

ENERGY & CLIMATE COMMITTEE MEETING AGENDA

Wednesday, February 3, 2021, 8:00 AM

Virtual Zoom Meeting

TO JOIN THE MEETING:

The public may join the meeting online by visiting www.zoom.us/join or by calling the toll-free # (888) 475-4499 and entering the Meeting ID: **860 6322 7039**. If you encounter any issues accessing this meeting, please call 603-209-4697 during the meeting. More info on how to access this meeting is available on the Energy and Climate Committee webpage at ci.keene.nh.us/energy-and-climate-committee.

Members:

Peter Hansel Terry Clark, Councilor Jake Pipp Ken Dooley Cary Gaunt Andrew Dey Zach Luse Paul Roth Clair Oursler, Alternate

Staff:

Rhett Lamb, ACM/Community Development Director Mari Brunner, Planner

- 1. Call to Order and Roll Call
- 2. Approval of January 6, 2021 Meeting Minutes
- 3. Adopted Sustainable Energy Plan
- 4. Committee Retreat to discuss Energy Plan Implementation
- 5. Community Power Update
- 6. Legislative Updates
 - a. HB 315, "Relative to the Aggregation of Electric Customers"
 - b. HB213 "Relative to the Elimination of Useful Thermal Energy from Renewable Energy Classes"
 - c. HB549 "Relative to the Energy Efficiency Resource Standard and the System Benefits Charge" and HB351 "Relative to the System Benefits Charge"
 - d. HB225 "Relative to the Calculation of Net Energy Metering Payments or Credits"
- 7. Committee Membership
- 8. New Business
- 9. Upcoming Meetings:
 - a. ECC Retreat: Tuesday, February 16, 2021, 3:00-5:00 pm
 - b. March Meeting: Wednesday, March 3, 2021, 8:00 am
- 10. Adjourn



ENERGY & CLIMATE COMMITTEE MEETING MINUTES

Wednesday, January 6, 2021

8:00 AM

Virtual Zoom Meeting

Members:

Peter Hansel
Terry Clark, Councilor
Jake Pipp
Ken Dooley
Cary Gaunt
Andrew Dey
Zach Luse
Paul Roth, alternate

Staff:

Rhett Lamb, ACM/Community Development Director Mari Brunner, Planner

Acting Chair Hansel called the meeting to order at 8 AM.

1. Roll Call

Acting Chair Hansel read a prepared statement explaining how Emergency Order #12, issued by the Governor of the State of New Hampshire, pursuant to Executive Order #2020-04, gives authority for public meetings to be held remotely and shared information about how members of the public can listen and share comments. He then read aloud the Zoom virtual meeting platform rules and roll call was conducted.

2. Election of Chair and Vice Chair

Chair Hansel called for nominations for the positions of Chair and Vice Chair for the committee.

Mr. Pipp nominated Mr. Hansel as Chair of ECC and Ms. Gaunt as Vice Chair. Terry Clark seconded, and the motion passed by unanimous vote.

3. Approval of December 2, 2020 Meeting Minutes

Councilor Clark moved to accept the December 2, 2020 meeting minutes, Mr. Roth seconded, and the motion passed by unanimous vote.

ECC Meeting Minutes January 6, 2021

4. Update: Energy Plan Adoption Process

Ms. Brunner stated that the draft Sustainable Energy Plan went to the Planning, Licenses and Development committee (PLD) on December 9 and the PLD voted unanimously to recommend adoption to City Council on December 17. However, City Council voted to send the Plan back to the PLD committee to give the public more time to learn about one of the priority implementation strategies, the home energy labeling strategy, discussed in the Plan. Due to the holiday schedule, the next PLD meeting is January 13, which will be the next opportunity for the Plan to be discussed at the committee level and at that time PLD could send the Plan back to City Council.

