



# STATE OF CONNECTICUT

DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION  
PUBLIC UTILITIES REGULATORY AUTHORITY  
TEN FRANKLIN SQUARE  
NEW BRITAIN, CT 06051

DOCKET NO. 12-02-01 PURA REVIEW OF THE CONNECTICUT ENERGY  
EFFICIENCY FUND'S ELECTRIC CONSERVATION AND  
LOAD MANAGEMENT PLAN FOR 2012

August 8, 2012

By the following Directors:

John W. Betkoski, III  
Arthur H. House

**DECISION**

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## DECISION

### I. INTRODUCTION

#### A. BACKGROUND OF PROCEEDING

Prior to the passage of Public Act 11-80, An Act Concerning the Establishment of the Department of Energy and Environmental Protection and Planning for Connecticut's Energy Future (Public Act 11-80), §16-245m of the General Statutes of Connecticut (Conn. Gen. Stat.) required the establishment of an Energy Conservation Management Fund and an Energy Conservation Management Board (ECMB). The ECMB advised and assisted the electric distribution companies (EDCs) in developing the 2012 Electric Conservation and Load Management Plan (2012 Electric C&LM Plan) that would implement cost-effective energy conservation programs and market transformation initiatives. In an uncontested proceeding, the former Department of Public Utility Control (DPUC) would approve, modify or reject the 2012 Electric C&LM Plan with the awareness that such ruling would constitute authority to disburse funds.

Subsequent to Public Act 11-80, the Department of Energy and Environmental Protection (DEEP)<sup>1</sup> was tasked with approving, modifying or rejecting the 2012 Electric C&LM Plan. Public Act 11-80 §33(d)(1). This function was performed by the DEEP's Bureau of Energy and Technology Policy (BETP).<sup>2</sup> The Energy Efficiency Board (EEB), formerly the ECMB, is chaired by the Commissioner of the DEEP. The EEB advised and assisted the EDCs in the development and implementation of the 2012 Electric C&LM Plan. Under Public Act 11-80, the Public Utilities Regulatory Authority (Authority or PURA) now performs a limited role pursuant to Conn. Gen. Stat. §16-245m as discussed below.

#### B. CONDUCT OF PROCEEDING

On September 30, 2011, Yankee Gas Services Company (Yankee), Connecticut Natural Gas Corporation (CNG) and The Southern Connecticut Gas Company (Southern; collectively, LDCs) jointly filed with The Connecticut Light and Power Company (CL&P) and The United Illuminating Company (UI), their proposed 2012 Electric and Natural Gas Conservation and Load Management Plan (Application). The joint plan included both electric and natural gas Base Budgets and Expanded Budgets (or increased savings scenarios). As stated above, Public Act 11-80 amended the process for review of the joint 2012 C&LM Plan such that the DEEP was tasked with reviewing the electric portion of the plan. The Authority maintained the adjudication of the natural gas portion, which it approved with modifications in the Decision dated January 4, 2012 in Docket No. 11-10-03, PURA Review of the Connecticut Energy Efficiency Fund's Gas Conservation and Load Management Plan for 2012 (Natural Gas 2012 C&LM Decision).

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<sup>1</sup> The DEEP constitutes a successor department to the DPUC. Public Act 11-80 §1(b). The Public Utilities Regulatory Authority is within the DEEP and "shall be responsible for all matters of rate regulation for public utilities and regulated entities under title 16 of the general statutes." Public Act 11-80 §1(a).

<sup>2</sup> The DEEP is subdivided into bureaus, one of which "shall be designated an energy bureau." *ibid*.

On February 17, 2012, the DEEP/BETP issued its final approval of the EEB and EDCs proposed 2012 Electric C&LM Plan and Base Budget<sup>3</sup> and then on February 22, 2012, issued an Addendum to its approval. By cover letter dated February 23, 2012, the DEEP/BETP submitted to the Authority the approved 2012 Electric C&LM Plan and Base Budget including the Addendum for PURA's authorization. The DEEP/BETP stated that pursuant to Section 33(b) of Public Act 11-80, the PURA must authorize disbursements from the C&LM Fund, an account into which the assessments are deposited.

### **C. PARTICIPANTS IN THE PROCEEDING**

The Authority recognized the following as Participants to this proceeding: The United Illuminating Company, P.O. Box 1564, New Haven, CT 06506-0901; The Connecticut Light and Power Company, 107 Selden Street, Berlin, CT 06037; Energy Efficiency Board, 1167 W. Samalayuca Drive, Tucson, AZ 85704-3224; Connecticut Industrial Energy Consumers, 540 Broadway, P.O. Box 22222, Albany, New York 12201-2222; Environment Northeast, 21 Oak Street, Suite 202, Hartford, CT 06106; Opower, Inc., 1515 N. Courthouse Rd., 8<sup>th</sup> Floor, Arlington, VA 22201; Bureau of Energy and Technology Policy of the Department of Energy and Environmental Protection, 10 Franklin Square, New Britain, CT 06051; and Office of Consumer Counsel, 10 Franklin Square, New Britain, CT 06051.

## **II. LEGAL ISSUES**

### **A. THE AUTHORITY'S ROLE**

The role of the Authority in the area of C&LM has changed significantly with the passage of Public Act 11-80. Prior to the passage of Public Act 11-80, the PURA, as the DPUC, reviewed the EDCs' C&LM plan to determine the best use of the legislatively determined C&LM Base Budget essentially derived from the assessment of a three mills charge on customers' bills. Public Act 11-80 shifted the entire review of the 2012 Electric C&LM Plan, with two small exceptions, from the PURA (DPUC) to the DEEP. The PURA's remaining authority concerning the EDCs' portion of the C&LM plan arises from the following two statutory provisions.

1. On and after January 1, 2000, the Public Utilities Regulatory Authority shall assess, or cause to be assessed, a charge of three mills per kilowatt hour of electricity sold to each end use customer of an electric distribution company to be used to implement the program as provided in this section for conservation and load management programs but not for the amortization of costs incurred prior to July 1, 1997, for such conservation and load management programs. Conn. Gen. Stat. §16-245m(a)(1).
2. The electric distribution company shall establish an Energy Conservation and Load Management Fund which shall be held separate and apart from all other

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<sup>3</sup> The 2012 C&LM Electric Plan also includes an Increased Savings Scenario or Expanded Budget, which will be the subject of a separate proceeding.

funds or accounts. Receipts from the charge imposed under subsection (a) of this section shall be deposited into the fund. Any balance remaining in the fund at the end of any fiscal year shall be carried forward in the fiscal year next succeeding. Disbursements from the fund by electric distribution companies to carry out the plan developed under subsection (d) of this section **shall be authorized by the Public Utilities Regulatory Authority upon its approval of such plan** (emphasis added).

