

Bill as Introduced

HB 302-FN - AS INTRODUCED

2011 SESSION

11-0825
09/10

HOUSE BILL

302-FN

AN ACT

modifying the laws relative to renewable energy portfolios.

SPONSORS:

Rep. R. Barry, Hills 19; Rep. Cataldo, Straf 3

COMMITTEE:

Science, Technology and Energy

ANALYSIS

This bill modifies RSA 362-F, relative to renewable energy portfolios.

Explanation:

Matter added to current law appears in ***bold italics***.

Matter removed from current law appears [~~in brackets and struck through.~~]

Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Eleven

AN ACT modifying the laws relative to renewable energy portfolios.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 Purpose. Amend RSA 362-F:1 to read as follows:

2 362-F:1 Purpose. Renewable energy generation technologies can provide fuel diversity to the
3 state and New England generation supply through use of ~~[local]~~ renewable fuels and resources that
4 serve to displace and thereby lower regional dependence on fossil fuels. This has the potential to
5 lower and stabilize future energy costs by reducing exposure to rising and volatile fossil fuel prices.
6 ~~[The use of renewable energy technologies and fuels can also help to keep energy and investment~~
7 ~~dollars in the state to benefit our own economy. In addition, employing low emission forms of such~~
8 ~~technologies can reduce the amount of greenhouse gases, nitrogen oxides, and particulate matter~~
9 ~~emissions transported into New Hampshire and also generated in the state, thereby improving air~~
10 ~~quality and public health, and mitigating against the risks of climate change. It is therefore in the~~
11 ~~public interest to stimulate investment in low emission renewable energy generation technologies in~~
12 ~~New England and, in particular, New Hampshire, whether at new or existing facilities.]~~

13 2 Minimum Electric Renewable Portfolio Standards. Amend RSA 362-F:3 to read as follows:

14 362-F:3 Minimum Electric Renewable Portfolio Standards. For each year specified in the table
15 below, each provider of electricity shall obtain and retire certificates sufficient in number and class
16 type to meet or exceed the following percentages of total megawatt-hours of electricity supplied by
17 the provider to its end-use customers that year, except to the extent that the provider makes
18 payments to the renewable energy fund under RSA 362-F:10, II:

	2008	2009	2010	2011	2012	2013	2014	2015	2025
Class I	0.0%	0.5%	[1] 1.04% [2] 2.08%	[3] 3.15%	[4] 4.2%	[5] 5.3%	[6] 6.3%	[16] 16.3% (*)	
Class II	0.0%	0.0%	0.04%	0.08%	0.15%	0.2%	0.3%	0.3%	0.3%
Class III	3.5%	4.5%	5.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%
Class IV	0.5%	1%	1%	1%	1%	1%	1%	1%	1%

24 Class I increases an additional one percent per year from 2015 through 2025. Classes ~~[II]~~ III-IV
25 remain at the same percentages from 2015 through 2025 ~~[except as provided in RSA 362-F:4, V-VI].~~

26 3 Electric Renewable Energy Classes. Amend RSA 362-F:4, I(h) to read as follows:

27 (h) ~~[Class II sources to the extent that they are not otherwise used to satisfy the~~
28 ~~minimum portfolio standards of other classes] Solar energy.~~

29 4 New Subparagraph; Electric Renewable Energy Classes. Amend RSA 362-F:4, I by inserting
30 after subparagraph (j) the following new subparagraph:

1 (k) Hydroelectric energy, provided the water pressure used in production was not
2 artificially created using another source of energy.

3 5 Electric Renewable Energy Classes. Amend RSA 362-F:4, IV to read as follows:

4 IV.(a) Class IV (Existing [~~Small~~] Hydroelectric) shall include the production of electricity
5 from hydroelectric energy, provided the facility began operation prior to January 1, 2006, [~~has a total~~
6 ~~nameplate capacity of 5 MWs or less as measured by the sum of the nameplate capacities of all the~~
7 ~~generators at the facility, has actually installed both upstream and downstream diadromous fish~~
8 ~~passages] and such installations have [~~been approved by the~~] **received all applicable** Federal
9 Energy Regulatory Commission[~~, and when required, has documented] **approvals and all**
10 applicable state water quality certification pursuant to section 401 of the Clean Water Act for
11 hydroelectric projects.~~~~

12 (b)(1) [~~Notwithstanding subparagraph (a),~~] The commission shall re-certify as class IV
13 renewable energy sources the facilities named in commission order numbers 24,940 and 24,952.
14 These facilities are:

15 (A) The Canaan, Gorham, Hooksett, and Jackman hydroelectric facilities owned
16 by Public Service Company of New Hampshire, which had been previously certified by the
17 commission on September 23, 2008; and

18 (B) The North Gorham and Bar Mills projects owned by FPL Energy Maine
19 Hydro, LLC which had been previously certified by the commission on October 30, 2008.

20 (2) These facilities shall not qualify or be certified as class IV renewable energy
21 sources after March 23, 2009, unless they meet the requirements of subparagraph (a). Such facilities
22 shall be eligible for class IV renewable energy certificates for all electricity generated between the
23 effective date of each facility's original certification by the commission through March 23, 2009. Such
24 certificates shall have the same validity as any other class IV certificate issued under RSA 362-F, and
25 may be sold, exchanged, banked, and utilized accordingly.

26 6 New Paragraph; Renewable Energy Certificates; Methodology. Amend RSA 362-F:6 by
27 inserting after paragraph II the following new paragraph:

28 II-a. The commission shall establish a methodology to estimate the total yearly
29 production from customer-sited sources for which class I certificates are not issued, that are net
30 metered under RSA 362-A:9, and whose installation was paid for, in whole or in part, with
31 renewable energy fund moneys under RSA 362-F:10. For purposes of estimation, the commission
32 shall use a capacity factor rating of 20 percent for each installation. Providers of electricity
33 required to obtain and retire certificates under RSA 362-F:3 shall receive a yearly credit for such
34 production. By February 31 of each year, the commission shall compute and make public a
35 credit percentage that is equal to the estimated production for the prior calendar year divided by
36 the total amount of electricity supplied by providers of electricity to end-use customers in the
37 prior calendar year, with the result converted to a percentage. Each provider may then, at the

1 time of its annual report filing under RSA 362-F:8, claim a class I certificate credit equal to the
2 credit percentage times the total megawatt-hours of electricity supplied by the provider to its
3 end-use customers the prior calendar year.

4 7 Renewable Energy Fund. Amend RSA 362-F:10 to read as follows:

5 362-F:10 Renewable Energy Fund.

6 I. There is hereby established a renewable energy fund. This nonlapsing, special fund shall
7 be continually appropriated to the commission to be expended in accordance with this section. The
8 state treasurer shall invest the moneys deposited therein as provided by law. Income received on
9 investments made by the state treasurer shall also be credited to the fund. All payments to be made
10 under this section shall be deposited in the fund. The moneys paid into the fund under paragraph II
11 of this section~~[, excluding class II moneys,]~~ shall be used by the commission to support thermal and
12 electrical renewable energy initiatives. ~~[Class II moneys shall only be used to support solar energy~~
13 ~~technologies in New Hampshire.]~~ All initiatives supported out of these funds shall be subject to audit
14 ~~[by the commission]~~ as deemed necessary *by the house science, technology and energy*
15 *committee*. All fund moneys ~~[including those from class II]~~ may be used to administer this chapter,
16 but all new employee positions shall be approved by the fiscal committee of the general court.

17 II. In lieu of meeting the portfolio requirements of RSA 362-F:3 for a given year if, and to the
18 extent sufficient certificates are not otherwise available at a price below the amounts specified in
19 this paragraph, an electricity provider may, at the time of report submission for that year under RSA
20 362-F:8, make payment to the commission at the following rates for each megawatt-hour not met for
21 a given class obligation through the acquisition of certificates:

22 (a) Class I--\$57.12.

23 (b) ~~[Class II--\$150.~~

24 (e)] Class III--\$28.

25 ~~[(d)]~~ (c) Class IV--\$28.

26 III. Beginning in 2008, the commission shall adjust these rates by January 31 of each year
27 using the Consumer Price Index as published by the Bureau of Labor Statistics of the United States
28 Department of Labor.

29 IV. ~~[The commission shall make an annual report by October 1 of each year, beginning in~~
30 ~~2009, to the legislative oversight committee on electric utility restructuring under RSA 374-F:5~~
31 ~~detailing how the renewable energy fund is being used and any recommended changes to such use.~~
32 ~~The report shall also include information on the total peak generating capacity that is net energy~~
33 ~~metered under RSA 362-A:9 within the franchise area of each electric distribution utility, and the~~
34 ~~percentage this represents of the amount that is allowed to be net metered within each franchise area.~~

35 V. ~~The public utilities commission shall make and administer a one-time incentive payment~~
36 ~~of \$3 per watt of nominal generation capacity up to a maximum payment of \$6,000, or 50 percent of~~
37 ~~system costs, whichever is less, per facility to any residential owner of a small renewable generation~~

1 facility, that would qualify as a Class I or Class II source of electricity, has a total peak generation
 2 capacity of less than 5 kilowatts, begins operation on or after July 1, 2008, and is located on or at the
 3 owner's residence.

4 ~~VI. Such payments shall be allocated from the renewable energy fund established in~~
 5 ~~paragraph I, as determined by the commission to the extent funding is available up to a maximum~~
 6 ~~aggregate payment of 40 percent of the fund over each 2-year period commencing July 1, 2010.~~

7 ~~VII. The commission shall, after notice and hearing, by order or rule establish an application~~
 8 ~~process for the incentive payment program established under paragraph V. The application process~~
 9 ~~shall include verification of costs for parts and labor, certification that the equipment used meets the~~
 10 ~~applicable safety standards of the American National Standards Institute (ANSI) or Underwriters~~
 11 ~~Laboratory (UL) or similar safety rating agency, and that the facility meets local zoning regulations,~~
 12 ~~and receives any required inspections.~~

13 ~~VIII. The commission may, after notice and hearing, by order or rule, establish additional~~
 14 ~~incentive or rebate programs and competitive grant opportunities for renewable thermal and electric~~
 15 ~~energy projects sited in New Hampshire.~~

16 ~~IX. For good cause the commission may, after notice and hearing, by order or rule, modify~~
 17 ~~the program, including reducing the incentive level, created under RSA 362-F:10, V.~~

18 X. Consistent with RSA 362-F:10, VI,] The commission shall, over each 2-year period
 19 commencing July 1, 2010, reasonably balance overall amounts expended from the fund, net of
 20 administrative expenditures, between residential and nonresidential sectors. Funds from the
 21 renewable energy fund awarded to renewable projects in the residential sector shall be in
 22 approximate proportion to the amount of electricity sold at retail to that sector in New Hampshire,
 23 and the remaining funds from the renewable energy fund shall be awarded to projects in the
 24 nonresidential sector which include commercial and industrial sited renewable energy projects,
 25 existing generators, and developers of new commercial-scale renewable generation in
 26 New Hampshire.

27 [XI.] V. The commission shall issue requests for proposals that provide renewable projects in
 28 the nonresidential sector, which include commercial and industrial sited renewable energy projects,
 29 existing generators, and developers of new commercial-scale renewable generation in
 30 New Hampshire, with opportunities to receive funds from the renewable energy fund established
 31 under RSA 362-F:10. The requests for proposals shall provide such opportunities to those renewable
 32 energy projects that are not eligible to participate in incentive and rebate programs developed by the
 33 commission [under RSA 362-F:10, V and RSA 362-F:10, VIII]. The commission shall issue a request
 34 for proposals no later than March 1, 2011 and annually thereafter, and select winning projects in a
 35 timely manner, *with the approval of the house science, technology and energy committee.*

36 8 Repeal. The following are repealed:

37 I. RSA 362-F:2, IX(b), relative to the definition of end-use customer.

- 1 II. RSA 362-F:4, II, relative to class II renewable energy.
- 2 III. RSA 362-F:4, V-VI, relative to modifications to renewable portfolio standard
- 3 requirements.
- 4 IV. RSA 362-F:5, relative to commission review and report.
- 5 V. RSA 362-F:6, IV(b), relative to additional requirements for renewable energy certificates.
- 6 VI. RSA 362-F:9, II(e), relative to public interest factors for purchased power agreements.
- 7 VII. RSA 362-F:13, VII, relative to rulemaking to otherwise discharge responsibilities
- 8 delegated under this chapter.
- 9 9 Effective Date. This act shall take effect 60 days after its passage.

LBAO
11-0825
01/19/11

HB 302-FN - FISCAL NOTE

AN ACT modifying the laws relative to renewable energy portfolios.

FISCAL IMPACT:

Due to time constraints, the Office of Legislative Budget Assistant is unable to provide a fiscal note for this bill at this time. When completed, the fiscal note will be forwarded to the House Clerk's Office.

HB 302 FISCAL NOTE

AN ACT modifying the laws relative to renewable energy portfolios.

FISCAL IMPACT:

The Public Utilities Commission states this bill will decrease state, county and local expenditures by an indeterminable amount in FY 2011 and each year thereafter, and decrease state restricted revenue and expenditures by \$748,809 in FY, 2011 and each year thereafter. There is no fiscal impact on county and local revenue.

METHODOLOGY:

The Public Utilities Commission states this bill modifies the laws relative to the renewable energy portfolios. The Commission states the cost of the renewable portfolio standard program is determined by the minimum renewable energy requirements that each electricity provider must meet through the acquisition of renewable energy certificates. One certificate represents one megawatt hour supplied to customers. If a provider does not acquire the minimum required certificates it must make alternative compliance payments into the renewable energy fund. The Commission states the changes to the various renewable energy certificate classes will potentially result in electricity providers paying less than market price for the different classes of renewable energy certificates. With the electricity providers paying less to acquire their certificates, there will be a minimal but indeterminable decrease in state, county and local expenditures. The decrease in state, county and local expenditures would be attributable to these entities being customers of the electricity providers.

With the changes contained in this bill, the Commission assumes electricity providers would likely acquire all their required renewable energy certificates and not have to make alternative compliance payments into the renewable energy fund. The Commission estimates the renewable energy fund revenue will decrease by \$748,809, with restricted expenditures decreasing by the same amount.

Speakers

SIGN UP SHEET

To Register Opinion If Not Speaking

Bill # HB 302-FN Date 2-8-11

Committee ST: E

** Please Print All Information **

Name	Address	Phone	Representing	(check one)	
				Pro	Con
Rep/Hub RICHARDSON	LANCASTER	788-2442	COO 2		X
MARC CHRONIS	Pembroke	228-0630			X
Barney Weeks	Holbrook	603-861-1616	SELF		X
Edward Caxton	Dalton NH	603-837-9219	self		X
Sally Davis	50 Sugar Pine	Thornton	self		X
Linda Gould	2 Elder Williams Rd	Bedford 03110	self		X
Bernice Phillips	6 7 Thornton	NH	726-3664		X
Steve + Emily Ball	PO BOX 308	Plymouth	781-405-7378	self	Xx2
RODNEY W. ROXAS	36 MERRIMACK ST	CONCORD, NH		SELF	X
JIM MARRAS	64 Camp Rd	Colebrook	237-5159		X
Linda Koggett	722 Cross Country	Pembroke	224-5759		Xx2
Bill SCHOMBURG	Columbia, Vt.		922-5523		Xx2
Birgitte Newbert	89 Turner Rd	Wendworth, NH	603-882-3882		X
Karen G Placy	32 Wino Rd	Merrimack			X
Nolly Dixon	7 Melndean Stream	Pittsburg VT			X
Richard Sanson	84 A. Pro Hill Rd	Stewartstown			X
MICHAEL KRAK	896 JEFFERSON RD	WHAVERY			X
Bob & Jocy Tuvson	105 Sargent Rd	Hiberness			Xx
Lonna Jordan	Clarksville	NH	246-8998		X
A. Mutsaers	Sugar Hill	NH			X
Charles D. H. Bury	4 Rd	Columbia, NH			X
Tom Irwin	27 North Main St.	Concord	225-3061	Conservative Law Foundn	X
Chanelle Babin	160 Stevens Hill Rd.	Colebrook, NH			X

