

**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: Record Requests**

The Commission requests 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, Unitil Energy Systems, Inc., Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty, and Northern Utilities, Inc. (together, the Joint Utilities) to respond to the following record requests pertaining to the reporting requirement submissions received on August 1, 2022 and August 31, 2022 per Order No. 26,621 (April 29, 2022).

The following record requests are for information gathering purposes only and should not be construed as the Commission endorsing or disapproving of any particular position, method, or other aspect of energy efficiency planning, programming, and evaluation. As already noted in earlier orders in this docket, the Commission will reach no final decisions in this docket and issue no orders or directives.

Responses are requested in writing. If, in the opinion of the Commissioners, additional discussion and clarification are warranted, then a Commission attended technical session will be convened. Such a technical session is tentatively scheduled on December 6, 2022, at 9:00 a.m. Three hours have been reserved. All written responses are due on or before the close of business on Wednesday, November 30, 2022:

- I. **The Granite State Test, the Total Resource Cost Test, and Discount rates:** The Commission wants to better understand the assumptions and parameters used to

estimate the energy efficiency savings generated by each program of the Energy Efficiency Program. The Commission requests that the Joint Utilities submit a joint response to each of the following questions:

- 1.** Please create a document that lists the assumptions used to estimate the energy efficiency gains generated by each program. For each assumption, please cite its source; please include any notes or comments that would be helpful for the commission to understand why these sources were selected and how the assumptions have changed over the program's life.
- 2.** Please report on assumptions used by the other New England States where the Joint Utilities operate or have visibility in developing their energy efficiency programs. Please explain the rationale for any differences between the assumptions used in the other New England States and those used in New Hampshire.
- 3.** Have the Joint Utilities and their consultants conducted, or are they aware of, any analyses that estimate the real-world energy savings of energy efficiency investments? These analyses might include academic studies that use experimental or observational techniques to estimate the impacts that specific energy efficiency investments have on household, commercial and industrial energy consumption.
- 4.** If the Energy Efficiency Program were to directly or indirectly provide funding for smart meters, how might these investments impact the collection of customer data on energy efficiency savings? How would smart meters impact demand-side energy management generally?
- 5.** How do the Joint Utilities determine when free ridership has a material impact on savings figures? How do the Joint Utilities quantify this impact? Please provide answers with respect to the impacts on both the GST and TRCT.
- 6.** Do the Joint Utilities adjust the energy savings calculations to account for the incremental energy demand associated with the projected positive impact on the NH economy generated by the Energy Efficiency Program? Please identify the economic impacts of the Energy Efficiency Program and explain how these are considered by the Joint Utilities.
- 7.** The Commission wants to understand how other regulatory entities determine the discount rate used in evaluating the cost-effectiveness of their energy efficiency programs. Please report on the following:
  - i.** Please identify the discount rates used by each of the other New England states in 2020 and 2021;
  - ii.** To the extent the Joint Utilities operate or have visibility on the discount rates identified in I-7-i above, please describe the methodologies used to derive these discount rates; and



4. Please summarize how the current minimum and maximum PI thresholds were determined.

**III. Impact on New Hampshire Economy:** The Commission wants to understand how the Joint Utilities quantify the positive economic impacts on the State that arise from the Energy Efficiency Plan. The Commission requests that the Joint Utilities submit one response to the following question:

1. Using existing practices and the best data available to the Joint Utilities, please provide calculations that, after adjusting for free-ridership and out-of-state expenditures, provide estimates of the positive economic impacts of the Energy Efficiency Program on NH ratepayers.

**IV. Subsidized Services and Equipment:** During the technical session with the Commission, the Joint Utilities reported that they view subsidies as “loss leaders” to incentivize individuals to participate in the program. To best understand the Joint Utilities business practices, the Commission requests that the Joint Utilities submit a single response to each of the following questions:

1. Please fill out the table in the attached excel (Tab: Request IV.1 - Subsidized Serv.) in order to combine the individual Utilities' 2021 reports on subsidized services filed pursuant to reporting requirement 9.iv into a single program-wide dataset.
2. For Program Year 2021, the how much funding did the EE Programs provide for subsidized services? What percentage of the total project costs were covered? How much funding was spent on programs with a 100% subsidy?
3. How do the Joint Utilities determine the level of subsidy to a given customer?