Conn. Gen. Stat. §16-245m(b).

With regard to the Base Budget in the 2012 Electric C&LM Plan, the Authority must “assess or cause to be assessed” a charge of three mills per kilowatt hour of electricity.<sup>4</sup> Furthermore, if that budgeted amount is not spent in one year, the Legislature has authorized remaining funds to be carried to the next year, which was confirmed by the DPUC in the past. Decision dated January 6, 2011 in Docket No. 10-10-03, DPUC Review of the Connecticut Energy Efficiency Fund’s Electric Conservation and Load Management Plan for 2011, p. 4. However, the statutory change of authority to approve, modify or reject the C&LM plan from the DPUC/PURA to the DEEP had one unintended effect concerning the PURA’s responsibility regarding the 2012 Electric C&LM Plan.

Prior to the enactment of Public Act 11-80, the language in Conn. Gen. Stat. §16-245m(b) stated that: “[d]isbursements from the fund by electric distribution companies to carry out the plan developed under subsection (d) of this section shall be authorized by the Department of Public Utility Control upon **its** (emphasis added) approval of such plan” was understood to mean (and a plain reading makes obvious) that (the DPUC’s) subsection (d) approval of the C&LM Plan constituted the action triggering disbursement of funds. There was never any separate authorization to disburse funds. Since Public Act 11-80 assigned subsection (d) approval of the plan to the DEEP, a strict reading of the statute leads to the non-sequitur that the Authority has no defined “approval of such plan” that would trigger disbursement of funds.

To those unfamiliar with the general principles of public utility regulation, it might appear that a public utility regulatory agency would always approve expenditures by the utilities. However, utility regulators do not, as a general rule, pre-approve the expenditures of the utilities that they regulate. In general, the utility makes day to day decisions and the regulator approves those that are prudent for recovery in rates. However, for the C&LM Plan, the ratepayer funding was set by the Legislature. This is precisely why there was specific legislation directing that the DPUC approve, modify, or reject the C&LM plan; it represents a form of preapproval normally not provided for most utility expenditures.

The DEEP is statutorily obligated to “approve, modify or reject” the 2012 Electric C&LM Plan. In the approval document submitted to the Authority, the DEEP labeled its

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<sup>4</sup> Conn. Gen. Stat. §16-245m(a)(1). This language was interpreted as a one-time legislative mandate. “The Act [P.A. 98-28] imposes a three mills/kWh assessment beginning in 2000.” See, Docket No. 98-10-05, DPUC Review of The United Illuminating Company’s 1999 Conservation and Load Management Programs. June 30, 1999. Section II.G. p. 13.

review as a “determination” and its findings therein as “recommendations.” The term “determination” has no legal significance of which the Authority is aware, and “recommendations” imply that the DEEP has no enforcement authority. If the DEEP’s role in this process was intended to constitute nothing more than an opinion and the Authority does nothing more than disburse money, then there is no authority with actual legislatively granted oversight of the 2012 Electric C&LM Plan and Base Budget. Therefore, the Authority considers the DEEP’s submission as its final Decision. The Authority determined that its role in this process is to recognize that the DEEP/BETP reviewed and approved the 2012 Electric C&LM Plan as submitted to the Authority. Thus, the legislatively authorized Base Budget funds may be disbursed and approved.

## **B. RESCINDING / MODIFYING PRIOR DPUC ORDERS**

There is one other legal issue that has arisen during the course of this proceeding. This involves certain DPUC rulings made in prior C&LM Decisions, which the DEEP is now recommending be rescinded or modified.

The Authority’s understanding on this matter is as follows. Since the DEEP is now the entity approving the C&LM plan, the DEEP should be free to recommend the allocation of those funds in any manner consistent with its legislative charge, just as the DPUC would have done from one C&LM Plan review to another. The review of the C&LM Plan should be a dynamic process subject to modification as experience and changed circumstance dictate.

## **C. DEEP’S DECISION**

The DEEP’s Decision recommends approval of an \$18.6 million carryover from the 2011 C&LM budget and an allowance to the EDCs to spend forward up to 25% of their respective 2013 C&LM budgets; which is an additional \$26.3 million of spending proposed for 2012. The DEEP’s Decision also recommends that the PURA make several changes to the DPUC’s previous C&LM Decisions. These recommendations are listed below along with the Authority’s ruling on each issue. The DEEP’s Decision also cites the positions of the participants, including the OCC’s recommendations. Application, pp. 21, 26 and 36; DEEP/BETP Decision, p. 4.

### **1. The EDCs should be authorized to maintain 2012 program spending at a level that is at least commensurate with 2011 spending levels.**

**Authority Ruling:** While spending levels for 2012 for the Base Budget are already commensurate with 2011, the spending level for any given year has been determined by the Legislature, to be based upon the three mills charge plus the other sources of funds. Therefore, the Authority cannot make such an authorization, for lack of statutory authority to do so.

### **2. CL&P, in consultation with the EEB, should be authorized to expend its remaining carryover balance (after allocating to direct funding of residential loans) during 2012.**

**Authority Ruling:** This is already provided for by the Legislature in Conn. Gen. Stat. §16-245m(b).

- 3. The EDCs should be authorized to use up to 25% of anticipated C&LM revenues from 2013 to meet 2012 program demand.**

**Authority Ruling:** The spending level for the Base Budget for any given year has been determined by the Legislature to be based upon the three mills charge plus the other sources of funds. This is the Base Budget that is to be managed during any given year. Borrowing forward to this extent would defeat the intent of the Legislature. Therefore, the Authority cannot make such an authorization, as Conn. Gen. Stat. §16-245m set a firm limit.

- 4. The Authority should consider rescinding the directives imposed on the EDCs in the Decision dated June 19, 2008, in Docket No. 07-10-03, DPUC Review of The Connecticut Light and Power Company's and The United Illuminating Company's Conservation and Load Management Plan for the Year 2008, p. 6, which constrains program spending.**

**Authority Ruling:** Absent Public Act 11-80, the Authority would not be able to rescind one of its Orders without reopening the Decision in question and offering the participants an opportunity to be heard on the issue. Conn. Gen. Stat. §16-9. However, since the Authority's review of the C&LM plan has been preempted by Public Act 11-80, rescission of past Orders comports with the Legislative intent to put control of C&LM programs with entities other than the Authority. Therefore, the Authority rescinds these directives. However, the Authority notes that the Legislature has capped spending to three mills/kWh plus revenue from specific sources. See Conn. Gen. Stat. §16-245m.

