



October 16, 2011

Debra Howland
Executive Director & Secretary
New Hampshire Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, New Hampshire 03301-7319

RE: DG 11-192 National Grid Winter Cost of Gas Adjustment

Dear Ms. Howland:

The Jordan Institute's mission is to improve the energy performance of the state's building stock through conservation and efficiency measures that reduce fuel consumption and expenditures. We have been an intervener in CORE program dockets for many years. I would like on Monday to make a public statement at the docket listed above regarding commercial and industrial (C&I) rebates. I am writing today to outline these comments about this important opportunity now before the Commission.

As you know, National Grid currently has approximately \$2,500,000 of unspent C&I energy conservation and efficiency funds, (2010 circa \$1.3 mm and 2011 circa \$1.2 mm). The Commission's staff and National Grid have taken the position that these monies should be returned to C&I customers. While we understand the reasoning that led both the Commission's staff and the utility to this conclusion, we respectfully propose that the Commission consider an alternative course: promote investment of these funds as originally intended to meet the pressing needs of C&I ratepayers which will save C&I customers significant energy expenditures and promote economic activity in New Hampshire.

As the Jordan Institute's Executive Director, I have discussed the prospect of returning National Grid's unspent gas rebate funds to the C&I sector extensively with C&I customers, trade groups, and energy vendors. **Their overwhelming consensus is that National Grid should retain these funds and immediately seek projects suitable for investment.** The Jordan Institute strongly supports this position taken by C&I customers and their trade associations and believes it is eminently feasible to identify appropriate recipients for the unspent 2010 and 2011 funds. In addition, we believe that at the same time, the 2012 pool of \$3,500,000 can be productively invested as well in energy conservation and efficiency measures in the C&I sector.

Poor outreach, not a dearth of projects, has been the bottleneck for allocation of these funds. In the past two weeks, the Jordan Institute has identified \$4,000,000 worth of rebates in current projects and shared this information with National Grid. Most of these projects will be executed in the next six to nine months. Based on this experience, we propose forming a collaborative group of stake holders including National Grid, C&I trade associations, and public interest organizations such as the Jordan Institute to market the utility's C&I rebate program. If the

collaborative is unable to allocate the total funding of \$6,000,000 by the end of 2012, then the balance of the 2010 and/or 2011 funds could be returned to C&I ratepayers if that is their wish.

This approach enables National Grid to invest the \$3,500,000 available for 2012 with the help of this collaborative but does not penalize the utility for a failure to spend more than the \$3,500,000. It simultaneously challenges the C&I sector to maximize the use of all available funding for 2010, 2011, and 2012 in an aggressive, short-term campaign without jeopardizing the utility's goals. We believe this approach will encourage businesses to "pull the trigger" and act now, quickly improving their bottom line and preserving jobs in New Hampshire, for both the short and long terms. The result will be better performing buildings, improved bottom lines, more jobs in New Hampshire and fewer greenhouse gases.

As the Commission is well aware, energy efficiency benefits all customers and reduces their costs. It is the cleanest, lowest cost resource, and has the added benefit of providing an economic multiplier effect because it is an investment which stays in our local economy. In addition because efficiency measures have long measure lives they continue to provide significant financial benefits over many years which only increase as prices rise. I would be pleased to testify under oath on the specific benefits of this particular \$2,500,000 investment in energy conservation and efficiency in further support of our position.

Thank you for this opportunity to consider The Jordan Institute's position and that of many C&I gas ratepayers. I look forward to presenting this information in greater detail during the public statement period at your hearing on Monday.

Sincerely yours,



D. Dickinson Henry, Jr.
Executive Director

To date the following organizations have expressed interest in working with The Jordan Institute to maximize this program; we expect others to be interested as well.

Michael Licata – Business and Industry Association
Michael Somers – New Hampshire Lodging and Restaurant Association
Deborah Augustine - New Hampshire Hospital Association
Jack Donovan – New Hampshire Business and Finance Authority
John Dumais – New Hampshire Grocers Association
Nancy Kyle – Retail Merchants Association of New Hampshire
Timothy Sink – Concord Chamber of Commerce
Robin Comstock – Manchester Chamber of Commerce
Kathy Bogle Shields – Community Development Finance Authority