Unitil
energy for life

FG&E Electric MTM

July 16, 2024

Mid-Term Modification

Residential HTM

FG&E's Heat Loans account for 57% of the original budget for the electric Residential Hard to Measure program over the 2022-2024 Term.

There are two drivers for the increase in spending:

- More loans for heat pumps
- Higher interest rates

Given dramatic increase in invoicing since the end of December 2023, spending on Heat Loans has now exceeded the three year budget for that line item.

Unitil is seeking approval for a proposed increase of $500,000, which is a 32% increase over the approved Hard to Measure budget and a 55% increase over the Heat Loan line item.

IE Existing Buildings

FG&E's electric Income Eligible Existing Buildings program has experienced greater activity than anticipated during planning for the 2022-2024 Term.

The need for increased spending authority is driven by demand for both SF and MF weatherization and the higher than planned costs for non-energy saving measures and pre-weatherization barriers.

Unitil is seeking approval for a proposed increase of $371k, which is an 11% increase over the approved budget for the program and a 10% increase over the approved budget for the Income Eligible Sector.

Spending Request

HEAT Loan Activity – on pause

- Heat Loan invoices continue to outpace Company budgets and projections and are now well over budget within the Hard-to-Measure Program
- Given the gap between the time a customer gets the green light to pursue a Heat Loan from the Mass Save® implementation contractor and when the Company gets an invoice for the interest associated with that Heat Loan, the Company has found it necessary to pause new Heat Loans for customers as of July 3rd pending a decision from the DPU on the Company's MTM in D.P.U. 24-91
- Before requesting vendors put the Heat Loan offer on pause, the Company informally notified the AGO, the DOER and the DPU and then formally sent its notification letter to the D.P.U. and the EEAC
- The lack of Heat Loan availability could reduce customer capacity to pursue both weatherization through Residential Coordinated Delivery and electrification through the Retail core initiative, but it is too early to quantify the scale of the impact