



August 26, 2010

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

Re: Comments of Tarm USA, Inc. 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. Tarm USA, Inc. is an importer and distributor of biomass combustion boilers for residential and commercial use. Our offices are located in Lyme, NH. This letter constitutes our responses to the issues raised by the Notice of Opportunity to Comment.

Should the Commission establish a commercial and industrial renewable energy rebate program accessible to all classes of ratepayers including residential, commercial and industrial? We say **yes**. Should the proposed program be limited to PV and SWH systems? We say **absolutely not** without further analysis. We believe that any commercial renewable electric and thermal energy technology should qualify under this program so long as it fulfills the purposes of RSA 362-F.

Many renewable energy technologies other than solar PV and solar water heating can also contribute to meeting the intent of the statute including wind generation, geothermal, hydro, biomass thermal and electric, etc., and meet the maximum 100 kW or equivalent thermal output threshold as established in PUC 2507.03(f). First of all, we believe that the Commission is creating a technology bias. Secondly, we have no reason to believe that the bias is based on analysis that determines which technologies most cost effectively fulfill the intent of the statute.

Additionally, we ask the PUC to reconsider its 100 kW limit on qualifying project size. We understand that this is consistent with existing administrative rule PUC 2507.03(f). However, we believe this limit was established during rulemaking to ensure that the rule would be consistent with the then maximum generator size under the net metering statute, RSA 362-A:9. In the 2010 legislative session, House Bill 1353 raised the maximum permissible project size (with certain conditions) to 1 MW. The PUC has been petitioned (DRM 10-216, filed 8/13/10) to amend the net metering administrative rules (PUC 900), to ensure their consistency with the newly adopted changes to RSA 362-A:9. In anticipation of these rule changes, we ask the PUC to consider raising the maximum project size to 1 MW. This is especially relevant to thermal projects regardless of technology, as a 100 kW limit on equivalent thermal output is really very small and would greatly limit the potential range of commercial or industrial applications.

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High efficiency wood and wood pellet (biomass) heating systems meet all of the objectives of the statute. They utilize an abundant, local, and renewable fuel to reduce reliance on fossil energy, typically #2 heating oil or propane. Displacement of fossil energy sources with biomass can take place around the clock and during any weather pattern. Money spent on high efficiency wood heating circulates 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, forestry 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.

We ask the PUC to adopt a final commercial and industrial renewable energy rebate program that recognizes **any qualifying technology**. It should be the goal of the PUC to fulfill the objectives of the enabling statutes without creating technology preferences unless fair and public reviewed analysis indicates that those technologies are superior in achieving the goals of the statutes.

Sincerely,



Scott W. Nichols
President