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Via electronic mail only

engy.groupnetmetering@energy.nh.gov New Hampshire Department of Energy 21 South Fruit Street, Suite 10 Concord, NH 03301

Re: New Hampshire Department of Energy Request for Comments - SB 165 LMI Solar Adder Public Service Company of New Hampshire d/b/a/ Eversource Energy - response

To Department Staff:

On April 29, 2022 the Department of Energy issued a request for comments that might help inform the Department about issues related to the low and moderate income ("LMI") solar adder, to be able to better determine whether and how the adder should be adjusted by the legislature.

Public Service Company of New Hampshire d/b/a/ Eversource Energy ("Eversource") developed and issued a request for information ("RFI") for stakeholders to identify and provide feedback regarding challenges the development community faces in getting LMI solar projects built, so that Eversource could better design an LMI solar pilot program to fulfill the directive in Order No. 26,297 to do so. Eversource provides the attached summary of the RFI results as comments to the Department of Energy to inform the questions listed in its request for comments.

Consistent with the Department's request for comments, this filing is being made electronically only.

Regards

Jessica A. Chiavara

Counsel, Eversource Energy

Attachment

Eversource Low-Income Community Solar RFI – Summary of Responses

Background:

2019 SB 165, later codified at RSA 362-A:9, XIV(c), created a net metering adder specifically for LMI community solar projects ("SB 165 adder"), an incentive to encourage the development of these projects statewide. Additionally, RSA 362-A:9, XIV(c) directs that the Commission "shall authorize at least 2 new low-moderate income community solar projects, as defined in RSA 362-F:2, X-a, each year in each utility's service territory beginning January 1, 2020."

The passage of this bill supplanted the purpose of Order No. 26,029 (June 23, 2017), which was also to encourage LMI community solar project development by directing each utility to develop a pilot program, but only to the extent that such "pilot programs are consistent with, and not duplicative of, any such other programs and projects required under enacted legislation." Order No. 26,029 at 63. With the passage of SB 165, the Commission found that the directive of Order No. 26,029 regarding LMI pilot programs was duplicative, and the Commission issued Order No. 26,297 (Oct. 8, 2019) suspending the utility pilot program effort for two years—2019 to 2021. On July 1, 2021, each utility was to file a status report of SB 165 adder-eligible projects within its service territory. Across all three utility service territories, only one project, located in Eversource's service territory existed at the time.

Recognizing that it was unlikely that the Company would have two community solar projects in its service territory receiving the LMI adder by July 1, 2021, Eversource began to prepare for a new pilot proposal to comply with the Commission's October 1, 2021 filing deadline. In June 2021, the Company released a Request for Information ("RFI") to stakeholders in the New Hampshire solar market to confirm its understanding of the barriers that exist to developing LMI community solar projects. Eversource received seven written responses to its RFI and conducted four additional stakeholder interviews.

Summary of RFI Responses:

i. Income Verification

Respondents reported that conducting income verification for group members was a barrier to development of LMI community solar projects in New Hampshire. Depending on the structure of the arrangement between the group host and the members, different entities may be responsible for verifying that members meet the income verification requirements. For the LMI community solar projects that have been developed so far in New Hampshire, the group host is often an affordable housing facility which helps to ensure the members are income-eligible for the project. Without working with an affordable housing facility, it is difficult to identify and income-verify eligible members.

ii. Regulatory Reporting

The Public Utility Commission ("PUC") requires LMI group net metering projects to register as an LMI project at their inception and to annually verify each members income-eligibility as well

as file an annual report on the group's load for the prior year. Usually, it is the group host that fulfills the reporting requirements, but it can be difficult for the group host to gather the necessary information to complete these requirements.

iii. Project Financing

Respondents reported that there are certain economic challenges in New Hampshire that can make it difficult to finance projects. Overall system size caps and declining compensation for projects >100kW can limit economies of scale. Many of the LMI community solar projects in New Hampshire have been supported by the PUC's grant program. This funding has been critical to making the projects financially viable.

iv. Collaboration

The projects that have been completed to date have required a significant amount of collaboration. The Vermont Law Clinic has helped several projects pro bono, but it can be difficult for non-industry stakeholders to navigate the system and requirements. Historically, LMI community solar projects in New Hampshire have relied on partnerships between hosts, developers, members and other groups to achieve completion.

v. Other

Several respondents indicated they would be interested in partnering with a Utility to identify and enroll income-eligible members. Some respondents indicated they would like to see an LMI community solar pilot program take the form of a scalable solution as opposed to a project-based example.