



November 28, 2011

Ms. Luly Massaro
Clerk of the Commission
Rhode Island Public Utilities Commission
89 Jefferson Boulevard.
Warwick, RI 02888

**Re: Pascoag Utility District 2012 Demand Side Management Program RIPUC
Docket 4297.**

Dear Ms. Massaro:

On behalf of the Pascoag Utility District (“Pascoag” or the “District”), we herewith file an original and nine copies of Pascoag’s Answers to the Division of Public Utilities’ first and second data request to Pascoag Utility District.

If you have any questions, please do not hesitate to contact me.

Very truly yours,

Harle Round
DSM Coordinator

Cc: Mr. Jon Hagopian, Esquire
Cc: Mr. William Bernstein, Esquire

Division Data Request 1-1

According to Pascoag's filing, the Company is proposing an EnergyStar water heater program. Schedule C, pages 4 and 5, list three types of energy-efficient gas water heaters and two electric energy-efficient systems. The two electric systems consist of a) solar water heaters with conventional electric backup units and b) heat pump water heaters. Is the company aware of any other types of EnergyStar electric water heating systems?

Data Request 1-1 answered by: Harle Round

The District is not aware of any other types of EnergyStar qualified electric water heating systems.

Divisions Data Request 1-2

Does Pascoag intend to offer rebates on gas water heaters? If so, can you explain how the EnergyStar gas water heaters would fit into Pascoag's electric DSM programs?

Data Request 1-2 answered by: Harle Round

The District intends to offer rebates on gas water heaters. Water heating is the third largest expense in a home, accounting for approximately 15% of a home's energy use. A standard electric hot water heater uses approximately 5,000 kWh per year based on an average household of 2.6 occupants, U.S. Census 2006. Larger families with greater hot water needs would use more. An incentive for EnergyStar qualified gas hot water systems will encourage the District's customers to purchase the more efficient gas models and reduce the electric load by 5,000 kWh per gas system installed.

Divisions Data Request 1-3

Page 7 of Schedule B outlines a "Program Research and Development" item which would fund research of a possible street light incentive program. According to the filing, some municipalities have "implemented this new technology." Please describe the reference "new technology." Also, please explain what type of street lighting incentive program Pascoag is possible considering for the future. Finally, please describe the method by which lighting in the villages of Pascoag and Harrisville is paid for.

Data Request 1-3 answered by: Harle Round

The new technology references to the light-emitting diodes (LED) streetlamps. The District is looking at an incentive of 60%- 80%. The public streetlights in Pascoag are paid through an

assessment on each customer's electric bill per month of sixty-four cents. Harrisville Fire District pays for the public streetlights in the Town of Harrisville through the fire taxes.

Divisions Data Request 1-4

Schedule D is an itemized 2011 DSM budget with funding of \$127,681, expenditures of \$74,961, and a balance of \$52,038. The budget column less the expenses does not equal the balance column amount of \$52,038; please explain.

Data Request 1-4 answered by: Harle Round

The cell for \$682 in the Industrial/Commercial heading, DI1106 Energy Star Commercial appliance in the balance column was omitted from the net amount in that category. A spreadsheet titled "RIPUC Docket No. 4208 Schedule D Revision 1" shows the corrected Net Industrial/Commercial of \$27,224. The expenditures of \$74,961 and remaining balance of \$52,720 equals the estimated budget of \$127,681. The carryover was also corrected from the estimate of 17,000 to the actual carryover of \$23,681.

Divisions Data Request 1-5:

As of what date were the amounts presented on Schedule D?

Data Request 1-5 answered by: Harle Round

The amounts on Schedule D were calculated on November 1, 2011.

Data Request 1-6:

The Company states that the forecast carry-over from 2011 is \$14,000. Please provide a worksheet similar to Schedule D showing expected expenditures through the end of 2011 with the \$14,000 carry-over remaining.

Data Request 1-6 answered by: Harle Round

The new estimated carry over from 2011 is expected to be \$28,659. A spreadsheet titled "Anticipated Expenses for 2011 Data Request 1-6" is attached. The larger carryover is due to the fact that the Industrial/Commercial lighting projects were not implemented in 2011. At the time of submission the carryover was expected to be \$17,000, the District would like to propose setting the additional \$11,659 into a line item for the purpose of doing a pilot program with street lights in 2012. The average LED Street light fixture costs between \$600 and \$900. The District would choose a public area and install some of these street lights and meter them for electric usage and for feedback from the public.

