

June 19, 2020

Dianne Martin, Chair  
Kathryn Bailey, Commissioner  
Michael Giaimo, Commissioner  
Debra Howland, Executive Director  
NH Public Utilities Commission  
21 S. Fruit St.  
Concord NH 03301

Re: Comments on staff recommendations on DE 10-024, DE 15-302, DE 16-614: Request to Reallocate Fiscal Year 2020 Program Budgets

Dear Ms. Howland: Commissioners Martin, Bailey and Giaimo, and Executive Director Howland:

The undersigned are opposed to NH PUC Sustainable Energy Division director Karen Cramton's recommendation to transfer \$100,000 from the unexpended FY20 balance of funds from the residential wood pellet boiler rebate program to the residential solar PV/wind program.

We acknowledge that there is an unexpended program balance in the residential wood pellet boiler rebate program as the current fiscal year draws to a close. This can be attributed largely to the dramatic drop in the price of oil and propane fossil heating fuels, which makes modern wood pellet boilers, with their high capital cost, less economically attractive.

However, the Concord NH-based Northern Forest Center is about to embark on a major regional marketing and promotional effort focused on modern wood heating in northern New England and New York. This \$600,000 initiative includes \$300,000 of industry and stakeholder support matching \$300,000 in federal US Department of Commerce Economic Development Administration funds. The kickoff planning meeting for this initiative was only held earlier this week. We note with frustration that the NH PUC does virtually nothing to promote the existence of the wood pellet boiler rebate programs other than providing basic information on the PUC's website and a rare tweet. This responsibility has historically fallen to vendors and needs to be more of a shared effort. The Northern Forest Center's initiative will reinvigorate consumer awareness and promotion efforts for this technology. It builds on <https://feelgoodheat.org/>, an existing public education effort by the Center and industry partners that has been undercapitalized to date. Please do not usurp funds that were budgeted for this program just as this major initiative is launched.

We also point out, if the PUC was not already aware, that advanced wood heating technologies have never benefitted from the federal investment tax credits (IRC section 25D) that have contributed significantly to the growth of residential solar PC. Even at reduced rebate levels, the combination of federal ITC and state rebate for solar is very attractive for homeowners. The payback economics for solar are against ever increasing electricity rates (largely due to rising transmission and delivery costs); whereas the payback economics for wood pellet boilers are against dramatically lower heating oil and

propane costs. The PUC rebate is the ONLY homeowner public incentive this technology currently receives. The federal tax code recognizes solar thermal, geothermal but not biomass thermal – a grossly unfair oversight.

We ask the PUC to oppose the staff recommendation and we ask you, Ms. Howland, to discuss how the PUC can, within its resources and authority, engage in more meaningful and effective consumer promotion of the wood pellet boiler rebate programs.

Thank you for your consideration of our concerns.

Sincerely,

Brett Jordan  
Chief Executive Officer  
Lignetics, Inc. (owners of Jaffrey wood pellet plant)

Les Otten  
President  
Maine Energy Systems  
Bethel ME

Morton Bailey  
President  
Lyme Green Heat  
Lyme NH

Rob Riley  
Executive Director  
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Mark Froling  
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Innovative Natural Resource Solutions LLC  
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