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THE STATE OF NEW HAMPSHIRE



PUBLIC UTILITIES COMMISSION
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September 2, 2015

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, New Hampshire 03301

Your Excellency and Honorable Councilors:

REQUESTED ACTION

The New Hampshire Public Utilities Commission (Commission) requests RETROACTIVE authority to continue its membership and participation in the Clean Energy States Alliance (CESA), Vendor # 218801, for the period of July 1, 2015 through June 30, 2016, for an amount of \$10,000. Funding is 100% Renewable Energy Funds, a non-lapsing special fund continually appropriated to the Commission pursuant to RSA 362-F:10.

Funding is available in account Organizational Dues, as follows:

Table with 3 columns: Account, Description, FY 2016. Row 1: 02-81-81-81150010-54540000, Renewable Portfolio Standard 362-F:10. Row 2: 010-081-54540000-026-500251, Membership Fees, \$10,000.00

EXPLANATION

CESA is a national nonprofit coalition of public agencies and organizations working together to advance clean energy. CESA works with state leaders, federal agencies, industry representatives, and other stakeholders to develop and promote clean energy technologies and markets. It facilitates and supports collaborative initiatives, provides technical assistance, and develops analysis and studies designed to accelerate clean energy deployment. Commission membership in CESA provides the State's various energy-related agencies with a range of services and technical support. Such services and support are provided as an integral part of membership participation. Of particular benefit is the guidance and information CESA provides to member states as they develop strategies and policies to effectively address financing challenges, drive technological innovation, expand economic opportunities for clean energy markets and jobs, and encourage industry development.

Membership dues are paid from the Renewable Energy Fund, established pursuant to RSA 362-F:10, and are

calculated in relation to the size of the participating program. The invoice amount for this membership is established by CESA's Core Member groupings. The REF was in the fourth group, which is defined as annual budgets of \$3 million to \$9 million. Upon receipt of the invoice, the Commission worked with CESA to successfully renegotiate the membership fee from \$17,800.00 to \$10,000.00. As a result, the submission to Governor and Council is a **RETROACTIVE** request. A copy of the August 2015 invoice is attached for your review.

Listed below are answers to standard questions required for Governor and Council approval of organization dues and membership submissions:

- 1. How long has this organization been in existence and how long has this agency been a member of this organization?** CESA was founded in 2002. The Commission has been participating in CESA since 2010.
- 2. Is there any other organization which provides the same or similar benefits which your agency belongs to?** There is no other organization that provides the same or similar benefits to the Commission.
- 3. How many other states belong to this organization and is your agency the sole New Hampshire state agency that is a member?** Twelve other states are members of CESA, including Connecticut, Massachusetts, Rhode Island, and Vermont. The Commission is the sole New Hampshire agency that is a CESA member. However, as a member, the Commission can appoint the Office of Energy and Planning (OEP) and the Department of Environmental Services (DES) as Affiliate Members who would enjoy a subset of membership rights, including participation in joint projects, and access to open sessions of membership meetings, as well as direct consulting services on a discounted fee basis to address program and policy development, creation of written materials, testimony, publicity, stakeholder engagement, legal analysis, and identification of funding and partnership opportunities.
- 4. How is the dues structure established? (Standard fee for all states, based on population, based on other criteria, etc.)** CESA's dues are assessed annually based on relative renewable energy budget size and starts at \$10,000. A detailed breakdown is available in Appendix B of attached Memorandum of Understanding. States with more sizable clean energy budgets pay considerably more (for example, for FY 2016, Massachusetts and Connecticut will each pay \$68,500).
- 5. What benefit does the state receive from participating in this membership?** As a member of CESA, the state will have access to the collective knowledge of a national network of experts to study clean energy challenges and develop solutions including, for example, assistance in program design, drafting grant solicitations, and the development of technical considerations for use in reviewing grant applications. In addition, through CESA, state clean energy program managers are able to learn about and evaluate program innovation and best practices from across the country to continually improve the effectiveness of clean energy program investments.
- 6. Are training or educational/research materials included in the membership? If so, is the cost included? Explain in detail.** Training and educational/research materials are included in the membership at no additional charge. CESA hosts informational webinars so CESA members can receive updates on project initiatives and results, recent developments in the clean energy field, and timely clean energy updates and opportunities for inter-member and member-federal collaborations. CESA also maintains a Members-Only section of the CESA website, which contains information and analysis that is developed specifically for CESA's Members. In addition CESA hosts collaborative sessions annually where members can meet with their national colleagues, discuss successes and challenges in their programs, develop new joint projects, and learn about the opportunities available to their programs through innovative finance, policy, and market initiatives. The meetings also feature advice from and dialogue with leading representatives of clean energy finance, industry, federal agencies, and other stakeholders. Members receive complementary registration to these meetings, including all meals, and possible scholarships to cover travel and accommodation costs. Also included is ongoing access to the meeting materials.

