

NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

EnergyNorth Natural Gas, Inc.

d/b/a

LIBERTY UTILITIES

ENERGY EFFICIENCY

2012 YEAR-END REPORT

Revised

May 14, 2014

N.H.P.U.C. Docket No. DE 10-188



DE 10-188 Liberty Utilities
Program Year 2 (January 1, 2012 - December 31, 2012) Actual Results

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Shareholder Incentive Template - Liberty Utilities
Savings Component

Gas Savings in MMBTU's resulting from Energy Efficiency Measures Installed in the Program Year

Number of Participants served in the annual program year time period	3,184
MMBTU Savings per Participant Per Year	46.57
Total MMBTU Savings Per Year	148,267
Measure Life of Measures Installed in the annual program year time period	17.94
Grand Total MMBTU Savings Benchmark for Performance Incentive	2,046,801

Electric Savings in kWh's resulting from Energy Efficiency Measures Installed in the Program Year

Number of Participants served in the annual program year time period	-
kWh Savings per Participant Per Year	-
Total kWh Savings Per Year	-
Measure Life of Measures Installed in the annual program year time period	-
Grand Total kWh Savings Benchmark for Performance Incentive	-

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Benefit Cost (B/C) Benchmark for Computing Shareholder Incentives - Liberty Utilities

Residential Programs	footnotes	Low Income	High Efficiency Heating, Water Heating, Controls	Energy Audit w/Home Performance & Weatherization	New Home Construction w/ENERGY STAR	Residential Building Practices & Demo	Total
Benefits:							
Avoided Generation, Transmission & Distribution Costs for:							
Program Participants	(a.)	\$ 450,733	\$ 2,450,258	\$ 2,399,231	\$ 56,729	\$ -	\$ 5,356,952
Market effects (e.g., spillover, post-program adoptions)	(b.)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer Benefits (including O&M)	(c.)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Quantifiable avoided resource costs (e.g., water, electricity)	(d.)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adder for other non-quantifiable benefits (e.g., environmental and other)	(e.)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Benefits		\$ 450,733	\$ 2,450,258	\$ 2,399,231	\$ 56,729	\$ -	\$ 5,356,952
Costs:							
Program costs (e.g. incentives, admin, monitoring, evaluation for:							
Utility Costs (e.g., for admin, monitoring, evaluation, markeing)	(f.)	\$ 934,175	\$ 888,617	\$ 1,023,721	\$ 34,681	\$ 27,291	\$ 2,908,485
Program participants (e.g., incremental costs not reimbursed)	(g.)	\$ -	\$ 1,277,498	\$ 831,030	\$ 7,608	\$ -	\$ 2,116,136
Market effects (e.g., spillover, post-program adoptions)	(b.)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer Costs (including O&M)	(c.)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Quantifiable additional resource costs (e.g. water, electricity)	(h.)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Costs		\$ 934,175	\$ 2,166,115	\$ 1,854,751	\$ 42,289	\$ 27,291	\$ 5,024,621
Utility Shareholder Incentive at the Sector Level	(i.)	n/a	n/a	n/a	n/a	n/a	\$ 232,194
Total Costs Including Utility Shareholder Incentives at Sector Level							\$ 5,256,815
Benefit Cost Ratio by Sector (i.e., B/C Benchmark for Shareholder Incentive Calc.)		0.48	1.13	1.29	1.34	-	1.02

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Benefit Cost (B/C) Benchmark for Computing Shareholder Incentives - Liberty Utilities

C&I Programs	footnotes	Large C&I Retrofit	New Equipment and Construction	Small Business Energy Solutions	Total
Benefits:					
Avoided Generation, Transmission & Distribution Costs for:					
Program Participants	(a.)	\$ 3,403,152	\$ 4,543,421	\$ 1,355,862	\$ 9,302,436
Market effects (e.g., spillover, post-program adoptions)	(b.)	\$ -	\$ -	\$ -	\$ -
Customer Benefits (including O&M)	(c.)	\$ -	\$ -	\$ -	\$ -
Quantifiable avoided resource costs (e.g., water, electricity)	(d.)	\$ -	\$ -	\$ -	\$ -
Adder for other non-quantifiable benefits (e.g., environmental and other)	(e.)	\$ -	\$ -	\$ -	\$ -
Total Benefits		\$ 3,403,152	\$ 4,543,421	\$ 1,355,862	\$ 9,302,436
Costs:					
Program costs (e.g. incentives, admin, monitoring, evaluation for:					
Utility Costs (e.g., for admin, monitoring, evaluation, markeing)	(f.)	\$ 1,542,252	\$ 1,696,081	\$ 257,191	\$ 3,495,524
Program participants (e.g., incremental costs not reimbursed)	(g.)	\$ 1,504,622	\$ 3,643,811	\$ 190,610	\$ 5,339,043
Market effects (e.g., spillover, post-program adoptions)	(b.)	\$ -	\$ -	\$ -	
Customer Costs (including O&M)	(c.)	\$ -	\$ -	\$ -	
Quantifiable additional resource costs (e.g. water, electricity)	(h.)	\$ -	\$ -	\$ -	
Total Costs		\$ 3,046,874	\$ 5,339,892	\$ 447,801	\$ 8,834,568
Utility Shareholder Incentive at the Sector Level	(i.)	n/a	n/a	n/a	\$ 254,449
Total Costs Including Utility Shareholder Incentives at Sector Level					\$ 9,089,017
Benefit Cost Ratio by Sector (i.e., B/C Benchmark for Shareholder Incentive Calc.)		1.12	0.85	3.03	1.02

