STATE OF NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

DE 09-054

ORDER OF NOTICE

House Bill 1628 (2008 N.H. Laws Ch. 268), signed into law on July 11, 2008, amended RSA 362-F, the Electric Renewable Energy Portfolio Standard (RPS) law, by requiring the Commission to make and administer a one-time incentive payment to a residential owner of a small renewable generation facility from the renewable energy fund.

The RPS law requires all providers of electricity in New Hampshire to procure renewable energy certificates (RECs) for a certain percentage of the electricity they deliver in the state, or to pay an alternative compliance payment (ACP) to the renewable energy fund created by the law. The first alternative compliance payments are expected to be made into the renewable energy fund in July, 2009. As part of the RPS law, the Commission will administer the renewable energy fund in order to support customer-sited renewable energy initiatives. Pursuant to RSA 362-F:10, VI, the incentive payments for small residential renewable energy fund up to a maximum aggregate payment of 10 percent of the fund per year.

The specified incentive payments will be a one-time payment of \$3 per watt of generation capacity, up to a maximum payment of \$6,000, or 50 percent of the system costs, whichever is less, per facility. The renewable generation facility is to be located on or at the owner's residence and will have begun operation on or after July 1, 2008. The residential renewable generation facility must qualify as a Class I or Class II source of generation under RSA 362-F and must have a total peak generation capacity of less than 5 kilowatts. Class I represents

generation from a wide range of "new" renewable sources, including wind. Class II represents "new" renewable sources producing electricity specifically from solar technologies. In addition, pursuant to RSA 362-F:10, VII, the Commission is required to establish an application process which includes verification of costs for parts and labor, certification that the equipment used meets the applicable safety standards of the American National Standards Institute or Underwriters Laboratory or similar safety rating agency, and that the facility meets local zoning regulations and receives any required inspections.

To assist the Commission in the development of an application process, a technical session will be held on May 15, 2009 at 10:00 a.m. to allow interested parties to discuss issues including the content of the application and requirements for completing the application and qualifying for the incentive and other relevant issues that may be identified by participating parties. Because the annual aggregate payment of incentives is limited to 10% of the renewable energy fund, it is possible that there may be more applications for incentives than can be paid in a given year. At the technical session parties can also explore the implications of such a possible funding limitation including the order in which application form for proposed systems that might qualify such systems for a position in a funding queue. A proposed application form for installed systems is available for review on the Commission's web page at <u>www.puc.nh.gov</u>. Following the technical session, Staff shall make a recommendation regarding the application process to the Commission.

Finally, the Commission will hold a hearing on May 26, 2009 at 10:00 a.m.to receive public comment on the Staff's recommendations. The application process raises, *inter alia*,

issues related to the implementation of an incentive payment program pursuant to RSA 362-F:10,

V.

Based upon the foregoing, it is hereby

ORDERED, that, consistent with the foregoing, a technical session be held at the

Commission offices at 21 S. Fruit St., Suite 10, Concord, New Hampshire on May 15, 2009 at

10:00 a.m.; and it is

FURTHER ORDERED, that a public comment hearing be held on May 26, 2009 at

10:00 a.m. regarding Staff's recommendation for the application process pursuant to RSA 362-

F:10, VII; and it is

FURTHER ORDERED, that pursuant to N.H. Admin. Rules Puc 203.12, the

Commission shall notify all persons desiring to be heard at this hearing by publishing a copy of this Order of Notice no later than April 23, 2009, in a newspaper with general circulation in the State, publication to be documented by affidavit filed with the Commission on or before May 26, 2009.

By order of the Public Utilities Commission of New Hampshire this seventeenth day of pril 2009

April, 2009.

Debra A. Howland Executive Director

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability, should contact the Americans with Disabilities Act Coordinator, NHPUC, 21 S. Fruit St., Suite 10, Concord, New Hampshire 03301-2429; 603-271-2431; TDD Access: Relay N.H. 1-800-735-2964. Notification of the need for assistance should be made one week prior to the scheduled event.