

SB 68-FN - AS INTRODUCED

2023 SESSION

23-0789

10/08

SENATE BILL        **68-FN**

AN ACT            relative to municipal host for purposes of limited electrical energy producers.

SPONSORS:        Sen. Avard, Dist 12; Sen. Watters, Dist 4; Sen. Pearl, Dist 17

COMMITTEE:      Energy and Natural Resources

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ANALYSIS

This bill removes the requirement that a municipal host under the limited electrical energy producers act be located in the same municipality as all group members.

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                         Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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

AN ACT relative to municipal host for purposes of limited electrical energy producers.

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

1 1 Limited Electrical Energy Producers Act; Definitions. Amend RSA 362-A:1-a, II-c to read as  
2 follows:

3 II-c. "Municipal host" means a customer generator with a total peak generating capacity of  
4 greater than one megawatt and less than 5 megawatts used to offset the electricity requirements of a  
5 group consisting exclusively of one or more customers who are political subdivisions, provided that  
6 all customers are located within the same utility franchise service territory. [~~A municipal host shall  
7 be located in the same municipality as all group members if the facility began operation after  
8 January 1, 2021.~~] A municipal host may be owned by either a public or private entity. For this  
9 definition, "political subdivision" means the state of New Hampshire or any city, town, county, school  
10 district, chartered public school, village district, school administrative unit, or any district or entity  
11 created for a special purpose administered or funded by any of the above-named governmental units.

12 2 Effective Date. This act shall take effect 60 days after its passage.

**SB 68-FN- FISCAL NOTE**  
**AS INTRODUCED**

AN ACT relative to municipal host for purposes of limited electrical energy producers.

**FISCAL IMPACT:**     State             County             Local             None

STATE:	Estimated Increase / (Decrease)			
	FY 2023	FY 2024	FY 2025	FY 2026
<b>Appropriation</b>	\$0	\$0	\$0	\$0
<b>Revenue</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>	\$0	Indeterminable	Indeterminable	Indeterminable
<b>Funding Source:</b>	<input checked="" type="checkbox"/> General <input type="checkbox"/> Education <input type="checkbox"/> Highway <input checked="" type="checkbox"/> Other - Various Government Funds			

**COUNTY:**

<b>Revenue</b>	\$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
<b>Expenditures</b>	\$0	Indeterminable	Indeterminable	Indeterminable

**LOCAL:**

<b>Revenue</b>	\$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
<b>Expenditures</b>	\$0	Indeterminable	Indeterminable	Indeterminable

**METHODOLOGY:**

This bill removes the requirement that a municipal host under the limited electrical energy producers act be located in the same municipality as all group members.

Regarding revenues, the Department of Energy states this bill would have no impact on state revenues. To the extent the bill spurs creation of additional privately owned electricity generation subject to property taxes, county and local revenues would increase by an indeterminable amount.

The Department indicates removal of the requirement that a municipal host be located in the same municipality as all the group members would allow for newly constructed generation serving as a municipal host to have members from outside the same municipality as the host, provided they are in the same utility franchise territory. If a political subdivision, now participates as a municipal host or as a member of a municipal group host arrangement, their cost for electricity would decrease. To the extent cost shifting occurs as a result of net metered

electricity, the cost of electricity for the state, counties, and units of local government could increase by an indeterminable amount for those not participating in net metering. In Docket 22-060, the Public Utilities Commission, as part of a review of the existing net metering tariff, is looking into the question of whether cost shifting occurs.

It is assumed that any fiscal impact would occur after FY 2023.

**AGENCIES CONTACTED:**

Department of Energy

**CONSENT CALENDAR**

**April 18, 2023**

**HOUSE OF REPRESENTATIVES**

**REPORT OF COMMITTEE**

**The Committee on Science, Technology and Energy to  
which was referred SB 68-FN,**

**AN ACT relative to municipal host for purposes of  
limited electrical energy producers. Having considered  
the same, report the same with the following resolution:  
RESOLVED, that it is INEXPEDIENT TO LEGISLATE.**

**Rep. JD Bernardy**

**FOR THE COMMITTEE**

## COMMITTEE REPORT

Committee:	<b>Science, Technology and Energy</b>
Bill Number:	<b>SB 68-FN</b>
Title:	<b>relative to municipal host for purposes of limited electrical energy producers.</b>
Date:	<b>April 18, 2023</b>
Consent Calendar:	<b>CONSENT</b>
Recommendation:	<b>INEXPEDIENT TO LEGISLATE</b>

### STATEMENT OF INTENT

This bill expands the definition of “municipal host” under the Limited Electrical Energy Producers Act (LEEPA) by removing the requirement that a municipal host be in the same municipality as all the group members. The House passed HB 139 earlier this year, which incorporates the statutory change made by this bill, making this bill unnecessary. A municipal host is a renewable power customer-generator with a capacity of up to 5 megawatts. The municipal host may supply power to group members (municipal, county, or state facilities and public schools) within the same municipality and within the same utility franchise area. Removing the requirement that group members be in the same municipality as the municipal host opens the possibility of towns, miles apart from all over the state, joining together to maximize their net metering subsidy. Nothing prevents local municipalities from taking advantage of currently available renewable net metering for their local municipal facilities where the benefit is shared with the local taxpayers. Expanding host services outside a single municipality increases the likelihood of requiring additional and more costly distribution and transformer interconnection capacity. There is no demonstrated need to expand the net metering subsidy outside the local municipality; any town or city can be a municipal host now without this law. Finally, there is a Public Utilities Commission (PUC) docket to study this issue. Prudence dictates waiting for the PUC’s assessment.

Vote 19-1.

