

STATE OF NEW HAMPSHIRE

Inter-Department Communication

DATE: March 19, 2018

AT (OFFICE): NHPUC

FROM: Rich Chagnon
Utility Analyst – Electric Division

SUBJECT: DE 18-020, Twin Pines Housing
Petition to Waive Puc 303.02; Master Metering

TO: Commissioners
Debra Howland, Executive Director

CC: Tom Frantz, Director, Electric Division
Amanda Noonan, Director, Consumer Services and External Affairs
Les Stachow, Assistant Director, Electric Division
Lynn Fabrizio, Staff Attorney

Summary

On February 16, 2018, Twin Pines Housing (TPH) filed a request for waiver of N.H. Code Admin. Rules Puc 303.02 (master metering rule), with respect to Parkhurst Community Housing, Inc. (Parkhurst), an affiliate of TPH, located at 10 Parkhurst Street in Lebanon. Staff believes there are particular aspects of the proposed development that justify granting the rule waiver requested. Staff recommends that the master metering rule be waived for the Parkhurst project for so long as it remains a facility of housing for chronically homeless and low income families.

Background

TPH, a nonprofit housing organization, is currently undertaking the renovation of 10 Parkhurst Street in Lebanon to create 18 units of housing for the chronically homeless. The project is utilizing financing from New Hampshire Housing Finance Authority and will serve households with incomes below 30% of the area median, or \$15,500 for a single individual.

In its filing, TPH states that it is replacing and upgrading the electrical service; the building has had a master meter until now, and it is TPH's hope to continue with that system; and that a single master meter has been permitted by the City of Lebanon.

TPH's request for a waiver of Puc 303.02 (master metering rule) states the following:

1. A waiver serves the public interest: This is special needs housing for the chronically homeless. This project was put together by the City of Lebanon, Twin Pines Housing, The Upper Valley Haven, and the New Hampshire Housing Finance Agency through the use of National Housing Trust Fund monies. Residents, who are extremely low income, will benefit from project-based Section 8 Vouchers while at Parkhurst and pay 30% of their income for rent. They will receive enhanced case management services from the Upper Valley Haven. All their utilities will be included in their rent, including heat, hot water and electricity. There is no need for individual meters. The building previously was master metered and we are currently permitted by the City of Lebanon to continue that system.
2. A waiver serves the public interest: Electric usage will be spread across the 18 units equally and not based on actual usage. Rents will all be the same for all units. There will be no resale of electricity. The owner of the property, Parkhurst Community Housing, Inc. (an affiliate of Twin Pines Housing), will only assign to the rents that portion of the operating project costs associated with the electricity.
3. A waiver serves the public interest: The project is on very tight budget, with limited funding, and cannot afford the cost of adding individual meters, especially since it would not provide any additional benefit to the project. We believe requiring individual meters is onerous and should be waived for the unique nature of this project. Shifting funds to pay for meters would likely result in some other critical component of the renovation being sacrificed.
4. Our proposed alternative is to have only a master meter.

Analysis and Recommendation

According to TPH's website, "Renovations on this building just off the green in Lebanon began in December 2017. When complete, this three-story building will provide 18 one-bedroom apartments for chronically homeless and extremely low-income members of the community. Improvements include new roof, siding, wiring, windows, flooring, light fixtures, bathrooms, appliances, and energy efficiency. Enhanced case management services will be provided by the Upper Valley Haven. Construction is expected to be finished by June, 2018."¹

Puc 303.02 provides that: (a) No utility shall install master metering in a building with multiple dwelling units. The energy in each dwelling unit in such a building shall be separately metered; (b) A utility shall only install master metering in commercial buildings and as consistent with the International Energy Conservation Code 2009 as

¹ <https://www.tphtrust.org/parkhurst-lebanon-nh/>

adopted pursuant to RSA 155-A:1,IV; and (c) Hotels, motels, dormitories, boarding houses and time-sharing interests in condominiums as defined in RSA 356-B:3 shall not be considered a dwelling unit within the meaning of Puc 303.02(a) above.

The exception in Puc 303.02(c) for hotels, motels, dormitories, boarding houses and time-sharing interests in condominiums would not apply to housing for the chronically homeless such as Parkhurst. In the absence of the requested waiver, TPH would have to install individual electric meters for each dwelling unit, despite the fact that electric service charges will not be assessed directly to the residents of those units.

Staff believes that TPH, as a non-profit housing organization for the chronically homeless, has many features that distinguish Parkhurst from a typical multi-dwelling unit building or complex addressed by the Code and the PUC rules. All tenants' utilities will be included in their rent, including heat, hot water, and electricity. Through the use of National Housing Trust Fund monies, residents who have extremely low incomes will benefit from project-based Section 8 vouchers while at Parkhurst and pay 30% of their income for rent.

According to TPH, the wiring portion of this project consists of upgrading the electrical service entrance and service size to the building, wiring for new electric ranges/stoves for each unit, and wiring for external security cameras to the outside perimeter of the building. No rewiring of individual residential units is in the plan due to cost restraints.

Relieving TPH from the requirement to install individual electric meters would serve to control the total cost of this project, which is on a budget with limited funding. Absent this relief, TPH states it would be required to shift funds within the budget to pay for individual electrical wiring to each unit, which does not exist today, and could result in some other critical component of the renovation being sacrificed. The building is currently permitted for a single master meter by the City of Lebanon. The result of relieving this requirement would serve the public interest and would not disrupt the orderly and efficient resolution of matters before the Commission, consistent with Puc 201.05.

Based on this analysis, Staff recommends that the Commission grant TPH's request for a waiver of Puc 303.02 to permit master metering as proposed at Parkhurst, such waiver to be in effect for so long as the project is operated as housing for the chronically homeless as described in the TPH filing.

If the Parkhurst project is no longer operated as housing for the chronically homeless at some future time, then the waiver should no longer be in effect and the project owner should be required to install individual electric meters for each separate dwelling in the development. TPH should be directed to notify the Commission and Liberty Utilities if Parkhurst is no longer operating as housing for the chronically homeless.

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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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.