

REGULAR CALENDAR

February 7, 2022

HOUSE OF REPRESENTATIVES

REPORT OF COMMITTEE

The Majority of the Committee on Science, Technology and Energy to which was referred HB 1621-FN,

AN ACT relative to reducing the rebates distributed by the energy efficiency fund. Having considered the same, report the same with the following resolution: RESOLVED, that it is INEXPEDIENT TO LEGISLATE.

Rep. Lex Berezhny

FOR THE MAJORITY OF THE COMMITTEE

MAJORITY COMMITTEE REPORT

Committee:	Science, Technology and Energy
Bill Number:	HB 1621-FN
Title:	relative to reducing the rebates distributed by the energy efficiency fund.
Date:	February 7, 2022
Consent Calendar:	REGULAR
Recommendation:	INEXPEDIENT TO LEGISLATE

STATEMENT OF INTENT

New Hampshire is part of the Regional Greenhouse Gas Initiative (RGGI) program, which requires electricity producers to purchase allowances, if their generation emits carbon dioxide. The proceeds from these allowance purchases are then returned to the participating states. NH has chosen to return most of these funds as rebates on the cost of electricity for consumers while reserving a small portion for energy efficiency. This bill aims to gradually phase out the rebate to consumers, until the rebate is eliminated by 2028; all proceeds will then go to energy efficiency programs. This will have the effect of increasing the cost of electricity for NH residents. Furthermore, this bill changes the management of the energy efficiency programs funded by the remaining RGGI funds. The bill would turn over management to the Department of Energy, which would also be required to contract with the Department of Education, to develop relevant educational materials and distribute programmable thermostats and other low-cost energy efficiency solutions to families. No testimony was provided on why it is necessary to change how the energy efficiency programs are managed.

Vote 12-9.

Rep. Lex Berezny
FOR THE MAJORITY

Original: House Clerk
Cc: Committee Bill File

REGULAR CALENDAR

Science, Technology and Energy

HB 1621-FN, relative to reducing the rebates distributed by the energy efficiency fund.
MAJORITY: INEXPEDIENT TO LEGISLATE. MINORITY: OUGHT TO PASS.

Rep. Lex Berezhny for the **Majority** of Science, Technology and Energy. New Hampshire is part of the Regional Greenhouse Gas Initiative (RGGI) program, which requires electricity producers to purchase allowances, if their generation emits carbon dioxide. The proceeds from these allowance purchases are then returned to the participating states. NH has chosen to return most of these funds as rebates on the cost of electricity for consumers while reserving a small portion for energy efficiency. This bill aims to gradually phase out the rebate to consumers, until the rebate is eliminated by 2028; all proceeds will then go to energy efficiency programs. This will have the effect of increasing the cost of electricity for NH residents. Furthermore, this bill changes the management of the energy efficiency programs funded by the remaining RGGI funds. The bill would turn over management to the Department of Energy, which would also be required to contract with the Department of Education, to develop relevant educational materials and distribute programmable thermostats and other low-cost energy efficiency solutions to families. No testimony was provided on why it is necessary to change how the energy efficiency programs are managed.
Vote 12-9.

Original: House Clerk

Cc: Committee Bill File

REGULAR CALENDAR

February 7, 2022

HOUSE OF REPRESENTATIVES

REPORT OF COMMITTEE

The Minority of the Committee on Science, Technology and Energy to which was referred HB 1621-FN,

AN ACT relative to reducing the rebates distributed by the energy efficiency fund. Having considered the same, and being unable to agree with the Majority, report with the recommendation that the bill OUGHT TO PASS.

Rep. John Mann

FOR THE MINORITY OF THE COMMITTEE

MINORITY COMMITTEE REPORT

Committee:	Science, Technology and Energy
Bill Number:	HB 1621-FN
Title:	relative to reducing the rebates distributed by the energy efficiency fund.
Date:	February 7, 2022
Consent Calendar:	REGULAR
Recommendation:	OUGHT TO PASS

STATEMENT OF INTENT

This bill would phase out a certain rebate to electricity ratepayers put into law via HB 1490 (2012, 281:1) because of negotiations between certain members of the NH House Science, Technology and Energy and Senate Energy and Natural Resources committees, and a representative of Americans for Prosperity NH (AfP). New Hampshire had joined the Regional Greenhouse Gas Initiative (RGGI), whose goal was to raise funds to reduce CO2 emissions through energy efficiency, and AfP's representative had demanded that NH abandon RGGI, finally accepting an unwritten compromise with legislators in which NH, while remaining in RGGI, would distribute most of the RGGI earnings to ratepayers rather than keep it available for energy efficiency projects – thus defunding these more valuable (to NH residents) projects. This compromise was simply put into legislation with no reference to any agreement or consensus, and no lawful obligation of New Hampshire to AfP or any other organization or any representative of any such organizations exists or ever existed. HB 1621 reduces the RGGI rebate gradually over several years. Currently, the rebate is not competitive with other options to achieve equal or better savings on electric bills. Passing this bill would help to accelerate energy efficiency achievements in this state, to the benefits of residents and industry alike.

