

DE 99-172

GRANITE STATE ELECTRIC COMPANY

2000 Conservation and Load Management Program

Order Nisi Approving Conservation and Load Management Factors

O R D E R N O. 23,361

December 6, 1999

On October 13, 1999, Granite State Electric Company (GSEC) filed with the New Hampshire Public Utilities Commission (Commission) a Proposal to Defer Filing of 2000 DSM Program and Extend Current Program. GSEC stated that it proposes to defer its 2000 Conservation and Load Management (C&LM) Program filing pending the Commission's review of the Report of the Energy Efficiency Working Group (EEWG) and the outcome of that review. GSEC contended that the Commission's review of the Report may affect the provision of energy efficiency services provided to GSEC's customers, and that GSEC believed that such a deferral would be appropriate, in the public interest, and would conserve administrative and company resources.

GSEC proposed to extend its current program to June 30, 2000, or the time by which changes arising from the EEWG process can be incorporated into a new GSEC filing. On or about December 1, 1999, GSEC proposed to file revised surcharges reflecting the same budget for 2000 as was approved for the 1999 program year and a reconciliation of under/overrecoveries.

On November 9, 1999, Commission Staff (Staff) filed a

recommendation that the Commission approve GSEC's request; however, in order to allow Staff sufficient time to review the proposed surcharges and to write its recommendation to the Commission so that rates can be effective January 1, 2000, Staff recommended that the Commission require GSEC to file its revised surcharges on or before November 17, 1999.

On November 16, 1999, the Commission determined that GSEC's request to defer its C&LM program filing is reasonable and required GSEC to file proposed C&LM factors on or before November 23, 1999 to provide Staff adequate review time.

On November 23, 1999, in accordance with the Commission's November 16, 1999 directive, GSEC filed proposed C&LM factors for its 2000 C&LM program. The C&LM factors are based upon an extension of GSEC's current year C&LM program into 2000. For purposes of calculating the C&LM factors, GSEC used complete-year budgets, as well as estimates of full year kilowatt-hour usage; however, GSEC anticipates this program extension to be temporary and dependent on the Commission's review of the EEWG report. GSEC believes it would be appropriate to continue the extended program at least through June 30, 2000. The proposed factors also reflect a 1999 program shareholder incentive calculated in accordance with a settlement reached between GSEC, the Governor's Office of Energy and Community Services, the Conservation Law Foundation, and Staff, and reported to the Commission by letter dated August 11, 1999 filed

in Docket DR 98-177. The actual incentive to be collected by GSEC will depend on the Commission's decision with respect to the aforementioned settlement and GSEC's actual measured performance. GSEC states that it proposes no changes to its program offerings other than those that would be made in the ordinary course to reflect changes in standards or equipment improvements, or those which are necessary to bring GSEC's programs in line with regional standards where such programs are being offered in conjunction with larger regional initiatives. GSEC also states that none of the minor program changes currently anticipated warrants changes to the previously approved budgets.

GSEC proposes the following C&LM factors for effect January 1, 2000: a residential factor of \$0.00131 per kilowatt-hour, a decrease of \$0.00034 per kilowatt-hour from the current surcharge and a commercial and industrial (C/I) factor of \$0.00290 per kilowatt-hour, a decrease of \$0.00099 per kilowatt-hour from the current surcharge.

On December 3, 1999, Staff filed a recommendation that the Commission approve the revised C&LM factors for effect January 1, 2000; however, Staff requested that the Commission direct GSEC to file a listing of all program modifications that GSEC intends to implement for the 2000 program year.

We have reviewed GSEC's filing and Staff's recommendation and will approve the proposed C&LM factors. The future direction of ratepayer-funded, energy efficiency program

will be addressed in the near future and we find that allowing GSEC to continue its existing programs is reasonable. We direct GSEC to file with the Commission by January 1, 2000 a listing of all program modifications GSEC intends to implement for the 2000 program year.

Based upon the foregoing, it is hereby

ORDERED NISI, that the following Conservation and Load Management factors are APPROVED:

Residential factor	\$0.00131 per kilowatt-hour
C/I factor	\$0.00290 per kilowatt-hour;

and it is

FURTHER ORDERED, that GSEC shall continue its current C&LM program into 2000 incorporating the minor modifications as described in GSEC's November 23, 1999 letter; and it is

FURTHER ORDERED, that GSEC shall file with the Commission a letter describing all program modifications for the 2000 program year on or before January 1, 2000; and it is

FURTHER ORDERED, that GSEC shall cause a copy of this Order Nisi to be published once in a statewide newspaper of general circulation or of circulation in those portions of the state where operations are conducted, such publication to be no later than December 13, 1999 and to be documented by affidavit filed with this office on or before December 24, 1999; and it is

FURTHER ORDERED, that all persons interested in

responding to this petition be notified that they may submit their comments or file a written request for a hearing on this matter before the Commission no later than December 20, 1999; and it is

FURTHER ORDERED, that any party interested in responding to such comments or request for hearing shall do so no later than December 24, 1999; and it is

FURTHER ORDERED, that this Order Nisi shall be effective January 1, 2000, unless the Commission provides otherwise in a supplemental order issued prior to the effective date; and it is

FURTHER ORDERED, that GSEC shall file a compliance tariff with the Commission on or before January 1, 2000, in accordance with N.H. Admin. Rules, Puc 1603.02(b).

By order of the Public Utilities Commission of New
Hampshire this sixth day of December, 1999.

Douglas L. Patch
Chairman

Susan S. Geiger
Commissioner

Nancy Brockway
Commissioner

Attested by:

Thomas B. Getz
Executive Director and Secretary