- 7. Is the membership required to receive any federal grants or required in order to receive or participate in licensing or certification exams? Explain.** No, membership in CESA is not required in order to receive federal grants or participate in licensing or certification exams. However, through CESA the Office of Energy and Planning, along with other New England states, is a sub-recipient of a federal grant (Rooftop Solar Challenge II grant).
- 8. Is there any travel included with this membership fee? Explain in detail any travel to include the number of employees involved, the number of trips, destination if known and purposes of membership supported trips.** No travel is included with this membership fee except as noted in #6.
- 9. Which state agency employees are directly involved with this organization? (Indicate if they are members, voting members, committee members, and/or officers of the organization?)**
Commissioners and Commission staff, as well as Affiliate Members DES and OEP staff, can be involved in CESA activities such as training and seminars. Currently, the Commission does not have any members on the CESA Board, and therefore, does not vote in CESA Board meetings.
- 10. Explain in detail any negative impact to the State if the Agency did not belong to this organization.**
The Commission manages the State's Renewable Energy Fund (REF), which finances renewable energy projects and initiatives through grant and rebate programs. Over the past five years, the REF has awarded more than 2,500 rebates totaling more than \$12 million to individuals, businesses, non-profit entities, towns and schools, with an aggregate applicant investment of over \$61 million. In addition, the REF's competitive grant program has provided \$7.3 million for renewable energy projects in New Hampshire, leveraged by over \$41 million in grantee investments. The Commission relies on CESA for guidance in designing and implementing these programs, benefitting from the collective experience of the other members states as well as CESA's staff. If the Commission did not belong to CESA, the State would not have access to unbiased research on sustainable energy matters, extensive training opportunities, collaborative sessions with colleagues in federal agencies and other states, and nationwide information on best practices to use in administering the REF.

Your consideration of our request is appreciated.

Sincerely,



Martin P. Honigberg
Chairman

Attachment



TO: Karen Cramton
Director, Sustainable Energy Division
New Hampshire Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, NH 03301

FROM: Warren Leon, Executive Director

DATE: August 31, 2015

RE: Invoice for Year Thirteen (Fiscal Year 2016) of the Clean Energy States Alliance
– Negotiated Membership Fee

INVOICE

Amount Due:	\$10,000
Date Due:	30 days from invoice date

Please make your check payable to “**Clean Energy States Alliance**”,
Federal ID #27-0029803

Based on the funding formula contained in Appendix B of the Clean Energy States Alliance Memorandum of Understanding that New Hampshire PUC – Sustainable Energy Division has executed, the Fiscal Year 2016 assessment for your organization is \$17,800. This rate has been negotiated to a reduced rate of \$10,000. Payment of this amount to CESA will place NH PUC as a Core Member of good standing from July 1, 2015 to June 30, 2016.

Please send your check, **payable to “Clean Energy States Alliance,”** within 30 days of invoice date to:

Maria Blais Costello
c/o Clean Energy Group
50 State Street, Suite 1
Montpelier, VT 05602

If you have any questions or need any additional materials to process this invoice, please contact Maria at 802-223-2554, email: maria@cleanegroup.org. Thank you.



Core Member

**MEMORANDUM OF UNDERSTANDING
for
Clean Energy States Alliance Membership**

July 1, 2015 to June 30, 2016

Whereas, many states and municipalities have public benefit funds or clean energy funds (“funds”) to promote and invest in renewable energy and clean energy technologies, companies or market structures.

Whereas, these state and municipal programs have similar missions of increasing the use of renewable and clean energy technologies, reducing environmental pollution, and expanding economic opportunities for clean energy markets.

Whereas, the obstacles to achieving success in their missions also are similar, including high technology costs, regulatory barriers, siting constraints, and a variety of commercialization challenges.

Whereas, in 2003 the organizations managing these programs established the Clean Energy States Alliance (CESA), a nonprofit corporation created with the purpose of significantly expanding the joint work of the funds.

Whereas, these organizations may enter into an annual Memoranda of Understanding (MOU) that sets forth the terms of membership and organizational framework for CESA.