Rep. John Mann
FOR THE MINORITY

Original: House Clerk
Cc: Committee Bill File

REGULAR CALENDAR

Science, Technology and Energy

HB 1621-FN, relative to reducing the rebates distributed by the energy efficiency fund. **OUGHT TO PASS.**

Rep. John Mann for the **Minority** of Science, Technology and Energy. This bill would phase out a certain rebate to electricity ratepayers put into law via HB 1490 (2012, 281:1) because of negotiations between certain members of the NH House Science, Technology and Energy and Senate Energy and Natural Resources committees, and a representative of Americans for Prosperity NH (AfP). New Hampshire had joined the Regional Greenhouse Gas Initiative (RGGI), whose goal was to raise funds to reduce CO2 emissions through energy efficiency, and AfP's representative had demanded that NH abandon RGGI, finally accepting an unwritten compromise with legislators in which NH, while remaining in RGGI, would distribute most of the RGGI earnings to ratepayers rather than keep it available for energy efficiency projects – thus defunding these more valuable (to NH residents) projects. This compromise was simply put into legislation with no reference to any agreement or consensus, and no lawful obligation of New Hampshire to AfP or any other organization or any representative of any such organizations exists or ever existed. HB 1621 reduces the RGGI rebate gradually over several years. Currently, the rebate is not competitive with other options to achieve equal or better savings on electric bills. Passing this bill would help to accelerate energy efficiency achievements in this state, to the benefits of residents and industry alike.

Original: House Clerk

Cc: Committee Bill File

HOUSE COMMITTEE ON SCIENCE, TECHNOLOGY AND ENERGY

EXECUTIVE SESSION on HB 1621-FN

BILL TITLE: relative to reducing the rebates distributed by the energy efficiency fund.

DATE: February 7, 2022

LOB ROOM: 306-308

MOTIONS: INEXPEDIENT TO LEGISLATE

Moved by Rep. Berezhny

Seconded by Rep. Plett

Vote: 12-9

CONSENT CALENDAR: NO

Statement of Intent: Refer to Committee Report

Respectfully submitted,

Rep Fred Plett, Clerk



2022 SESSION

Science, Technology and Energy

Bill #: HB1621-FN Motion: ITL AM #: _____ Exec Session Date: February 7, 2022

<u>Members</u>	<u>YEAS</u>	<u>Nays</u>	<u>NV</u>
Vose, Michael Chairman	x		
Thomas, Douglas W. Vice Chairman	x		
Harrington, Michael D. Johnson, Dawn	x		
Notter, Jeanine M.	x		
Merner, Troy E.	x		
Plett, Fred R. Clerk	x		
Berezhny, Lex	x		
Bernardy, JD	x		
Cambrils, Jose E.	x		
Ploszaj, Tom	x		
White, Nick D.	x		
Lewicki, John	x		
Somssich, Peter F.		x	
Cali-Pitts, Jacqueline A.		x	
Mann, John E.		x	
Oxenham, Lee Walker		x	
Vincent, Kenneth S.			1
McGhee, Kat		x	
McWilliams, Rebecca J.		x	
Chretien, Jacqueline H.		x	
Pimentel, Roderick L.		x	



1/22/2021 10:09:50 AM
Roll Call Committee Registers
Report

2022 SESSION

Science, Technology and Energy

Bill #: <u>HB1621-FN</u>	Motion: <u>ITL</u>	AM #: _____	Exec Session Date: <u>February 7, 2022</u>
Parshall, Lucius			x
TOTAL VOTE:		12	9 1

HOUSE COMMITTEE ON SCIENCE, TECHNOLOGY AND ENERGY

PUBLIC HEARING ON HB 1621-FN

BILL TITLE: relative to reducing the rebates distributed by the energy efficiency fund.

DATE: January 11, 2022

LOB ROOM: 304 **Time Public Hearing Called to Order:** 3:00pm

Time Adjourned: 3:20pm

Committee Members: Reps. Vose, Thomas, Plett, Harrington, Notter, Merner, Berezhny, Bernardy, Cambrils, Ploszaj, White, Somssich, Cali-Pitts, Mann, Oxenham, Lewicke, Vincent, McGhee, McWilliams, Chretien, Pimentel and Parshall

Bill Sponsors:

Rep. Mann

TESTIMONY

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

Rep. Mann

- Reduce whole by tl/year for ratepayers

Rep. Somssich

- Clarification on wording - \$l/year verses month

Chairman Vose

- Clarification on year - replace 2021 w/2022

Rep. McGhee -

Rep. Somssich

- Clarification time frame - ending 2028 but most uses see \$0 after 1 year

Griffin Roberse

- Neutral

Rep. Norsfall????

