

Program Cost-Effectiveness - 2013 ACTUAL

	Total Resource Benefit/Cost Ratio	Present Value							Number of Customers Served
		Benefit (\$000)	Utility Costs (\$000)	Customer Costs (\$000)	Annual MWh Savings	Lifetime MWh Savings	Winter kW Savings	Summer kW Savings	
Residential Programs									
ENERGY STAR Homes	4.35	\$ 7,432.7	\$ 919.6	\$ 788.5	1,132.2	26,476.3	376.3	339.3	433
ENERGY STAR Lighting	1.19	\$ 2,178.1	\$ 1,008.8	\$ 818.2	3,897.9	30,263.3	1,527.1	405.8	59,974
ENERGY STAR Appliances	2.45	\$ 15,106.8	\$ 2,201.4	\$ 3,976.8	1,702.6	15,501.1	(759.9)	578.6	18,875
Home Performance w/ENERGY STAR	1.03	\$ 219.8	\$ 100.8	\$ 112.3	283.3	3,600.1	43.4	2.0	76
Home Energy Assistance	1.82	\$ 5,891.5	\$ 3,234.6	\$ -	647.2	8,062.6	79.6	68.1	636
EnergyStar Homes (Geothermal)	2.29	\$ 718.2	\$ 183.3	\$ 130.0	432.4	10,810.5	113.2	4.3	31
Customer Engagement Program	0.00	\$ -	\$ 270.4	\$ -	-	-	-	-	1
Other		\$ -	\$ -	\$ -	-	-	-	-	-
Subtotal Residential	2.30	\$ 31,547.0	\$ 7,918.7	\$ 5,825.8	8,095.7	94,714.0	1,379.6	1,398.1	80,026
Commercial/Industrial Programs									
Large Business Energy Solutions	2.63	\$ 21,048.4	\$ 4,405.5	\$ 3,601.5	17,709.4	245,088.8	2,544.2	2,661.7	247
Small Business Energy Solutions	1.73	\$ 14,273.6	\$ 3,415.7	\$ 4,818.6	12,599.1	165,100.1	2,226.9	1,755.5	831
Other (Education)	0.00	\$ -	\$ 165.0	\$ -	-	-	-	-	55
C&I RFP Energy Rewards Program	2.36	\$ 2,583.7	\$ 435.7	\$ 660.0	2,673.0	32,587.6	330.5	392.3	12
CI Partnerships	0.00	\$ -	\$ 5.0	\$ -	-	-	-	-	-
Other		\$ -	\$ -	\$ -	-	-	-	-	-
Subtotal C&I	2.17	\$ 37,905.8	\$ 8,426.9	\$ 9,080.0	32,981.5	442,776.5	5,101.6	4,809.5	1,144
Smart Start		\$ -	\$ 22.8	\$ -	-	-	-	0	-
HES Fuel Neutral Pilot (Additional Benefits)		\$ 6,231.3	\$ 1,610.3	\$ 1,805.9	-	-	-	0	443
ISO-NE Forward Capacity Market		\$ -	\$ 100.4	\$ -	-	-	-	-	-
		\$ 6,231.3	\$ 1,733.5	\$ 1,805.9	-	-	-	-	443
Total	2.18	\$ 75,684.2	\$ 18,079.1	\$16,711.7	41,077.2	537,490.5	6,481.2	6,207.6	81,613

Note 1: Plan includes 59,974 customers purchasing a total of 239,896 lighting products.

