

Response to Request for Public Comment on Improvements and Potential Changes to Renewable Energy Fund Programs

I will preface this response by expressing that I am completely in agreement with the focus expressed in the Request for Public Comment – **“to ensure that each dollar spent makes the difference between whether a project moves forward or not.”** The public is best served when REF funding provides financial support that makes implementation of a proven, scalable, but not widely adopted innovation feasible, and where the measurable financial and environmental benefits of the completed project are publicly available to demonstrate to others considering making a similar investment. I use as an example the Bedford Public Library geothermal project in 2016 which I was involved with, which would not have been possible without the REF supporting the increased incremental cost of replacing an end of useful life fossil fuel HVAC system with a geothermal system rather than an in-kind system. The geothermal well field was constructed on land reserved for future parking expansion and was designed and constructed accordingly. The much needed expanded town center parking was completed and landscaped this year, and now a 50-space parking lot silently heats and cools a 20,000 square foot public building that is open retail store hours. In 2016, there were examples of large investments in geothermal systems that had failed to live up to expectations with funding challenges as a result. However, the technology was proven, carefully implemented, and the town had invested in substantial building envelope improvements several years earlier. The geothermal system was designed with a real time performance video display in the Library atrium, and the Library has received inquiries about its success from institutions across the US and Canada contemplating investing in a similar project.ⁱ

Residential Solar/Wind Rebate

At the present time, current technologies and the financial marketplace are sufficiently established to suspend funding for this purpose. In addition, the amount of the incentive is low compared to the cost of a project, and when and if a rebate will actually be received is uncertain. Consequently, I do not believe the incentive serves its purpose. The availability of Federal incentives to replace REF rebates, for as long as they last, is also a consideration also supports suspension of the program. Should a new technology emerge, there should be reconsideration of funding residential solar/wind projects at that time if it would make a difference in whether a project moves forward or not. If there is a rebate that will continue, I would recommend a household income limit of 2 x the Federal poverty rate given that there are many financing options available in the marketplace to higher income households. If there is a battery incentive, the purpose should be to alleviate the need for public utility peak generation and therefore should not be dependent on whether it is paired with a PV project.

Residential Wood Pellet Rebate

I am generally opposed to incentivizing projects involving combustion. However, I recognize the financial benefit to regional producers in NH, and I am not completely opposed for that reason. A program that can be tailored to permanently eliminate coal burning at a location would also make financial support desirable.

Commercial Solar

My comments would be the same as with residential solar. REF support is not needed except if there is a proven, scalable, new technology that requires REF support to proceed to implementation, and if the project will serve to demonstrate the feasibility of similar projects.

Commercial Wood Pellet

Same considerations as with Residential Wood Pellet Rebates.

Low-Moderate Income Community Solar Program

Similar to the prior comments, presently Federal incentives are sufficient; and support should be limited to a situation where there is a proven, scalable, new technology that requires REF support to proceed to implementation and whether the project will serve to demonstrate the feasibility of similar projects.

Non-Residential Competitive Grant

Yes, this is an effective, highly valuable program that should receive expanded funding. I would reiterate the values expressed above in evaluating projects and, all things being equal, giving preference to non-profit institutions that serve a broad constituency.

Local Government Specific Programs

These programs should receive the highest priority. Given the availability of Federal support for many conventional projects at the present time, REF support should be based on whether the proposal is for a proven, scalable, new technology that requires REF support to proceed to implementation, and whether the project will serve to demonstrate the feasibility of similar projects. To a lesser degree, the financial condition of an applicant may also be desirable to consider such as whether the applicant is a low-income political subdivision, has a low tax base, has a high tax rate, and/or has high debt service.

Co-located Battery Storage

REF support for energy storage (not limited to batteries) would be beneficial. Co-location is a consideration, but I would not make it a requirement. Storage of grid energy also can have broad financial and environmental benefits.

Other Questions

My experience at the municipal level is that it takes years of gathering data and support for a project before it is possible to submit a project for REF funding. Drafting a proposal without the technical assistance of a consultant, also requiring funding, would be next to impossible. Comparatively speaking, the window to submit a proposal, especially if criteria is

changing, seems nearly instantaneous. Municipal fiscal years either begin in January or July with municipal budgets approved in the Spring. If there is a better time of year to get a sense of whether there will be potential REF support for project, it would be in the Summer to Fall when budgets are being developed by staff and then presented to governing bodies to consider for incorporation in the next fiscal year budget, followed by public hearings, and ultimately presented to the voters for approval the following March/April. When a new governing body takes office also influences the process. Because of the lead time required at the local level, some technical support, even if it is a grant program in and of itself, would be beneficial; and if at the local level there is planning for end of lifecycle improvements that begins a few years in advance, thoughtful proposals are more likely to emerge.

Thank you for providing the opportunity to comment.

Sincerely,



Chris Bandazian

ⁱ The cost of the electronics and staff time to report annual REC's has turned out to outweigh the revenue received from thermal REC's. With the benefit of that experience, I do not view potential revenue from thermal REC's as an effective incentive to invest in a project, and perhaps REF funds can be put to an alternative use.