- Will XXX be at future meetings

Respectfully submitted,

Rep. Fred Plett

House Remote Testify

Science, Technology and Energy Committee Testify List for Bill HB1621 on 2022-01-11

Support: 16 Oppose: 3 Neutral: 0 Total to Testify: 0

Export to Excel

<u>Name</u>	<u>City, State</u> <u>Email Address</u>	<u>Title</u>	<u>Representing</u>	<u>Position</u>	<u>Testifying</u>	<u>Non-Germane</u>	<u>Signed Up</u>
Oxenham, Evan	Plainfield, NH evan.oxenham@gmail.com	A Member of the Public	Myself	Support	No	No	1/8/2022 6:57 PM
Wightman, Nancy	Cornish, NH Nwlaststraw@gmail.com	A Member of the Public	Myself	Support	No	No	1/9/2022 11:55 AM
Saum, Judith	Rumney, NH judithsaum@gmail.com	A Member of the Public	Myself	Support	No	No	1/10/2022 7:07 AM
Howland, Curtis	Manchester, NH howland@priss.com	A Member of the Public	Myself	Oppose	No	No	1/10/2022 12:54 PM
Koch, Kirsten	Concord, NH kkoch@BIAofNH.com	A Lobbyist	Business & Industry Association (BIA)	Oppose	No	No	1/10/2022 2:11 PM
Robinson, Ellis	Grantham, NH ellismmrobinson@gmail.com	A Member of the Public	Myself	Support	No	No	1/10/2022 5:24 PM
Beck, Gerald	Holderness, NH bentrimone@gmail.com	A Member of the Public	Myself	Support	No	No	1/10/2022 8:23 PM
Taylor, Susan	Plainfield, NH suectaylor158@gmail.com	A Member of the Public	Myself	Support	No	No	1/11/2022 7:09 AM
Taylor, David	Plainfield, NH dstaylor342@gmail.com	A Member of the Public	Myself	Support	No	No	1/11/2022 7:47 AM
Steel, Laura	Plainfield, NH lfsteel@verizon.net	A Member of the Public	Myself	Support	No	No	1/11/2022 9:26 AM
Steel, Sandy	PLAINFIELD, NH selizabethsteel@gmail.com	A Member of the Public	Myself	Support	No	No	1/11/2022 9:26 AM
Poor, Dan	CORNISH, NH dpoor45@gmail.com	An Elected Official	Myself	Oppose	No	No	1/11/2022 9:27 AM
Kaufman, Judith	Cornish, NH jpk52@aol.com	A Member of the Public	Myself	Support	No	No	1/11/2022 10:15 AM

Oxenham, Lee	Plainfield, NH leeoxenham@comcast.net	An Elected Official	Myself	Support	No	No	1/11/2022 11:27 AM
Clendenning, Bruce	CONCORD, NH bruce.clendenning@tnc.org	A Lobbyist	The Nature Conservancy NH	Support	No	No	1/11/2022 12:43 PM
Kuemmerle, Nancy	Enfield, NH nkuemmerle@une.edu	A Member of the Public	Myself	Support	No	No	1/11/2022 1:02 PM
Findley, Sally	Grantham, NH findley.se@gmail.com	A Member of the Public	Myself	Support	No	No	1/11/2022 1:38 PM
Karash, Karla	Grantham, NH karla@karash.com	A Member of the Public	Myself	Support	No	No	1/11/2022 2:19 PM
Dolkart, Vivian	Grantham, NH viviandolkart@comcast.net	A Member of the Public	Myself	Support	No	No	1/11/2022 10:33 PM

Archived: Tuesday, May 24, 2022 10:40:38 AM
From: harringt@metrocast.net
Sent: Tuesday, February 15, 2022 4:13:58 PM
To: [John Mann](#); [~House Science Technology and Energy](#)
Subject: Re: Comments about RGGI benefits in two items by the Analysis Group,
Importance: Normal

Paul Hibbard is a nice guy (former chair of the Ma PUC) but he is a left wing Democrat who thinks anything "green" is wonderful

Mike

On 2/14/2022 10:55:01 AM, John Mann <john.mann@leg.state.nh.us> wrote:

These are easy reading and informative. Please read (scan) these before further discussion of HB 1621.

Thank you

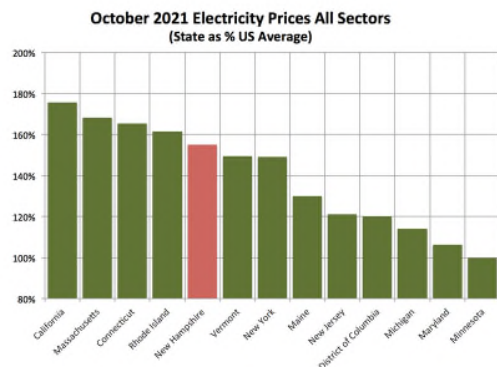
John Mann / Cheshire 02

Committee Members:

My name is Joseph D'Aleo. I am a board member with Granite State Taxpayers, where our mission is to inform, educate and motivate ratepayers to take actions that are in their best interest and that of the Granite State. I am a lifelong environmentalist and conservationist. I worked with many colleagues to remediate the serious pollution problems in the 1970s. In the post war boom, we had problems with air pollution and we helped the EPA set standards for industry and automakers that resulted in the cleanest air in our lifetimes and in the world today. We moved to cleaner fossil fuels and used technology to ensure that the emissions from their use did not create atmospheric pollution. We surpassed all our goals. We worked to achieve energy independence and reduced (at least until 2021) energy costs for the United States (mostly non-RGGI states) to the lowest levels in the world. This has been a great benefit to homeowners and industry.