SIGN UP SHEET

To Register Opinion If Not Speaking

Bill # HB 302 Date 2-8-11
 Committee STCE

** Please Print All Information **

Name	Address	Phone	Representing	(check one)	
				Pro	Con
GAIL DARNELL	Bronckfort	769-8541	SELF		X
Joseph J. Anglin	COLUMBIA N.H.	603-237-4002	SELF		X
Janet New-horn	PLYMOUTH NH	968-2171	SELF		X
Danda Frazzelli	Colebrook NH	237-8639	Self		X
Sherry Fish	Bow, NH	228-1445			X
Brandon Lambert	Colebrook NH	237-8171			X
Allison Rollins	Colebrook, NH	237-8802			X
Cindy-Lou Amey	Pittsberg, NH	538-7734			
Locke Hamill	Meredith, NH	455-5246			X
Christie Weir	Colebrook, NH	237-8617			X
Ben Fordham	CRIMPTON	536 1532			X
Randy Farnell	Lincoln NH.	204-2811	SELF		X
Clara Knecht	T. Fran. Franklin	603-731-0039			
DONALD BILDEAU	GILFORD	524-0981			X
DIANE BILDEAU	GILFORD	524-0981			X
Rebecca Nadeau	N. Stratford	636-1087			X
Sarah Stanley	Franklin	934-6903		X	
Elizabeth Drape	Franklin	931-3900		X	
Kathy Perrine	Franklin	934-3595		X	
Vaiera Herber	Lancaster	788-3734			X
Anne Emerson	Centerbury	783-4403			X
Peter Riviere	Lancaster	631-0017			X
Jason Gock	Concord	224-9699	NH/0A		X

SIGN UP SHEET

To Register Opinion If Not Speaking

Bill # HB 307-FN Date 2-8-10

Committee ST&E

** Please Print All Information **

Name	Address	Phone	Representing	(check one)	
				Pro	Con
Jane Schneider	^{Plymouth} 259 Old Hebron Rd	530-2507	Plymouth		X
Rep. Jim Hollar	21 Depot St. Campton	726-3412			X
Patricia Humphrey	78 Barn Hill Rd	603-98-5274			X
Rep. Suzanne Smith	^{Concord} Grafton		Plymouth/Hebron		X
Samuel Bird	61 Bird Rd	237-4779	Colebrook		X
Joan Bird	61 Bird Rd	"	Colebrook		X
Hudi Kroll	214 N. Main St. Concord NH	603-228-1181	GSHA		X
Valerie Scarborough	^{64 DAVIS RD, K-5} PLYMOUTH	03264 603-536-1164	PLYMOUTH BOS		X
Martha Richards	⁰³²⁴⁵ 133 Sergeant Rd. Holderness	536-2279	Holderness		✓
Martino Julien Clark	^{1527 Main St} Portsmouth	^{Portsmouth} 603 431-6626	Portsmouth		U
Joyce El Kauti	19 Northway Circle	Dover NH 0380			X
David Robbins	167 Gunstock Hill Road	Gofford, NH 03249			X
XXXX					
Kayti Burt	1 Prospect St.	991-3898	Littleton/over		
Susan Ford	Caston NH				X
Kris Pastor	294 G65m Rd	Easton 823-9063			X
Nitu Tomaszewski	916 So. Main St	934-4900	Franklin	X	
Michael Bonemier	1375 Jockey Hill Rd	Landaff, NH 03585			X
Mark Garrigan	1178 R23 N-Stratford				X

SIGN UP SHEET

To Register Opinion If Not Speaking

Bill # HB 302-FN Date 2-8-11

Committee ST & E

** Please Print All Information **

Name	Address	Phone	Representing	(check one)	
				Pro	Con
Rep Mary Cooney			Grafton		X
SENATOR JOHN GALUS			SENATE DISTRICT #1		X
PETER E. MARTIN	290 OLD HEBRON RD PLYMOUTH	738-2942			X
BOB STIBRON	98 WINDWARD RD FRANKLIN NH	393-5228		X	
MIKE CAPONIGA	88 STERLING DR FRANKLIN NH	794-2904		X	
BOB LUCAS	170 STERLING FRANKLIN NH	871-7555	Franklin		
GEORGE J. DZAJIN	158 STERLING DR. FRANKLIN NH	934-7163		X	
John W. Harrigan					X
Heather McLean	PO BOX 1538 Campton, NH	603-726-2070			X
Christopher Seufert	59 Central St Franklin NH	03235		✓	
Susie Hacker	37 N Main St Concord NH				
Lisa Cutler	236N. Peak Dr Easton		Self		X
John Greene	9 Hill Hill Dr, Amherst				
Erik Taylor	Moultonboro			X	
Jane Dwyer	Webster, NH	224-9945	SPNH		X
John H. Arney	Rittsburg	603-538-7734			X
Jack Savage	Middleton NH	603-755-3730			X
Catherine Corkery	NHSIERRA CLUB	224-8022			X
Peter Bourse	DSC ROB70, Danville	3828099			X
OPPEL L. SULLIVAN	18 WILKINSON ST DANVILLE	603-7720			X
CHRIS DONNIN	CONCORD				X
Elizabeth Martin	M. Woodford				X
Frank W. Moulton	N Shattuck	603 922 5128			X

Fill in ONLY if SPEAKING on Bill

Bill # 302 Date 02-08-11

Committee _____

I support the bill _____

I oppose the bill

I have written testimony

(Number of copies) _____

Time needed to speak: _____

Name Margaret K. Jan

Address 1179 Rural Rte 3

N. Stratford, NH

Phone 781-910-8899

Representing self

Fill in ONLY if SPEAKING on Bill

Bill # 302 FN Date 2-8-11

Committee Science, Technology & Energy

I support the bill _____

I oppose the bill

I have written testimony

(Number of copies) 18

Time needed to speak: 3

Name Richard Samson

Address 804 Piper Hill Rd.

Stewartstown, N.H.

Phone 603-246-3570

Representing myself & myself

Fill in ONLY if SPEAKING on Bill

Bill # 302 Date 2/8/11

Committee STE

I support the bill _____

I oppose the bill

I have written testimony _____

(Number of copies) _____

Time needed to speak: 2-3 min

Name Kathy Johnson

Address 65 Perry Rd

Columbia, N.H.

Phone 603-237-4868

Representing _____

Fill in ONLY if SPEAKING on Bill

Bill # 302 Date 2-8-2011

Committee Science, Technology, & Energy

I support the bill _____

I oppose the bill

I have written testimony _____

(Number of copies) _____

Time needed to speak: a few minutes

Name David Dobbins

Address 167 Gunstock Hill Rd

Gilford, NH 03249

Phone (603) 528-4051

Representing myself and NH

Following PHan
ARB 302
From
imfbung
2-8-11
Re: Northern
Proas

Fill in ONLY if SPEAKING on Bill

Bill # 302 FU Date 2-8-11

Committee _____

I support the bill _____

I oppose the bill

I have written testimony

(Number of copies) 6

Time needed to speak: 2 min

Name Richard Samson Sr
Gregory Clow Tier

Address 809 Elm St.
Lancaster, NH

Phone 603-782-9892

Representing Power House Systems
INC.

Fill in ONLY if SPEAKING on Bill

Bill # 302 Date 2/8/11

Committee Science, Technology
Energy

I support the bill _____

I oppose the bill

I have written testimony _____

(Number of copies) _____

Time needed to speak: 3

Name Kelly M. Wieser

Address 12 Willis Court
Campton NH

Phone 706-2051 03223

Representing Wieser Law
PLLC

Fill in ONLY if SPEAKING on Bill

Bill # 302 Date 2/8/11

Committee _____

I support the bill _____

I oppose the bill

I have written testimony _____

(Number of copies) _____

Time needed to speak: _____

Name Diane E. Watson

Address 396 East High St
Manchester, NH 03109

Phone 603 361-8471

Representing Self & Family

Fill in ONLY if SPEAKING on Bill

Bill # 302 Date 2/8/11

Committee _____

I support the bill _____

I oppose the bill

I have written testimony _____

(Number of copies) _____

Time needed to speak: _____

Name Diane E. Watson

Address 396 East High Street
Manchester, NH

Phone 603 361-8471

Representing Self & Family

Fill in ONLY if SPEAKING on Bill

Bill # 302 Date 02-08-11

Committee _____

I support the bill _____

I oppose the bill

I have written testimony

(Number of copies) _____

Fill in ONLY if SPEAKING on Bill

Bill # 302 FU Date 2-8-11

Committee Science, Technology & Energy

I support the bill _____

I oppose the bill

I have written testimony

(Number of copies) 18

Fill in ONLY if SPEAKING on Bill

Bill # 302 Date 2/8/11

Committee ST&E

I support the bill _____

I oppose the bill

I have written testimony _____

(Number of copies) _____

Fill in ONLY if SPEAKING on Bill

Bill # 302 Date 2-8-2011

Committee Science, Technology, + Energy

I support the bill _____

I oppose the bill

I have written testimony _____

(Number of copies) _____

Fill in ONLY if SPEAKING on Bill

Bill # 302-FN Date 2/8/2011
Committee House Science, Technology & Energy

I support the bill _____
I oppose the bill
I have written testimony
(Number of copies) 20

Time needed to speak: 3 min.

Name Gail Beaulieu
Address 280 Reservoir Rd
Plymouth, N.H 03264
Phone 603-536-3102
Representing NH

Fill in ONLY if SPEAKING on Bill

Bill # 302 Date 2/8/2011
Committee Energy

I support the bill _____
I oppose the bill
I have written testimony _____
(Number of copies) _____

Time needed to speak: 2 min.

Name Pamela Martin
Address Plymouth NH
Phone 603/536-6393
Representing NH

Fill in ONLY if SPEAKING on Bill

Bill # 309 Date 2-8-11
Committee Science, Technology & Energy

I support the bill _____
I oppose the bill
I have written testimony _____
(Number of copies) _____

Time needed to speak: 2 minutes

Name Tom Thomson
Address 173 Strawberry Hill
Orford, NH
Phone 353-4488
Representing Thomson Tree Farm

Fill in **ONLY** if **SPEAKING** on Bill

Bill # Public Session Date 2/08/2011

Committee Concord

neutral I support the bill _____

I oppose the bill _____

I have written testimony _____

(Number of copies) _____

Time needed to speak: 1 minute

Name Tim Sink

Address _____

Phone _____

Representing _____

N Re: Northern Pass

Fill in **ONLY** if **SPEAKING** on Bill

Bill # _____ Date 2/8/11

Committee N. Pass

I support the bill _____

I oppose the bill

I have written testimony _____

(Number of copies) _____

Time needed to speak: 5 min.

Name MICHAEL KRAK

Address 896 JEFFERSON RD. WHITEFIELD 03598

Phone 603-837-2750

Representing _____

Northern Pass

Fill in **ONLY** if **SPEAKING** on Bill

Bill # PUBLIC SESSION Date 2/8

Committee STE

neutral I support the bill _____

I oppose the bill _____

I have written testimony _____

(Number of copies) _____

Time needed to speak: 2 mins

Name Chris Williams

Address Nashua

Phone _____

Representing Nashua Chamber

Fill in **ONLY** if **SPEAKING** on Bill

Bill # PUBLIC SESSION Date 2/8

Committee STE

I support the bill
I oppose the bill
I have written testimony
(Number of copies)

Time needed to speak: 5 mins

Name Gary Long

Address 780 No. Commercial St
Manchester NH

Phone 634-3000

Representing PSNH

Fill in **ONLY** if **SPEAKING** on Bill

Northern Pkts & Infrastructure
Bill # _____ Date _____

Committee _____

I support the bill SUPPORT THE PROJECT
I oppose the bill
I have written testimony
(Number of copies)

Time needed to speak: 2-3 mins

Name Elizabeth Dragon

Address 316 Central St
Franklin

Phone 934-3900

Representing City of Franklin

Fill in **ONLY** if **SPEAKING** on Bill

Bill # PUBLIC SESSION Date 2/8/11

Committee STE

I support the bill JOBS
I oppose the bill
I have written testimony
(Number of copies)

Time needed to speak: 3 mins

Name Joe Casey

Address 243 Walnut St
Rochester

Phone 330-7695

Representing NH Bldg Trades

Fill in **ONLY** if **SPEAKING** on Bill

Bill # _____ Date 2/8/11

Committee Energy

I support the bill
I oppose the bill
I have written testimony
(Number of copies)

Time needed to speak: 3 min

Name Sarah Stanley

Address 262 Pleasant St
Franklin NH

Phone 934-6983

Representing Franklin Middle School PTO

AFTER 2:00

Fill in **ONLY** if **SPEAKING** on Bill

Bill # PUBLIC SESSION Date 2/8

Committee STE

I support the bill _____

I oppose the bill _____

I have written testimony _____

(Number of copies) _____

Time needed to speak: 2 mins

Name LISA SHAPIRO

Address GALLAGHER CAULAHAN &
GARTRELL

Phone _____

Representing PSNH

Fill in **ONLY** if **SPEAKING** on Bill

Bill # Public Session Date 2/08/2011

Committee _____

I support the bill _____

I oppose the bill

I have written testimony _____

(Number of copies) _____

Time needed to speak: 5 MINUTES

Name HARRY HINTLIAN

Address AVERY FARM RD.
WOODSTOCK, N.H.

Phone 978-430-7500

Representing _____

Fill in **ONLY** if **SPEAKING** on Bill

Bill # Northern Pass Date 2/08/2011

Committee STE & E

I support the bill _____

I oppose the bill

I have written testimony _____

(Number of copies) _____

Time needed to speak: 1 minute

Name Patty Humphrey

Address Patty Dugby
75 Garvin Hill
Road

Phone Manchester

Representing _____

Fill in **ONLY** if **SPEAKING** on Bill

Bill # Public Session Date 2/8/11

Committee _____

I support the bill _____

I oppose the bill _____

I have written testimony _____

(Number of copies) _____

Time needed to speak: 5 mins

Name Dana Bisbee

Address Devine Millinet

Phone _____

Representing Northern Pass
Transmission

Hearing Minutes

HOUSE COMMITTEE ON SCIENCE, TECHNOLOGY AND ENERGY

PUBLIC HEARING ON HB 302-FN

BILL TITLE: modifying the laws relative to renewable energy portfolios.

DATE: 2-8-11

LOB ROOM: 304 **Time Public Hearing Called to Order:** 1:05 pm

Time Adjourned: 1:15 pm

(please circle if present)

Committee Members: Reps. Garrity, Holden, Introne, Cataldo, Devine, Remick, Rappaport, Cox, MacMahon, O'Connor, Panek, Parison, Summers, Kaen, Call-Pitts, Read, Levasseur and Pastor.

Bill Sponsors: Reps. R. Barry and Cataldo

TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

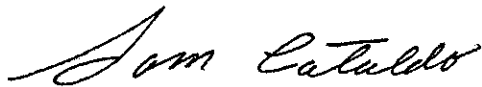
Rep. Richard Barry, prime sponsor – Bill exceeds my expectations. Asks that the committee ITL the bill.

Q: Chairman Jim Garrity – Does this bill have anything to do with Northern Pass, Hydro Quebec?

A: Intent was never to be used at the Northern Pass project.

Discussion – Many came to speak. Chairman Garrity will speak after the executive session.

Respectfully Submitted:



Sam A. Cataldo, Clerk

HOUSE COMMITTEE ON SCIENCE, TECHNOLOGY AND ENERGY

PUBLIC HEARING ON HB 302-FN

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Bill Sponsors: Reps. R. Barry and Cataldo

TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

Rep Barry → Bill exceeded my expectations
ITL this Bill

Rep Garrity Q) - does this Bill have anything
to do w/ ^{hydro} ~~water~~ ~~with~~ ~~Quebec~~
more power ~~pass~~ ~~ITL~~
A) intent to use rivers to be
used @ the eastern
Paw project.

DISCUSSION - many came to speak
Chair - will speak after elec.

Testimony

LAW OFFICE OF
MICHAEL M. RANSMEIER, P.C.

ATTORNEYS AT LAW

MICHAEL M. RANSMEIER*

* ADMITTED IN NH & MA

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WEBSITE: RansmeierLaw.com

February 8, 2011

James Garrity, Chairman
New Hampshire House
Science, Technology and Energy Committee
Legislative Office Building, Room 304
33 North State Street
Concord, New Hampshire 03301

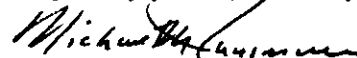
Re: Amendment to RSA 362-F:1

Dear Chairman Garrity:

I am writing as a resident and member of the Select Board for the Town of Landaff, and hereby convey my opposition to House Bill 302-FN. That bill seeks to amend RSA 362-F:1, a statute which is designed to promote the development of independent, local renewable energy producers in our state. The revisions proposed by the pending bill would stand that goal on its head by removing the requirement that the renewable fuel resources be local, in order to stimulate investment in New Hampshire facilities, and open the door for massive foreign power generators to enter our energy market. The long-term consequence of the proposed changes would be to place our local renewable energy providers, or those interested in becoming such, at a competitive disadvantage to massive, foreign providers. It would suppress the development of independent renewable energy resources in New Hampshire, and would leave the state in a comparable position for its electricity supplies to our present dependence upon OPEC for oil.

