

DG 02-106

ENERGY EFFICIENCY PROGRAMS FOR GAS UTILITIES

Order Approving Procedural Schedule

O R D E R N O. 24,043

August 23, 2002

APPEARANCES: McLane, Graff, Raulerson & Middleton by Sarah Knowlton, Esq. on behalf of KeySpan Energy Delivery; Gallagher, Callahan & Gartrell, P.A., by Lynmarie Cusack, Esq. on behalf of Northern Utilities Inc.; Representative Bill Gabler; New Hampshire Department of Environmental Services, by Joe Fontaine; Office of Consumer Advocate by F. Anne Ross on behalf of residential ratepayers; and Marcia A. B. Thunberg, Esq. on behalf of the Staff of the New Hampshire Public Utilities Commission.

I. PROCEDURAL HISTORY AND BACKGROUND

This docket was opened by the New Hampshire Public Utilities Commission (Commission) on May 15, 2002 for the purpose of investigating implementation of gas utility energy efficiency programs. New Hampshire presently has two suppliers of natural gas: Northern Utilities, Inc. and EnergyNorth Natural Gas Inc. d/b/a/ KeySpan Energy Delivery New England.

On June 24, 2002, an Order of Notice was issued scheduling a prehearing conference and technical session for August 5, 2002. The Order of Notice in this docket sets forth, in a fairly extensive manner, the numerous dockets that have led up to the present energy efficiency inquiry and that support opening the present docket to investigate implementation of energy efficiency programs.

On June 25, 2002, the Office of the Consumer Advocate (OCA) filed with the Commission a notice of their to participate in this docket.

On July 24, 2002, the Commission received a request to intervene from Representative Bill Gabler.

On July 31, 2002, the Commission received requests to intervene from Robert Scott on behalf of the NH Department of Environmental Services (DES) and from Meredith Hatfield on behalf of the Governor's Office of Energy and Community Services.

On August 2, 2002, Alan Linder, Esq. filed a request to intervene on behalf of New Hampshire Legal Assistance.

On August 15, 2002, Alan Linder, Esq. filed a Motion for Late Intervention on behalf of Save Our Homes Organization.

A prehearing was held at the Commission on August 5, 2002. Following the prehearing, Staff and the Parties convened for a technical session and devised an initial proposed procedural schedule. The following schedule was filed with the Commission on August 9, 2002:

08/20/02	Companies will provide a compare/contrast document with respect to their programs
09/09/02	Companies will provide a NH Cost Benefit Analysis, Incentive Computation (Goals) and Proposed Budgets
09/27/02	Technical Session at NH PUC, 9:30 AM
10/10/02	First Round of Data Requests to Companies
10/24/02	Responses Due

11/07/02 Technical Session/Settlement Discussions/Develop
Remainder of Procedural Schedule, at NHPUC, 9:30 AM

In their August 9, 2002 letter, Staff stated that a full procedural schedule had not been developed by the parties due to the uncertainty of how the remainder of the docket might proceed.

On August 21, 2002, Staff wrote to the Commission stating comparison documents were submitted on August 20, 2002 in compliance with the proposed procedural schedule.

II. POSITIONS OF THE PARTIES AND STAFF

A. KeySpan

KeySpan provided a brief overview of the energy efficiency program approved by the Massachusetts Department of Telecommunications and Energy (formerly, Massachusetts Department of Public Utilities). KeySpan indicated this program had been in place since 1997 and has been very cost effective. KeySpan also indicated they could roll out this same program in New Hampshire this year. KeySpan indicated the Massachusetts program is successful and further, that New Hampshire customers would benefit from the economies of scale of the larger Massachusetts program. There would be minimal incremental start up costs associated with adding a New Hampshire program. KeySpan indicated they would be willing to pursue other complements to their existing program should the Commission deem it appropriate.

B. Northern

Northern also indicated they had an active energy efficiency program in Massachusetts that could be deployed in New Hampshire. Northern emphasized a New Hampshire program should be economically based, have an educational component, and include a low-income component. Northern is willing to consider a Pay-As-You-Save (PAYS) program if it is appropriate for the gas industry in New Hampshire.

C. Representative Gabler

Rep. Gabler took no position with respect to the companies' energy efficiency programs.

D. Department of Environmental Services

DES took no position with respect to the companies' energy efficiency programs.

E. Governors Office of Energy and Community Services

GOECS indicated their strong interest in energy efficiency both in electric and in gas utilities. The GOECS expressed they looked forward to working with the companies to bring the company's existing programs to New Hampshire. The GOECS indicated they would bring to this docket much that they had learned from the energy efficiency docket for electric utilities.

F. Office of the Consumer Advocate

OCA expressed their support for this docket and any funding mechanism that would be on a per class basis. OCA urged that future discussions address a PAYS initiative, a low income program, if there are any potential ties to electric core programs, and other programs offered by Northern and KeySpan in other jurisdictions.

G. Staff

Staff took no position at the prehearing stating they had not seen either Northern's or KeySpan's energy efficiency programs. Staff stated they looked forward to working with the companies in devising programs appropriate for New Hampshire.

III. COMMISSION ANALYSIS

Having reviewed the proposed procedural schedule, we find that it is reasonable and will aid in the orderly review of the petitioner's filing. We understand the parties have already complied with the first discovery deadline of August 20, 2002. Notwithstanding the partial nature of this schedule, it is useful at this juncture to proceed with discovery. This initial discovery will facilitate the exchange of information and the Staff's and parties' knowledge of the programs and their applicability to New Hampshire. We will approve the procedural schedule for the duration of the proceeding indicated in the schedule. Concerning the November 7, 2002 technical

session/settlement meeting, the Commission urges Staff, OCA and the Parties to consider potential benefits to consumers and develop a remaining procedural schedule which will not delay implementation of a gas energy efficiency program or programs.

Based on the foregoing, it is hereby

ORDERED, that the procedural schedule set forth above is approved and shall govern the remainder of this proceeding; and it is

FURTHER ORDERED, that all Petitions to Intervene as noted above are granted.

By order of the Public Utilities Commission of New Hampshire this twenty-third day of August, 2002.

Thomas B. Getz
Chairman

Susan S. Geiger
Commissioner

Nancy Brockway
Commissioner

Attested by:

Claire D. DiCicco
Assistant Secretary