Granite State Taxpayers oppose HB1602 and HB 1621FN, because they reduce (HB1602) or phase out (HB1621FN) the well advertised rebate that only slightly ameliorates the increased costs of these existing programs.

Energy Efficiency programs already in place like RGGI have already greatly increased costs to ratepayers. The well-advertised RGGI rebates to the ratepayers are but a small fraction of the increased costs to the ratepayer. The RGGI states along with California pay the highest monthly electricity prices for the lower 48 states in NH, electricity prices are 5th highest (55% above the lower 48 state average).



The costs will increase for users with HB 1602 with a reduction in rebates (\$1.44M) at a time when energy costs are already high and increasingly burdensome to ratepayers. Already, households with income of less than \$20,000/year already spend over 40% of their income on energy. With higher energy costs, the people who get hurt the most are those who can least afford it.

The Chamber of Commerce's Global Energy Institute warns, by 2025 the green agenda would eliminate 19 million US jobs and reduce U.S. Gross Domestic Product (GDP) by \$7.1 trillion. Tax revenue at the local, state, and federal levels would decline by nearly \$1.9 trillion, curtailing the ability to pay for critical public services. Natural gas prices would increase by 324 percent, causing household energy bills to more than quadruple. By 2025, motorists would pay at least twice as much at the pump (\$5/gallon +). This would mirror the impacts seen in all countries that have enacted ambitious green energy, reduced emission mandates. These countries have all seen energy prices skyrocket with negative economic impacts

NH had the blessing of the lowest unemployment number of any state thanks to our tax policies and our beautiful environment, which was a magnet for families from other states suffering under the burdens of high taxes and cost of living and poor quality of life.

The regulatory regime that started with RGGI and changes proposed in HB1602 and 1621FN and national 'green new deal' have the potential to destroy the advantages we have enjoyed using policies that have failed the populace everywhere in the world where they have been employed..

Granite State Taxpayers opposes HB1602 and 1621FN for the reasons stated above.

Joseph D'Aleo, Hudson NH

www.GraniteStateTaxpayers.org

Archived: Tuesday, May 24, 2022 10:40:58 AM
From: [Billie-Jean Greene](#)
Sent: Sunday, January 9, 2022 3:24:38 PM
To: [~House Science Technology and Energy](#)
Subject: HB1506, HB 1601, HB 1621
Importance: Normal

I also oppose all of these bills.

Thank you for your consideration.

- Billie-Jean Greene
Greenfield

Archived: Tuesday, May 24, 2022 10:40:58 AM
From: [Joe D'Aleo](#)
Sent: Tuesday, January 11, 2022 4:51:12 AM
To: [~House Science Technology and Energy](#)
Subject: Re: HB1506
Importance: Normal

Written Testimony for hb1602 and hb1621

On Tue, Jan 11, 2022 at 4:42 AM Joe D'Aleo <daleo@weatherbell.com> wrote:
| Comments for hearing

Archived: Tuesday, May 24, 2022 10:40:38 AM

From: [John Mann](#)

Sent: Tuesday, February 15, 2022 4:19:40 PM

To: [~House Science Technology and Energy](#); [House Democratic Office](#)

Cc: [~Republican House Members](#); [~Democratic House Members](#)

Subject: Fw: My warm comments about the Gold Standard's take on HB1621

Importance: Normal

Archived: Tuesday, May 24, 2022 10:40:58 AM

From: [Sue Taylor](#)

Sent: Tuesday, January 11, 2022 7:25:03 AM

To: ~[House Science Technology and Energy](#)

Subject: NH House Remote Testify: 3:00 pm - HB1621 in House Science, Technology and Energy

Importance: Normal

I ask that the Energy Committee help to bring energy prices down for NH citizens by supporting HB1621! Our energy prices are based on the amount of usage so the more energy efficiency that is in the system will bring everyone's electric bills down over time. All the stake holders or rate payers including citizens, businesses and utility companies except for the politicians have testified about the importance of the NH Saves Program. This bill will not only help citizens who are struggling to pay their heating bills in the near term when they can make their homes more energy efficient, but it will help everyone long term because it will keep energy costs lower because our rates are based on usage at peak times. More efficiency means less usage and lower rates. This bill will also make it much more attractive for businesses to come to NH since energy costs are a large part of their decisions as to where to do business.

Please put the good of your citizens above any ideology you may hold surrounding climate change.

Sincerely,
Sue Taylor

Archived: Tuesday, May 24, 2022 10:40:58 AM

From: [Sandra sonnichsen](#)

Sent: Tuesday, January 11, 2022 8:47:56 AM

To: ~[House Science Technology and Energy](#)

Subject: NH Saves HB1601 and HB1621

Importance: Normal

Please support NHSaves ! Turning this into a tiny rebate spread across all NH rate payers will not get us anywhere toward reducing our energy use. Two dollars off my electric bill will not benefit me. It will only be of interest to persons with gigantic houses that burn huge amounts of energy, and they will have no need to use the rebate for energy efficiency. We need to help energy reduction in the thousands of small inefficient homes across the state. I have used the program, it made a big difference in my electric bill. It is not just the rebate but also the easy connection with businesses that could do the work in my home. The idea that free market forces will somehow push small home owners into efficient energy choices might work if people could look beyond their next paycheck. It might work if all the supports for the fuel economy were removed. But it is not going to get us where we need to be quickly enough to save us.

