

April 2, 2014

Tim Cole
Executive Secretary, CT Energy Efficiency Board
10 Franklin Square
New Britain, CT 06051

RE: CL&P Review of the SBEA Impact Evaluation

Dear Mr. Cole,

The Connecticut Light and Power Company (CL&P) is pleased to submit these written comments with regard to a draft evaluation report: *Impact Evaluation of the Connecticut Small Business Energy Advantage Program*, (“Study”), March 19, 2014, KEMA, Inc. (“evaluators”). The draft Study was submitted to CL&P on March 19, 2013 with a request for comments to be provided by April 2, 2014.

The primary purpose of the Study for Connecticut was to provide DEEP, the EEB, and the electric utilities (“the Companies”) with energy and demand estimates for the Small Business Energy Advantage (“SBEA”) program and provide recommendations for program improvement. In addition, the study was to provide inputs to update the current Program Savings Documentation (PSD) based on findings.

Overall, CL&P is pleased with the Study, including its content, organization and level of detail. CL&P is proud that the SBEA program generated estimated energy savings of 33,874 MWh and 6,093 kW of summer peak demand savings in 2011. In addition, the Study estimated realization rates of 96.2% for energy and 89.9% for summer seasonal peak demand. Based on that, the Study concluded that the PSD is producing very reasonable estimates of energy and summer seasonal peak demand savings.

CL&P would like to offer some minor constructive comments and recommendations pertaining to the Study for consideration.

Assumed Cooling Efficiency

CL&P greatly appreciates the assessment of the PSD measures and assumptions made by the evaluators. Aside from ensuring accurate and accountable savings calculations, reviewing PSD measures during an impact evaluation permits realization rates to be calculated consistently with any recommended changes.

The Study recommends that the PSD COP (coefficient of performance) assumption be changed from 2.4 to 2.9. CL&P agrees that the previous value of 2.4 does not reflect current practice. To

that point, the Companies have already changed this assumption to 3.5 for the 2013 and 2014 . Thus CL&P has already proactively exceeded the Study recommended baseline. The recent Energy Opportunities program impact evaluation validated this assumption of 3.5 for that program. CL&P requests forward-looking realization rates be calculated based on the implementation of the current PSD assumption of 3.5.

Billing Analysis

CL&P agrees with the judgement of evaluators that the SBEA program is not a good candidate for program level billing analysis. CL&P has improved data collection since the 2011 program year, but as evaluators note, full identification of all site accounts is a well-known industry challenge to small commercial billing analysis, and CL&P agrees that this is the most likely explanation for the variance in results. CL&P also notes a large weather adjustment made as part of the analysis, and the lack of a control group. While these are completely understandable results given the data available to evaluators, they also likely contribute to the variance between the industry-standard engineering analysis and the billing analysis.

Thank you for the opportunity to provide these comments.

Very truly yours,

Joseph Swift
Operations Supervisor
Connecticut Light and Power