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April 29, 2021

Debra A. Howland, Executive Director NH Public Utilities Commission 21 S. Fruit Street Concord, NH 03301

Re: Request for Waiver of Rules

Dear Ms. Howland:

Bright Spot Solar, LLC (hereafter "your Applicant") respectfully requests that the Commission waive several rules identified below for the reasons set forth herein.

Bright Spot Solar, LLC is a New Hampshire limited liability company formed by the undersigned in 2020. As an additional small business to compliment other small business owned and operated in NH by the applicant. I created the company due to my growing support for the development of alternative distributed energy sources after I installed solar photovoltaic ("PV") systems at both my personal home and at the "Staples Plaza" owned by an affiliated company of mine in 2017.

Your Applicant is currently engaged in both the sale of solar PV equipment on a wholesale and retail basis, while, more importantly, is a growing company focused on constructing and/or operating PV solar tracker systems. To date we have installed 21 total PV tracker and 8 different systems that, when fully operational, will generate approximately 700,000 kWhof electricity to New Hampshire and Maine customers and some surplus to the grid.

Being so committed to the development of alternative PV energy, your Applicant entered into a Purchase and Sales Agreement to acquire a 27 +/- tract of land in Rochester, New Hampshire for development of a large PV tracker farm. Our objective is to install a One-Megawatt AC project with a total of sixty-four (48) separate PV trackers with 48 panels rated at 450 watts, with a projected additional 30% backside boost per panel. The land is presently unimproved; no other use exists thereon.

In order to pursue the project, your Applicant hereby requests, pursuant to PUC Rule 201.05, a waiver of the following rules, for the reasons further set forth below:

- 1. Rule 903.02 (d)
- 2. Rule 909.02 (b)
- 3. Rule 903.02(1)(4)

I: Background Understanding:

Your applicant understands that the intent of the General Court is to promote the development of alternative energy sources within the state, with a focus on renewable and environmentally friendly (i.e. non-greenhouse gas emitting) producers while hoping to stimulate private investment in innovative new technologies. To that end, the Legislature passed, and the Governor and Counsel signed, the "Limited Electrical Energy Producers Act", codified as NH RSA 362-A (the "Act").

Your Applicant understands the declaration of purpose of the Act to seek new sources of alternative energy, and it declared that "net energy metering for eligible customer-generators *may be one way* to" meet that goal while simultaneously seeking to "reduce interconnection and administrative costs." (Emphasis added). The act authorized the Public Utility Commission (the "Commission") to enact rules to further the intent of the statute. The Commission promulgated PUC Rule 900 et. seq. (the "900 Rules") as set forth in the Act.

II Applicant's Proposed Project:

Your Applicant has entered into a definitive and binding Purchase and Sales Agreement for the purchase of a 27+/- acre parcel of land situated at 60 Shaw Drive in the City of Rochester, County of Strafford. The parcel is currently unimproved woodland, through which a major easement runs generally north to south in which a major electric power transmission line runs. It is also located within several hundred yards of a major industrial park with large industrial enterprises.

Your Applicant is engaged in preliminary review with Eversource, the local electric franchise, for a One Megawatt (1 MW) AC project as a large customer generator subject to alternative net metering (the "Project"). As promoted by RSA 362-A:1, your Applicant proposes to use relatively innovative and beneficial technology in this project in the form of automated dual-axis Sun ActionTM solar trackers using AI sophisticated technology to optimize solar power production by identifying the optimum angle to

maximize electricity generation and aligning the trackers accordingly on the vertical and horizontal planes.

Whereas the project is in close proximity to several large industrial electricity consumers, namely the Albany Engineered Composites, Inc. and Safran Aerospace Composites, LLC complexes at the Rochester Airport Industrial Park, and further whereas it is proposed that the Project interconnection with the utility grid on PSNH's power line shall be less than two hundred fifty feet from your Applicant's Project, the situs is ideal for the development of a large alternative energy supplier.

