



Richard Sullivan, Secretary of Energy and Environmental Affairs  
Massachusetts Executive Office of Energy and Environmental Affairs  
100 Cambridge Street, Suite 900  
Boston, MA 02114

May 15, 2013

RE: Comments to the Energy Policy Review Commission

Dear Secretary Sullivan,

Attached please find these brief comments of Fitchburg Gas and Electric Light Company d/b/a Unitil ("Unitil" or the "Company") regarding the success of the Company's Energy Efficiency Programs as implemented pursuant to the Green Communities Act. Unitil is a local distribution gas and electric company providing gas and/or electric service to communities in Maine, Massachusetts, and New Hampshire, including the cities and towns of Ashby, Fitchburg, Gardner, Lunenburg, Townsend and Westminster. As part of that service provision obligation, Unitil serves as the Program Administrator for energy efficiency services in its service territory, pursuant to the obligations established in the Green Communities Act and subject to the review and oversight of the Department of Public Utilities (the "Department"). In January, the Department approved Unitil's three-year energy efficiency gas and electric plans and budgets for implementation of the Company's 2013 through 2015 energy efficiency program offerings. See, D.P.U. 12-104 and D.P.U. 12-108. These plans, following on the nation leading three year plans approved for the 2010 through 2012 timeframe, continue the Commonwealth's commitment to aggressively address the energy challenges in the state. These efforts have significantly advanced the Commonwealth's commitment to the development of energy efficiency, demand response, distributed generation, and renewable resources. In fact, the actions of the Patrick-Murray administration have catapulted Massachusetts to a national leadership role in clean energy. For example, for the second year in a row the American Council for an Energy-Efficient Economy (ACEEE) has ranked Massachusetts the number one state for energy efficiency policies and programs. Unitil has been proud to work with the Department, the Department of Energy Resources, the Office of the Attorney General, the Energy Efficiency Advisory Council, and other interested stakeholders through this process to contribute towards meeting these goals.

In the context of its participation as a Program Administrator in the Commonwealth, Unitil has been made aware of certain comments presented by Mr. Tom Regh, an appointed member of the Commission, during the Commission's May 1, 2013 meeting. In particular, Mr. Regh's comments and the case study he offers of a customer experience in Townsend, Massachusetts, raise significant concerns for the Company. In short, the Company believes the presentation to be factually inaccurate, to unjustifiably depict the Company and its third party auditor in an unfavorable light, and to show a lack of knowledge of the Company's processes for implementation of energy efficiency initiatives, specifically the Home Energy Services ("HES") program, as reviewed and approved by the Energy Efficiency Advisory Council and the Department through the three-year planning process.

First, it is important to note that Unitil is not part of the HES standard market model for reasons unique to its service territory. This is not a new fact, and has been reviewed and discussed by the Department in its investigations into the ultimate approval of the three-year plans proposed for the Company's gas and electric program offerings in D.P.U. 12-104 and D.P.U. 12-108. To that end, the Company's method employed by Unitil for conducting audits and implementing energy efficiency measures in its service territory is wholly consistent with the approved statewide plan. Mr. Regh's presentation on this point is incorrect.

Second, Mr. Regh's comments take particular issue with the work undertaken by one of the Company's third-party HES vendors, Energy Efficiency Investments ("EEI"). EEI has been a Home Performance Contractor ("HPC") for Unitil's HES program since 2007. EEI, along with their parent company ENE Systems of Canton, Massachusetts, has

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over twenty-five years of technical experience specializing in performance contracting, energy auditing, air sealing and insulation security, building automation and home energy efficiency installations in Massachusetts, New Hampshire, and Rhode Island. EEI has successfully performed hundreds of residential and multifamily home energy assessments and installations on behalf many highly satisfied Unitil HES participants. Unitil works very closely with our HPCs, including EEI, and their BPI certified staff to provide comprehensive Tier 1 and Tier 2 audits and "turn key" energy efficiency services required under the HES program. Unitil is happy to report that it has a very high rate of satisfaction with respect to its relationship with EEI, and it believes that despite Mr. Regh's presentation, so too do its customers who avail themselves of EEI's services for energy efficiency assessments.

Further, EEI is subject to random 3rd party QA/QC checks of pre-, in-process, and post-audit and installation checks under the HES program. No such issues or concerns have been presented to Unitil through those processes. While Unitil will continue to look into Mr. Regh's Case Study with EEI directly, as of this writing, we have received no negative reports from our QA/QC vendor and no formal complaints from customers and program participants on EEI's quality of work. It is our understanding that EEI will be providing a separate and direct rebuttal to the Energy Commission on the subject of the Case Study presented, as allowed by the Commission during this public comment period.

In summary, Unitil reports that its energy efficiency program implementation activities are in complete compliance with the three-year plans reviewed and approved by the Department, and that Unitil takes its commitment to the obligations of those plans and its role in contributing to meeting the goals of the Administration very seriously. Further, prior to the presentation of Mr. Regh's May 1<sup>st</sup> Case Study, Unitil was not aware of any such issue with respect to the example offered in the presentation, and following discussions with EEI, with whom the Company has had a long and successful relationship in implementing energy efficiency initiatives, Unitil maintains that Mr. Regh's comments inaccurately reflect the facts and circumstances at issue in his example.

Thank you to the Commission for the opportunity to provide this brief response. Should the Commission have any further questions about this matter, please do not hesitate to contact me directly.

Sincerely,

A handwritten signature in black ink, appearing to read "Derek T. Kimball".

Derek T. Kimball  
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cc: Barbara Kates-Garnick, Undersecretary of Energy, EOEEA  
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