Ms. Brunner said that home energy labeling, and benchmarking are very similar and are both priority strategies listed in the Plan, however, there are some differences between the two strategies. She highlighted that home energy labeling typically applies to one to two family homes and sometimes small rentals; however, benchmarking applies to larger rentals and commercial buildings. She said home energy labeling requires property owners to provide information that can be used to determine the energy performance of their properties (age of house, types of heating and cooling systems, and area of the home) and then using that information estimates what the energy performance of the home is. With benchmarking, property owners must report actual energy use. She stated that both programs can be voluntary or mandatory and the Energy Plan is recommending starting with a voluntary program and then phasing into a mandatory program if the City can demonstrate success with the voluntary program.

Ms. Gaunt asked Ms. Brunner what the City Councilors concerns and questions were about the Energy Plan. Ms. Brunner replied that City Councilors had received comments from the public about home energy labeling and expressed concern about the potential to raise costs for homeowners. Chair Hansel added that there was an excellent letter to the editor that addressed this issue and did a good job of stating the case about why home energy labeling is in the Plan and why it should be kept in it. He said it describes that the labeling will not cost landlords or homeowners anything other than the initial labeling of the property, however, it does give the renters and prospective buyers of a home a way to assess whether a home is energy efficient. He said that is the most misunderstood aspect is the labeling process and it is up to the buyers to decide whether to purchase a property with a certain energy labeling.

Ms. Brunner said both programs are intended to be tied to some type of incentive for those that do participate in the program, for example, a discount to have energy efficiency work completed on properties.

Councilor Clark stated that there were concerns in the PLD committee and they wanted to bring the Plan back to committee to clarify those concerns. Chair Hansel asked if ECC members should attend the PLD meeting on January 13 and Ms. Brunner replied that it is up to members, however, she and Mr. Lamb will be presenting on home energy labeling to provide more information to the committee. Mr. Lamb noted that it would be great to have ECC members present and speak to the topic as they are the ones who have done research into the topic. He stated that the members that wanted to bring the Plan back to the committee did not have

objections to the program and instead wanted more information about the program. Councilor Clark asked if the labeling program would require a separate ordinance. Mr. Lamb stated that yes, it would require an ordinance for a mandatory program. This is just a Plan and may warrant further steps from City Council in the future and it will receive a lot of further review before ordinances are developed.

5. Proposal for 2021 UNH Sustainability Fellow

Ms. Brunner stated that the City submitted a proposal for a UNH Sustainability Fellow, and the proposal was accepted. The proposal will provide funding for a UNH Sustainability Fellow to assist the City with Phase 1 of a city-wide benchmarking program by developing an internal benchmarking program for City buildings and facilities. She stated that this is not a city-wide program, but instead focuses internally on City buildings. The City has wanted to do this for some time and there are some barriers to implementation, therefore, the Sustainability Fellow will assist with development of the program, automating the system and providing data to the public to demonstrate how much energy the City is using. She said there will be three phases: Phase 1: Lead by Example, Phase 2-Demonstrate success through a Voluntary program and Phase 3- Explore the possibility of a Mandatory program. Ms. Brunner added that this effort would work towards the City's benchmarking goal but will only be specific to the City.

Ms. Brunner stated that the Fellow would be with the City from June until August and will be working directly with herself and Mr. Bohannon from the Department of Parks, Recreation and Facilities. She said that the results and recommendations will be presented to ECC in either July or August and possibly both months. Chair Hansel noted that he assumes the work would also provide a template for other organizations in the community to generate information from their own data systems to fill that template. He said that each organization has their own way of doing things and finding a common way to report this data to the City would hopefully be part of this process. Ms. Brunner agreed, and stated he Fellow will be working on developing a way to roll out data using different benchmarking tools that are available. She said the Sustainability Fellow position is competitive and well paid, so she expects to have a strong candidate fill the position. Members congratulated Ms. Brunner on the proposal and its success. Mr. Pipp stated that he is happy to lend support using his own expertise to support the Fellow as needed.

