



September 29, 2023

Jody Carmody  
Utility Analyst, Sustainable Energy  
New Hampshire Department of Energy  
21 South Fruit Street, Suite 10  
Concord, New Hampshire 03301

Re: Renewable Energy Fund Comments

Thank you for the opportunity to submit comments regarding the effectiveness and continuation of the Renewable Energy Fund's programs. ReVision Energy appreciates the Department of Energy's proactive work to solicit comments to ensure these funds are effectively benefitting Granite Staters, and its consideration of improving and enhancing the use of funds.

ReVision Energy submits these comments as an employee owned, certified B Corporation clean energy construction company with over 400 employees across our five branches in New England, with over 100 co-owners in New Hampshire between our Brentwood and Enfield locations. In 2022 alone, we installed 10,000 kilowatts of residential solar and nearly 24 megawatts of commercial solar across New England. As a member of New Hampshire's growing clean energy industry, we appreciate the investments the Renewable Energy Fund has made in direct support of electrical and thermal renewable energy initiatives. We understand funding available is finite and support the Department in its work to ensure each dollar spent is additive and incentivizes new projects.

We submit the following feedback in response to the questions asked relevant to our areas of participation and/or expertise:

- I. Residential Solar Rebate Program
  - a. Given market maturity, and mindful of the goal of making investments to make projects possible, should the Department seek to overhaul the current program?
    - i. We believe a reevaluation of this program is necessary as the program is not currently providing funding to projects that would not otherwise advance. The lottery nature has been challenging for both business implementation and customer experience.
    - ii. In consideration of redesign, transparency on remaining funding levels—perhaps in the form of weekly or monthly website updates would be appreciated to ensure proper expectations are set in working with customers. In practice, we have not included this rebate within proposals for the past few years due to the uncertainty of funding availability.
  - b. Should the program increase the rebate amount while also requiring means testing to target the rebates?
    - i. If so, how could means testing be done in an efficient way, while safeguarding personally identifiable information (PII)?
      1. Yes, we agree that refocusing the residential program to serve low- or middle-income customers could ensure funding is spent to advance projects that are otherwise unachievable.
      2. While we cannot speak directly to means testing, we recommend looking to other governmental programs that require such information and/or utilizing participation in other low-income

programs, federal or state, as a threshold. Perhaps the Environmental Protection Agency's Solar for All Program or the Inflation Reduction Act's income-based tax rebate programs have thoughtful program design regarding income requirements that could be used for reference.

- c. Is there a rebate amount and an income threshold for eligibility that can incent development that would not have otherwise happened? Would a sliding scale approach be effective?
  - i. Our recommendation is to be as simple as possible for effective utilization by both developers and customers. A sliding scale, while we agree may likely be the most effective, could result in tedious calculations and customer confusion.
  - ii. As a developer, we would refrain from including such information in our proposals until we have developed the proper disclaimers to ensure we are not promising a rebate we cannot guarantee. Therefore, when programs are developed, advisory language regarding consumer messaging is immensely helpful in execution.
- d. Should something else entirely take its place as a rebate for residential customers and if so, what should it be?
  - i. There are multiple policy schemes that could be established that could ultimately replace a residential rebate program and better serve Granite State consumers interested in reducing their energy costs. We believe that establishing a net metering rate with a kilowatt hour value that represents the overall cost stack savings as shown in the Department's recent Value of Distributed Energy Resources Report would result in the reduced need for incentives via rebates as it would compensate these resources for their true value.
- e. Should a 'battery storage paired with renewable technologies rebate program' take the place or supplement the current or revised program?
  - i. We believe this would be well received by customers, but program design would need to ensure affordability, especially if the program was re-oriented to serve low-income customers.
  - ii. Consideration should be given to current battery storage fire code to ensure allocated funding can effectively be deployed in this regard, or perhaps could fund residential upgrades to ensure fire codes are met.
- f. LMI solar for individual homes (rather than community solar) is also an option, but program design is notoriously difficult. Is this something that the Department should invest time and effort in developing?
  - i. Our initial reaction is that the funding amounts have not been sufficient or consistent enough on an annual basis to operate an impactful LMI program to serve individual homes. This would require evaluation of all programs within the Renewable Energy Fund to determine if this type of program could be significantly expanded to encompass sufficient funding to ensure a viable program. Ultimately, the lack of a direct pay option for the solar Investment Tax Credit has reduced the viability of funding or even financing for LMI homeowners.
  - ii. We do, however, believe equity to access of affordable clean energy is immensely important, and we encourage the Department to consider how the Fund could benefit more LMI populations while meeting statutory

requirements. Ultimately, it is likely that money is most effectively invested in community solar rather than residential solar to serve such populations.