Rep. JD Bernardy  
FOR THE COMMITTEE

Original: House Clerk  
Cc: Committee Bill File

## CONSENT CALENDAR

Science, Technology and Energy

**SB 68-FN**, relative to municipal host for purposes of limited electrical energy producers. **INEXPEDIENT TO LEGISLATE.**

Rep. JD Bernardy for Science, Technology and Energy. This bill expands the definition of “municipal host” under the Limited Electrical Energy Producers Act (LEEPA) by removing the requirement that a municipal host be in the same municipality as all the group members. The House passed HB 139 earlier this year, which incorporates the statutory change made by this bill, making this bill unnecessary. A municipal host is a renewable power customer-generator with a capacity of up to 5 megawatts. The municipal host may supply power to group members (municipal, county, or state facilities and public schools) within the same municipality and within the same utility franchise area. Removing the requirement that group members be in the same municipality as the municipal host opens the possibility of towns, miles apart from all over the state, joining together to maximize their net metering subsidy. Nothing prevents local municipalities from taking advantage of currently available renewable net metering for their local municipal facilities where the benefit is shared with the local taxpayers. Expanding host services outside a single municipality increases the likelihood of requiring additional and more costly distribution and transformer interconnection capacity. There is no demonstrated need to expand the net metering subsidy outside the local municipality; any town or city can be a municipal host now without this law. Finally, there is a Public Utilities Commission (PUC) docket to study this issue. Prudence dictates waiting for the PUC’s assessment. **Vote 19-1.**

Original: House Clerk

Cc: Committee Bill File

HOUSE COMMITTEE ON SCIENCE, TECHNOLOGY AND ENERGY

PUBLIC HEARING ON SB 68-FN

**BILL TITLE:** relative to municipal host for purposes of limited electrical energy producers.

**DATE:** April 3, 2023

**LOB ROOM:** 302-304                      **Time Public Hearing Called to Order:** 11:21 a.m.

**Time Adjourned:** 11:48 a.m.

**Committee Members:** Reps. Vose, D. Thomas, Bernardy, Notter, Harrington, Ploszaj, Summers, McGhee, McWilliams, Parshall, Muns, Noel, Cormen and Reynolds

**Bill Sponsors:**

Sen. Avard

Sen. Watters

Sen. Pearl

TESTIMONY

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

**Senator David Watters** introduced on behalf of Senator Avard

- Strikes "same" municipality as the basis of the bill
- Looking for economics of 3-5 mw
- Driven by interconnection costs

**Lee Oxenham** - Plainfield

- Map with Liberty, NHEC and Eversource territories in Western NH
- No cost shifting

**Griffin Roberge** - DOE

- Opposed
- Don't change net metering rules
- DE 22-060 PUC docket ongoing - due approx next year
- Will look at cost shifting

**Kathleen Bigford** - Bradford

- Bradford has 100 kw limitation in adding power to the grid

**Natch Greyes** - NHMA

- Some towns that have the split town/utility issue that would benefit from the bill

**Sam Evans-Brown** - Clean Energy NH

- Many cases of needing to spread costs over a larger base to gain economy of scale
- Mismatch of community load and suitable sites

**Jo-Ellen Courtney** - Enfield

- Mascoma Valley School District could benefit (5 communities)
- Hoping for the potential

**Charles George** - Rollinsford Energy Commission

- Believes bill will help lower energy costs
- Town is examining lower energy costs
- Could do a town hall, wastewater tax and school, but looking to "hit the sweet spot" and make it larger and sell to neighboring towns



**Paul Panich** - Barrington

- Gain the economy of scale and use centralized space that is available
- Can use cleared and follow areas (old gravel pits, brown fields, etc)
- Bill will help optimize costs
- Current rule seems to be arbitrary
- Believes renewables are the lowest cost power available

**Louis Grondin** - Lee Energy Committee

- Looking to build out system for maximizing gain via economy of scale
- Current policy favors larger towns because they can take advantage of economy of scale

# House Remote Testify

## Science, Technology and Energy Committee Testify List for Bill SB68 on 2023-04-03

Support: 63 Oppose: 0 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>
Horgan, Kate	Concord, NH khorgan@dupontgroup.com	A Lobbyist	NH Association of Counties	Support	No	No	3/31/2023 10:28 AM
Friedrichs, Emily	Durham, NH emilyfriedrichs@gmail.com	An Elected Official	Myself	Support	No	No	3/31/2023 12:46 PM
Ottaviano, Olivia	Stamford, CT oottaviano@gsp.com	A Member of the Public	Green Street Power Partners	Support	No	No	3/31/2023 12:52 PM
Fournier, Suzanne	Milford, NH broxenvirontcitizens3@gmail.com	A Member of the Public	Myself	Support	No	No	3/31/2023 3:22 PM
Button, Paul	Manchester, NH paul@solarecsnh.com	A Member of the Public	Myself	Support	No	No	3/31/2023 5:02 PM
Smith, Jennifer	Pembroke, NH jaycmd7699@gmail.com	A Member of the Public	Myself	Support	No	No	3/31/2023 8:14 PM
Hill, Bonnie	South Sutton, NH hillbonnie@aol.com	A Member of the Public	Myself	Support	No	No	4/1/2023 9:40 AM
Glass, Jonathan	Cornish, NH jglass1063@gmail.com	A Member of the Public	Myself	Support	No	No	4/1/2023 10:19 AM
GlassCrandell-, Jane	Cornish, NH bostonjane@me.com	A Member of the Public	Myself	Support	No	No	4/1/2023 10:20 AM
Beffa-Negrini, Patricia	Nelson, NH pbeffa@me.com	A Member of the Public	Myself	Support	No	No	4/1/2023 10:39 AM
Liebowitz, Susan	Plainfield, NH supawali@hotmail.com	A Member of the Public	Myself	Support	No	No	4/1/2023 10:58 AM
Tator, Wes	Portsmouth, NH westator@gmail.com	A Member of the Public	Myself	Support	No	No	4/1/2023 12:14 PM
Southard, Barbara	Bradford, NH Barbsouthard@gmail.com	A Member of the Public	Myself	Support	No	No	4/1/2023 12:21 PM

