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April 14, 2020

Ellen Groh, Executive Director
Concord Coalition to End Homelessness
P.O. Box 3933
238 N. Main Street
Concord, NH 03302

Re: DE 20-009, Concord Coalition to End Homelessness
Request for Waiver of Puc 303.02

Dear Ms. Groh:

On January 22, 2020, the Concord Coalition to End Homelessness (CCEH) filed a request for waiver of N.H. Admin. R., Puc 303.02, the master metering rule, in connection with CCEH's plan to purchase and renovate a building located at 10 Green Street in Concord (the Green Street building or the building) to create four one-bedroom apartments for people who are homeless. CCEH, a 501(c)(3) charitable organization, is seeking permission to maintain the existing single meter instead of installing four individual electric meters, including associated rewiring. After reviewing CCEH's request, Commission Staff (Staff) recommended that the waiver be granted. *See* Staff Recommendation dated March 5, 2020.

The Green Street building was previously a single family residence and most recently an office building. Green Street Residences, a non-profit CCEH affiliate entity, will own the property. CCEH stated that the purchase and renovation of the building is being financed by the New Hampshire Housing Finance Authority (NHHFA) using federal Housing Trust Fund monies, made available through the NHHFA's Special Needs program, and matching funds from CCEH.

The four apartments will be reserved for extremely low income households whose incomes do not exceed thirty percent of the area median income (AMI) for Merrimack County, i.e., currently a threshold of \$5,850 per year for a single person. The U.S. Department of Housing and Urban Development's maximum rent limits will also apply to the apartments. Tenants will only pay thirty percent of their income towards the total rental cost (contract rent plus utilities) and will not see or pay their own utility bills. NHHFA will also require CCEH to file a Land Use Regulatory Agreement (LURA) with the Merrimack County Registry of Deeds to ensure compliance with income and rent restrictions for a forty-year period.

CCEH is seeking a waiver of the master metering rule, because the cost for individually metering the units, including associated rewiring, is approximately \$50,000, i.e., 9.3 percent of CCEH's project budget. *See* Staff Recommendation. CCEH stated that installing individual meters would threaten the financial feasibility of the project. Moreover, cost savings attributed to avoided construction costs for installation of individual meters will support energy efficiency upgrades. *Id.* The energy efficiency upgrades and improvements CCEH outlines include: a high efficiency natural gas boiler with an annual fuel utilization efficiency (AFUE) rating of

ninety-six percent; attic insulation to a minimum of R60 (which exceeds 2015 Energy Code requirements); EnergyStar-rated double glazed, insulated vinyl replacement windows; low flow water devices; energy recovery ventilation units; interior and exterior LED lighting fixtures, and EnergyStar appliances.

Staff's Recommendation gave weight to the energy efficiency upgrades and improvements CCEH will make to the Green Street building, and to the significant cost CCEH would incur to install individual meters for tenants, who will not see or pay their individual utility bills.

Unitil Energy Systems, Inc. d/b/a Unitil (Unitil) informed Staff that it takes no position on the waiver request.

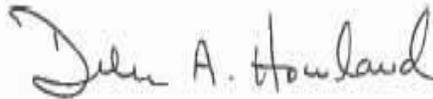
The purpose of the Puc 303.02 is to incentivize energy conservation and efficiency. Staff concluded that the rule's purpose would be met through an alternative method by making the building energy efficient through the installation of the energy efficient mechanical, lighting, and heating systems identified above. According to Staff, that result would serve the public interest and would not disrupt the orderly and efficient resolution of matters before the Commission, consistent with N.H. Admin R., Puc 201.05. Staff therefore recommended that the Commission grant CCEH's request for a waiver of Puc 303.02 to permit master metering for the four residential units in the Green Street building, subject to these conditions: all energy efficiency measures described must be installed, and the waiver shall only be in effect while CCEH and/or Green Street Residences operates the Green Street building to serve very low income tenants, as described above.

The Commission has reviewed CCEH'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 CCEH 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, CCEH and Green Street Residences are granted a waiver of Puc 303.02, and the maintenance of a master meter configuration for the four residential units, 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 Green Street building remains a residence for extremely low income people, as described above. If, at some future time, the Green Street building does not meet the foregoing conditions, then the waiver will no longer be effective. In that instance, CCEH and/or Green Street Residences shall be required to install individual electric meters for each unit within the building, and shall promptly notify the Commission and Unitil 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. Howland
Executive Director

cc: Service List (Electronically)
Docket File

Service List - Docket Related

Docket# : 20-009

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