The pending bill is also counterproductive in its proposal to shift oversight of the Renewable Energy Fund ("REF") from the Public Utilities Commission to your (House Science, Technology and Energy) committee. Oversight of the REF should be performed by a non-partisan entity such as the Commission. To turn its oversight over to any legislative committee is to create the possibility of the REF becoming a political football. This too is not in the best interests of the citizens of New Hampshire.

Very truly yours,



Michael M. Ransmeier

MMR/sjb

STATE OF NEW HAMPSHIRE

2011 LEGISLATIVE SESSION

HB 302-FN -- AS INTRODUCED

Public Hearing held by House Science, Technology, and Energy Committee

TESTIMONY

February 8, 2011

Good afternoon Mr. Chairman, Mr. Vice Chairman, and Committee Members. My name is David Dobbins and I come before you as a citizen and small business owner in opposition to HOUSE BILL 302 which is described as "AN ACT modifying the laws relative to renewable energy portfolios". I suggest that it may be better entitled "An ACT enabling Hydro-Quebec to be classified as a renewable energy source".

As a citizen of this state, disappointed, frustrated, and concerned with the ever-growing reliance on industries, materials, resources, and technologies that are outside of our state and national borders, I see this proposed language as more-of-the-same. According to a Press Release out of the Governor's Office on May 11, 2007, Governor Lynch stated: "The Renewable Energy Act will encourage investment in energy production *in* New Hampshire that will deliver economic and environmental benefits to the state and the region." The blatant disregard for this purpose and intent is starkly seen in the first sentence proposed to be stricken from the existing Renewable Portfolio Standard or RPS, language. In the Purpose section of the existing RPS, the sponsors of HB 302 want to remove the full sentence "*The use of renewable energy technologies and fuels can also*

help to keep energy and investment dollars in the state to benefit our own economy.”

The rest of the proposed changes continue a theme that is contrary to the original intent and local focus of the RPS that was so thoroughly and thoughtfully constructed.

House Bill 302 is a Trojan Horse! Hidden inside the construct of this modifying language are the foreign powers and out-of-state corporate interests of the Northern Pass waiting for a chance to claim another victory on their march of destruction through our cherished state. Granting “renewable” status to Hydro-Quebec is controversial at best and to my knowledge has not been done by our federal government.

The effects of doing so - as estimated by the Public Utilities Commission or “PUC”, – will likely have a downward pressure on Renewable Energy Certificate, or “REC”, values and enable electric providers to easily satisfy their REC requirements under the RPS. This, in turn, will reduce or eliminate Alternative Compliance Payments that electric providers make into the Renewable Energy Fund. Taken together, these actions will reduce monies otherwise available for small-scale renewable energy producers and discourage continued investment in local renewable energy production. Reductions in the Renewable Energy Fund will have a direct negative impact on rebate programs developed by the PUC in support of thermal and electric renewable energy initiatives at the residential, commercial, and industrial level.

Reductions in local renewable energy investments and deployments *should be important* to this Committee and to every citizen. Local renewable energy systems decrease our

dependency on imported fuels of all types, reduce the expansion of centralized power generation facilities and transmission lines, contribute to cleaner air and water, work in harmony with our environment instead of against it, and provide real, meaningful jobs that contribute to the economic health of our communities and our state. These are some of the motivating factors that inspired me and two associates to form a small company in June of 2010. Our company is still in start-up mode but is actively performing energy audits and is positioned to provide solar and wind applications to residential and light commercial customers. New Hampshire – and much of the country – is poised at the early adoption phase of renewable technologies where the price of entry is still high. To push beyond this phase and into an era in which today's renewable energy sources become ubiquitous we need to continue to support sound legislation like the current Renewable Energy Act.

The existing RPS and associated Renewable Energy Fund are in their early stages and have demonstrated that they are performing as intended at this point in time. There are enough existing and potential renewable energy resources within our state to meet the renewable energy mix and percentage requirements of the RPS through its 2025 target date. We just need to give this important piece of existing legislation enough time to prove its value to our state and its people.

Speaking of time...I would ask the Committee to shine a bright light on why the bill's sponsors would propose such extensive changes to the RPS so early on in its implementation that the first report to the Legislature on its performance has not been

developed. Under the existing law the PUC will begin deliberations on the RPS program next week with all interested parties and stakeholders to be included throughout the process. A final report will be provided to the General Court by November 1st of this year. Why propose sweeping changes *now* without the benefit of that extensive review? Is it simply coincidence that a change to enable large-scale hydro facilities to qualify under the RPS is submitted just as plans for a 1.1 *billion dollar*, 180-mile long HVDC transmission line from Hydro-Quebec through New Hampshire to the New England power grid are becoming more fully known to the general public?

I urge the Committee to kill House Bill 302 in its entirety and to be diligent in protecting the existing RPS as we all work to support the growth of renewable energy *within* New Hampshire.

Thank you for the time before you today on this important matter.

Respectfully Submitted,

David Dobbins
167 Gunstock Hill Road
Gilford, New Hampshire 03249

(603) 707-0864 (cell and best) (603) 528-4051 (home) ddobbins@metrocast.net

Currently, the New Hampshire Renewable Portfolio Standard does not consider power generated by large hydroelectric dams to be green power. This is appropriate and this definition should be maintained. While large hydroelectric dams may create few carbon emissions, they do create a multitude of other negative environmental consequences including loss of natural wildlife habitat, both below and in the flooded areas behind the dam, methane gas emissions, and the displacement of human populations. Also the reservoirs behind dams eventually develop silt problems and may require dredging, or other drastic remediation. Because of these issues, large scale hydroelectric power cannot be considered green. Most environmentalists suggest that diverse, small, local energy projects are a greener answer to our energy concerns. These types of projects have fewer negative environmental impacts, and have more flexibility in meeting the energy, economic and employment needs of local communities. Why grant economic incentives to large scale projects that don't need them when small, local power projects could use them.

It is ironic that this suggested rule change comes up just as Northern Pass LLC is trying to ram high voltage transmission lines, carrying hydroelectric power from Quebec to Massachusetts and Connecticut, through New Hampshire. Northern Pass would like to see electricity produced by big hydroelectric projects designated as green energy because they think it will be easier for them to 'sell' this project to the people of New Hampshire. This power is not green, it is not small, and it is not local and also carries with it all kinds of negative environmental impacts that the people of New Hampshire will have to bear with no benefit from the power the project will carry. The Northern Pass transmission line will 'pass' through New Hampshire and the benefits of this project will pass us by as well, leaving us with an eyesore and other environmental and economic problems. If the definition of green power is changed to include large hydro, what is going to stop these same large hydro power corporations from building large dams in New Hampshire in the future?

Twenty four years ago, we purchased 70 acres of land with a small camp next to a stream in the town of North Stratford. The camp, which was then our home, was equipped with a small 12 Volt DC hydro system and a 6 panel solar

electric system which the previous owner used primarily in the summer months. We decided to stay off the grid and worked very hard improving the reliability of the system. This was by no means an easy task but after a couple of years of continuous improvements and lots of very frustrating moments, we were still off the grid and making our own power.

One of the first things which we learned to do very well was to conserve power. We found that conserving power was much easier than making it. Compact fluorescent lighting played a major role in this effort and was one of the biggest contributions to helping us stay off the grid, which we did for 10 years. But, at this point in our lives we were also building a 2,100 square ft. hand scribed log home and due to the extreme cold weather and very little snow that winter, our hydro system froze solid and we were down for the rest of the winter. We had to make the painstaking decision to contact PSNH and get power run to our home which we have had ever since and are grateful for!

After being off the grid for 10 years, conserving power became second nature to us. 98% of all the lighting in our log home is high efficiency compact fluorescent lighting. We shut off lights in rooms not being used and turn off the TV when it's not being watched. Our electric bill is consistently below \$70.00/month which includes pumping our own water. We run a seasonal maple sugaring business that now involves a vacuum system which forces our power usage to go up. But, even that usage is going to be significantly lowered this year due to an automated temperature sensing controller which starts and stops the vacuum pump as needed, based on air temperature.

PSNH has an excellent program called NHSAVES that promotes high efficiency lighting at a very low cost. If you call them, they will help you find a high efficiency bulb for any fixture in or outside your home. Now this is GREEN POWER! WHAT CAN BE ANY GREENER THAN POWER NOT USED OR PRODUCED? If every home and business could be given financial incentives, tax breaks, free energy audits with implementation plans and ultimately a LOWER COST PER KWH RATE (the less you use, the lower your rate per KWH would be) then large non green power projects like Northern Pass would not even be considered in the first place!

Please do not change the language of HB0302 and make sure that power projects help the local citizens and not harm the environment.

Respectfully,

Handwritten signatures of Chelsea D. Petereit and Mark McCulloch. The signature on the left is 'Chelsea D. Petereit' and the signature on the right is 'Mark McCulloch'.

Chelsea Petereit and Mark McCulloch

72 McCulloch Rd.

North Stratford, N.H. 03590

Gregory Cloutier
&
PowerHouse Systems, Inc.
80a Elm Street
Lancaster, NH 03584
WaterPower@starband.net
603.788.9892
2.08.2011

To the House Science, Technology & Energy Committee

Thank you for allowing this letter to be read by Mr. Samson.

My name is Gregory Cloutier and I am the President of PowerHouse Systems, Inc a NH Corporation in Lancaster NH. We own approximately 10 megs of Hydroelectric Power Production with 8 employees and we pay our fair share of local property taxes.

As a SMALL HYDRO POWER producer, we need to ^{sell} ~~sale~~ our electricity, and presently that is to ISO NE at wholesale rates. Which at this time is between 3.5 cents to 5.0 cents /kwh. Because our power stations were built before 2006 we qualify for a limited amount of Renewable Energy Credits (REC) and Capacity rates. But with whole sale power rates so low as I stated earlier, we need all of the Renewable Credits Value we can ^{sell} ~~sale~~ or we will not stay in business

My issue is the favorable treatment the Northern Pass line seems to be getting that is not provided to other Domestic Renewables existing and proposed. For example Long Term Power Contracts with guaranteed rates. Presently we cannot get a long term rate with guaranteed rates and must sell wholesale.

AND the Canadian Hydro power will be classed as a "domestic" Renewable and may receive REC incentive Dollars which were originally designed to stimulate local renewable investment and production. Further, the 1200 meg power delivery to the South will certainly have an oversupply impact on the total value of generated power.

The forecast value of renewable energy is difficult to predict but the NPT line will certainly lower wholesale demand for renewable energy produced at my hydro stations.

This large block of energy if allowed to receive New England REC credits will also flood that market and reduce the value ^{of} REC Credits. This will reduce or prevent DOMESTIC production of wind, solar, hydro power, and cogeneration alternatives.

Small Power Producers should have the same opportunity to get long term contracts as Hydro Quebec with energy rates that allow for Capital expansion and to preserve domestic renewable production. REC have already dropped from \$30 per meg to \$17.

Finally, another "right of way" seems unnecessary when there is domestic renewable production available with existing line upgrades and keeping the renewable incentives for local production.

I respectfully request this committee, to not support this project and any changes to this HB that would provide RECs to the NPL. As a land owner and as a Small Power Producer I make this request.

Thanks you for considering my comments and request.

Sincerely;



Gregory Cloutier

President

PowerHouse Systems. Inc



File

Appalachian Mountain Club

House Science, Energy and Technology Committee
Representative James Garrity, Chairman
New Hampshire General Court
Concord, NH 03301

February 8, 2011

Re: HB 302, modifying the laws relative to renewable energy portfolios

Dear Chairman Garrity and Members of the Committee:

My name is Susan Arnold, and I am the Vice President for Conservation of the Appalachian Mountain Club (AMC). Thank you for the opportunity to testify. AMC is a private, non-profit organization whose mission is to *"promote the protection, enjoyment, and understanding of the mountains, forests, waters, and trails of the Appalachian region"*. We encourage public respect for the natural environment, provide leadership in its protection, and offer recreational and educational programs and facilities for the enjoyment and wise stewardship of the outdoors. Our over 100,000 members, supporters and advocates reside largely in the Northeast and include over 10,000 members in our New Hampshire Chapter. Many of our out-of-state constituents visit the State on a regular basis to participate in outdoor recreational activities, greatly boosting the State's natural resource based tourist economy. The AMC therefore has an active interest in the protection of New Hampshire's significant natural and outdoor recreational resources, including its rivers and lakes, forests, and mountains.

The AMC believes that the increased use of environmentally sound renewable energy resources is a positive development. AMC has a long history of research and advocacy on air quality and climate change, especially as they affect mountain ecosystems, and is keenly aware of the adverse impacts that our society's continued heavy reliance on fossil fuels can have on the areas we care about. AMC currently uses renewable energy sources including wind, hydroelectric, and solar power at its facilities in the White Mountains and elsewhere. But AMC also understands that no energy project or source is entirely environmentally benign; some may release considerably less air pollution and greenhouse gases than others, but still may have very significant, negative environmental impacts. AMC's position is that the construction of renewable energy facilities, like the construction of any energy facility, must be undertaken with a full understanding of all of the potential consequences, both positive and negative, and that adverse impacts associated with these facilities should be avoided or mitigated to the maximum degree possible.

With this end in mind for hydroelectric power facilities, AMC is a founding and current board member of the national, independent Low Impact Hydroelectric Institute (LIHI),



Appalachian Mountain Club

which certifies environmentally appropriate and mitigated for hydroelectric projects in the United States. NH currently has six hydroelectric projects with over 400 MW of capacity that are LIHI certified. Massachusetts, Pennsylvania, Oregon, and New York use the LIHI certification process in their RPS standards for hydroelectric power. In light of the pending Northern Pass transmission proposal, it seems appropriate to note that it is unlikely that much if any of the Canadian hydropower that would enter the US via this project would meet LIHI criteria.

AMC strongly opposes HB 302, including but not limited to the following reasons.

- 1. The bill is premature.** New Hampshire's Renewable Portfolio Standard (RPS) law requires the PUC to conduct a review of the RPS program beginning in January 2011 and to make a report of its findings to the Legislature by November 1, 2011. RSA 362-F:5¹. The review process is now under way, with the first hearing to take place February 14, 2011. HB 302 is premature in assuming there are problems with the RPS statute, and instead we should await the results of the statutorily-mandated review.
- 2. The bill will cost NH.** The Public Utilities Commission states this bill will decrease state restricted revenue and expenditures by \$748,809 in FY 2011 and each year thereafter.

¹ *362-F:5 Commission Review and Report. – Commencing in January 2011, 2018, and 2025 the commission shall conduct a review of the class requirements in RSA 362-F:3 and other aspects of the electric renewable portfolio standard program established by this chapter. Thereafter, the commission shall make a report of its findings to the general court by November 1, 2011, 2018, and 2025, respectively, including any recommendations for changes to the class requirements or other aspects of the electric renewable portfolio standard program. The commission shall review, in light of the purposes of this chapter and with due consideration of the importance of stable long-term policies:*

- I. The adequacy or potential adequacy of sources to meet the class requirements of RSA 362-F:3;*
- II. The class requirements of all sources in light of existing and expected market conditions;*
- III. The potential for addition of a thermal energy component to the electric renewable portfolio standard;*
- IV. Increasing the class requirements relative to classes I and II beyond 2025;*
- V. The possible introduction of any new classes such as an energy efficiency class or the consolidation of existing ones;*
- VI. The timeframe and manner in which new renewable class I and II sources might transition to and be treated as existing renewable sources and if appropriate, how corresponding portfolio standards of new and existing sources might be adjusted;*
- VII. The experience with and an evaluation of the benefits and risks of using multi-year purchase agreements for certificates, along with purchased power, relative to meeting the purposes and goals of this chapter at the least cost to consumers and in consideration of the restructuring policy principles of RSA 374-F:3; and*
- VIII. Alternative methods for renewable portfolio standard compliance, such as competitive procurement through a centralized entity on behalf of all consumers in all areas of the state.*



Appalachian Mountain Club

3. **The bill potentially politicizes the granting of Renewable Energy Funds:** Currently the revenues generated for the Renewable Energy Fund are intended to be re-invested in the State to diversify NH's energy sources, promote energy conservation, and assist with the development of the State's renewable energy sector. Allocations of these State resources are done by professional state agency staff based on objective project criteria. HB 302 would potentially politicize this process by requiring final grant approval from this committee.
4. **The bill wrongly assumes that all hydroelectric power is both renewable and environmentally benign.** During the development of the state's Renewable Energy Portfolio Standards (RPS), there was considerable testimony not only about what renewable energy sources should qualify, but also their impacts on natural resources such as rivers. Hydroelectric energy can have minimal to very severe negative impacts on river ecosystems. This was recognized in the RPS standards by ensuring that fish passage, where required, would actually be in place and functional. It is inconsistent of the State to consider hydroelectric power renewable, when some hydroelectric facilities concurrently destroy another renewable resource such as fisheries; a resource that also has important economic value to the State.
5. **The proposed bill language gives an unfair, "free environmental pass" to all foreign hydroelectric power.** The proposed language, "such installations have [~~been approved by the~~] *received all applicable* Federal Energy Regulatory Commission[~~, and when required, has documented~~] *approvals and all* applicable state water quality certification pursuant to section 401 of the Clean Water Act for hydroelectric projects," is an indirect way of qualifying all non-domestic hydroelectric power regardless of its environmental impacts, as no project located outside of the United States is subject to FERC approval or section 401 Clean Water Act certification. This of course includes Canadian hydroelectric power, and given the pending Northern Pass transmission proposal, it seems likely that this language is intended specifically to accommodate any power brought into New Hampshire from that project (though currently it is unclear that any of the power is intended for New Hampshire). As a result, NH-based hydroelectric power would need to meet certain environmental criteria, but Canadian hydropower would not. New Hampshire's original RPS language recognizes this unfair advantage, and this legislation unwisely attempts to undo it.

