



73 W. Brook Street, Manchester, NH 03101
P.O. Box 330
Manchester, NH 03105-0330

Marc E. Leménager
Supervisor, Regulatory, Planning and Evaluation
Energy Efficiency

603-634-3280
marc.lemenager@eversource.com

May 1, 2024

Via Electronic Mail Only

Daniel Goldner, Chair
Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, New Hampshire 03301-2492

RE: DE 22-004 - Implementation of the Clean Energy Fund

Dear Chair Goldner:

Enclosed for filing with the Commission is the Company's Annual Clean Energy Fund ("Fund") Report in compliance with Order Nos. 26,577, issued on February 4, 2022, and 26,636, issued on June 7, 2022 in Docket No. DE 22-004, and includes details regarding participation levels in each program, on-bill financing and rebate payments, each program's administrative costs, and the current status of the Fund balance.

A copy of this report was made available electronically to the Commission and all parties on the service list on May 1, 2024. Consistent with current Commission policy, this filing is being made electronically only; paper copies will not follow.

Very truly yours,

A handwritten signature in blue ink that reads "Marc E. Leménager". The signature is fluid and cursive, with a long horizontal stroke at the end.

Marc E. Leménager
Supervisor
Regulatory, Planning and Evaluation
Energy Efficiency

Attachment

cc: DE 22-004 Service List

New Hampshire Clean Energy Report

Annual Report, filed May 1, 2024, pursuant to Order No. 26,577

Docket No. DE 22-004, Eversource Energy Implementation of the Clean Energy Fund

I. Background

The Clean Energy Fund (the “Fund”) was established as part of the 2015 Public Service Company of New Hampshire d/b/a Eversource Energy (“Eversource” or the “Company”) Restructuring and Rate Stabilization Agreement (“2015 Settlement Agreement”) filed on June 10, 2015, in Dockets DE 14-238 and DE 11-250 and approved by the Commission in Order No. 25,920 on July 1, 2016. Under the terms of the 2015 Settlement Agreement, funds are to be made available to support clean energy initiatives. The programs supported by the Fund (“Clean Energy Programs”) are available only to Eversource customers.

On February 4, 2022, the State of New Hampshire Public Utilities Commission issued [Order No. 26,577](#) opening Docket No. DE 22-004, and ordered, *inter alia*, the approval of three of the proposed programs contained in the April 14, 2021 Amended Joint Proposal for Use of the Fund. On June 7, 2022, the Commission issued [Order No. 26,636](#) clarifying, *inter alia*, the annual reporting requirements for the Fund, requiring Eversource to file a report to the Commission annually on May 1. The annual report must contain details regarding participation levels in each Fund Program, on-bill financing and rebate payments, and include a breakdown of each of the Fund Program’s administrative costs. On November 10, 2022, the Commission issued [Order No. 26,720](#) approving the final Fund programs: the Low-Moderate Income Program and the Commercial and Industrial (“C&I”) Financing Program. Consistent with Order No. 26,636 in Docket No. DE 22-004, this report provides an overview of the efforts within each of the approved programs, including:

- Participation levels in each Fund Program;
- On-bill financing;
- Rebate payments;
- Each Fund Program’s administrative costs; and,
- Current Fund balance.

Programs

- All five proposed programs within the Fund have been approved by the Commission and are at various stages of deployment. It should also be noted that for any of the programs, where possible, Eversource used existing contractors, either expanding or modifying existing contracts to harness economic efficiencies in program administration. Below is a summary of the five Programs within the Fund:
- **Residential On-Bill Financing Program.** This clean energy initiative offers on-bill financing of up to \$10,000 for Eversource’s residential customers and is funded at \$1.1M. The Company will continue to issue new loans as the existing loans are repaid over time and to the extent that funding is sufficiently replenished as discussed below.
- **Residential Battery Rebate Program.** This clean energy initiative offers battery rebates of \$230 per kWh capped at \$3,000 per residential account for Eversource’s residential customers and is funded at \$750K.

- **C&I Battery Rebate Program.** This clean energy initiative offers battery rebates up to \$10,000 for Eversource’s C&I customers and is funded at \$1.0M.
- **C&I Financing Program.** This clean energy initiative offers financing for Eversource’s C&I customers and is funded at \$1.6M.
- **Low-to-Moderate Income Program.** This clean energy initiative is for Eversource’s income-qualifying residential customers and is funded at \$750K.

II. Clean Energy Program Updates

A. Residential On-Bill Financing Program

Program Summary

	Actual Costs since Inception through March 31, 2024
<i>Third-Party Program Administration (including start-up costs, origination fees, program management)</i>	\$58,181.82
<i>Customer Loan Funding (initial tranche of funding deposited to vendor to fund approved customer loans)</i>	\$982,368.50
<i>Total Customer Loan Repayments Received</i>	\$(92,367.58)
<i>Marketing</i>	\$ 26,910.50
<i>Other</i>	\$ 4,547.87
Total	\$979,641.16

The Residential On-Bill Financing Program offers clean energy loans to Eversource residential customers to help them implement clean energy upgrades and services. Customers can use the loan to help with qualifying services like air and ground source heat pumps and battery storage. The program offers zero-percent interest financing with a cap of \$10,000. Loan payments are added to each customer’s monthly Eversource bill.

