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THE STATE OF NEW HAMPSHIRE



PUBLIC UTILITIES COMMISSION 21 S. Fruit Street, Suite 10 Concord, N.H. 03301-2429

July 27, 2018

Josh Meehan Keene Housing 831 Court Street Keene, NH 03431

Re: DE 18-019 Keene Housing Request for Waiver of Puc 303.02

Dear Mr. Meehan:

On February 7, 2018, Keene Housing (KH) filed a request for a waiver of N.H. Code Admin. Rule Puc 303.02, the Commission's master metering rule. KH requested a waiver with respect to the proposed replacement of existing individual meters with master meters in 20 existing buildings housing a total of 189 apartment units in Keene, New Hampshire. Commission Staff filed a memorandum on July 18, 2018, in which it described and analyzed the request from Keene Housing and recommended that the Commission deny the waiver.

In its initial filing, KH stated that it has hired a consulting firm to help reduce its carbon footprint as well as its utility operating expenses. Each residential unit in KH's four properties is individually metered for electric service and each meter/service account is billed directly to KH. According to the filings, KH closely monitors consumption at the building level and is committed to implementing energy conservation measures throughout its properties. According to its waiver request, KH spends over one million dollars on energy and water utility costs for its properties. Toward that end, KH seeks a waiver of Puc 303.02 to lower its electric utility and heating costs by eliminating the meter charges on each residential meter by replacing the existing meters with master meters in each building. KH asserted that the less it spends on electric bills, the more funding it will have available to repair roofs, repave parking lots, and develop new, affordable housing.

The Office of the Consumer Advocate (OCA) supported KH's request, stating that the waiver request is similar to one granted to Twin Pines Housing in Docket No. DE 18-020. OCA noted that KH is requesting a waiver for purposes of master metering residential apartments in a housing facility available to people in need of housing assistance where the residents will not be paying their own electric bills. As such, the OCA contended that "the Commission 'shall' waive a rules requirement when the public interest is served thereby – and the public interest is served when '[c]ompliance with the rule would be onerous or inapplicable given

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the circumstances of the affected person." In this case, the OCA maintained that compliance with Puc 303.02 would be "expensive in a way that will ultimately make less resources available to those in need of housing assistance" and, thus, onerous as well as inapplicable because KH, not its tenants, will be paying the electric bills.

Public Service Company of New Hampshire d/b/a Eversource Energy (Eversource) maintained that "[t]he limitations in [its] tariff and the Commission's rules have evolved over time and exist to strictly limit the grant of any waiver" of Puc 303.02 requirements "to only those situations where [a waiver] should be allowed under [the International Energy Conservation Code of 2009 (IEEC 2009)] and the Commission's own policies and positions taken over many years," including consideration of "either new construction, or substantial reconstruction to an existing (sometimes 'historic') building" that are compliant with energy conservation requirements.

Staff noted that it was unaware of any approvals of waiver requests to consolidate multiple existing residential meters through master metering where no substantial renovation or new construction was involved, as KH has proposed. Based on its analysis of dockets within the past 10 years, Staff maintained that no waiver of the master metering rule involving the consolidation of multiple residential meters in multiple facilities has ever been requested or approved. Staff concluded that the master metering rule was never intended for the consolidation of existing residential meters as a way to reduce costs through changing the rate in which existing accounts are metered and billed. Staff recommended that KH's waiver request be denied.

Based on a review of the filings and given the circumstances regarding KH, the Commission has determined that the requested waiver would not serve the public interest. The Commission found that KH's proposal to replace all individual-unit meters with master meters in each of its 20 buildings to save money on metering charges does not further the purpose of Puc 303.02. Puc 303.02 requires a utility to install master metering only in commercial buildings and as consistent with the IECC 2009. A waiver of the rule is not intended to permit the replacement of individual meters with master meters in multi-unit residential buildings in order to be billed through a different rate class, as KH appears to request. In the event that KH undertakes significant renovations of any of its buildings or builds new facilities to accommodate low-income housing, it may resubmit a request for a waiver of the master metering rule at that time.

Accordingly, the Commission has denied KH's request for a waiver of Puc 303.02.

Sincerely,

A. Aculard

Debra A. Howland Executive Director

cc: Eversource

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Pursuant to N.H. Admin Rule Puc 203.11(a) (1): Serve an electronic copy on each person identified on the service list.

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FILING INSTRUCTIONS:

a) Pursuant to N.H. Admin Rule Puc 203.02 (a), with the exception of Discovery, file 7 copies, as well as an electronic copy, of all documents including cover letter with: DEBRAAHOWLAND

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- b) Serve an electronic copy with each person identified on the Commission's service list and with the Office of Consumer Advocate.
- c) Serve a written copy on each person on the service list not able to receive electronic mail.