

**THE STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DE 16-576

**Development of New Alternative Net Metering Tariffs and/or
Other Regulatory Mechanisms and Tariffs for Customer-Generators**

**NEW HAMPSHIRE SUSTAINABLE ENERGY ASSOCIATION’S MOTION FOR AN
ALTERNATIVE SCHEDULE**

The New Hampshire Sustainable Energy Association (“NHSEA” or “Movant”), by its attorneys, Primmer Piper Eggleston and Cramer PC, hereby moves, pursuant to Rule Puc 203.07, that the Public Utilities Commission (the “Commission”) adopt a process and schedule that is different from that process as indicated in the Commission’s May 19, 2016, Order of Notice. Movant respectfully requests that the Commission adopt a framework to the proceeding as described herein.

A. BACKGROUND.

On May 19, 2016, the Commission issued an Order of Notice (the “Order”) opening the above-referenced docket. The purpose of the docket is to respond to the requirement in New Hampshire House Bill 1116 (“HB 1116”) to “develop new alternative net metering tariffs, which may include other regulatory mechanisms and tariffs for customer-generators, and to determine whether and to what extent such tariffs should be limited in their availability within each electric distribution utility’s service territory.” In that Order, the Commission set an intervention deadline of on or before June 7, 2016. The Commission also set a prehearing conference and technical session date of June 10, 2016. In the Order, the Commission listed a number of “relevant matters” to be addressed in the technical session.

B. LEGAL STANDARD.

HB 1116 directs that the Commission initiate a proceeding as indicated above. In conducting such a proceeding, the legislation provides that the Commission shall consider:

the costs and benefits of customer-generator facilities; an avoidance of unjust and unreasonable cost shifting; rate effects on all customers; alternative rate structures, including time based tariffs pursuant to paragraph [RSA 362-A:9(VIII)]; whether there should be a limitation on the amount of generating capacity eligible for such tariffs; the size of facilities eligible to receive net metering tariffs; timely recovery of lost revenue by the utility using an automatic rate adjustment mechanism; and electric distribution utilities' administrative processes required to implement such tariffs and related regulatory mechanisms.

The NHSEA files this motion pursuant to Rule Puc 203.07.

C. ARGUMENT.

The State of New Hampshire has established the expansion of renewable energy and distributed generation as a high priority when it comes to meeting the energy needs of New Hampshire citizens, businesses and non-profit organizations. The New Hampshire 10-Year State Energy Strategy ("SES") specifically lays out recommendations to "foster sustainable, diverse energy development" and "inform specific actions for bringing small scale and distributed clean energy to its full potential in New Hampshire." SES at 47-48. In order to reach distributed generation and renewable energy's "full potential," the SES recommends that the State "continue to expand net metering opportunities." SES at 49.

The State has also expressed its important interest in promoting distributed generation and renewable energy in various statutory programs and initiatives. In the Limited Electric Energy Producers Act, the State has declared:

It is found to be in the public interest to provide for small scale and diversified sources of supplemental electrical power to lessen the state's dependence upon other sources which may, from time to time, be uncertain. It is also found to be in the public interest to encourage and support diversified electrical production that uses indigenous and renewable fuels and has beneficial impacts on the

environment and public health. It is also found that these goals should be pursued in a competitive environment pursuant to the restructuring policy principles set forth in RSA 374-F:3. It is further found that net energy metering for eligible customer-generators may be one way to provide a reasonable opportunity for small customers to choose interconnected self-generation, encourage private investment in renewable energy resources, stimulate in-state commercialization of innovative and beneficial new technology, enhance the future diversification of the state's energy resource mix, and reduce interconnection and administrative costs.

