

January 8, 2016

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

RE: Evaluation of Persistence in the Customer Behavior Program (R32)

Dear Dr. Skumatz,

Eversource Energy (“Eversource”) is pleased to submit these written comments with regard to a draft evaluation report: *Evaluation of the Persistence in the Eversource Customer Behavior Program* (“Report”), December 2015, NMR Group, Inc. (“Evaluator”). Eversource received the Report on December 21, 2015 with a request to provide comments by January 4, 2016. The purpose of the Report was to measure persistence of savings through a billing analysis for discontinued groups (post treatment) in the Eversource Behavior Program.

Eversource is pleased with the quality of the Report and the findings which show that savings among participants remains strong after they stop receiving reports. Eversource respectfully provides the following comments on the Report and its recommendations.

- **Recommendation 1:** Eversource should consider revising the PSD to reflect the findings from this study. The specific values are summarized in Table 3. Note that this study does not provide estimated savings for High-use Extension or Average-Use Expansion Households as persistence savings have not been studied to date.

Eversource Response: The PSD does provide the flexibility for Eversource to account for post-treatment savings. The current (for 2016-2018) planning assumptions used by Eversource were developed in collaboration with OPower (program vendor) and the Energy Efficiency Board Consultants and are closely aligned with the findings in this Report including the counting of persistence savings.

- **Recommendation 2:** Until we have sufficient data to revise the estimate, Eversource should retain a realization rate of 100% for the treatment period.

Eversource Response: Eversource has found that OPower estimates of savings during treatment periods tend to align with third-party evaluations. Therefore, Eversource agrees with this recommendation.

- **Recommendation 3:** Eversource should consider the most appropriate length of treatment given that savings persist for at least two years post treatment, yielding savings that rival continued treatment but at a lower cost to the program.

Eversource Response: Eversource generally agrees with this recommendation. Eversource believes that there are a variety of alternatives to optimizing program design such as decreasing the frequency of reports over time and/or switching customers from paper to more cost effective electronic reports in order to maintain persistence of savings.

- **Recommendation 4:** Do not adjust the HERs program savings to avoid double counting with other CEEF programs.

Eversource Response: Based on the Report, the HERs program did induce higher participation in the Home Energy Solutions program. However, the increase in savings was not on a scale that would lead to double counting. Eversource agrees with this recommendation but will continue to monitor participation rates among HERs program participants, and may adjust the savings in the future if warranted.

It is not clear in the Report how many reports were received by customers and at what frequency customers received them. For example, the table on page II of the Executive Summary does not provide the frequency of reports for most of the groups, and it does not provide how many reports were received in total by all of the sub-groups. Eversource recommends that the table on page II of the Executive Summary is updated to include the number of reports and frequency of reports for all sub-groups.

Lastly, Eversource requests that the Evaluator provide commentary on whether it would be appropriate to assume similar persistence results for behavioral programs that target natural gas i.e. would the persistence results from this study be transferable to similar natural gas programs?

Eversource appreciates the opportunity to comment on this draft Report. 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

Joseph Swift
Operations Supervisor, Eversource
Joseph.Swift@Eversource.com
860-665-5692