Whereas, these organizations desire to continue to support CESA and participate in its work in the period from July 1, 2015 until June 30, 2016, to work together in collaboration with other state clean energy organizations and agencies and with external partners to pursue joint information sharing, peer-to-peer discussions, collective analysis activities, and joint initiatives and projects that can accelerate expansion of renewable and clean energy markets across the states.

Therefore, the undersigned has received and read the following:

1) INTRODUCTION

This Memorandum of Understanding constitutes an understanding by participating state and municipal clean energy funds and other entities to participate in and to help support and fund the activities of CESA during the current fiscal year.

2) TERM

The term of this Memorandum of Understanding is from July 1, 2015 to June 30, 2016.

3) THE MISSION OF CESA

The mission of CESA is:

a) To promote the development and deployment of clean energy technologies^{1/} and to create and expand the markets for these technologies.

b) To assist the state and municipal clean energy organizations and similar entities by sharing information about programs, approaches, strategies, best practices, and operational experiences to advance the interests of the clean energy programs; to develop and undertake joint projects to find solutions to key, cross-cutting problems facing CESA members, and to undertake research and policy analysis and other efforts to promote the use of clean energy technologies.

c) To inform the public about the member organizations' missions and clean energy opportunities.

d) To share data, performance, and other expertise on various clean energy technologies.

e) To identify and explore opportunities for joint investment in clean energy projects and to increase private and public capital investments in this sector as a way to leverage the limited public resources available to the funds.

f) To expand the network of contacts and partners, including other states, private companies, investors, federal agencies, public officials and others, to assist the CESA-member organizations to better fulfill their missions.

4) CESA CORE MEMBERSHIP

a) To be a member in good standing of CESA, an entity must meet the following criteria:

¹ Each member has its own definition of eligible technologies that controls their individual activities, but for purposes of CESA, "clean energy" is defined to include energy production from solar, wind, hydro, biomass, ocean thermal, tidal and wave, geothermal, fuel cells, and related energy storage and conversion technologies.

(1) It must be involved in the promotion, assistance and/or financing of clean energy technologies, markets, projects, or companies and/or involved in sponsoring or supporting clean energy policies.

(2) It must be current in paying its assessment to CESA (see paragraph 7(b)).

b) Private companies that develop, manufacture, sell or finance clean energy technologies are not eligible to be Core members of CESA. CESA will work to build alliances with these companies outside of membership in CESA.

c) The current Core members shall actively encourage other eligible entities to become Core members or Affiliate members of CESA.

d) Applications for membership will be reviewed and approved by the CESA Board of Directors.

5) CESA GOVERNANCE

a) CESA is a nonprofit corporation, incorporated under the laws of the State of Vermont. CESA is recognized by the Internal Revenue Service as a federal tax-exempt entity under §501(c)(3) of the Internal Revenue Code. CESA's Federal ID number is #27-0029803.

b) CESA is governed by Bylaws and a Board of Directors. The Board shall provide input and oversight of CESA's activities, including approval of membership in CESA.

c) CESA is managed and administered by Clean Energy Group (CEG), a nonprofit organization established in 1998 to increase the use of cleaner energy technologies in the U.S. and abroad. CEG is a nonprofit corporation incorporated under the laws of the State of Vermont. CEG is recognized by the Internal Revenue Service as a federal tax-exempt entity under §501(c)(3) of the Internal Revenue Code.

d) CESA staff shall prepare an annual work plan and annual operating budget. The Board shall provide input and review of the annual work plan and operating budget. Board approval by majority vote is required for the annual work plan and annual operating budget prior to the start of each fiscal year.

e) CESA Core members who are current in their dues are eligible to be nominated to the CESA Board of Directors.

f) Other Committees. The CESA Board may create other member advisory standing and special committees as needed and will designate the membership of these committees.

Lewis Milford Date
Clean Energy Group, Inc.

