

# Senate Energy and Natural Resources Committee

## *Griffin Roberge 271-3042*

**HB 315**, relative to the aggregation of electric customers.

**Hearing Date:** April 26, 2021.

**Time Opened:** 1:06 p.m.

**Time Closed:** 1:27 p.m.

**Members of the Committee Present:** Senators Avard, Gray, Watters and Perkins Kwoka.

**Members of the Committee Absent:** Senator Giuda.

**Bill Analysis:** This bill revises the procedures applicable to municipal or county aggregators and municipal electric utilities for the aggregation of energy services.

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**Sponsors:**

Rep. Vose

Rep. Cali-Pitts

Rep. Harrington

Rep. Thomas

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**Who supports the bill:** Elizabeth Alcauskas; Luis Aranzabal; Susan Arnold, Appalachian Mountain Club; Bill Baber, Dover, NH; Doreen Baker; David Bates; Patricia Beffa-Begrini; Clifton Below, City of Lebanon; Bruce Berk, Pittsfield, NH; Bill Bardsley; Sandra Blanchard; Kathleen Bollerud; Sue Bracy; Nancy Brennan, Weare, NH; Ronald Briggs; Marc Brown, Consumer Energy Alliance; Susan Bruce; Mary Burdett; Catherine Bushueff; Kathy Cahill; Lilian Carter; Joanne Casino; Denise Clark; Martha Clark; Catherine Corkery, NH Sierra Club; Patricia Cornell; Susan Covert; David Creer, Business and Industry Association; John Cross, Brookline, NH; Dorothy Currier; Claudia Damon; Karen Dewey; Corinne Dodge; Bryan Dwyer; Maureen Elleermann; Cheri Falk, Wilton, NH; Bryan Field; Honorable Eileen Flockhart; Matthew Fossum, Eversource Energy; John Gage, Windham, NH; Donna Gamache, Eversource Energy; Ann Garland; Nancy Gillard; Catherine Goldwater; Martha Goodnow; Laurie Gordon; Margaret Gordon; Nancy Greenwood; Catherine Guevarra; Kent Hackmann; Doris Hampton; Robert Haring-Smith; Robert Hayden, Standard Power; Robin Helrich; Adelinda Higgs; Kate Horgan, The DuPont Group representing the NH Association of Counties; Jana Howe; Richard Husband; Dennis Jakubowski; Susan Jamback; Cordell Johnston, NH Municipal Association; Honorable David Karrick; Lorraine Kelly; Kathryn Kerman; Kimberly Kirkland; Helmut Koch; Laurie Koch; Catherine Koning; Donald Kreis, Office of the Consumer Advocate; Heidi Kroll, Gallagher, Callahan, and Gartrell representing the Granite State Hydropower Association and Monadnock Paper Mills; Joy Kubit; Joseph Kwasnik, Concord, NH; Sheryl Liberman; Mary Lincoln; Lyn Lindpainter; Suzanne Loder; Janet Lucas; Joseph Magruder; Richard Maynard; Kyle McAdam; Representative Kay McGhee, Hillsborough - District 27; David McGraw; Dawn McGuire; Brigid McNamee; Madeleine Mineau, Clean Energy NH; Faith Minton; Karen Mitchell; Honorable Howard Moffett; Janet Moore; Robin Mower; Marie Nardino; Faith Northrop; Sam Osherson; Sharon Parker; Ruth Perencevich; Maria Perez; Elizabeth-Anne Platt; Ann Podlipny; Mary Raven; Donna Reardon; John Reardon; Barbara Reed; Annie Rettew; Susan Richman, Durham, NH; Judith Saum; Representative George Saunderson, Merrimack - District 9; Lois Scribner; Jennifer Smith; Louise Spencer; Kathy Spielman; Diane St. Germain;

Representative Doug Thomas, Rockingham - District 5; Elaine Thomas; Julia Thompson; Katherine Thorndike; Mary Till; Jeanne Torpey; Sherrie Trefry; Laura Vincent; Representative Michael Vose, Rockingham - District 9; Janet Ward; Patricia Waterman; Raymond Waterman; Margaret Watkins; Jill Weber; Honorable Ken Wells; Lee Wells; Mary Wilke; Maura Willing; Eric Zaengkein; Barbara Zaenglein; Julie Zimmer; Charles Zoeller.

**Who opposes the bill:** Representative Efstathia Booras, Hillsborough - District 33; Christine Brunner; Brian Demers; Anne Grossi, Bedford, NH; Honorable Rick Russman; Kathy Tucker; Peter Wotowiec; Susan Wyatt.

