

2018 – 2020 Statewide Energy Efficiency Plan

September 15, 2017

Presentation to the NH Energy Efficiency and
Sustainable Energy Board

NHSAVES

EVERSOURCE

 **Liberty Utilities**

 **NEW HAMPSHIRE
Electric Co-op**

 **Unitil**
energy for life

Long-Term Vision

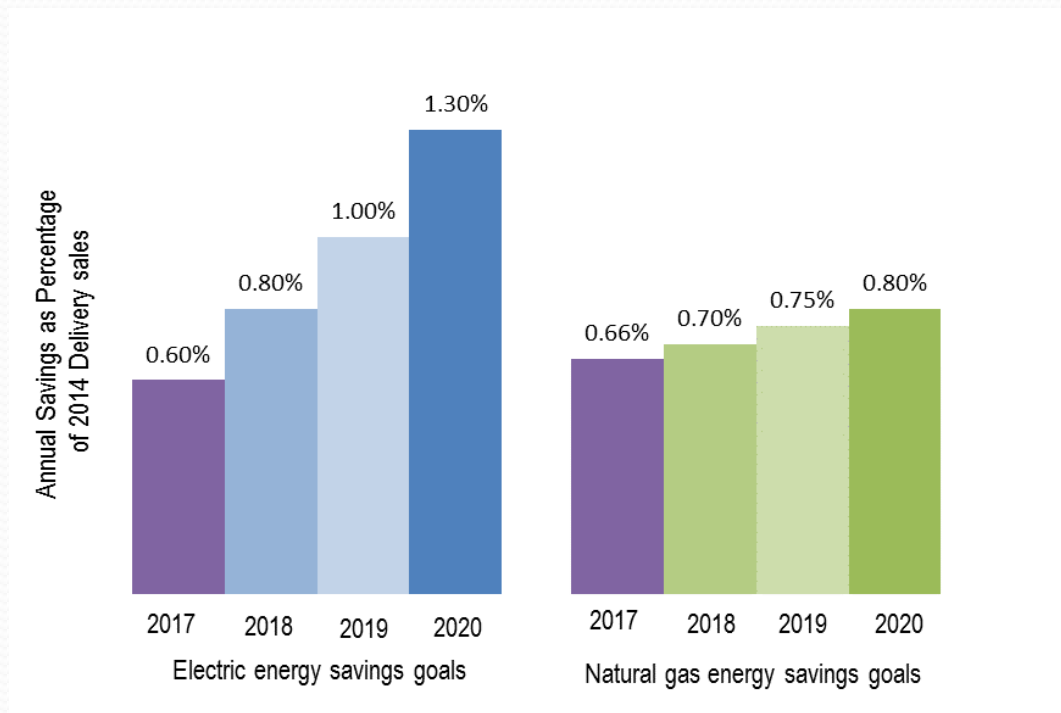
- Energy Efficiency is a key strategy for building a modern and sustainable energy future
 - Market Transformation
 - Capturing all cost-effective energy efficiency
 - Delivering the value of energy efficiency to the NH economy

Vision for the 2018-2020 Plan

- The 2018-2020 Plan makes significant progress toward the larger vision
 - Provide a portfolio of cost effective and comprehensive electric and natural gas programs, available to all customers with a secondary focus on fuel-neutral savings
 - Expand the reach of existing programs by serving more customers
 - Enhance customer experience
 - Engage stakeholders to increase customer participation and energy savings
 - Expand product and service provider infrastructure
 - Stimulate customer and other private investment



