

**STATE OF NEW HAMPSHIRE
DEPARTMENT OF ENERGY**

**IMPLEMENTATION OF SB 270 – LOW :
TO MODERATE INCOME COMMUNITY : OCTOBER 19, 2022
SOLAR PROGRAM :**

**JOINT WRITTEN COMMENTS OF PUBLIC SERVICE COMPANY OF NEW
HAMPSHIRE D/B/A EVERSOURCE ENERGY, UNITIL ENERGY SYSTEMS, INC.
D/B/A UNITIL, AND LIBERTY UTILITIES (GRANITE STATE ELECTRIC) CORP.
D/B/A/ LIBERTY**

Public Service Company of New Hampshire d/b/a Eversource Energy (“Eversource”), Unitil Energy Systems, Inc. (“Unitil”) and Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty (“Liberty”) (collectively the “Companies” or the electric distribution companies (“EDCs”)) hereby submit these written comments in response to the Straw Proposal for a Low to Moderate Income Community Solar Program established by New Hampshire Senate Bill 270 (“SB 270”) issued by the New Hampshire Department of Energy (“DOE”) on September 30, 2022.

I. BACKGROUND

On September 7, 2022 the DOE held a stakeholder session regarding the implementation of SB 270, “An Act Establishing a Low-Moderate Income (LMI) Community Solar Program.” Following this stakeholder session, the DOE issued a straw proposal for the LMI Community Solar Program on September 30, 2022 and held a second stakeholder session on October 4, 2022. To facilitate the DOE’s development of a final proposal for the LMI Community Solar Program, the DOE requested meeting participants and interested stakeholders to file written comments on the straw proposal. The EDCs provide the following written comments on the DOE’s proposal.

II. COMMENTS

Project Selection Process

The EDCs are supportive of the DOE-run RFP process outlined in the straw proposal. However, the EDCs recommend that the DOE add clarification regarding whether the program’s annual capacity of 6MW will be divided amongst the EDCs in a specific manner or whether the annual capacity can be allocated to any EDC based on the results of the RFP.

RFP Eligibility and scoring criteria

The EDCs support the initial eligibility criteria outlined in the straw proposal and the scoring mechanism proposed by the DOE. However, the eligibility criteria could be strengthened by the inclusion of some mechanism to prevent speculative bids. In the Connecticut Shared Clean Energy Facilities program, developers are required to submit

Development Period Security with their bid submission. If their bid is not selected, the development period security is returned to the bidder. However, if the bid is selected and the project does not move forward, the Development Period Security is forfeited by the bidder. This requirement helps minimize the risk that the annual program capacity is allocated to projects with a low likelihood of reaching commercial operation. A similar requirement could benefit the New Hampshire LMI Community Solar program.

Member Selection Process

The EDCs support the DOEs proposal to enroll customers based on the project location zip code and the use of a lottery if there are more Electric Assistance Program (“EAP”) eligible customers in the zip code than can be enrolled in the community solar project. This process is straightforward and easy for the EDCs to administer. The EDCs do not recommend prioritizing customers for enrollment based on any other variables such as electric heat, discount level or EAP waitlist participation. Member selection will be a manual process and segmenting customers based on additional variables will add administrative burden to identify and validate the data. In addition, the EDCs do not know which customers are on the EAP waitlist as the EDCs do not have access to information regarding waitlist participants.

The EDCs also recommend that the total number of members enrolled in a group should be calculated based on an estimated load for each subscriber and the number of members and their cumulative load should be sized to exceed the total estimated PV system production. The combination of these two program design elements will help ensure that the community solar project is fully subscribed and will reduce the effect of member churn throughout the year. By sizing the project memberships to exceed the estimated production the risk that the cumulative member load will drop below the PV system production if members drop out of the program is reduced. In addition, using an estimated load for each member will make it easier for the EDCs to calculate how many members are needed to meet the production to load ratio and to replace members who drop out of the program because they will not need to find another member whose actual load matches the actual load of member being replaced.

Lastly, the EDCs recommend that the on-bill credits allocated to the program by the host should be divided equally amongst the members. For example, if the host allocated 25% of the on-bill credits to members and there were 25 members, each member should receive 1% of the credits.

Member and Group Registration

The EDCs recommend that EAP member enrollment should begin prior to the solar project reaching commercial operation. It will take time for the EDCs to execute the enrollment process, including identifying eligible customers, completing the selection process, and notifying customers that they have been selected to participate in the program. After initial notification of enrollment, the EDCs will need to wait until the end of the opt-out period to determine whether additional customers will be needed to replace customers who have opted-out. These customers will also need to be notified and provided the opportunity

to opt-out. The EDCs propose that the host should notify the applicable EDC a minimum of 60 days prior to the project's estimated in-service date so that they can begin member enrollment. This would provide time for the EDCs to complete member enrollment and register the group with the DOE before the project enters commercial operation and allow the host to begin to receive the LMI adder upon entering service.

Group Management

Managing members for LMI community solar projects will be a manual process for the EDCs that requires using several different systems, spreadsheets and queries to maintain. The EDCs have many billing cycles that would need to be tracked alongside member activity to identify when a customer needs to be replaced. Given the time and manual effort required, it is not feasible for the EDCs to replace customers within a single billing cycle if a customer is terminated from the program.

The EDCs would like to request that changes to member groups be limited to once per year. During the annual evaluation the EDCs would replace any customers who had opted-out of the program, moved out of the service territory or whose EAP eligibility status had changed. In the event that a member was inactive in the billing system at the time the credit is applied, the credit would default back to the host account. This approach is consistent with the EDCs net metering programs in other jurisdictions. By sizing the group members to exceed the estimated annual production, the EDCs believe that the additional load of the larger group would be enough to minimize the effect of customer churn over the course of the year and reduce the risk that the collective load of the members would fall below the production of the project.

The EDCs are strongly opposed to any resizing of other member allocations if a customer becomes inactive. Resizing subscriptions on a monthly basis would be a manual process that becomes more complex given that customers are on different billing cycles. It would also be difficult to track how member allocations changed over the course of the year and complicate annual reporting.

The EDCs are supportive of a single annual report to the DOE summarizing the member allocations and changes that occurred over the prior year.

Other Considerations

The EDCs appreciate the DOE's efforts to develop the straw proposal to implement SB 270, specifically its efforts to streamline the administrative aspects of the LMI Community Solar program. The EDCs believe the recommendations provided in these written comments have the potential to reduce the amount of time required to implement the program and keep ratepayer costs of administering this program to a minimum. However, even should the DOE adopt all the recommendations in these comments, the EDCs anticipate that incremental resources will nonetheless be needed to implement and administer the LMI Community Solar program. Because utility recovery for all costs associated with administering the program is enshrined in the statute, the EDCs propose the ability to timely collect these implementation

and administration costs through either an existing rate reconciling mechanism, such as Eversource's net metering adder in its Stranded Cost Recovery Charge, or another timely method of recovery. While the exact costs for implementation and administration are unknown at this time and will depend on the final program design, the EDCs believe that more timely recovery is appropriate, as opposed to deferral of costs to future rate cases.