Thank you for your consideration of these concerns. We urge the Committee to vote HB 302 Inexpedient to Legislate. We encourage the State to continue with its legislatively mandated review of the original RPS law before determining what, if any, changes should be made to the existing statute.



Appalachian Mountain Club

Sincerely,

Susan Arnold
Vice President for Conservation
Appalachian Mountain Club
603/664-2050 or 617/391-6595
sarnold@outdoors.org

Margaret K. Jones, DMD

1178 Rural Route Three

North Stratford, New Hampshire 03590

781-910-8899(cell)

8 February 2011

My home and 125 acres of land are crossed by a red line on a map published by Hydro Quebec. Their Northern Pass Project intends to seize and destroy maple sugar trees, the natural spring which supplies water to my neighbor's home, the spawning area for the native brook trout living in my pond below, and the resident flora and fauna. They want to cut down and forever remove the trees I use for firewood.

They have called me on the phone and sent me a brochure saying that this project WILL HAPPEN. Since when is it OK to tell a land owner that his land is no longer his? These people are nothing more than greedy bullies taking advantage of our open range policies. There is a big difference between using land for hunting, fishing, camping, etc.; and coming on land to survey it and wipe out a 150-foot strip of whatever you have there, replacing it with a 135-foot high structure with the potential to kill a climber. I can just imagine telling my four children that it's OK to go outside, just as long as they do not climb the jungle gym out back.

Their latest brochure alludes to more false facts than I can list, but the lie that directly impacts me is the lie that their towers mostly would go on existing rights of way. Bull! The province of Quebec intends to seize our US lands and use those properties to make money selling power back to us. Greedy, greedy, greedy; destructive, destructive, destructive!

Without even touching my land, this Canadian-backed government initiative has succeeded in rendering my neighbors' and my property worthless simply by circulating maps showing on-site electrical towers. What a tactic! First devalue the land, then offer to buy it at the deflated price or risk seizure by eminent domain. How can that not be a criminal offense?

Passing House Bill 302 as written to facilitate Hydro Quebec's entry into New Hampshire through the North Country would mean the loss of many homes, land, and businesses in their path.

I respectfully ask that you consider our plight in the North Country. Many of my neighbors simply are too old or poor to fight for what is theirs. Please hear their unspoken voices and mine.


Margaret K. Jones

I oppose HB 302 because of the negative impact on local, small-scale projects which create N.H. jobs and feed the N.H. economy. Governor Lynch stated in 2007 that the REA "will encourage investment in energy projects in N.H. and will deliver economic and environmental benefits to the state and the region." Why abandon this for Quebec ?

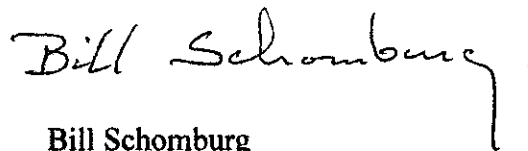
A web site has identified Hydro Quebec as a possible terrorist target. As we become more and more dependent on Quebec hydro, I can imagine the havoc resulting from an attack on transmission corridors and dams. American's imported energy would be crippled by such an attack. I don't think N.H. small-scale energy projects would be on the terrorist's radar.

Within 50 miles of my home (Columbia) we have various energy projects producing N.H. electricity. There are sites on the Androscoggin River, Connecticut River, a biomass plant in Bethlehem and one slated for Berlin. (Check the positive effect this would have for Berlin's economy.) There are wind-power projects (off rt. 110) waiting to see which way the political leadership leans. The point is, Quebec hydro would stifle these and certainly stop energy incentives.

They say that every President back to Truman has stated that America must be energy independent — must not rely on other countries for its energy needs. Words, words, words. But we must now vote ---- Quebec or America. I vote New Hampshire pride, jobs, efficiency, and economy over Quebec. Do we place all our 'energy eggs' in one foreign basket or do we trust New Hampshire business? Why should we export American dollars when our native projects are a positive impact on all aspects of N.H. communities ? Maine television stations state "buy local" and "support Maine". (Where I live we can't get N.H. television.) Lets carry on this pride and economic incentive in the N.H. energy market.

Why alter the 2007 law backed by Governor Lynch and passed by House vote 253 - 37 and by unanimous Senate vote ?

Thank you.



Bill Schomburg
378 Meriden Hill
Columbia, N.H. (03590)

271-6689

***Please forward this letter to Mr James Garrity in Room
304 by 1PM if possible. Its regarding the House Bill 302.***

There is a scheduled meeting in that room for 1PM.

Thank you so much...

February 8, 2011

House Bill 302
Northern Pass Project
Legislative Office Building

To Whom it May Concern,

I am writing today to show my support for the opposition of the Northern Pass Project.

I am a native Long Islander and have only been in New Hampshire for about ten years. One of the many reasons I moved out of Long Island was because of the electrical power lines that fed through Long Island. Not only are they an eye sore, but they are a health risk. We had the highest breast cancer rate in the country.

These towers that will do nothing for our beautiful State of New Hampshire, other than a passage way to get to where they are needed. This will not only dull the states economy but they will make the landscape of New Hampshire deteriorate. Tourism will diminish because no one is going to want to vacation to look at high electrical towers instead of beautiful countryside that we have been proud of for so many years.


Property value will definitely go down. No one is going to want to live near these horrific looking towers.

What puzzles me is why anyone would want this in our state. For what benefit do we benefit by this. **None.**

The last issue regarding these towers is a health risk. No one knows for sure what these towers will generate in health risks for our children. Are people just not concerned because they wont be built near their "own backyards". Well I will say to you that this is just the beginning. There will come a time, that if you allow these investors to build these towers, more will come and maybe they will be in everyone's backyard.

Why not carry the power somewhere else or some other way? Someone needs to step back and look at the whole picture to see the long term affect this will have on our state's economy. Please reconsider and don't allow these towers to come into our beautiful state.

Sincerely,


Pamela J. Dawson~ a very concerned citizen
Concord, NH 03301

LIVE FREE OR FRY!

STOP THE TOWERS!

STOP the NORTHERN PASS

If you are reading this, it is very likely these towers could be in your backyard!

NSTAR and Northeast Utilities have signed a transmission service agreement to build high voltage transmission towers, which would be up to 135 feet tall and up to 410 feet wide. These towers would export 1,200 megawatts of power to Massachusetts and Connecticut. **THERE IS NO NEED!** NH currently produces more than we consume and already export excess power.

Your voice is NECESSARY to block the Northern Pass!

This project has been in the planning and permitting stages for two years, but we can stop it if YOU make your voice heard!

TAKE ACTION NOW!

Don't assume someone else will call!

Governor John Lynch

603-271-2121

governorlynch@nh.gov

Office of the Governor

State House

107 N. Main St Concord, NH 03301

State Senator Jeanie Forrester

603-271-2104

Jeanie.forrester@leg.state.nh.us

State House

107 Main St. Rm 105-A

Concord, NH 03301

State Representative Jim Aguiar

603-726-3412

Jim.Aguiar@leg.state.nh.us

21 Depot St Campton, NH 03223

Don't let corporate giants destroy our landscape, our economy or our health!

ONLY YOUR VOICE CAN BLOCK THE NORTHERN PASS!

ECONOMIC IMPACT



- Home and property values will depreciate
- Tourism will drop due to visual pollution and destruction of vital hiking, hunting and recreational land.

HEALTH HAZARDS



- Childhood leukemia risk doubles within 100 meters of high voltage power lines.
- There is inconclusive evidence documenting a direct link between electro magnetic fields and cancer, but are you willing to risk your health...or the health of our children?!

ENVIRONMENTAL IMPACT



- The towers will destroy the habitats and migration routes of local wildlife.

For more information, visit: www.livefreeorfray.org and infonorthcountrypowerline@gmail.com



Call an Official, Write or E-mail a Letter

NStar – PSNH 1200 Mw HVDC Transmission Line

When you make a call to a government official, email or write a letter to the editor here is some information for you to refer to, to explain what the project is before stating the reason for your letter or call or email.

Key Points and Facts:

- * NStar and PSNH have proposed a 1200 Mw HVDC Transmission Line to bring electricity from Hydro Quebec to the lower New England Grid.
- * The transmission line will use already granted right of way (ROW) except in Northern NH where 40+ miles of new ROW must be acquired. Landowners will be asked to sell the ROW of about 150 to 400' wide for the power line, which can be used for other utility purposes. Once a ROW is granted it is legally binding. Landowners will receive one payment for the ROW and still pay yearly taxes. If they refuse the ROW will be taken through Eminent Domain.
- Hydro Quebec will finance the entire line, which will be constructed by Northern Pass. It is estimated that investors in the line may have a rate of return of 12% to 20% annually.
- An application to FERC (Federal Energy Regulatory Commission) has already approved their application for this HQ / NStar / PSNH financial arrangement.
- An application for the project will most likely go for review before the NH Site Evaluation Committee early 2011.
- The utility companies have applied to the SEC to merge which if granted will make them the 15th largest utility in the US.
- The Utilities state that this is still early in the permitting process but the project has been in the works for the past 2+ years.
- The proposed line will come into the US somewhere in Pittsburg, go down the Connecticut River Valley, through the White Mountains, to a substation yet to be built in Franklin, then over to Deerfield and into the distribution grid that serve Mass. and Conn. Estimates are that 125 to 200 MGW will be available to southern NH electricity users. But NH already exports its excess electricity.
- Still no word on where the line will cross the Canada / US boarder into Pittsburg.
- Towns will increase their tax base when the lines are built, but utilities have asked for abatements as soon as 5 years after construction. Property values of those lands with or close to the ROW have historically lost up to 40% of their value which if granted would permanently decrease a town's tax base.

Alternatives

Decide what your position(s) are. Here are some we have heard from residents. The line:

- Will destroy the views and beauty of the North Country hampering our last economic opportunity – tourism
- Will prevent the development of smaller electric generating opportunities in the North Country which may lead to jobs and increased tax base for towns.
- May have health impacts on residents living within a certain distance.
- Doesn't apply to NH's definition of renewable at this time. So it doesn't replace by 25% nonrenewable energy such as gas, coal, or oil. The generation of electricity by HQ has caused considerable irreversible devastation to the lakes, rivers and land in Quebec.
- There are other alternatives. It could be installed underground; the line can go over already obtained ROW in Vermont, the Northeast HVDC Corridor, etc.

For more information go to: www.livefreeorfry.org

Click on: **Where and who should you write to?**

CONCERNED CITIZENS AGAINST THE NSTAR - HVDC POWER LINE IN NH



Feb. 8, 2011

Statement to the House Science, Technology, and Energy
Committee re: HB 302

respectfully submitted by Edward Saxton, ^{+resident} landowner
in Dalton, NH

I represent the present. My children and their
families represent the future. I am extremely
thankful for many in the past who had the
foresight^{and courage} to take actions which preserved the depth
of the beauty and the wilderness which nourishes
all of our souls, all of us who represent the present.
It is my fervent hope that my children and
grandchildren will have the same opportunity for the
nourishment of their souls.

Thanks to the state of New Hampshire for
SPNHF, NHFWC, and others who stepped up to purchase
what is now
Franzonia North State Park. Thanks to John

Wingate Weeks whose legislation 100 years ago.
~~allowed~~ enabled the establishment of White Mountain
National Forest and millions of other acres of national
forests east of the Mississippi River. And I hope that
I, my children, and grandchildren will be able to thank
the members of the House Science, Technology and
Energy Committee for defeating House Bill 302
and the advantage it would appear to give to
foreign power producers over local N.H. power
producers, foreign power producers like Hydro Quebec
whose project would desecrate the land of the north
country of New Hampshire.

Statement in Opposition to HB 302-FN

February 8, 2011

Patricia Humphrey

78 Garvin Hill Road

Chichester, NH 03258

603 788-5274

pghu@comcast.net

Reasons for opposition:

1. Hydro-Quebec, the parent company of Northern Pass, is owned and operated by the Province of Quebec, Canada, a foreign country. HB 302-FN would enable this foreign entity to take the land of New Hampshire residents by eminent domain.
2. The 130-foot towers, emitting noise and lights and huge amounts of power, would pollute the environment and create a large visual scar along the entire 130 mile length of their route.
3. This massive, foreign-government-owned, and US-and-NH-government-supported project would destroy scores of small-scale renewable energy businesses that have sprung up around the state in recent years. This would cause a significant loss of business revenue and jobs to the state.

February 8, 2011

To the committee members looking at House Bill 302.

Please do not consider changing the laws or wording that would allow a quick fix to our green energy initiatives by allowing a foreign country to pass through Northern NH. Force our own public utilities to create jobs and energy by using good old American ingenuity and manpower within the United States.

Let's look at a plan for future growth and not destroy the Great North Woods in the mean time. We don't want our forests to look like a street map of Boston with towers and windmills scattered all over the place with intersecting transmission lines

A handwritten signature in black ink, appearing to read "Russell Johnson". The signature is fluid and cursive, with a large loop at the end.

Russell Johnson
65 Perry Rd.
Columbia, NH 03576

February 8, 2011

Dear Committee Members,

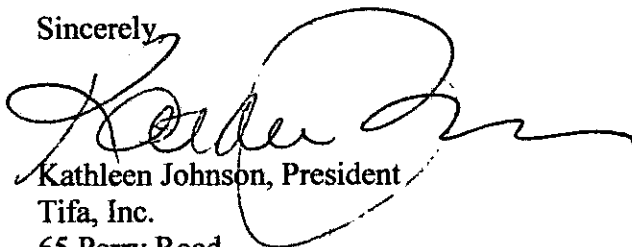
As HB302 is considered here today we may all have our differences. Differences on what words should stay and which words should go. Who is for and who is against. There is however one thing that I believe we do all agree on, and that is we need **jobs**. We need jobs here in this country and in this great state of New Hampshire. We all agree that we need **energy** to grow and thrive as a nation. Our mission, as this Bill is considered, is to stay *true* to the underlying fundamental principals that support these goals of job growth and energy production.

If we are to stay true to these principals, this bill must not be approved. Jobs that might otherwise have been created by smaller green initiatives here in New Hampshire will be crushed and gone forever.

This Quebec Hydro based project, otherwise known as the Northern Pass, is bad for New Hampshire and our country. It robs jobs lasting well into the future, these same jobs that sustain us and our families, not just a few years, but forever. It will rob our ability to generate our own energy (which is truly green energy) forever. It will rob our land by eminent domain, ripping it from us for generations to come. It will rob our natural beauty with towers twelve stories high destroying our magnificent landscapes.

By approving this Bill, you will have given a foreign country, albeit a good friend, but a foreign country nonetheless, our jobs and increased, not decreased our reliance on foreign energy. Please, do not approve this Bill. It is bad for all of us.

Sincerely,



Kathleen Johnson, President

Tifa, Inc.

65 Perry Road

Columbia, NH 03576

kjohnson@lickitybits.com

603.237.4868

Steven V. Ball
579 Texas Hill Road
PO Box 308
Plymouth, NH 03264
781.405.7378

The current wording of HB302 does not need to be altered, as it will decrease the ability for the state of New Hampshire to attract smaller companies with actual renewable “green” technologies from setting up in the state.

This state is in need of new, permanent jobs that appeal to the skills of the citizens that live here. There are numerous shuttered factories, mills, and other manufacturing facilities that could be reconfigured, opened and then revitalize local economies that have suffered from the loss of their previous owners. New Hampshire needs to become an innovator and offer incentives to attract “clean and green” industries to keep our pristine forests in their current state.