Pfau, Thomas	Rye, NH tompfau15@gmail.com	A Member of the Public	Myself	Support	No	No	4/1/2023 1:10 PM
Blanchard, Sandra	Loudon, NH sandyblanchard3@gmail.com	A Member of the Public	Myself	Support	No	No	4/1/2023 4:40 PM
Bushueff, Catherine	Sunapee, NH agawamdesigns@gmail.com	A Member of the Public	Myself	Support	No	No	4/2/2023 7:20 AM
Coder, William	Bedford, NH wcoder@aol.com	A Member of the Public	Myself	Support	No	No	4/2/2023 10:27 AM
Longley, matrgaret	sandwich, NH peggylongley@sbcglobal.net	A Member of the Public	Myself	Support	No	No	4/2/2023 11:48 AM
Grossi, Anne	Bedford, NH adgrossi7982@gmail.com	A Member of the Public	Myself	Support	No	No	4/2/2023 12:48 PM
Poor, Dan	CORNISH, NH dpoor45@gmail.com	An Elected Official	Myself	Support	No	No	4/2/2023 1:28 PM
Wengenroth, Richard	Pembroke, NH rwengenroth2112@gmail.com	A Member of the Public	Myself	Support	No	No	4/2/2023 2:33 PM
Raven, Mary	Merrimack, NH marybeth.raven@gmail.com	A Member of the Public	Myself	Support	No	No	4/2/2023 4:21 PM
Kaiser, Robin	Hanover, NH robinkaisergish1@gmail.com	A Member of the Public	Myself	Support	No	No	4/2/2023 5:12 PM
Dunbar, Jessica	Bow, NH jfdunbar@outlook.com	A Member of the Public	Myself	Support	No	No	4/2/2023 5:28 PM
berk, bruce	Pittsfield, NH bruce.berk.nh@gmail.com	A Member of the Public	Myself	Support	No	No	4/2/2023 6:47 PM
Vincent, Laura	Loudon, NH lvlauravincen5@gmail.com	A Member of the Public	Myself	Support	No	No	4/2/2023 9:11 PM
Paynter, Justin	Epping, NH jpaynte@yahoo.com	A Member of the Public	Myself	Support	No	No	4/2/2023 10:38 PM
kwasnik, joseph	concord, NH jkwasnik25@gmail.com	A Member of the Public	Myself	Support	No	No	4/3/2023 5:47 AM
Torpey, Jeanne	Concord, NH jtorp51@comcast.net	A Member of the Public	Myself	Support	No	No	4/3/2023 5:47 AM
Cevasco, Karin	Milford, NH Karin.Cevasco@gmail.com	A Member of the Public	Myself	Support	No	No	4/3/2023 5:48 AM
Johnson, Judith	Goffstown, NH judygjohnson@gmail.com	A Member of the Public	Myself	Support	No	No	4/3/2023 6:43 AM

Triebe, Karen	Merrimack, NH karen.triebe@gmail.com	A Member of the Public	Myself	Support	No	No	4/3/2023 7:32 AM
Manns, Emily	Peterborough, NH ecmanns@gmail.com	A Member of the Public	Myself	Support	No	No	4/3/2023 7:47 AM
Smith, Sara Menis	Pembroke, NH sara.rose.ssmith@gmail.com	A Member of the Public	Myself	Support	No	No	4/3/2023 8:09 AM
Hatch, Sally	Concord, NH sallyhatch@comcast.net	A Member of the Public	Myself	Support	No	No	4/3/2023 8:15 AM
Teran, Catherine	Sandwich, NH catherine.teran@gmail.com	A Member of the Public	Myself	Support	No	No	4/3/2023 8:39 AM
Gage, John	Windham, NH jhgage@gmail.com	A Member of the Public	Myself	Support	No	No	4/3/2023 8:52 AM
Brennan, Nancy	Weare, NH burningnan14@gmail.com	A Member of the Public	Myself	Support	No	No	4/3/2023 8:57 AM
Jones, Andrew	Pembroke, NH arj11718@yahoo.com	A Member of the Public	Myself	Support	No	No	4/3/2023 9:02 AM
Devore, Gary	Pembroke, NH torin_asheron@yahoo.com	A Member of the Public	Myself	Support	No	No	4/3/2023 9:05 AM
Clark, Denise	Milford, NH denise.m.clark03055@gmail.com	A Member of the Public	Myself	Support	No	No	4/3/2023 9:43 AM
Wessels, Susan	RINDGE, NH slwessels2010@gmail.com	A Member of the Public	Myself	Support	No	No	4/3/2023 9:56 AM
Cote, Lois	Manchester, NH, NH lcote06@outlook.com	A Member of the Public	Myself	Support	No	No	4/3/2023 10:27 AM
Chase, Karen	Hanover, NH kpchase@verizon.net	A Member of the Public	Myself	Support	No	No	4/3/2023 10:30 AM
Lenz, James	Meriden, NH jelenz@comcast.net	A Member of the Public	Myself	Support	No	No	4/3/2023 11:00 AM
Hatfield, Meredith	Concord, NH meredith.hatfield@tnc.org	A Lobbyist	The Nature Conservancy NH	Support	No	No	4/3/2023 11:01 AM
Steel, Sandy	PLAINFIELD, NH selizabethsteel@gmail.com	A Member of the Public	Myself	Support	No	No	4/3/2023 11:53 AM
Farrell, Chad	Burlington, VT Chad@encore.eco	A Lobbyist	Encore Renewable Energy	Support	No	No	4/3/2023 1:19 PM
Moore, Susan	Franconia, NH susan.moore.franconia@gmail.com	A Member of the Public	Myself	Support	No	No	4/3/2023 1:42 PM