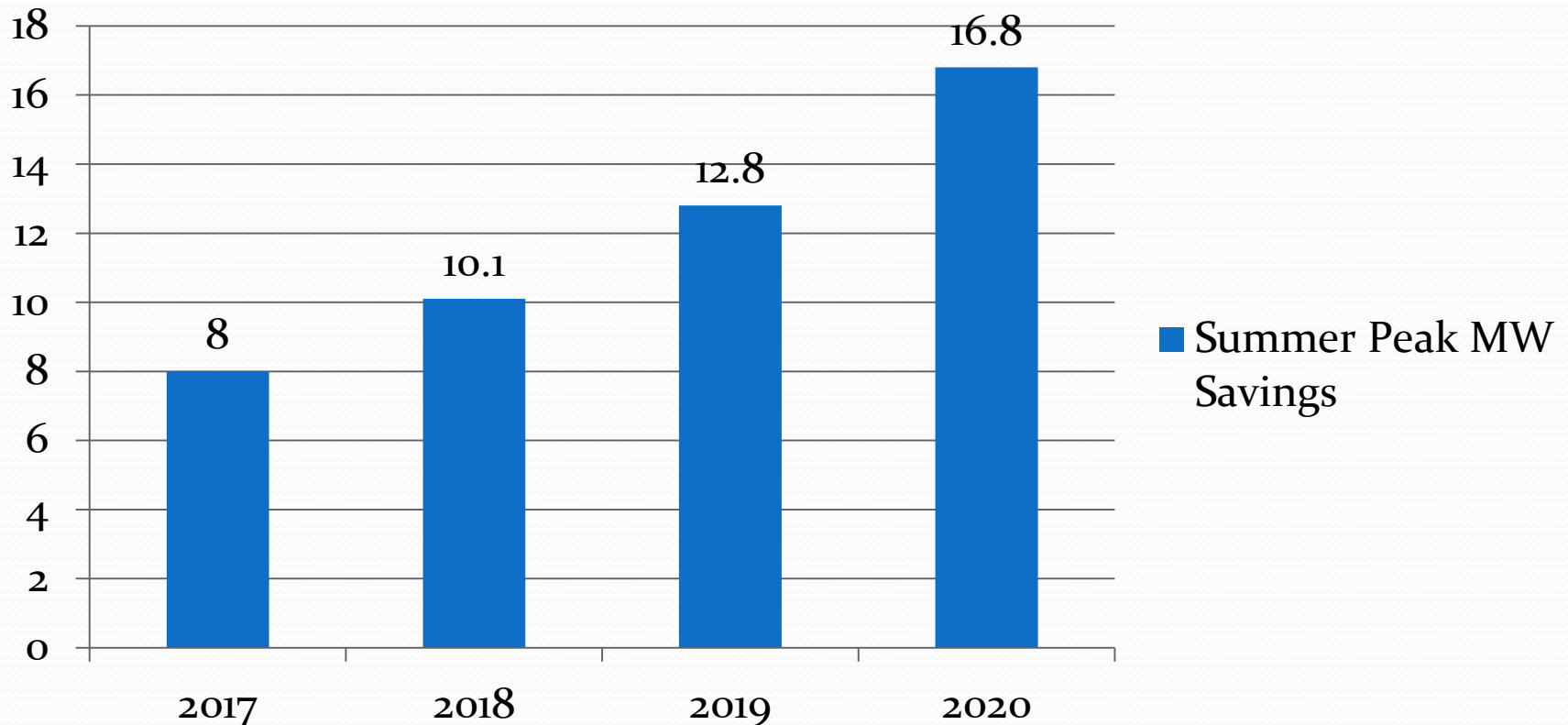
Increasing Energy Savings



- Over the lifetime of the measures the 2018-2020 Program saves:
 - **4 billion electric kilowatt-hours**
 - **7.5 million natural gas MMBtus**
 - **5.4 million MMBtu from other fuels** such as oil and propane.