Pascoag Utility District
Demand Side Management Programs - 2011 Approved

| | | | |
|--------------------------|----|----------|--|
| Carry over from 2010 | | Approved | |
| Estimated sales for 2011 | \$ | 23,681 | |
| Net 2011 budget | \$ | 127,681 | |

| | 2011 Approved | Expenses | Balance |
|---|---------------|-------------------|------------------|
| Residential Program | | | |
| DR1101 | \$ | 2,400 \$ | 2,400 \$ |
| DR1102 | \$ | 3,000 \$ | 3,000 \$ |
| DR1103 | \$ | 11,945 | 11,945 \$ |
| DR1104 | \$ | 6,000 \$ | 5,000 \$ |
| DR1105 | \$ | 6,000 \$ | 5,000 \$ |
| DR1106 | \$ | 1,100 \$ | 1,100 \$ |
| DR1107 | \$ | 3,500 | 3,500 |
| DR1108 | \$ | 100 \$ | 100 |
| DR1109 | \$ | 2,080 \$ | 2,080 \$ |
| DR1110 | \$ | 1,000 \$ | 1,000 \$ |
| DR1111 | \$ | 500 \$ | 500 \$ |
| DR1112 | \$ | 850 \$ | 849 \$ |
| DR1113 | \$ | 13,735 \$ | 13,735 \$ |
| Net Residential | \$ | 52,210 \$ | 50,109 \$ |
| Industrial/Commercial | | | |
| DI1101 | \$ | 500 \$ | 500 \$ |
| DI1102 | \$ | 10,000 \$ | 10,000 \$ |
| DI1103 | \$ | 5,000 \$ | 990 \$ |
| DI1104 | \$ | 13,000 \$ | 1,852 \$ |
| DI1105 | \$ | 1,000 \$ | 1,000 \$ |
| DI1106 | \$ | 700 \$ | 300 \$ |
| Net Industrial/Commercial | \$ | 30,200 \$ | 3,642 \$ |
| Administrative/Ad/Education | | | |
| DA1101 | \$ | 20,000 \$ | 20,000 \$ |
| DA1102 | \$ | - | - |
| DA1103 | \$ | 8,000 \$ | 8,000 \$ |
| DA1104 | \$ | 65 \$ | 64 \$ |
| DA1105 | \$ | 8,900 \$ | 8,900 \$ |
| DA1106 | \$ | 5,360 \$ | 5,360 \$ |
| DA1107 | \$ | 2,946 \$ | 2,946 \$ |
| Net Administrative/Ad/Education | \$ | 45,271 \$ | 45,270 \$ |
| Estimated DSM 2011 Budget/ Expenses/ Balance | \$ | 127,681 \$ | 99,022 \$ |
| | | | 28,659 |

Pascoag Utility District
Demand Side Management Programs - 2011 Approved

| | |
|--------------------------|------------|
| Carry over from 2010 | Approved |
| \$ 23,681 | |
| Estimated sales for 2011 | \$ 104,000 |
| Net 2011 budget | \$ 127,681 |

| | 2011 Approved | Expenses | Balance |
|---|-------------------|------------------|--|
| Residential Program | | | |
| DR1101 ENE Residential Conservation (ECHO) | \$ 2,400 | \$ 1,800 | \$ 600 9 months @ \$200 |
| DR1102 Home Energy Audits with Incentives | \$ 3,000 | \$ 1,621 | \$ 1,379 8 Rebates @\$200, 2 rebates |
| DR1103 Energy Star Appliance Rebates | 11945 | 8620.3 | 3324.7 26 Air conditioners, 49 clothes washer, 27 Dishwasher, 51 Refrigerators, 2 Freezers, 8 dehumidifiers 1 air purifier |
| DR1104 Energy Efficient Windows/Doors | \$ 6,000 | \$ 1,820 | \$ 4,180 14 Doors and 240 Windows |
| DR1105 Heating System Incentive | \$ 6,000 | \$ 1,500 | \$ 4,500 6 boilers |
| DR1106 Energy Star Thermostats/Lighting fixtures | \$ 1,100 | \$ 775 | \$ 325 28 Thermostats, 3 lighting fixtures |
| DR1107 Home Office Equipment/Home Electronics | 3500 | 1890 | 1610 24 TV's, 6 printers, 1 monitor, 4 phones, 6 computers, 2 blue ray players, 1 hot water heater |
| DR1108 Electric Heat Conversion/Geothermal System: | \$ 100 | \$ - | \$ 100 No activity |
| DR1109 New Construction | \$ 2,080 | \$ 1,560 | \$ 520 3 rebates @ \$520 |
| DR1110 Central Air Conditioner Incentive | \$ 1,000 | \$ 600 | \$ 400 3 Rebates at \$200 |
| DR1111 Change a Light Campaign | \$ 500 | \$ 405 | \$ 95 Purchase of light bulbs, 6 rebates, sale of 20 bulbs |
| DR1112 Energy Conservation Calendars | \$ 850 | \$ 849 | \$ 1 purchase 1000 calendars |
| DR1113 Committed for 2010 Programs | \$ 13,735 | \$ 13,735 | \$ - satisfy 2010 qualified rebates |
| Net Residential | \$ 52,210 | \$ 35,176 | \$ 17,034 |
| Industrial/Commercial | | | |
| DI1101 Energy Star Incentive - Office Equipment | \$ 500 | \$ 116 | \$ 384 1 computer, 1 charger, 1 all in one unit, 1 printer |
| DI1102 AT Levy Lighting Project | \$ 10,000 | \$ - | \$ 10,000 No activity |
| DI1103 Valliere Realty LLC | \$ 5,000 | \$ 990 | \$ 4,010 New outside lighting rebate |
| DI1104 Committed Funds- Lighting Projects | \$ 13,000 | \$ 1,852 | \$ 11,148 Retrofit lighting for Berean Baptist Church, and St. Joseph Church CFL's |
| DI1105 Consultation Fees | \$ 1,000 | \$ - | \$ 1,000 No activity |
| DI1106 Energy Star Commercial Appliance | \$ 700 | \$ 18 | \$ 682 1 dehumidifier |
| Net Industrial/Commercial | \$ 30,200 | \$ 2,976 | \$ 27,224 |
| Administrative/Ad/Education | | | |
| DA1101 Administrative | \$ 20,000 | \$ 12,814 | \$ 7,186 Administrative labor, mileage, and supplies |
| DA1102 Funds for Follow-up to Successful Programs | \$ - | \$ - | \$ - Funds were moved to more successful programs |
| DA1103 Outreach/Education | \$ 8,000 | \$ 7,509 | \$ 491 |
| DA1104 BHS Project | \$ 65 | \$ 64 | \$ 1 Smart Strip |
| DA1105 PUD 5th Annual Public Power Green Festival | \$ 8,900 | \$ 8,876 | \$ 24 Labor, Ad in local paper, banner update, rentals, face painter, puppeteer, musician, supplies |
| DA1106 Energy Efficiency Management Certificate Program | \$ 5,360 | \$ 4,599 | \$ 761 Tuition, flight, hotel, meals, books. |
| DA1107 DSM Office Equipment | \$ 2,946 | \$ 2,946 | \$ - Purchase a laptop, carrying case and encryption |
| Net Administrative/Ad/Education | \$ 45,271 | \$ 36,809 | \$ 8,462 |
| Estimated DSM 2011 Budget/ Expenses/ Balance | \$ 127,681 | \$ 74,961 | \$ 52,720 |

