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March 18, 2010

Debra A. Howland, Executive Director
Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, NH 03301

Re: Docket # DE 10-024
Opportunity to Comment on Renewable Energy Fund
Office of Energy and Planning's Recommendation

Dear Ms. Howland:

The Office of Energy and Planning (OEP) fully supports the recommendations of the Commission staff, as presented in the letter dated March 15, 2010. We support the Renewable Energy Fund being first used to implement the residential and commercial/industrial rebate programs. It is important to implement these rebate programs consistently without gaps in funding. Maintaining a consistent rebate program for both sectors will help to support the job growth within the small business sector, a sector that is the backbone of our economy and one that should be supported as the state seeks to further develop clean energy jobs. We agree that once the Commission staff's proposed level of funding for the rebate programs has been met, the Commission should distribute the remaining funds through a competitive RFP solicitation. OEP would support re-evaluating the program in 2012 to assess funding levels for rebate programs and a competitive RFP process.

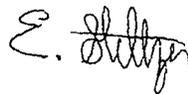
OEP also supports the budget recommendations for the residential solar hot water heating program. In the development of the State Energy Efficient Appliance Rebate Program (SEEARP), OEP held multiple stakeholder meetings to assess the potential demand for solar hot water heating systems. Through this research, we estimated that the New Hampshire market could sustain approximately 660 residential solar hot water heating installations over a two year period. The proposed budget of \$500,000 would compliment the SEEARP solar hot water heating rebate and further incent the installation of these systems. OEP also supports the system requirements and eligibility criteria, especially the requirement for SRCC certification and limiting the rebate to residence with full time occupancy. These recommended requirements are in line with both the SEEARP program and the federal tax credits.

For the commercial/industrial (C/I) rebate program, OEP encourages the Commission to develop the C/I program in time for the 2010 summer construction period. . We suggest the Commission follow a similar public comment processes to the one used for the solar thermal hot water system rebates. Because of the administration of the existing C/I energy efficiency programs, the electric utilities may have a role in administering this new rebate program. If the Commission chose to outsource the administration of the C/I rebate program, we recommend they do so through a competitive RFP solicitation. We recommend that the RFP require applicants to identify any potential conflicts of interests the administrator of the program may have from financing commercial scale projects eligible for C/I rebate program.

Finally, on a pilot basis, OEP recommends that the PUC consider allocating the Renewable Energy Funds between the C/I and residential sectors proportionately to the contribution by each sector to the fund. This would be a similar precedent to the state-wide energy efficiency programs funded through the System Benefits Charge.

We appreciate the opportunity to participate in docket DE10-024 and will assist the PUC in implementing these important programs in any way we can.

Sincerely,

A handwritten signature in black ink, appearing to read "E. Steltzer".

Eric Steltzer
Energy Policy Analyst