

August 26, 2010

Debra A. Howland
Executive Director
NH Public Utilities Commission
21 South Fruit St.
Concord NH 03301

Re: Comments of Froling Energy on DE 10-212, establishing a commercial and industrial renewable energy rebate program

Dear Executive Director Howland:

Thank you for the opportunity to comment on DE 10-212. Froling Energy is an integrator of thermal and electric generation equipment in the renewable energy market. We are pleased to have a chance to comment on the proposed rebate program

With respect to the issues raised by the Notice of Opportunity to Comment, we have several questions and comments.

To the question of whether the Commission should establish a commercial and industrial renewable energy rebate program, we believe strongly that it should. We believe this is consistent with the intent of the enabling statute and the fund established under RSA 362-F:10. We agree that the deployment of this fund should be accessible to all classes of ratepayers including residential, commercial and industrial.

To the question of whether the proposed program should be limited to PV and SWH systems, we believe strongly that it should not. We believe any commercial renewable electric and thermal energy technology should qualify under this program that fulfills the purposes of RSA 362-F, set forth as follows (emphasis added):

362-F:1 Purpose. – Renewable energy generation technologies can *provide fuel diversity* to the state and New England generation supply through use of local renewable fuels and resources that serve to *displace and thereby lower regional dependence on fossil fuels*. This has the potential to *lower and stabilize future energy costs by reducing exposure to rising and volatile fossil fuel prices*. The use of renewable energy technologies and fuels can also *help to keep energy and investment dollars in the state to benefit our own economy*. In addition, employing low emission forms of such technologies can *reduce the amount of greenhouse gases, nitrogen oxides, and particulate matter emissions* transported into New Hampshire and also generated in the state, thereby improving air quality and public health, and mitigating against the risks of climate change. It is therefore in the public interest to stimulate investment in low emission renewable energy generation technologies in New England and, in particular, New Hampshire, whether at new or existing facilities.

Solar PV and solar water heating technologies can make an important contribute to meeting the intent of the statute, but so can other renewable electric and thermal energy technologies, including wind generation, geothermal, hydro, biomass thermal and electric, etc., that meet the maximum 100 kW or equivalent thermal output threshold as established in Puc 2507.03(f). By limiting the qualifying technologies to only PV and SWH, the Public Utilities Commission is introducing a technology bias and effectively favoring two technologies over many others that also meet the intent of the statute. It is doing so without any analysis as to which technologies most cost effectively fulfill the intent of the statute.

In our case, as an integrator of high efficiency wood heating systems we feel that we meet all of the objectives of the statute. They utilize a locally produced renewable fuel to reduce reliance on fossil energy, typically #2 heating oil or propane. These fuel dollars thus circulate in the regional economy, instead of flowing out of state or country to pay for imported crude oil. The integration and installation of these systems creates jobs in the HVAC sector, and supports jobs in manufacturing and distributing the fuel. Biomass is recognized by the State of New Hampshire as carbon beneficial and can help mitigate greenhouse gas emissions when used to displace fossil fuel. The new combustion technology now entering the market produces thermal energy with very low emissions of particulates, and virtually no SO₂, thereby improving air quality.

We ask the PUC to adopt a final commercial and industrial renewable energy rebate program that recognizes any qualifying technology. We support the rebate structure as proposed in section 5 of the notice for technologies with electric energy output. We support the rebate structure and a cap of 25% of the cost of the facility or \$50,000, whichever is less, as proposed for the solar hot water systems, to apply to any technology with thermal output. We support the requirement of an energy audit in order to qualify for consideration, as well as the other requirements of section 6.

We believe it is important that the PUC, to the greatest extent possible, establish incentive and rebate programs that do not pick technology winners and losers, but equitably recognize all renewable energy technologies that fulfill the objectives of the enabling statutes. The amount of funds proposed to initiate the C&I program are limited, but that is no excuse to also limit applicability to certain technology, and exclude others.

Sincerely,

Mark Froling
President
Froling Energy