

STATE OF VERMONT
PUBLIC UTILITY COMMISSION

Case No. EEU-2016-03

In Re: 2016-2017 Demand Resources Plan Proceeding	
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Order entered: 11/13/2017

ORDER RE: TECHNICAL CORRECTION TO VGS QPIS

I. INTRODUCTION

On October 12, 2017, the Vermont Public Utility Commission (“Commission”) issued an Order addressing, among other things, three-year quantifiable performance indicators (“QPIS”) for Vermont Gas Systems, Inc. (“VGS”). In this Order, the Commission makes technical corrections to VGS QPIS 1, 2, and 3.

II. PROCEDURAL HISTORY

On July 7, 2017, the Commission issued an Order (“July 7 Order”) approving resource-acquisition budgets, modeling assumptions, and QPI and minimum performance requirement weightings for the state’s three EEUs: Efficiency Vermont, the City of Burlington Electric Department, and VGS.

On July 28, 2017, VGS filed proposals addressing QPI targets and development and support service (“DSS”) budgets.

On August 15, 2017, VGS and the Vermont Department of Public Service (“Department”) filed recommendations for QPI targets that reflect increases relative to VGS’s July 28 filing.

On October 12, 2017, the Commission issued an Order (“October 12 Order”) approving budgets for DSS, evaluation, and other EEU program costs, forecasts of expected savings, and QPI targets.

On November 3, 2017, the Department and VGS filed a request via e-mail that the targets for VGS’s QPIS 1, 2, and 3 be updated to reflect the values in their August 15 filings.

III. DISCUSSION AND CONCLUSION

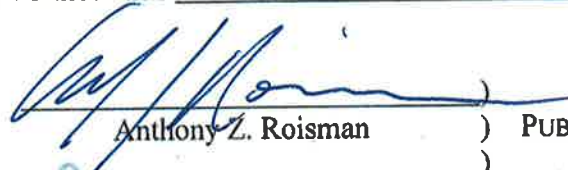


VGS's August 15 filing included savings goals for QPIs 1, 2, and 3 that take into account improved realization rates and the goal of improved performance in the 2018-2020 performance period. Those QPI savings goals were also reflected in the Department's August 15 filing.

The Commission's October 12 Order erroneously included the targets for QPIs 1, 2, and 3, as filed by VGS on July 28 and replicated in Table 1 of VGS's August 15 filing and Table 2 of the Department's August 15 filing. This was the result of a transcription error, which we hereby correct. The values approved for VGS's QPIs 1, 2, and 3, shall be as set forth in the table below and in Appendix A to this Order.

QPI #	QPI Description	2018-2020 Total
QPI 1	Annual incremental Mcf savings	195,827 Mcf
QPI 2	Lifetime natural gas savings	\$34,465,931 3,248,764 Mcf
QPI 3	Peak day natural gas savings	913 Mcf

SO ORDERED.

Dated at Montpelier, Vermont this 13th day of November, 2017.

)	
Anthony Z. Roisman)	PUBLIC UTILITY
)	
)	
Margaret Cheney)	COMMISSION
)	
)	
Sarah Hofmann)	OF VERMONT

OFFICE OF THE CLERK

Filed: November 13, 2017

Attest: 
Clerk of the Commission

Notice to Readers: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Commission (by e-mail, telephone, or in writing) or any apparent errors, in order that any necessary corrections may be made. (E-mail address: puc.clerk@vermont.gov)