Changing the wording in this bill would allow large scale hydroelectric to be considered a “green” technology, while in its origin it has done great damage to the ecosystems that were diverted to create such hydroelectric dams. The Northern Pass Project would not only ruin it’s home area, but also are pristine wilderness by creating new Rights of Way (ROW) for large steel towers and high tension wires that will be eyesores, as well as the negative health effects that come with them. Our tourists that put money into our economy travel from their home states to get away from these things, not to come and see them towering above our woodlands.

Please do not allow the change in this bill, as it will be extremely detrimental on many levels to the current residents of New Hampshire, and for many generations to come.

Emily A. Ball
579 Texas Hill Road
P.O. Box 308
Plymouth, NH 03264
781.504.4019

Changing the working of HB 302 will have detrimental effects on the state of New Hampshire's economy and local renewable energy sources.

I believe that the original working of the bill is the most beneficial as it focuses on local energy sources that help to "keep energy and investment dollars in the state and benefit the local economy".

The original bill also discusses using local sources that would also improve air quality and public health. If the bill is changed and would allow larger foreign companies to be considered as a renewable power source, you are jeopardizing not just the economy, but also the health of the citizens of New Hampshire through the use of high power tension wires. There are documented cases of increased risk of cancer, miscarriages and childhood leukemia from high tension wires. The health of New Hampshire's citizens and the health of the economy would not benefit from the Northern Pass. The region's tourism would be adversely affected, along with the negative environmental impacts, the health of numerous ecosystems and numerous wildlife. The jobs that would be created would also be short lived and require employees with highly specialized skills that are not current members of the New Hampshire community.

I do not believe that we should sacrifice our beautiful state, our National Forest and our local economy for a large scale foreign company to deliver power to other states in New England. We need to rely on smaller, local companies to continue their efforts with other renewable, green energy sources such as solar power. The citizens of New Hampshire need lasting jobs from local companies in order to stimulate the economy.

It is also important to realize that renewable and 'green' energy are not interchangeable. hydro power may be considered 'renewable', but it is certainly not green when you consider destruction of land to build dams, set up high tension power lines and deforestation.

I believe that the state of New Hampshire can benefit from local renewable resources, not large foreign companies that do not put the welfare of New Hampshire and it's citizens first.

Gail S. Beaulieu
280 Reservoir Road
Plymouth, NH 03264
gailbeaulieu@msn.com

File

State of New Hampshire
House of Representatives
House Science, Technology and Energy

House Bill 302-FN

AN ACT modifying the laws relative to renewable energy portfolios

Sponsors: Rep. Richard Barry, Rep. Sam Cataldo

Committee members: James Garrity, Frank Holden, Robert Introne, Laurence Rappaport, William O'Connor, James Summers, Robin Read, James Devine, Sean Cox, William Panek, Naida Kaen, Nickolas Levasseur, William Remick, Bruce MacMahon, James Parison, Jacqueline Cali-Pitts, Beatriz Pastor

February 8, 2011

Room 304

The proposed changes to House Bill 302-FN clearly are designed to eliminate New Hampshire's incentive to generate renewable resources locally, energy innovation that would provide stability and energy self-sufficiency for our state. In its proposed, revised form, this bill allows for larger renewable energy sources that will not protect public health, state and national security, quality of life and market competition.

In reviewing New Hampshire's Power Plant portfolio, only 8 out of 66 power plants produce more than 100MW. New Hampshire generates 4165 MW of which 1622 MW is exported. A change in the House Bill 302-FN is not needed; we do not need large renewable resources to become labeled as "renewable" because New Hampshire is already an exporter of energy.

The changes to the bill are the result of a proposed plan known as the Northern Pass Project. The Northern Pass Project, as proposed, would be a 140-mile DC transmission line carrying 1200 megawatts of 97% hydro-electric power on towers, measuring 90 feet to 135 feet tall, marching down from Quebec to Franklin, NH, where the power would be converted to AC and continue on to a substation in Deerfield, NH, where it would enter the New England power grid. A DC transmission line transfers power from point A to point B and is beneficial for applications where power is not needed locally, but instead delivers large amounts of power to areas of demand.

New Hampshire does not have a demand for, nor a need for, this power. According to the U.S. Department of Energy/National Electric Transmission Congestion Study/2009, "[T]ransmission congestion within New England has fallen significantly. This is due to years of sustained effort and achievement on several fronts---new utility-scale and distributed, small-scale supply resources have

come on-line, primarily in the locations where they were most needed and valuable; aggressive demand response programs have made load reduction into a geographically targeted resource that can be used to reduce peak loads and mitigate the effects of temporal transmission constraints; and energy efficiency is reducing total loads” (*bold, underline added for emphasis*). The Department of Energy **no longer** identifies “New England as a Congestion Area of Concern.” The changes in this bill are not needed.

DC lines have other disadvantages: The line must be taken out of service when an outage occurs or when a segment needs to be turned off for repairs or modifications; power does not automatically reroute itself to avoid blackouts. DC lines are not very useful in network grid applications and are less flexible in their ability to provide for interconnections with new power plants. The DC line will not be beneficial in expanding our local small renewable resources into New Hampshire’s electrical grid.

The price, we are told, will be “competitive.” We all know what happens when a large corporation --or in this case, Hydro-Quebec with 2009 earnings of 2.2 billion, has the ability and resources to price just below the going market price to eliminate any “competitor” in order to gain the market share and profits for their shareholders. Eventually, New Hampshire’s small power plants which allow New Hampshire to be self-sufficient, secure, and reliable will not have the chance to compete. Hydro-Quebec has the most to gain, not their targeted “transmission-host” state, New Hampshire. Hydro-Quebec is desperate to sell power to the United States and is in direct competition with other provinces of Canada to sell power to the United States. This is Canada’s only opportunity to jump into the game to market the purported “benefit” of helping New Hampshire and other New England states to meet their 25% “renewable energy” goals by 2025.

To meet our NH renewable energy goals by 2025, please see the attached letter signed by ten US governors, including NH’s Governor Lynch, stating that there is enough wind generation off the coast of New England to produce ample LOCAL power for the U.S.

There are lawsuits in process by native Canadians whose homelands were taken by eminent domain by the Canadian Government, for the sole purpose of creating “big” and “renewable/green” hydro power. This native Canadian Pessamit Innu community has filed an \$11 billion lawsuit against Hydro-Quebec for “total devastation of culture and way of life.” Rivers have been diverted to produce hydro-electricity causing a negative impact on wildlife, fish and whales. New Hampshire should not consider changing Bill 302-FN to accommodate Hydro-Quebec, or *any* large hydro-electric power plants, to become “renewable.” New Hampshire’s environmental-progressive standards, as stated in the current Bill 302-FN, should not be compromised.

Concerned, Life-Long Citizen of New Hampshire
Gail S. Beaulieu
280 Reservoir Road
Plymouth, NH 03264
gailbeaulieu@msn.com



Massachusetts



Rhode Island



Delaware



Maine



Maryland



New Hampshire



New Jersey



New York



Vermont



Virginia

May 4, 2009

The Honorable Harry Reid
Majority Leader
U.S. Senate
Washington, DC 20510

The Honorable Mitch McConnell
Minority Leader
U.S. Senate
Washington, DC 20510

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable John Boehner
Minority Leader
U.S. House of Representatives
Washington, DC 20515

Dear Senator Reid, Senator McConnell, Speaker Pelosi, Representative Boehner,

As Governors from Northeast and Mid-Atlantic states, we applaud your support for renewable energy and its role in enhancing clean energy job creation, increasing our energy security and curbing greenhouse gas emissions.

We write to encourage you to support strong new federal policies to promote wind resources. In addition to recognizing the potential for wind resources in the Midwest, we believe that the wind resources of the Eastern seaboard states – both onshore and offshore wind – represent one of our nation's most promising yet underdeveloped source of renewable energy. At the same time, we must express our concern about the significant risks posed by recent proposals regarding transmission that we believe could jeopardize our states' efforts to develop wind resources and inject federal jurisdiction into an area traditionally handled by states and regions.

Significant onshore or offshore wind projects have been proposed or planned for almost all of the Northeast and Mid-Atlantic states. Several of our states already have significant land-based wind projects installed or well underway and have established aggressive wind development goals. Moreover, the waters adjacent to the East Coast hold potential for developing some of the most robust wind energy resources in the world – enough wind potential to meet total U.S. electricity demand, as Interior Secretary Ken Salazar has recently pointed out. Congress should put its full support behind the development of these resources.

Current legislative proposals focused on transmission, in contrast, would designate national corridors for transmission of electricity from the Midwest to the East Coast, with the costs for that transmission allocated to all customers. While we support the development of wind resources for the United States wherever they exist, this ratepayer-funded revenue guarantee for land-based wind and other generation resources in the Great Plains would have significant, negative consequences for our region: it would hinder our efforts to meet regional renewable energy goals with regional resources and would establish financial conditions in our electricity markets that would impede development of the vast wind resources onshore and just off our shores for decades to come. In addition, the legislative proposals for selective federal subsidy for certain land-based wind resources paired with the practice of dispatching the lowest cost available generation resource could result in surplus transmission capacity or artificially inflated energy prices for Midwest renewables being paid by east coast ratepayers. Such an outcome would have negative consequences for consumers, regional energy sufficiency and the environment. Moreover, it is well accepted that local generation is more responsive and effective in solving reliability issues than long distance energy inputs.

Land-based wind energy projects, which have already proven themselves economical in the Northeast, must have the chance to move forward. And while offshore wind installation costs currently exceed those of onshore installations, these resources are much closer to our load centers and research and development efforts focused on reducing costs and improving reliability promise to make offshore wind competitive with Midwest wind farms on a delivered cost of power basis. As regional onshore projects move forward and offshore wind moves into commercialization in the United States, they all must have the opportunity to compete on an even playing field with on-shore, yet remote, sources of power from the Midwest and not be disadvantaged by upfront transmission subsidies.

If transmission is to be addressed in energy legislation at all, we believe Congress should focus its attention on regional solutions. In our regions, this means continuing to pursue planned wind and other renewable resources within our competitive energy markets framework. For offshore wind, this means a new offshore wind transmission backbone to facilitate the interconnection of offshore renewable energy resources to major load centers along the East Coast. Development of this offshore network will require the attention of the Department of Energy, the Minerals Management Service (MMS) and the Federal Energy Regulatory Commission (FERC), as part of an Outer Continental Shelf energy resource development plan.

In our view, legislation to promote renewable energy resources on a fair, equitable, and efficient basis should, at a minimum:

- Create strong federal energy efficiency and renewable energy incentives that are simple, transparent and technology neutral – and capitalize on more than a decade of successful direct experience by many states in developing strong efficiency and renewable energy markets;
- Consider new market mechanisms such as regional procurements for renewable energy in the form of long-term power purchase agreements – again, allowing all renewable generation interests to compete on the basis of total cost of power delivered to load centers;

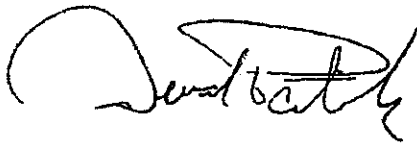
- Encourage that state and regional planners along the Atlantic coast develop a plan within and across regions to accommodate growing availability of onshore wind resources and to establish an offshore wind transmission regime, including new FERC policies tailored to the special circumstances of offshore wind and expedited siting review for offshore lines in federal waters and their interconnection to coastal load centers with appropriate state involvement.

- Encourage FERC and NERC to support and facilitate robust planning within regional transmission organizations that provides and promotes local renewable resources integration and preserves local oversight and review.

- Evaluate whether expanding the federal Investment Tax Credit would be a more effective, simpler, and technology neutral mechanism for promoting renewable energy development across the country than a focus on transmission, which tends to support remote onshore wind, but disadvantage nearby offshore wind.

Thank you for your attention to this critical issue.

Sincerely,



Governor Deval Patrick
Massachusetts



Governor Donald L. Carcieri
Rhode Island



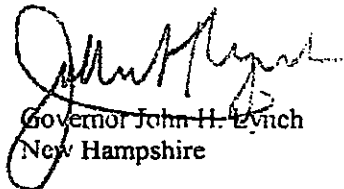
Governor Jack Markell
Delaware



Governor John Baldacci
Maine



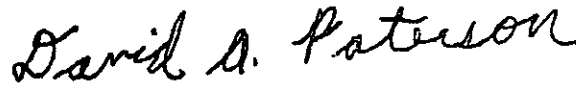
Governor Martin O'Malley
Maryland



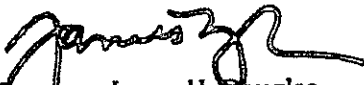
Governor John H. Lynch
New Hampshire



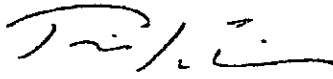
Governor Jon S. Corzine
New Jersey



Governor David A. Paterson
New York



Governor James H. Douglas
Vermont



Governor Timothy M. Kaine
Virginia

cc: Chairman Jeff Bingaman
Ranking Member Lisa Murkowski
Chairman Henry Waxman
Ranking Member Joe Barton
Secretary Steven Chu
Secretary Ken Salazar
Honorable Carol Browner

To: The Legislative Committee
HB 302
February 8, 2011

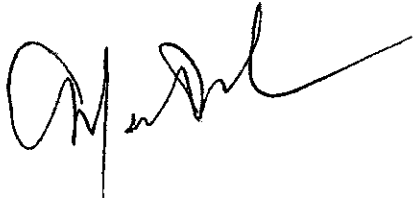
Dear Chairman,

May I state my opposition the HB 302. We should not be looking to stray from the original intent of HB 873 with the amendments proposed in HB 302.

The present economical climate calls for the need now, more than ever, for the purpose of the unaltered Renewable Energy Portfolio Legislation, as it was to encourage the growth of smaller, local renewable energy projects that are considered green by EPA Standards.

The balance of the 1st paragraph that is proposed to be removed by HB 302 is what we desperately need in NH now. And how it is written, unaltered, is for just a time such as now.

Marc Chronis
801 Plausawa Hill Rd.
Pembroke, NH 03275
603-228-0630

A handwritten signature in black ink, appearing to read 'Marc Chronis', with a long horizontal flourish extending to the right.

Annie Schneider
Plymouth, NH

February 8, 2011



To the Legislative Committee Members Hearing and Considering HB 302,

Thank you for reading my testimony.

I am dreadfully concerned with the attempt of the pseudo company Northern Pass (directly and highly paid for by Hydro Quebec) to change New Hampshire's criteria for renewable energy to suit its product, which is not renewable or green, through HB 302.

This change will gut our current requirements, undermine and eventually eliminate our smaller renewable power plants through loss of existing incentives and big business monopolization of the industry. (By a foreign company, no less!) Due to its threat, we have already lost more jobs than this project will provide long term.

The people owning, working at and supplying our existing independent plants could be further casualties.

This is a lightly veiled step to qualify and then apply for Public Utility status and gain access to the right to EMINENT DOMAIN.

Essentially this will gain Hydro Quebec, a HUGE company owned by the government of Quebec, the power to seize and hold (expand?) a power corridor through the state of New Hampshire. Once this is in place, there will be no way to go back. Is this not troubling?

This would be such a HUGE mistake on every front.

I am hoping that you are very aware of this situation with the proposed transmission line down through our state, the devastation that it would cause, and that it is being created by a partnership between NStar and Northeast Utilities (a Boston firm and a Hartford CT firm to serve those states) along with Hydro Quebec.

Ultimately, Hydro Quebec holds all the Power in every way.

We are now forced to fight for what we already own.

The threat of this project has already cost jobs, closed some businesses, lost numbers of real estate sales, decimated property values as much as 100%. The rush for tax abatements is next and has already begun. Even if never approved, just the threat of this takeover will result in bankruptcy for a number of businesses before the permitting process is ever complete. The suffering and casualties are already mounting! There is

no payment to our towns that can recover the losses.

The shortest "preferred" route, 140 (that's one hundred and forty) miles of transmission lines are planned from the Canadian border to Franklin scarring the most pristine part of our state with overhead lines on towers of 135 feet. Potential "alternate routes" add many more miles and substantially more devastating impact. Again, there is no payment that Northern Pass will promise that can ever touch the torturous sacrifice and violation that this could be.

This is without even commenting on the health risk and environmental impacts.

This project is a nightmare... and all for power that will be sent to MA and CT, and profits for Hydro Quebec.

We will be strongly supporting the Canadian government, schools, health care, and jobs, instead of taking care of our own!

If 140 miles constitutes "my backyard" you bet we will protect it. (NIMBY?... hardly) HQ's power is neither green nor renewable.

DON'T GIVE IT THE POWER TO SEIZE, CONTROL AND THEN DECIMATE OUR STATE. They will take our jobs, not provide them!

Whatever influences you may have in maintaining NH's regulations to protect our renewable power resources would be so appreciated. We must keep our own independent, diverse, renewable, green, sources of energy and the jobs that they provide. We need our laws to serve the people, NOT the corporations; We need everyone's help.