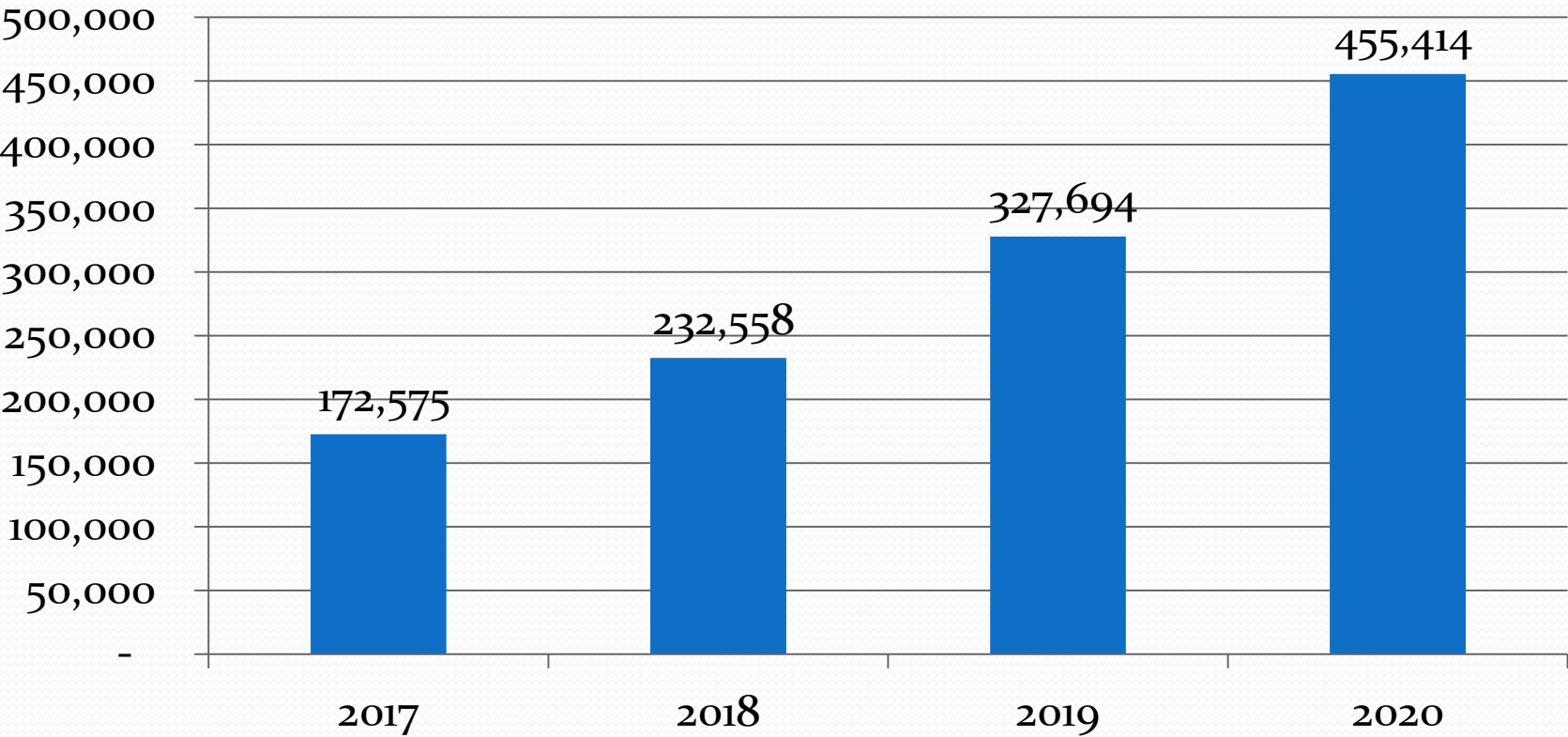
Increasing Peak Savings

Summer Peak MW Savings (Annual)



