

STATE OF NEW HAMPSHIRE

Intra-Department Communication

DATE: January 8, 2020

AT (OFFICE): NHPUC

FROM: Tanya Wayland, Energy Analyst *TW*

NHPUC 8 JAN 20 PM 4:23

SUBJECT: DE 10-212 Commercial and Industrial Solar Rebate Program
Recommendations for Program Modifications

TO: Dianne Martin, Chairwoman
Kathryn M. Bailey, Commissioner
Michael S. Giaimo, Commissioner
Debra A. Howland, Executive Director

CC: Karen P. Cramton, Director, Sustainable Energy Division
David K. Wiesner, Director, Legal Division

Recommendation Summary

Commission Staff (Staff) recommends certain modifications to the commercial and industrial solar incentive program (Program), based in part on stakeholder input received during a technical session held on December 12, 2019. The proposed modifications include reductions in the amount of rebate per watt and the maximum rebate amount, in order to allow funding for a maximum number of projects with limited available funds. Staff further recommends adoption of administrative program changes to restrict applications to "shovel-ready" projects, so as to mitigate market uncertainty and potentially limit the future need for the lottery process. Staff further recommends that retroactive projects would not be eligible to participate in the Program, as the rebate funding presumably was not required for those projects to be completed. The Program would not change for solar thermal projects. With respect to process, Staff recommends that a public comment hearing be scheduled and written comments be received, to provide interested stakeholders with an opportunity to address the recommended Program modifications.

Program Background

The Commission approved initial implementation of the Program, pursuant to RSA 362-F:10, VIII, by Order No. 25,151 (issued on October 1, 2010). The Program has been modified a number of times over the subsequent years. In addition, as a result of increased demand at times of decreasing revenues to the Renewable Energy Fund (REF), the Program has been temporarily closed and later reopened on a number of occasions. Most recently, due to full funding reservations and establishment of a waitlist, the Program was closed to new applications effective as of July 3, 2019.

On September 6, 2019, Staff filed a memorandum recommending specific program funding budget allocations from the REF for fiscal year 2020 (FY20). On September 24, 2019, the Commission held a public comment hearing to receive comments on Staff's funding recommendations before approval of FY20 REF program funding allocations and related actions. On November 6, 2019, the Commission issued a secretarial letter approving FY20 program budget allocations and directing Staff to schedule a technical session to solicit stakeholder input regarding potential modifications to the Program terms and conditions, including, but not limited to, consideration of a reduction in rebate level to enable funding for more projects, limitation of Program funding only to projects needing an incentive to move forward, and simplification of the application and review processes.

On December 12, 2019, a technical session was held to gather stakeholder input regarding potential Program modifications as outlined for discussion in a document circulated by Staff in advance of the session.

Rebate Funding Availability

The REF revenues for FY20 total approximately \$3.7 million. The funding allocation of \$519,768 for the Program was approved by the Commission in a secretarial letter dated November 6, 2019. In addition, Staff monitors the Program for expired applications and applications withdrawn from the Program. To date, Staff has released approximately \$180,000, thereby increasing the available funding for new applications in FY20 to approximately \$680,000.

Proposed Incentive Reductions

The current Program incentive level for commercial and industrial photovoltaic projects (up to and including 500 kW AC) is \$0.40 per watt up to a maximum of \$50,000.00, or 25% of the total project cost, whichever is less. Based on limited available funding and expected high Program demand, Staff recommends that the Commission approve a reduction in the Program rebate amount to \$0.20 per watt, with an overall maximum rebate amount of \$10,000.00. The reduced incentive level and maximum rebate amount should allow a greater number of projects to participate in the Program.

