

MEMORANDUM

DATE: November 4, 2013

TO: Amy L. Ignatius, Chairman  
 Robert R. Scott, Commissioner  
 Mike D. Harrington, Commissioner  
 Debra Howland, Executive Director

FROM: Elizabeth Nixon, Energy Analyst

CC: Jack Ruderman, Director, Sustainable Energy Division

SUBJECT: DE 10-212 Recommended Changes to the Commercial & Industrial Rebate Program

Recently, we have received many questions related to the caps on the C & I solar rebates. We have conducted a review of the caps and the reasons they were originally put into place several years ago. As a result, we recommend changes to the rebate program at this time. Currently, the C&I rebate program imposes three different dollar limitations on the rebates:

- 1) Project maximum rebate of \$50,000;
- 2) Applicant cap of \$200,000 for all projects in a given year; and
- 3) Installer cap of \$200,000 for all rebates in the reservation queue.

Staff recommends that we clarify the project cap, raise the applicant cap, and eliminate the installer cap.

For the project cap, we recommend a clarification to the definition of a project. Currently, we have a limit of one project per address, even if there are multiple buildings with separate meters at the same address. We propose a new definition wherein multiple projects can exist at any one site or any one address or multiple addresses, so long as each project is separately metered. For example, a company may choose to install three different systems on three different buildings at the same address. Each system on each building is separately metered. Alternatively, one structure (such as a strip mall) may install four different systems (four different projects) as long as each system is separately metered.

The caps were originally put in place due to a concern that limited rebate funds could quickly be exhausted without some restrictions to prevent a particular applicant or installer from using up a disproportionate share of the funds. Because our funding has increased since these caps were initially imposed, we do not want to limit the growth of this program nor the growth of the installation of renewable energy systems. Therefore, we recommend that we change the applicant cap to \$300,000 as calculated for projects in the reservation queue.

We recommend that we eliminate the installer cap to allow for more growth of this industry. There are many installers doing business in NH and there is no evidence that any one firm is dominating the field,

but a small number of companies are bumping up against the cap. Note that each project must be completed within 9 months of approval of the step-1 application, so that provision effectively limits the number of projects for an installer unless the company is able to expand its workforce.

In summary, we suggest the proposed modifications as follows:

- 1) Keep the project maximum rebate of \$50,000 and clarify that each project must be separately metered (i.e., multiple projects can occur at one address as long as each project is separately metered);
- 2) Increase the applicant cap to \$300,000 and change the projects included in the cap to those in the reservation queue; and
- 3) Eliminate the installer cap of \$200,000 for all rebates in the reservation queue.