

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DE 23-068

ELECTRIC AND GAS UTILITIES

2024 – 2026 Triennial Energy Efficiency Plan

Procedural Order Re: Fourth Set Record Requests and Requests for Specific Answers to the Joint Utilities and Requests to the Office of the Consumer Advocate

The Commission requests that Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty; New Hampshire Electric Cooperative, Inc.; Public Service Company of New Hampshire d/b/a Eversource Energy (“Eversource”); Unitil Energy Systems, Inc. (“Unitil”); Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty; and Northern Utilities, Inc. (together, the “joint utilities”) respond to the record requests and requests for specific answers in subset 1 of this order. These requests are designed to aid the Commission’s expedited review of the 2024–2026 Triennial Energy Efficiency Plan (“Plan”). We issue these requests in the spirit of clarifying aspects of the Plan prior to hearing, understanding modelling aspects and supporting data in this proceeding, and to meet the Commission’s statutory responsibility pursuant to RSA 374-F:3, VI-a(d)(5) to issue an order no later than November 30, 2023.

In addition, the Commission requests that the Office of the Consumer Advocate respond to inquiries in subset 2 of this order related to the pre-filed Direct Testimony of Woolf and Goldberg submitted on September 12, 2023.

All responses to this fourth set of inquiries are requested by the close of business on October 13, 2023. The joint utilities should identify the source of the data and provide backup workpapers and live Excel spreadsheets, as applicable. PDFs of all responses are also requested for posting in the virtual file room.

Subset 1 – Inquiries Related to Benefit-Cost (“B/C”) Testing to the Joint Utilities

Request 4-001-01

Refer to the joint utilities’ response to 2-001-5, part 3.

- a. Can the joint utilities confirm through a yes or no response that the nominal discount rate in Row 33 of the Lookups tab in the B/C model flows through a formula into the real discount rate in row 35, using an inflation adjustment?
- b. Consider a case where the nominal discount rate is changed in Row 33 of the Lookups tab in the B/C model (scenario A). Consider another case (scenario B), where the nominal discount rate is not changed, but the real discount rate is hard-coded to the number that scenario A produces. Please confirm whether, all else equal, the GST and TRCT tests from scenario A and scenario B would generate the same results.
- c. Now consider a hypothetical case where the nominal discount rate and inflation are inputted as zero, but the real discount rate is entered as a hard-coded input entry matching the original real discount rate that was already in the model. Please confirm whether the GST and TRCT tests would match the result that was originally generated by the model. If not, why not?

Request 4-001-02

Please complete the table below with quarterly inflation rates for 2021, 2022 and 2023 alongside prime rates for the same period. Derive the real discount rates for the quarters noted in the Table.

Quarterly Inflation and Prime Rates											
	2021				2022				2023		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Inflation Rate											
Prime Rate											
Real Discount Rate											

Request 4-001-03

Please refer to the input source from the Lookup Tab in the B/C models. For Inflation, the data source was GDP Deflator data derived from:

<https://fred.stlouisfed.org/data/GDPDEF.txt>

- a. Please confirm whether the Inflation was calculated as percentage change in GDP deflator numbers from 2022-01-01 to 2023-01-01.

Request 4-001-04

- a. Who pays upfront for vendor costs?
- b. Does the denominator of the TRCT include costs associated with reimbursements to vendors for the cost of direct services to customers (see 2-001-9)? Does the GST include these costs as well?
- c. Is it correct to understand from the response in 2-001-9 that, in a given year, the measure-level incentives should be lower than the sub-program incentive totals from the Calculations Yr tab and the Costs tab, respectively? If so, please explain the reasoning for the following examples¹ of numbers that have been obtained from a representative B/C model (Unitil) and confirm whether these are errors in the model. If not, please explain for the Commission’s understanding of the issues.

Spending on Incentives in 2024			
Sub-Programs	Measure Total for Sub-Program (A)*	Sub-Program Total (B)**	Delta
Home Energy Assistance (HVAC)	\$470,241	\$460,000	\$10,241
Home Energy Assistance - Weatherization (Sub-program total)	\$179,873	\$173,468	\$6,405

*Derived from the sum of measures over a sub-program found in Column J in the Calculations Yr 1 Tab

** Listed per sub-program in Costs Tab Column F.

- d. All joint utilities are requested to check the numbers a provide a list of sub-programs similar to the table above, for which the total for the measures are *different* from the incentives reported at the sub-program level.

Request 4-001-05

Refer to response 2-001-8 pertaining to measure lives as “consistent among the Utilities for individual measures.” The Commission would like to understand certain discrepancies identified from a comparison of B/C models across utilities and provides some examples below. These measure lives can be found in Column H of the Calculations Yr tabs.

<u>Program</u>	<u>Measure</u>	<u>Measure ID</u>	<u>Eversource</u>	<u>NHEC</u>	<u>Liberty</u>	<u>Unitil</u>
C1 Large Business Energy Solutions	Custom Large Compressed Air Retro	EC1a001	15	13	10	8
	Lighting Fixture – Exterior w/o Controls	EC1a011	4	5	5	5
	Lighting Fixture – Interior w/o Controls	EC1a013	5	10	5	5

¹ The Commission notes similar discrepancies, for example, for Liberty Electric C1c (LCI Midstream), Liberty Gas C1c, and Unitil NU Gas C1c.

	Custom Small HVAC Retro	EC2a003	12	13	13	15
	Custom Muni HVAC New	EC3b003	12.6	13.3	13.3	15

Please identify all discrepancies (add rows as needed to the above table) and provide an explanation to validate the original response in 2-001-8.

Subset 2 – Inquiries related to Savings Data to the Office of the Consumer Advocate

Request 4-002-01

The Office of the Consumer Advocate (OCA) is requested to respond to the following.

a. Refer to the Direct Testimony of Woolf and Goldberg at Bates page 7, lines 17 through 18.

Please provide analysis and/or supporting schedules in MS Excel to help validate the statement “all utility programs combined are expected to result in \$283 million in net benefit to utility customers.”

b. Refer to Direct Testimony of Woolf and Goldberg Bates pages 31-32, Figures 3 and 4.

Please provide the compilation of information for references made in footnotes 35 and 36 including live Excel data supporting each of these graphs.

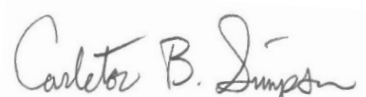
So ordered, this sixth day of October, 2023.



Daniel C. Goldner
Chairman



Pradip K. Chattopadhyay
Commissioner



Carleton B. Simpson
Commissioner

Service List - Docket Related

Docket#: 23-068

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