6. Committee Membership

Chair Hansel stated that they currently have some feelers out to prospective members for ECC. He said some members' terms ended this year and they have a couple of vacancies for alternatives and full-time members. He asked Ms. Brunner what the status is for ECC membership. Ms., Brunner replied that Mr. Weed has submitted an application online, however, the City Clerk said there is sometimes a delay between when an application is submitted and when they receive it, but they should receive the application soon. Chair Hansel said he has put in a request to a representative of Eversource for one of their experts to join but has not heard back from them yet. Ms. Brunner said she reached out to Ms. Gillard from the Clean Energy Team; however, she cannot join at this time due to other commitments. Ms. Brunner added that she will reach out to Ms. Jones and Ms. Butcher who have also been involved in the Clean Energy Team if the committee is in support of that. Ms. Gaunt added that there is a recent

international PhD graduate from AUNE, Mr. Jude Nuru, who recently started a position with Revision Energy as the Director of Community Energy Initiatives. He lives in Keene and she stated he would make a good addition to the team, especially as the committee moves toward implementing more renewable energy actions. Chair Hansel said he also spoke to Mr. Nuru and said it might be good to wait a bit while he acclimates to his new position before inviting him to ECC. He said the committee needs a quorum of six so it would be good to have people on board so they can achieve quorum each meeting. Ms. Brunner encouraged members to reach out to Chair Hansel and herself by email with any ideas for committee membership. Chair Hansel added that having members of the Clean Energy Team represented on the committee is very important. Ms. Gaunt added that Ms. Denise Thomas is very knowledgeable about local real estate and how green initiatives can enhance residential sales. Chair Hansel replied that he knows Ms. Thomas and can reach out to her.

7. Committee Retreat to discuss Energy Plan Implementation

Chair Hansel stated that, assuming that City Council approves the final Energy Plan, members will have their work cut for them about how to start the implementation process. He said that a committee retreat in late winter or spring may make sense in terms of discussing the actions and mapping out a course towards accomplishment. Ms. Brunner said that in the past, the committee has typically done a retreat once a year with the help of a facilitator. She said she can send out a Doodle Poll and schedule a two-hour time in the late afternoon and go over what their priorities are for the year. She said that typically they pick one or two priority topics to focus on for the year. She said for the past two years ECC has been focused on the planning project. With the pandemic they can utilize the Zoom platform for the retreat and create breakout rooms. Chair Hansel agreed that would be a great idea and asked members for their comments. Hearing none, Chair Hansel suggested they move forward with a Doodle Poll to schedule a retreat for late winter. He said he and Ms. Brunner can discuss identifying a facilitator for the retreat.

8. Community Power Update

Chair Hansel stated that the Community Power Committee's last meeting was December 4 and public information sessions were held on December 8. The survey has been running currently and has 92 online responses and 26 mail in responses which is a pretty good number. He stated that the next meeting is on January 15 to allow time for the survey to close and for consultants to analyze the responses and incorporate them into a draft plan. Chair Hansel stated that the consultants have been performing community outreach about the surveys and the upcoming information sessions. The next public meeting is January 26 at both 12 noon and 6:30 pm to review the results of the survey and the first draft of the Community Power Plan. He said that the committee has not yet seen that draft so they will be learning about it then as well. Chair Hansel stated that there is one more day to take the survey if members have not done so already and if they would like to register for the public information session, they can visit the Keene Energy Plan website and go to the Community Power page for registration details.