The bipartisan RPS statute crafted in 2007 was commended on both business and environmental fronts. It's intent is the stimulation of development of low-emission, renewable energy technologies such as wind and small-scale hydro. It has been very successful and has encouraged our diversified, independent, green and renewable power producers, our environment and our state well.

Please do not pander to a corporation and allow IT to make a joke of our regulations that have been so successful.

My sincere thanks for reading this letter,

Annie Schneider

259 Old Hebron Rd.

Plymouth, NH 536-2507

highlandannie@gmail.com

House bill 302 is despite what is being told to us a undisguised attempt to foster the plan for the Northern Pass Project. It is an undisguised attempt to make the power that would come from Hydro Quebec fall into the NH energy plan for the future. This bill is bad for NH . It will change the definition to take the incentives away from NH based renewable green energy development and production that will keep jobs here in NH and will help with the states budget for business profits tax. By allowing this bill to pass the word local will be eliminated , and the word small hydro will be just hydro . While there are many small hydro plants in NH and some of which do not fall under the current definition, it is because they choose to by not getting fish ladders not because they do not meet the regulatory size or age . The removal of these two words is intending to put NH energy resources in the hands of out of state interests and my belief in out of the country interests . Not only will this bill with the words that it has deleted and those inserted will it kill our current NH based green renewable by reduce the protective mechanisms that have allowed and fostered their beings but it will also kill any future avenues of NH based sources as well. This will be done through the competition that makes America great capitalism. The survival of the price war- who can do it cheapest. But NH and our nation needs to wake up and smell the roses, just because it is cheaper does not make it better. We need to look at the bottom line and that bottom line is jobs , keeping our jobs here in NH and keeping them in the USA. That means that we pay a little more for those NH and USA born products but we get the benefit of making our state and our nation stronger . I am not going to tell you I am not a nimby . I don't want this in my back yard. But with good reason if Northern Pass is allow to accomplish their plan this is not only not good for the citizens of central and Northern NH through loss of their only income tourism which will result in more job losses , businesses going down the tubes, huge real estate value losses , heath issues, potential for terrorism that has never been a concern for us and so much more but is not good for NH and its budget and it is not good for the USA. While I know that no where in this bill does it express that this is to help accomplish the steps needed to get the Northern Pass rammed down our throats, but please read between the lines. This bill's revision is about incentivizing and including power from out of state at the detriment of NH's own. At the detriment of NH Please do not allow this bill to pass



Darlene King-Jennings

57 King Road Campton , NH 03223

603- 254-7037 Kingrealtynh@roadrunner.com

February 8, 2011
Hearing on House Bill 302

To Whom It May Concern:

I am against House Bill 302 and the proposed language change that would usher in big Canadian hydropower by its preferential terms. Local sources for energy both within the state and in New England, and the concern for our state economy through keeping investments dollars within the state are not valued by these proposed changes to the bill.

Ushering in energy from this foreign power would squelch the true green local markets that are in the spirit of the 25% by 25 green goal set by our state. If we are serious about making the true environmental gains in this state that is the purpose of this bill and other recent ones like it, then we need home grown solutions that are truly green. The Canadian nation has chosen to damage its wilderness with thermal pollution and other negative effects to its water basins and environment. This energy's source being water does not automatically make it green. The proposed change in the language to House Bill 302 is in effect an attempt to dodge the efforts to find real solutions to this state's, and indeed, the nation's energy problems. Solutions that address both the environment, and security from foreign dependency. Allowing the proposed changes in the bill places New Hampshire's energy security in the hands of a foreign government. It flies in the face of the nation's need for a decreased dependence on foreign energy supplies.

I find it the ultimate irony, that the two struck requirements of local and small makes it more likely that the resulting solution to protect our state's environment through alternative energy sources is to massacre the very environment we wish to protect. Clear cutting a swath of land for 140 miles of the state's only true wilderness, and erecting steel girders strung with cancer causing lines is not my idea of environmentally friendly. It is an assault on the land that is not any brand of friendly.

I also resent and reject the NIMBY charge. "Not in my backyard" is a flippant phrase used to describe people who want something for nothing – for those who expect to receive benefit but don't want to pay. The travesty that this proposed language change will usher in is the opposite. We are expected to pay dearly through the destruction to our land and our economy for something we will not get. Not as a region, the North Country, or as a state. The region and the state will become a conduit for the debatably green energy of a foreign government.

What is not in debate here is the green, as in dollar signs, that will be made by huge corporations, both foreign (Hydro-Quebec) and domestic (North East Utilities), at the expense of the poorest counties of our state. This is a matter of Environmental Injustice. Any apparent gains from this project are temporary, and diminished by the

depreciation to the tax base, and the damage to the overall economy of the region. Any gains are dwarfed, like our tallest trees by the towers themselves.

Our elected officials should be protecting us from such harm, not making it easier for that harm to come to us by creating doors in our legislation, and holding them open for the perpetrators (Northern Pass and Hydro-Quebec) to walk through.

I want to remind you through all this discussion of how we will define "renewable energy" that the one entity that is NOT renewable is the pristine wilderness that is the region's economy, and the state and the nation's treasure. When it is destroyed by this scar of a power line, there is no turning back. There is nothing renewable about the gash of steel and wire that will be the legacy we leave behind.

Sincerely,

Diane E. Watson
396 East High Street
Manchester, NH 03104

603 361-8471

Richard J. Samson

804 Piper Hill Road
Stewartstown N H 03576

603-246-3570
samsonr@nhcwb.com

February 7, 2011

COMMITTEE: Science, Technology and Energy
Re: HOUSE BILL 302 FN

Dear Mr. Chairman and Committee members,

362-F: 1, I disagree with removing from [The use of to the end of the paragraph existing facilities.] as it appears this bill would give an unfair advantage to very large scale projects such as Hydro Quebec and other foreign producers of non renewable and non green power.

362-F: 3, IV. (a), I object to the removal of [Small] as this will discourage small independent hydroelectric investments being built in New Hampshire. These projects would be locally built using local labor and materials greatly benefiting New Hampshire.

362-F: 10 Renewable Energy Fund. I strongly object to removing [by the commission] and replacing it with by the house science, technology and energy committee. I further object to any omission of the commission and replacing it with the house, science, and technology and energy committee.

The appointed PUC board is made up of experts in the field and should not be politicized.

HB 302 FISCAL NOTES

I would respectfully request that the Public Utilities Commission revisit the **FISCAL IMPACT** and have an independent accounting to verify their figures.

Richard J. Samson
Respectfully Submitted,

Richard J. Samson

STATEMENT IN OPPOSITION TO H.B. 302

The proposed changes to the renewable energy bill are a double barreled assault on all future small, local, renewable energy projects in NH. Removing any financial incentives for small projects, while at the same time calling large hydro power a renewable energy source, would virtually guarantee that the playing field is permanently tilted in Hydro Quebec's favor. It is so effective in doing this that it almost appears as if Hydro Quebec was in charge of making the revisions in the bill.

What is truly eye brow raising, however, is that the kind of changes being sought here are exactly like the ones made in Vermont a few years ago. It should not be surprising then, to find that the same corporation, Hydro Quebec, was the beneficiary of those changes.

The justification for supporting these changes, I assume, is that hydro power is green and renewable, but any serious study of the history of Hydro Quebec's behavior toward the land, water, wildlife and indigenous people of Quebec will show environmental and human havoc on a breathtaking scale. The Hydro Quebec habits of razing vast tracts of forest, diverting major rivers, and flooding huge areas have managed to create a monumental environmental disaster. The result of all this heroic and thoughtless geo engineering is the destruction of salmon stocks from the diverted rivers, the liberation of high levels of organic mercury into the watercourses, the release into the atmosphere of great quantities of methane – a much more powerful greenhouse gas than carbon dioxide – and the destruction of the way of life of the native Cree and Innu peoples.

The EPA definitions of renewable and green power do not include huge hydro projects such as Hydro Quebec because they create as much or more green house gases than do fossil fuel plants, destroy echo systems, displace human populations, concentrate toxins in the dammed water and can even be the cause of earthquakes due to the immense weight of the impounded water.

The EPA definition of Renewable energy includes resources that rely on fuel sources that restore themselves over short periods of time and do not diminish. Such fuel sources include the sun, wind, moving water, organic plant and waste material (biomass), and the earth's heat (geothermal). Although the impacts are small, some renewable energy technologies have an impact on the environment. For example, large hydroelectric resources can have environmental trade-offs associated with issues such as fisheries and land use

The EPA definition of Green power is a subset of renewable energy (Graph 1) and represents those renewable energy resources and technologies that provide the highest environmental benefit. EPA defines green power as electricity produced from solar, wind, geothermal, biogas, biomass, and low-impact small hydroelectric sources. Customers often buy green power for avoided environmental impacts and its greenhouse gas reduction benefits.

Allowing a foreign, non-renewable, non-green mega sized hydro power producer to dominate our markets and eliminate our domestic renewable energy producers is not in the interests of our state and its people. Please don't approve these changes in the renewable energy HB 302.



Green Power Partnership

You are here: [EPA Home](#) [Climate Change](#) [Clean Energy](#) [Green Power Partnership](#) [Green Power Defined](#)

Green Power Market



Green Power Defined

Renewable energy and green power – what’s the difference?

In short, not all sources of power generation have the same environmental benefits and costs.

Green power is a subset of renewable energy (Graph 1) and represents those renewable energy resources and technologies that provide the highest environmental benefit. EPA defines green power as electricity produced from solar, wind, geothermal, biogas, biomass, and low-impact small hydroelectric sources. Customers often buy green power for avoided environmental impacts and its greenhouse gas reduction benefits.

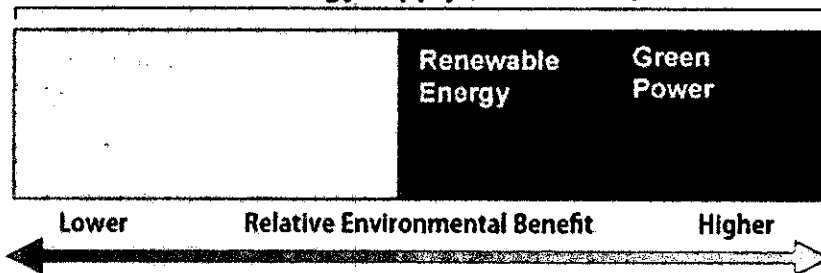
Quick Links

- Making Environmental Claims
- Types of Products
- Product and Resource Eligibility
- Certified and Verified Products

Green Power Market

- Green Power Defined
- Voluntary and Mandatory Markets
- Renewable Energy Certificates (RECs)
- REC Tracking

U.S. Energy Supply (not to scale)



Green Power is a subset of renewable energy and represents those renewable resources (solar, wind, biogas, biomass, low-impact hydro and geothermal) that provide the highest environmental benefit.

Green power sources produce electricity with an environmental profile superior to conventional power technologies and produce no anthropogenic (human caused) greenhouse gas emissions. EPA requires that green power sources must also have been built since the beginning of the voluntary market (1/1/1997) in order to support “new” renewable energy development.

Renewable energy includes resources that rely on fuel sources that restore themselves over short periods of time and do not diminish. Such fuel sources include the sun, wind, moving water, organic plant and waste material (biomass), and the earth’s heat

OPPOSITION TO H.B. 302

Eminent domain is a very serious matter and should only be used as a last resort. When a government or corporation takes someone's land, they don't just take a few feet of field or forest, they take someone's hopes and dreams for the future. They may be taking someone's retirement plans, the inheritance for their children, their woodlot, their sugar maple farm, their home.

New Hampshire H.B 302, as well as the Presidential Permitting process which is going on right now, would allow Hydro Quebec to take land from New Hampshire citizens to enrich themselves. While I am not in opposition to including hydroelectricity as part of New Hampshire's renewable energy portfolio, large scale hydro plants, including Hydro Quebec, have become virtually synonymous with environmental devastation. Large scale reservoir hydroelectricity is not benign; in fact, large dams have altered the planet in very significant ways. Worldwide they have displaced indigenous people, have led to the extinction of innumerable species of animals, have caused earthquakes, have polluted and deoxygenated rivers, put tons of methane into the atmosphere and destroyed boreal forests.

The Cree and Innu people of Quebec fought against Hydro Quebec and lost; citizens of Vermont fought Hydro Quebec and lost; citizens of New York fought them, thought they won, and now they're fighting them again. Now they're coming for us. The only thing that stands in their way is you. Over and over at meetings throughout the state, people have said no. They don't care what we think. But you can stop them.

The reason many of us live in New Hampshire is because we care so much about our clean environment and way of life. That is why tourists come to New Hampshire also – to enjoy our clean mountain air, streams, rivers, and beautiful scenery. Large-scale hydroelectricity, especially taking into consideration Hydro Quebec's devastation of the Canadian environment and towering power lines bisecting the state of New Hampshire, would be a grave insult to our planet, residents and visitors. Please study this subject in depth and I believe you too will oppose these changes. Your children will thank you for it some day.

Pamela A. Martin
Plymouth, NH
February 8, 2011

2369 US rte 3
North Stratford NH 03590
Feb. 6, 2011

House Committee on Science Technology and Energy
Rm 304 Legislative Office Building
Concord NH 03301

Dear Sirs:

This is a letter relative to House Bill 302 to amend RSA 362, for which there is a public hearing on Feb. 8.

Please do not remove the emphasis of this law on power generation by local generating sources within the State, and in particular on low-emission, renewable, non emitting sources. That is, please do not amend RSA 362-F:1 in any of its sentences as HB302 provides.. Such amendments are inconsistent with the purposes found in RSA 125-O:1 relative to the multiple pollution reduction program. They also tend to favor low-cost renewable energy imported from Canada and thereby forestall and prevent investment in the local New Hampshire economy. In particular, please do not amend RSA362-F:4 to change the definition of Class IV from small hydro to all kinds of hydro, because it will allow PSNH to use Canadian hydro power to satisfy its mandatory 1% quota instead of paying into the local economy.

The amendments also cancel requirements for utilities to purchase class II power from new solar sources and the \$5000 incentive program for new solar residential sources. Please do not cancel the existence of Class II as provided in HB 302. Although the program is small, in particular relative to the requirement of 16% Class 1 (wind and biomass) power by 2025, it provides an incentive for power companies to buy back excess power available from their customers so that it is not wasted. HB 311-FN which is also before your committee provides an alternative expansion of Class II procedures. Thus, please do not abolish the existence of Class II in RSA 362-F:3 as HB 302 provides..

HB 519 relative to amendments of RSA 125 is also before your committee, and it seeks to abolish the limits on CO2 emissions. The argument that global heating comes from other areas is spurious, New Hampshire should do its proportionate part. CO2 emitting generation plants also emit nitrogen and sulfur oxides in proportion to their CO2. Although I have reservations about trading certificates, the simpler method is a legal limit and fines for non-compliance. So please as a bare minimum do not repeal RSA 125-O:21:II (which requires a decline of 215,512 tons of CO2 per year after 2015), as is provided in HB 519.

Sincerely yours,



Frederick W. Martin

s/hq/hb302.rtf

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February 3, 2011

James Garrity, Chairman
New Hampshire House
Science, Technology and Energy Committee
Legislative Office Building, Room 304
33 North State Street
Concord, New Hampshire 03301

Re: The Northern Pass

Dear Chairman Garrity:

I am writing to your Committee in my capacity as a resident, and Chairman of the Board of Selectmen, of the Town of Landaff, New Hampshire. Landaff is a small town (population 375) which consists of rolling farmland and woodlots on the western slopes of the White Mountains. It is situated just south of Sugar Hill and east of Lisbon, and was incorporated in 1774. It was, interestingly, the original Dartmouth Grant. Many of the Town's inhabitants are employed in the businesses situated in Lisbon and Littleton, and a number of our residents are middle class or lower middle class retirees from elsewhere. It is by no means a wealthy town. Its center consists of no more than a Town Hall, a church, four or five residences with views to the south toward Mount Moosilauke, and a fire station. The Town's pristine nature is not wholly accidental, however, as our townspeople, through our Planning and Zoning Boards, have played an active role in protecting the landscape.