Application and Administrative Changes

Staff recommends the following changes to facilitate efficient application processing and effective application queue management, while ensuring receipt of applications for more mature projects:

- applicant must provide with its submitted rebate application submittal demonstration that its interconnection application has been received by the utility
- upon written request, extensions of approved Step 1 application should be limited to a one-time only extension of no more than two months
- reserved funds should be released for reservation by other applicants immediately upon expiration of rebate commitment period

- during application review, back and forth communications with the applicant should be limited to a single two-week period
- incomplete applications (e.g., interconnection application not submitted, signed PPA or other contract not in effect, site control documents lacking, etc.) will be denied and would have to be resubmitted if and when complete

Staff recommends the following further Program modifications, in addition to reduction of the incentive amounts, to ensure that Program funding is directed to projects that need an incentive to move forward:

- third party-owned project application submittals must include a letter of acknowledgement and consent from the site owner
- projects receiving a rebate must acknowledge the Renewable Energy Fund as a source of funds used for the project in any literature, press release, or public discussion of the project

Staff recommends the following Program changes to simplify the application process and reduce administrative burdens for applicants:

- elimination of the requirement for both the applicant and installer to initial thirty-five boxes on the Step 1 application, instead requiring a single certification by the applicant and installer that all Program terms and conditions have been complied with
- applicants must submit demonstration of N.H. Class II REC certification with their Step 2 rebate applications
- applications will be reviewed in the order of their queue positions; active applications (i.e., not on the waitlist) will be approved or denied within 60 days following the date they are reviewed and deemed to be complete

Program Eligibility Dates and Transition Provisions

Staff recommends that the Program modifications become effective on a specified future date in order to allow sufficient time for a public comment hearing, Commission determination, and revision of the Step 1 and Step 2 application forms, as well as to ensure that applicants have time to gather and submit the required application information. Staff proposes that, upon specification of the new eligibility date, projects that are installed and operational prior to that date will not be eligible for incentives through the modified Program.

Staff also recommends that the Commission approve a lottery and queue position determination process to be implemented following the re-opening of the Program, unless it becomes apparent that the aggregate amount of new project rebates applied for will not exceed available Program funds.

Staff further recommends that a public comment hearing be scheduled to allow stakeholders an opportunity to provide input regarding the proposed Program modifications, consistent with RSA 362-F:10, VIII.