**Who is neutral on the bill:** None.

### **Summary of testimony presented in support:**

*Representative Michael Vose*

*Rockingham – District 9*

- HB 315 modifies RSA 53-E, which permits communities to form community aggregations. A community aggregation is an accumulation of electric customers into a group to achieve lower costs through purchasing electricity in bulk.
- SB 286-FN-LOCAL (2019) made modifications to RSA 53-E to permit an expansion of services that could be provided by traditional community aggregations. Those additional services included grid modernization activities like demand respond and time of use charges.
- Unfortunately, some of these modifications made it difficult for the Public Utilities Commission (PUC) to undertake its administrative rulemaking process for community aggregation. There was a disagreement amongst the parties involved in the administrative rulemaking process. It became apparent that RSA 53-E needed to be changed to address these issues.
- HB 315 as introduced went too far to resolve these issues and was opposed by those interested in community power aggregation. The House Science, Technology, and Energy Committee worked with interested stakeholders on an amendment that satisfied all parties.
- HB 315 as amended by the House permits grid modernization activities to proceed. The bill adequately protects electric customers who receive utility provided default service. These protections are critical and made it possible for all parties to agree on HB 315.
- HB 315 as amended by the House provides important consumer protections in Section 9, especially under the requirement for the PUC to adopt administrative rules. This language requires such rules to govern the relationship between municipal and county aggregators and distribution utilities, metering, billing, access to customer data for planning and operation of aggregations, notice of the commencement or termination of aggregation services and products, and the reestablishment of a municipal or county aggregation that has substantially ceased to provide services.
- HB 315 as amended by the House creates an opt-in/opt-out program for customers involved in a community aggregation. The bill makes it clear that any customer enrolled in a community aggregation that wishes to transfer to utility provided default service or to a competitive electricity supplier shall not be required to pay any exit fee or charge for such transfer.
- HB 315 as amended by the House creates a purchase of receivables program, which allows a utility to purchase the receivables of a community aggregator. The community aggregator must indicate their willingness to take part in such a program. This program is not required but is an option available to utilities and community aggregators.
- HB 315 was recommended “ought to pass with amendment” by a vote of 18-0 in the House Science, Technology, and Energy Committee. The committee placed the bill on the House consent calendar. The full House supported the committee’s recommendation on a voice vote.
- Senator Watters asked if the House Science, Technology, and Energy Committee knew whether HB 315 would enable the PUC to move forward with their administrative rulemaking in a timely fashion. Many stakeholders are interested in acting on community aggregation.
  - Representative Vose said the PUC testified before the committee on HB 315. The PUC was actively involved in stakeholder discussions that led the House to amend HB 315 as introduced. The PUC

agreed that HB 315 as amended by the House made it possible for administrative rulemaking to move forward.

*Representative Kat McGhee – provided written testimony  
Hillsborough – District 27*

- HB 315 as introduced was largely one-sided in favor of a utility perspective. The bill was unacceptable to small businesses and community participants trying to participate in community power aggregation. The bill undid a lot of the progress in SB 286-FN-LOCAL and hampered independent operation of competitors to major utilities.
- HB 315 as amended by the House is a product of active stakeholder discussions. The bill made acceptable improvements that did not threaten to undermine existing projects and made efforts to strengthen a reasonable model by which community power aggregators can co-exist with utility provided default service providers.
- Senator Perkins Kwoka said HB 315 as introduced created a lot of discussion. The amendment adopted by the House Science, Technology, and Energy Committee addressed a lot of concerns. She asked if there were any remaining concerns with HB 315 as amended by the House.
  - Representative McGhee said the House Science, Technology, and Energy Committee worked collaboratively with stakeholders to address any concerns. People familiar with competitive electricity supply were integrated into these stakeholder discussions. The purchase of receivables was one of the main issues that needed to be addressed and it was. Allowing individuals to opt-in and opt-out of community aggregation was another important measure. Other issues may arise in the future, but there was no reason to hold up HB 315 as amended by the House.

*Clifton Below  
Assistant Mayor, City of Lebanon*

- Worked closely with Representative Vose and all the stakeholders to improve HB 315 as introduced. HB 315 as amended by the House is a better product that all stakeholders agree with.
- HB 315 as amended by the House should move forward in the legislative process as soon as possible. The sooner HB 315 becomes law, the sooner the PUC can begin its administrative rulemaking process.

*Robert Hayden  
President, Standard Power*

- Standard Power has a community aggregation project in Keene waiting for PUC evaluation. Other communities throughout the Mondanock region are very interested in considering community aggregation.
- Standard Power worked with stakeholders in the House Science, Technology, and Energy Committee. HB 315 as amended by the House is a true product of bipartisanship and compromise.

*Joseph Kwasnik – provided written testimony  
Concord, NH*

- HB 315 as amended by the House permits municipal and county authorities to provide a number of energy services that are currently provided by electric distribution companies. These services include providing electric power and capacity, demand side management, conservation services, meter reading, customer services, energy efficiency, clean energy districts, and municipal aggregation.
- Municipal and county authorities are more than capable of providing these energy services at least at a level comparable with those provided by electric distribution companies and likely at levels superior to them. Local authorities have a generally superior knowledge of and interest in the energy service needs of residents.

*Donna Gamache  
Director of Government Affairs, Eversource Energy*

- HB 315 as amended by the House goes a long way to ensure that the needs of customers and communities are met.
- Eversource Energy has been working with their customers in MA to ensure they have community aggregation, involving itself with 70 different aggregations to get those projects up and running. Eversource Energy has also worked with nearly 1,000,000 MA customers who are or will be involved in community aggregation programs.
- HB 315 as amended by the House will also help ensure that community aggregations in other states work well in NH.

*David Creer – provided written testimony*

*Director of Public Policy, Business and Industry Association*

- HB 315 as amended by the House could offer energy savings to NH's small businesses.
- HB 315 as amended by the House would separate community aggregation from community power, allowing community aggregation to move forward as community power undergoes administrative rulemaking at the PUC. In doing so, communities will be able to aggregate their residential ratepayers and smaller businesses, thereby giving them larger bargaining power for contracting with third party suppliers. This allows a municipality to obtain a better price for electricity purchases, saving small businesses money on their energy bills.

*Marc Brown*

*Executive Director – Northeast, Consumer Energy Alliance*

- HB 315 as amended by the House offers important consumer protections. The prohibition on exit fees or charges from a community aggregation is an important provision.

**Summary of testimony presented in opposition:** None.

**Neutral Information Presented:** None.

GJR

Date Hearing Report completed: April 26, 2021.