Sandy Sonnichsen,
Goshen,

603-313-3059

The Economic Impacts of the Regional Greenhouse Gas Initiative on Northeast and Mid-Atlantic States

In 2009, 10 Northeastern and Mid-Atlantic states launched the Regional Greenhouse Gas Initiative (RGGI), the nation's first market-based program to reduce emissions of carbon dioxide from existing and new power plants. With the nine remaining states still participating in the program accounting for more than one-eighth of the US population and more than one-seventh of its gross domestic product, their experience with RGGI is crucial, both for their citizens and as a model for other states as they consider programs of this type.

As part of the RGGI Project Series of independent and nonpartisan research and analysis projects, Analysis Group examined the states' experience with the program during each of three compliance periods (2009-2011, 2012-2014, and 2015-2017). The resulting reports, produced in 2011, 2015, and 2018, analyze in detail the economic effects of RGGI on the participating states, projected to 2027. The Analysis Group teams – which included Managing Principal [Andrea Okie](#), Principal [Paul Hibbard](#), Vice President [Pavel Darling](#), and Senior Advisor [Susan Tierney](#) – found that the states experienced economic benefits in all three compliance periods, while reducing CO₂ emissions.

Among the reports' most salient findings are that the RGGI states have added between \$1.3 billion and \$1.6 billion in net economic value during each of the three compliance periods. Among the other economic benefits are growth in economic output, increased jobs, reinvestment of energy dollars in local and state economic activity, and long-run wholesale electricity cost reductions.

In 2016, Analysis Group also prepared a supplemental report identifying principles and objectives for program design changes that the RGGI member states might incorporate in response to emerging national issues.

ANTI-LIBERTY: By eliminating the existing rebate to electricity ratepayers, this bill increases a stealthy tax on New Hampshire electricity consumers.

- This bill removes long-standing rebates to electricity ratepayers thereby raising effective energy rates.
- Electric rates are already high in New Hampshire. Efficiency projects that are truly fiscally responsible can and will be funded by wealthy electricity consumers themselves. It is unfair to force all ratepayers to fund projects for specific consumers, whether private or governmental.
- Rather than putting more money into the hands of government in order to pick winners and losers, the money should remain with the ratepayers where it belongs.

True?

YEA ITL

“ANTI-LIBERTY: By eliminating the existing rebate to electricity ratepayers, this bill increases a stealthy tax on New Hampshire electricity consumers.”

The “long standing rebate” was a tactical and temporary move to provide a “compromise” for a representative of Americans for Prosperity (AfP) whose apparent task was to get NH to leave RGGI altogether. Why the rebate still exists is an interesting question.

The intended purpose of NH’s RGGI participation was to address CO2 pollution. For the AfP agent’s purposes, the rebate (something like \$1/month or less) would at least reduce the amount of RGGI money available to NH for energy efficiency efforts.

Rebates for commercial customers are typically large and meaningful. Utilities have for years been effectively selling energy efficiency projects for non-residential customers.

Whether the rebate ends for residential-only or all ratepayers is an easy question: Unlike residents, large businesses’ rebates could be large enough to help fund in-house energy efficiency work.

(Paying to heat a poorly insulated, drafty, and leaky house is not my idea of “LIBERTY”)

- **“This bill removes long-standing rebates to electricity rate payers *thereby raising effective energy rates.*”**

The timing could not be better to end the rebates. LED bulbs are now available and cheap, and one or two will save as much money as the rebate, and for decades. NH Saves in fact could hand out one LED per low-income family and be done with the rebates. In fact, a single LED bulb saves so much so fast that it quickly “earns back” enough money to buy another; (repeat). (but don’t buy bright white LEDs)

- **Electric rates are already high in New Hampshire ... Efficiency projects that are truly fiscally responsible can and will be funded by [wealthy] electricity consumers themselves, It is unfair to force all ratepayers to fund projects for specific consumers, whether private or governmental.**

Well, yes, efficiency projects can always be funded by WEALTHY residents. In most New England states “ordinary” residents pay part but not all of the cost for projects. Also, given the climate crisis which is the basic target of RGGI, it is obviously fair for all ratepayers to be assessed small amounts of money on a per-household basis in order to reduce CO2 emissions.

- **Rather than putting more money into the hands of government in order to pick winners and losers, the money should remain with the ratepayers where it belongs.**

Money is not put into the hands of government. It provides funds to help utilities implement energy efficiency projects for their customers, which require skills and resources. Energy efficiency projects reduce costs for households and produce better home environments leading to better health and wellbeing, and probably leading to better educational outcomes for children.