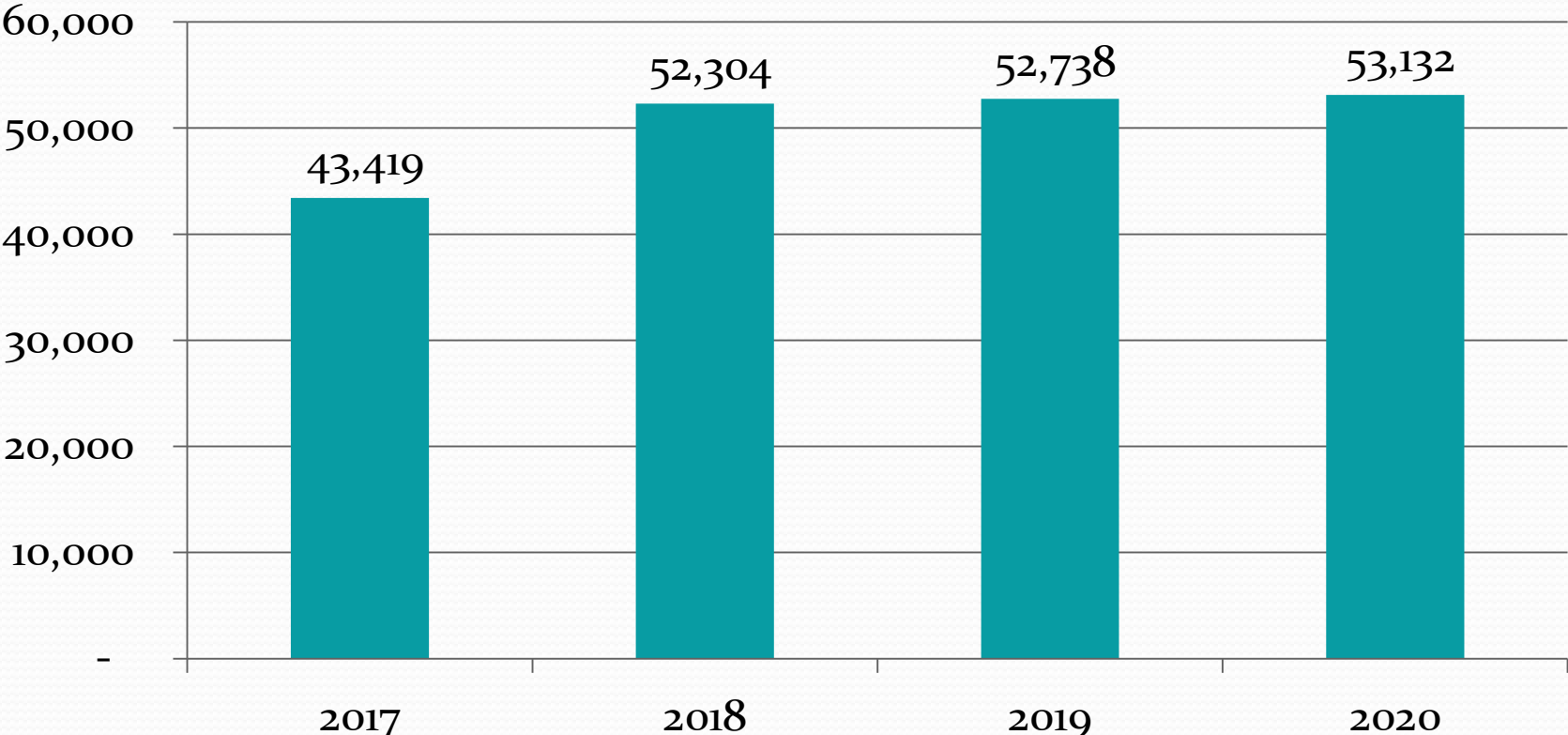
Serving and Engaging More Customers

Electric Projects



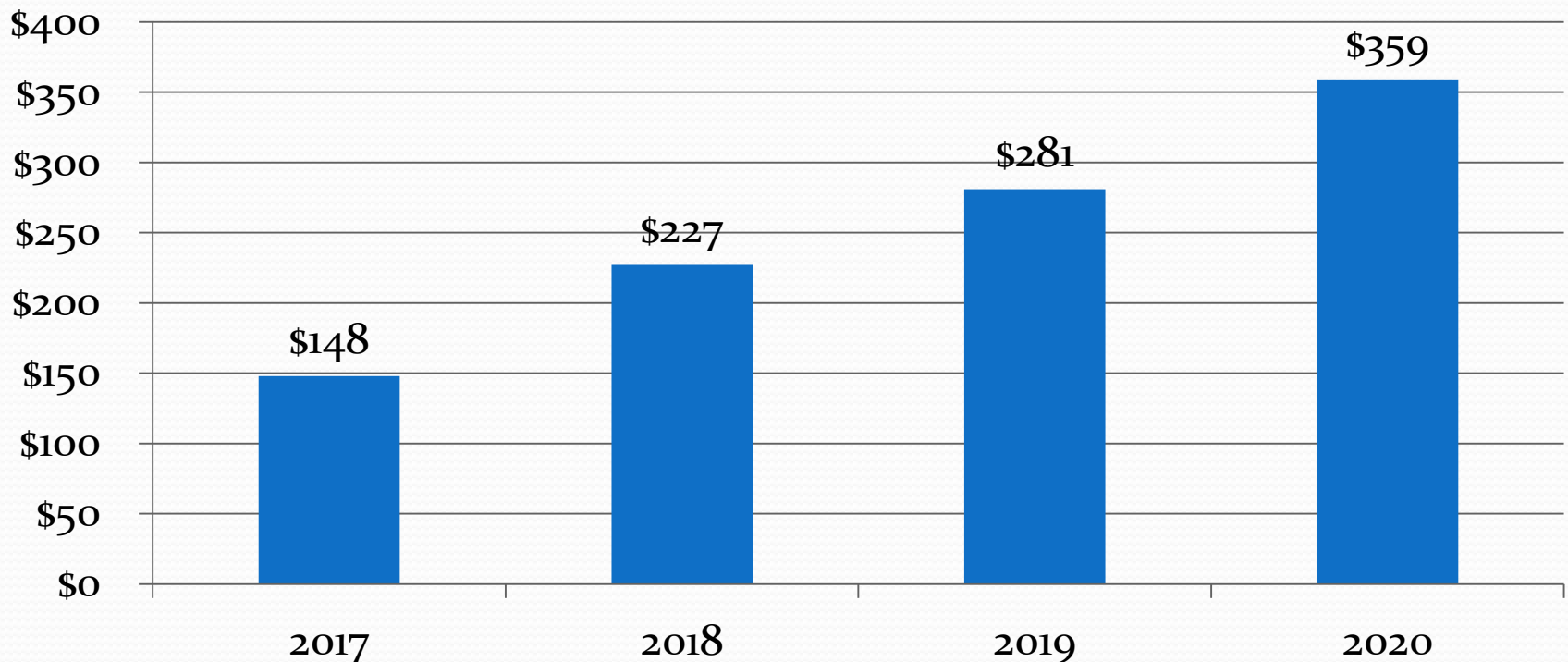
Serving and Engaging More Customers

Natural Gas Projects



Increase Customer Savings

Customer Cost Savings over the Lifetime of Measures (\$ Millions)



Economic and Environmental Benefits

Customers will save more than \$867 million dollars on energy costs, which can be reinvested in the NH economy

The 2018-2020 Plan will support 2,096 full time equivalents or 4.4 million work hours.