Koch, Helmut	Concord, NH helmut.koch.2001@gmail.com	A Member of the Public	Myself	Support	No	No	4/3/2023 1:46 PM
Koch, Laurie	Concord, NH kochlj@aol.com	A Member of the Public	Myself	Support	No	No	4/3/2023 1:59 PM
Merlone, Lynn	Rindge, NH prulone@gmail.com	A Member of the Public	Myself	Support	No	No	4/3/2023 3:19 PM
Thomas, A	Rindge, NH annekerosie@gmail.com	A Member of the Public	Myself	Support	No	No	4/3/2023 3:19 PM
Bissex, Hannah	Rindge, NH hannahinrindge@gmail.com	A Member of the Public	Myself	Support	No	No	4/3/2023 3:19 PM
Martin, Patricia	Rindge, NH pmartin2894@yahoo.com	A Member of the Public	Myself	Support	No	No	4/3/2023 3:19 PM
Hershey, Jane	Rindge, NH janelhershey@gmail.com	A Member of the Public	Myself	Support	No	No	4/3/2023 3:19 PM
Townsend, Charles	Canaan, NH chucktownsend@me.com	A Member of the Public	Myself	Support	No	No	4/3/2023 5:39 PM
DeMark, Richard	Meredith, NH demarknh114@gmail.com	A Member of the Public	Myself	Support	No	No	4/3/2023 6:21 PM
DeMark, Harriet	Meredith, NH demarknh114@gmail.com	A Member of the Public	Myself	Support	No	No	4/3/2023 6:21 PM
Rettew, Ann	Concord, NH abrettew@gmail.com	A Member of the Public	Myself	Support	No	No	4/3/2023 7:32 PM
Willing, Maura	Concord, NH Maura.Willing@Comcast.net	A Member of the Public	Myself	Support	No	No	4/3/2023 9:09 PM
Reardon, Donna	Concord, NH bugs42953@aol.com	A Member of the Public	Myself	Support	No	No	4/3/2023 9:40 PM
boudman, roberta	wolfeboro, NH boudwoman2@gmail.com	A Member of the Public	Myself	Support	No	No	4/3/2023 11:50 PM



HOUSE COMMITTEE ON SCIENCE, TECHNOLOGY AND ENERGY

**SUBCOMMITTEE WORK SESSION** on SB 68-FN

**BILL TITLE:** relative to municipal host for purposes of limited electrical energy producers.

**DATE:** April 17, 2023

**Subcommittee Members:** Reps. Vose, D. Thomas, Bernardy, Notter, Harrington, Merner, Lewicke, Berezhny, Ploszaj, Summers, McGhee, McWilliams, Chretien, Parshall, Caplan, Muns, Noel, W. Thomas, Cormen and Reynolds

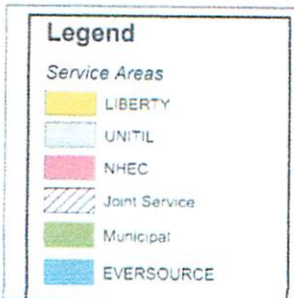
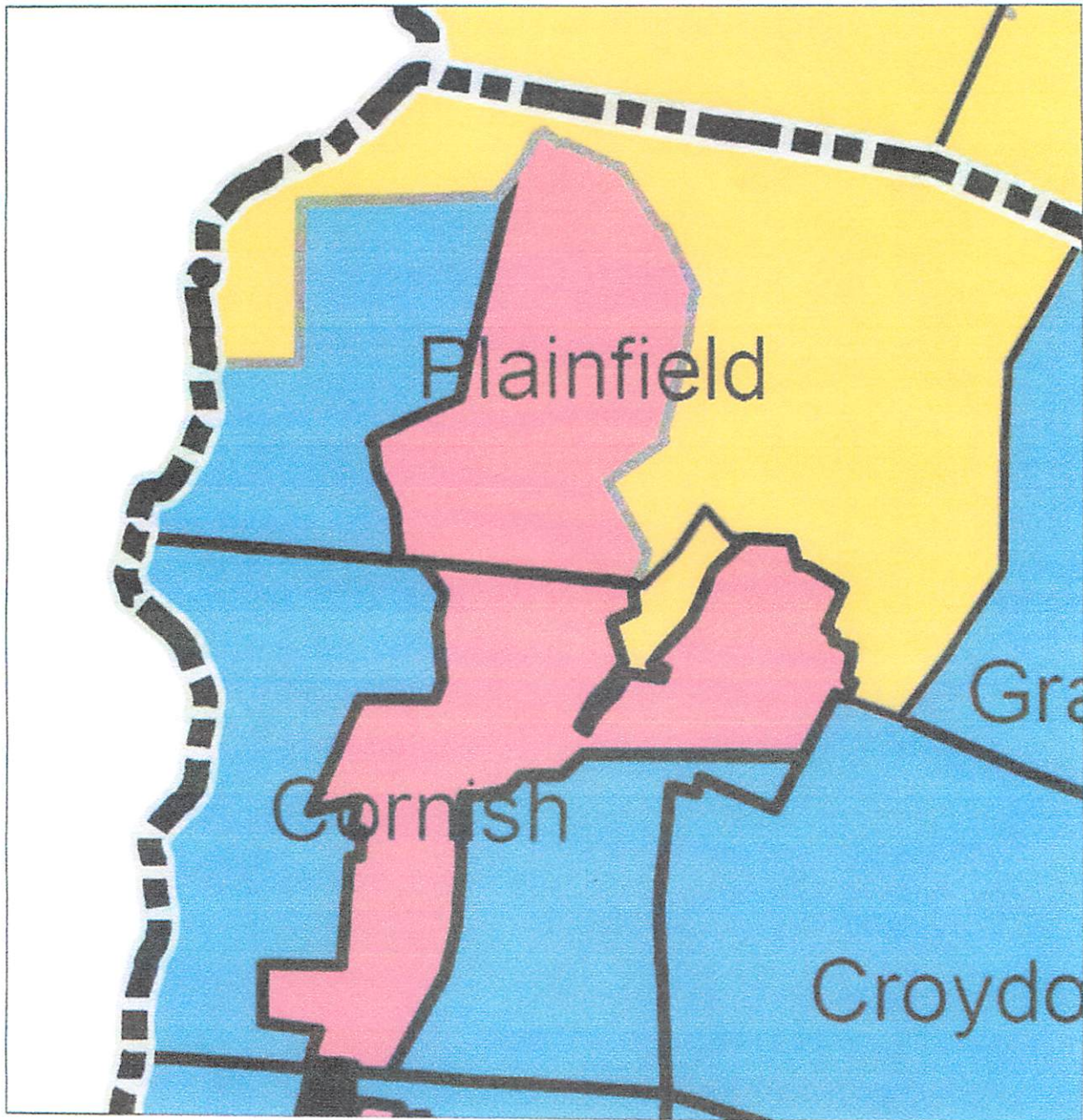
**Comments and Recommendations:** Recommend OTP - Similar to HB139, already passed

