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March 6, 2018

New Hampshire Public Utilities Commission  
 21 South Fruit St, Suite 10  
 Concord, NH 03301-2429

Re: Keene Housing Comments Regarding Staff Memorandum dated February 15, 2018  
 Recommending Issuance of a Request for Proposals (RFP) for Community Solar Photovoltaic (PV)  
 Projects Pursuant to SB 129, 2017

To Whom It May Concern,

Thank you for the opportunity to comment on the New Hampshire Public Utility Commission (PUC) Staff's recommendations for a Request for Proposals for Community and Solar Photovoltaic (PV) Projects. Keene Housing (KH) is a public housing authority that provides and advocates for affordable housing and supportive services that strengthen and empower low and moderate-income households in the Monadnock region. In 2017, KH served over 1000 low and moderate income (LMI) households through a variety of housing and resident services programs.

KH supports and commends the Staff's proposal to issue a RFP to accept competitive proposals for community solar PV projects that provide direct benefits to LMI residential electrical customers per the statutory requirements of Senate Bill 129 of 2017. We offer the following comments on the Staff Memorandum dated February 15, 2018 and Staff Attachment A, Low and Moderate Income (LMI) Community Solar Competitive RFP Program.

KH agrees with the Staff's proposal that RFP respondents "be required to present a comprehensive project plan clearly demonstrating and quantifying the direct benefits to be provided to LMI participants, while meeting other specified technical requirements" and understands the requirement is necessary to carry out the intent of SB 129, 2017. Our concern lies in how "direct benefits" may be interpreted and how that interpretation may negatively impact LMI participants, and thus hinder the program's success. Our concerns fall into two categories – the unintended consequence of direct financial benefits to LMI households and an overly narrow interpretation of the term in the context of New Hampshire's profound affordable housing shortage. As highlighted in New Hampshire Housing's 2017 Rental Survey, the demand for affordable housing for working families and elderly and disabled households continues to outpace supply.

#### Unintended Consequences of Direct Financial Benefits to LMI Households

Many safety net programs, including most housing assistance programs, use a combination of household income and non-discretionary expenses to determine the level of benefit LMI households receive. Typically, any increase in household income results in a decrease in benefits (a rent



increase). For example, an LMI household residing in a U.S. Department of Housing and Urban Development (HUD) Multifamily or Project Based Voucher (PBV) property pays rent equal to 30% of their adjusted income. So, anytime a household receives new income, their rent goes up. In most HUD programs, a recurring cash benefit, like a solar rebate from the utility will, pursuant to relevant program rules, be treated as income, and result in a rent increase. We urge the Commission to craft any direct benefit to LMI households residing in HUD assisted properties in ways that do not have the unintended consequence of increasing the households' rent burden.

#### Alternative Non-Financial Direct Benefit Programs

While Federally assisted households do not make up the entirety of LMI households living in affordable housing in New Hampshire, and while there are likely property-specific circumstances that could mitigate the impact of direct solar rebates on LMI households' rent burdens, we urge the Commission to consider other ways in which reductions in low-income housing providers' operating costs provide a benefit to their LMI residents. There is a direct relationship between an affordable housing provider's operating expenses and their ability to maintain and expand their affordable housing portfolio. Therefore, we urge the Commission to consider any proposals that significantly reduce affordable housing providers' energy costs as directly benefitting LMI residents so long as the proposal includes a detailed description of how anticipated energy savings will be redeployed to the benefit of the proposer's LMI residents.

We recommend the following be considered allowable uses of energy savings that directly benefit a proposer's LMI residents:

1. Direct investment in capital improvements in the affected LMI residents' apartment complex and/or individual units including, but not limited to, additional energy conservation, efficiency, or generation projects.
2. Acquisition/development of additional housing for LMI residents.
3. Direct investment into LMI resident self-sufficiency and related resident services programming designed to decrease a LMI participant's need for housing assistance (HUD's Family Self Sufficiency program, for example).

Beyond the brick and mortar of affordable housing, research shows that housing, combined with self-sufficiency programming is far more effective – both in terms of outcomes and cost - than housing alone in helping LMI work-able households become more economically self-sufficient. In New Hampshire, combined housing and case management programs have assisted households move out of homelessness, helped with prisoner reentry and family reunification, and helped children aging out of foster care find appropriate housing.

Quite simply, reducing a housing provider's energy costs provides additional resources that can be deployed for maintaining and developing affordable housing, as well as providing self-sufficiency

and other resident services not adequately funded at the local, state or federal level. In combination, these investments in the state's affordable housing portfolio and, just as importantly, in its residents, provides a direct benefit to those who call our properties home today, and to those who will benefit from the portfolio's long-term viability in the years to come.

Thank you very much for taking the time to review our comments as you move forward on this important matter. It is our sincere hope that the Commission will consider the comments and concerns of affordable housing providers and LMI advocates in the development of this RFP, and the final selection of eligible projects. Please do not hesitate to contact me with questions or for additional background information.

Sincerely,

A handwritten signature in blue ink, appearing to read "J. R. Meehan", followed by a long horizontal line.

Joshua R. Meehan  
Executive Director