Archived: Tuesday, May 24, 2022 10:40:58 AM
From: [Kit Lord](#)
Sent: Monday, January 10, 2022 8:21:20 AM
To: [~House Science Technology and Energy](#)
Subject: Support for 1506-FN, 1419-A,1601-FN, 1621-FN
Importance: Normal

Dear Committee members,

I am writing in support of these bills which will take NH in the right direction concerning energy usage efficiency.

Please vote YES on these.

HB 1506-FN - establishing a revolving clean energy accelerator fund in the department of energy.

What a terrific idea to create this mechanism to draw in all kinds of funding.

HB1419-A-relative to establishing a New Hampshire civilian climate corps advisory commission.

Another great idea to bring in a wide group of citizens to guide the work.

HB1601-FN - relative to funding of the NHsaves program

It is crucial to solidify this very important program, so many consumers rely on it and it provides stability to many businesses doing the forward-thinking work.

HB1621 -FN - relative to reducing the rebates distributed by the energy efficiency fund.

I am in favor of not receiving rebates if the money can go toward furthering the goal of energy efficiencies across NH.

Sincerely,

Kit Lord
Northwood

Archived: Tuesday, May 24, 2022 10:40:57 AM
From: [Bruce Clendenning](#)
Sent: Tuesday, January 11, 2022 1:00:43 PM
To: ~House Science Technology and Energy
Cc: [Peter Somssich](#); [John Mann](#)
Subject: Testimony of The Nature Conservancy in support of HBs 1601 & 1621
Importance: Normal

Dear Chairman Vose and Members of the House Science, Technology, and Energy Committee,

I'm sorry that I am unable to attend the Committee hearing in-person, today, but wanted to make sure you all received The Nature Conservancy's testimony expressing our philosophical support of the approaches that Representatives Somssich & Mann propose for funding cost-effective energy efficiency in New Hampshire, in HB 1601 & 1621, respectively.

We look forward to working with the committee as it addresses some of NH's most pressing energy issues throughout this Session. Please feel free to contact me with any questions or concerns you may have.

Most Sincerely,
Bruce Clendenning

Bruce Clendenning
Energy Policy Manager
bruce.clendenning@tnc.org
(603) 224-5853 x216
Direct: (603) 230-9216
Mobile: (603)832-3559
Fax: (603) 228-2459

**The Nature Conservancy
in New Hampshire**
22 Bridge St, 4th Floor
Concord, NH 03301



**THE FUTURE
of NATURE**

**The Nature
Conservancy** 

nature.org/newhampshire

Join the conversation!



Get involved: [Become a volunteer!](#)

The Nature Conservancy testimony in support of HB 1601-FN & HB 1621-FN:

Dear Chairman Vose and Members of the House Science, Technology, and Energy Committee,

The Nature Conservancy (the Conservancy) is here to testify in support for the approach to energy efficiency funding put forth in bills HB 1601 & HB 1621. Energy efficiency – especially cost-effective energy efficiency investments – is the backbone of most efforts to reduce expenditures of money by ratepayers on energy needed to carry out their businesses and their lives. NH State Energy Policy as expressed in the 2014 State Energy Strategy and the 2018 State Energy Strategy expresses strong support for implementation of all cost-effective energy efficiency opportunities. Both Republican and Democratic Administrations in Concord have included this as a backbone of their State Energy Strategies.

In recent years, the primary policy tool utilized to support investments in cost-effective energy efficiency has been NH's Energy Efficiency Resource Standard, which has enabled the investment of millions of dollars into energy efficiency tools and approaches and resulted in savings of approximately \$3.71 for every dollar invested, according to the recent report on the 2017-2020 Triennium by the NH Saves Utilities. By all measures, this program has been a success and has resulted in savings for all ratepayers, across sectors and scales.

Like many across the state, the Conservancy was disappointed and surprised to see the dismantling of NH's energy efficiency funding programs by the NH Public Utilities Commission in their recent decision on the EERS Docket (No. DE 20-092) and we appreciate the many approaches being considered in the Legislature to address the reductions in cost-effective energy efficiency investments that are likely to come as a result of this decision.

There are a variety of potential approaches to funding energy efficiency that this Committee may consider in this Session, the Conservancy believes that the approach put forward (in slightly different ways) in HBs 1601 & 1621, utilizing funds from the Regional Greenhouse Gas Initiative Program (RGGI Program) to fund cost-effective energy efficiency investments, has strong merit. Nearly every other state participating in the RGGI Program uses most or all of the funds received through the RGGI Program to fund investment in cost-effective energy efficiency and/or renewable energy implementation to reduce the need for carbon-based energy investment. NH stands alone in providing barely noticeable rebates to ratepayers for all but the first dollar of each RGGI allowance sold, rather than investing the proceeds in energy efficiency programs.

The willingness of the sponsors of these bills to request that the Committee, and the General Court, reconsider the choices made years ago in re: the use of RGGI Program proceeds has merit and we support their actions in putting these bills forward.

The Conservancy believes that as NH works to reinvigorate investments in cost-effective energy efficiency technologies, at all scales and in all sectors, that all options should be examined and carefully considered, including the approaches put forward in HBs 1601 & 1621.

