

STATE OF NEW HAMPSHIRE

Intra-Department Communication

DATE: August 7, 2015

AT (OFFICE): NHPUC

FROM: Karen Cramton, Director, Sustainable Energy Division *KAC*

SUBJECT: Request to Open a Docket to Consider Modifications to the Residential Renewable Energy Generation Program

TO: Chairman Martin Honigberg
Commissioner Robert R. Scott
Commissioner Kate Bailey
Debra A. Howland, Executive Director

CC: Anne Ross, General Counsel
Jon Osgood, Program Manager

1. Summary

The residential renewable energy generation rebate program for solar (PV) and wind systems is experiencing very high demand at a time when the Alternative Compliance Payments which support the Renewable Energy Fund (REF) are limited. In an effort to support as many renewable energy installations as possible with limited funding, staff recommends issuing an order of notice to consider program modifications.

2. Background

The residential renewable energy generation rebate program was created by the state legislature in 2008, via HB1628, which took effect July 1, 2009. The law, codified as RSA 362-F:10, V, provides:

V. The public utilities commission shall make and administer a one-time incentive payment of \$3 per watt of nominal generation capacity up to a maximum payment of \$6,000, or 50 percent of system costs, whichever is less, per facility to any residential owner of a small renewable generation facility, that would qualify as a Class I or Class II source of electricity, has a total peak generation capacity of 10 kilowatts or fewer, begins operation on or after July 1, 2008, and is located on or at the owner's residence.

In Order No. 25,144 issued on September 15, 2010, the Commission modified the rebate program by reducing the rebate payments to \$1.25 per watt, up to \$4,500 or 50% of the system

cost, whichever is less. Due to the lack of funding, the Commission also created a waiting list for rebate applicants until such time as new funding would become available.

On July 3, 2012, by Order 25,388, the Commission ordered that applications for the residential renewable generation incentive payment that were hand-delivered or post-marked on or before July 2, 2012 would be eligible for the \$1.25 per watt incentive payment up to a maximum of \$4,500, or 50% of the system costs, whichever is less; and further ordered, that applications for the residential renewable generation incentive payment that were hand-delivered or post-marked on or after July 3, 2012 would be eligible for a rebate of \$0.75 per watt up to a maximum of \$3,750 or 50% of eligible system costs, whichever is less, subject to the availability of funding.

3. Recommendation

Based on the continued broad and growing interest in the residential renewable incentive program and in consideration of assuring that there are available REF funds to support participation in the program, Staff recommends that the Commission reduce the incentive payment from the current level of \$0.75 per Watt to \$0.50 per Watt and reduce the per system maximum from \$3,750.00 to \$2,500.00 or 30% of the total system cost, whichever is less.