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Appendix A

VGS 2018-2020 Performance Indicators

QPI#	Title	Performance Indicator	Target	Description	Weight	Form of Verification	Entity Responsible for Verification
Quantifiable Performance Indicators							
1	Annual Incremental Mcf Savings	Annual incremental net Mcf expected savings	195,827 Mcf	Encourage EEU to design and implement efficiency initiatives that will maximize natural gas savings	25%	Annual Verification Process	Department of Public Service
2	Lifetime Natural Gas Savings	a. Present worth of lifetime natural gas avoided costs	\$34,465,931	Encourage EEU to design and implement efficiency initiatives that will maximize lifetime natural gas benefits	15%	Annual Verification Process	Department of Public Service
		b. Lifetime Mcf savings	3,248,764 Mcf		15%		
3	Peak Day Natural Gas Savings	Peak day incremental expected savings	913 Mcf	Encourage EEU to design and implement efficiency initiatives that will maximize the capacity reduction coincident with peak day demand	15%	Annual Verification Process	Department of Public Service
4	Residential Single Family Comprehensiveness	(a) Percent of home energy audits converted to a measure installation within 12 months	30%	Ensure that energy efficiency initiatives are designed and implemented to achieve comprehensiveness of savings	10%	Tracking System	Department of Public Service
		(b) Percent of all cost-effective measures as well as those measures recommended by the audit and installed by the customer within 12 months.	70%		10%		
5	Long-term Market Transformation	Offer energy efficiency training for contractors	one per year	Encourage EEU to design and implement efficiency initiatives that maximize market transformation	5%	Tracking System	Department of Public Service
6	Business Comprehensiveness of Savings	Diversity of measures implemented in commercial retrofit projects	minimum of measures installed during the prior 12 months shall be: 10% control-related; 20% heating systems, heat recovery, or domestic hot water systems; 10% process-related; and 30% shell-related	Ensure that energy efficiency initiatives are designed and implemented to achieve comprehensiveness of savings	5%	Tracking System	Department of Public Service
Minimum Performance Requirements							
7	Equity for all Natural Gas Ratepayers	Total natural gas energy efficiency benefits divided by total costs	Equal or greater than 1.2 cost/benefit ratio	Ensure that the overall natural gas benefits are greater than the costs incurred to implement and evaluate the VGS efficiency programs	Minimum Requirement	Tracking System	Department of Public Service
8	Equity for Residential Ratepayers	A minimum of 70% of the residential-sector share of total resource-acquisition spending in the residential sector	\$4,291,087	Ensure that a minimum level of overall efficiency effort, as reflected in spending, will be dedicated to residential customers	Minimum Requirement	Tracking System	Department of Public Service
9	Equity for Low-Income Customers	A minimum of 70% of the low-income-sector share of total resource-acquisition spending on low-income services	\$116,474	Ensure that a minimum level of overall efficiency efforts, as reflected in spending, will be dedicated to low-income customers	Minimum Requirement	Tracking System	Department of Public Service
10	Equity for Small Business Customers	Percent of commercial (non-residential) installed end uses that are classified as Rate G1 or G2 (use 600 Mcf/yr. or less)	30%	Ensure that a minimum level of overall efficiency efforts, as reflected in participation, will be dedicated to small commercial accounts	Minimum Requirement	Tracking System	Department of Public Service
11	Administrative Efficiency	Meet determined milestones on schedule, including: (a) Defining all administrative costs, incentive and other costs; and (b) By July 31, 2018, submit a proposal on how these costs will be tracked and reported, including a metric on the ratio of incentive costs to non-incentive costs and total administrative costs as a percent of total budget for the current performance period.	Track the ratio of incentive to non-incentive costs and report as a percent of total budget by July 31, 2018	Encourage VGS to continually assess its operations to continue to deliver services that maximize ratepayer value	Minimum Requirement	Tracking System	Department of Public Service
12	Total Resource Benefits	In consultation with the Department, file a status update on the feasibility and cost-benefit analysis of tracking water and delivered fuel resource benefits	Status update by July 31, 2018	Encourage VGS to design and implement efficiency initiatives that will maximize the lifetime benefits	Minimum Requirement	Tracking System	Department of Public Service
13	Addison County Participation	Meet minimum energy efficiency program participation rate for customers in Addison County	Achieve 30% energy efficiency participation in Addison County by 2020	Maximize the percent of Addison County customers that benefit from VGS energy efficiency programs	Minimum Requirement	Tracking System	Department of Public Service

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Parties:

