



Business and Industry Association
New Hampshire's Statewide Chamber of Commerce

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March 26, 2010

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



Re: Docket No. DE 10-024 Opportunity to Comment on Renewable Energy Fund

Executive Director Howland,

The Business & Industry Association of New Hampshire (BIA) functions as the state's leading business advocacy group. With more than 400 members throughout New Hampshire, we serve as the statewide chamber of commerce. Every year, the BIA engages in a comprehensive four-step policy development process, by which the organization arrives at its public policy objectives for that year. This past year, our membership identified the equitable dispersal of the various energy efficiency and sustainable energy funds as one area of clear concern. In particular, members identified the Renewable Energy Fund (REF) as one such fund that should be distributed based upon each customer class' contributions to the fund.

As noted in the Public Utilities Commission's (PUC) Notice of Opportunity to Comment for DE 10-024, the only outlays from the REF to date have been to a residential incentive program. While we understand that with the passage of RSA 362-F:10, V the Legislature mandated this incentive program, we also believe it is vital for all customer classes to be treated fairly based upon their contributions to the REF. To that end, we strongly urge the PUC to distribute all current and future payments made into the fund based on this principle of fairness.

We believe that because the alternative compliance payments have come in well short of earlier projections, the PUC should incent the most cost-effective projects with the largest use of renewable energy. Given the scale, expertise and additional resources within the business community, it is clear that robust commercial and industrial programs are necessary to make the REF successful.

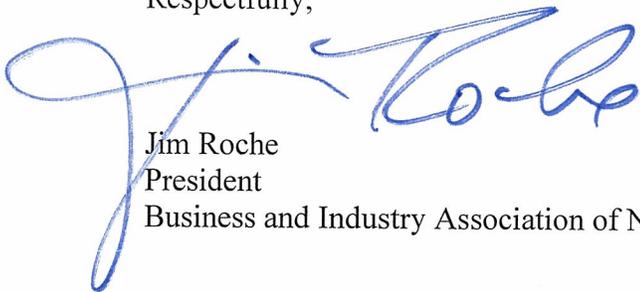
With regards to how to distribute funding to commercial and industrial ratepayers, the BIA has publicly testified in support of allocating funds through a request for proposal (RFP) process.

While a steady, predictable funding stream is necessary to help develop the renewable energy market, we believe that use of an RFP will open the funds to the broadest possible customer base and help spur innovative projects and technologies that may not qualify for funding through a rigid rebate program.

In the past, the PUC has acknowledged the necessity to treat all ratepayers fairly and equitably with regards to the distribution of energy efficiency funding collected by the state. It is our belief that one reason the CORE Energy Efficiency Programs have been so successful is due to the fact that program funding is allocated based upon the amount each ratepayer class pays in system benefits charges. The business community believes it would be a troubling precedent for the PUC to change this fundamental approach and choose to have one customer class subsidizing programs that benefit another.

The BIA urges the PUC to continue to treat all customer classes fairly and to ensure that all ratepayers have an opportunity to benefit from the REF.

Respectfully,



Jim Roche
President
Business and Industry Association of New Hampshire