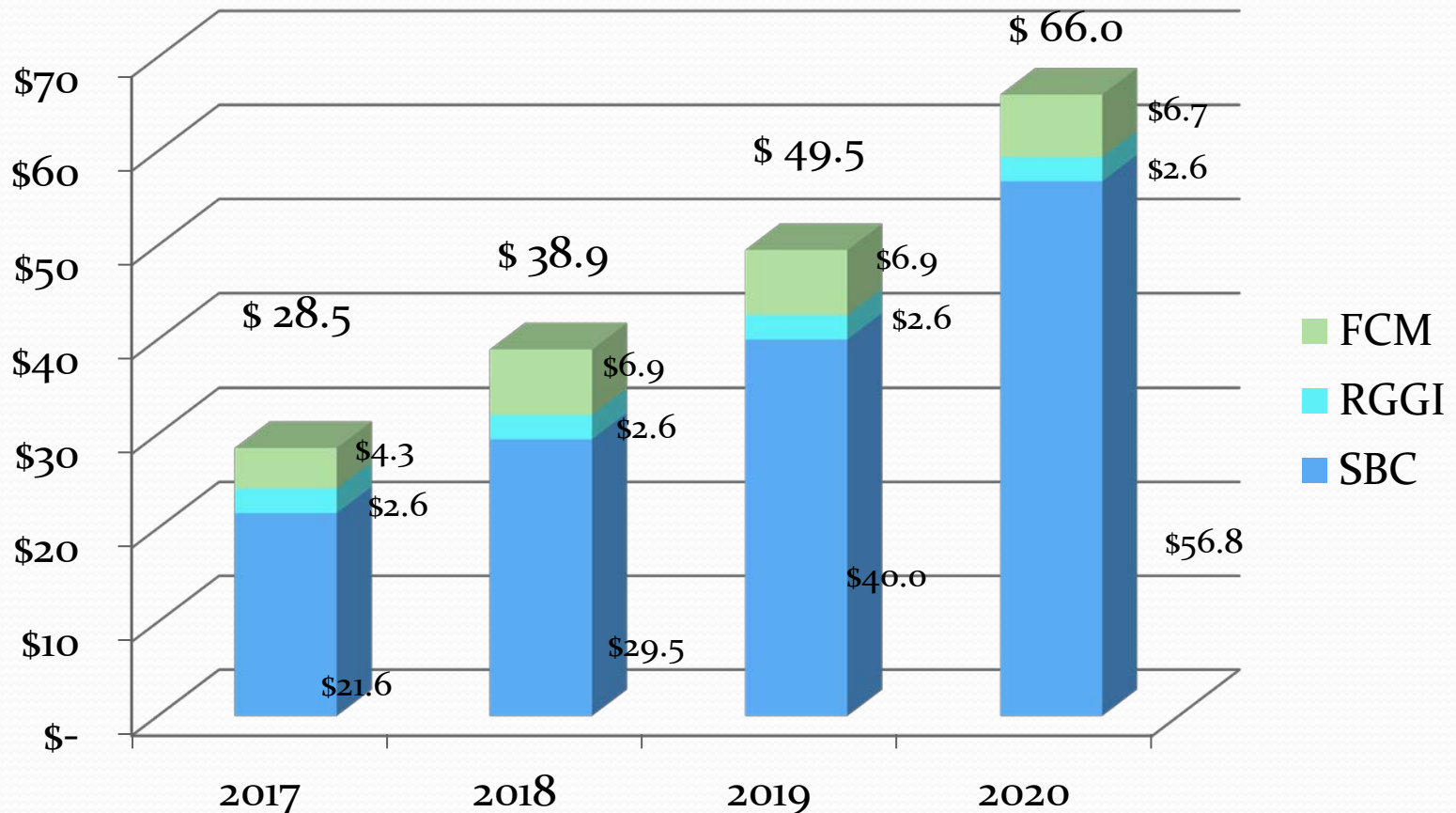
Energy efficiency can be procured at about one-half the cost of generating electricity from traditional and alternative fuel sources.

