

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

IR 16-714

NEW HAMPSHIRE ELECTRIC UTILITIES

Investigation into Methods for Electric Peak Load Reduction

Order Establishing Goals for Peak Load Reduction

ORDER NO. 25,919

July 1, 2016

I. PROCEDURAL HISTORY

Chapter 219 of the Laws of 2015 (HB 614), effective July 8, 2015, implemented some of the goals from New Hampshire's 10-year State Energy Strategy published by the Office of Energy and Planning in September 2014. The Bill directed that the Commission establish an "electricity peak time reduction goal" on or before July 1, 2016. Staff met with the utilities and a number of interested parties participating in the Core Energy Efficiency proceedings on January 27, 2016. Staff also met with the utilities in early June to further discuss potential peak demand reduction for New Hampshire.

II. STAFF'S RECOMMENDATION

On June 29, 2016, Staff filed a recommendation proposing what it believed would be an appropriate framework for electric peak load reduction in New Hampshire. Staff observed that the Grid Modernization docket, Docket No. IR 15-296, is exploring ways to use the electricity grid more efficiently and ways to reduce system peaks through new pricing structures and installation of more advanced meters. In addition, Staff pointed to the on-going docket on an energy efficiency resource standard, Docket No. DE 15-137, as a vehicle for increased peak reduction as an indirect result of reductions in overall energy use through efficiency measures.

Staff recommended that the Commission direct the parties in both dockets to incorporate peak reduction levels reflective of the budgets anticipated in the EERS Settlement Agreement, if approved by the Commission, or the budgets proposed for the upcoming Core energy efficiency proceeding. Specifically, Staff recommended target peak reductions in 2016 of 8,786 kW for summer savings and 9,033 kW for winter savings. Last, Staff recommended that more targeted behavioral demand response programs be established following the report required in the grid modernization to be developed in Docket No. IR 15-296.

III. COMMISSION ANALYSIS

We derive specific authority to establish an electric peak time reduction goal from Chapter 219 of the Laws of 2015 (HB 614) (“The public utilities commission shall establish an ‘electricity peak time reduction goal’ on or before July 1, 2016.”). The legislation did not define “peak,” nor did it provide a base line from which to measure reductions, or a timeframe over which the reduction should occur. The legislation leaves those matters to our discretion.


We have reviewed Staff’s recommendation and find that it is reasonable. By tying the peak reductions to the Core program budgets or, in the future, to any EERS energy savings budgets, we will be able to track measurable reductions in energy usage. Accordingly, we adopt energy peak time reductions in 2016 of 8,786 kW for summer savings and 9,033 kW for winter savings. We will revisit this issue for 2017, and we will await further recommendations from Staff for more targeted demand reduction programs following the completion of our investigation into grid modernization in Docket No. IR 15-296.

Based upon the foregoing, it is hereby


ORDERED, a state-wide electric peak time reduction goal is established for 2016 of 8,786 kW for summer savings and 9,033 kW for winter savings; and it is

FURTHER ORDERED, that Staff of the Electric Division shall file a recommendation for a peak reduction goal for 2017 no later than June 15, 2017.

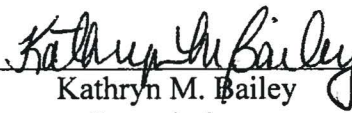
By order of the Public Utilities Commission of New Hampshire this first day of July, 2016.



Martin P. Honigberg
Chairman




Robert R. Scott
Commissioner



Kathryn M. Bailey
Commissioner

Attested by:



Debra A. Howland
Executive Director