

**THE STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DE 10-024

**RESIDENTIAL SOLAR WATER HEATING REBATE PROGRAM INCENTIVE
LEVELS**

NOTICE OF OPPORTUNITY TO COMMENT

In Order No. 25,092 (April 21, 2010) issued in this docket, the Commission approved a residential solar hot water rebate program pursuant to RSA 362-F:10,VIII. In that order the Commission approved a two-part rebate. The first rebate, funded with money from the Renewable Energy Fund (REF) created by RSA 362-F:10, I, provides a three-tiered incentive payment scaled to the size of the solar water heating system based on rated annual system output, with an output rating typically equivalent to one collector receiving \$600, two collectors \$750 and three collectors \$900 (State Rebate). The Commission allocated \$500,000 from the REF to fund the State Rebate.

The second rebate is funded with federal money through the American Recovery and Reinvestment Act (ARRA) and provided by the New Hampshire Office of Energy and Planning (OEP). In Order No. 25,092, the Commission approved an appliance rebate of \$750 for qualifying systems (Federal Rebate). On November 17, 2010, the Governor and Executive Council approved OEP's request to increase the rebate to \$2,000 for qualifying systems. The OEP allocated \$496,000 of ARRA money for the Federal Rebate.

Staff filed a July 15, 2011 memorandum with the Commission regarding the status of the State and Federal Rebates. According to Staff, of the \$496,000 of ARRA money allocated to this program by OEP, all but \$8,000 has been paid or reserved to program participants. Of the

\$500,000 available for the State Rebate, \$335,000 remains available for the residential solar hot water program. To prevent a sudden reduction from an average \$2,600 per participant rebate to a \$600 to \$900 per participant rebate, Staff recommended that the Commission increase the State Rebate to an amount that would sustain active program participation.

Staff stated that it had conducted research and surveyed the installer community. Based on its analysis, Staff recommended that the State Rebate be raised to \$1,500, \$1,700 and \$1,900 for the three rebate tiers. According to Staff, based on historical program participation, another 217 applicants could participate in the program at the REF funding level of \$335,000. Staff recommended that this change take effect immediately upon the exhaustion of the ARRA/OEP Federal Rebate funds.

In addition, Staff recommended that systems with an annual production, including shading losses, of 5.5 million British Thermal Units (MMBtus) qualify for the Tier 1 State Rebate, assuming the system meets all other program requirements. Staff explained that the decreased output level would better allow small households to purchase more affordable and appropriately sized systems without compromising quality or accommodating excessive shading losses. The Commission has reviewed Staff's proposal and believes the adoption of the proposed change in the State Rebate level and the MMBtu size for the Tier 1 State Rebate will help sustain participation in the residential solar hot water rebate program.

Prior to acting on the change proposed by Staff, the Commission seeks public comment. Due to the imminent exhaustion of ARRA money for the Federal Rebate, the Commission requests all public comment by filed by the close of business July 28, 2011. Public comment should be addressed to the Executive Director.


Based upon the foregoing, it is hereby

ORDERED, that public comment on the proposed change to the State Rebate for residential solar hot water systems be provided to the Commission no later than July 28, 2011; and it is

FURTHER ORDERED, that, comments and suggestions may be filed by email at executive.director@puc.nh.gov; and it is

FURTHER ORDERED, that the Executive Director shall notify all persons of this opportunity to comment by publishing a copy of this Order of Notice on its website and by distributing it to persons on the service list in this docket.

By order of the Public Utilities Commission of New Hampshire this eighteenth day of July, 2011.



Debra A. Howland
Executive Director

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