

STATE OF MAINE
PUBLIC UTILITIES COMMISSION

Docket No. 2002-161

June 17, 2003

PUBLIC UTILITIES COMMISSION
Interim Electric Energy Conservation
Programs

ORDER TERMINATING TWO
EXISTING T & D SPONSORED
CONSERVATION PROGRAMS

WELCH, Chairman; NUGENT and DIAMOND, Commissioners

I. SUMMARY

By this Order, we terminate Central Maine Power Company's (CMP) conservation program known as the Nickel Program and Bangor Hydro-Electric Company's (BHE) Commercial Lighting Incentive Program (CLIP), because these programs overlap with the Commission-sponsored, Efficiency Maine Small Business Program. CMP may continue to fulfill contracts approved through July 1, 2003, as long as the conservation measures are installed by December 31, 2003.

II. BACKGROUND

By order on April 8, 2002 in this docket, we established existing utility-sponsored energy conservation programs as interim programs pursuant to the newly-enacted Conservation Act, P.L. 2001, ch. 624, § 4. We ordered T&D utilities to:

continue to operate their existing energy conservation programs in a manner that is consistent with recent program operations until such time as they are directed to do otherwise by the Commission.

April 8 Order at 2.

Accordingly, CMP continues to operate its Commercial and Industrial (C&I) Efficiency Incentive Program, known as the Nickel Program.¹ The Nickel Program is targeted at customers whose electric demand is below 1000 kW. The program is delivered by means of a standard form contract executed with a customer (sometimes with the assistance of a vendor). If the conservation measure and customer meet the program criteria, CMP preapproves the contract and the customer is paid the program benefit after the measure is installed or implemented. Thus, the program is operated so that there always will be a lag between the time a contract is approved and a conservation measure is installed. Because CMP was concerned that the program might be terminated after

¹ The name was derived from the fact that a customer could save 5¢/kWh in the first year of a project.

contracts were approved but before measures were implemented, we advised CMP that it was authorized to complete performance of contracts that were executed and approved, even though performance might not be completed until after the Nickel Program was terminated. *Advisory Opinion Regarding CMP's Existing Conservation Programs*, Docket No. 2002-161 (July 8, 2002).

BHE continues to operate its Commercial Lighting Incentive Program (CLIP), targeted at commercial and industrial customers. The program provides incentives on a limited number of specific lighting products. The BHE program has seen little recent activity. Only 22 units were installed in 2002.

By Orders on June 13, 2002 and September 24, 2002, the Commission implemented an interim Small Business Program. Our program combines customer incentives with an education and information effort designed to overcome the barriers faced by small business customers. The program is delivered by an implementation contractor through a network of cooperating program allies, recruited from Maine contractors and suppliers. The Commission chose L.K. Goldfarb as its implementation contractor for the Efficiency Maine Small Business Program,² which formally began on April 15, 2003.

III. DECISION

Most of the small business customers that are eligible for CMP's Nickel Program are eligible for Efficiency Maine's Small Business Program. Although both programs contain terms and conditions that disqualify projects from the program if the measure has been funded under another ratepayer-funded program, enforcement of these provisions may prove difficult. Each of the programs is administered by different entities. Unless there is adequate coordination between the Efficiency Maine Small Business Program contractor and CMP, it is possible that ratepayers could fund the same project twice.

To significantly reduce the possibility of such "double funding" without incurring the administrative burden of coordinating the Small Business Program with CMP's program, we decide to terminate CMP's Nickel Program, effective on July 1, 2003. After July 1, CMP should refer all Nickel Program-eligible customers to the Efficiency Maine Small Business Program. Consistent with our earlier Advisory Opinion, CMP is authorized to complete performance of contracts that were executed and approved by July 1, 2003, as long as the project is completed by December 31, 2003.

All of the products eligible for BHE's CLIP eligible customer group are eligible for an incentive under Efficiency Maine's Small Business Program. Thus, the potential also exists for "double funding" of lighting products through the BHE

² Efficiency Maine is the trademarked term that the Commission has adopted to describe its statewide effort to promote the more efficient use of electricity and otherwise fulfill its obligation under the Conservation Act.

NOTICE OF RIGHTS TO REVIEW OR APPEAL

5 M.R.S.A. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of review or appeal of PUC decisions at the conclusion of an adjudicatory proceeding are as follows:

1. Reconsideration of the Commission's Order may be requested under Section 1004 of the Commission's Rules of Practice and Procedure (65-407 C.M.R.110) within 20 days of the date of the Order by filing a petition with the Commission stating the grounds upon which reconsideration is sought.
2. Appeal of a final decision of the Commission may be taken to the Law Court by filing, within **21 days** of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S.A. § 1320(1)-(4) and the Maine Rules of Appellate Procedure.
3. Additional court review of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S.A. § 1320(5).

Note: The attachment of this Notice to a document does not indicate the Commission's view that the particular document may be subject to review or appeal. Similarly, the failure of the Commission to attach a copy of this Notice to a document does not indicate the Commission's view that the document is not subject to review or appeal.