STATE OF NEW HAMPSHIRE

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PUBLIC UTILITIES COMMISSION

21 S. Fruit St., Suite 10 Concord, N.H. 03301-2429

March 16, 2021

Mr. Howard Chandler, Executive Director Peabody Home 24 Peabody Place Franklin, NH 03235

Re: DE 20-178, Peabody Home

Request for Waiver of Puc 303.02

Dear Mr. Chandler:

On November 6, 2020, Peabody Home d/b/a Franklin Home for the Aged (Peabody) filed a request for waiver of New Hampshire Administrative Rule Puc 303.02, the master metering rule, in connection with its plans to build a new building at 24 Peabody Place in Franklin, New Hampshire (Peabody facility). After reviewing Peabody's request, and gathering additional information from Peabody and its utility, Commission Staff (Staff) filed a memorandum on March 3, 2021 recommending that the Commission grant the waiver.

Peabody explained that the new building, which will be constructed in two phases, will include 45 assisted living units, 13 memory care units, and 16 independent living apartments or units (ILUs). Peabody stated that the memory care units will have no kitchenettes, and the assisted living units will include small kitchenettes with no cooking appliances. The ILUs will contain full kitchens. Peabody, a 501(c)(3) charitable organization, needs permission to use a single master electric meter to serve the entire facility, including the ILUs. Peabody will continue to own the real property and buildings.

According to Peabody, as Staff stated in its memorandum, the energy efficiency upgrades and improvements being installed in this project will exceed applicable International Energy Conservation Code (IECC)¹ requirements. These improvements include: interior lighting consisting of all LED fixtures or fixtures with LED lamping (57 percent better); improved building envelope thermal requirements (14 percent better due to high performance windows, above grade insulation, and reduced air infiltration); all EnergyStar qualified kitchen appliances; an energy recovery ventilation system; new boilers for baseboard heat (with an annual fuel utilization efficiency rating of 97 percent efficiency, compared to the code requirement of 80 percent); and refrigerant systems with a seasonal energy efficiency ratio rating of 16.0 (compared to the code requirement of 14.0).

Public Service Company of New Hampshire d/b/a Eversource Energy (Eversource or the Company) is Peabody's electric service provider. As noted in Staff's memorandum, Eversource stated that its tariff requires the ILUs to be individually metered, unless the Commission grants Peabody a waiver of Puc 303.02. According

¹ Effective September 15, 2019, the 2015 IECC, as modified, became New Hampshire's applicable Code version. *See* RSA 155-A:1, IV; N.H. Admin. R., Puc 303.02(b) (referencing IECC 2009 "as adopted pursuant to RSA 155-A:1, IV").

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to Staff, the Company stated that the assisted living units and memory care units do not need a waiver, because they are not

considered "dwelling units." Eversource has been notified of Peabody's specific proposed meter configuration and does not object to the pending waiver request. *See* Staff Recommendation at 3.

After reviewing Peabody's request, and gathering additional information, Staff recommended that the Commission grant a waiver for the ILUs, based on the energy efficiency upgrades Peabody is making, which exceed current code requirements. *See* Staff Recommendation at 4-5. Peabody is investing approximately 22 percent of its energy efficiency budget in the ILUs, or a total of approximately \$187,000. Peabody is also working with the Eversource (electric) and Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty Utilities (gas) energy efficiency programs. Staff gave some weight to the cost Peabody would incur to install individual meters for residents in the ILUs, who will not pay their individual utility bills, and who represent a relatively small percentage of building residents.

The purpose of Puc 303.02 is to incentivize energy conservation and efficiency. Staff concluded that the rule's purpose would be met through an alternative method by making the building energy efficient through upgrading the building envelope thermal performance, adding LED lighting and EnergyStar qualified appliances, and improving heating, ventilation, and cooling systems.

According to Staff, the result would serve the public interest and would not disrupt the orderly and efficient resolution of matters before the Commission, consistent with Puc 201.05. Staff, therefore, recommended that the Commission grant Peabody's request for a waiver of Puc 303.02 for the 16 ILUs, subject to these conditions: all energy efficiency measures described must be implemented, and the waiver shall only be in effect while Peabody operates as a senior care facility.

The Commission has reviewed Peabody's rule waiver request and Staff's memorandum, and has accepted and approved Staff's recommendation. The Commission found that, given the circumstances described by Peabody, Eversource, and in the Staff memorandum, the requested waiver would serve the public interest and would not disrupt the orderly and efficient resolution of matters before the Commission, as required by Puc 201.05.

Accordingly, Peabody is granted a waiver of Puc 303.02, and the use of a master meter configuration for the 16 ILUs, as described, is permitted. The waiver shall be in effect as long as there is compliance with the following conditions: (1) the enumerated energy efficiency measures are installed and implemented; and (2) the Peabody real property and buildings shall operate as a senior care facility, as described above. If, at some future time, the Peabody facility does not meet the foregoing conditions, then the waiver will no longer be effective. In that instance, Peabody shall be required to install individual electric meters for the ILUs, and shall promptly notify the Commission and Eversource of the changes.

Please be advised that this rule waiver only extends to the Commission rule, and not to any independent requirements of the state building code, or to any other federal, state or local requirement.

Sincerely,

Debra A. Howard Executive Director

Dela A. Houland

cc: Service List (Electronically)

Docket File

Service List - Docket Related

Docket#: 20-178

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