III Requested Waivers

A. Applicable Rules to Be Waived Per Request:

Your Applicant respectfully requests waivers to the following rules:

- 1. Rule 903.02 (d): A large customer-generator subject to the alternative net metering tariff shall be eligible for net energy metering only if at least 20 percent of the actual or estimated annual electricity generation from its facility is consumed behind-the-meter, unless it has registered as a group host under RSA 362-A:9, XIV
- 2. Rule 909.02 (b): Large customer-generators subject to the alternative net metering tariff that do not consume behind themeter at least 20 percent of the actual or estimated annual electricity production from their facilities shall register as group hosts pursuant to this part or they shall be ineligible to net meter; and
- 3. 903.02 (l) 4 (e): If the monetary credit balance exceeds \$100 as of the end of the March billing period, on an annual basis, the customer-generator may elect to receive a payment from the distribution utility.

Generally, your Applicant requests that the project not be required to participate in Group Net Metering even if less than 20% of consumption is not consumed on site, and secondarily that the Commission approve monthly payments for the monetized value of the surplus kWh production under the alternative net metering tariff.

B. Basis for Waiver Request:

1. The basis for the requests is that your Applicant is an entrepreneurial company that seeks to create a business model whereby it will develop non-greenhouse gas emitting alternative electricity (solar) in-state to meet the goal of diversification of the states electric supply through innovative renewable energy as called for in the Declaration of Purpose of the Act. An impediment to your Applicant's objective is the requirement set forth in Rules 903.02(d) and 909.02(b) that mandate that net metering is only permitted if the customer generator consumes at least twenty percent (20%) of the electricity generated at its small power producing facility "behind the meter" or becomes a group host.

It is your Applicant's belief that when the Commission drafted and adopted the Rules it made mandatory what the Act provided was voluntary, which rule therefore inhibits that which the Act seeks to promote. Specifically, RSA 362-A:9 (XIV) provides that "A customer-generator *may elect* to become a group net host..." (Emphasis added.) The statute provides no threshold as to electricity to be consumed by the customer-generator "behind the meter" in order to be eligible for net metering.

Rule 903.02(d) and 909.02(b) alters the statutory scheme by mandating that a large customer-generator is "eligible only if at least 20 percent of the ... generation from the facility is consumed behind the meter, unless it has registered as a group host...." While the Act (362-A:9 (XIV) contains the voluntary "may elect to be a group host," the rules turns that into a mandatory requirements, as follows:

- (i): in 903.02(d) is allows net metering "only if at least 20 percent... is consumed behind the meter", and
- (ii) in 909.02(b) it provides that a large customer generator not consuming at least 20% behind the meter "shall register as a group host" or "they shall be ineligible to net meter."

As written, rules provide no incentive to a customer-generator to accept the costly administrative burdens of paperwork, accounting, and coordination required to be a group host, as payment for excess electricity sold to the grid is the same as the default rate. In essence, a group host will bear administrative and cost burdens of being a group host with no financial incentive or reward for doing so, resulting in financial burdens that diminish the return on the investment. If further opens the door to "gotcha" situations were group members may come or go and the group thereby not meet the expectation of consumption under the group host arrangement, threatening eligibility for those programs.

The rules further diminishes the economic viability of a large customer-generator by establishing that payment for power sold to the grid is only paid annually under XIV(c). Whereas virtually any project will entail monthly debt service obligations to fund this significant investment in alternative energy production, not being paid for electricity sold to the grid on a monthly basis is a detriment to investments.

Respectfully we ask verification of that understanding or the right to request additional rule waivers as may be necessary for the successful completion of the project.