We appreciate the opportunity to provide this testimony and look forward to working with the Committee and NH State Government at all levels to ensure that NH addresses the need for efficient, affordable, reliable clean energy today and in the future.

Most sincerely,

Bruce Clendenning, Energy Policy Manager

The Nature Conservancy in New Hampshire

22 Bridge Street, 4th floor

Concord, NH 03301

bruce.clendenning@tnc.org

New Data Show States that Limit Carbon Emissions through Markets Are Seeing Economic Benefits

States evaluating EPA Clean Power Plan options can learn from the Regional Greenhouse Gas Initiative

Date: July 14, 2015
Contact: Cortney Piper
865-789-2669
cortney@catercommunications.com

New York -- States participating in the Regional Greenhouse Gas Initiative (RGGI) have found that regulating carbon emissions from power plants through market-based mechanisms goes hand-in-hand with economic benefits. That's the conclusion of a new report from Analysis Group, released today at the National Association of Regulatory Utility Commissioners (NARUC) conference in New York, NY. The report findings provide valuable lessons for states across the country now evaluating their options under the Clean Power Plan, the EPA's proposed effort to limit carbon emissions from power plants across the country.

"Based on an analysis of years of hard data, RGGI shows that multi-state, market-based carbon control mechanisms work and can deliver positive economic benefits," said Analysis Group Vice President Paul Hibbard. "That's not to say programs designed to cut greenhouse gas emissions are economic development programs -- their goals are different. But the data clearly show that cutting carbon emissions can be a net positive for the economy."

The report, "The Economic Impacts of the Regional Greenhouse Gas Initiative on Nine Northeast and Mid-Atlantic States," found that implementing RGGI from 2012-2014 adds \$1.3 billion in economic value to the nine-state RGGI region, leads to the creation of more than 14,000 new jobs, and cuts electricity and heating bills, saving consumers \$460 million. Each individual state sees economic benefits as the region cuts annual carbon emissions by more than a third from 2008 (133 million tons) to 2014 (86 million tons).

Under RGGI, six New England states plus New York, Delaware, and Maryland establish a regional cap for carbon emissions. States then create their own, individual plans to cut carbon

and offer a declining number of carbon emission allowances for sale through regional auctions. Power plant owners buy those allowances at auction -- which gives them the right to emit specific amounts of carbon dioxide -- or find ways to clean up carbon emissions. Auction proceeds go back to the states, which have reinvested billions of dollars back into their economies.

Each state decides how to spend that money. The report examined individual state strategies to invest that revenue, including funding energy efficiency programs, building community-based renewable power projects, helping low-income customers pay their electricity bills, putting greenhouse-gas reduction measures in place, educating consumers, and offering training for clean-energy jobs.

"RGGI is a job creator. Investments made during the last three years will lead to 14,200 new jobs," said Analysis Group Senior Advisor Susan Tierney. "And while electric rates can increase as power plants recover compliance costs, total electric bills have gone down, thanks largely to the states' investment in energy efficiency increases. Over time, the past three years of RGGI's operations helps families, businesses, and institutions save \$460 million on electricity bills."

The report also found that RGGI has helped keep more dollars circulating in the local economy, as the amount of money sent outside the region to pay for imported energy has dropped. RGGI reduced dollars flowing out of state to pay for fossil fuels imported from outside the region by more than \$1.27 billion, from 2012-2014. Meanwhile, the states' use of RGGI auction proceeds has boosted the purchase of goods and services in the regional economy for everything from solar panels and insulation to engineering services for energy audits to labor for efficiency retrofits.

The report was released at a meeting of the National Association of Regulatory Utility Commissioners, which, along with state environmental commissioners, will be on the front lines as the EPA's plans to regulate carbon emissions from power plants play out. The report is a second one prepared by the Analysis Group team; the prior analysis focused on the economic impacts of RGGI's first three years (2009-2011).

"We hope regulators across the country -- along with policy makers, utilities, and other stakeholders -- are able to draw useful lessons from this report, as they evaluate Clean Power Plan options in their individual states," Vice President Andrea Okie said.

"This report provides strong evidence of the value of market-based mechanisms to address carbon emissions from power plants," added Manager Pavel Darling.

Read the full report

HB 1621-FN - AS INTRODUCED

2022 SESSION

22-2732

12/08

HOUSE BILL **1621-FN**

AN ACT relative to reducing the rebates distributed by the energy efficiency fund.

SPONSORS: Rep. Mann, Ches. 2

COMMITTEE: Science, Technology and Energy

ANALYSIS

This bill eliminates the rebate amount distributed to retail electricity ratepayers and allocates all auction proceeds to support current or future energy efficiency resource standards programs.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears ~~[in brackets and struckthrough.]~~
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 Twenty Two

AN ACT relative to reducing the rebates distributed by the energy efficiency fund.