Program Cost-Effectiveness - 2013 PLAN

	Present Value								
	Total Resource Benefit/Cost Ratio	Benefit (\$000)	Utility Costs (\$000)	Customer Costs (\$000)	Annual MWh Savings	Lifetime MWh Savings	Winter kW Savings	Summer kW Savings	Number of Customers Served
Residential Programs									
ENERGY STAR Homes	6.59	\$7,058.43	\$892.28	\$178.05	497.4	10,586.6	162.3	139.6	312
ENERGY STAR Lighting	1.26	\$1,502.63	\$882.28	\$308.43	3,616.7	21,754.6	1,416.9	376.5	59,009
ENERGY STAR Appliances	2.40	\$14,509.26	\$1,997.73	\$4,050.39	2,821.4	30,263.4	287.4	373.2	16,741
Home Performance w/ENERGY STAR	2.20	\$6,567.29	\$1,899.50	\$1,082.74	443.7	4,576.8	84.1	14.8	1,050
Home Energy Assistance	1.63	\$4,500.15	\$2,763.38	\$0.00	619.5	9,036.0	72.3	67.1	657
EnergyStar Homes (Geothermal)	2.87	\$1,942.95	\$378.12	\$298.34	1,173.3	29,333.6	311.8	10.3	69
Customer Engagement Program	0.70	\$177.43	\$252.08	\$0.00	2,700.0	2,700.0	283.6	308.2	25,000
Other		\$0.00	\$0.00	\$0.00	0.0	-	-	-	-
Subtotal Residential	2.42	\$36,258.14	\$9,065.357	\$5,917.96	11,872.0	108,251.0	2,618.5	1,289.7	102,838
Commercial/Industrial Programs									
Large Business Energy Solutions	2.26	\$21,208.09	\$5,052.89	\$4,316.13	15,447.8	205,517.8	2,047.4	2,794.7	349
Small Business Energy Solutions	1.86	\$12,227.37	\$3,518.50	\$3,054.66	7,900.4	107,385.3	1,304.5	1,243.9	1,610
Other (Education)	0.00	\$0.00	\$191.63	\$0.00	0.0	-	-	-	4
C&I RFP Energy Rewards Program	2.83	\$2,955.59	\$561.43	\$482.54	2,979.2	34,723.2	405.1	611.7	12
CI Partnerships		\$0.00	\$32.75	\$0.00	0.0	-	-	-	6
Other		\$0.00	\$0.00	\$0.00	0.0	-	-	-	-
Subtotal C&I	2.11	\$36,391.05	\$9,357.199	\$7,853.33	26,327.3	347,626.3	3,757.1	4,650.3	1,982
Smart Start	2.11	\$0.00	\$35.00	\$0.00	0.0	-	-	0	-
ISO-NE Forward Capacity Market		\$0.00	\$200.00	\$0.00	0.0	-	-	0	-
		\$0.00	\$235.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-
Total	2.24	\$72,649.19	\$18,657.556	\$13,771.29	38,199.3	455,877.4	6,375.6	5,940.1	104,820

Note 1: Includes 59,009 customers purchasing a total of 236,036 lighting products.

Note 2: Includes 200 Fuel Blind Home Energy Solutions Pilot Program participants

Present Value Benefits - 2013 ACTUAL

	Total Benefits	CAPACITY				ENERGY				Non Electric Resource
		Summer Generation	Winter Generation	Transmission	Distribution	Winter Peak	Off Peak	Summer Peak	Summer Off Peak	
Residential Programs										
ENERGY STAR Homes	\$7,432,666	\$659,066	\$0	\$119,822	\$384,848	\$510,921	\$651,077	\$256,307	\$323,005	\$4,527,620
ENERGY STAR Lighting	\$2,178,130	\$167,703	\$0	\$49,165	\$157,910	\$524,076	\$677,209	\$270,625	\$331,441	\$0
ENERGY STAR Appliances	\$15,106,817	\$312,128	\$0	\$98,406	\$316,062	\$197,869	-\$8,876	\$369,146	\$379,151	\$13,442,931
Home Performance w/ENERGY STAR	\$219,759	\$606	\$0	\$246	\$791	\$66,652	\$108,536	\$19,390	\$23,538	\$0
Home Energy Assistance	\$5,891,470	\$45,740	\$0	\$12,983	\$41,698	\$142,578	\$197,234	\$66,766	\$81,242	\$5,303,229
EnergyStar Homes (Geothermal)	\$718,189	\$8,651	\$0	\$1,560	\$5,011	\$229,737	\$445,226	\$13,750	\$14,253	\$0
Customer Engagement Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Residential	\$31,547,030	\$1,193,895	\$0	\$282,182	\$906,320	\$1,671,832	\$2,070,406	\$995,985	\$1,152,630	\$23,273,780
Commercial/Industrial Programs										
Large Business Energy Solutions	\$21,048,416	\$2,296,660	\$0	\$574,057	\$1,843,769	\$3,656,991	\$4,727,745	\$3,774,091	\$3,055,619	\$1,119,485
Small Business Energy Solutions	\$14,273,636	\$1,382,183	\$0	\$359,912	\$1,155,976	\$3,461,475	\$3,230,646	\$1,892,251	\$1,626,735	\$1,164,458
Other (Education)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
C&I RFP Energy Rewards Program	\$2,583,729	\$270,181	\$0	\$75,660	\$243,006	\$286,335	\$541,494	\$629,117	\$537,936	\$0
CI Partnerships	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal C&I	\$37,905,781	\$3,949,025	\$0	\$1,009,629	\$3,242,750	\$7,404,801	\$8,499,885	\$6,295,459	\$5,220,290	\$2,283,943
Smart Start	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
HPwES Fuel Neutral	\$6,231,339	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,231,339
ISO-NE Forward Capacity Market	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Other	\$6,231,339	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,231,339
Total	\$75,684,151	\$5,142,919	\$0	\$1,291,811	\$4,149,071	\$9,076,633	\$10,570,291	\$7,291,443	\$6,372,920	\$31,789,062