**V. Market Barriers:** The Energy Efficiency Program was initiated as part of restructuring to ensure that energy consumption reduction measures are still implemented in the investor-owned utility regulatory environment. Over 20 years later, the Commission is unaware of any study conducted to identify what barriers exist and which have been removed by prior Energy Efficiency Program investments. The Commission requests that the Joint Utilities submit one response to each of the following questions:

1. In the 20 years that ratepayer-funded Energy Efficiency programming has existed in New Hampshire, please identify each area where funding provided under these plans has enabled an energy efficiency technology or practice to become market competitive.
2. Please summarize each program where market barriers have been completely overcome. Please also describe each instance where market barriers have been partially overcome and what the pathway is to eliminate that market barrier fully.

3. Do the Joint Utilities believe that any of the Energy Efficiency programming, either current or discontinued, has created market barriers or enabled excessive free-ridership? If so, please describe how those programs can be improved to eliminate market barriers or excessive free-ridership.

**VI. Reporting on Spending by Category:** Reporting requirement 9.iii. required the Utilities to report on their spending by category. To ensure the Commission has the most accurate and clear data, the Commission requests that the Joint Utilities submit one response to each of the following questions:

1. Please define how the Joint Utilities use the term “rebate”, and what expenses are included in this category.
2. Please fill out the table in the attached excel (Tab: Request VI.2 - Contractors) in order to compile the individual 2021 Expenses by Contractors reports filed pursuant to reporting requirement 9.iii into a single program-wide dataset while further breaking out the cost of the contracted services from the rebate portion of the total and providing this information by program.
3. Please fill out the table in the attached excel (Tab: Request VI.3 – Program Expenses) in order to combine the individual 2021 Expenses/Revenues by Category reports filed pursuant to reporting requirement 9.vi into a single program-wide dataset while further breaking out the cost of the contracted services from the rebate portion of the total. Please provide planned and actual data for each completed program year since 2016.
4. The Commission understands that rebates flow through contractors and consultants to New Hampshire ratepayers. This request is intended to get a clearer picture of Energy Efficiency Program expenditures on services provided by contractors and consultants to understand to what degree program expenditures are flowing out of the New Hampshire economy. Please calculate the 2021 Energy Efficiency Program expenditures for contractors and consultant services broken out by the New Hampshire and Non-New Hampshire business addresses.

**VII. Reporting on Low-Income Program Offerings:** The Legislature requires that a minimum of 20% of the program expenditures are spent on low-income ratepayers. In order for the Commission to understand the rationale of meeting this requirement through separate programming, as opposed to fully including low-income ratepayers within the general programming, the Commission requests that the Joint Utilities submit one response to each of the following questions:

1. Please report on the history of when and why programming for low-income individuals was separated from the general program offering.

2. Please report on how much was expended for low-income ratepayers during the program year 2021 and please demonstrate that the statutory requirement of 20% was fully met.
3. Please calculate the benefit-to-cost ratio for the Home Energy Assistance Program (HEA) in 2021 and how it compares to the other programs. Have the Joint Utilities explored other more cost-effective options to serve low-income ratepayers?
4. Please calculate how much has been spent on the HEA program since 2016. Of this amount, how much was spent on rebates, and how much on contractor and consultant services? Please break the contractor and consultant services expenditures out by New Hampshire and Non-New Hampshire business addresses.
5. Please provide data on the aggregate program year 2021 cost of the SBC paid by ratepayers who also qualify for the HEA Program.

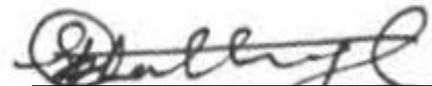
**VIII. Reporting made to other regional or regulatory organizations:** A significant amount of federal, state, and regional reporting is required of the utilities. Currently, little coordination appears to have been conducted to reduce the regulatory burden on the utilities and increase the data usage of this reporting for the public. The Commission requests that the Joint Utilities submit one response to the following question:

1. Please provide a recommendation, and the concrete actions necessary to implement it, on how various Commission-mandated reporting related to Energy Efficiency programming can be better aligned with outside reporting the utilities must compile. Please provide these recommendations consistent with the objective of increasing the standardization and usability of the data reported by the utilities. The Commission is particularly focused on the ability of the public to access data in a manner conducive to comparing changes over time or other research purposes that the public may have.

So ordered, this first day of November, 2022.



Daniel C. Goldner  
Chairman



Pradip K. Chattopadhyay  
Commissioner

# Service List - Docket Related

Docket#: 22-042

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**Record Request - Datasets**

**Instructions:**

For each record request that requires data to be reported to the Commission in a dataset format, please fill out the data tables in the sheets of this document consistent with the instructions.

The Joint Utilities are to return one live Excel file, with each table filled out with the requested data.





































