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August 17, 2012

Debra A. Howland
Executive Director
New Hampshire Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, NH 03301

Re: Docket DE 10-188
Response to Proposal from the Utilities, relative to Core Energy Efficiency Programs

Dear Ms. Howland:

In response to the proposal for Regional Greenhouse Gas Initiative funds set forth by the New Hampshire Utilities on August 10, 2012 relative to the Core Energy Efficiency Programs, Docket DE 10-188, The Jordan Institute and other interveners and interested parties, are pleased to submit the following response. We appreciate this opportunity.

Respectfully submitted,

D. Dickinson Henry, Jr.
Executive Director
The Jordan Institute

Certificate of Service

I certify that on this date eight copies of the foregoing was hand-delivered to PUC staff and the Office of Consumer Advocate.

August 17, 2012

Executive Director

August 17, 2012

Debra A. Howland
Executive Director
New Hampshire Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, NH 03301

Re: Docket DE 10-188
Response to Utilities' Proposal of RGGI Proceeds Relative to Core Programs

Dear Ms. Howland:

The interveners and interested parties to DE 10-188 would like to take this opportunity to respond to the utilities' proposal on the use of existing and anticipated auction proceeds from the Regional Greenhouse Gas Initiative (RGGI).

The interveners and interested parties reiterate that the RGGI law currently in existence should be honored as much as possible until it changes on December 31, 2012. The proposal put forth by the interveners and interested parties on August 10, 2012 would maximize these funds in such a manner. Although we recognize that the CORE programs have been proven effective, we believe that the proposal set forth by the utilities will not maximize the use of these funds.

Despite concerns raised by the utilities about their own ability to expend the existing \$2M of funds in a timely fashion, they have proposed a number of uses for these funds, and requested permission to roll-over unspent funds into 2013. They did not address additional funds anticipated from approaching auctions, approximately \$4M, which will also need to be allocated and expended in the near term. The interveners' and interested parties' proposal addresses appropriate use of all of these funds.

We agree with the utilities and support a 15% carve-out of these funds to be dedicated to programs supporting energy efficiency measures for low-income residents. However, we do not think an 8% shareholder performance incentive is appropriate for funds that are passed-through to the Community Action Agencies and others. That performance incentive on the 15% carve-out, approximately \$24,000, could significantly improve the homes for five New Hampshire families, as opposed to being diluted into a pool of shareholder incentives. In a time when New Hampshire's low-income residents are still reeling from the recession and budget cuts to every program that affects them, each dollar counts.

In fact, each dollar counts for all the RGGI and ARRA energy-efficiency projects on waiting lists. As proposed by the utilities, the combination of administrative costs and shareholder performance incentives would further reduce the amount of funding to wait-listed project work. In some cases, program administrators are willing to lower their standard administrative rates in order to achieve greater benefits. The interveners and interested parties feel strongly that these overhead costs should remain at the lowest possible and realistic percentage.

The interveners and interested parties still think the most appropriate use of these funds is to allocate them to programs and projects that are ready for implementation under the interveners' and interested parties proposal of August 10, 2012. We therefore suggest that the existing funds and the September auction funds go to those organizations identified in the alternate proposal.

Further, we continue to express concern about the definition of "spent" funds. Regardless of the entity or entities selected to shepherd these RGGI funds through implementation, we acknowledge potential challenges with the logistics and timing of contract approvals. We greatly appreciate the clarification by the commission issued on August 16, 2012, that allows expenditures for such programs to extend beyond January 1, 2013. We assume however that these funds need to be allocated before December 31, 2012.

Thank you for this opportunity to respond to comments regarding the allocation of remaining 2012 RGGI funds.

Respectfully submitted,

Intervenors and Interested Parties

D. Dickinson Henry, Jr.
Executive Director
The Jordan Institute

Benjamin D. Frost, Esq., AIPC
Director, Public Affairs
New Hampshire Housing Finance Authority

Jim Grady
Chief Executive Officer
LighTec, Inc.

James Monahan
The Dupont Group LTD
On behalf of the Retail Merchants Association

Tom Rooney
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TRC Energy Services

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