- g. Are there states that have models worth emulating? Conversely, are their failed models that should be avoided?
  - i. There are many states currently designing residential third-party lease to own or direct ownership programs to serve LMI customers as part of their applications to the Environmental Protection Agency's Solar for All Program which could be worth exploration as final applications are submitted in early October.
  - ii. While focusing on multi-family units versus individual homes, the Massachusetts Association of Community Development Corporations recently launched a third phase of the state's Solar Technical Assistance Retrofit (STAR) Program to serve low-income Bay Staters via partnerships with affordable housing authorities; the Program is taking advantage of the recent increase in federal funding to build such projects as allocated in the Inflation Reduction Act.
  - iii. Colorado launched a pilot via the Colorado Energy Office's Low-Income Rooftop Solar Program that their utility Xcel Energy has recently taken over which could be evaluated for lessons learned.
  - iv. GRID Alternatives and Vote Solar have compiled a relevant guide in considering low-income solar program development, and they recommend evaluation of the District of Columbia's Solar Advantage Plus Program and California's Single-Family Affordable Solar Homes Program for examples of effective program design to serve low-income consumers.
  - v. Additionally, we recommend the Department reviews lessons learned as published in the State Energy Strategies Project from the Clean Energy States Alliance, which includes information regarding successful programs and/or recommended programmatic considerations.
- II. Commercial Solar Rebate Program
  - a. Given the market's maturity, and mindful of the goal of making investments to make projects possible, should the Department seek to overhaul the current program?
    - i. We believe this program is currently operating effectively as it has been consistently open within the current structure over the past few years, allowing for effective management of customer expectations, filing ease and overall predictability. We appreciate that extensions, which are often necessary, have been lenient.
    - ii. We recommend scaling this program for greater impact as has been done historically as we believe that could lead to serving more of the smaller projects that currently count on this funding for contract price in PPA design.
  - b. Should the program increase the rebate amount while also targeting this program to small businesses?
    - i. The program is effectively targeted at small businesses and nonprofits by virtue of the low funding cap of \$10,000 per project, at \$0.20 per watt. This means projects in excess of 50 kW receive proportionately less funding. Projects over 500 kW are ineligible to apply. Adding an arbitrary requirement that only small businesses may apply would increase administrative requirements and exclude nonprofit entities for whom the

rebate has also been essential. We discourage the addition of such requirements.

- c. Should something else entirely take its place as a rebate for commercial customers that would be more attractive and useful to business owners?
  - i. If overall Fund levels changed materially, we would recommend overhauling the program. While that is not the case at this moment in time, we believe the current rebates are serving an effective purpose and should not be changed. Although amounts are substantially lower than in years past, the increased funding predictability is very helpful, and the tilt to smaller projects is appropriate.
- d. Should battery storage paired with renewable technologies take the place of or supplement the current or revised program?
  - i. We do not think battery storage should take the place of the commercial solar program but should rather be addressed through a separate Renewable Energy Fund Program, outlined in (Section VI below).

### III. Low-Moderate Income Community Solar Program

- a. In October 2022, the Department completed a review of the Low-Moderate Income Community Solar Program and received substantive feedback from stakeholders with program design changes informed by that feedback. Given this recent in-depth review, the questions posed by the Department here are more limited than in other program areas.
  - i. Are the changes made as a result of that review process working as intended?
    - 1. Yes. We believe the increase in total funding available (to one million) for LMI projects has resulted in increased program interest and subsequent project approval. The extension of the application deadline is both helpful and appreciated, as is the extension of the project development timeline to twenty-four months.
  - ii. Is there a consistent funding level that Department should target to encourage project development?
    - 1. Given the necessity of consistent funding for programmatic predictably and thus success, we recommend that a minimum of one million dollars in funding should be made available every year, but could be increased should more funding become available.
    - 2. Additionally, the Department should consider utilizing funding to cover permitting and site preparations costs provided that these are itemized and outlined as critical project costs within an applicant's proposal. LMI project hosts often do not have the financial capacity to pay for such costs, which delays contract negotiation and ultimately project viability and the ability to serve a critical population with affordable clean energy.
- b. The Department is leading an application for the EPA's Solar for All program. Funding is being awarded on a competitive basis. If New Hampshire's application is awarded funding, additional federal dollars will be used to scale up this program. Those federal funds come with a variety of restrictions and compliance requirements (such as BABA, Davis Bacon, etc.)<sup>1</sup> that are not part of the current program.
  - i. Should the Department mix the federal and state funds, making the total program funding available larger, but at the expense of extending those federal funding requirements to the state funds as well?

