

September 26, 2002

PUBLIC UTILITIES COMMISSION  
Procedures for Conservation Program  
Planning

REQUEST FOR INPUT  
ON DESIGN OF ENERGY  
EFFICIENCY PROGRAMS

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## **I. SUMMARY**

We are soliciting comments from any interested person on programs that the Maine Public Utilities Commission should include in the portfolio of on-going energy efficiency programs implemented pursuant to PL 2001, ch. 624.

## **II. BACKGROUND**

PL 2001, ch. 624 (The Conservation Act or the Act),<sup>1</sup> enacted during the second session of the 120<sup>th</sup> Legislature, establishes the terms that govern an electric energy conservation program in Maine. Section 4 of ch. 624, which enacts 35-A M.R.S.A. § 3211-A, directs the Maine Public Utilities Commission (Commission) to "...develop and, to the extent of available funds, implement conservation programs...." The Act contains a wide range of goals and criteria that govern the selection of conservation programs and requires the Commission to establish definitions, procedures, and criteria before implementing programs.

On June 13, 2002, the Commission issued an Order Establishing Interim Conservation Programs. By this Order, the Commission decided to implement a number of interim conservation programs. Pursuant to Section 7 of ch. 624, to avoid delay in implementing conservation programs, the Commission may implement interim programs that do not satisfy the requirements of 35-A § 3211-A. Interim programs must terminate no later than December 31, 2003. We have implemented some interim programs and will implement the remaining programs during 2002 and 2003.

On July 23, 2002, the Commission issued an Order Establishing Procedure and Schedule for Conservation Programs Implemented Pursuant to P.L. 2001, ch. 624. In this Order, the Commission stated that it will decide funding and economic potential issues, and then decide upon a program plan, and that it would do so after concluding the rulemaking to define cost effectiveness. The Commission directed any interested person to file economic

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<sup>1</sup>The Conservation Act, and the Commission Orders referenced here may be found on the Electric Conservation Activities section of the Commission's web page (<http://www.state.me.us/mpuc>).

potential studies by September 10.<sup>2</sup> In an August 22 Procedural Order, the Commission scheduled a technical conference on October 2 to discuss all economic potential studies submitted by interested persons.

On August 20, 2002, the Commission opened a rulemaking to revise Chapter 380 of the its Rules to define "low-income residential consumers" and "small business consumers" for conservation program purposes, as required by 35-A M.R.S.A. § 3211-A (1)(B)(1) and (2). The revision will also establish the cost effectiveness criteria that will govern the Commission's selection of conservation programs, as required by 35-A M.R.S.A. § 3211-A (2). We have received comments and have conducted a public hearing in this rulemaking proceeding. The Commission expects to issue a final Rule during October.

On September 24, 2002, the Commission issued an Order Establishing Goals, Objectives, and Strategies for Conservation Programs Implemented Pursuant to P.L. 2001, ch. 624. In that order, the Commission established goals, objectives, and strategies as required by 35-A M.R.S.A. (2). These goals, objectives, and strategies will govern the selection of on-going energy efficiency programs.

### III. REQUEST FOR PUBLIC INPUT

We will be considering programs to include in the 2003 Energy Efficiency Program Plan during October and November. As part of the planning process, we invite interested parties to submit written comments on potential new programs, and on the continuation of current interim programs, by October 21, 2002.

We have scheduled a technical conference for November 5, 2002, to allow interested parties to make presentations and answer questions on potential programs. Persons wishing to make a presentation<sup>3</sup> at this technical conference should notify the Presiding Officer, in writing or by e-mail, not later than October 21, so that adequate provision can be made for all interested parties.

To assist us in plan development, and to allow the Commission to compare program suggestions in a consistent manner, written comments and/or presentations should provide as much of the following information as possible for each proposed program.

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<sup>2</sup>The Public Advocate subsequently requested, and was granted, filing extensions to September 26, 2002. No other party filed a technical or economic potential study by September 10<sup>th</sup>.

<sup>3</sup>The Commission will supply a TV/VCR, an overhead projector, and a screen. Parties that wish to use other presentation media should plan on providing their own equipment, and should notify the Presiding Officer of their plans.

- A brief summary of the program, including:
  - What is the target market, including any specific targeted segments?
  - What are the program objectives, and what is the overall program strategy?
  - What are the barriers to implementation of energy efficiency by the target market and how will they be overcome?
  - What are the major activities of the proposed program?
  - What are the key measures of success?
  - What is the estimated cost of the program?
  
- An estimate of the cost effectiveness of the proposed program<sup>4</sup>. With this estimate, provide as much supporting information as possible, including:
  - A list of the energy efficiency measures (EEMs) included in the proposed program
  - The cost of each EEM, as compared to an equivalent standard measure
  - The estimated annual electric savings for each EEM, in kWh and kW.
  - Any operation and maintenance costs or savings
  - Any cost or savings in other resources
  - Any non-resource-related costs or benefits
  
- A discussion of the program's effectiveness in meeting the overall goals, objectives, and strategies for energy efficiency programs, established in our September 24, 2002 Order in Docket 2002-162.
  
- References to similar programs operated elsewhere.

Persons who propose programs should indicate where the Commission could obtain additional information if needed.

Dated at Augusta, Maine, this 26<sup>th</sup> day of September, 2002.

BY ORDER OF THE PRESIDING OFFICER

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James A. Buckley

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<sup>4</sup>In Docket 2002-473, the Commission is currently revising Chapter 380, including cost effectiveness tests. Until a final rule is issued, parties may estimate cost effectiveness using either the modified societal test, as described in the Notice of Rulemaking dated August 20, 2002, or the all ratepayers test, as described in the Order Establishing Interim Conservation Programs issued June 13, 2002 in Docket 2002-161. Parties should clearly indicate which test they used.