



New Hampshire
Public Utilities Commission

Sustainable Energy Division

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OVERVIEW

- Role of Sustainable Energy Division
- Energy Efficiency and Sustainable Energy Board
- Renewable Energy Fund
- Greenhouse Gas Emissions Reduction Fund
- Questions?



Why did the PUC create the Sustainable Energy Division?

- Recent legislative initiatives to promote renewable energy and ee
- 2007: Renewable Energy Fund
- 2008: Greenhouse Gas Emissions Reduction Fund
- New Division to administer both funds



Role of Sustainable Energy Division

- Manage new clean energy funds
- Coordinate w/ other programs, policies, initiatives
 - utility efficiency programs
 - 25 x '25
 - Climate Change Action Plan
 - EESE Board
- Administer the Electric Renewable Portfolio Standards (RPS) Act
- Manage statewide energy code program for buildings



ENERGY EFFICIENCY AND SUSTAINABLE ENERGY BOARD

- Created in 2008 by HB 1561
- Mission: To promote and coordinate energy efficiency, demand response, and sustainable energy programs
- Duties include: provide recommendations at least annually to PUC on administration and allocation of energy efficiency and renewable energy funds under PUC's authority.
- Assisted PUC in developing first RFP for RGGI funds and chair now serving on grant proposal review committee.



NH's Renewable Portfolio Standard and Renewable Energy Fund

- Renewable Energy Act 2007, a.k.a, RPS law, HB 873
- Purpose to increase use of clean, renewable power generation
- Establishes portfolio requirements
- Requirements ramp up to 24% by 2025
- Will help achieve Governor Lynch's 25 x '25 Initiative
- Compliance: Renewable Energy Credits or Alternative Compliance Payments
- Created Renewable Energy Fund to support thermal and electrical renewable energy initiatives/projects



Use of REF monies

- Rebate Program for residential generating installations up to 5 Kw per HB 1628.
 - up to \$3 per watt up to \$6,000 or 50% of system costs, which ever is less, for projects installed after July 1, 2008
 - 10% of REF funds set aside for these rebates
 - Program development underway. Public input May 15 and May 26.



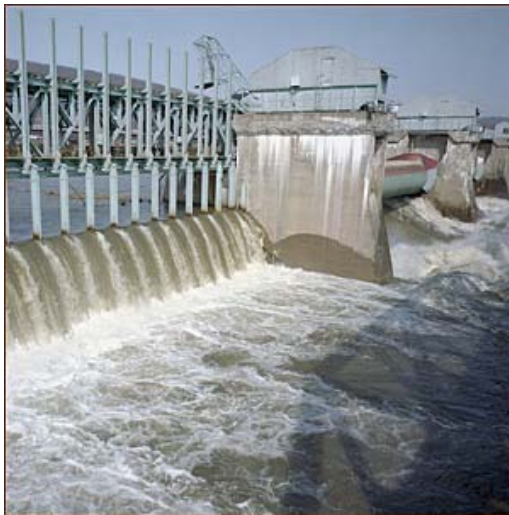
Use of REF monies (cont.)

- A second rebate program for bigger installations (up to 100 Kw) pursuant to Puc 2500
 - Rebate amounts to be determined
 - 20% of REF funds set aside for this category
 - Program development underway.



Use of REF monies (cont.)

- Competitive grants program
- RFP's issued once a year or more often



Funding criteria

- 1) expand or support the production capacity of renewable energy facilities located in NH
- 2) cost-effective
- 3) promote market transformation, innovation, and energy cost savings
- 4) reduce NH's peak load
- 5) promote economic development and environmental benefits



Funding criteria (cont.)

- 6) increases fuel diversity
- 7) applicant has capacity to successfully complete the project



The Regional Greenhouse Gas Initiative (RGGI)

- An agreement between NH and 9 other Northeastern and Mid-Atlantic states to establish a cap and trade, market-based program to reduce carbon dioxide (CO₂) emissions from the region's power plants.
- Auction of CO₂ allowances provides funding for the Greenhouse Gas Emissions Reduction Fund



The Greenhouse Gas Emissions Reduction Fund

- Funds will be used to support energy efficiency, conservation, and demand response programs to reduce greenhouse gas emissions generated in NH.
- Projected revenues for RGGI fund by end of 2009: approx. \$18 million



How will the RGGI funds be distributed?

- 10% of the funds are set aside to help low-income residential customers reduce their energy use. RSA 125-O:23.
- Remainder of funds to be distributed mainly through competitive grants.
- First Request for Proposals has been issued.



Who is eligible?

- (1) Private entities;
- (2) The department;
- (3) The commission; and
- (4) State and local government agencies.

PUC 2604.02(c)



What will be funded?

- See RSA 125-O:23, II; PUC Rule 2604.01(c)
- Eligible programs include:
 - (1) Energy audits;
 - (2) Weatherization of New Hampshire residential housing and commercial building stock;
 - (3) Energy efficiency related work force training and development;
 - (4) Revolving loan funds for efficiency related investment;



What will be funded (cont.)?

- (5) Energy efficiency related industrial process and control systems;
- (6) Integration of passive solar heating and ventilation;
- (7) Programs to increase compliance with the building energy code;
- (8) Programs to improve the electric and thermal energy efficiency of new and existing residences and commercial buildings;



What will be funded (cont.)?

- (9) Programs to foster the development and retrofitting of highly efficient and affordable housing;
- (10) Education, outreach and information programs that promote energy efficiency, conservation, and demand response; and
- (11) Demand response programs to reduce New Hampshire's peak electric load.
- (12) Other programs that will reduce ghg emissions.



Funding criteria

- The commission is required to consider the extent to which the proposal can be expected to:
- (1) Reduce greenhouse gas emissions from all fuels used to provide electricity, heating and cooling in New Hampshire;
- (2) Be cost-effective;
- (3) Reduce New Hampshire's peak electric load;
- (4) Promote:
 - a. market transformation for energy efficient technologies, strategies and design;
 - b. innovative technologies;
 - c. economic development; and
 - d. reduced energy costs



Funding criteria (cont.)

- 5) Leverage funds or resources from other sources to maximize its impact
- 6) Effectively measure and verify program performance against stated goals
- 7) promote collaboration and provide useful information for future program evaluation and improvements
- 8) Otherwise be consistent with the public interest and the purposes of RSA 125-O:19



Additional criteria

- The commission on its own motion shall dedicate funds for those proposals that it finds are:
 - (1) Supportive of one or more of the ends set forth in Puc 2604.03(a) above;
 - (2) Realistically proposed and achievable by the applicant; and
 - (3) Most likely, on balance, to advance the purposes of RSA 125-O, within the constraint of available funds.



Status of RGGI funds

- First two auctions minus expenses netted \$5.9 million
- RFP resulted in 84 proposals totaling \$50 million
- Review committee working toward grant awards



Final thoughts

- There is tremendous demand for clean energy funds
- NH is about to receive \$59 million in additional funds from ARRA for clean energy programs
- New federal tax incentives for renewables and energy efficiency
- Concern about climate change, dependence on imported oil, and energy costs
- We have entered a new era