Marion Gold Date
Rhode Island Office of Energy Resources

Bryan Garcia Date
Connecticut Green Bank

Tim Tutt Date
Sacramento Municipal Utility District

Taresa Lawrence Date
District Department of the Environment,
Energy Administration

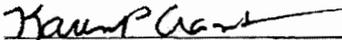
Andrew Perchlik Date
Vermont Department of Public Service
Clean Energy Development Fund

Margie Harris Date
Energy Trust of Oregon

Mark Ritter Date
Xcel Renewable Energy Development Fund

Leigh Williams Date
Maryland Energy Administration

Alicia Barton Date
Massachusetts Clean Energy Center

 8-20-2015

Karen Cramton Date
New Hampshire Public Utilities
Commission

Jeffrey J. Pitkin Date
New York State Energy R&D Authority

Appendix A

CESA Organizational Budget July 1, 2015 to June 30, 2016

	FY16 Budget
Revenue	
Members	\$ 408,200
IT/AC	26,000
Department of Energy/National Labs	1,181,018
Other Contracts and Foundations	214,018
Total Revenue	<u>1,829,236</u>
Expenses	
<i>Personnel</i>	
Salaries	
Program	326,600
Support	88,900
Total Salaries	<u>415,500</u>
Benefits	168,400
<i>Total Personnel</i>	<u>583,900</u>
<i>Direct Expenses</i>	
Consultants	257,130
Sub-Recipients	686,681
Travel	41,050
Meetings	90,500
<i>Direct Expenses</i>	<u>1,075,361</u>
<i>Operating Costs</i>	
Rent	19,820
Other Occupancy	3,820
Communications	9,790
Copy	7,320
Supplies	5,390
Postage	460
Publications/Subscriptions	8,700
Insurance	6,935
Equipment/Depreciation	2,350
Technology	24,685
Audit & Accounting	7,000
Legal & Professional Fees	6,280
Interest	1,200
<i>Total Operating Costs</i>	<u>103,750</u>
Total Expenses	1,763,011
Net	<u>\$ 66,225</u>

Appendix B Core Member Assessments

The current year assessments are based on the six membership tier groups shown in the table below. Adjustments to the overall CESA budget may be necessary based on the actual number of funds executing the MOU and actual amounts received.

1) The share of each CESA Core member of the approved budget for the CESA core activities will be determined as follows:

a) There will be a base assessment of \$10,000 for each member regardless of the size of the member fund.

b) The maximum assessment for publicly owned municipal utilities as well as cities and municipalities shall be \$20,000.

c) Annual membership fees for Core members will be set in proportion to the approximate size of each members' renewable energy budget or fund.

1. The members are divided into six tier groups, the first five groups are based on their annual budgets for renewable energy.

(a) The First Group consists of those organizations that have annual budgets of \$20 million or more. The members of the First Group are:

- California Energy Commission
- Connecticut Green Bank
- Massachusetts Clean Energy Center
- New York State Energy Research and Development Authority

(b) The Second Group has annual budgets of \$14 million or more than but less than \$20 million. The members of the Third Group are:

- Energy Trust of Oregon

(c) The Third Group has annual budgets of \$9 million or more than but less than \$14 million. The members of the Fourth Group are:

- Maryland Energy Administration – SEIF

(d) The Fourth Group has annual budgets of \$3 million or more, but less than \$9 million. The members of the Fifth Group are:

- New Hampshire Public Utility Commission – Sustainable Energy Division
- Xcel Renewable Energy Development Fund

(e) The Fifth Group has annual budgets of less than \$3 million. The members of the Sixth Group are:

- Alaska Energy Authority
- District Department of the Environment – DC Energy Office
- Rhode Island Office of Energy Resources
- Vermont Clean Energy Development Fund

(f) The Sixth group are those organizations that are publicly owned municipal utilities, eligible cities or municipalities. Members of this group are:

- Sacramento Municipal Utility District

2) Based on the tier groups in section 1) and 2) above, the assessments for the core members of CESA for the current year are as follows:

CESA CORE MEMBERS	FY16 ASSESSMENT
Alaska Energy Authority	\$10,000
California Energy Commission	\$68,500
Clean Energy Finance and Investment Authority	\$68,500
District Dept. of Environment, Energy Administration (D.C.)	\$10,000
Energy Trust of Oregon	\$39,500
Maryland Energy Administration	\$25,400
Massachusetts Clean Energy Center	\$68,500
New Hampshire Public Utilities Commission	\$17,800
New York State Energy Research and Development Authority	\$68,500
Rhode Island Office of Energy Resources	\$10,000
Sacramento Municipal Utilities District	\$20,000
Vermont Clean Energy Development Fund	\$10,000
Xcel Renewable Energy Development Fund (MN)	\$17,800

3) Payments

Payments of the annual invoices are **payable to “Clean Energy States Alliance”** (Federal ID # 27-0029803) and should be received by September 1, 2015 to:

Maria Blais Costello
Clean Energy States Alliance
c/o Clean Energy Group
50 State Street, Suite 1
Montpelier, VT 05602