Respectfully submitted,

Rep. JD Bernardy  
Subcommittee Clerk

# Plainfield and Cornish Electric Utility Service Areas

Source: <https://www.puc.nh.gov/Safety/Electrical%20Safety/Safety-NH-Electric-Franchise-Areas.pdf>







**CLEAN ENERGY NH**

Your Voice in All Energy Matters

14 Dixon Ave, Suite 202 | Concord, NH 03301 | (603) 573-9926

April 3, 2023

Representative Michael Vose, Chair  
House Science, Technology, and Energy Committee  
Legislative Office Building, Room 304  
Concord, NH 03301

**Testimony on SB68, relative to municipal hosts for purposes of limited electrical energy producers.**

Dear Chairman Vose and members of the Committee,

**Clean Energy NH supports Senate Bills 68 and 69 as they will enable smaller communities to lower their energy bills, similar to how larger cities already can under the law signed by Governor Sununu in 2021.**

Community scale renewable energy projects represent one of the best opportunities for our state to reduce energy spending. Studies have forecast that a clean energy grid that maximizes distributed energy projects throughout the United States is one which would save \$88 billion in energy spending by 2050.<sup>1</sup> The primary method through which renewable energy projects of this scale are compensated is through “net energy metering” which determines the rates at which “customer-generators” are reimbursed for excess electrical production that is exported and consumed by neighbors.

In order to increase access to community scale renewable energy, the legislature passed and the Governor signed HB315 in 2021, which expanded the cap on net metered renewable energy projects from 1MW to 5MW. This critical expansion allows community scale projects to achieve the economy of scale necessary to unlock lower cost of energy for consumers. However, HB 315 was a limited expansion of the state’s community scale energy policy because it contained two limitations, which were intended to keep in check the growth of net metered production.

1. New net metered projects could only sign up customers within the same municipality as the facilities physical location, and;
2. Only municipal electrical accounts could sign up as customers for net metered projects.

These restrictions were created because there was still a lingering uncertainty that net metering resulted in large amounts of “cost-shift,” which is to say that net-metered customers are not paying their fair share of costs for the upkeep of the grid. If cost-shift were found to be occurring, it would mean an increase in net metering would result in rising rates for non-net metered projects. In 2017, the Public Utilities Commission commissioned a detailed study as to the costs and benefits of “distributed energy resources,” which was finally released in fall of 2022. The findings of the study are striking, and show that large (>100KW) renewable projects have actually been systematically undercompensated for years.<sup>2</sup>

While many communities have been able to realize substantial savings on their energy bills thanks to contracts signed with existing community-scale, net-metered hydropower facilities, the past two years have revealed that the restrictions

<sup>1</sup> [https://www.vibrantcleanenergy.com/wp-content/uploads/2020/12/WhyDERs\\_ES\\_Final.pdf](https://www.vibrantcleanenergy.com/wp-content/uploads/2020/12/WhyDERs_ES_Final.pdf)

<sup>2</sup> <https://www.energy.nh.gov/sites/g/files/ehbemt551/files/inline-documents/sonh/nh-vder-report.pdf>

contained in HB315 are substantial barriers to the development of new community solar projects. Only a small handful of community solar projects have been able to match a good site for construction with enough municipal load.

These bills would help solve this problem by allowing towns to band together to share in the electricity produced by solar arrays in neighboring towns (in the case of SB68) or by allowing developers to serve hospitals, churches or private schools to assemble larger, more cost-effective projects (in the case of SB69).

**With data in hand showing that net metering is not resulting in substantial cost-shifting, and with the state currently gripped by an energy affordability crisis, it is the right time to take the next incremental step forward in creating a thriving community solar program in the Granite State.**

We urge you to recommend these bills as ought to pass.

Sincerely,  
Sam Evans-Brown

A handwritten signature in black ink, appearing to read 'Sam Evans-Brown', written in a cursive style.

Executive Director

*Clean Energy NH is a 501(c)(3) nonprofit organization. Our membership includes 130+ businesses, 34 municipal members—comprising over 300,000 NH citizens—and 400+ individuals in every corner of the Granite State. We advocate for the adoption of clean energy initiatives through a non-partisan, fact-based lens.*

April 3, 2023

Representative Michael Vose, Chair  
House Science, Technology, and Energy Committee  
Legislative Office Building, Room 304  
Concord, NH 03301

Dear Chairman Vose and members of the Committee,

The undersigned individuals are community leaders and members of energy committees from all across the state of New Hampshire. They are included with their community and affiliations but are not necessarily signing on behalf of their community.

SB68 would provide meaningful relief to our communities following a year of extreme energy price spikes. This bill is simply a reaffirmation of a policy choice that has already been endorsed by both chambers of the legislature, and signed by the governor in 2021 in the form of HB315. However, the bill that was signed in 2021 will likely only benefit larger towns or cities, since those are the only entities that have sufficient load to build projects large enough to truly capture economies of scale.

