NON-CONFIDENTIAL

Request IR-01:

Please provide evidence of the "general agreement that the TRC test was flawed" (page 2 of 15, lines 8-10).

Response IR-01:

EfficiencyOne interprets discussions held with the Demand Side Management Advisory Group (DSMAG) members as suggesting a general agreement that the TRC test as currently applied, is unbalanced given that it includes a value for customer costs without including a corresponding value for customer benefits.

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Request IR-02:

Please confirm that the "Draft Settlement Language" shared by EfficiencyOne on May 18, 2016 (referenced at page 3) originated with EfficiencyOne and was never agreed to by the participants.

Response IR-02:

EfficiencyOne confirms that the draft settlement language was proposed by EfficiencyOne on May 18, 2016, and did not appear in the final Settlement Agreement dated June 30, 2016.

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Request IR-03:

With respect to the Specific Requests for Approval in s.3.3 (p.13-14)

(a) Is E1 proposing to include the per measure values in Table 10 in its application for approval of a Plan and Budget for 2020-2022?

(b) Will any approved per measure values be reviewed and subject to modification following the 2019 IRP Update for inclusion in future Plans and Budgets?

(c) Regarding the Low-Income NEBs, what is intended by the modifier "subject to discussion on implementation at the DSMAG" i.e. what specific or general approval is sought versus what will be discussed at the DSMAG?

Response IR-03:

a) EfficiencyOne intends to include NEBs, subject to NSUARB approval, in the TRC calculations for the 2020-2022 DSM Resource Plan. The values in Table 10, revised for the removal of property value-related NEBs (refer to EfficiencyOne's response to Multeese IR-16), will be used with the exception of BNI measures which will be subject to Section 3.3, Request 2 of the Application.

b) EfficiencyOne is not proposing to conduct a full-scale review following the 2019 IRP update, but rather prior to the subsequent IRP update.

c) The general approval sought in this Application is to base NEBs for future dedicated low-income programs on the work conducted in the 2016 Three[3] study.[1] The implementation of these NEB values will be subject to discussions with the DSM Advisory Group.

[1] Three3, Massachusetts Special and Cross-Cutting Research Area: Low-Income Single-Family Health- and Safety-Related Non-Energy Impacts Study, Prepared for Massachusetts Program Administrators by Three3 and NMR Group, 2016.

NON-CONFIDENTIAL

Request IR-04:

Please explain E1's view of the relationship, if any, in quantifying NEBs and incentive levels.

Response IR-04:

Please refer to EfficiencyOne's response to Multeese IR-05.

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Request IR-05:

At Attachment 1 (Page 14 of 27), E1 states that the "Custom Program is the sole ENS Program that uses customer simple back [sic – payback] as a metric to modify incentives".

a) Why is the custom program the sole program to do so?

b) Is customer simple payback a relevant input for most, if not all, measures when considering the appropriate incentive? Please explain your answer if you disagree.

Response IR-05:

a) The nature of the Custom program, with detailed scoping / feasibility studies and client interaction allows for calculations to be completed on non-electrical benefits, which influence simple payback.

Other EfficiencyOne programs do not have the required structure, inputs and customer interaction to use simple payback in this way.

b) EfficiencyOne's incentive setting process follows the CLEAResult recommendations from the Incentive Setting Methodology report[1]. Simple payback is a consideration in the consolidated calculator developed by EfficiencyOne, when setting incentive levels for prescriptive rebates.

[1] M07544, E-3, REVISED Incentive Setting Methodology: CLEAResult Report & EfficiencyOne Implementation Plan, Filed March 31, 2017

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Request IR-06:

(a) **Are the increased property value/anticipated ease of selling or leasing NEBs primarily derived from the research studies appended at Attachment 4, Appendix A and particularly, the NMR Group Inc./Tetra Tech 2011 Study?**

(b) **Please produce a copy of the section from this Study, including the questions asked, relating to property value NEBs.**

(c) **Please identify that the sample size for that 2011 Study (breaking down between low income households non-low-income) and geographic residence of respondents.**

(d) **Has E1 obtained any independent verification in Nova Scotia regarding the validity and reliability of the sample size and survey questions and its applicability in Nova Scotia?**

Response IR-06:

The following response has been provided by Vermont Energy Investment Corporation (VEIC).

a) Please refer to EfficiencyOne's response to Multeese IR-16.

b) Please refer to a).

c) Researchers surveyed 213 low-income households and 209 non-low-income households from across Massachusetts. Geographic residence information was not collected as part of the survey.

d) None outside of VEIC.