Division Data Request 2-1:

Regarding the proposed Refrigerator Buy-Back program: page 1 of Schedule B refers to “Refrigerator Buy-back”, page 3 of Schedule C refers to “refrigerator or freezer”, and budget item DR1204 on Schedule A refers to “Appliance Buy Back Refrigerators/Air conditioners”. Please supply more information regarding this proposed incentive program, including what appliances are eligible and the level of incentive for each type of appliance.

Division Data Request 2-1 answered by: Harle Round

The District looked into the possibility of doing a buy back on older room air conditioning units. Air conditioning units are only used for a period of up to four months during the year in our area, so the District decided to offer the buyback incentive on older refrigerators and freezers only. The ENERGY STAR web site estimates that there are 12.7 million second refrigerators and 16.9 million freezers, most over 10 years old, in use across America. These units are often found in basements and garages. By offering a \$50 incentive the District is hoping to remove a total of 20 refrigerators or freezers and ensure that they don't end up back on the grid in someone else's home. The proper recycling of an inefficient unit permanently shuts it down and the steel and other materials can be used to make new products. If the customers want to replace the older inefficient model, they will be able to receive the buy-back incentive and take advantage of the ENERGY STAR Appliance rebate. Both of these incentive programs promote the replacement of an inefficient unit before it fails and increases the chance that the customer will select an ENERGY STAR qualified model.

Division Data Request 2-2:

Paragraph 2 on page 2 of Schedule B states, “The District would like to keep the number of audits at ten at a cost of \$200 each and have \$500 available for audit recommendations that are not covered by the rebate programs.” Please explain why money would be made available for items that are not covered by rebate programs.

Division Data Request 2-2 answered by: Harle Round

Measures that are often suggested by Energy New England include insulation for the walls and attic, weather stripping, pipe insulation and electrical outlet insulation. The District does not have rebates for these items and would like to make a rebate of \$10% up to \$50 available to customers who implement these recommendations. The \$500 would allow for 10 rebates of \$50.

Division Data Request 2-3:

The final paragraph on page 7 of Schedule B states that Pascoag's budget of \$104,000 is “based on a Forecast of Sales for 2011 of 51,946,000 kWhr.”

- a.) Does the Company have a revised 2011 forecast including some actual 2011 monthly data?

b.) If so, what is the revised 2011 kWh sales forecast?

Division Data Request 2-3 answered by: Harle Round

a) The District has a revised 2011 forecast including some actual 2011 monthly data for the months of January through October with estimates for November and December.

b) The Revised 2011 kWh sales are 52,936,354.

Division Data Request 2-4:

If the answer to D.R. 2-3, part a.) above is yes, please calculate what the 2012 DSM budget amount would be if the revised kWh sales forecast was used.

a) Based on this new forecast of 52,936,354, the estimated budget rounded up will be \$106,000. This is \$2000 higher than originally estimate. The District would like to place these funds in the line item for Follow-up to Successful Programs increasing it from \$1,180 to \$3,180.