

CHAPTER Puc 2600 Greenhouse Gas Emissions Reduction Fund

PART Puc 2601.01 PURPOSE AND APPLICABILITY

Puc 2601.01 Purpose The purpose of Puc 2600, pursuant to the mandate of RSA 125-O:8, II and 125-O:23, is to provide for the administration of the greenhouse gas emissions reduction fund.

Puc 2601.02. Applicability. Puc 2600 shall apply to those persons seeking use of monies from the greenhouse gas emissions reduction fund including:

- (a) Private entities;
- (b) The department;
- (c) The commission; and
- (d) Other state and local governmental agencies.

PART Puc 2602 DEFINITIONS

Puc 2602.01 “Allowances” means those Regional Greenhouse Gas Initiative (RGGI) allowances comprising the state’s annual budget for CO2 emissions specified in RSA 125-O:21, II.

Puc 2602.02 “Commission” means the public utilities commission.

Puc 2602.03 “Cost-effective” means that the reasonably expected energy conservation or efficiency gains and other benefits of a proposed measure or program exceed the reasonably projected costs of implementing the measure or program measured over its expected life.

Puc 2602.04 “Department” means the department of environmental services.

Puc 2602.05 “Demand response programs” means mechanisms to reduce the demand from electricity customers in response to supply conditions, peak demand, or market prices, provided that such mechanisms also reduce greenhouse gas emissions.

Puc 2602.06 “Energy audit” means the inspection, survey and analysis of energy flows in a building, process or system with the objective of understanding the energy dynamics of the system under study and assessing the opportunities for energy conservation or efficiency improvements.

Puc 2602.07 “Building energy code” means the building code defined in RSA 155-D:2, II.

Puc 2602.8 “Energy conservation or efficiency” means using less energy or less expensive or different energy that also results in lower net greenhouse gas emissions to provide the same level of energy service or comparable functionality.

Puc 2602.9 “Greenhouse gas emissions reduction fund” means the fund established by RSA 125-O:23 consisting of revenues from the sale of allowances.

Puc 2602.10 “Low-income residential customers” means those residential customers whose household income is no more than 60 percent of the statewide household median income, including but not limited to customers who are eligible for energy assistance through ratepayer-funded low-income energy efficiency administered by the commission including such as the CORE low income assistance and energy efficiency programs.

Puc 2602.11 “New Hampshire’s peak electric load” means the annual hour of maximum electric load measured in megawatts for the New Hampshire electric grid.

Puc 2602.12 “Passive solar heating and ventilation systems” means the technologies that use sunlight for useful energy without the use of active mechanical systems (as contrasted with active solar). Such passive solar technologies convert sunlight into usable heat (i.e. water, air, and thermal mass), cause air-movement for ventilating, or store heat for future use, with little or no use of other energy sources. Passive ventilation systems are building design features that allow or promote air flows for useful natural ventilation and/or cooling with little or no use of other energy sources.

Puc 2602.13 “Regional greenhouse gas initiative” or “RGGI” or “RGGI program” means “regional greenhouse gas initiative” as defined in RSA 125-O:20, XII, namely “the program to implement a memorandum of understanding (MOU) between signatory states, dated December 20 2005 and as amended on August 8, 2006 and April 20, 2007, and the corresponding model rule to establish a regional CO2 emissions budget and allowance trading program for emissions from fossil fuel-fired electricity generating units.”

Puc 2602.14 “Revolving loan fund” means a source of money from which loans are made for energy efficiency purposes where, as borrowers repay loans, funds become available for new loans to other borrowers.

Puc 2602.15 “Weatherization” means the practice of protecting a building and its interior from cold and hot weather including sunlight, precipitation, and wind, and of modifying a building to reduce energy consumption and optimize energy efficiency.

PART Puc 2603 LOW INCOME RESIDENTIAL CUSTOMERS

Puc 2603.01 Energy Efficiency for Low Income Residential Customers.

(a) Pursuant to RSA 125-O:23, III, the commission shall allocate no less than 10 percent of the greenhouse gas emissions reduction fund, on an annual basis, to assist low income residential customers to reduce total energy use.

