

February 10, 2016

Lisa A. Skumatz, Ph.D.
Skumatz Economic Research Associates (SERA)
762 Eldorado Drive
Superior, CO 80027

RE: Connecticut Single Family Potential Study (R15)

Dear Dr. Skumatz,

Eversource Energy (“Eversource”) is pleased to submit these written comments with regard to a draft evaluation report: *Connecticut Single Family Potential Study* (“Report” or “Study”), January 22, 2015, NMR Group, Inc. (“Evaluator”). Eversource received the Report on January 22, 2015 with a request to provide comments by February 10, 2016. The purpose of the Report is to estimate savings potential in single family homes in Connecticut.

The Report includes invaluable data and findings that can help guide future planning and implementation efforts in Connecticut. However, Eversource believes that the value of the report can be enhanced by considering the following recommendations.

- The data and assumptions that were used to generate the benefit cost tables (e.g. Tables 23 and 24) should be included in the Report. This data includes the costs of the measures, the size of the measure (HVAC equipment sizing, amount of insulation installed, etc.), the baseline conditions, and the estimated energy savings from the measures.
- The Report provides benefit cost calculations that are based on a mix of fuels. For example, the Report states that average benefit-cost calculation of wall insulation is 1.3. Because fuel costs differ significantly, Eversource requests that all benefit cost calculations in the Report be shown by fuel type where appropriate.
- The cost effective potential scenarios in the report should be broken down into individual measures. For example, Tables 26 and 27 show the cost effective savings potential by end use (heating, cooling, etc.) but the mix of measures that were used to derive this savings is not presented.
- Based on the Report, it appears that many measures currently included in the draft Weatherization Definition may not be cost effective. For example, only 33 percent of the wall insulation was cost effective and 54 percent of the ceiling insulation was cost effective. Eversource believes these are significant findings (as it relates to achievement of the Weatherization Goal). The Report should include a discussion of how these findings may impede progress towards achievement of the Public Act 11-80 Weatherization Goal and make recommendations on re-examining the definition based on the Report results.

- The report should compare and contrast the overall findings in this Report to other potential studies. In particular, the cost effective achievable potential is five percent or less for all fuels which is much lower than other estimates of achievable savings based on similar studies conducted regionally and nationally.
- It is not clear that the definition of cost effective achievable potential within the Report is consistent with the typical definition of this term in other potential studies. Please clarify this definition and explain how this scenario may be useful for program planning and policy making decisions.
- The Report recommends that the Companies review cost effectiveness screening to ensure that benefit/cost ratios are not over stated by failing to account for future codes and standards in the screening calculations. Eversource notes that shell upgrades in existing homes are not subject to minimum code standards, and that HVAC measures are already screened at levels that are at or higher than minimum code levels. Eversource requests that this recommendation is clarified.
- The fuel switching findings (e.g. Figure 6) are presented in term of site energy savings and do not account for the energy that is used to generate electricity (source energy). To avoid confusion and misinterpretation of the results, the Report should include a brief discussion of site energy versus source energy, and the inherent limitations of reporting only site energy results.
- Eversource requests that the base case electronic REM/Rate files that were developed as part of this study be provided.
- In addition to these comments, Eversource is including a marked-up copy of the Report with other comments and questions.

To help ensure efficient and timely completion of a final Report that provides utmost value, Eversource encourages clarifying questions from the Evaluator (via the established evaluation protocols) on these comments.

Sincerely,

Joseph Swift

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