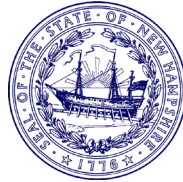


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DATE: June 30, 2022

FROM: Jared S. Chicoine, Commissioner
Joshua W. Elliott, Director, Division of Policy, and Programs
Deandra M. Perruccio, Administrator, Sustainable

SUBJECT: DE 13-298, DE 16-614: Reallocation of Fiscal Year 2022 Program Budgets
Wood Pellet Heating System Rebate Program Funding Allocations

Summary

The Renewable Energy Fund (REF) is a special, non-lapsing fund, the purpose of which is to support electrical and thermal renewable energy initiatives. By memoranda dated September 3, 2021, November 1, 2021, and May 16, 2022, the Department of Energy (Department) established and approved program budget allocations for state fiscal year 2022 (FY22). Budget and program details of the REF are available on the Department's website at [Renewable Energy Rebates | NH Department of Energy](#). This memorandum approves amendments to certain program budgets based on current program demand and projected spending for the remainder of FY22.

Background

A total of \$3,000,000 has been made available for FY22 REF grant and rebate programs. On September 3, 2021, the Department authorized the allocation of \$1,000,000 to enable the reopening of the rebate programs to new applications; with a second allocation of \$1,000,000 made on October 29, 2021. A third allocation of \$1,000,000 was made on May 16, 2022. The total allocations currently represent a 55% allocation to commercial and a 45% allocation to residential programs, based on the percentage of total sales for each rate class, as required by RSA 362-F:10, IX.

Table 1 below summarizes the allocation of funding to specific Residential and Commercial and Industrial programs supported by the REF and meeting the program funding requirements of RSA 362-F.

Table 1: Funding Allocations by Program for FY 2022

Program	Sept. 3, 2021	Oct. 29, 2021	May 16, 2022	Total
Residential				
Solar PV Rebates	\$165,000	\$220,000	\$175,000	\$560,000
Bulk-Fed Pellet Central Heating Rebates	\$135,000	\$ 30,000	\$175,000	\$340,000
LMI Grant (min 15%)	\$150,000	\$200,000	\$100,000	\$450,000
<i>sub-total</i>	<i>\$450,000</i>	<i>\$450,000</i>	<i>\$450,000</i>	<i>\$1,350,000</i>
Commercial & Industrial				
Solar Rebates	\$200,000	\$ 80,000	\$275,000	\$555,000
Bulk-Fed Pellet Central Heating Rebates	\$50,000	\$ 20,000	\$275,000	\$345,000
Competitive Grants	\$300,000	\$450,000	\$0	\$750,000
<i>sub-total</i>	<i>\$550,000</i>	<i>\$550,000</i>	<i>\$550,000</i>	<i>\$1,650,000</i>
Total	\$1,000,000	\$1,000,000	\$1,000,000	\$3,000,000

Program Status and Allocation Adjustments

The Department's Sustainable staff monitors REF programs and their respective budgets throughout the fiscal year. By memorandum dated March 15, 2022, Residential Bulk-Fed Pellet Central Heating Rebate Program applicants were notified of a temporary closure and suspension of the Department's acceptance of new project applications. A waitlist of \$25,000 was established at that time. The Program remained closed until May 16, 2022, when funding in the amount of \$175,000 was allocated. Through June 16, 2022, the Residential Bulk Fed Wood Pellet Central Heating Rebate program has experienced a high volume of applications and it is expected that demand will exceed available funding. The Commercial and Industrial Bulk Fed Wood Pellet Central Heating System rebate program has funding available.

To meet program demand in the Residential Wood Pellet Program, the Department approves reallocating a total of \$150,000 from the Commercial and Industrial Bulk Fed Wood Pellet Central Heating Rebate Program to the Residential Bulk Fed Wood Pellet Central Heating Rebate Program. Specific program budget adjustments are outlined in Table 2 below. This adjustment represents a 5% adjustment of the total FY 2022 spending in the REF from the commercial to the residential sector programs and is determined to be a reasonable balance as required by RSA 362-F:10, IX.

Table 2: FY22 REF Program Budget Allocations

Program	FY22 Budget	Adjustment	Adjusted FY22 Budget
Residential Bulk Fed Wood Pellet Central Heating Rebate Program	\$ 340,000	\$ 150,000	\$ 490,000
C&I Bulk Fed Wood Pellet Central Heating Rebate Program	\$ 345,000	(\$ 150,000)	\$ 195,000