(b) The funds available for low income residential customers shall be used for energy audits, weatherization, and installation of other energy efficiency measures, including more energy efficient HVAC systems, in low income residential homes.

PART Puc 2604 ENERGY EFFICIENCY INITIATIVES

Puc 2604.01 Use of Greenhouse Gas Emissions Reduction Fund .

(a) Pursuant to RSA 125-O:23, the monies in the greenhouse gas emissions reduction fund shall be used to support energy efficiency, conservation and demand response programs to reduce greenhouse gas emissions generated within New Hampshire.

(b) Eligible programs shall include but not be limited to the following:

- (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;
- (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; and
- (8) Programs to improve the electric and thermal energy efficiency of new and existing residences and commercial buildings; and
- (9) Demand response programs to reduce New Hampshire's peak electric load, provided that such programs also reduce greenhouse gas emissions.
- (10) Measurement and verification of project performance against stated energy-saving goals.

(c) Notwithstanding this part, the commission shall have the authority to rebate certain monies in the greenhouse gas emissions reduction fund to ratepayers pursuant to Puc 2605.

Puc 2604.02 Solicitation of Proposals.

(a) The commission shall periodically issue a request for proposals for initiatives to be supported by the greenhouse gas emissions reduction fund, no more often than quarterly and no less often than semi-annually.

(c) To be eligible for monies from the greenhouse gas emissions reduction fund, an initiative shall be designed to improve energy efficiency, conservation or demand response in New Hampshire.

(d) Persons eligible to respond to any request for proposals include the following:

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

Puc 2604.03 Selection of Proposals.

(a) In determining whether and to what extent it will dedicate money from the greenhouse gas emissions reduction fund to proposals submitted pursuant to Puc 2604.01 (a) above, the commission shall 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.

(5) Use monies from the fund to leverage private financing, grants, or other funds that would not otherwise be used for emissions-reducing conservation, efficiency or demand management programs.; ~~and~~

(b) 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 (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.

(c) In its order selecting proposals the commission shall set forth the schedule of disbursement of funding for the proposal which may include one or more of the following

- (1) Upfront funding of the proposal;
- (2) Increments of funding based on the passage of time or specified milestones;
- (3) Reimbursement of actual expended costs;
- (4) A loan of funds for a period of time.

(d) Upon selection of a proposal, the commission shall provide the state treasurer with the name and address of the recipient and the amount and schedule of disbursements to be paid to the recipient.

PART Puc 2605 RATEPAYER REBATES

Puc 2605.01 Allowance Sales in Excess of Threshold Prices

(a) Notwithstanding Puc 2604 above, pursuant to RSA 125-O:23, IV the commission shall order and provide for the rebate to electric all ratepayers on a uniform per kilowatt hour basis all auction proceeds that exceed threshold prices for any allowance sale made prior to January 1, 2016.

(b) For purposes of this section, “threshold prices” means the prices listed below for any allowance sale made prior to January 1, 2016 that are deposited in the fund:

- (1) 2009, \$6 per ton;
- (2) 2010, \$8 per ton;

- (3) 2011 and 2012, \$9 per ton;
- (4) 2013 and 2014, \$12 per ton; and
- (5) 2015, \$15 per ton.

Puc 2605.02. Unencumbered Funds.

(a) If the commission finds that there is a significant amount of unencumbered dollars in the greenhouse gas emissions reduction fund which are not projected to be needed for program purposes used within the following 6 monthsforeseeable future, the commission shall rebate such unencumbered dollars on a uniform per kWh basis to electric ratepayers. The commission shall not rebate dollars pursuant to this subsection during the first two years after its issuance of the first request for proposals and shall not thereafter rebate any amount until such time as the commission (1) has been unable to dedicate such amount to meritorious proposals after issuing and considering responses to at least three consecutive requests for proposals and (2) has made a determination that the amount to be rebated will not be needed for program purposes in the foreseeable future.

(b) The commission shall order and provide for the rebate of such monies to all electric ratepayers on a uniform per-kilowatt-hour basis.

Puc 2605.03 Rebate to Electric Ratepayers. The commission shall rebate any monies eligible for rebate under this part in a timely manner to be set forth by commission order.