

THE STATE OF NEW HAMPSHIRE

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December 19, 2018

Joshua Meehan
Keene Housing
831 Court Street
Keene, NH 03431

Re: DE 18-158 Keene Housing
Request for Waiver of Puc 303.02

Dear Mr. Meehan:

On October 18, 2018, Keene Housing (KH) filed a request for a waiver of N.H. Code Admin. Rule Puc 303.02, the master metering rule, with respect to renovations to their Central Square Terrace property located at 5 Central Square in Keene, New Hampshire. Central Square Terrace includes two adjoining connected buildings, the Roxbury and the Colony Block, that provide public housing for low and moderate income elderly and disabled residents, and other unrelated commercial uses not relevant here.

As clarified in its October 24, 2018 filing, KH seeks one master meter to combine electric service to 70 residential units at the Roxbury building, the commercial meter which serves the Roxbury common areas, and the commercial meter which serves 20 residential units and common areas at Colony Block. Commission Staff filed a memorandum on December 4, 2018 in which Staff described and analyzed KH's request and recommended that the Commission grant the waiver, subject to certain specified conditions.

Staff noted that electrical service and other utility charges are included in residents' rent, and that rent is capped at 30% of residents' income. Staff maintained that the standard method of incentivizing customer energy conservation through individual metering therefore has limited value because tenants do not pay their own utility bills. In addition, planned renovations exceed six million dollars and include the replacement and upgrading of the building's electrical service; replacing existing light fixtures with high-efficiency LEDs; installing ENERGY STAR rated appliances; using low flow plumbing fixtures throughout; and installing heat pumps in each unit to provide primary heating and cooling. Staff maintained that these energy improvements would be consistent with the goal of the master metering rule to promote energy conservation and efficiency.

Staff explained that this is the first waiver request in which the electric utility customer's primary savings result from a change in rate and service charges. However, consistent with other

waiver requests which have received Staff support, the proposed renovation includes significant investment in energy efficiency and conservation measures, and individual meters would be of limited value because residential tenants do not pay utility charges. Staff also noted that the relevant electric utility, Eversource, was contacted regarding the proposed waiver and did not object to the waiver request.

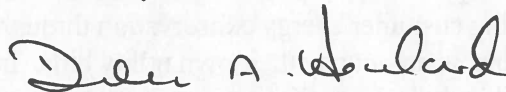
In view of the acknowledged purpose of the master metering rule to incentivize energy conservation and efficiency, Staff concluded that purpose would be met through the alternate method of making the building energy-efficient through the installation of a number of energy-efficient mechanical, lighting, and power systems. According to Staff, that result would serve the public interest and would not disrupt the orderly and efficient resolution of matters before the Commission, consistent with Puc 201.05. Staff therefore recommended that the Commission grant KH's request for a waiver of Puc 303.02 to permit master metering as proposed at Central Square Terrace, subject to certain specified conditions, with such waiver to be in effect for so long as the project is operated as public housing as described in KH's filings.

The Commission has reviewed KH's rule waiver request and Staff's memorandum, and has accepted Staff's recommendation. The Commission finds that, given the circumstances described by KH and in the Staff memorandum, the requested waiver would serve the public interest and would not disrupt the orderly and efficient resolution of matters before the Commission, as required under Puc 201.05.

Accordingly, KH is granted a waiver of Puc 303.02 and is permitted to install the master meter configuration described in its October 24, 2018 filing. This waiver shall be effective for as long as 5 Central Square in Keene is operated as public housing for residents with low and moderate incomes. If Central Square Terrace is no longer operated as public housing at some future time, then the waiver will no longer be effective, and the building owner will be required to reset the individual electric meters for each separate dwelling unit in the Roxbury building, and to return the Colony Block to its October 2018 metering status. Keene Housing shall promptly notify the Commission and Eversource if Central Square Terrace is no longer operating as a public housing complex.

Please be advised that this rule waiver only extends to the Commission rule, and not to any independent requirements of the state building code, or any other federal, state, or local requirement.

Sincerely,

A handwritten signature in dark ink, appearing to read "Debra A. Howland". The signature is fluid and cursive, with the first name "Debra" being more prominent than the last name "Howland".

Debra A. Howland
Executive Director

cc: Service List

SERVICE LIST - EMAIL ADDRESSES - DOCKET RELATED

Pursuant to N.H. Admin Rule Puc 203.11 (a) (1): Serve an electronic copy on each person identified on the service list.

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Docket #: 18-158-1 Printed: December 18, 2018

FILING INSTRUCTIONS:

- a) Pursuant to N.H. Admin Rule Puc 203.02 (a), with the exception of Discovery, file 7 copies, as well as an electronic copy, of all documents including cover letter with:**

DEBRA A HOWLAND
EXECUTIVE DIRECTOR
NHPUC
21 S. FRUIT ST, SUITE 10
CONCORD NH 03301-2429

- b) Serve an electronic copy with each person identified on the Commission's service list and with the Office of Consumer Advocate.**
- c) Serve a written copy on each person on the service list not able to receive electronic mail.**