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Request IR-07:

(a) **Does E1 agree that an owner's perceived increase in property value due to non-energy impacts ("NEI") is subjective?**

(b) **Does E1 agree that the subjectivity of this perception raises questions about reliability and accuracy?**

(c) **What, if any, factors has E1 employed to reduce or mitigate the risks of unreliability and inaccuracy of this subjective perceived increase in property value when assigning an NEB to property value?**

Response IR-07:

a) Please refer to EfficiencyOne's response to Multeese IR-16.

b) Please refer to EfficiencyOne's response to Multeese IR-16.

c) Please refer to EfficiencyOne's response to Multeese IR-16.

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Request IR-08:

Please refile the Spreadsheet and Table for which measure-level approval is sought, without the inclusion of NEBs associated with increased property values.

Response IR-08:

The following response has been provided by Vermont Energy Investment Corporation (VEIC).

Please refer to EfficiencyOne's response to Multeese IR-16.

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Request IR-09:

Regarding Attachment 4, Appendix C, please confirm that the data other than Non-Energy Benefits (e.g., Annual Energy Savings per Unit [Column F], One Time Incremental Measure Cost [Column H], Present Value Avoided Cost [Column N] and so on) are identical to the values in earlier (filed) versions of the workbook. If not confirmed, please explain which numbers are different and why.

Response IR-09:

The following response has been provided by Vermont Energy Investment Corporation (VEIC).

No other versions of Attachment 4, Appendix C have been filed.

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Request IR-10:

Please identify which numbers are copied from earlier versions as opposed to being calculated within the workbook or in a linked workbook.

Response IR-10:

The following response has been provided by Vermont Energy Investment Corporation (VEIC).

Columns B:P, AR:AV, AY:BB, BD:BJ, BM:BP, BR:BX, CA:CD, CF:CG with cells that contain hardcoded values are all original from the EfficiencyOne 2016-2018 analysis.

NON-CONFIDENTIAL

Request IR-11:

Please provide a version of Appendix C using the annual avoided costs from NSPI's latest version of the Rate and Bill Impact Analysis.

Response IR-11:

The current version of Appendix C uses the 2014 IRP-generated Base-DSM avoided costs. On October 16, 2018 EfficiencyOne received confirmation from Nova Scotia Power that these avoided costs will not be updated until the next IRP.

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Request IR-12:

What conclusions, if any, does EfficiencyOne want the Board to draw from the TRC values calculated in Appendix C?

Response IR-12:

No specific suggested conclusions are proposed by EfficiencyOne. Appendix C: NEB Analysis tool provides details on calculations performed by VEIC to adapt NEBs to the Nova Scotia market and the impacts to TRC results of EfficiencyOne's 2016-2018 portfolio of measures.

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Request IR-13:

Please expand Appendix C to include the direct savings to customers from each measure, including the direct savings from NEBs. Please show electric bill savings, gas bill savings and water/wastewater bill savings separately.

Response IR-13:

The following response has been provided by Vermont Energy Investment Corporation (VEIC).

VEIC did not examine direct electricity or natural gas bill savings to customers as part of this engagement, given the focus on the TRC test. Please refer to EfficiencyOne's response to Synapse IR-02 c) for information by measure regarding water/wastewater savings. VEIC is unable to produce the electricity and natural gas analysis requested given that it would require significant alteration of, and addition to, Navigant's ELRAM model output structure.

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Request IR-14:

Please provide the source or derivation of the $2.729/m^3 figure in cell AC3.

Response IR-14:

The following response has been provided by Vermont Energy Investment Corporation (VEIC).

The source below (current Halifax water rates, as of Q3 2017) was used:
https://www.halifax.ca/home-property/halifax-water/accounts-billing/rates-charges-water-wastewater-stormwater

The following describes the calculation:
Water rate: $0.976 per cubic meter
Wastewater discharge rate: $1.753 per cubic meter
Summed TOTAL: $2.729 per cubic meter