Executive.Director@puc.nh.gov

l fu@fireflower-ae.com

aalawa@nuwattenergy.com

aaron@solarendeavors.com

agauntt@granitestatesolar.com

albert@snowdragonsolar.com

allen.desbiens@eversource.com

amanda.noonan@puc.nh.gov

amit@londoneconomics.com

andrea.degiovanni@revolusun.com

andrew@nhsolargarden.com

areyes@greenstreetsolarpower.com

aschmid@solect.com

avennard@conrnerstonevna.org

ayerelectricllc@metrocast.net

azanna.wishart@puc.nh.gov

b.hayden@standardpower.com

bcanavan@safarienergy.com

bfurlone@furlonellc.com

bgrace@seadvantage.com

bmorrell@tbkenergy.com

bob@sunraiseinvestments.com

bob@townlineequipment.com

bob@usasolarstore.com

brian@umginc.com

brianna@cleanenergynh.org

callnanb@nhec.com

canderson@borregosolar.com

carmine.luongo@libertyutilities.com

cbell@solarsourcene.com

cfuerst@durhamboat.com

cheryl_popiak@tranSCANADA.com

christopher.dundorf@2krsystems.com

cjhw1@myfairpoint.net

clayaz@comcast.net

clayaz23@gmail.com

clifton.below@gmail.com

cnesalesnh@constellation.com

commercial@eclipseenergysolar.com

connor.d@solarwolfenergy.com

david.wiesner@puc.nh.gov

david@smartenergyne.com

davidaborden@aol.com

davis@norwichsolar.com

dbagley@catamountsolar.com

dclapp@revisionenergy.com

ddriscoll@concordnh.gov

deandra.perruccio@puc.nh.gov

debski@unitil.com

deccybaby@gmail.com

dennis@thearchitects.net

devin.morgan@worldenergyes.com

dick@davishydro.com

dnute@resilientbuildingsgroup.com

donald.kreis@oca.nh.gov

donoghue@norwitech.com

doug@cleanenergysolutions.biz

doug_smithwood@gmail.com

dsasseville@worthenind.com

dsolomon@unionleader.com

emerson@primmer.com

elizabeth.keddy@suez.com

elizabeth.nixon@puc.nh.gov

epler@unitil.com

eric@campquinebarge.com

erik@granitestatesolar.com

firstchoiceenergy@comcast.net

fortunat@revisionenergy.com

fuat.ari@blsus.com

fuat@sundialsolarnh.com

george.horrocks@harmonyenergyworks.com

gregory.blake@comcast.net
gsha@essexhydro.com
heather@revisionenergy.com
henry@cleanenergynh.org
houimet@redpllc.com
hutchco@metrocast.net
info@dawnsolar.com
info@nhhtc.org
info@spreadthesunshine.com
irvingre@yahoo.com
jack@revisionenergy.com
jack@seacoastenergy.com
jaimie@granitestatesolar.com
james.brennan@oca.nh.gov
James.lucy@honeywell.com
Jason.Morse@puc.nh.gov
jdonison@hooksett.org
jeb.bradley@leg.state.nh.us
jeff@ecocfo.com
jen@revisionenergy.com
jenna@samesunvt.com
jill.fitzpatrick@libertyutilities.com
john.ramsey55@gmail.com
johnjcall@comcast.net
jonspenceralgae@gmail.com
josh@myacesolar.com
jschwartz@independencesolar.com
jsohn@safarienergy.com
kaminski@nhec.com
karen.cramton@puc.nh.gov
kate@nhsea.org
kchvic@comcast.net
keith@kaelectric.com
Kelsey@revisionenergy.com
ketraum@gmail.com
kim.quirk@gmail.com
kim@fraseelectric.com
kroll@gcglaw.com
kurtpenney@ircmaine.com
laurenychaserowell@gmail.com
lemayg@nhec.com
madeleine.klein@engie.com
madeleine@cleanenergynh.org

mark.bolinger@gmail.com
mark@newenglandcleanenergy.com
martha.fullerclark@leg.state.nh.us
matt@sunraiseinvestments.com
matt@townlineequipment.com
matthew.fossum@eversource.com
maureenreno@truelightenergy.com
mdavey@eeiservices.com
mdean@mdeanlaw.net
micah@plymouthoffcampus.com
michael.fitzgerald@des.nh.gov
michael.sheehan@libertyutilities.com
michael.sisto@puc.nh.gov
mifriedman@greenstreetsolarpower.com
mike@newenglandsolarconcepts.com
mkovacs@alum.mit.edu
mlatham@paneltheplanet.com
mmiller@soltage.com
morinasset2@comcast.net
moselectricandsolar@yahoo.com
mrobinson@new-day-energy.com
mshortsleeve@solect.com
mulin@revisionenergy.com
mweissflog@kwmanagement.com
nbourassa@outdoors.org
nilshelander@gmail.com
nkershaw@elmgrovecorporations.com
nraymond@solbid.com
ocalitigation@oca.nh.gov
onpointenergy@yahoo.com
pablo@greenenergyoptions.com
packy@rsarealty.com
palma@unitil.com
pat@sunraiseinvestments.com
paul.bemis@coolsimsoftware.com
paul@nhcom.solar
pemihollowg@gmail.com
pilgrim@ccenergy.com
pjonessped@aol.com
prowell49@myfairpoint.net
ran@essexhydro.com
randall.costa@gmail.com
raney@avidsolar.com

rdion@demandelec.com
rebecca.ohler@des.nh.gov
rex@greenenergyoptions.com
richard.labrecque@eversource.com
rnoyes@solbid.com
robert.larson36@yahoo.com
russaney@yahoo.com
sales@haecpower.com
sam@revisionenergy.com
sandra@plymouthenergy.org
sclairmont@solect.com
scondon@revisionenergy.com
scott@tarmusa.com
sevans-brown@nhpr.org
sharon.rivard@des.nh.gov
shawn.donovan@harmonyenergyworks.com
smaslansky@nhcdfa.org
staiteenergy@gmail.com
Stephen.Eckberg@puc.nh.gov
steve@tree-free.com
steveh@revisionenergy.com
stevehinchman@gmail.com
steven.elliott@eversource.com
tankfullofsun@gmail.com
tanya.wayland@puc.nh.gov
tbonini@entersolar.com
ted@necsolarservices.com
Thale_Jacobs@yahoo.com
thaviland@apexsolarpower.com
thomastgarden@gmail.com
tim@prudentliving.com
tom.frantz@puc.nh.gov
tony.buschur@trane.com
tpage@trcsolutions.com
trollason@safarienergy.com
wcole@bluesel.com
wes@2bgreenprofitably.com
zach@603solar.com