

**STATE OF NEW HAMPSHIRE**  
**Intra-Department Communication**

**DATE:** January 13, 2021  
**AT (OFFICE):** NHPUC

**FROM:** Tanya Wayland, Utility Analyst

**SUBJECT:** DE 17-172, Development of Renewable Energy Fund Program for Low and Moderate Income Residential Customers Required by the Passage of Senate Bill 129 of 2017  
**Staff Recommendation to Modify Order No. 26,214 to Authorize the Issuance of an RFP in Fiscal Year 2021**

**TO:** Commissioners  
Debra A. Howland, Executive Director

**CC:** Karen P. Cramton, Director, Sustainable Energy Division  
David K. Wiesner, Director, Legal Division

**Recommendation Summary**

Staff recommends modifying Commission Order No. 26,214 to continue to utilize a Request for Proposals (RFP) process for state fiscal year 2021 (FY21), as the means of funding community solar projects that provide direct benefits to low and moderate income (LMI) residential electric customers (Program). The issuance of an RFP during FY21 is consistent with the Commission's approval of Renewable Energy Fund (REF) budget allocations by secretarial letter issued on December 4, 2020.

The Renewable Energy Fund (REF) is no longer continually appropriated to the Commission; therefore, all program funding allocations for FY21 must be expended or encumbered during FY21 (i.e., no later than June 30, 2021). The continued use of an RFP process for the LMI Program will allow funds to be encumbered during this fiscal year for the development of projects that, given the time needed for design, development, and implementation, will likely not be completed until the subsequent fiscal year.

Staff suggests that the Commission approve the recommended modification by order *nisi* and, in the interest of time, Staff recommends the new LMI Program RFP be issued while the *nisi* period is pending, with a proposal due date after the effective date of the order *nisi*.

**Background Information**

The Commission issued Order No. 26,214 on January 25, 2019, approving the use of competitive solicitations to select LMI community solar projects to be funded by the REF in fiscal years 2019 and 2020. Order No. 26,214 also directed Staff to

consider issuing a second RFP in FY 2019 and FY 2020, if at least \$300,000 remains in the REF LMI budget following the initial RFP process for the respective fiscal year. In the alternative, funding shall roll over from FY 2019 to FY 2020, and from FY 2020 into the next REF LMI program budget.

On March 23, 2018, the Commission issued RFP #2018-003, seeking new ground-mounted or rooftop community solar projects that would provide direct benefits to a minimum of five residential electric customers where at least the majority of such participants must be LMI. On December 20, 2019, a similar RFP was issued for fiscal year 2020 (FY20). Only one proposal was received in response to the FY20 RFP, and the Commission therefore issued a second RFP to expend remaining FY20 funds on July 8, 2020. That RFP was later cancelled based on Staff's recommendation in a memorandum filed on November 25, 2020, and that recommendation was approved by the Commission by secretarial letter dated December 4, 2020, which also directed that a new RFP to solicit LMI project proposals be issued to use the remaining budgeted amount.

### **Recommendation Details**

The Commission approved the allocation of \$400,000 to the LMI Program for FY21. *See* December 4, 2020 secretarial letter. Staff recommends modifying Order No. 26,214 to continue utilizing an RFP process in FY21. Staff recommends that the new RFP set a minimum request for funding of \$75,000 and a maximum request of \$200,000. Other RFP criteria would remain the same as in prior fiscal years.

The removal of "continually appropriated" language necessitates that REF monies be expended or encumbered within each fiscal year. With the delay in budget approval for FY21, limited time remains to expend or encumber funds during the current fiscal year. Given the significant time required for design, development, construction, and implementation, LMI projects cannot be completed and operational prior to fiscal year end on June 30, 2021. Staff therefore considers issuance of an RFP, and the resulting encumbrance of grant funds upon contract approval by the Governor and Executive Council, to be the best approach for projects of sufficient scale to move forward and meet Program requirements.

Based on the limited time remaining in FY21 to expend or encumber REF monies consistent with RSA 362-F:10, X, Staff recommends that the Commission modify Order No. 26,214 through an order *nisi* to authorize issuance of a new RFP in FY21 to fund LMI projects, pursuant to RSA 362-F:10, VIII. In the interest of time, Staff also recommends that the new LMI Program RFP be issued while the *nisi* period is pending, with a proposal due date after the effective date of the order *nisi*.

Executive.Director@puc.nh.gov  
agauntt@granitstatesolar.com  
alexis.labrie@osi.nh.gov  
alinder@nhla.org  
amanda.noonan@puc.nh.gov  
bfrost@nhhfa.org  
clyde.carson@gmail.com  
cshute@vermontlaw.edu  
david.lepie@libertyutilities.com  
david.wiesner@puc.nh.gov  
debski@unitil.com  
dferland@sullivancounty.nh.gov  
dnute@resilientbuildingsgroup.com  
donald.kreis@oca.nh.gov  
eemerson@primmer.com  
Eric@granitstatesolar.com  
ggirdwood@homesahead.org  
jack@barringtonpower.com  
jack@revisionenergy.com  
jamiebemis@gmail.com  
Jason.Morse@puc.nh.gov  
jjaffray@jjrpower.com  
jmeehan@keenehousing.org  
jmjoseph1975@aol.com  
joliver@vermontlaw.edu  
karen.cramton@puc.nh.gov  
klasalle@lrcommunitydevelopers.org  
ljohnson@nwsnh.org  
Mary.Schwarzer@puc.nh.gov  
matthew.fossum@eversource.com  
michael.sheehan@libertyutilities.com  
ocalitigation@oca.nh.gov  
paul.bemis@coolsimssoftware.com  
Paul@greenmtnsolar.com  
pradip.chattopadhyay@oca.nh.gov  
rclouthier@snhs.org  
richard.chagnon@puc.nh.gov  
sstevenhubbard@lrcommunitydevelopers.org  
Stephen.Eckberg@puc.nh.gov  
stower@nhla.org  
susan.gagne@puc.nh.gov  
tanya.wayland@puc.nh.gov  
tgauntt@granitstatesolar.com  
tom.frantz@puc.nh.gov  
tputney@brookline.nh.us