

May 27, 2016

Ms. Debra A. Howland, Executive Director & Secretary
N.H. Public Utilities Commission
21 South Fruit Street
Concord, NH 03301-2429

NHPUC 27MAY16PM3:32

**RE: Docket No. DE 16-384
Unitil Energy Systems, Inc.
Request for Change in Rates**

Dear Director Howland:

We are writing to express Conservation Law Foundation's strong concern with Unitil Energy Systems' ("Unitil") proposed Domestic Distributed Energy Resources tariff, which Unitil has raised as part of its general rate proceeding in the above-captioned docket.

As the Public Utilities Commission ("Commission") is aware, during the course of the current legislative session, the General Court specifically addressed important questions regarding distributed energy resources in New Hampshire, including but not limited to tariffs for distributed energy resources. As a result, the General Court recently enacted HB 1116, in which it specifically envisioned and directed that the Commission address tariffs for distributed energy resources as part of a generally applicable docket. Consistent with HB 1116, the Commission initiated such a proceeding on May 19, 2016 with the issuance of an Order of Notice in Docket No. DE 16-576. As the May 19 Order of Notice makes clear, in that docket the Commission will "develop new alternative net metering tariffs, which may include other regulatory mechanisms and tariffs for customer-generators." Order at 2. On or before March 2, 2017, the Commission will "issue an order initially approving of adopting such alternative [net metering] tariffs." *Id.* All of the regulated electric distribution utilities have been directed to participate in that docket, and all stakeholders are invited to seek intervention. *See id.*

By proposing a distributed energy tariff as part of this general rate case, Unitil effectively seeks an end run around Docket No. DE 16-576. Unitil's request to consider distributed energy tariffs as part of this proceeding should be denied for the following reasons.

- Unitil's proposal conflicts with HB 1116, which set forth specific criteria that should be evaluated by the Commission in a 10-month proceeding involving the utilities and other relevant stakeholders to develop alternative net metering tariffs.
- A generally applicable proceeding (i.e., DE 16-576) is the appropriate venue to consider alternative net metering tariffs, in order to ensure fairness and consistency across service territories.

- The Commission is committing considerable resources to evaluate alternative net metering tariffs in DE 16-576. It would be an inefficient use of Commission resources to conduct parallel proceedings in piecemeal fashion on the same subject.
- A generally applicable proceeding specific to net metering, such as DE 16-576, is the best venue to ensure full stakeholder input, thereby ensuring a complete airing of the issues and fairness to all parties.
- Alternative net metering tariffs are a novel subject of significant public concern and attention. As envisioned by the legislature, they merit a docket distinct from the instant general rate case.
- Stakeholders other than the utility will be disadvantaged if alternative net metering tariffs are considered in a utility-specific general rate case at the same time as DE 16-576. Stakeholders should not be required to expend resources in multiple dockets on an issue that the legislature has already directed the Commission to address in a subject-specific proceeding.

For these reasons, we respectfully request that the Commission direct Until to reserve any arguments, testimony, or information that it may have on the subject of alternative tariffs for distributed energy resources for consideration in Docket No. DE 16-576. To the extent there may be any utility-specific issues that cannot be fully addressed in Docket No. DE 16-576, those issues should be held in reserve until Docket No. DE 16-576 has been completed.

In the event that the Commission denies this request and determines that it will consider alternative tariffs for distributed energy resources in the instant rate case, Conservation Law Foundation respectfully reserves the right to petition to intervene at such time.

Sincerely,



Thomas F. Irwin
Vice President and Director, CLF New
Hampshire



Melissa E. Birchard
Staff Attorney, CLF New Hampshire

cc: Docket No. DE 16-384 Service List (via electronic mail)