Present Value Benefits - 2013 PLAN

	Total Benefits	CAPACITY				ENERGY				Non Electric Resource
		Summer Generation	Winter Generation	Transmission	Distribution	Winter Peak	Winter Off Peak	Summer Peak	Summer Off Peak	
Residential Programs										
ENERGY STAR Homes	\$7,058,433	\$260,568	\$0	\$47,691	\$153,177	\$203,423	\$259,321	\$102,141	\$128,597	\$5,903,515
ENERGY STAR Lighting	\$1,502,629	\$97,720	\$0	\$36,133	\$116,052	\$363,629	\$470,624	\$188,852	\$229,620	
ENERGY STAR Appliances	\$14,509,257	\$194,438	\$0	\$62,613	\$201,101	\$508,578	\$646,689	\$305,474	\$347,615	\$12,242,749
Home Performance w/ENERGY STAR	\$6,567,294	\$4,506	\$0	\$1,884	\$6,051	\$83,262	\$136,215	\$23,918	\$29,000	\$6,282,457
Home Energy Assistance	\$4,500,149	\$59,993	\$0	\$14,746	\$47,363	\$162,357	\$220,871	\$77,767	\$95,084	\$3,821,967
EnergyStar Homes (Geothermal)	\$1,942,953	\$20,563	\$0	\$3,708	\$11,910	\$623,220	\$1,222,286	\$33,109	\$28,156	\$0
Customer Engagement Program	\$177,429	\$13,706	\$0	\$5,129	\$16,472	\$41,080	\$53,238	\$21,615	\$26,190	\$0
Other	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Subtotal Residential	\$36,258,144	\$651,493	\$0	\$171,904	\$552,127	\$1,985,549	\$3,009,245	\$752,877	\$884,261	\$28,250,688
Commercial/Industrial Programs										
Large Business Energy Solutions	\$21,208,090	\$2,246,343	\$0	\$581,009	\$1,866,098	\$3,052,116	\$3,342,198	\$3,514,421	\$2,861,436	\$3,744,469
Small Business Energy Solutions	\$12,227,370	\$1,050,381	\$0	\$264,943	\$850,950	\$2,331,989	\$1,985,923	\$1,312,708	\$1,058,623	\$3,371,853
Other (Education)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
C&I RFP Energy Rewards Program	\$2,955,591	\$362,763	\$0	\$109,724	\$352,414	\$412,245	\$480,882	\$685,603	\$551,959	\$0
CI Partnerships	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Subtotal C&I	\$36,391,051	\$3,659,487	\$0	\$955,676	\$3,069,462	\$5,796,350	\$5,809,003	\$5,512,733	\$4,472,018	\$7,116,323
Smart Start	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$72,649,195	\$4,310,979	\$0	\$1,127,580	\$3,621,589	\$7,781,899	\$8,818,248	\$6,265,609	\$5,356,279	\$35,367,011

Performance Incentive Calculation 2013

	<u>Planned</u>	<u>Actual</u>
Commercial/Industrial Incentive		
1. Benefit/Cost Ratio	2.03	2.07
2. Threshold Benefit / Cost Ratio ¹	1.00	
3. Lifetime kWh Savings	347,626,342	442,776,523
4. Threshold Lifetime kWh Savings (65%) ²	225,957,122	
5. Budget ³	\$9,357,199	\$8,426,865
6. Benefit / Cost Percentage of Budget	4.00%	
7. Lifetime kWh Percentage of Budget	4.00%	
8. C/I Performance Incentive	\$748,576	\$774,256
9. Cap (12%)	\$1,122,864	\$1,011,224
Residential Incentive		
10. Benefit / Cost Ratio	2.31	2.30
11. Threshold Benefit / Cost Ratio ¹	1.00	
12. Lifetime kWh Savings	108,251,027	94,713,977
13. Threshold Lifetime kWh Savings (65%) ²	70,363,167	
14. Budget ³	\$9,065,357	\$7,918,720
15. Benefit / Cost Percentage of Budget	4.00%	
16. Lifetime kWh Percentage of Budget	4.00%	
17. Residential Performance Incentive	\$725,229	\$592,113
18. Cap (12%)	\$1,087,843	\$950,246
19. TOTAL INCENTIVE EARNED	\$1,473,804	\$1,366,369

Notes

1. Actual Benefit / Cost Ratio for each sector must be greater than or equal to 1.0.
2. Actual Lifetime kWh Savings for each sector must be greater than or equal to 65% of projected savings.
3. The actual expenses are reduced by the HPwES Fuel Neutral portion on the final year-end incentive calculation per NHPUC Order Nos. 24,974 and 25,402.