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MMBTU Savings Benchmark for Computing Shareholder Incentives - Liberty Utilities

Residential Programs	<i>footnotes</i>	Low Income	High Efficiency Heating, Water Heating, Controls	Energy Audit w/Home Performance & Weatherization	New Home Construction w/ENERGY STAR	Residential Building Practices & Demo	Total
Gas Savings in MMBTU's from Measures Installed in the Program Year							
Number of Participants	(j.)	232	1,077	1,186	12	30	2,537
MMBTU Savings per Participant Per Year	(k.)	14	18	14	27	-	16
Total MMBTU Savings Per Year		3,142	19,512	16,723	326	-	39,702
Measure Life of Measures Installed During the Program Year	(i.)	20	18	20	25	-	19
Grand Total MMBTU Savings Benchmark for Performance Incentive		62,832	345,001	334,452	8,160	-	750,445

Electric Savings in kWh's from Measures Installed in the Program Year	
Number of Participants	
kWh Savings per Participant	
Total kWh Savings Per Participant Per Year	-
Measure Life of Measures Installed in the annual program year time period	-
Grand Total kWh Savings Benchmark for Performance Incentive	-

C&I Programs		Large C&I Retrofit	New Equipment and Construction	Small Business Energy Solutions	Total
Number of Participants		58	95	524	677
MMBTU Savings per Participant Per Year		780	352	57	160
Total MMBTU Savings Per Year		45,214	33,443	29,908	108,565
Measure Life of Measures Installed During the Program Year		10	19	6	12
Grand Total MMBTU Savings Benchmark for Performance Incentive		471,060	645,865	179,431	1,296,356

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Footnotes for Budget Benefit Cost Ratio-Liberty Utilities

Residential Programs	Low Income	High Efficiency Heating, Water Heating, Controls	Energy Audit w/Home Performance & Weatherization	New Home Construction w/ENERGY STAR	Residential Building Practices & Demo	Total
Number of Participants*	232	1,077	1,186	12	30	2,537
MMBTU Savings per Participant Per Year**	14	18	14	27	-	16
Total MMBTU Savings Per Year	3,142	19,512	16,723	326	-	39,702
Number of Years in the Measure Life**	20	18	20	25	-	19
Grand Total MMBTU Savings Benchmark for Performance Incentive	62,832	345,001	334,452	8,160	-	750,445
Lifetime Therm Savings	628,320	3,450,012	3,344,520	81,600	-	7,504,452
Rate of Savings per MMBTU ***	\$ 12.45	\$ 12.45	\$ 12.45	\$ 12.45	\$ 12.45	\$ 12.45
Grand Total Dollar Savings	\$ 782,258	\$ 4,295,265	\$ 4,163,927	\$ 101,592	\$ -	\$ 9,343,043

C&I Programs	Large C&I Retrofit	New Equipment and Construction	Small Business Energy Solutions	Total
Number of Participants*	58	95	524	677
MMBTU Savings per Participant Per Year**	780	352	57	160
Total MMBTU Savings Per Year	45,214	33,443	29,908	108,565
Number of Years in the Measure Life**	10	19	6	12
Grand Total MMBTU Savings Benchmark for Performance Incentive	471,060	645,865	179,431	1,296,356
Lifetime Therm Savings	4,710,602	6,458,649	1,794,305	12,963,556
Rate of Savings per MMBTU ***	\$ 12.45	\$ 12.45	\$ 12.45	\$ 12.45
Grand Total Dollar Savings	\$ 5,864,699	\$ 8,041,019	\$ 2,233,910	\$ 16,139,628

* InDemand

** The values are variable for program year measurement purposes and based upon the B/C model assumptions.

*** Source: Per email communication with J.Cunningham. Consistent with 2007 Synapse Avoided Cost Study.

Residential Programs	Low Income	High Efficiency Heating, Water Heating, Controls	Energy Audit w/Home Performance & Weatherization	New Home Construction w/ENERGY STAR	Residential Building Practices & Demo	Total
Number of Participants*	232	1,077	1,186	12	30	2,537
Participant Incremental Cost	\$ -	\$ 1,186	\$ 701	\$ 634	\$ -	\$ 834
Program Participant Cost	\$ -	\$ 1,277,498	\$ 831,030	\$ 7,608	\$ -	\$ 2,116,136

C&I Programs	Large C&I Retrofit	New Equipment and Construction	Small Business Energy Solutions	Total
Number of Participants*	58	95	524	677
Participant Incremental Cost	\$ 25,942	\$ 15,838	\$ 364	\$ 589
Program Participant Cost	\$ 1,504,622	\$ 1,504,622	\$ 190,610	\$ 398,529

