

September 11, 2015

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

Re: DE 15-302, Residential Renewable Energy Generation Incentive Program, Modification of Incentive Payment Levels

Dear Ms. Howland:

The NH Sustainable Energy Association (NHSEA) is pleased to provide comments on the Commission staff recommendation that:

"The Commission reduce the [residential renewable energy generation] incentive payment from the current level of \$0.75 per Watt to \$0.50 per Watt and reduce the per system maximum from \$3,750.00 to \$2,500.00 or 30% of the total system cost, whichever is less."

NHSEA agrees that in times of reduced Renewable Energy Fund (REF) revenues relative to the recent past, and thereby reduced annual program budgets (and an increase in this program's demand), it is essential to balance the per system rebate amount and the need to keep the program open and operational throughout the entire program year.

Reducing program incentives over time as the market transforms and total costs decline are rational and expected by the solar industry and consumers. However it is important to step these incentives down incrementally and allow for the market to adjust accordingly. NHSEA recommends that the Commission reduce the per Watt incentive from \$0.75 to \$0.60 for the coming year, capped at \$3,000 per system. At a program budget of \$2.4 million, this amount would allow for about 800 rebates. Given that the Commission, in its 2014 REF report, cited 271 rebates awarded for FY 2014, this would still allow for a substantial increase in program demand.

NHSEA also recommends that the Commission continue to consider how the REF and solar electricity system ownership can be better accessed by moderate and lower income NH residents. We recommend keeping the incentive at \$0.75/Watt with a per system maximum of \$3,750 (or greater) for program applicants that demonstrate relative financial hardship, using such metrics as a percentage at or above the federal poverty line or state median income (e.g. up to 200% of the federal poverty line or state median income).

Thank you for your consideration,

Sincerely,

Kate Epsen

Executive Director, NHSEA