In light of the foregoing, you would hardly be surprised at the concern we are feeling since we have learned that the proposed alternate right-of-way for the Northern Pass project would bisect our Town. As depicted on the preliminary layout map, the substantial power line right-of-way, which might be as much as 400 feet in width, would pass directly over, or immediately adjacent to, the homes of some of our residents. The towers for the project, which could exceed 100 feet in height, would in most areas be twice as tall as the surrounding vegetation. As a result they, with the utility lines which they would bear, would be visible from the Town center, and in many cases from properties located some

*Material from
informational
briefing*

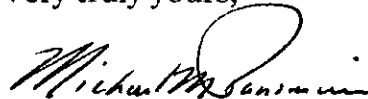
distance from the line. The consequence of this visual intrusion onto our municipal landscape will be a significant diminution in the assessed values not only of the properties directly under, or adjacent to, the right-of-way, but even of some of the more distant properties. The resulting loss of tax revenue would, coincidentally, far exceed any modest amount of tax revenue that might derive to the Town from the power line's hardware. The visual insult, as well as the loss in tax revenues, would render the Town a less attractive place to live. It would be a burden that will afflict the Town for generations to come. I am already aware of one pending land sale in our Town which fell apart at a late hour when the purchasers learned of the Northern Pass project. Were there a reliable legal forum for such damages, I have no doubt that an economist's calculation of them would generate a surprisingly high number. But please have no doubt, the real loss we will all suffer is to our quality of life, and to our community's quality of life.

These factors are not unique to Landaff, as other small communities and property owners lying in the pathway of the project will suffer similar personal and community economic and quality of life losses.

It is impossible to believe that there does not exist an alternative for bringing power from Quebec into New England that would be less destructive. For example, there is an existing substantial power line from Quebec down the western side of the Connecticut River, through Vermont, crossing into New Hampshire by Moore Dam in Littleton and running to a converter station by Comerford Dam in Monroe. It is difficult to believe that this power line could not be modified to import such new power as may be needed at a far smaller environmental, economic, and social cost to New Hampshire than the proposed Northern Pass project. Furthermore, based on my acquaintance with the Vermont power line, it would appear that the number of permanent new jobs that the Northern Pass project would create in New Hampshire has been greatly exaggerated. Certainly, in terms of social and economic consequences, the Northern Pass project can only be seen as a disaster for the communities through which it will pass.

Under the circumstances, this is to request that your Committee refrain from supporting the project, and that you conclude that it is not in the best interests of our state.

Very truly yours,



Michael M. Ransmeier

MMR/sjb

Preliminary Economic and Fiscal Impacts of the Proposed Northern Pass Transmission Project

**Prepared for
Northern Pass Transmission LLC**

**Prepared by
Dr. Lisa Shapiro
Chief Economist
and
Heidi Kroll
Policy Analyst
Gallagher, Callahan & Gartrell, P.C.
www.gcglaw.com**



Gallagher, Callahan & Gartrell

October 2010



Summary

The Northern Pass transmission project is a proposal for a transmission line to bring 1,200 MW of competitively priced, low carbon, renewable energy (predominantly hydropower) from Canada into the Northeast region. HQ Hydro Renewable Energy, Northeast Utilities, and NSTAR are partnering on the proposed Northern Pass Transmission project, and have received preliminary approvals from the Federal Energy Regulatory Commission on the proposed funding model. The Northern Pass transmission project is proposed to be located in about 30 communities in New Hampshire, where it will interconnect system power, primarily from hydro sources into the regional power grid. The project is still in the design, engineering, and business deal phase. Federal permitting processes are expected to begin this fall, and state permitting in late 2011.

The preliminary conceptual cost estimate for the Northern Pass transmission project proposal is \$1.1 billion. It would involve a major New Hampshire construction project over the projected primary construction period of 2013 – 2015, subject to all regulatory approvals. Upon completion, this new utility property would add to the taxable property base in over 30 communities, several counties, and the state. The purpose of this report is to provide preliminary estimates of the economic impacts to New Hampshire during the development and construction phases of the project, and the property tax payments to local communities, counties, and the State of New Hampshire from the project when operational. Results of this analysis are summarized below and covered in more detail in this report.

- Summary of Preliminary Estimates -
Economic and Fiscal Impacts of Proposed Northern Pass Transmission Project
New Hampshire

Development and Construction Phase

- New Hampshire Employment – Annual Average 2013–2015, 1,100 – 1,300 Jobs
- New Hampshire Household Earnings – Cumulative 2010–2015, \$204–\$249 Million
- New Hampshire Economic Output – Cumulative 2010–2015, \$259–\$316 Million

See Pages 3 – 5 for more detail.

Operational Phase

Annual Property Tax Payments in New Hampshire – TOTAL: \$15 to \$20 Million

- Local - \$9–12 Million
- State - \$5–6 Million
- County - \$1–2 Million

See Pages 5 – 6 for more detail.



Background

The Northern Pass transmission project is a proposal for a transmission line to bring 1,200 MW of competitively priced, low carbon, renewable power (predominantly hydropower) into the region in order to meet carbon emissions reduction goals (as separate and distinct from renewable portfolio standard requirements). HQ Hydro Renewable Energy, Northeast Utilities, and NSTAR are partnering on the proposed Northern Pass Transmission project, and have received preliminary approval from the Federal Energy Regulatory Commission (FERC) on the participant funded model for the project. This novel funding model means that only those that purchase power will pay for the cost of the transmission line, through a bundled rate that includes the energy charge and the cost of the line at a competitive rate.¹

Work to develop alternative siting routes is underway, with the permitting processes to begin this fall and into 2012. Approximately 180 miles of transmission line, a converter terminal and substations would be constructed in New Hampshire. The primary construction phase is currently targeted for 2013 through 2015, subject to all regulatory approvals.

The preliminary conceptual cost estimate for the project is \$1.1 billion. The purpose of this Report is to provide preliminary estimates of the economic impacts to New Hampshire during the development and construction phases of the project, and the fiscal impacts from property tax revenues once the project is in-service.

The estimates developed are by definition preliminary as they rely on conceptual cost estimates, regional and industry average allocations for local versus non-local labor and materials budgets, assumptions about job types and average wages, and simple static multipliers (RIMS II). This report is being prepared in order to provide a first order approximation of the economic impacts of a \$1.1 billion transmission construction project on employment, output, and household earnings in New Hampshire. When more refined cost estimates and siting routes are available, a more detailed economic impact analysis could be conducted to update these preliminary estimates.

For the fiscal impact analysis on New Hampshire communities, estimated annual property tax payments were developed using a range of assumptions on property tax rates and budget levels for municipalities, counties, and the state.

¹ Federal Energy Regulatory Commission Order Granting Petition for Declaratory Order, Docket No. EL09-20-000, Issued May 22, 2009.



Estimated Economic Impacts from Construction

The proposed Northern Pass transmission project is a major construction project and would be one of the largest energy infrastructure projects in recent New Hampshire history. A large transmission construction project utilizes in-state contractors and workers as well as out-of-state specialized contractors and workers. Competitive bidding is utilized for many subcontracts. This preliminary report relies on industry and regional average allocations: about one-third of the total direct expenditures are assumed to be made to New Hampshire workers and firms for these preliminary estimates. It is expected that there will be extensive New Hampshire jobs related to clearing and site work, harvesting, construction and materials, including electrical, professional, and technical services.

New Hampshire specific multipliers from the federal government's Regional Input-Output Modeling System (RIMS II ²) were then applied to the preliminary estimates of the direct expenditures in New Hampshire for materials and labor during the development and construction phase of the proposal to develop the total economic impacts in New Hampshire.

Preliminary estimates are that the project will positively impact in-state employment by an average of 1,100 – 1,300 jobs per year over the primary construction period 2013 to 2015, with peak employment impacts estimated at 1,370 – 1,670 jobs in 2013. Economic output (sales) in New Hampshire is estimated to increase by \$259 million to \$316 million over the whole planning and construction period of 2010 to 2015, with an average annual increase of \$74 million to \$91 million during the primary construction period. Household earnings for New Hampshire residents are estimated to increase by a total of \$204 million to \$249 million during 2010 through 2015, averaging an annual increase of approximately \$56 million to \$69 million between 2013 and 2015, the primary construction period.

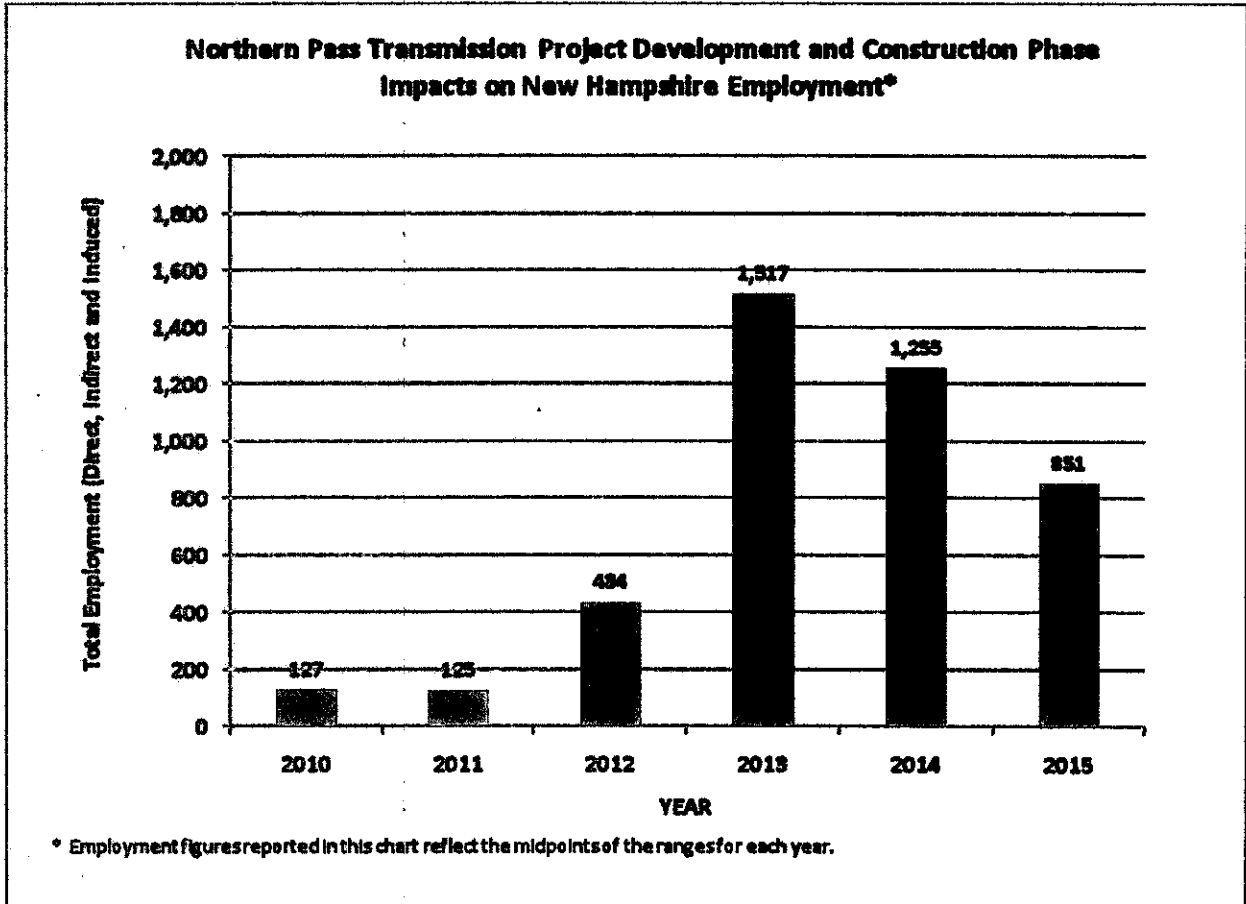
**Proposed Northern Pass Transmission Project
Preliminary Select Annual Economic Impacts on New Hampshire
Primary Construction Phase, 2013-2015
(2010 Dollars)**

Economic Indicator	Average Per Year
New Hampshire Employment	1,100 – 1,300 Jobs
New Hampshire Economic Output / Sales	\$74 Million - \$91 Million
New Hampshire Household Earnings	\$56 Million - \$69 Million

² Additional information about the US Department of Commerce's Bureau of Economic Analysis' RIMS II multipliers can be found at <http://www.bea.gov/regional/rims/index.cfm>



The estimated employment impacts reflect direct New Hampshire employment in the in-state professional, technical services, site work, and construction industries associated with the design and construction of the project, and the indirect and induced in-state employment through the multiplier effect. Indirect and induced jobs are associated with the purchases of New Hampshire goods and services stemming from the project's direct in-state expenditures as well as the spending by New Hampshire employees who are directly and indirectly employed due to the project. Economic activity may also result when people from out-of-state who are working on the project come to New Hampshire and spend money (for example, at gas stations, restaurants, hotels and stores), although the economic impacts from these expenditures on specialized materials and labor are not included in the estimates reported here.



Economic output, or sales, captures all of the intermediate goods purchased as well as all of the final goods and services that are captured in Gross State Product. Based on preliminary estimates, New Hampshire's annual sales are estimated to increase by approximately \$89 million to \$109 million in 2013, with the average increase in annual sales estimated at \$74 million to \$91 million during the period 2013



through 2015. Based on the estimated increases in sales each year during the period 2010-2015, the state's output could be an estimated \$259 million to \$316 million higher, on a cumulative basis, than it would be in the absence of the proposed Northern Pass transmission project.

**Proposed Northern Pass Transmission Project
Development and Construction Phase
Impacts on New Hampshire Economic Output
(Millions of 2010 Dollars)**

2010	2011	2012	2013	2014	2015	Total
\$7 - \$8	\$6 - \$8	\$22 - \$27	\$89 - \$109	\$80 - \$97	\$54 - \$66	\$259 - \$316

The employment impacts and economic activity estimated to result from the proposed Northern Pass transmission project will in turn lead to greater household earnings for New Hampshire households. Based on preliminary estimates, New Hampshire household earnings are estimated to increase by a total of \$204 million to \$249 million during the period 2010 through 2015, averaging an annual increase of approximately \$56 million to \$69 million between 2013 and 2015, the primary construction period. Annual household earnings are likely to peak in 2013, at an estimated \$73 million to \$89 million due to heightened construction activity.

**Proposed Northern Pass Transmission Project
Development and Construction Phase
Impacts on New Hampshire Household Earnings
(Millions of 2010 Dollars)**

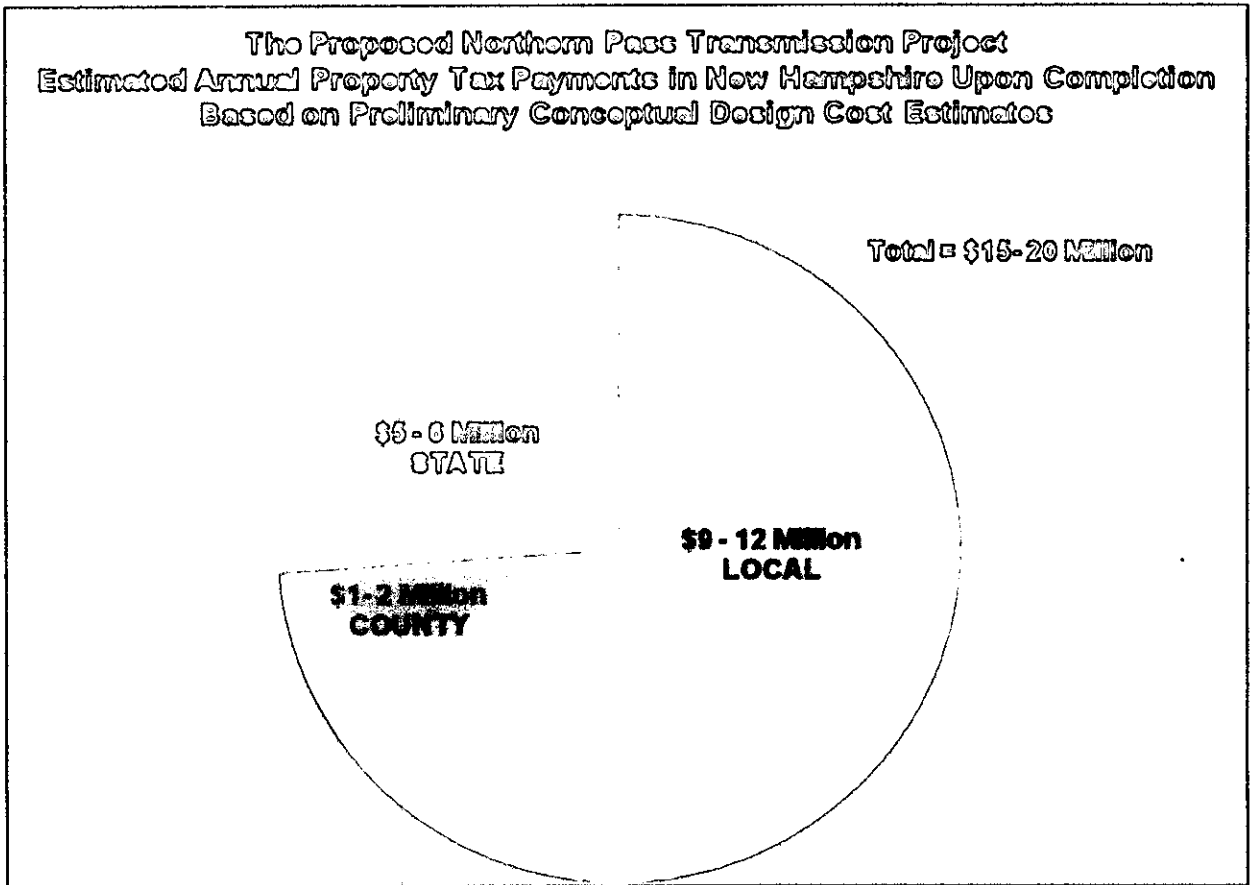
2010	2011	2012	2013	2014	2015	Total
\$7 - \$8	\$6 - \$8	\$22 - \$27	\$73 - \$89	\$57 - \$70	\$39 - \$47	\$204 - \$249

Estimated Fiscal Impacts (Property Tax Payments) Upon Completion

The Northern Pass transmission project, subject to all regulatory approvals, would add a significant amount of taxable property value in communities in which it would be located, and to multiple counties and the whole state. Rough allocations of costs for the major equipment installations, and per mile cost allocations were provided based on conceptual designs and cost allocations. The 2009 estimated full value tax rates for communities for municipal and local supplemental education expenditures, county expenditures, and the statewide utility property tax were then applied to the allocations. Sensitivities for growth in tax bases and expenditures at the aggregate level were modeled as well.



