

STATE OF NEW HAMPSHIRE

Intra-Department Communication

DATE: October 18, 2011
AT (OFFICE): NHPUC

FROM: Jack Ruderman 

SUBJECT: Docket No. DE 11-213
Utility On-bill Financing (Funds)
Proposed Tariff—Unitil Energy Systems, Inc.

TO: Debra Howland
Commissioners



In 2009, the Commission awarded the electric distribution utilities a Greenhouse Gas Emission Reduction Fund grant in the amount of \$7,646,020 to expand the CORE efficiency programs. Included in this grant was funding for Unitil Energy Systems, Inc. (UES) in the amount of \$750,000 for a revolving loan mechanism for on-bill financing for customers to install energy efficiency measures. On June 28, 2011, Staff filed a memorandum which reported that UES had loaned only 19% of its available loan funds and identified the need for UES to expand marketing to promote the on-bill financing program. Staff and UES subsequently met to discuss how UES could expand the program.

On September 22, 2011, UES filed a tariff proposed for effect on November 1, 2011 to implement expanded availability of its on-bill financing program as recommended by Staff. The proposed tariff converts the existing municipal loan program to a non-residential loan program available to *any* General Delivery Service Customer, including municipalities. Loan amounts would range from a minimum of \$500 up to a maximum of \$50,000 per project. Customers would be eligible for loans on multiple projects but would be limited to a maximum of \$150,000 per year in loan funds.

Staff has reviewed the tariff, finds that it expands the loan program as agreed to by Staff and UES, and recommends that the Commission approve the tariff as filed.

Staff also recommends that to assure robust participation in the program, UES should continue to update its marketing program and allow Staff to review and comment on its marketing strategy and supporting materials. In addition, Staff recommends that UES be required to file quarterly reports with the Sustainable Energy Division staff describing its marketing efforts and participation in the program. Staff also recommends that UES be required to file the reports concurrent with the reports filed with the Commission on UES' CORE energy efficiency programs.