Planned Versus Actual Benefit / Cost Ratio by Sector
2013

	<u>Planned</u>	<u>Actual</u>
Commercial & Industrial:		
1. Benefits (Value) From Eligible Programs	\$ 36,391,051	\$ 37,905,781
2. Implementation Expenses	\$ 9,357,199	\$ 8,426,865
3. Customer Contribution	\$ 7,853,327	\$ 9,080,044
4. Estimated Performance Incentive	<u>\$ 748,576</u>	<u>\$ 774,256</u>
5. Total Costs (including performance incentive)	\$ 17,959,102	\$ 18,281,165
6. Benefit/Cost Ratio - C&I Sector	2.03	2.07
 Residential:		
7. Benefits (Value) From Eligible Programs	\$ 36,258,144	\$ 31,547,030
8. Implementation Expenses	\$ 9,065,357	\$ 7,918,720
9. Customer Contribution	\$ 5,917,961	\$ 5,825,773
10. Estimated Performance Incentive	<u>\$ 725,229</u>	<u>\$ 592,113</u>
11. Total Costs (including performance incentive)	\$ 15,708,546	\$ 13,744,492
12. Benefit/Cost Ratio - Residential Sector	2.31	2.30

**Actual Lifetime Energy Savings by Sector and Program
2013**

	Lifetime kWh Savings	
	<u>Planned</u>	<u>Actual</u>
Commercial & Industrial:		
Large Business Energy Solutions	205,517,772	245,088,812
Small Business Energy Solutions	107,385,321	165,100,123
Other (Education)	0	0
C&I RFP Energy Rewards Program	34,723,249	32,587,588
CI Partnerships	0	0
Other	<u>0</u>	<u>0</u>
 Total Commercial & Industrial Included for Incentive Calculation	 347,626,342	 442,776,523
Residential:		
ENERGY STAR Homes	10,586,608	26,476,301
ENERGY STAR Lighting	21,754,639	30,263,348
ENERGY STAR Appliances	30,263,409	15,501,116
Home Performance w/ENERGY STAR	4,576,774	3,600,115
Home Energy Assistance	9,036,019	8,062,597
EnergyStar Homes (Geothermal)	29,333,578	10,810,500
Customer Engagement Program	2,700,000	0
Other	<u>0</u>	<u>0</u>
 Total Residential Included for Incentive Calculation	 108,251,027	 94,713,977

2013 End of Year Reconciliation

	<u>2013</u>
Carry Forward Balance	\$1,720
Funding:	
System Benefits Charge	\$14,227,565
RGGI Funding	4,726,951
FCM Payments ¹	1,947,091
Interest	182,861
Total Funding for Energy Efficiency Programs	<u>\$21,084,469</u>
Expenses:	
Energy Efficiency Expenditures	\$18,017,319
Performance Incentive - Preliminary Estimate	1,366,369
2% for PSNH Facilities ²	210,692.63
Total Program Expenses	<u>\$19,594,380</u>
Carry Forward Balance	<u>\$1,491,809</u>

Notes

- FCM Payments net of expenses per the NHPUC Audit of 2009

FCM Payments for 2013 -	\$2,047,466
FCM Expenses for 2013 -	<u>\$100,375</u>
FCM Net Amount	\$1,947,091
- This amount will bring the balance at 12/31/2013 to \$600,000, PSNH's balance cap on total accumulation of RSA 125-0 funds, per Secretarial Letter dated November 4, 2010 (Docket 09-170)

Public Service of New Hampshire
Reconciliation

2013 General Ledger Transactions vs Energy Efficiency Program Transactions

General Ledger Balance - 01/01/2013	\$ 4,467,068
General Ledger Balance - 12/31/2013	\$ 4,123,458
2013 Net General Ledger Activity	<u>\$ (343,610)</u>