The direct beneficiaries of SB68 will be smaller towns in more rural parts of the state. SB68 will allow these towns to band together to build 5MW projects collaboratively. These shared community energy facilities will be large enough to offer competitive rates, and offer meaningful savings on municipal energy bills, putting downward pressure on property taxes. Smaller energy projects, the kind allowed under current law, cannot achieve these same savings.

Higher energy costs can have a significant impact on municipal energy budgets, because when energy costs increase, municipalities may need to allocate a larger portion of their budget to cover these expenses, potentially leading to cuts in staffing or infrastructure projects. In some cases, municipalities may need to increase taxes or fees to cover higher energy costs. Moreover, higher energy costs can also impact the cost of providing services to residents, such as public transportation or water treatment, which can lead to higher fees for these services, further affecting the municipal budget.

Municipalities and schools should be able to participate in net energy metering programs up to 5 MW in size because:

1. **Cost savings:** Municipalities and schools are often large energy users and can benefit significantly from the cost savings associated with generating their own electricity. By participating in NEM programs, this can result in significant cost savings, which can then allocate those savings to other critical areas, such as education or infrastructure improvements.

2. **Rate Certainty:** NEM programs can also improve the energy resilience of municipalities and schools by providing them with a predictable long-term hedge against the volatility of energy prices.
  
3. **Economic Development:** Participating in NEM programs can also stimulate economic development in the community by creating jobs in the energy industry and increasing the local property tax base.

Passing this bill would open up the potential for many more of our towns and cities to invest in local generation, lower their energy bills, and save local property tax-payers money. It would allow policymakers to achieve the legislative intent of HB315 when the governor signed it in 2021.

Sincerely,

Bristol Energy Committee

Hollis Energy Committee

Jessica Dunbar            Bow  
Bow Energy Committee  
NH Network

Pembroke Energy Committee

Plymouth Energy Committee

Jennifer Howley            Bradford  
Bradford Energy Committee

Paul Panish                Barrington  
Chair, Barrington Energy Committee

Kathleen Bigford            Bradford  
Bradford Energy Committee

Chris Bandazian            Bedford  
Vice Chairman, Bedford Energy Commission

Laura Ryder                Bradford  
Bradford Energy Committee

Anne Grossi                Bedford  
NH Network

Sandra Bravo                Bradford  
Bradford Energy Committee

Bill Darcy                 Benton  
NH Network

Susan Reeder Moss            Bradford  
Bradford Energy Committee

Bruce Caplain              Bethlehem  
Bethlehem Board of Selectman  
Bethlehem Energy Commission

Barbara Southard            Bradford  
NH Network

Chuck Phillips              Bethlehem  
Bethlehem Energy Commission

Beth McGuinn                Canterbury  
Canterbury Energy Committee

Dan Crosby                 Bethlehem  
Bethlehem Energy Commission

Ruth Heath                 Canterbury  
Canterbury Energy Committee

Mary Lou Krambeer            Bethlehem  
Bethlehem Energy Commission

Jeff Beltramo                Canterbury

Chair, Canterbury Energy Committee

Carol Sullivan                      Center Harbor  
Chair, Center Harbor Energy Committee  
NH Network

Peggy Longley                      Center Sandwich  
Sandwich Climate Action Coalition  
NH Network

Mark Longley                      Center Sandwich  
Sandwich Climate Action Coalition, Steering  
Committee

Honorable Sally Kelly              Chichester  
NH Network

Rob Werner                      Concord  
Chair, Concord Energy and Environment  
Advisory Committee

Deborah Bruss                      Concord  
NH Network

Donna Reardon                      Concord  
NH Network

John Reardon                      Concord  
NH Network

Joseph Kwasnik                      Concord  
NH Network

Daniel Poor                      Cornish  
Cornish School District Moderator  
Cornish Energy Committee, Alternate

Cindy Heath                      Cornish  
NH Network

Dr. Reinmar Seidler                      Cornish  
NH Network

Janice Orion                      Cornish  
NH Network

Cynthia Walter                      Dover  
NH Network

Todd Selig                      Durham  
Administrator, Town of Durham

Susan Richman                      Durham  
NH Network

Justin Paynter                      Epping  
NH Network

Renay Allen                      Exeter  
Chair, Exeter Energy Committee

Bev Tappan                      Exeter  
Environment Sustainability Committee,  
RiverWoods Exeter

Paul Friedrichs                      Exeter  
NH Network

JS Fitzpatrick                      Franconia  
Chair, Franconia Energy Commission

Tony Giunta                      Franklin  
Former Mayor

Denise M. Vallee                      Gorham  
Town Manager, Town of Gorham  
Gorham Energy Committee

Margaret Jernstedt                      Hanover  
Church of Christ at Dartmouth College Green  
Team  
Senior Stewards Acting for the Environment at  
Kendal

Judi Colla                      Hanover  
Co-Chair, Sustainable Hanover

Barbara Callaway                      Hanover  
Hanover Energy Committee  
NH Network

Sharon Racusin                      Hanover  
Senior Stewards Acting For the Environment

Mary Scott Lyon Hanover  
Senior Stewards Acting for the Environment at  
Kendal

Sulany Bennett Hanover  
Senior Stewards Acting for the Environment at  
Kendal

Marjorie Rogalski Hanover  
Sustainable Hanover

Robert Taylor Hanover  
Sustainable Hanover

Ben Steel Hanover  
Sustainable Hanover Energy Subcommittee

Alan Callaway Hanover  
NH Network

Jerry Beck Holderness  
NH Network

Venu Rao Hollis  
Hollis Energy Committee

Debra Putnam Hudson  
Chair, Hudson Sustainability Committee

Margaret Dillon Jaffrey  
Jaffrey Community Power Aggregation  
Committee

David Bates Kearsarge  
Kearsarge School District Budget Committee  
Kearsarge Energy Committee