9. **Upcoming Dates of Interest**

a. Carbon Cashback Panel & Discussion – January 12, 2021 at 6:00 pm

ECC Meeting Minutes January 6, 2021

Chair Hansel asked if there is anybody in the attendee group who would like to talk more about the Carbon Cashback Panel and Discussion. He stated that the last page in the packet has details for attending. Ms. Brunner stated that ECC is a co-sponsor of this educational event to discuss carbon cashback as a climate solution. She said if members could help spread the word and encourage attendance, that would be great.

b. PLD Committee Meeting – January 13, 2021 at 7:00 pm

Ms. Brunner stated that the agenda packet will be posted on the City's website with all of the information on how to log onto the Zoom meeting.

c. <u>Community Power Public hearings – January 26, 2021 at 12:00 pm and 6:30 pm</u>
Ms. Brunner stated that there is a flyer in the agenda packet to learn more and register at www.KeeneEnergyPlan.com. Mr. Roth asked if they can get the lit sign again for the Community Power event and Ms. Brunner replied that she will request to have that put up in town again.

10. New Business

Mr. Pipp stated that he met a gentleman named Bill who does video production using drones and he expressed interest in volunteering his time and skills to the committee for future public outreach. He said he can share Ms. Brunner's information with him regarding volunteering his time.

11. Next Meeting: February 3, 2021

12. Adjourn

Chair Hansel adjourned the meeting at 9 AM.

Respectfully submitted by,

Ayshah Kassamali-Fox, Minute-Taker

Reviewed and edited by Mari Brunner, Planner

Overview of bills before the NH House Science, Technology and Energy (STE) Committee that affect Community Power, energy efficiency and renewable energy supply:

HB 315 "Relative to the aggregation of electric customers," otherwise known as *Community Power*. Bill puts limitations on Community Power (CP) programs, most importantly provisions related to utility sharing of customer data. Other provisions are onerous and overreach, including a proposed requirement that no tax dollars can be used in a CP program, even for incidentals. Several provisions hamper a Community Power program from meeting multiple goals, such as energy efficiency programs and net metering; and some provisions affect only potential load-serving entities on the ISO-NE, not currently part of Keene's Energy Plan.

Text: https://legiscan.com/NH/text/HB315/2021

HB213 – "Relative to the elimination of useful thermal energy from renewable energy classes," otherwise known as the Renewable Portfolio Standard (RPS). Bill cuts the RPS more than half, reduces it from 25% in 2025 and thereafter down to 7.8%, effective this year. Text: https://legiscan.com/NH/text/HB213/2021

HB549 – "Relative to the energy efficiency resource standard and the system benefits charge." This bill is heavily partisan (6 sponsors) and it appears that it intends to reverse the much-anticipated three-year energy efficiency program set to take effect January 2021 through NHSaves, a program agreed to by all parties including the utilities and the consumer advocate. It also appears to remove control of the SBC out of the hands of the regulators (PUC) and puts it in legislative control (see also HB351). NHPR's *The Exchange* did an excellent program on this topic in December and repeated January 25th: https://www.nhpr.org/post/degrees-energy-efficiency-efforts-during-pandemic-0 Bill text: https://legiscan.com/NH/text/HB549/2021

HB351 – "Relative to the system benefits charge." Short text eliminating PUC oversight of the Systems Benefit Charge. *Note: Committee Hearing is February 1st at 4pm.* Text: https://legiscan.com/NH/text/HB351/2021

HB225 – "Relative to the calculation of net energy metering payments or credits." Bill would drop the payout rate from the stable utility default energy rate to the much lower and variable LMP (virtually eliminating net metering.) Text: https://legiscan.com/NH/text/HB225/2021

HB 315 - AS INTRODUCED

2021 SESSION

21-0533 10/08

HOUSE BILL 315

AN ACT relative to the aggregation of electric customers.

SPONSORS: Rep. Vose, Rock. 9; Rep. Cali-Pitts, Rock. 30; Rep. Harrington, Straf. 3; Rep.

Thomas, Rock. 5

COMMITTEE: Science, Technology and Energy

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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ANALYSIS

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 One

AN ACT

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relative to the aggregation of electric customers.