RSA 362-A:1. See also the Energy Efficiency and Sustainable Energy Board, which was created with the express intent to “promote and coordinate . . . sustainable energy programs in the state,” RSA 125-O:5-a, with the duty to “[d]evelop a plan for economic and environmental sustainability of the state's energy system including the development of high efficiency clean energy resources that are either renewable or have low net greenhouse gas emissions.” RSA 125-O:5-a(c); and the Renewable Portfolio Standard, expressing this same high state priority: “It is therefore in the public interest to stimulate investment in low emission renewable energy generation technologies in New England and, in particular, New Hampshire, whether at new or existing facilities.” RSA 362-F:1. Thus, the State has identified the expansion and promotion of distributed generation and renewable energy as a high priority, with specific emphasis on the expansion of the existing net metering program. This is reflected in HB 1116, which doubled the existing cap on net metering projects.

The process for conducting this docket as laid out in the Order narrowly focuses the effort on impacts to a utility and its cost of service, and unnecessarily shifts the parties into an adversarial position and makes the participation by non-utility parties more difficult. The initiating legislation does not require this approach and NHSEA suggests that it will only prove to make the process more difficult. In the process as proposed in the Order, the utilities would start off by performing separate cost of service studies and then submitting separate alternative

tariff proposals. This automatically puts parties that support the expansion of net metering (an express goal of the SES) in a reactive position. It also triples the amount of work necessary to adequately participate in the docket and it ignores express considerations in the initiating legislation (e.g., the cost to develop a customer-generator facility) and considerations necessarily implied (e.g., wholesale market benefits, regional transmission benefits). Finally, the process as laid out in the Order does not mention how or if the consultant that would be hired by the Commission in response to the March 7, 2016, request for proposals (the “Consultant”) would be utilized in this docket.

NHSEA proposes an alternative process and outline for a schedule that will more fairly address the intent of HB 1116, encourage a more collaborative process and utilize the expertise of the Consultant. The Commission should create a process whereby the Consultant develops an alternative proposal or proposals based on a broad set of factors as suggested by all the parties, including an appropriate valuation of the distributed energy resource as has been investigated by many states previously, including Maine, Minnesota and others. Moreover, each party should be able to present suggestions for an alternative “regulatory mechanism” and support for those alternatives. Specifically, each party should be allowed to participate in a technical session/working group with the Consultant. Each party should be allowed to present suggestions for an alternative proposal and the support for why that proposal is consistent with the goals of HB 1116 and state energy policy. The Consultant would then use its expertise to consider the various proposals and make a recommendation to the Commission and the parties. To the degree that parties disagree with the recommendation, they can file comments or briefs making suggestions for changes that the Commission would adopt. If there is a justification for why it

should be applied differently in a particular utility's service territory, that could be addressed at this point.

NHSEA's proposal is more likely to achieve a collaborative process and to shift the focus from a narrow examination of the utilities' cost of service to a broader investigation of the full costs and benefits to New Hampshire and its citizens of net energy metering. It also utilizes the expertise of the Consultant, which is presumably being hired because of its qualifications in this area and its neutrality on these issues. Finally, it will allow the Commission to better address all of the considerations as laid out in HB 1116.

WHEREFORE, NHSEA respectfully requests that the Commission adopt a schedule for this docket that is consistent with that outlined in this Motion.

Respectfully submitted,

THE NEW HAMPSHIRE SUSTAINABLE ENERGY
ASSOCIATION

By its attorneys,

Dated: June 7, 2016

By:

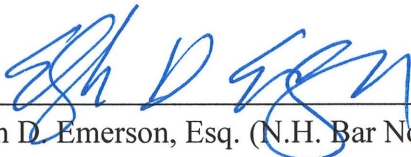


Elijah D. Emerson, Esq. (N.H. Bar No. 19358)
PRIMMER PIPER EGGLESTON & CRAMER PC
P.O. Box 349
Littleton, NH 03561-0349
(603) 444-4008
eemerson@primmer.com

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing MOTION FOR AN ALTERNATIVE SCHEDULE has this day been forwarded via e-mail or mail to persons named on the Distribution List of this docket.

Dated: June 7, 2016



Elijah D. Emerson, Esq. (N.H. Bar No. 19358)