	General Ledger Transactions	Deduct Impact of Prior/Current Year GL Transactions	Deduct 2012 Transactions Included in 2013 GL	Add 2013 Transactions not Yet Recorded on GL	2013 Program Year
Beginning Balance before transfers(Note 1)					\$1,091,720
Transfer to RGGI Revolving LoanFund	(\$190,000)				(190,000)
Transfer to Smart Start Revolving Loan Fund		(\$900,000)			(900,000)
Beginning Balance After Transfers					\$1,720
FUNDING:					
SBC Funding	\$14,227,565				14,227,565
RRGI Funding (Note 2)	5,404,665	(\$1,886,223)		\$1,208,509	4,726,951
FCM Payments - Net	1,947,091				1,947,091
SS Bad Debt Transfer	-				-
2013 Interest: GL Jan-Nov, EE YTD	178,600		(12,571)	16,832	182,861
Total Funding	\$21,567,922	(\$1,886,223)	(\$12,571)	\$1,225,341	21,084,469
EXPENSES:					
EE Expenses: Jan-Dec 13	\$18,010,837	(\$86,245)			\$17,924,592
SmartStart EE Expenses: Jan-Dec 13		(264,661)	-		(\$264,661)
Usage of 2% PSNH Facilities set-aside	210,693	(210,693)			-
2% PSNH Facilities set-aside				210,693	\$210,692.63
2013 EE Expenses: Jan-Feb 14		-		357,388	\$357,388
2012 EE Expenses: Jan-Apr 13	2,305,147		(2,305,147)		-
2013 Performance Incentive	1,336,030			30,339	\$1,366,369
2012 Performance Incentive True-up	21,186		(21,186)		-
2013 OH Charges Excluded from Prog. Yr.	27,640	(27,640)			-
Transfer to RGGI Revolving LoanFund		(190,000)			-
Total Expenses	\$21,911,532	(\$779,239)	(\$2,326,333)	\$598,420	\$19,594,380
Net: Funding less Expenses	(\$343,610)	(\$1,106,985)	\$2,313,762	\$626,921	\$1,491,809

Notes:

(1) Per NHPUC letter of October 25, 2013, authorizing the transfer of \$900,000 and \$190,000, to PSNH 's Smart Start Program and Residential Program, respectively.

(2) RGGI Funding of \$1,886,223 is for the 2014 Program Year.
RGGI Funding of \$1,208,509 for Program Year 2013 was received in Feb, 2014

**RGGI Expansion
 of NH CORE Energy Efficiency Programs
 2012 - 2013
 Calculation of Performance Incentive**

Programs	Planned	Actual
Residential		
Home Performance w/ENERGY STAR	\$0	\$0
ENERGY STAR Appliances	\$36,517	\$36,517
Home Energy Assistance	<u>\$989,642</u>	<u>\$989,376</u>
	\$1,026,159	\$1,025,893
Commercial, Industrial & Municipal		
Large Business New Equip. & Construction	\$213,000	\$227,899
Large Business Retrofit	\$651,847	\$629,674
Small Business Energy Solutions	\$230,000	\$237,810
Education (Energy Code Training)	<u>\$18,259</u>	<u>\$18,244</u>
	\$1,113,106	\$1,113,627
Total Residential, Commercial, Industrial & Municipal	\$2,139,265	\$2,139,520
Balance Remaining (Planned less Actual)	-\$255	
Performance Incentive		
Residential (Excludes Home Energy Assistance)	\$2,921	\$2,921
Commercial & Industrial & Municipal	<u>\$89,048</u>	<u>\$89,090</u>
Total	\$91,970	\$92,012

Notes:

(1) Authorized by Order No. 25,425 in Docket DE 10-188.

(2) PSNH received \$2,139,265 on February 26, 2013 for planned program expenses as authorized by the Commission in its Order No. 25,425 in DE 10-188. PSNH is seeking recovery of \$92,267 which is the total of the actual performance incentive amount of \$92,012 based on actual program expenses and additional expenditures of \$255.

**RGGI Expansion
 of NH CORE Energy Efficiency Programs
 2012 - 2013**

Actual Lifetime Energy Savings and Customers Served by Sector and Program

Programs	Actual Lifetime kWh	Actual Lifetime MMBTU	Number of Customers Served
Residential Programs			
Home Performance w/ ENERGY STAR	0	0	0
ENERGY STAR Appliances	-192,768	8,453	68
Home Energy Assistance	<u>2,570,210</u>	<u>68,938</u>	<u>177</u>
	2,377,442	77,391	245
Commercial, Industrial & Municipal			
Large Business New Equip. & Construction	7,979,110	0	19
Large Business Retrofit	66,204,949	0	60
Small Business Energy Solutions	12,663,806	0	29
Education (Energy Code Training)	<u>0</u>	<u>0</u>	<u>0</u>
	86,847,865	0	108
Total Residential, Commercial, Industrial & Municipal	89,225,307	77,391	353

Notes:

(1) As approved by Commission Order No. 25,425 in Docket DE 10-188, there were no planned lifetime kWh savings.