- 1 Aggregation of Electric Customers; Definition; Aggregation. Amend RSA 53-E:2, I to read as follows:
- I. "Aggregation" means the grouping of retail electric customers to [provide,] broker[,] or contract for [electric power supply and] energy services for such customers.
- 5 2 New Paragraph; Definition; Energy Services. Amend RSA 53-E:2 by inserting after paragraph 6 V the following new paragraph:
- V-a. "Energy services" means the provision of electric power supply solely or in combination with any or all of the services specified in RSA 53-E:3.
 - 3 Municipal and County Authority; Agreements RSA 53-E:3, II is repealed and reenacted to read as follows:
 - II.(a) Enter into agreements for energy services, specifically:
 - (1) The supply of electric power and capacity.
 - (2) Demand side management through utility or regional system operator administered management programs.
 - (3) Conservation through utility or regional system operator administered conservation and efficiency programs.
 - (4) The operation of energy efficiency and clean energy districts adopted by a municipality pursuant to RSA 53-F and as approved by the municipality's governing body.
 - (b) Such agreements may be entered into and such services may be provided by a single municipality or county, or by a group of such entities operating jointly pursuant to RSA 53-A.
 - 4 Municipal Aggregators. Amend RSA 53-E:3-a to read as follows:
 - 53-E:3-a Municipal Aggregators Authorized. Municipal aggregators of electricity load under this chapter, and municipalities operating municipal electric utilities under RSA 38, are expressly authorized to aggregate [ether] energy services [eommonly and regularly billed to customers] as described in RSA 53-E:3. Municipalities may operate approved aggregation programs as self-supporting enterprise funds including the use of revenue bonds pursuant to RSA 33-B and RSA 374-D and loans from other municipal enterprise funds as may be approved by the governing body and the legislative body of the municipality. Any such loans from other municipal enterprise funds shall be used for purposes that have a clear nexus to the primary purposes of such other funds, such as generation, storage, or sale of power generated from sites, facilities, or resources that might otherwise be operated or produced by the other enterprise fund. Nothing in this chapter shall be

HB 315 - AS INTRODUCED - Page 2 -

- 1 deemed to limit the capacity of customers to select any service or combination of services offered by 2 such municipal aggregators or to limit the municipality from combining billing for [any or all utility] 3 energy services with other municipal services. 4 5 Regulation of Aggregators. RSA 53-E:4 is repealed and reenacted to read as follows: 5 53-E:4 Regulation. 6 I. An aggregator operating under this chapter shall not be considered a utility engaging in 7 the wholesale purchase and resale of electric power and shall not be considered a municipal utility 8 under RSA 38. 9 II. The provision of aggregated energy services under this chapter shall be regulated by this 10 chapter and any other applicable laws governing aggregated electric power and energy services in 11 competitive electric markets. 12 Transmission and distribution services shall remain with the transmission and III. 13 distribution utilities, who shall be paid for such services according to rate schedules approved by the 14 applicable regulatory authority, which may include optional time varying rates for transmission and 15 distribution services that may be offered by distribution utilities on a pilot or regular basis. An aggregator shall not be required to own any utility property or equipment to provide energy services 16 17 to its customers. 18 IV. Aggregators shall be subject to RSA 363:38 as service providers and individual customer 19 data shall be treated as confidential private information and shall not be subject to public disclosure 20 under RSA 91-A. 6 Financial Responsibility. Amend RSA 53-E:5 to read as follows: 21 22 53-E:5 Financial Responsibility. Retail electric customers who choose not to participate in an 23 aggregation program adopted under RSA 53-E:7 shall not be responsible for, and no entity shall 24require them to pay, any costs associated with such program, through taxes or otherwise except for 25 electric power supply or energy services consumed directly by the municipality or county, -or 26 incidental costs, which may include costs necessary to comply with the provisions of this chapter up 27 to the time that the aggregation starts to produce revenue from participating customers]. 28 7 Electric Aggregation Plan. Amend RSA 53-E:6, III to read as follows: 29 III. The plan shall detail: 30 (a) The organizational structure of the program. 31 (b) Operation and funding. 32 Rate setting and other costs to participants, including whether energy supply
 - (d) The methods for entering and terminating agreements with other entities.

services are offered on an opt-in basis or on an opt-out basis [as an alternative default service].