1. ReVision Energy is a strong supporter of the Solar for All Program, and we are excited about the opportunity to bring additional dollars into the state to serve LMI populations. We believe that mixing state and federal funds, especially when one jurisdiction has stricter restrictions and requirements, should be administered separately. Given LMI organizations do not always have the capacity to address project complexities, this ensures there is a simple lane for funding consideration.
  - ii. Or should the Department keep the funding sources as separate as possible, leaving one batch of successful applications solely funded with state funds and the remaining with federal funds? If so, how should a successful application's funding source be determined?
    1. Again, we recommend keeping funding resources separate in order to avoid unintended impacts on grantees in terms of variable federal and state eligibility and compliance requirements.
    2. Given the scale of anticipated funding for the Solar for All Program and New Hampshire's ability to apply for up to \$100 million, and the fact that even a grant half the size would be an order of magnitude larger than the Fund's total allocation, the Department should consider a grant cap for state funding to essentially focus on smaller projects while allowing the Solar for All program funding to establish its own minimum grant for federal funds.
    3. However, we suggest due consideration to not making these two funding streams an either/or approach as stacking federal and state dollars may be necessary to ultimately serve the goals of both programs and LMI populations. We would prefer to see the opportunity for an LMI-serving entity to apply to either or both revenue sources and determine on its own its capacity to accept the requirements of each program.
- IV. Battery Storage Program Consideration
- a. Battery storage is increasing in prominence as a complement to renewable energy generation, although it is still in its early stages. The Department is currently engaged on several fronts regarding battery storage. In order to incentivize and assist battery storage market development, the Department is interested in examining the possibility of establishing a rebate program. Adding a program such as this would require statutory changes governing the Renewable Energy Fund.
    - i. Should this be a separate, technology-neutral program or does a requirement for it to be paired with renewable energy generation seem reasonable?
      1. Yes, we believe this should be established as a separate, technology-neutral rebate program that does not have a collocation requirement with renewable energy generation. We are very excited about the Department's interest in this regard and appreciate its thinking in how the Fund could catalyze a storage market to ultimately reduce costs for Granite State ratepayers, as demonstrated by Department's recent Value of Distributed Energy Resources Report.
      2. The Renewable Energy Fund has a positive track record of establishing thoughtful grant programs that jumpstart a market

and ultimately lower energy costs due to the resulting broader application, and we believe the Department has the opportunity to apply this successful model to the storage market, which could utilize such activation given regulatory policy is just beginning to address (and compensate for) the grid benefits that such technology provides.

- ii. Should there be separate commercial and residential level incentives, or should such a program be only targeted towards one sector?
  1. We believe that both commercial and residential programs should be established, with the majority of funding invested in commercial storage incentives due to market need and the reality of where energy storage is furthest behind in the state. The residential program could complement the existing Solar Rebate Program.
- iii. Should there be a separate competitive grant program that funds co-located storage projects?
  1. We recommend developing a commercial storage program without a requirement of collocation with renewable energy generation to ensure a simple, streamlined process for application and utilization. Designing a program as such would ensure alignment with the requirements for battery storage in the updated federal investment tax credit, which no longer requires co-location.
- iv. What rebate levels would be required to effectively incent non-residential and residential storage installations?
  1. We believe the battery storage market in New Hampshire is an underdeveloped arena with potential to provide significant grid services. The Fund has the opportunity to advance such a critical market while regulatory mechanisms are slowly being developed that value the considerable grid services—and thus cost reductions—that batteries provide, which are highlighted in the Department's Value of Distributed Energy Resources Report.
  2. We recommend a technology neutral grant for a commercial storage program, enabling funding for battery storage projects at the amount of \$100 per kwh, capped at \$100,000 in total funding per project. This recommendation was designed through evaluation of current Fund appropriations as well as the need we, as developers, see in the field that would result in project viability, such as reducing payback timelines to approximately ten years or less. Ultimately, we suggest that half of the competitive grant program be earmarked for storage. While bold, we commend the Department's thoughtful program design for solar rebates, which, in the early years, were generous due to the need to infuse capital for market activation, and ultimately bring costs down. Now, the Fund has appropriately scaled back funding levels on these programs as overall costs have decreased and market penetration has gradually increased, and we respectfully advocate for the application of this model to commercial battery storage.
- v. Are there existing incentive models in other states that are worth emulating? Are there design elements in other states that are worth avoiding?



1. We believe that the structure of the Commercial and Industrial program has been effective, and we recommend applying processes including the Stage 1 Approval and the Final Certificate in the development of such a program.
  2. We recommend consideration of designing a program that is a first come, first serve program like the Commercial and Industrial Solar Rebate Program, where money is spent in order of application until the funding is depleted. We recognize that competitive grants add considerable workload and requirements, and we believe a walk-up program could reduce administrative burden. This structure is in alignment with the Commercial & Industrial Program, where predictable funding for qualified projects has been essential for customers and their developer partners.
- V. Other Questions to Consider:
- i. Are there other changes to REF that the Department should consider?
    1. We simply want to commend the Department in ensuring the continued deployment of these funds; their use in implementation of clean energy projects is absolutely making a difference in helping projects get built—and ultimately helping Granite Staters reduce their energy costs.
  - ii. Has the general timing of RFPs (posting time, RFP response times, etc.) for the competitive grant programs been reasonable?
    1. Yes. While there may be programs such as the LMI program that would be nice to have another cycle, we understand the considerable work that goes into deployment, and thus, we feel the timelines are effective as is.

We thank the Department for the opportunity to offer these comments, and we are available to answer any questions. We thank the Department in advance for its consideration of our perspective.

Sincerely,



Lindsay L. Bourgoine  
Director, Policy & Government Affairs  
ReVision Energy