- 5. The Authority should consider rescinding Order No. 13 in the Decision dated March 17, 2010, in Docket No. 09-10-03, DPUC Review of the Connecticut Energy Efficiency Fund's Conservation and Load Management Plan for 2010, which limits oil spending for income-eligible customers.**

**Authority Ruling:** Absent Public Act 11-80, the Authority would not be able to rescind one of its Orders without reopening the Decision in question and offering opportunity to be heard on the issue. Conn. Gen. Stat. §16-9. However, since the Authority's review of the C&LM plan has been preempted by Public Act 11-80, rescission of past Orders comports with the Legislative intent to put control of C&LM programs with entities other than the Authority. Therefore, the Authority rescinds this Order.

On February 22, 2012, the DEEP/BETP submitted an Addendum to the Authority with the following additional recommendations:

- 1. The Authority should consider rescinding Order No. 1 in the Decision dated January 6, 2011, in Docket No. 10-10-03, DPUC Review of the Connecticut Energy Efficiency Fund's Conservation and Load Management Plan for**

**2011, which required that the annual C&LM Plan be submitted on September 1st of each year.**

**Authority Ruling:** Absent Public Act 11-80, the Authority would not be able to rescind one of its Orders without reopening the Decision in question and offering opportunity to be heard on the issue. However, since the Authority's review of the C&LM plan has been totally preempted by Public Act 11-80, rescission of past Orders comports with the Legislative intent to put control of C&LM programs with entities other than the Authority. Therefore, the Authority rescinds this Order and defers to the DEEP/BETP to establish when plans should be submitted.

2. **The Authority should consider increasing the incentive cap of \$750,000 per Tax ID and eliminating the per metered site cap of \$300,000 in the Decision dated January 6, 2011, in Docket No. 10-10-03, DPUC Review of the Connecticut Energy Efficiency Fund's Conservation and Load Management Plan for 2011, p. 36.**

**Authority Ruling:** These caps were internal proposals of CL&P and UI that were accepted by the DPUC as appropriate. Absent Public Act 11-80, the Authority would not be able to modify one of its authorizations without reopening the Decision in question and offering opportunity to be heard on the issue. In addition, since the Authority no longer reviews the C&LM plan, it has no basis to modify the authorization in question to set a new limit. Therefore, the Authority defers to the DEEP/BETP to make any determination on these matters in its review of the C&LM plan.

### III. AUTHORITY ANALYSIS

Prior to Public Act 11-80, the Authority fully adjudicated the annual electric C&LM Plans. This would include performing a detailed analysis, submitting interrogatories to the participants, and conducting public hearings where the DPUC staff cross-examined and challenged the EDCs' assumptions and proposals. Subsequently, the Authority would draft a comprehensive Decision that would either approve, revise or modify the individual programs included in the EDCs' respective budgets. According to the DEEP/BETP, its review of the 2012 Electric C&LM Plan was limited to a publically noticed Technical Meeting and the BETP staff's collective knowledge and analysis. Tr. 5/24/12, pp. 171 and 183. Due to this fact, there was a limited amount of information and data included in the DEEP/BETP's Decision approving the 2012 Electric C&LM Plan and Base Budget, which was filed with the Authority for review.

The Authority received several comments on the Draft Decision that will be addressed here.

Regarding the issue of a 25% borrowing forward, several participants noted that failure to allow this could cause significant disruptions to current C&LM programs. C&LM has clearly been given greater emphasis under Public Act 11-80. In its letter in Lieu of written exceptions, p. 2, the EEB succinctly summarized both the problem and a well reasoned solution worth quoting in full here.

The Board believes it is essential to avoid any suspension or shutdown of energy efficiency programs during 2012. Without additional authorized funding for 2012, the Companies have stated that they will need to suspend some programs as early as the end of September 2012. To avoid a suspension of programs during 2012, the Board recommends, as a specific action to address this situation only, PURA authorization to spend forward in 2012 up to 15% of the estimated 2013 C&LM revenues (i.e., C&LM revenues collected from customers during 2013). In the event that the Expanded Plan Budget is not approved, this spending forward of 2013 C&LM revenues should be reconciled with the three mills/kWh authorized collections during 2013, which would result in a lower authorized budget for 2013. The Board has confirmed with CL&P and UI that spending-forward of up to 15% of 2013 revenues (rather than the 25% estimated previously) would provide adequate funding to continue the programs for the remainder of 2012.

ENE sought clarification that the three mill charge is not a cap on C&LM. The Authority confirms that there could be Legislative action that authorize or fact based filings vetted in a proper proceeding that justify greater investment in C&LM by ratepayers.

UI sought a final ruling that UI could increase its financing program outstanding to \$10 million as granted in Motion No. 4 in this docket. The Authority intended that to be the result of its original draft Decision, and affirms that here. Similarly, the Base Plan approved applying the 2011 carry-over to self-funding of residential loans and the Authority acknowledges that.

Lastly, the Authority notes that the OCC believes PURA should have conducted its own review and approval of the C&LM plan prior to disbursing funds for its implementation. On this issue, the Authority's position is that it stands ready to perform whatever review asked of it, but does not discern such an intent from current legislation.

#### **A. 2012 ELECTRIC C&LM PLAN AND BASE BUDGET**

This Decision addresses the DEEP/BETP's approval of the 2012 Electric C&LM Plan and Base Budget of \$105,561,749, which includes funding from the sources cited below.

|   |                    |
|---|--------------------|
| 3 mills/kWh assessment                                    | \$83,853,070       |
| Independent System Operator New England (ISO-NE)          | \$8,100,000        |
| ISO-NE Forward Capacity Market Demand Response            | \$4,876,000        |
| Class III Renewable Energy Credits                        | \$4,500,000        |
| Carrying Charges  | \$800,000          |
| <u>Regional Greenhouse Gas Initiative (RGGI) revenues</u> | <u>\$3,432,679</u> |
| TOTAL   | \$105,561,749      |

Each EDC provided a breakdown of its respective proposed Base Budget for the 2012 Electric C&LM Plan. CL&P's proposed budget of \$84,191,749 is included as

Attachment 1 and UI's proposed budget of \$21,370,000 as Attachment 2 in the instant Decision. Application, pp. 26 and 36. The following is a list of line items included in the 2012 Electric C&LM Plan.

**Electric Residential Programs:** Home Energy Solutions (HES); HES Income Eligible Program; HES Fuel Oil Funding Program; Residential Water Heating Program; Residential Retail Products Program; and Residential New Construction Program.

**Commercial and Industrial Programs:** Energy Conscious Blueprint (electric and natural gas); Energy Opportunities (electric and natural gas); Small Business Energy Advantage Program; Business and Energy Sustainability Program (formerly Operation & Maintenance) Program; and Process Reengineering for Increased Manufacturing Efficiency Program (PRIME).

**Education and Outreach Programs:** SmartLiving Center and Museum Partnerships; Clean Energy Communities; K-8 Education; and Connecticut Science Center.

