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New Hampshire Department of Energy

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The Alliance for Green Heat appreciates the opportunity to respond to the Department of Energy's Request for Public Comment on Improvements and Potential Changes to Renewable Energy Fund Programs. We are a nonprofit that advocates for and promotes low-carbon heating strategies across the nation. We work with local, state, and federal agencies promoting modern wood heating as a renewable residential heating technology.

We are encouraged to see that the Residential Wood Pellet Rebate is performing effectively and efficiently. As evidenced by the Department's analysis that interest in residential pellet heating increased when fossil fuel prices were high, pellets provide a more cost stable heating fuel in comparison. We do urge the Department to drop the requirement that residential systems must receive bulk pellets. Bagged pellets are an important option for consumers and do not require expensive storage bins. This is particularly important for homes that are low-to-middle income. Avoiding fuels that are highly volatile in pricing allows a home to experience a more local and reliable heating fuel. We congratulate the Department on the success of this vital program in actively encouraging New Hampshire residents to invest in a low-carbon, low-cost, fuel option.

Below are our responses to the Department's specific questions on the Residential Wood Pellet Rebate.

- 1. We agree that it is a correct assessment to say that the rebate program is operating "effectively and efficiently."
- 2. We believe that the Residential Wood Pellet Rebate could benefit from an increase in the maximum rebate cap. Currently, this number sits at 40% of the eligible cost and installation, up to a maximum rebate of \$10,000.

We understand that many would benefit from a revamping of the maximum rebate number due to the costs in purchasing and installing a pellet system at the inception of the program compared to the costs of today. By raising the maximum rebate cap, New Hampshire could further lower the barrier of entry for low-to-middle income homes to participate in the program.

3. N/A.

4. We do believe that the addition of "adders" could also benefit low-to-middle income households, ensuring that these households are not left behind in the energy transition to cleaner technology.

For the commercial pellet boiler rebate, we urge the Department to increase the percentage to 50% and increase the cap to \$75,000. In line with the same reasoning that we ask for an increase in the Residential Pellet Rebate, while the percent and cap have remained the same for many years, the installation prices have risen dramatically. Increasing this cap could encourage more commercial entities to participate.

As many homes and businesses begin to switch from fossil fuel heating to electric heat pumps, modern thermal biomass systems will help to relieve the grid of additional stress during winter peaking events. The success of incentive programs that contain multiple options to reduce fossil fuels is vital for a more inclusive and sustainable policy pathway.

Again, we thank the Department of Energy for this public comment opportunity.

John Ackerly, AGH President

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