

STATE OF NEW HAMPSHIRE

BEFORE THE

PUBLIC UTILITIES COMMISSION

Docket No. DE 20-092

2021-2023 Triennial Energy Efficiency Plan

REBUTTAL TESTIMONY OF

DAVID G. HILL, PH.D.

On behalf of Clean Energy NH

December 3, 2020

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I. Introduction and Qualifications

1

2 **Q: Please state your name and professional title.**

3 **A:** My name is David Hill and I am a Managing Consultant with Energy Futures Group, Inc.

4 in Hinesburg, Vermont.

5 **Q: On whose behalf are you providing rebuttal testimony?**

6 **A:** I am testifying on behalf of Clean Energy New Hampshire (“CENH”).

7 **Q: Have you previously provided testimony in this docket?**

8 **A:** Yes.

9 **Q: What is the purpose of your rebuttal testimony?**

10 **A:** The purpose of my testimony is to explain Clean Energy New Hampshire’s (“CENH”) support for a settlement agreement reached by most of the parties in this docket (“Settlement”),
11 to rebut a position presented in the direct testimony of the Public Utilities Commission Staff (the
12 “Staff”), and to address public comments submitted in this docket.
13

14 **Q: Why did CENH enter into and support the Settlement?**

15 **A:** The Settlement is acceptable to CENH because it promises to achieve the overarching
16 purpose of the Energy Efficiency Resource Standard (“EERS”) and to continue the progress New

1 Hampshire is making in capturing the benefits of investment in energy efficiency. In order to
2 address concerns over the near-term rate increase voiced by the Staff and some C&I customers,
3 the Settlement slightly reduces the program's savings and spending. The Settlement's reduction
4 in savings goals should not be taken to mean there is a lack of cost-effective savings
5 opportunities. The reductions reflected in the Settlement are strictly a response to the concerns
6 of the Staff over the near-term rate impacts for some C&I customers. In the Settlement, the
7 signatory parties are offering a compromise position that acknowledges these concerns of the
8 Staff. However, CENH also notes the Staff is not giving due consideration to the long-term
9 economic benefits of cost-effective energy efficiency or to the long-term benefits that energy
10 efficiency spending has on rates and customer bills. CENH supports the Settlement as a
11 compromise to achieve the purpose of the EERS and to address the Staff's concerns.

12 **Q: What are your concerns with the Staff's testimony?**

13 **A:** My concern is with the Staff's proposed hard cap on the systems benefit charge ("SBC").
14 Moreover, I want to highlight the value of the SBC to ratepayers. It was critically important that
15 the year-long stakeholder engagement resulted in overwhelming agreement on the plan (and SBC
16 increases). The Staff is the only docket party to disagree with or express concern regarding the
17 SBC. Without supporting analysis or rationale, the Staff argue there should be an arbitrary cap
18 limiting near term increases of the SBC for C&I customers. Adopting such a cap is antithetical
19 to planning that identifies and invests in cost effective energy efficiency based on the Granite
20 State Test. The utility plan includes a rate and bill impact analysis illustrating how the proposed
21 efficiency portfolio is likely to reduce, or only slightly increase, the long-term rates and bills for
22 most customers. Acknowledging the current economic headwinds created by COVID-19, the
23 Settlement allows for a modest decrease in spending, savings, and the projected near-term rate

1 impacts. However, the Staff's position of dictating there is a hard cap on near-term rate impacts
2 is not justified nor supported by the regulatory and statutory framework within which the parties
3 have planned and screened the proposed portfolios. Finally, I would like to note that the
4 Triennial Plan proposes a rate increase for C&I customers that is higher than the increases for
5 other customer classes because there is more potential to achieve savings in the C&I sector. The
6 savings benefits to those customers is a critically important part of the plan.

7 **Q: There was recently a public comment submitted to the Commission proposing that**
8 **the efficiency programs be indefinitely postponed due to the pandemic. What are**
9 **your thoughts on that recommendation?**

10 **A:** CENH strongly opposes any recommendations that suggest efficiency program spending
11 should be postponed or suspended due to the COVID-19 pandemic. While these are difficult
12 times, it is precisely the wrong time to suspend or postpone spending on cost effective energy
13 efficiency. The spending will help to increase energy affordability for the state, to create a new
14 generation of clean energy jobs, and to allow businesses to remain competitive. As described in
15 my earlier testimony, the implementation of the proposed plan, and now the proposed
16 Settlement, would provide substantial economic benefits to New Hampshire. NHSaves, as
17 proposed in the Settlement, can serve as an economic stimulus and prudent investment in the
18 State's recovery and economic future. Suspending the programs would create significant job
19 losses, confuse and disadvantage customers, and disrupt the supply chains and investments that
20 have been made to help build the infrastructure to deliver savings. Implementing the new plan
21 would create new jobs and workforce development.

22 **Q: Does this conclude your testimony?**

23 **A:** Yes, it does.