A reduction of more than 2.8 million tons of greenhouse gas emissions – the equivalent of taking 606 thousand passenger vehicles off the road for one year



Funding Sources - Electric Program

(in Millions)



Funding Sources – Natural Gas Program

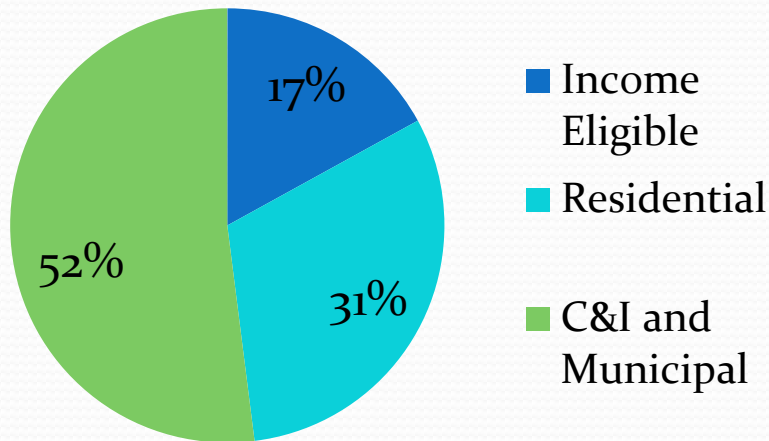
(in Millions)

Local Delivery Adjustment Charge

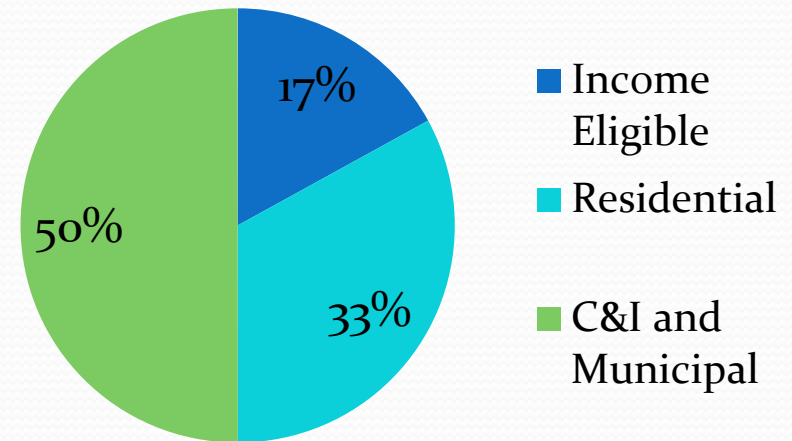


Budget Allocation by Sector

Electric - percent of budget allocated



Natural Gas - percent of budget allocated



Residential NHTSaves Programs

- **ENERGY STAR® Homes** provides incentives to customers or builders who are constructing highly efficient new homes.
- **Home Performance with ENERGY STAR (HPwES)** provides comprehensive energy efficiency improvements for existing homes.
- **Home Energy Assistance** provides energy-saving support to income eligible residents.
- **ENERGY STAR Products** provides rebates and markdowns to encourage customers to purchase energy-saving products such as lighting, appliances, and heating systems.

Commercial NHTSaves Programs

- **Large Business Energy Solutions** provides incentives to large commercial and industrial customers who are retrofitting existing facilities or equipment, constructing new facilities, adding equipment, or replacing equipment that is at the end of its useful life.
- **Small Business Energy Solutions** provides incentives for new and retrofit projects and also includes turn-key energy services to small commercial customers who lack the time, resources, or expertise to implement energy saving solutions.
- **Municipal Energy Efficiency Program** provides incentives to municipal customers who are constructing new facilities or retrofitting existing facilities.

Utility Specific Programs

- **Home Energy Reports** compare energy performance among homes and encourage greater efficiency.
- **Energy Rewards RFP** encourages customers to submit comprehensive projects as part of a competitive bid process.
- **Customer Engagement Platform** utilizes self-service tools to help customers learn more about energy efficiency and develop a customized energy savings plan.
- **Customer Financing** helps some customers move forward with energy efficiency projects



Partnering with NH's product and service providers

- Qualification standards and quality assurance process encourage and ensure skilled service providers
- Trainings and workshops develop knowledge
- Expanded reach of the programs requires stronger partnerships with more service providers

The NHSaves programs work with approximately 1,200 retailers, electricians, energy auditors, engineers, builders and other clean technology professionals.