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

1 1 Energy Efficiency Fund and Use of Auction Proceeds; Rebate Reduction. Amend RSA 125-
2 O:23, II to read as follows:

3 II. ~~[A#]~~ **For fiscal year 2021, all** amounts in excess of the threshold price of \$1 for any
4 allowance sale shall be rebated to all retail electric ratepayers in the state on a per-kilowatt-hour
5 basis, in a timely manner to be determined by the commission. **Beginning in fiscal year 2022 and**
6 **through fiscal year 2027, the rebate amount to all retail electric ratepayers shall be**
7 **decreased by \$1 per year. Beginning in fiscal year 2028 the rebate amount shall be set to**
8 **zero.**

9 2 Energy Efficiency Fund and Use of Auction Proceeds; Auction Proceed Allocation. RSA 125-
10 O:23, III(c) is repealed and reenacted to read as follows:

11 (c) Beginning January 1, 2022, and all subsequent years, all auction proceeds shall be
12 dedicated to support current or future energy efficiency resource standards programs. The
13 department of energy shall devise or discover low-cost, small-scale energy efficiency measures that
14 can be implemented by homeowners and distribute these at no cost through NHsaves or through
15 public schools, to enable savings to offset any decline in rebates, including but not limited to
16 programmable thermostats. The department of energy shall contract with the department of
17 education in developing coherent and successful education programs that will reach families. Said
18 programs may include video-based education distributed through NHsaves.

19 2 Effective Date. This act shall take effect 60 days after its passage.

HB 1621-FN- FISCAL NOTE
AS INTRODUCED

AN ACT relative to reducing the rebates distributed by the energy efficiency fund.

FISCAL IMPACT: State County Local None

STATE:	Estimated Increase / (Decrease)			
	FY 2022	FY 2023	FY 2024	FY 2025
Appropriation	\$0	\$0	\$0	\$0
Revenue	\$0	\$0	\$0	\$0
Expenditures	\$0	Indeterminable	Indeterminable	Indeterminable
Funding Source:	<input checked="" type="checkbox"/> General <input type="checkbox"/> Education <input checked="" type="checkbox"/> Highway <input checked="" type="checkbox"/> Other - Energy Efficiency Fund, Various State Funds			

COUNTY:

Revenue	\$0	\$0	\$0	\$0
Expenditures	\$0	Indeterminable	Indeterminable	Indeterminable

LOCAL:

Revenue	\$0	\$0	\$0	\$0
Expenditures	\$0	Indeterminable	Indeterminable	Indeterminable

METHODOLOGY:

This bill eliminates the rebate amount distributed to retail electricity ratepayers and allocates all auction proceeds to support current or future energy efficiency resource standards programs.

The Departments of Energy and Environmental Services have submitted a joint analysis of the fiscal impact. When compared to current law, the bill would not change gross revenue to the state. Revenue from auction proceeds was \$33 million for calendar year 2021. Future revenues will vary depending upon the auction clearing prices and the decreasing number of allowances offered, but for this analysis a constant \$33 million per year is assumed.

- The bill would phase out the allowance rebate threshold for auction proceeds deposited into the Energy Efficiency Fund.
- Rebates issued on a per-kilowatt-hour basis to all electric ratepayers, including residential and commercial and industrial would end in FY 2028.
- Beginning in FY 2022 and continuing through FY2027, the \$1 allowance rebate threshold would increase by \$1 per year, and the amount rebated to all electric ratepayers would decrease each year by an offsetting amount.

- The distribution of the amounts in the Energy Efficiency Fund would not change from current law.

Expenditure Impact:

Under current law, revenue in excess of \$1 per allowance sold is allocated by the PUC for rebates to all electric ratepayers on a per-kilowatt-hour basis. This bill would increase the allowance rebate threshold by \$1 each year thereby increasing the amount deposited in the Energy Efficiency Fund and decreasing the amount allocated to ratepayer rebates. Assuming a static \$33 million of annual revenue, the Departments projected ratepayer rebates and the Energy Efficiency Fund would be impacted as follows:

Ratepayer Rebates

FY 2021 (Current)	\$29.2 million
FY 2022	\$25.6 million
FY 2023	\$21.9 million
FY 2024	\$18.1 million
FY 2025	\$14.2 million
FY 2026	\$10.1 million
FY 2027	\$5.9 million

In FY 2028 ratepayer rebates would end. In each year the amount deposited in the Energy Efficiency Fund would increase based on the \$1 per allowance per year increase as follows:

	<u>Emission allowances</u>	<u>Allowance rebate threshold</u>	<u>Energy Efficiency Fund</u>
FY 2021	3,461,393	\$1	\$3,461,393
FY 2022	3,342,668	\$2	\$6,685,336
FY 2023	3,223,943	\$3	\$9,671,829
FY 2024	3,105,218	\$4	\$12,420,872
FY 2025	2,986,493	\$5	\$14,932,465
FY 2026	2,867,768	\$6	\$17,206,608
FY 2027	2,749,043	\$7	\$19,249,301
FY 2028	All revenue after administration costs to the EEF		\$33,000,000

Termination of ratepayer rebates would result in some near-term increase in electricity costs for state, county, and local governments. Over the long-term, increased investment in energy efficiency projects would save ratepayers money. The costs/savings for state, county, and local governments are indeterminable.

The Department of Education does not anticipate this bill would require additional staff in the Department of Education.

AGENCIES CONTACTED:

Departments of Education, Energy and Environmental Services