**C&LM Financing Programs:** Small Business / Municipal Loan Program (electric and gas); Commercial and Industrial Energy Efficiency Financing Program (electric and gas); Residential Energy Efficiency Financing (electric and gas); DPUC Commercial and Industrial Loan Program; and Hospital Loan Program.

**Other:** ISO-NE Load Response Program; Research, Development and Demonstration; and Administrative & Planning.

## **B. CUSTOMER CONTRIBUTIONS**

CL&P stated that in 2011, it had 1,102,361 residential customers in its service territory. However, it only provided conservation measures to approximately 206,724 homes between 2001 and 2011. CL&P Response to Interrogatory RA-25. UI indicated that in 2011, it had 316,593 active residential accounts in its service territory. However, UI only provided conservation measures to approximately 88,939 homes between 2001 and 2011. UI Response to Interrogatory RA-25. This data does not include either company's retail sales programs for appliances and lighting.

The conservation program fund monies for the Base Budget are essentially derived from the three mills/kWh charge on customers' bills, which has been in effect since January 1, 2000, or over 11 years. The EDCs only provided the 2011 average annual customer class consumption in kWh and the average customer contribution from the three mills charge. CL&P and UI Responses to Interrogatories RA-14, RA-17, and RA-21. To determine the total average customer class contributions over the 11-year period, the Authority created an annual consumption proxy. To accomplish this, the 2011 average customer consumption for each class was used as a reasonable proxy for each of the other 10 years multiplied by the three mills charge multiplied by 11 years. This dollar amount is an approximation of the average customer contributions from each

class and does not represent the actual contributions over the last 11 years demonstrated in the tables below.

#### Base Budget Conservation Contributions from CL&P Customers

| A                            | B                                     | C   | D   |
|------------------------------|---------------------------------------|---|---|
| Customer type or class       | Average Annual 2011 Consumption (kWh) | Annual Conservation Contribution (B * \$.003 kWh) | 2000-2011 Conservation Contributions (C * 11 yrs) |
| <b>Residential Customers</b> |                                       |   |   |
| Income Eligible              | 9,665                                 | \$29.00   | \$319   |
| Electric Service             | 8,610                                 | \$25.83   | \$284   |
| Electric Heating             | 13,215                                | \$39.64   | \$436   |
| Time of Use/Day              | 12,750                                | \$38.25   | \$421   |
| <b>C&amp;I Customers</b>     |                                       |   |   |
| Average C&I                  | Not Provided                          | Not Provided                                      | Not Provided                                      |
| High C&I (actual usage)      | 126,422,308                           | \$379,267   | \$4,171,936                                       |

CL&P Response to Interrogatory RA-14.

#### Base Budget Conservation Contributions from UI Customers

| A                            | B                                     | C   | D   |
|------------------------------|---------------------------------------|---|---|
| Customer type or class       | Average Annual 2011 Consumption (kWh) | Annual Conservation Contribution (B * \$.003 kWh) | 2000-2011 Conservation Contributions (C * 11 yrs) |
| <b>Residential Customers</b> |                                       |   |   |
| Income Eligible              | 6,726                                 | \$20.18   | \$222   |
| Average Residential          | 6,804                                 | \$20.41   | \$225   |
| Time of use                  | 13,028                                | \$39.08   | \$430   |
| <b>C&amp;I Customers</b>     |                                       |   |   |
| Low use C&I                  | 30,942,000                            | \$92,826  | \$1,021,086                                       |
| Average C&I                  | 60,048,748                            | \$180,146   | \$1,981,608                                       |
| High C&I                     | 120,229,255                           | \$360,688   | \$3,967,565                                       |

UI Responses to Interrogatories RA-14 and RA-21.

Regarding CL&P's top 10 C&I customers, the company provided the actual consumption for each top 10 customer in kWh and their respective conservation contributions for each of the last seven years. CL&P Response to Interrogatory RA-12. For simplicity, the table below lists only CL&P's actual 2011 top 10 C&I customer consumptions and contributions as well as their actual total contributions over the last seven years.

**CL&P's Top 10 C&I Customers Actual 2011 Conservation Contributions and  
Total Contributions over the Last 7-years**

| <b>A</b>            | <b>B</b>                       | <b>C</b>  | <b>D</b>  |
|---------------------|--------------------------------|---|---|
| <b>Customer No.</b> | <b>2011 Annual Consumption</b> | <b>2011 Annual Contribution for Base Budget (B * \$.003kWh)</b> | <b>Actual Contributions over the last 7 years</b> |
| 1                   | 126,422,308                    | \$379,267   | \$1,819,902                                       |
| 2                   | 71,235,269                     | \$213,706   | \$1,461,082                                       |
| 3                   | 66,796,800                     | \$200,390   | \$1,178,880                                       |
| 4                   | 66,224,000                     | \$198,672   | \$1,279,748                                       |
| 5                   | 60,286,420                     | \$180,859   | \$2,567,535                                       |
| 6                   | 60,278,400                     | \$180,835   | \$1,007,401                                       |
| 7                   | 57,139,200                     | \$171,418   | \$973,996   |
| 8                   | 55,412,000                     | \$166,236   | \$976,506   |
| 9                   | 38,612,257                     | \$115,837   | \$1,088,480                                       |
| 10                  | 35,053,200                     | \$105,160   | \$775,321   |
| Total               |                                | \$1,912,380   | \$13,128,850                                      |

CL&P Responses to Interrogatories RA-10 and RA-12.

As shown in the table above, CL&P's largest C&I customer's actual annual contribution in 2011 was \$379,267 and its total actual 7-year contribution was \$1,819,902. Over all, CL&P's top 10 C&I customers contributed \$13,128,850 over the last 7 years into the conservation fund.

UI only provided the actual consumption in kWh for each of its top 10 C&I customers for 2011 and each customer's respective total conservation contributions over the last 10 years. UI Response to Interrogatory RA-12. For simplicity, the table below only lists the actual 2011 top 10 C&I customer consumptions and contributions as well as their estimated total contributions over the last 10 years assuming 2011 billing information.

**UI's Top 10 Customers Estimated 2011 Conservation Contributions and  
Total Contributions over the Last 10-years**

| <b>A</b>            | <b>B</b>                       | <b>C</b>  | <b>D</b>  |
|---------------------|--------------------------------|---|---|
| <b>Customer No.</b> | <b>2011 Annual Consumption</b> | <b>2011 Annual Contribution for Base Budget (B*\$.003kWh)</b> | <b>Estimated Contributions over the last 10 years</b> |
| 1                   | 120,229,255                    | \$360,688   | \$3,606,878   |
| 2                   | 89,224,689                     | \$267,674   | \$2,676,741   |
| 3                   | 78,222,363                     | \$234,667   | \$2,346,671   |
| 4                   | 65,819,691                     | \$197,459   | \$1,974,591   |
| 5                   | 60,048,748                     | \$180,146   | \$1,801,462   |
| 6                   | 48,440,649                     | \$145,322   | \$1,453,219   |
| 7                   | 46,758,299                     | \$140,275   | \$1,402,749   |
| 8                   | 41,201,109                     | \$123,603   | \$1,236,033   |
| 9                   | 33,398,400                     | \$100,195   | \$1,001,952   |
| 10                  | 30,942,000                     | \$92,826  | \$928,260   |
| Total               |                                | \$1,842,856   | \$18,428,556  |

UI Responses to Interrogatories RA-10 and RA-12.

