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Via Email and U.S. Mail

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

Re: The Woods at RiverWoods Exeter; Master Metering Request

Dear Ms. Howland:

I write on behalf of RiverWoods at Exeter, a continuing care retirement community in Exeter, NH. Pursuant to N.H. Code Admin. R. Puc § 201.05, I respectfully request a waiver of restrictions on master metering, *see* Puc § 303.02(b), so that RiverWoods may proceed with a project to install a new back-up generator, and implement other system upgrades, at "The Woods," which is one of RiverWoods' three assisted living facilities. In 2003, the Commission granted a similar waiver in connection with a prior expansion project at one of RiverWoods' other facilities. The justifications for granting a waiver apply with equal if not greater force now, since without master metering, the new back-up generator system, which will allow RiverWoods to improve the care and services provided to its residents, will not function properly.

By way of background, RiverWoods is a not-for-profit (501(c)(3)) organization that operates independent and assisted living facilities in Exeter. Those facilities are organized into three campuses called "The Woods," "The Ridge," and "The Boulders." Riverwoods is part of the broader RiverWoods Group, which includes an affiliate in Manchester (Birch Hill) and a third location set to open in Durham in 2019.

RiverWoods' three facilities in Exeter offer an array of care, ranging from independent living to assisted living, dementia care, and skilled nursing. Residents do not sign rental or lease agreements, but instead sign "Life Care Contracts" which enable them to live at RiverWoods for the rest of their lives.

The instant waiver request concerns The Woods, which opened in 1994 as RiverWoods' original campus. The Woods now consists of five interconnected buildings: four residential buildings that collectively contain a total of 202 independent living units, and a healthcare facility. Although each unit has a bedroom, living room, bathroom, and kitchen space, much of the day-to-day services offered to residents are provided outside the units. For example, residents are

Debra A. Howland NH PUC June 19, 2019 Page 2

encouraged to take at least one meal per day in The Woods' central dining facilities, and many residents elect to have all of their meals there.

Currently, each of the 202 living units at The Woods has a separate electric meter. However, residents are not charged for electricity usage on a unit-by-unit basis. Instead, at The Woods, as at the other two campuses, electrical services are paid by RiverWoods on the residents' behalf, along with other costs associated with operating the facilities. The residents do not see an electric bill.

RiverWoods now requests a waiver of master metering restrictions so it can move forward with an extensive renovation project that entails, among other things, the installation of a new back-up generator that will allow RiverWoods to maintain heat and power for each of the living units at The Woods in cases of power outages. The existing generator maintains heat and power to the healthcare facility and to the commons areas of the residential buildings; the new generator will maintain heat and power to each of the 202 living units as well.

If this waiver request is approved, each of The Woods' four residential buildings (named the Crawford, Dixville, Franconia, and Pinkham Buildings) will have its own meter. The meter for the Dixville Building also will service the healthcare facility (named the Monadnock Building). RiverWoods will continue to pay all monthly electric bills. The existing electric infrastructure in each building will remain in place, so that independent metering can resume if the building is converted for another purpose in the future.

Without master metering, the generator system will not function properly. This is because the 202 individual meters would continue to record electrical charges even during periods of power outages when the generator (not the utility) is supplying electricity to the residential units. In other words, RiverWoods would be charged twice for the same electrical usage.

On December 19, 2003, the Commission granted RiverWoods' request to waive master metering restrictions in connection with the construction of The Ridge campus (see 12/19/03 Commission ruling, attached). The following findings made by the Commission in granting the earlier waiver request apply equally here:

- 1. Because RiverWoods residents "do not pay rent" or "see the electric bill," individual metering would not advance the purpose Puc § 303.02(c), which is "to encourage energy efficiency and conservation, inasmuch as a resident who sees and has to pay an individual electric bill is more likely to conserve energy." The same is true of residents of The Woods, who pay identical monthly maintenance fees regardless of their usage.
- 2. The units at RiverWoods are similar to shared-living facilities that, under Puc § 303.02(c), are exempt from the prohibition against master metering. At those facilities (i.e., hotels, motels, dormitories, boarding houses, and time-sharing

Debra A. Howland NH PUC June 19, 2019 Page 3

interests in condominiums), as at RiverWoods, users are "insulate[d] from the electric bill." Thus, the Commission concluded granting RiverWoods a waiver "appears to be consistent with the terms of Puc 303.02(c)." Residents of The Woods likewise are insulated from the electric bills.

3. A "beneficial result of allowing master metering [is] the potential that a competitive supplier might seek to serve the load of the facility overall," whereas a facility with 204 separately-metered, very low use customers would not attract such a potential. The same rationale applies to The Woods and its 202 separate units.

The Commission's grant of a waiver in this instance is in the best interest of all parties. It permits RiverWoods to proceed with a renovation plan that improves the quality of its services. And, importantly, for the reasons summarized above, waiver of Puc § 302.02(b) in fact serves the spirit of that regulation by promoting energy efficiency at The Woods.

Given that the planned improvements at the Woods are conditioned upon the Commission's waiver, RiverWoods would appreciate the Commission's prompt consideration of this request. RiverWoods welcomes any questions the Commission may have concerning this matter.

Sincerely

Christopher H.M. Carter

CHMC/smc

Cc: Client

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