



State of Vermont
Department of Public Service
112 State Street
Montpelier, VT 05620-2601
TEL: 802-828-2811

FAX: 802-828-2342
TTY VT: 800-734-8390
email: vtgps@state.vt.us
<http://publicservice.vermont.gov/>

February 10, 2014

Susan M. Hudson, Clerk
Vermont Public Service Board
112 State Street
Montpelier, VT 05620-2701

Re: EEU 2013-01 Department of Public Service Comments on City of Burlington Electric
Department Scenario Modeling Results

Dear Mrs. Hudson:

Pursuant to the January 29, 2014 Vermont Public Service Board ("Board") memo adjusting schedule for the Demand Resource Plan ("DRP") proceeding the Vermont Public Service Department ("Department" or "DPS") submits the following comments related to City of Burlington Electric Department ("BED") modeling results for three and twenty year electric budgets and expected savings based on Scenarios ordered by the Board in this proceeding. The Department's comments are based on BED's modeling results filed in this proceeding on January 9, 2014 and the subsequent Board workshop in this proceeding on January 16, 2014.

The Department and its contractors found BED's model to be fully functional and technically sound and further concluded that BED's model assumptions related to air source heat pumps were reasonable. Those assumptions include a limited penetration of air source heat pump retrofits over the forecast period due to both the small Thermal Energy and Process Fuel market as well as the high presence of natural gas in BED territory. Air source heat pump retrofit penetrations are limited for existing natural gas customers because the technology is assumed to be marginally cost-effective over the forecast period largely due to the expected low price of natural gas. In addition, the DPS supports BED's proposal not to quantify direct energy saving from non-hard-wired initiatives. BED assumes an indirect effect from such initiatives which includes the effect of customers increased participation in other traditional hard-wired BED programs. The Department's updated potential study also uses this approach.

Thank you.

For the Department of Public Service

/s/

Brian Cotterill
Energy Program Specialist

/s/

Jeanne Elias
Special Counsel

cc: EEU 2013-01 Service List (electronic service only)