As shown in the table above, UI's largest C&I customer's estimated annual contribution in 2011 was \$360,688 and their total estimated 10-year contribution was \$3,606,878. Over all, UI's top 10 C&I customers are estimated to have contributed \$18,428,556 into the conservation fund over the last 10 years.

### **C. EDC REPORTING**

The Authority is interested in comparing the proposed annual conservation budgets to the actual expenditures during each future budget year. Also, tracking any carryovers and carry forwards so that a clear accounting trail shows the final impact on the budgets. To accomplish this monitoring goal, the Authority will direct the EDCs to provide a report detailing any remaining conservation dollars from each program that was not spent in the previous year. This report will include the impact that any carry forward from the next year's budget has on the programs for the most recent conservation budget.

In the Natural Gas 2012 C&LM Decision, the Authority ordered the natural gas utilities to submit certain filings regarding the HES program, which is a combined electric and natural gas conservation program. Therefore, the Authority will direct the EDCs to file similar information.

### **IV. FINDINGS OF FACT**

1. Subsequent to Public Act 11-80, the DEEP was tasked with approving, modifying or rejecting the 2012 Electric C&LM Plan.
2. The EEB advised and assisted the EDCs in the development and implementation of the 2012 Electric C&LM Plan.
3. Under Public Act 11-80, the PURA now performs a limited role pursuant to Conn. Gen. Stat. §16-245m.
4. The Authority still maintains the adjudication of 2012 Gas C&LM Plan and issued a Decision on January 4, 2012, approving with modifications the natural gas portion of the plan.
5. The ratepayer funding for the C&LM Plan was set by the Legislature.
6. The DEEP is statutorily obligated to "approve, modify or reject" the 2012 Electric C&LM Plan.
7. The PURA's role in this process is to recognize that the DEEP/BETP reviewed and approved the 2012 Electric C&LM Plan as submitted to the Authority.
8. The review of the C&LM Plan should be a dynamic process subject to modification as experience and changed circumstance dictate.

9. The DEEP/BETP's Decision approved the 2012 Electric C&LM Plan and Base Budget of \$105,561,749, which includes \$84,191,749 for CL&P and \$21,370,000 for UI.
10. The residential conservation programs consist of Retail Products, Residential New Construction, HES, and HES Income Eligible and the C&I programs consist of Energy Conscious Blueprint and C&I Large Retrofit.
11. In 2011, CL&P had 1,102,361 residential customers in its service territory and provided conservation measures to approximately 206,724 homes between 2001 and 2011.
12. In 2011, UI had 316,593 active residential accounts in its service territory and provided conservation measures to approximately 88,939 homes between 2001 and 2011.
13. The conservation program fund monies for the Base Budget are essentially derived from the three mills/kWh charge on customers' bills, which has been in effect since January 1, 2000, or over 11 years.
14. CL&P's largest C&I customer's actual annual contribution into the conservation fund in 2011 was \$379,267 and its total actual 7-year contribution was \$1,819,902.
15. CL&P's top 10 C&I customers contributed \$13,128,850 into the conservation fund over the last 7 years.
16. UI's largest C&I customer's actual annual contribution to the conservation fund in 2011 was \$360,688 and its total 10-year contribution was estimated to be \$3,606,878.
17. UI's top 10 C&I customers are estimated to have contributed \$18,428,556 into the conservation fund over the last 10 years.

## **V. CONCLUSION AND ORDERS**

### **A. CONCLUSION**

In accordance with Public Act 11-80, the Authority approves the disbursements from the conservation fund according to the DEEP/BETP's final approval of the 2012 Electric C&LM Plan and Base Budget of \$105,561,749. Since the Authority's review of the C&LM plan has been preempted by Public Act 11-80, rescission of past Orders comports with the Legislative intent to put control of C&LM programs with entities other than the Authority. PURA authorizes the EDC's to spend forward in 2012 up to 15% of the estimated 2013 C&LM revenues (i.e., C&LM revenues collected from customers during 2013).

**B. ORDERS**

For the following Orders, submit one original copy of the required documentation to the Executive Secretary, 10 Franklin Square, New Britain, Connecticut 06051, and file an electronic version through the Authority's website at [www.ct.gov/pura](http://www.ct.gov/pura). Submissions filed in compliance with Authority Orders must be identified by all three of the following: Docket Number, Title and Order Number.

1. By September 1, 2012, CL&P and UI shall separately submit for Authority approval a proposed bill insert that describes the available conservation programs with contact information and includes the following information:
  - a. actual 2011 contributions to the conservation fund for each customer class (e.g., residential, C&I) based on the three mills/kWh assessment for the Base Budget;
  - b. total contribution in 2011 for an average customer in each class;
  - c. total estimated amount an average customer in each class contributed to the conservation fund since 2001; and
  - d. number of customers in each class participating in each conservation program in 2011.
  
2. In the next Electric C&LM Plan filed with the Authority in the fall of 2012, CL&P and UI shall separately submit the following information regarding the HES and HES-IE programs:
  - a. the actual number of homes completed versus the goals;
  - b. the size in square footage and type of homes such as multifamily, condos or single family homes that participated in each program;
  - c. the total incentives paid per home;
  - d. separately identify the measures installed for each home that corresponds to the incentives provided to the owner;
  - e. a statistical sample of 100 homes that participated in each of the above cited programs, include the date the measure(s) were installed, an analysis that shows the normalized and annualized sales for the 12 months before and after the measures were installed based on actual meter readings;
  - f. the total number of customers participating in the above cited programs, indicate the number of customers that have delinquent bills without standing balances of 30, 60, 90 and greater than 120 days overdue;
  - g. the total number of customers with outstanding balances associated with these programs that as of December 31, 2011, the EDCs would consider as delinquent;
  - h. the total dollars spent on conservation measures related to customers that are considered delinquent and the customers' bills that will be included in Bad Debt Expense as of December 31, 2011; and
  - i. the total number of residential customers in each company's service territory and the number of homes that have participated in the weatherization programs since the inception of the conservation programs along with the total amount to date that has been spent under these conservation programs.