Glenn Coppelman Kingston  
Kingston Select Board Member  
Select Board Liason, Kingston Solar Committee

Richard Russman Kingston  
Chairman, Kingston Solar Committee

Jonathan Chaffee Lebanon  
Lebanon Energy Advisory Committee

Mary Woodward Lee  
Lee Energy Committee

Wiltrud Mott-Smith Loudon  
Loudon Alternative Energy Committee

Sandra Blanchard Loudon  
NH Network

Lois Cote Manchester  
NH Network

Honorable Marge Shepardson Marlborough  
Marlborough Energy Committee

Garth Fletcher Mason  
Mason Energy Commission, Alternate

Mary Beth Raven Merrimack  
NH Network

David Upton Nelson  
Nelson Citizens for Clean Energy

Patsy Beffa-Negrini Nelson  
Nelson Citizens for Clean Energy  
NH Network

John Ellis New London  
NH Network

Dori Drachman Peterborough  
Co-Coordinator, Peterborough Renewable  
Energy Planning (PREP) Team  
Board Co-chair, Monadnock Sustainability Hub

Bob Haring-Smith Peterborough  
Co-Coordinator, Peterborough Renewable  
Energy Planning (PREP) Team  
NH Network

Bruce Berk Pittsfield  
NH Network

Evan Oxenham Plainfield  
Co-Chair, Plainfield Energy Committee

Lee Oxenham Plainfield Energy Committee	Plainfield	Sandy Hodsdon	Canterbury
Grace Garvey Chair, Plymouth Energy Commission	Plymouth	Joanna Sharf	Cornish
Effie Malley Mayor's Blue Ribbon Committee on Sustainability NH Network	Portsmouth	Briane Pinkson	Cornish
Charles George Chairman, Rollinsford Energy Commission	Rollinsford	Kimberley Quirk	Enfield
Mary Ahlgren NH Network	Sanbornton	Arthur Rand	Hanover
Leonard Witt Sandwich Climate Action Coalition, Steering Committee	Sandwich	Barbara Scott Nelson	Hanover
Wharton Sinkler Sandwich Climate Action Coalition, Steering Committee	Sandwich	Barclay Ward	Hanover
Michael Prange Shelburne Energy and Technology Committee	Shelburne	Carol Weingeist	Hanover
Bette Nowack Member, Former Sunapee Energy Committee	Sunapee	David Henderson	Hanover
Catherine Bushueff NH Network	Sunapee	Dennis Robison	Hanover
Gabrielle Watson Chair, Tamworth Energy Committee	Tamworth	Dr. Robert Keene	Hanover
Ted Morgan Tamworth Energy Committee	Tamworth	Elizabeth R. Mayor	Hanover
John Gage NH Network	Windham	Julianna Turkevich	Hanover
James Nupp Former Member, Wolfeboro Energy Committee.	Wolfeboro	Larry Daloz	Hanover
Nancy Hirshberg Wolfeboro Energy Committee	Wolfeboro	Margot Maddock	Hanover
		Meredith Morgan	Hanover
		Michael B. Mayor	Hanover
		Nancy Miles	Hanover
		Perry Williamson	Hanover
		Sharon Parks	Hanover
		Yolanda Y. Baumgartner	Hanover
		Jean Deupree	Hanover
		Katherine Thorndike	North Sandwich
		Carol Rowe	Peterborough

## Senate Bill 68

Looking ahead ten to fifteen years, we envision a State where the EVs will dominate the highways and byways in New Hampshire. Most of our school buses will be electric. Towns will also be moving to electric police cruisers, and electric heavy vehicles in their public works departments.

This will be putting a heavy demand on our electric energy providers (Eversource, Unitel, etc.) and we cannot depend on electric power providers to keep building fossil fuel power generators.

Passing the Senate Bill 68 will provide the towns and municipalities in NH an excellent tool to successfully address future demands for electric energy in our State. Towns and municipalities can band together to develop innovative clean energy solutions to evolving electric energy needs.

Venu Rao  
Member, Hollis Energy Committee, NH  
37 Arbor Lane, Hollis NH 03049

N:indu  
Sri Vasava,



Paul Panish, Chair of Barrington Energy Committee

I'd like to speak today in favor of SB68.

SB68 represents what seems to be a minor legislative addition to the previously passed HB315 which would level the field for smaller towns to gain efficiencies of scale and reduce costs for shared municipal solar installations which are already available to larger cities and towns simply by nature of their size.

However, there are other reasons in addition to economy of scale that could benefit some towns were the option available to site joint installation with other municipalities.

One of these is the availability of siting for such medium scale solar installations.

Most towns have a decentralized infrastructure. Though it is generally most advantageous to implement on-site behind the meter systems for direct utilization of power, this is not always practical for any number of reasons such as space, exposure, structural building issues...

This can make a centralized generation facility to offset municipal usage an attractive option. However, availability of sites can be a significant problem.

One siting issue is the concern of residents that such a facility would negatively affect property values in the immediate vicinity of the solar field.

Recent studies have shown that siting of solar installations in areas that have been cleared but lie fallow, areas such as abandoned or played out gravel pits, land fills, or brownfield sites, do not negatively affect property values in their immediate vicinity.

Not all towns have such sites available that are also near the power infrastructure necessary for power distribution from the site. To build out the

powerline infrastructure can represent a significant additional cost in the development of a solar facility.

The ability to jointly develop sites which are already well situated with regards to power infrastructure and site condition could be a significant aid to help municipalities gain the economies of scale to reduce the cost of *municipal power for their residents.*

But perhaps the most convincing reason for passing SB68 seems to be that there is no reason not to do so. Why should the regulatory agencies have an arbitrary rule in place that serves no purpose other than to increase the cost of power to municipalities and their residents?

