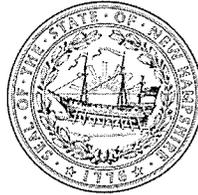


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STATE OF NEW HAMPSHIRE



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July 31, 2015

HPUC BAIG 15A9128

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

Re: DE 14-216 Eversource Request to Transfer 2014 Carryover Funds to 2015 Municipal Program, HPwES Program and Small Business Program and to 2016 HEA Program

Dear Ms. Howland:

On July 27, 2015, Eversource filed a request to transfer funds. Eversource learned in its June 24, 2015 Annual Report and Performance Incentive Calculation that a balance of \$1,255,827 remains available to transfer to Eversource's 2015 and 2016 Energy Efficiency Program budgets.

Specifically, Eversource requests Commission authority to transfer \$373,131 to the Municipal Program budget. In addition, Eversource is requesting Commission approval to transfer \$300,663 to the 2015 Home Performance with Energy Star Program (HPwES Program) and \$445,215 to the 2015 Small Business Energy Solutions Program budget. The remaining balance of \$136,818 will be included in the 2016 Home Energy Assistance Program budget in the Program Year 2016 Update Plan which will be filed with the Commission by September 30, 2015. Eversource provided Attachment A which illustrates how the funds will be allocated.

Staff supports Eversource's proposed increases to the 2015 Municipal Program, the HPwES Program and the Small Business Energy Solutions Program budget. Staff does not oppose Eversource's request concerning the 2016 HEA funds but notes that Commission approval for the 2016 program budget will be made after the utilities' file their program proposals next month.

With respect to the 2015 residential sector budget increase, Staff wishes to note that it may raise the broader issue concerning the performance incentive but Staff will need to wait and see the results of the 2015 program expenditures. Staff's concerns are similar to concerns it raised when Eversource requested to increase its 2014 budget. Staff's response to Eversource's request is at Tab 151 in Docket No. DE 12-262. Staff's concerns never materialized because Eversource's performance incentives were calculated based on the 5% cap authorized by the Commission. Nonetheless, Staff wishes to raise the performance incentive issue because it's possible for the

concern to materialize when Eversource calculates its performance incentives for 2015 program year spending. At that time, if Eversource exceeds the 5% cap, then Staff will develop its position but that position will likely urge the Commission to limit Eversource's performance incentive to 105% of its original Commission-approved budget for 2015. This is the concern at this point and Staff appreciates the opportunity to raise it.

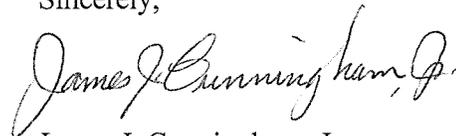
Other issues concerning the transfer that Staff wishes to raise are that any Municipal Programs balance is required to be carried over to the Municipal Program; and that the Home Energy Assistance low income program receivers a 15.5% allocation. Eversource's request satisfies both requirements.

Because this is a budget increase and not a transfer governed by section C of the 2015-2016 of the 2015 Core New Hampshire Energy Efficiency Programs, Commission approval will be necessary. (See Docket No. DE 14-216, Exhibit 3, Attachments, at 24). For comparison, certain transfers within the budget are already authorized by the Commission. Eversource's request does not fall within those previously authorized circumstances.

Staff notes that Office of Consumer Advocate (OCA), The Way Home (TWH), the Department of Environmental Services (DES) and Community Action Agencies (CAA) have indicated their support for Eversource's request.

In conclusion, Staff recommends that Commission issue an order approving Eversource's request to increase its 2015 Municipal Program budget by \$373,131, its 2015 HPwES Program Residential Sector budget by \$300,663 and its 2015 Small Business C&I Sector budget by \$445,215.

Sincerely,

A handwritten signature in cursive script that reads "James J. Cunningham, Jr." with a small flourish at the end.

James J. Cunningham, Jr.  
Staff Analyst

cc. Service List

**SERVICE LIST - EMAIL ADDRESSES - DOCKET RELATED**

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Pursuant to N.H. Admin Rule Puc 203.11 (a) (1): Serve an electronic copy on each person identified on the service list.

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Docket #: 14-216-1 Printed: August 03, 2015

**FILING INSTRUCTIONS:**

- a) Pursuant to N.H. Admin Rule Puc 203.02 (a), with the exception of Discovery, file 7 copies, as well as an electronic copy, of all documents including cover letter with:
- DEBRA A HOWLAND  
EXECUTIVE DIRECTOR  
NHPUC  
21 S. FRUIT ST, SUITE 10  
CONCORD NH 03301-2429
- b) Serve an electronic copy with each person identified on the Commission's service list and with the Office of Consumer Advocate.
- c) Serve a written copy on each person on the service list not able to receive electronic mail.

woodsca@nhec.com

Docket #: 14-216-1

Printed: August 03, 2015