3. In the next Electric C&LM Plan filed with the Authority in the fall of 2012 and annually thereafter, CL&P and UI shall separately submit a working Excel spreadsheet with the following 2011 calendar year information. Compliance with this Order shall commence and continue as indicated or until the Company requests and the Authority approves that the Company's compliance is no longer required after a certain date.
  - a. actual conservation funds collected from each customer class;
  - b. budget funds allocated to each conservation program listed by each customer class;
  - c. actual conservation funds spent on each conservation program listed by each customer class;
  - d. dollar amount of direct savings that an average participating customer in each class would receive and include the definition of direct savings; and
  - e. dollar amount of indirect savings that an average participating and non-participating customer in each class would receive and include the definition of indirect savings.
4. No later than February 1, 2013 and annually thereafter, CL&P and UI shall separately provide a report to the Authority detailing any remaining conservation dollars from each program that was not spent in the previous year and any carry-forwards that are to be added to the latest conservation budget. Compliance with this Order shall commence and continue as indicated or until the Company requests and the Authority approves that the Company's compliance is no longer required after a certain date.
5. In their next conservation plan filing, CL&P and UI shall separately submit their joint conservation plan as a separate plan filing from the LDCs unless there is legislation requiring that the EDCs and LDCs submit a joint plan to be reviewed by the same entity, either the Authority or DEEP/EPTB.

**The Connecticut Department of Energy and Environmental Protection is an Affirmative Action/Equal Opportunity Employer that is committed to requirements of the Americans with Disabilities Act. Any person with a disability who may need information in an alternative format may contact the agency's ADA Coordinator at 860-424-3194 or at [deep.hrmed@ct.gov](mailto:deep.hrmed@ct.gov). Any person with limited proficiency in English, who may need information in another language, may contact the agency's Title VI Coordinator at 860-424-3035 or at [deep.aoffice@ct.gov](mailto:deep.aoffice@ct.gov). Any person with a hearing impairment may call the State of Connecticut relay number – 711. Discrimination complaints may be filed with DEEP's Title VI Coordinator. Requests for accommodations must be made at least two weeks prior to any agency hearing, program or event.**

**Table A**  
**CL&P 2012 Proposed C&LM Budget**

| CL&P C&LM BUDGET  | 2011<br>CL&P<br>Revised<br>Budget<br>06/30/11 | 2012<br>CL&P<br>Proposed<br>Base Budget<br>10/01/11 | 2012 (A)<br>CL&P<br>Proposed Budget<br>Increased Savings<br>10/01/11 | 2013<br>CL&P<br>Proposed<br>Base Budget<br>10/01/11 |
|---|---|---|--|---|
| <b>RESIDENTIAL</b>  |   |   |  |   |
| Residential Retail Products Note 1                          | \$ 6,132,901                                  | \$ 4,850,000  | \$ 10,960,000  | \$ 4,818,475  |
| Appliance Rebate Program / New Programs                     | \$ -  | \$ -  | \$ 4,000,000   | \$ -  |
| <b>Total - Consumer Products</b>                            | <b>\$ 6,132,901</b>                           | <b>\$ 4,850,000</b>                                 | <b>\$ 14,960,000</b>   | <b>\$ 4,818,475</b>                                 |
| Residential New Construction                                | \$ 1,460,024                                  | \$ 1,261,000  | \$ 1,838,050   | \$ 1,252,803  |
| Home Energy Solutions (HVAC, Duct Sealing, Lighting) Note 4 | \$ 17,749,370                                 | \$ 11,757,000                                       | \$ 19,905,000  | \$ 11,729,390                                       |
| HES Income Eligible   | \$ 11,027,047                                 | \$ 9,399,700  | \$ 19,039,000  | \$ 9,338,600  |
| <b>Subtotal Residential</b>                                 | <b>\$ 36,369,342</b>                          | <b>\$ 27,267,700</b>                                | <b>\$ 55,742,050</b>   | <b>\$ 27,139,268</b>                                |
| <b>COMMERCIAL &amp; INDUSTRIAL</b>                          |   |   |  |   |
| <b>C&amp;I LOST OPPORTUNITY</b>                             |   |   |  |   |
| Energy Conscious Blueprint                                  | \$ 8,759,606                                  | \$ 8,503,000  | \$ 8,669,250   | \$ 8,447,516  |
| <b>Total - Lost Opportunity</b>                             | <b>\$ 8,759,606</b>                           | <b>\$ 8,503,000</b>                                 | <b>\$ 8,669,250</b>  | <b>\$ 8,447,516</b>                                 |
| <b>C&amp;I LARGE RETROFIT</b>                               |   |   |  |   |
| Energy Opportunities  | \$ 25,935,919                                 | \$ 13,241,680                                       | \$ 33,614,000  | \$ 13,155,610                                       |
| O&M (Services, RetroCx, BSC)                                | \$ 4,729,740                                  | \$ 4,171,000  | \$ 9,581,000   | \$ 4,143,900  |
| PRIME   | \$ 488,087                                    | \$ 485,000  | \$ 536,550   | \$ 485,000  |
| <b>Total - C&amp;I Large Retrofit</b>                       | <b>\$ 31,153,746</b>                          | <b>\$ 17,897,680</b>                                | <b>\$ 43,731,550</b>   | <b>\$ 17,784,510</b>                                |