If the utilities do not have the necessary capabilities in place to allow for such facilities it is because it has been profitable for them to ignore the need for modernization of their metering and billing infrastructure. In the past due to the type of power generation commonly available this resulted in little or no net cost to customers, however this has not been the case for some time now that the cost of additional renewable generation has become *the lowest cost option available.*

It is essential that utilities build out the capabilities necessary to support such shared infrastructure along with other types of disaggregation such as community power.

Thank you for the opportunity to present my views on this issue.

Representative Michael Vose, Chair  
House Science, Technology and Energy Committee  
Legislative Office Building, Room 304  
Concord, NH 03301

April 3, 2023

### **Testimony on SB68, SB69, and SB79 acts relative to Group Net Energy Metering Projects**

Dear Representative Vose and members of the Committee,

The co-signed energy companies submit this testimony in support of Senate Bills 68, 69, and 79. The companies signed on to this letter are developers of community-scale and utility-scale solar and energy storage projects, all of whom are either actively pursuing projects in the Granite State, or who are interested in bringing investment, economic development and low-cost energy to New Hampshire communities.

In this time of unsustainably high energy costs and dramatic energy price volatility, community scale renewable energy projects represent an excellent opportunity to provide lower-cost, local, clean electricity. In particular, renewable energy projects become substantially more affordable as they increase in size and achieve economies of scale. Between 3MW and 5MW represents a “sweet spot” where they are large enough to deliver lower cost energy, but small enough that they can be more easily integrated into the distribution grid.

However, to date New Hampshire has only allowed these “community scale” projects to participate in net metering within narrowly-defined parameters. These restrictions were created because there were concerns that net metering might cause a “cost-shift,” if net-metered customers were not covering their share of costs for the upkeep of the grid and thus costs could rise for customers that are not participating in net metering. In 2017, the Public Utilities Commission commissioned a detailed study as to the costs and benefits of “distributed energy resources,” which was finally released in fall of 2022. The findings of the study are striking, and show that large (>100KW) renewable projects have actually been *undercompensated* relative to the value they provide to customers and the grid at large. This study showed that community Net Metering in New Hampshire results in very minimal cost-shift, if any at all.<sup>1</sup>

Currently, community scale projects up to 5MW are only allowed if the output of the project is purchased by a municipality, specifically the municipality where the project is located. This restriction has proven to be extremely prohibitive to development because towns that use more electricity tend to have more population and less available land. Towns that have plenty of land tend to not have enough demand for electricity to support a large energy project.

We strongly support SB68 because it removes this arbitrary limitation and enables towns to partner up and share in the benefits of a project. All of the electrons flow through the same grid,

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<sup>1</sup> <https://www.energy.nh.gov/sites/g/files/ehbemt551/files/inline-documents/sonh/nh-vder-report.pdf>

so there is no functional reason to restrict which towns should be able to participate. Passing this bill would open up the potential for many more towns and cities to invest in local generation, lower their energy bills, and save local property tax-payers money.

Given the findings of the PUC's Value of Distributed Energy Resources study that there is little to no cost shift, we also think it is justified to expand community-scale net metering to other types of large customers who have broad public benefits. SB69 would allow community solar projects to serve hospitals, churches or private schools. We recommend passing SB69 with an amendment to enable municipalities and nonprofits to join together to participate in community net metering. This will support larger, more cost-effective projects.

Finally, we support SB79, which would expand eligibility to participate in community net metering to large industrial customers. New Hampshire's high electricity rates have put a huge strain on the state's largest employers. This creates a competitive disadvantage for existing businesses and hampers efforts to attract new manufacturing jobs to New Hampshire. Community net metering would enable these large employers to lower their energy costs and remain competitive.

With the confidence that net metering is not resulting in substantial cost-shifting, and with the state currently gripped by an energy affordability crisis, these three bills represent reasonable, incremental steps to growing a local community solar industry.

We urge you to recommend these bills as ought to pass.

Sincerely,

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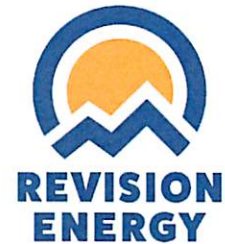
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**HOUSE COMMITTEE ON SCIENCE, TECHNOLOGY AND ENERGY**

**EXECUTIVE SESSION on SB 68-FN**

**BILL TITLE:** relative to municipal host for purposes of limited electrical energy producers.

**DATE:** April 18, 2023

**LOB ROOM:** 302-304

**MOTIONS: INEXPEDIENT TO LEGISLATE**

Moved by Rep. Bernardy

Seconded by Rep. Merner

Vote: 19-1

**CONSENT CALENDAR: YES**

**Statement of Intent:** Refer to Committee Report

Respectfully submitted,

Rep JD Bernardy, Clerk



2023 SESSION

Science, Technology and Energy

Bill #: SB 68 Motion: ITL AM #: \_\_\_\_\_ Exec Session Date: 18 Apr 2023

<u>Members</u>	<u>YEAS</u>	<u>Nays</u>	<u>NV</u>
Vose, Michael Chairman	X		
Thomas, Douglas W. Vice Chairman	X		
Notter, Jeanine M.	X		
Harrington, Michael D.	X		
Merner, Troy E.	X		
Lewicke, John	X		
Berezhny, Lex	X		
Bernardy, JD Clerk	X		
Ploszaj, Tom	X		
Summers, James	X		
McGhee, Kat	X		
McWilliams, Rebecca J.	X		
Chretien, Jacqueline H.	X		
Parshall, Lucius	X		
Caplan, Tony		X	
Muns, Chris	X		
Noël, Henry W.	X		
Thomas, Wendy E.N.	X		
Cormen, Thomas H	X		
Raynolds, Ned	X		
<b>TOTAL VOTE:</b>	<b>19</b>	<b>1</b>	