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November 23, 2020

Debra A. Howland  
Executive Director  
State of New Hampshire  
Public Utilities Commission  
21 S. Fruit Street, Suite 10  
Concord, New Hampshire 03301-2492

Re: DE 17-136, Eversource 2020 Request to over-spend Residential Sector Budget.

Dear Director Howland:

Eversource has calculated it will over-spend the Energy Efficiency Residential Sector budget for program year 2020. Eversource expects that spending for the Residential Sector in 2020 will be \$25,888,617, or 114% of the original budget. Eversource expects that the spending for the Commercial and Industrial ("C&I") Sector will be \$20,643,226, or 84% of the original budget. The result is total portfolio spending anticipated at 98% of the original budget.

The 2018-2020 NH Statewide Energy Efficiency Plan states the following:

- "Once the budgets are approved, there will be no movement of funds between the Residential and Commercial & Industrial sectors unless specifically approved by the Commission. In addition, no funds shall be transferred from the Home Energy Assistance Program without prior approval by the Commission.
- The NH Utilities shall provide notification to the Commission if an individual program's actual expenditures are forecasted to exceed 120 percent of the program's budget "The NH Utilities shall provide notification to the Commission if an individual program's actual expenditures are forecasted to exceed 120 percent of the program's budget."

Section 4.3, Bates page 35. The 2018-2020 Plan was adopted by the Commission in Order No. 26, 095 (January 2, 2018).

Eversource requests approval to move funding from the underspent Commercial sector in 2020 to allow for continued work and projected over-spending in the Residential sector, particularly the Income Eligible program. Additionally this letter serves as notification that Eversource expects to exceed 120 percent of the original Income Eligible program budget in 2020.

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The originally filed 2020 Residential Sector budget is \$22,799,956. Eversource anticipates 2020 spending of \$25,888,617 in the Residential Sector, which is \$3,088,661 more than the original budget, but that additional spending can be covered by underspending in the C&I sector. The additional residential funding will be utilized primarily in the Income Eligible program, which is anticipated to exceed its original budget by \$2,564,116.

The chart below outlines Residential Sector spending, as well as detailed portfolio spending projections. All projections are based on current invoicing, a review of projects in the pipeline and anticipated completion dates. As is always the case, actual spending will differ from projections due to shifts in actual project completion dates, customer delays or vendor invoicing.

Table 1: 2020 Portfolio Projections

Program	Original 2020 Budget	Anticipated 2020 Actual Spending	Anticipated spending as % of budget	Difference - over/(under) Original budget
Resi - HPwES	\$ 6,543,680	\$ 7,592,970	116%	\$1,049,290
Resi - Produits	\$ 5,745,856	\$ 5,867,836	102%	\$121,980
Resi - ES Homes	\$ 2,271,812	\$ 1,625,087	72%	(\$646,725)
Resi - Low-Income	\$ 8,110,149	\$ 10,674,265	132%	\$2,564,116
Resi - ADR	\$ 128,459	\$ 128,459	100%	\$0
<b>Residential Total</b>	<b>\$ 22,799,956</b>	<b>\$ 25,888,617</b>	<b>114%</b>	<b>\$3,088,661</b>
C&I Large	\$ 13,583,836	\$ 9,187,513	68%	(\$4,396,323)
C&I Small	\$ 6,678,372	\$ 7,845,379	117%	\$1,167,007
C&I Municipal	\$ 1,447,985	\$ 1,097,757	76%	(\$350,228)
C&I RFP	\$ 1,482,952	\$ 1,020,610	69%	(\$462,342)
C&I ADR	\$ 380,187	\$ 380,187	100%	\$0
Other (FCM/CEP/EDU/	\$ 1,134,470	\$ 1,111,780	98%	(\$22,690)
<b>C&amp;I Total</b>	<b>\$ 24,707,802</b>	<b>\$ 20,643,226</b>	<b>84%</b>	<b>(\$4,064,576)</b>
<b>Grand Total</b>	<b>\$ 47,507,758</b>	<b>\$ 46,531,843</b>	<b>98%</b>	<b>(\$975,915)</b>

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Additional spending in the Residential sector during 2020 allows the energy efficiency programs to assist customers in reducing energy use during a time when they may be using more energy at home while simultaneously experiencing economic hardship or uncertainty due to the impacts of the COVID-19 pandemic. Particularly in the income-eligible population, energy efficiency projects can provide critical financial benefits as well as energy savings and improved health and safety for vulnerable families and individuals. The effort to move efficiency projects forward in 2020 also provides key stability for energy efficiency contractors and workforce during what has been a very difficult year for businesses in New Hampshire. In a year when commercial customers have had more difficulty in planning for and completing energy efficiency projects, the Residential Sector has seen high customer demand and will provide a significant contribution toward the 2020 energy savings targets.

Eversource requests the Commission approve the increase to Residential Sector spending to \$25,888,617, as detailed above in this letter. Final 2020 expenditures for all programs will be summarized in the 2020 Performance Incentive filing due by June 1, 2021.

Please let us know if there are any questions concerning this request.

Very truly yours,



Kate W. Peters  
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cc: DE 17-136 Service List (by electronic mail only)