



I hereby certify that the foregoing notice was published in The Union Leader and/or New Hampshire Sunday News, newspapers printed at Manchester, N.H., by the Union Leader Corporation on the following dates, Viz: 2/11/10

(Signed) Phyllis Gilbert

UNION LEADER CORPORATION

State of New Hampshire,
Hillsborough, SS.

(Dated)..... 2/19/2010

Subscribed and sworn to by the said Phyllis Gilbert

Before me,

..... Joan Manning

Notary Public



**THE STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION
DE 10-024
RENEWABLE ENERGY FUND
NOTICE OF OPPORTUNITY TO
COMMENT
ON ADDITIONAL RENEWABLE
ENERGY INCENTIVE PROGRAMS**

Legislation enacted by the General Court in 2008 directed the Commission to establish an incentive program supported by the Renewable Energy Fund (REF) for residential renewable electric generation facilities with a peak generation capacity of less than 5 kilowatts. (RSA 362-F:10, V). The specified incentive is a one-time payment of \$3 per watt of generation capacity, up to a maximum of \$6,000 per facility, or 50 percent of the system costs, whichever is less. In Docket No. DE 09-054, the Commission approved an application process for such incentives. See Order No. 24,985 (July 14, 2009) and Order No. 24,020 (October 2, 2009).

Pursuant to RSA 362-F:10, VIII, the Commission, after notice and hearing, by order or rule, may also establish "additional incentive or rebate programs for customer-sited thermal and renewable energy projects" to be supported by the REF. The Commission seeks to determine what additional renewable energy incentive programs for customer-sited renewable thermal and/or renewable electric generation projects for residential as well as commercial and industrial (C&I) customers should be offered. Accordingly, this opportunity for public comment is provided for all issues relevant to the types of additional incentive programs to be funded by the REF and the Commission will follow the same process used in Docket No. DE 09-054.

Considering that the REF currently contains a sum considerably less than initially anticipated, the first question to be addressed is whether the entire balance in the REF, not otherwise required for the residential rebate program mandated by RSA 362-F:10, V and budgeted administrative expenses, should be reserved for additional incentive programs for customer-sited renewable energy projects, or whether some funds should be used for renewable energy initiatives selected pursuant to a request for proposals as set forth in Puc 2507.03.

The second question to be addressed is what additional incentive programs might be established in light of uncertain future funding levels. The sole source of funds for the REF, other than investment income earned on the fund balance, is alternative compliance payments (ACPs) made by utilities and competitive energy suppliers when they do not acquire enough renewable energy certificates (RECs) to meet the renewable portfolio standards (RPS) under RSA 362-F. For compliance year 2008, \$4,483,917 in ACPs were deposited into the REF in July 2009. For much of the past year it appears that RECs have generally been available for less than the ACP rate suggesting that REF revenue could be minimal in 2010. While RPS compliance requirements gradually increase over time, any corresponding increase in the supply of RECs will likely be in lumpy or uneven increments as new renewable generation is qualified to produce RECs, further suggesting that REF revenue will be uncertain and volatile.

The New Hampshire Office of Energy and Planning has obtained American Recovery and Reinvestment Act (ARRA) funds for a residential solar hot water rebate program in the amount of \$516,000 to be administered by the Commission. In this instance, the ARRA funds may only be used to supplement a state program. To take advantage of these funds, the Commission is considering a residential solar hot water incentive program supported by the REF. Pursuant to the terms of the ARRA grant, the Commission would need to have this program in place by April 21, 2010. The Commission also seeks to establish one or more incentive

watts in capacity by this summer.

To assist in the development of a possible solar hot water incentive program, a technical session will be held on February 26, 2010 starting at 10:00 a.m. to allow interested parties to discuss issues including the appropriate level and form of incentive, content of an application, requirements for qualification for the incentive, and other relevant issues that may be identified. At the technical session parties can also explore the development of additional renewable incentive programs and the overall allocation of available funds in the REF. Participants are advised that one or more Commissioners may attend this technical session. Additional scoping questions related to those noted herein, and a proposed application form for residential solar hot water systems can be found at www.puc.nh.gov. Following the technical session, Staff will make a recommendation to the Commission regarding a residential solar hot water program and future steps on other issues.

The Commission will hold a hearing on March 18, 2010 at 10:00 a.m. to receive public comment on Staff's recommendations. Subsequent technical sessions and hearings may be scheduled.

This notice raises, inter alia, issues related to whether the Commission should establish a residential solar hot water and other renewable incentive programs; how the Commission should allocate limited funds for incentive programs; and whether the Commission should issue a request for proposals for the use of REF monies in lieu of, or in addition to, new incentive programs.

Based upon the foregoing, it is hereby

ORDERED, that a Technical Session be held at 21 S. Fruit St., Suite 10, Concord, New Hampshire, on February 26, 2010 at 10:00 a.m., at which Staff will meet with interested members of the public to receive recommendations and comments regarding a solar hot water incentive program and other issues associated with the use of the Renewable Energy Fund; and it is

FURTHER ORDERED, that Staff shall file a recommended incentive and application process, including any technical requirements, for a solar hot water heating incentive program by March 12, 2010; and it is

FURTHER ORDERED, that a public comment hearing on Staff's recommendation on a solar hot water incentive program and on the other issues raised in this Notice be held on March 18, 2010 at 10:00 a.m.; and it is

FURTHER ORDERED, that comments and suggestions may also be filed by email at executive.director@puc.nh.gov; and it is

FURTHER ORDERED, that the Executive Director shall notify all persons desiring to be heard at this hearing by publishing a copy of this Order of Notice no later than February 12, 2010, in a newspaper with general circulation in the state with publication to be documented by affidavit filed with the Commission on or before February 26, 2010.

By order of the Public Utilities Commission of New Hampshire this ninth day of February, 2010.

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.

UL - Feb. 11)