Jeanne Elias, Esq.
Vermont Department of Public Service
112 State Street, 3rd Floor
Montpelier, VT 05620-2601
jeanne.elias@vermont.gov

(for Vermont Department of Public Service)

Non-Party Recipients:

Melissa Bailey
Vermont Public Power Supply Authority
P.O. Box 126
5195 Waterbury-Stowe Road
Waterbury Center, VT 05677
mbailey@vppsa.com

Victoria J. Brown, Esq.
Vermont Electric Cooperative, Inc.
42 Wescom Road
Johnson, VT 05656
vbrown@vermontelectric.coop

Brian Buckley
Northeast Energy Efficiency Partnerships
bbuckley@neep.org

Christopher Burns
City of Burlington Electric Department
cburns@burlingtonelectric.com

Samantha Caputo
Northeast Energy Efficiency Partnerships
SCaputo@NEEP.org

Brian Cotterill
Vermont Department of Public Service
brian.cotterill@vermont.gov

Neil E. Curtis
Navigant
neil.curtis@navigant.com

William Driscoll
Associated Industries of Vermont
wdriscoll@aivt.org

Shawn Enterline
Green Mountain Power Corporation
shawn.enterline@greenmountainpower.com

Deena Frankel
Vermont Electric Power Company
dfrankel@velco.com

Toben Galvin
Navigant
255 South Champlain Street
Suite 10
Burlington, VT 05401
toben.galvin@navigant.com

James Gibbons
City of Burlington Electric Department
585 Pine Street
Burlington, VT 05401
jgibbons@burlingtonelectric.com

Brian Gray
Vermont Gas Systems, Inc.
bgray@vermontgas.com

Carole Hakstian
Vermont Energy Investment Corporation
chakstian@veic.org

Lauren Hammer
Vermont Gas Systems, Inc.
lhammer@vermontgas.com

Lauren Hierl
Vermont Conservation Voters
info@vermontconservationvoters.org

Mick Hilbert
Vermont Energy Investment Corporation
mhilbert@veic.org

Karen Horne
Vermont Gas Systems, Inc.
85 Swift Street
South Burlington, VT 05403
khorne@vermontgas.com

Kelly Launder
Vermont Department of Public Service
kelly.launder@vermont.gov

Keith Levenson
Vermont Department of Public Service
keith.levenson@vermont.gov

Sandra Levine, Esq.
Conservation Law Foundation
15 East State Street, Suite 4
Montpelier, VT 05602
slevine@clf.org

Thomas Lyle
City of Burlington Electric Department
tlyle@burlingtonelectric.com

James Massie
Vermont Energy Investment Corporation
jmassie@veic.org

Johanna Miller
Vermont Natural Resources Council
jmiller@vnrc.org

Barry Murphy
Vermont Department of Public Service
barry.murphy@vermont.gov

Adam Necrason
Necrason Group
adam@necrasongroup.com

Morris L. Silver, Esq.
Law Offices of Morris L. Silver, Esq.
P.O. Box 606
Benson, VT 05731-0606
mlsilver@sover.net

Eileen Simollardes
Vermont Gas Systems, Inc.
85 Swift Street
South Burlington, VT 05403
esimollardes@vermontgas.com

Robert Stephenson
Vermont Energy Investment Corporation
rstephenson@veic.org

Melissa Stevens
Green Mountain Power Corporation
melissa.stevens@greenmountainpower.com

Matthew J. Walker
Vermont Energy Investment Corporation
mjwalker@veic.org

Ben Walsh
Vermont Public Interest Research Group
bwalsh@vpirg.org

David C. Westman
Efficiency Vermont - Vermont Energy Investment Corporation
128 Lakeside Avenue, Suite 401
Burlington, VT 05401
dwestman@veic.org

Michael Wickenden
michael.wickenden@gmail.com

Sarah Wolfe
Vermont Public Interest Research Group
swolfe@vpirg.org

Paul Zabriskie
Capstone Community Action
20 Gable Place
Barre, VT 05641
paulz@capstonevt.org