C. Rationale for Waiver:

- 1. Granting the requested waivers serves the public interest and is consistent with the spirit and intent of RSA 362 A:9 and the purpose set forth therein by the legislature. The public interest is served by promoting the in-state generation of alternative energy in this case solar power to meet the growing electricity needs of the state. By generating power locally, in close proximity to major electricity consumers, the Applicant's Project serves the public interest.
- 2. Compliance with the rules would be onerous given the circumstances of this particular Project. Limiting net metering to only "behind the meter" or "group host" situations does nothing to help "... reduce interconnection or administrative costs" as desired by the Act in its "Declaration of Purpose." (RSA 362-A:1) The point of Group Net Metering was to be a benefit and encouragement to solar projects to be up to the One Megawatt size; it was not intended to be a burden or detriment to development of such projects. By limiting large customer generators to "behind the meter" or "group host" provisions it limits the benefits of being a customer-generator and inhibits development of One Megawatt customer-generators. Your Applicant asserts that it increases burdens and costs in a needless fashion by forcing an entrepreneur who cannot consume 20% of produced power "behind the meter" to accept the administrative costs and burdens of.

forming a group, complying with paperwork reporting requirements, and suffering from uncompensated financial expenses to be a group host and compensation to group members

The financial reward of payment for alternative power sold to the grid is capped at the default rate whether a group host or not, meaning that the added administrative burdens provide no benefit while imposing costs upon the producer. One Megawatt projects are allowed by statute to be net-metered, and the Rules should not undermine the rights granted by the Act.

- 3. Granting the waiver will not shift costs to the subject utility company (Eversource). The default rate on those kWh is significantly less than the avoided cost. As a result, the cost imposed on the Utility would be less than a project that consumed the 20% "behind the meter." Further, the cost is the same as required under net metering. The Utility only pays the default rate. The Project would therefore benefit the grid, and meet the objectives of the Act, without any additional cost shifting by waiving the rule. The utility pays the exact same amount for net surplus regardless of the rule waiver or not.
- 4. Whereas the Project will be built with all required advanced meters and the Utility can track the power sold to the grid in near real time by such advanced meters, having the Utility pay for the power it receives from the Project on a monthly basis instead of annually adds only a microscopic cost on the local Utility provider. When that cost is contrasted to the detriment of not earning monthly income to service monthly debt servicing obligations the harm to the innovative entrepreneurial customer-generator greatly exceeds the cost incurred to the utility in making payment on a monthly basis. Of course, the utility bills consumers monthly; paying customer generators monthly is only fair and equitable. There is no other typical bills in society paid annually, the waving of the rule to allow monthly payments is making net metering payments follow societal norms.
- 5. The Project will be designed and built with the some of the most advanced solar tracking technology on the market today, thereby fulfilling the Act's Declaration of Purpose to "stimulate in-state commercialization of innovative and beneficial new technology." The technology is dual access trackers which allow for consistent maximized PV production throughout the day, and in all seasons. With bi-facial panels designed with back-site boost capability, the panels offset losses associated with conversion of electricity from DC to AC current, typically a 20% loss factor for production.

Further advances in technology used in the Project will be the use of drilled helical piles that minimizes site excavation and soil disturbance during construction. The subject property will not need to be leveled; stumps can be left in place for soil stabilization. This proposal could also allow dual agricultural use under the trackers as the Project is in an area zoned for agriculture. The public benefits from the technology as they do not create solar brown fields or destroy vegetative habitats; a farmer can raise crops under such trackers. In fact, the land under the tracker can be utilized for carbon sequestration.

- 6. The requested waiver will not disrupt the orderly and efficient resolution of any matters before the Commission. The Project will provide all the benefits of clean energy generation and local distributed energy production and consumption with the same economic dynamics as outlined in Statute, PUC Orders and PUC Rules. The Project should be allowed these rule waivers to allow those public benefits to be manifested.
- 7. The purpose of the Rules, and further the stated intent of the Act, would be served by facilitating the development of this innovative private investment in a customer generator renewable energy project. Approving the waivers and permitting this Project to move forward promotes the diversification of electric supply, via in-state production, and shall allow economic viability for a small business to be an up too one megawatt AC solar power customer generator as defined by Statue.

I appreciate in advance your anticipated cooperation in this matter, and look forward to working with the Commission and Utility in developing this exciting Project. With regards, I am,

Very truly yours,

W. Packy Campbell, Member

Bright Spot Solar, LLC