

Attachment A

**Mid-Term Modification Request for Eversource Energy
August 16, 2021**

NSTAR Electric Company (“NSTAR Electric”), NSTAR Gas Company (“NSTAR Gas”) and Eversource Gas Company of Massachusetts (“EGMA”) each d/b/a Eversource Energy (collectively, “Eversource”) are committed to pursuing all available cost-effective energy efficiency in accordance with the Green Communities Act. The current trajectory of spending is expected to trigger the need for Energy Efficiency Advisory Council (“EEAC” or “Council”) approval for Eversource pursuant to § 3.8.1(3) of the revised Energy Efficiency Guidelines issued by the Department of Public Utilities (“Department”) in D.P.U. 11-120-A, Phase II. Eversource requests Council support to make the following modifications to its Energy Efficiency Plans (“Plan”). These modifications do not trigger the need for Department-level review, as they result in sector-level bill impacts of less than 2% in all cases. Further, Eversource is not requesting changes to its approved savings goals or Performance Incentive.

For NSTAR Electric:

1. Reduce budget in the Commercial & Industrial (“C&I”) New Buildings program.

For NSTAR Gas:

2. Reduce budget in the C&I New Buildings program.
3. Reduce budget in the C&I Existing Buildings program.

For EGMA:

4. Reduce budget in the C&I New Buildings program.
5. Reduce budget in the C&I Existing Buildings program.

Details about each of these requests follow.

Requests 1, 2 and 4 – Reduce budget in the C&I New Buildings Programs for NSTAR Electric, NSTAR Gas, and EGMA. Savings in the New Construction program is dependent on construction activity in the state, which is impacted by a variety of factors outside of the PAs’ control (such as overall economic development trends). In planning for 2019-2021, Eversource over-estimated the amount of new construction activity that would occur within its territories. Eversource remains committed to pursuing every possible pathway to saving energy in new buildings.

Program	Planned Budget	Projected Budget	Additional Budget Requested	Percentage Change from Plan
C&I New Buildings (Electric)	\$35,335,000	\$21,159,105	\$0	-40%
C&I New Buildings (NSTAR Gas)	\$6,435,000	\$3,633,539	\$0	-44%
C&I New Buildings (EGMA)	\$5,118,881	\$2,108,253	\$0	-59%

Requests 3 and 5 – Reduce budget in the C&I Existing Buildings Programs for NSTAR Gas and EGMA. In general, retrofit gas savings in the C&I sector are becoming more challenging to obtain, driven in large part by the continued low price of natural gas. Given the relatively long payback periods for these projects, customers often choose to focus their limited capital and time on other investments. Additionally, cost-effectiveness screening has been a challenge for large projects, as a result of the low avoided costs for natural gas. Eversource remains committed to achieving all cost-effective energy efficiency and is examining revised incentive structures and delivery mechanisms in order to drive greater gas savings from C&I customers. These efforts have seen success and retrofit spending in 2021 is anticipated to be higher than in the first two years of the term. Further, the Company notes that it is not filing an MTM for the Hard to Measure Programs, and is targeting 100% of spend for the Marketing and Workforce development budgets in 2021. Despite these efforts, Eversource will not reach the 80% spending threshold in the gas C&I Existing Buildings programs.

Program	Planned Budget	Projected Budget	Additional Budget Requested	Percentage Change from Plan
C&I Existing Buildings (NSTAR Gas)	\$38,165,000	\$26,803,122	\$0	-32%
C&I Existing Buildings (EGMA)	\$30,814,658	\$23,170,808	\$0	-25%

For informational purposes only, the tables below show Eversource’s anticipated 2019-2021 annual savings, lifetime savings, benefits and budget for each sector. These projections incorporate 2019 Plan-Year Report results, draft 2020 results, and projections for 2021.

