



September 3, 2010

To Whom It May Concern,

Nexamp looks forward to working with the New Hampshire Public Utilities Commission Commercial and Industrial (NH PUC C&I) program to help advance the state's renewable energy goals. Nexamp is one of the largest New England-based solar installers, with 6MW of installed projects and experience installing system size ranging from 2kW-1MW. In addition, Nexamp has completed the largest business owned solar PV installation in New Hampshire for Wirebelt Inc. at 99.3 kW. Nexamp works with its clients to maximize the benefits of solar energy projects, and has experience working with a range of incentive programs. Given our diverse experience and professional expertise, please accept these on the proposed NH PUC C&I rebate.

1. *A preventative approach to low-performing systems:* Given that the solar industry is maturing, the skill and experience of installers serving New Hampshire varies. We expect that an incentive program not designed to account for this learning curve may inadvertently support low-performing solar installations and not maximize the impact of the PUC's funding. We believe it is in the PUC's interest to support professional development within the growing solar industry to ensure long-term industry sustainability. **To assist installers in gaining the skills and knowledge necessary to develop high-quality solar installations, while maximizing the effectiveness of NH PUC funding, Nexamp recommends that the PUC implement a "Crawl Before You Walk Policy", similar to that utilized by the MA Clean Energy Center's rebate program, shown in this document as "Attachment 1".** Implementing this threshold will provide the PUC with assurance that all participating installers meet minimum installation standards without impeding the development progress of qualified installers.
2. *Right to change the program:* Regardless of the amount of careful planning put into program guideline development, unique circumstances may arise on individual projects. **To protect the NH PUC and help minimize program management challenges, we recommend that the PUC include a disclosure statement that is similar to the following;** "The NH PUC reserves the right to accept or reject any or all applications received, negotiate with all qualified System Owners, cancel or modify the Program Manual in part or in its entirety, or change the application guidelines, when it is in its best interests."
3. *Definitions Section:* **To ensure accurate interpretation of the C&I program, Nexamp recommends including a clear and thorough "Definitions" prelude to the application.** Nexamp recommends that a definitions section includes, at minimum: host, owner, installer, PPA, payment process, completed application, and timeline and process for auditing. In addition, Nexamp recommends that the PUC clarify if the program will operate on a first come first served basis.
4. *Solar Hot Water, Solar Thermal Space, and Pool Heating:* The performance of commercial scale solar thermal projects varies with the technology's application. Given New England's climate and solar



access, solar thermal space heating is rarely cost-effective in Nexamp's experience, even with strong incentives. However, Nexamp has performed commercial scale solar hot water installations including two systems for Riverwoods Elderly Care in Exeter, New Hampshire, and recognizes that there are a wide range of cost-effective applications of that technology, particularly when it is appropriately incentivized. **Nexamp recommends the NH PUC either 1) not allow solar thermal for space heating to be eligible for rebates, or 2) take a performance based approach to support solar thermal projects of all types.** For example, if option 2 is preferred, the PUC could provide 25% of rebate funding upon system completion, with the remaining 75% of the rebate provided once PUC is confident that the system meets minimum performance standards and after one year of full operation. Note: Nexamp also recommends that the NH PUC follow the lead of the federal tax incentive program and not support solar thermal pool heating.

5. *Eliminate Dollar Cap:* Since the PUC 2507.03(f) restricts solar PV system size to 100kW-STC, and the rebate structure is tiered, then the maximum funding a system can receive (assuming the \$/watt listed in the Notice of Opportunity to Comment, and no cap) is \$93,750. Using a standard roof-mounted commercial system that currently costs approximately \$6/watt, the calculated rebate would be approximately 15.6% of total system cost. Accounting for tax incentives, this equates to about a 17 year payback. It has been Nexamp's experience that business owners require a 5-7 year payback to make solar PV installations economically viable. Therefore, we recommend lifting the cap to improve financial returns afforded to early adopters of solar PV in New Hampshire. There is little risk of larger projects taking all of the funding, even if the cap is lifted. **To ensure New Hampshire businesses are able to install a system that best fits their needs, Nexamp recommends that the NH PUC not implement a dollar cap on the incentive. Rather, a more effective cap would be 25% of total project cost, and a maximum system size of no more than 100% of annual load (including modeled energy efficiency measures).**

Thank you for considering the above comments. Nexamp looks forward to the final Program Application and future involvement in New Hampshire's clean energy future.

Best regards,

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Attachment 1

The following is an excerpt from the Massachusetts Clean Energy Center Commonwealth Solar Stimulus Photovoltaic Rebate Program; Program Manual; Solicitation No. 2010-CS Stimulus-Version 2.0.

“For purposes of all Commonwealth Solar Rebate Programs, first-time Primary Installers/Integrators to the program are subject to MassCEC’s “Crawl Before You Walk Policy”...All first-time Primary Installers/Integrators are only eligible to initially submit one rebate application,...Any subsequent applications received prior to completing the “Crawl Before You Walk Policy” will be rejected and removed from the Process Queue. The applications from first-time Primary Installers/Integrators who are subject to the “Crawl Before You Walk Policy” must include a three-line electrical diagram and a site plan, in addition to all of the standard technical requirements of the program. MassCEC and/or our consultants may require additional technical details regarding compliance with the NEC and our Minimum Technical Requirements prior to approving the submitted designs.

After application review and approval, the project may be completed. Upon project completion, the site must pass an inspection by a MassCEC-designated auditor before the Primary Installer/Integrators may submit subsequent applications. In addition, the rebate payment will be processed once the project passes the inspection. Additionally, the installations are also subject to inspections at MassCEC’s discretion. All new Primary Installers/Integrators will undergo at least two independent inspections under this policy. Note that all installations from any Primary Installer/Integrator are subject to random inspections at any time for any reason at MassCEC’s discretion.

MassCEC, at its sole discretion, may grant a waiver to the “Crawl Before You Walk Policy” for Primary Installers/Integrators that can demonstrate that they have successfully installed at least 10 PV projects in another state with similar requirements and standards as the Commonwealth Solar Stimulus Rebate Program requirements. If the Primary Installer/Integrator has a NABCEP Certified project manager or supervisor assigned to and working at the project, this may be acceptable for a waiver. Another optional compliance method for commercial applicants is submittal of a full commissioning plan that includes an independent third-party commissioning agent.”