| Small Business  | \$ 13,436,752                                 | \$ 11,640,000                                       | \$ 38,305,000  | \$ 11,577,638                                       |
| <b>Subtotal C&amp;I</b>                                     | <b>\$ 53,350,104</b>                          | <b>\$ 38,040,680</b>                                | <b>\$ 90,705,800</b>   | <b>\$ 37,809,664</b>                                |
| <b>OTHER - EDUCATION *</b>                                  |   |   |  |   |
| SmartLiving Center® - Museum Partnerships                   | \$ 400,000                                    | \$ 400,000  | \$ 400,350   | \$ 400,000  |
| EE Communities / Behavior Pilot                             | \$ 850,000                                    | \$ 1,000,000  | \$ 1,500,400   | \$ 850,000  |
| K-8 Education   | \$ 225,000                                    | \$ 325,000  | \$ 325,000   | \$ 325,000  |
| Science Center  | \$ -  | \$ 166,000  | \$ 166,000   | \$ 166,000  |
| <b>Subtotal Education</b>                                   | <b>\$ 1,475,000</b>                           | <b>\$ 1,891,000</b>                                 | <b>\$ 2,391,750</b>  | <b>\$ 1,741,000</b>                                 |
| <b>OTHER - PROGRAMS/REQUIREMENTS</b>                        |   |   |  |   |
| Institute for Sustainable Energy (ECSU)                     | \$ 448,000                                    | \$ 448,000  | \$ 448,000   | \$ 448,000  |
| Other Funding Requests                                      | \$ -  | \$ -  | \$ -   | \$ -  |
| Residential Loan Program (Includes ECLF)                    | \$ 3,650,000                                  | \$ 2,051,429  | \$ 2,050,700   | \$ 2,175,238  |
| C&I Loan Program  | \$ 475,000                                    | \$ 500,000  | \$ 500,000   | \$ 500,000  |
| C&LM Loan Defaults  | \$ 135,000                                    | \$ 150,000  | \$ 300,000   | \$ 150,000  |
| <b>Subtotal Programs/Requirements</b>                       | <b>\$ 4,708,000</b>                           | <b>\$ 3,149,429</b>                                 | <b>\$ 3,298,700</b>  | <b>\$ 3,273,238</b>                                 |
| <b>OTHER - LOAD MANAGEMENT</b>                              |   |   |  |   |
| ISO Load Response Program Note 2                            | \$ 3,000,000                                  | \$ 3,500,000  | \$ 3,500,000   | \$ 3,000,000  |
| <b>Subtotal Load Management</b>                             | <b>\$ 3,000,000</b>                           | <b>\$ 3,500,000</b>                                 | <b>\$ 3,500,000</b>  | <b>\$ 3,000,000</b>                                 |
| <b>OTHER - RENEWABLES &amp; RD&amp;D</b>                    |   |   |  |   |
| Research, Development & Demonstration                       | \$ 200,000                                    | \$ 350,000  | \$ 375,900   | \$ 350,000  |
| <b>Subtotal Renewables &amp; RD&amp;D</b>                   | <b>\$ 200,000</b>                             | <b>\$ 350,000</b>                                   | <b>\$ 375,900</b>  | <b>\$ 350,000</b>                                   |
| <b>OTHER - ADMINISTRATIVE &amp; PLANNING</b>                |   |   |  |   |
| Administration  | \$ 900,000                                    | \$ 900,000  | \$ 1,199,700   | \$ 900,000  |
| Marketing Plan  | \$ 176,651                                    | \$ 200,000  | \$ 500,000   | \$ 200,000  |
| Planning Note 3   | \$ 650,000                                    | \$ 650,000  | \$ 779,550   | \$ 650,000  |
| Evaluation Note 3   | \$ 1,800,000                                  | \$ 2,010,000  | \$ 2,210,400   | \$ 2,010,000  |
| Information Technology                                      | \$ 1,700,000                                  | \$ 1,700,000  | \$ 1,950,000   | \$ 1,700,000  |
| Energy Efficiency Board                                     | \$ 400,000                                    | \$ 550,000  | \$ 650,000   | \$ 550,000  |
| Performance Management Fee                                  | \$ 5,216,455                                  | \$ 3,982,940  | \$ 8,132,693   | \$ 3,938,659  |
| <b>Subtotal Admin/Planning Expenditures</b>                 | <b>\$ 10,843,106</b>                          | <b>\$ 9,992,940</b>                                 | <b>\$ 15,422,343</b>   | <b>\$ 9,948,659</b>                                 |
| <b>PROGRAM SUBTOTALS</b>                                    |   |   |  |   |
| <b>Residential</b>  | <b>\$ 41,385,663</b>                          | <b>\$ 31,056,929</b>                                | <b>\$ 60,171,150</b>   | <b>\$ 30,932,306</b>                                |
| <b>C&amp;I</b>  | <b>\$ 57,245,434</b>                          | <b>\$ 42,543,880</b>                                | <b>\$ 95,519,150</b>   | <b>\$ 41,782,864</b>                                |
| <b>Other*</b>   | <b>\$ 11,314,455</b>                          | <b>\$ 10,590,940</b>                                | <b>\$ 15,746,243</b>   | <b>\$ 10,546,659</b>                                |
| <b>TOTAL C&amp;LM BUDGET</b>                                | <b>\$ 109,945,552</b>                         | <b>\$ 84,191,749</b>                                | <b>\$ 171,436,543</b>  | <b>\$ 83,261,829</b>                                |
| <b>TOTAL</b>  | <b>\$ 109,945,552</b>                         | <b>\$ 84,191,749</b>                                | <b>\$ 171,436,543</b>  | <b>\$ 83,261,829</b>                                |

