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## **Potential Estimates Definitions**

The definitions used in this study for energy efficiency potential estimates are as follows:

- **Technical potential** is defined in this study as the complete and immediate penetration of all measures analyzed in applications where they were deemed technically feasible from an engineering perspective. For the residential sector, two technical potential scenarios were developed: a technical potential (best) scenario, where “best” options are assumed to be installed in situations where “good/better/best” options exist; and a technical potential (traditional) scenario, where “good/better/best” options are allocated for model installation across applicable populations.
- **Maximum Achievable potential** is defined as the maximum penetration of an efficient measure that would be adopted absent consideration of cost or customer behavior. The term "achievable" refers to efficiency measure penetration, based on estimates of New Hampshire-specific building stock, energy using equipment saturations and realistic efficiency penetration levels that can be achieved by 2018 if all remaining standard efficiency equipment were to be replaced on burnout (at the end of its useful measure life) and where all new construction and major renovation activities in the state were done using energy efficient equipment and construction/installation practices. In certain circumstances, where early replacement of specific measures is becoming standard practice, maximum achievable potential includes the retrofit of measures before the end of their useful measure life (i.e., T8 lighting, thermostats, insulation and weatherization of existing homes).
- **Maximum Achievable Cost Effective (M.A.C.E.) potential** is defined as the portion of the maximum achievable potential that is cost effective according to the economic criteria currently used to determine energy efficiency program cost-effectiveness (New Hampshire Public Utility Commission’s approved Total Resource Cost Test – NH TRC), before consideration of customer behavior. Application of the TRC test is based on the latest values for avoided cost (electric, natural gas and other fuels) and excludes environmental externalities not already captured with avoided cost values, consistent with current utility and PUC procedures.
- **Potentially Obtainable scenario** is a new output developed for this study and can be defined as an estimate of the potential for the realistic penetration over time of energy efficient measures that are cost effective according to the NH TRC, taking customer behavior into consideration (including consideration of priorities and price). To achieve this potential, a concerted, sustained campaign involving aggressive programs and market interventions would be required. As demonstrated later in this report, the State of New Hampshire and its electric and gas utilities would need to continue to undertake, and perhaps aggressively expand its efforts to achieve these levels of savings.