stated in the order of notice at the outset of this investigation, the Commission's intent was to aid the Commission in its role of ensuring that the future energy efficiency plans comport with the standards and policy priorities of RSA 374-F. The Commission exercised its investigatory authorities in order for the restructured Commission to contextualize the evolution and current structures of energy efficiency programs in New Hampshire and other jurisdictions. This investigation facilitated a transparent and open examination of energy efficiency programming through strong public stakeholder involvement and significant analysis from the state's electric and natural gas utilities.

On January 13, 2023, the Commission issued its Report on Energy Efficiency Planning, Programming, and Evaluation (Report).² This Report provides an overview of the Commission's observations and focuses on the legislature's directives in RSA 374-F through an analysis of historic energy efficiency data and statutory tests. The investigation's record is vast, including technical sessions and thousands of pages of responses representing participation of many stakeholders.³

The Report analyzes and highlights the methodologies employed to implement energy efficiency programs in New Hampshire. The report is a product of the Commission, though an independent contractor, Zelle LLC, assisted with the development of the Commission's Report as approved by Governor & Council.⁴ The Commission's Report makes no findings, binding pronouncements, or imposes any obligations concerning future energy efficiency programming.

The Commission issues this Order to convey that we consider this investigation to have served its purpose, and the Commission does not intend to issue or initiate any further follow-up record requests, non-binding reports, procedural or operational changes on the part of the Commission, or initiate one or more rulemaking or adjudicative dockets based on the results of this investigation. Any additional comments and filings received from participants and the public, including outstanding Joint Utility filings directed by the Commission pursuant to the July 28, 2022 procedural order issued in Docket No. DE 20-092, will continue to be accepted, reviewed, and posted in the IR 22-042 docket on the

² https://www.puc.nh.gov/Home/Commission-Reports/22-042_2023-01-13_nhpuc_rpt-ee_planning-programming-evaluation.pdf


³ <https://www.puc.nh.gov/Regulatory/Docketbk/2022/22-042.html>

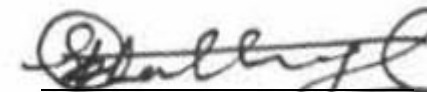
⁴ See Governor and Executive Council agenda for September 21, 2022 meeting, <https://sos.nh.gov/media/yvdag32z/067-gc-agenda-092122.pdf>.

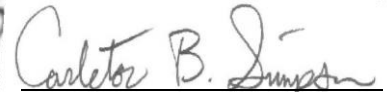
Commission's website until commencement of the 2024–2026 Plan docket, in furtherance of the Commission's duty to keep informed under RSA 374:4.

We also thank all participants and stakeholders who were involved and will continue to be involved in this process. The Commission remains guided by RSA 374-F:3, X, in that successful energy efficiency programming should provide incentives for demand-side management, specifically targeting opportunities that are cost-effective and may otherwise be lost due to market barriers to reduce customer energy consumption. The Commission looks forward to engaging with the public and interested stakeholders during review of the state's next triennial energy efficiency plan for 2024-2026 per RSA 374-F:3, VI-a(d)(5) and beyond.

So ordered, this first day of February, 2023.


Daniel C. Goldner
Chairman


Pradip K. Chattopadhyay
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Service List - Docket Related

Docket#: 22-042

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