Draft Plan Revision Process

- Draft Plan submitted May 31, 2017
- Review with EESE Board at June 16 meeting
- Weekly meetings with EERS Committee and Consultant over 7 weeks
- Discussion and resolution from EESE Board at July 18 meeting
- NH Utility review, modeling and adjustments made for September 1, 2017 filing of Plan
- DE 17-136 now underway at NH PUC

Plan Clarity and Detail

- Clarified Plan Vision
 - Elements carry through each program
- Adjustments to organization and structure of narrative
- Additional information on program elements
- Added 3-Year Deployment Strategy to program sections
- Stated timeframes and additional information for items that are being explored

2018-2020 Residential Programs

Highlights

- HEA – reach additional customers
- HPwES – new audit option and new software
- New Homes – multiple offerings
- Products – Evolving with the market
- Behavior Programs - Expansion

New since Draft

- Additional detail on exploration of High Electric Use offering for HEA and HPwES
- Investigating Food Bank Partnerships in HEA
- Additional detail on expanded HPwES eligibility for natural gas customers
- Lighting markdown with all retail partners
- Addition of Tiered Incentives for some appliances

2018-2020 Commercial, Industrial and Municipal Programs

Highlights

- Long-term planning
- Multi-year commitments
- Market segmentation to understand and serve specific groups of customers
- Performance Path for Whole Building and Performance Lighting

New since Draft

- Midstream distributor relationships for natural gas water heaters and heating equipment
- Additional explanation of technical assistance and funding opportunities for Municipal customers
- Additional information on CHP as a custom measure

Customer Focused Financing Options

- **3rd Party Financing** connects customers with EE projects to significant capital available from local lenders and builds awareness of EE in the lending community
- **On-bill offering** creates simple repayment for small residential loans and some commercial loans
- **Municipal Options** – Smart Start and on-bill offerings help municipalities move forward
- **Moderate Income offering** can help make financing an option for more customers

2018-2020 Program Funding

- The System Benefits Charge and the LDAC are the most reliable and stable sources of funding for the programs.
- NH Utilities earn revenue in the Forward Capacity Market
- Pursue additional grant funds where available.
- NH Utilities are open to other proven opportunities and models, and learning from other states.

Non-Energy Impacts

- 10% Adder included in the Plan as a conservative proxy for the full value of a multitude of known NEI's.
- Included additional information in the Plan Narrative
- Included testimony in Attachment K
- Included the specific studies referenced in testimony
- Discussed the need for NH specific studies within the EM&V process.

Evaluation, Measurement and Verification

- Additional information and explanation throughout EM&V section
- Added an EESE Board member to EM&V Working Group
- Presentation to EESE Board on Strategic Evaluation Plan early in the process
- Initial schedule for studies and projects included
- Market research activities included
- Expanded EM&V sections for each program

Additional Discussion Items

- Stop/Start of Programs
 - NH Utilities added a section (4.4) on Program Continuity
- Performance Incentives
 - No changes made from Draft Plan
 - NH Utilities are open to continuing the discussion, acknowledging that there are multiple overlapping elements.
- Pilot Projects
 - Plan contains a number of initiatives in programs
 - Provided more information on demand pilots that are happening in other states

Sustained, Orderly Market Development

- The comprehensive approach used by the programs helps homeowners, business owners and service providers understand a broad set of opportunities for reducing their energy use.
- Building on successful existing programs maintains a positive and steady presence in the market place so that customers and contractors have the confidence to plan ahead.
- Continuous review of measures and incentive levels allows for mid-course adjustments as the market evolves.

Thank you

Kate Peters

katherine.peters@eversource.com

9/15/17