\* OTHER -EDUCATION is primarily allocated to residential programs.

Note 1: Retail Products includes Retail Lighting and ENERGY STAR Appliances.

Note 2: ISO-NE Load Response Customer payments are funded from the Forward Capacity Market

Note 3: Planning and Evaluation activities split into separate budget line items.

Note 4: Residential HVAC program renamed "Home Energy Solutions" and is comprised of HVAC, Duct Sealing, Lighting, Energy Conservation Loan and Residential Audits.

| <b>Table A</b>   |  |  |   |  |
|--|--|--|---|--|
| <b>UI 2012 Proposed C&amp;LM Budget</b>                            |  |  |   |  |
| <b>UI C&amp;LM BUDGET</b>  | <b>2011<br/>UI REVISED<br/>BASE<br/>BUDGET<br/>3/15/2011</b> | <b>2012<br/>UI PROPOSED<br/>BASE<br/>BUDGET<br/>9/1/2011</b> | <b>2012<br/>UI PROPOSED<br/>INCREASED<br/>SAVINGS<br/>BUDGET<br/>9/1/2011</b> | <b>2013<br/>UI PROPOSED<br/>BASE<br/>BUDGET<br/>9/1/2011</b> |
| <b>RESIDENTIAL</b>   |  |  |   |  |
| Residential Retail Products  | \$ 2,133,216   | \$ 1,755,855   | 3,445,304   | 1,744,913  |
| <b>Total - Consumer Products</b>                                   | <b>\$ 2,133,216</b>  | <b>\$ 1,755,855</b>  | <b>\$ 3,445,304</b>   | <b>\$ 1,744,913</b>  |
| Residential New Construction                                       | \$ 215,440   | \$ 177,329   | \$ 177,329  | \$ 176,224   |
| Home Energy Solutions (HVAC, Duct Sealing, Lighting)               | \$ 2,960,781   | \$ 2,281,658   | \$ 7,364,631  | \$ 2,267,440   |
| HES Income Eligible  | \$ 2,498,996   | \$ 2,118,093   | \$ 5,038,002  | \$ 2,104,894   |
| <b>Subtotal RESIDENTIAL</b>  | <b>\$ 7,808,433</b>  | <b>\$ 6,332,935</b>  | <b>\$ 16,025,266</b>  | <b>\$ 6,293,471</b>  |
| <b>COMMERCIAL &amp; INDUSTRIAL</b>                                 |  |  |   |  |
| <b>C&amp;I LOST OPPORTUNITY</b>                                    |  |  |   |  |
| Energy Conscious Blueprint   | \$ 3,174,527   | \$ 2,386,221   | \$ 3,882,818  | \$ 2,371,352   |
| <b>Total - Lost Opportunity</b>                                    | <b>\$ 3,174,527</b>  | <b>\$ 2,386,221</b>  | <b>\$ 3,882,818</b>   | <b>\$ 2,371,352</b>  |
| <b>C&amp;I LARGE RETROFIT</b>                                      |  |  |   |  |
| Energy Opportunities   | \$ 3,811,021   | \$ 2,957,319   | \$ 10,529,387   | \$ 2,938,891   |
| O&M (Services, RetroCx, BSC)                                       | \$ 429,667   | \$ 631,298   | \$ 3,776,044  | \$ 627,364   |
| PRIME  | \$ 86,008  | \$ 116,141   | \$ 402,385  | \$ 115,417   |
| <b>Total - C&amp;I Large Retrofit</b>                              | <b>\$ 4,326,696</b>  | <b>\$ 3,704,759</b>  | <b>\$ 14,707,816</b>  | <b>\$ 3,681,673</b>  |
| Small Business   | \$ 2,717,634   | \$ 2,227,636   | \$ 4,512,339  | \$ 2,213,754   |
| <b>Subtotal C&amp;I</b>  | <b>\$ 10,218,857</b>   | <b>\$ 8,318,616</b>  | <b>\$ 23,102,973</b>  | <b>\$ 8,266,779</b>  |
| <b>OTHER - EDUCATION</b>   |  |  |   |  |
| SmartLiving Center®  | \$ 459,246   | \$ 481,746   | \$ 481,746  | \$ 481,746   |
| EE Communities / Behavioral Pilot                                  | \$ 176,822   | \$ 300,000   | \$ 300,000  | \$ 300,000   |
| Science Center   | \$ -   | \$ 42,000  | \$ 42,000   | \$ 42,000  |
| K - 8 Education  | \$ 401,825   | \$ 401,825   | \$ 401,825  | \$ 401,825   |
| <b>Subtotal Education</b>  | <b>\$ 1,037,893</b>  | <b>\$ 1,225,571</b>  | <b>\$ 1,225,571</b>   | <b>\$ 1,225,571</b>  |
| <b>OTHER - PROGRAMS/REQUIREMENTS</b>                               |  |  |   |  |
| Institute for Sustainable Energy (ECSU)                            | \$ 112,000   | \$ 112,000   | \$ 112,000  | \$ 112,000   |
| Residential Loan Program (Includes ECLF)                           | \$ 589,087   | \$ 347,280   | \$ 347,280  | \$ 328,755   |
| C&I Loan Program   | \$ 50,000  | \$ 50,000  | \$ 173,000  | \$ 50,000  |
| C&LM Loan Defaults   | \$ 50,000  | \$ 50,000  | \$ 50,000   | \$ 50,000  |
| <b>Subtotal Programs/Requirements</b>                              | <b>\$ 801,087</b>  | <b>\$ 559,280</b>  | <b>\$ 682,280</b>   | <b>\$ 540,755</b>  |
| <b>OTHER - LOAD MANAGEMENT</b>                                     |  |  |   |  |
| ISO Load Response Program Support                                  | \$ -   | \$ 1,376,000   | \$ 1,376,000  | \$ 1,100,000   |
| <b>Subtotal Load Management</b>                                    | <b>\$ -</b>  | <b>\$ 1,376,000</b>  | <b>\$ 1,376,000</b>   | <b>\$ 1,100,000</b>  |
| <b>OTHER - RENEWABLES &amp; RD&amp;D</b>                           |  |  |   |  |
| Research, Development & Demonstration                              | \$ 125,000   | \$ 225,000   | \$ 225,000  | \$ 225,000   |
| <b>Subtotal Renewables &amp; RD&amp;D</b>                          | <b>\$ 125,000</b>  | <b>\$ 225,000</b>  | <b>\$ 225,000</b>   | <b>\$ 225,000</b>  |
| <b>OTHER - ADMINISTRATIVE &amp; PLANNING</b>                       |  |  |   |  |
| Administration   | \$ 646,635   | \$ 750,000   | \$ 750,000  | \$ 782,163   |
| Planning and Evaluation  | \$ 308,819   | \$ 316,765   | \$ 316,765  | \$ 332,332   |
| Evaluation, Outside Services                                       | \$ 430,000   | \$ 570,000   | \$ 570,000  | \$ 570,000   |
| Information Technology   | \$ 243,000   | \$ 342,500   | \$ 342,500  | \$ 342,500   |
| EEB  | \$ 210,000   | \$ 300,000   | \$ 350,000  | \$ 300,000   |
| 2011 Performance Management Fee                                    | \$ 1,083,486   | \$ -   | \$ -  | \$ -   |
| 2012 Performance Management Fee                                    | \$ -   | \$ 1,003,333   | \$ 2,243,318  | \$ -   |
| 2013 Performance Management Fee                                    | \$ -   | \$ -   | \$ -  | \$ 986,429   |
| Marketing Plan   | \$ 50,000  | \$ 50,000  | \$ 250,000  | \$ 50,000  |
| <b>Admin/Planning Expenditures</b>                                 | <b>\$ 2,971,940</b>  | <b>\$ 3,332,598</b>  | <b>\$ 4,822,583</b>   | <b>\$ 3,363,424</b>  |
| <b>PROGRAM SUB-TOTALS</b>  |  |  |   |  |
| Residential  | \$ 9,348,199   | \$ 7,781,037   | \$ 17,633,368   | \$ 7,723,048   |
| C&I  | \$ 10,456,071  | \$ 9,969,365   | \$ 24,916,722   | \$ 9,641,528   |
| Other*   | \$ 3,158,940   | \$ 3,619,598   | \$ 4,909,583  | \$ 3,650,424   |
| <b>TOTAL C&amp;LM BUDGET</b>                                       | <b>\$ 22,963,210</b>   | <b>\$ 21,370,000</b>   | <b>\$ 47,459,673</b>  | <b>\$ 21,015,000</b>   |
| * OTHER -EDUCATION is primarily allocated to residential programs. |  |  |   |  |
| Totals may vary due to rounding                                    |  |  |   |  |

**DOCKET NO. 12-02-01 PURA REVIEW OF THE CONNECTICUT ENERGY  
EFFICIENCY FUND'S ELECTRIC CONSERVATION AND  
LOAD MANAGEMENT PLAN FOR 2012**

This Decision is adopted by the following Directors:

John W. Betkoski, III

Arthur H. House

CERTIFICATE OF SERVICE

The foregoing is a true and correct copy of the Decision issued by the Public Utilities Regulatory Authority, State of Connecticut, and was forwarded by Certified Mail to all parties of record in this proceeding on the date indicated.



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Kimberley J. Santopietro  
Executive Secretary  
Department of Energy and Environmental Protection  
Public Utilities Regulatory Authority

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August 9, 2012

Date