Eversource Electric 2019-2021 Proposed Budget Adjustment & Savings Projections by Sector												
Sector	Annual Savings (MWh)			Lifetime Savings (MWh)			Benefits			Budget		
	Approved	Projected	%	Approved	Projected	%	Approved	Projected	%	Approved	Proposed	%
Residential	375,225	415,604	111%	1,378,550	1,395,813	101%	\$ 718,894,038	\$ 801,491,766	111%	\$ 303,570,000	\$ 340,083,202	112%
Income-Eligible	41,749	39,456	95%	370,250	311,330	84%	\$ 210,728,154	\$ 166,262,549	79%	\$ 94,685,000	\$ 79,849,354	84%
C&I	1,319,850	1,124,110	85%	18,630,118	15,413,210	83%	\$ 2,418,791,629	\$ 2,177,641,082	90%	\$ 518,920,000	\$ 447,059,171	86%
C1- C&I New Buildings	84,098	72,214	86%	1,390,748	984,210	71%	\$ 225,646,810	\$ 162,081,216	72%	\$ 35,335,000	\$ 21,159,105	60%
Total	1,736,824	1,579,170	91%	20,378,918	17,120,353	84%	\$ 3,348,413,821	\$ 3,145,395,397	94%	\$ 917,175,000	\$ 866,991,727	95%

Eversource (NSTAR) Gas 2019-2021 Proposed Budget Adjustment & Savings Projections by Sector												
Sector	Annual Savings (Therms)			Lifetime Savings (Therms)			Benefits			Budget		
	Approved	Projected	%	Approved	Projected	%	Approved	Projected	%	Approved	Proposed	%
Residential	8,349,571	7,504,081	90%	94,177,078	110,790,508	118%	\$ 187,853,531	\$ 222,987,188	119%	\$ 93,455,000	\$ 100,373,656	107%
Income-Eligible	1,371,410	1,040,440	76%	28,106,405	21,746,546	77%	\$ 80,962,482	\$ 62,359,081	77%	\$ 35,400,000	\$ 28,785,214	81%
C&I	12,182,421	6,267,287	51%	154,493,709	81,507,592	53%	\$ 230,249,148	\$ 108,158,677	47%	\$ 47,270,000	\$ 30,436,660	64%
C1- C&I New Buildings	2,107,116	796,230	38%	37,138,183	14,703,222	40%	\$ 49,951,924	\$ 19,500,319	39%	\$ 6,435,000	\$ 3,633,539	56%
C2- C&I Existing Buildings	10,075,305	5,471,057	54%	117,355,526	66,804,369	57%	\$ 180,297,224	\$ 88,658,359	49%	\$ 38,165,000	\$ 26,803,122	70%
Total	21,903,402	14,811,808	68%	276,777,192	214,044,646	77%	\$ 499,065,161	\$ 393,504,946	79%	\$ 176,125,000	\$ 159,595,530	91%

Eversource Gas (EGMA) 2019-2021 Proposed Budget Adjustment & Savings Projections by Sector												
Sector	Annual Savings (Therms)			Lifetime Savings (Therms)			Benefits			Budget		
	Approved	Projected	%	Approved	Projected	%	Approved	Projected	%	Approved	Proposed	%
Residential	8,236,440	6,751,271	82%	117,358,651	123,879,872	106%	\$ 233,433,887	\$ 251,705,249	108%	\$ 89,789,197	\$ 119,952,444	134%
Income-Eligible	1,447,172	1,180,769	82%	29,631,419	23,942,734	81%	\$ 83,566,660	\$ 69,803,730	84%	\$ 31,811,916	\$ 28,508,912	90%
C&I	10,378,842	5,579,875	54%	145,389,901	72,416,445	50%	\$ 203,545,093	\$ 116,408,014	57%	\$ 38,060,093	\$ 25,279,061	66%
C1- C&I New Buildings	1,450,226	333,475	23%	26,968,480	6,380,969	24%	\$ 40,087,173	\$ 9,415,435	23%	\$ 5,118,881	\$ 2,108,253	41%
C2- C&I Existing Buildings	8,928,616	5,246,400	59%	118,421,421	66,035,475	56%	\$ 203,545,093	\$ 106,992,578	53%	\$ 30,814,658	\$ 23,170,808	75%
Total	20,062,454	13,511,915	67%	292,379,971	220,239,051	75%	\$ 520,545,640	\$ 437,916,993	84%	\$ 159,661,206	\$ 173,740,417	109%