The resulting estimates are that the Northern Pass transmission project will yield overall property tax payments of \$15 million to \$20 million a year in local, county, and state property taxes in New Hampshire. The chart below shows the estimated breakouts, based on the preliminary conceptual design cost estimate for the Northern Pass transmission project.



The Northern Pass Tax Impact

Northern Pass Transmission's (NPT's) most recent estimates of the property tax impact of its planned transmission lines and facilities when the system is in full operation.

	PROPERTY TAX PAYMENTS			NPT Property Value	Town's Total Value	NPT's % of Total Value	Tax Rate Impact
	Local *	County	State Education				
BELKNAP COUNTY							
New Hampton	\$355,000	\$32,000	\$174,649	\$26.5	\$303.5	9%	-\$1.10
COOS COUNTY							
Clarksville	\$95,000	\$52,000	\$84,063	\$12.7	\$40.2	32%	-\$2.00
Colebrook	\$265,000	\$58,000	\$107,347	\$16.3	\$166.7	10%	-\$1.40
Columbia	\$380,000	\$129,000	\$261,685	\$39.6	\$83.2	48%	-\$3.50
Dalton	\$80,000	\$22,000	\$50,745	\$7.7	\$96.7	8%	-\$0.80
Lancaster	\$258,000	\$70,000	\$133,929	\$20.3	\$265.1	8%	-\$0.90
Northumberland	\$585,000	\$117,000	\$220,280	\$33.4	\$118.5	28%	-\$3.85
Pittsburg	\$125,000	\$58,000	\$117,496	\$17.8	\$285.3	6%	-\$0.45
Stewartstown	\$213,000	\$56,000	\$109,084	\$16.5	\$101.0	16%	-\$1.80
Stratford	\$565,000	\$120,000	\$232,048	\$35.2	\$66.9	53%	-\$6.00
Whitefield	\$495,000	\$118,000	\$245,024	\$37.1	\$198.7	19%	-\$2.30
TOTALS*	\$3,061,000	\$800,000	\$1,561,701	\$237	\$1,422	17%	
GRAFTON COUNTY							
Ashland	\$225,000	\$18,000	\$97,321	\$14.7	\$246.9	6%	-\$0.85
Bethlehem	\$535,000	\$33,000	\$174,256	\$26.4	\$259.3	10%	-\$2.00
Bridgewater	\$39,000	\$10,000	\$51,045	\$7.7	\$357.8	2%	-\$0.10
Bristol	\$120,000	\$13,000	\$58,109	\$8.8	\$466.7	2%	-\$0.20
Campton	\$331,000	\$28,000	\$151,617	\$23.0	\$402.4	6%	-\$0.80
Easton	\$115,000	\$29,000	\$153,397	\$23.2	\$66.1	35%	-\$1.45
Holderness	\$80,000	\$11,000	\$59,043	\$8.9	\$681.9	1%	-\$0.10
Lincoln	\$92,000	\$20,000	\$108,521	\$16.4	\$860.4	2%	-\$0.10
Sugar Hill	\$315,000	\$33,000	\$171,813	\$26.0	\$147.9	18%	-\$1.90
Thornton	\$340,000	\$34,000	\$179,365	\$27.2	\$373.9	7%	-\$0.90
Woodstock	\$305,000	\$31,000	\$169,849	\$25.7	\$248.2	10%	-\$1.15
TOTALS*	\$2,497,000	\$260,000	\$1,374,338	\$208	\$4,111	5%	
MERRIMACK COUNTY							
Allenstown	\$620,000	\$69,000	\$179,390	\$27.2	\$264.5	10%	-\$2.25
Canterbury	\$555,000	\$101,000	\$264,504	\$40.1	\$272.7	15%	-\$1.70
Chichester	\$230,000	\$35,000	\$95,753	\$14.5	\$266.0	5%	-\$0.80
Concord	\$775,000	\$118,000	\$320,581	\$48.6	\$4,044.2	1%	-\$0.20
Franklin	\$4,200,000	\$845,000	\$2,304,201	\$349.1	\$582.7	60%	-\$5.60
Hill	\$120,000	\$22,000	\$58,034	\$8.8	\$105.9	8%	-\$1.10
Northfield	\$167,000	\$26,000	\$68,764	\$10.4	\$328.8	3%	-\$0.45
Pembroke	\$655,000	\$80,000	\$231,206	\$35.0	\$635.3	6%	-\$1.05
TOTALS*	\$7,322,000	\$1,296,000	\$3,522,433	\$534	\$6,500	8%	
ROCKINGHAM COUNTY							
Deerfield	\$1,800,000	\$96,000	\$626,880	\$95.0	\$473.2	20%	-\$2.80
STATEWIDE*	\$15,035,000	\$2,484,000	\$7,260,000	\$1,100	\$12,811	9%	

* A portion of the tax payments collected by municipalities may go toward local education

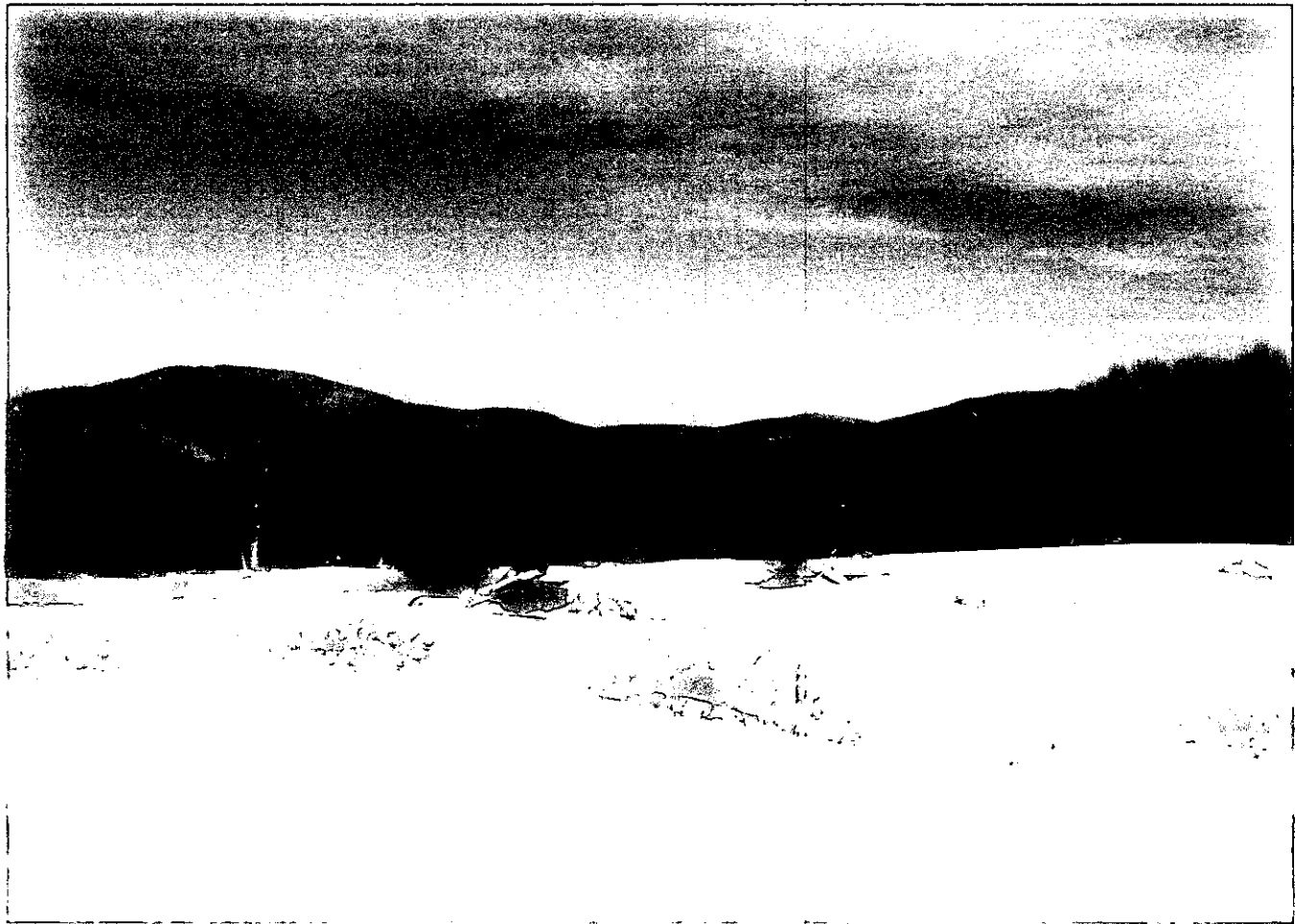
Sources and Notes:

- All estimated annual tax payments based on projections once line is operational and based on 2009 property data in NHDRA annual reports
- Estimated NPT investment numbers by town based on preliminary cost estimates of \$1.1 billion and one route option
- Estimated NPT local property taxes paid are for municipal and local education and assumes some increased expenditures and some property tax relief
- Estimated county taxes paid assumes some increased expenditures and some property tax relief
- Actual local and county payments will depend on final route, investment values, and community expenditure and tax base levels
- Estimated statewide utility education property tax payments are paid directly to the state for the education trust fund at the rate of \$6.60 per thousand of property value
- Any potentially offsetting fiscal disparity aid from the state due to an increase in fiscal capacity are not included
- Property taxes paid during construction are not included in the reported numbers
- Estimated property tax payments use 2009 property values and tax rates, local and equalized values and rates, and expenditure levels
- Estimated property tax rate reductions model NPT additions as lowering municipal and local education tax rates and are reported in terms of 2009 local tax rates
- Actual payments and actual tax reduction will depend on final route, final investment values, actual community expenditures, education funding formula, and other tax base changes
- Any potential reductions or increases in other property values as a result of the addition of NPT are not covered in this report
- Total Equalized Valuation is for 2009 and includes utilities and railroads, equalized to current market values, as provided in NH Dept. of Revenue Administration annual reports

<http://www.gcglaw.com>

<http://www.northernpass.us/>

*Prepared by Dr. Lisa Shapiro, Chief Economist, Gallagher, Callahan & Gartrell, PC
February 3, 2011
for Northern Pass Transmission, LLC*



View Assessment \$200,000



View Assessment \$75,000

Voting Sheets

HOUSE COMMITTEE ON SCIENCE, TECHNOLOGY AND ENERGY

EXECUTIVE SESSION on HB 302-FN

BILL TITLE: modifying the laws relative to renewable energy portfolios.

DATE: 2-8-11

LOB ROOM: 304

Amendments:

Sponsor: Rep. OLS Document #:

Sponsor: Rep. OLS Document #:

Sponsor: Rep. OLS Document #:

Motions: OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep.

Seconded by Rep.

Vote: (Please attach record of roll call vote.)

Motions: OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep. Rappaport

Seconded by Rep. Remick

Vote: 15-0 (Please attach record of roll call vote.)

CONSENT CALENDAR VOTE: Consent or Regular (Circle One)

(Vote to place on Consent Calendar must be unanimous.)

Statement of Intent: Refer to Committee Report

Respectfully submitted,

Rep. Sam Cataldo, Clerk



HOUSE COMMITTEE ON SCIENCE, TECHNOLOGY AND ENERGY

EXECUTIVE SESSION on HB 302-FN

BILL TITLE: modifying the laws relative to renewable energy portfolios.

DATE: 28-11

LOB ROOM: 304

Amendments:

n/a

Sponsor: Rep.

OLS Document #:

Sponsor: Rep.

OLS Document #:

Sponsor: Rep.

OLS Document #:

Motions: OTP, OTP/A, ITL Interim Study (Please circle one.)

Moved by Rep. *Rappaport*

Seconded by Rep. *Remick Remick*

Vote: *15/0* (Please attach record of roll call vote.)

Motions: OTP, OTP/A, ITL Interim Study (Please circle one.)

Moved by Rep. *Calli - PITTS To consent calendar*

Seconded by Rep.

Vote: (Please attach record of roll call vote.)

CONSENT CALENDAR VOTE: Consent or Regular (Circle One)

(Vote to place on Consent Calendar must be unanimous.)

Statement of Intent: Refer to Committee Report

Respectfully submitted,

Rep. Sam Cataldo, Clerk

SCIENCE, TECHNOLOGY AND ENERGY

Bill #: HB 302-FN Title: modify the laws to renewable energy Billfulci

PH Date: 21 8 2011

Exec Session Date: 21 8 2011

Motion: ITL

Amendment #: N/A

MEMBER	YEAS	NAYS
Garrity, James M, Chairman	✓	
Holden, Frank R, V Chairman	✓	
Introne, Robert E	✓	
Cataldo, Sam A	✓	
Devine, James E	✓	
Remick, William J	✓	
Rappaport, Laurence M	✓	
Cox, Sean C	✓	
MacMahon, Bruce A	✓	
O'Connor, William H	✓	
Panek, William D	✓	
Parison, James A		— ABSENT
Summers, James D		— ABSENT
Kaen, Naida L	✓	
Cali-Pitts, Jacqueline A	✓	
Read, Robin P	✓	
Levasseur, Nickolas J	✓	
Pastor, Beatriz		N/A
TOTAL VOTE:	15	0

Committee Report

CONSENT CALENDAR

February 16, 2011

HOUSE OF REPRESENTATIVES

REPORT OF COMMITTEE

The Committee on SCIENCE, TECHNOLOGY AND ENERGY to which was referred HB302-FN,

AN ACT modifying the laws relative to renewable energy portfolios. Having considered the same, report the same with the following Resolution: RESOLVED, That it is INEXPEDIENT TO LEGISLATE.

Rep. Laurence M Rappaport

FOR THE COMMITTEE

COMMITTEE REPORT

Committee:	SCIENCE, TECHNOLOGY AND ENERGY
Bill Number:	HB302-FN
Title:	modifying the laws relative to renewable energy portfolios.
Date:	February 9, 2011
Consent Calendar:	YES
Recommendation:	INEXPEDIENT TO LEGISLATE

STATEMENT OF INTENT

The committee felt that this bill may be premature, and will take a second look at the Renewable Portfolio Standard (RPS) in cooperation with the 2011 RPS review currently being conducted at the Public Utilities Commission.

Vote 15-0.

Rep. Laurence M Rappaport
FOR THE COMMITTEE

Original: House Clerk
Cc: Committee Bill File

CONSENT CALENDAR

SCIENCE, TECHNOLOGY AND ENERGY

HB302-FN, modifying the laws relative to renewable energy portfolios. **INEXPEDIENT TO LEGISLATE.**

Rep. Laurence M Rappaport for **SCIENCE, TECHNOLOGY AND ENERGY**. The committee felt that this bill may be premature, and will take a second look at the Renewable Portfolio Standard (RPS) in cooperation with the 2011 RPS review currently being conducted at the Public Utilities Commission.
Vote 15-0.

Original: House Clerk
Cc: Committee Bill File



State of New Hampshire

HOUSE OF REPRESENTATIVES

CONCORD

HB-302

ITL 15-0

The committee felt that ~~the~~ this bill may be premature, and ~~the~~ ~~the~~ will take a second look at the ~~the~~ Renewable Portfolio Standard (RPS) in cooperation with the 2011 RPS review currently being conducted at the Public Utilities Commission.

George Ruppert
L