In Q4 2022, the Company entered into a contract with an existing Eversource financing vendor, the National Energy Information Fund (NEIF), to help implement this offering. Eversource has implemented the technical infrastructure needed to track and support this new financing offering, including the technical requirements entailed with the on-bill component, such as a new line item to its Customer Information System (CIS) to enable presentment of the loan repayment information on the customer bill.

Eversource updated the Residential On-Bill Financing Program’s webpage (<https://www.eversource.com/content/residential/save-money-energy/clean-energy-options/new-hampshire-clean-energy-fund>) with program information and a portal (<https://www.neifund.org/nh-residential-clean-energy/>) for both customers and contractors.

NEIF began accepting customer applications in October of 2022. The program was fully subscribed by Q3 of 2023. Since this program's inception, there have been 106 loans funded totaling approximately \$1 million, with total loan repayments over \$92,000 as of Q1 of 2024. Due to the high demand resulting from overwhelming success of the program, the program is currently closed to new applications, but the Company will issue additional financings on a rolling basis to applicants that have been waitlisted as sufficient funding from loan repayments becomes available.

B. Residential Battery Rebate Program

The Residential Battery Rebate Program became available in Q4 2022. Eversource expanded its internal enrollment process capabilities and contracts with its existing vendor and battery partners to provide upfront battery rebates to residential customers. Since the last annual Fund report, Eversource updated the Residential Battery Rebate Program website to include the program application and marketing materials.

Eversource has worked with and recently gained the support of an existing battery installer, educating them and their installer network about presenting and selling this option to their customer base as an upfront incentive pathway. At the time of this report, there are 3 batteries ready to be called on for Demand Response events and 15 customers who've shown interest in the program and are in the process of signing Terms and Conditions. As these are recent acquisitions, incentive payments are still in process and do not appear within this report.

C. C&I Battery Rebate Program

The C&I Battery Rebate Program became available in Q4 2022. To date, no applications have been received. Given the data available to the Company from the marketing efforts made for the Program and Company staffs' general subject matter expertise, Eversource believes that the \$10,000 incentive limit is not attractive enough to motivate or change customer interest in purchasing a battery. The Company has recently entered discussions with the NH DOE and the relevant stakeholders to explore possible modifications to the Program to better deploy the funds, consistent with the Commission-approved process in the Amended Joint Proposal for Use of the Fund. The Company is optimistic that the combined effort of the Company, stakeholders and NH DOE will be able to make any necessary modifications to deploy these funds effectively and expeditiously. Eversource completed targeted marketing to small businesses with solar in NH, as thought of to be the best candidate.

D. C&I Financing Program

In Q1 2023, Eversource issued a Request for Proposal ("RFP") for a vendor to implement (originate and service) the financing offering for commercial, industrial, and municipal customers. Additionally, Eversource has added a new line item to the Eversource CIS system to track loan repayment information on the customer bill. Based on the bid evaluation Eversource granted the contract to administer the C&I Financing to Capital for Change (C4C).

Since the last annual Fund report, third-party financing vendor C4C implemented the C&I Financing Program. The application, the brochure, and the website have been completed and operational since June of 2023.

Eversource updated the C&I Financing Program’s webpage portal (<https://author.eversource.com/content/business/save-money-energy/clean-energy-options/new-hampshire-clean-energy-fund>). Additionally, the C4C portal (<https://nhbusinesscleanenergy.com/>) has information for both customers and contractors interested in taking advantage of this program.

E. Low-to-Moderate Income Program

The NH DOE has been diligently working to finalize the logistics and specifics of the Low-to-Moderate Income program design and framework. The Company has at all times made itself available for consultation. Just recently, the final program structure and attendant processes were agreed upon. The Company will receive quarterly reporting from the vendor selected to administer the Program so that Eversource can review Program progress and the specific projects being selected. The Company anticipates this program formally launching in the coming weeks and will, as with the other programs, track all efforts made and customer participation to ensure effective deployment of the funds.

III. Balance of the Fund

Below is the summary of the Fund balance and expenditures to date:

Program	Initial Balance (\$M)	Spending (\$M)	Remaining Balance (\$M)
Residential On-bill Financing (A)	\$1.100	\$0.980	\$0.120
Residential Battery Program (B)	\$0.750	\$0.000	\$0.750
C&I Energy Storage Program (C)	\$1.000	\$0.000	\$1.000
C&I Financing	\$1.600	\$0.008	\$1.592
Low-to-Moderate Income Program	\$0.750	\$0.000	\$0.750
Fund Balance	\$5.20	\$0.283	\$4.212