DE 20-009



14PUC 22JAN/20PH12:51

January 21, 2020

Ms. Debra A. Howland Executive Director New Hampshire Public Utilities Commission 21 Fruit Street, Suite 10 Concord, NH 03301

Re: Waiver Request for Concord Coalition to End Homelessness for a master meter at 10 Green Street, Concord, NH

Dear Ms. Howland,

Concord Coalition to End Homelessness (CCEH), a 501(c)(3) non-profit organization, is seeking a waiver of PUC 303.02 (the prohibition on master metering). CCEH is about to undertake the purchase and renovation of a building located at 10 Green Street in Concord to create 4 one-bedroom apartments for people who are homeless. ¹ The building was at one time a single family residence and most recently was an office building and the site of the Merrimack County Child Advocacy Center.

The purchase and renovation of the building is being financed by NH Housing Finance Authority (NH HFA), using federal Housing Trust Fund monies made available through NH HFA's Special Needs program, and "matching funds" from CCEH generated through donations.

All of the apartment units will be reserved for extremely low income households whose incomes do not exceed 30% of the Area Median Income, which at this time is \$19,500 for a single person in Merrimack County. Maximum rent limits are also placed on the units, as set by HUD. A Land Use Restriction Agreement will be placed on the property to ensure compliance with the rent and income restrictions for a 40-year period.

The energy efficiency upgrades that are currently planned for include:

- ENERGY STAR appliances
- LED Lighting fixtures (interior and exterior)
- Double glazed, insulated vinyl replacement windows (ENERGY STAR rated)
- Low flow water devices
- High efficiency natural gas furnaces with AFUE rating of 96%+
- Individual thermostat controls for tenant
- Energy Recovery Ventilation units
- Attic insulation to be a minimum of R60 (exceeding IECC 2015 code)

¹ Ownership of the property will be held by Green Street Residences, a non-profit CCEH affiliate entity.

The Concord Coalition to End Homelessness is a 501(c)(3) charitable organization. Donations are tax deductible to the extent allowed by law. No goods or services were provided in exchange for your donation.

Each of the units will have its own thermostat, but the cost of individually metering each unit is cost prohibitive. The entire building would have to be rewired, and it would require cutting into plaster lathe walls, some of which are painted with lead-based paint and would also require costly abatement measures. The cost to individually meter the units is estimated at approximately \$50,000. The City of Concord does not have any prohibition against master metering.

Under Section PUC 201.05 Waiver of Rules, we respectfully request a waiver of PUC 303.02. A waiver would serve the public interest because compliance with the rule would be onerous, and compliance would not achieve the intended goal of encouraging energy conservation, for the following reasons:

- <u>A waiver serves the public interest:</u> This is special needs housing for homeless individuals. The tenants, who will all be extremely low income, will benefit from Project-Based Section 8 rental vouchers, which means that the tenant will only have to pay 30% of their income towards the total rental cost (contract rent plus utilities) and the rental voucher pays the remainder. All of the utilities will be included in their rent, including heat, hot water and electricity. This is a population that faces many barriers to staying stably housed, and they will receive on-going case management services through CCEH to help them access whatever services they need to maintain their housing stability. Having their utilities
 - included in their rent makes it much easier for the tenant to budget their money and not risk the consequences of non-payment of a utility bill. Because CCEH will be paying the utilities for the entire building, individual meters would not create any energy-saving incentive for the tenants, because they would not be seeing or paying their utility bills.
- 2. <u>A waiver serves the public interest</u>: The project is on an extremely tight budget, with limited funding, and cannot afford the cost of adding individual meters and the associated additional wiring in each unit, which we estimate to be approximately \$50,000. Requiring individual meters would actually threaten the financial feasibility of the entire project.

Please note, time is of the essence in resolving this matter. In order to complete the renovations within budget, CCEH needs to close on the financing from NH HFA and begin the renovations in late winter/early spring, when subcontractors are available to fit this relatively small project into their very busy schedules. Additionally, it is anticipated that as the spring and summer building season begins, material prices will rise significantly, further jeopardizing the extremely tight budget for this project. NH HFA must have the PUC waiver in place before it can close on the financing, which is currently scheduled to take place in mid-March.

Thank you for your consideration, and I look forward to hearing from you. Please feel free to contact me directly if you have questions or require additional information about this project or this request.

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Sincerely,

Ellen Groh Executive Director <u>ellen@concordhomeless.org</u> (603) 290-3375, ext 201 (office) (603) 321-9841 (cell)

Cc:

Office of Consumer Advocate, 21 Fruit Street, Suite 18, Concord, NH 03301 Unitil, 6 Liberty Lane West, Hampton, NH 03842