Exhibit B - Shareholder Incentive Page 1 of 2

Liberty Utilities Gas Energy Efficiency

Target Shareholder Incentive Year TWO - January 1, 2012 - December 31, 2012

Commercial/Industrial Incentive	<u>Planned</u>	<u>Actual</u>
1. Benefit/Cost Ratio	1.30	1.02
2. Threshold Benefit / Cost Ratio	1.00	
3. Lifetime MMBTU Savings	1,254,438	1,296,356
4. Threshold Lifetime MMBTU Savings (65%)	815,384	
5. Budget / Actual Spend	\$3,496,571	\$ 3,495,524
6. Benefit / Cost Percentage of Budget	4.00%	
7. Lifetime MMBTU Percentage of Budget	4.00%	
8. C/I Incentive	\$279,726	\$254,449
9. Cap	\$419,589	\$419,589
Residential Incentive		
10. Benefit / Cost Ratio	1.00	1.02
11. Threshold Benefit / Cost Ratio	1.00	
12. Lifetime MMBTU Savings	768,824	750,445
13. Threshold Lifetime MMBTU Savings (65%)	499,736	
14. Budget / Actual Spend	\$3,647,647	\$2,908,485
15. Benefit / Cost Percentage of Budget	4.00%	
16. Lifetime MMBTU Percentage of Budget	4.00%	
17. Residential Incentive	\$291,812	\$232,194
18. Cap	\$437,718	\$437,718
19. TOTAL INCENTIVE	\$571,537	\$486,644

Exhibit B - Shareholder Incentive Page 2 of 2

Liberty Utilities Gas Energy Efficiency

Target Benefit-Cost Ratio by Sector

Year TWO - January 1, 2012 - December 31, 2012

Commercial & Industrial:

	<u>Planned</u>	<u>Actual</u>
1. Benefits (Value) From Eligible Programs	\$10,018,382	\$9,302,436
2. Implementation Expenses	\$3,496,571	\$3,495,524
3. Customer Contribution	\$3,921,475	\$5,339,043
4. Shareholder Incentive	\$279,726	\$254,449
5. Total Costs Including Shareholder Incentive	\$7,697,772	\$9,089,017
6. Benefit/Cost Ratio - C&I Sector	1.35	1.05
7. Benefit/Cost Ratio including SI in cost	1.30	1.02

Residential:

8. Benefits (Value) From Eligible Programs	\$6,422,485	\$5,356,952
9. Implementation Expenses	\$3,647,647	\$2,908,485
10. Customer Contribution	\$2,487,388	\$2,116,136
11. Shareholder Incentive	\$291,812	\$232,194
12. Total Costs Including Shareholder Incentive	\$6,426,847	\$5,256,815
13. Benefit/Cost Ratio - Residential Sector	1.05	1.07
14. Benefit/Cost Ratio including SI in cost	1.00	1.02

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Program Expenditures by Category							
Program	Evaluation	External Administration	Internal Administration	Internal Implementation	Marketing	Rebates-Services	Total
Large C&I Retrofit	\$ 6,764	\$ 155,920	\$ 24,432	\$ 20,210	\$ 44,411	\$ 1,290,516	\$ 1,542,252
New Equipment and Construction	\$ 43,678	\$ 34,225	\$ 46,060	\$ 37,449	\$ 22,671	\$ 1,511,997	\$ 1,696,081
Small Business Energy Solutions	\$ 448	\$ (12,752)	\$ 5,776	\$ 6,394	\$ 20,454	\$ 236,871	\$ 257,191
Total - C&I	\$ 50,890	\$ 177,394	\$ 76,268	\$ 64,053	\$ 87,536	\$ 3,039,384	\$ 3,495,524
High Efficiency Heating, Water Heating, Controls	\$ 4,803	\$ 36,685	\$ 8,785	\$ 11,922	\$ 10,859	\$ 815,563	\$ 888,617
Energy Audit w/Home Performance & Weatherization	\$ 7,759	\$ 169,394	\$ 38,505	\$ 34,139	\$ 129,333	\$ 644,591	\$ 1,023,721
Residential Building Practices & Demo	\$ 3	\$ 27,000	\$ 44	\$ 116	\$ 128	\$ -	\$ 27,291
Low Income	\$ 4,122	\$ 127,223	\$ 16,295	\$ 4,683	\$ 7,665	\$ 774,186	\$ 934,175
New Home Construction w/ENERGY STAR	\$ 639	\$ 5,065	\$ 19,547	\$ 1,445	\$ 819	\$ 7,166	\$ 34,681
Total - Residential	\$ 17,327	\$ 365,367	\$ 83,177	\$ 52,305	\$ 148,803	\$ 2,241,506	\$ 2,908,485
Total - All	\$ 68,217	\$ 542,761	\$ 159,445	\$ 116,358	\$ 236,339	\$ 5,280,890	\$ 6,404,009