(e) The rights and responsibilities of program participants.

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(f) [How net metered electricity exported to the distribution grid by program participants, including for group net metering, will be compensated and accounted for.

HB 315 - AS INTRODUCED - Page 3 -

- 1 (g) How the program will ensure participants who are enrolled in the Electric Assistance 2 Program administered by the commission will receive their discount.
- 3 (h)] Termination of the program.
 - 8 Aggregation Program RSA 53-E:7 is repealed and reenacted to read as follows:
 - 53-E:7 Aggregation Program.

- I. The governing body of a municipality or county may submit to its legislative body for adoption a final plan for an aggregation program or any revision to include an opt-out aggregation program, to be approved by a majority of those present and voting.
- II. Once adopted, or upon revision following adoption, the plan shall be submitted to the commission for review and the commission shall determine whether the plan conforms to the requirements of this chapter and whether the plan imposes undue risk on non-participants.
- III. If the plan is adopted or once adopted is revised to include an opt-out, the municipality or county shall mail written notification to each retail electric customer within the municipality or county based upon the addresses in public records of the municipality or county for such customers. Notification shall include a description of the aggregation program, the implications to the municipality or county, and the rights and responsibilities that the participants will have under the program, and if provided on an opt-out basis, the fixed rate or charges that will apply. No retail electric customer shall be included in a program in which the customer does not know all of the rates or charges the customer may be subject to at least 30 days in advance of the customer's application and has the option, for a period of not less than 30 days from the date of the mailing, to opt out of being enrolled in such program, unless the customer affirmatively responds to the notification or requests in writing to be included in the program.
- IV. Within 15 days after notification of the plan has been sent to retail electric customers in the service area, a public information meeting to answer questions on the program shall be held.
- V. Services proposed to be offered by or through the aggregation shall be on an opt-in basis unless the approved aggregation plan explicitly creates an opt-out service program where the rate or price is known at least 30 days in advance of its application and, for a period of not less than 30 days from the date notification is mailed, the customer has the opportunity to opt out of being enrolled in such program, by return postcard, website, or such additional means as may be provided. Customers who are on default service provided by an electric distribution utility shall be automatically enrolled in an aggregation provided energy services if they do not elect to opt out. Customers opting out will remain on default service. Customers taking energy service from a competitive electricity supplier shall not be automatically enrolled in any aggregation program, but may voluntarily opt in. A new customer to the electric distribution utility after the notification mailing required by paragraph III shall initially be enrolled in utility provided default service unless the customer has relocated within a single utility's service area and is continuing service with a competitive electricity supplier. On a recurring basis, but not more frequently than monthly, an aggregation may request, and the utility

HB 315 - AS INTRODUCED - Page 4 -

will provide, a list of customers within the aggregation's territory who are not enrolled with a competitive electricity supplier for the aggregation to use in identifying any new customers. New customers identified from such list shall be enrolled by the aggregation in the aggregation program, unless the customer opts-out of the aggregation Municipal aggregations shall take priority or precedence over any county aggregations and each such aggregation shall be responsible for assuring that customers are enrolled with the correct aggregation. Customers enrolled in a municipal or county provided energy services shall be free to elect to return to utility provided default service or to transfer to a competitive electricity supplier with adequate notice in advance of the next regular meter reading by the distribution utility, in the same manner as if they were on utility provided default service or as approved by the commission.

VI. Once adopted, an aggregation plan and program may be amended and modified from time to time as provided by the governing body of the municipality or county and approved by the commission. In all cases the establishment of an opt-out default service program shall be approved as provided in paragraph I.

VII. The commission shall adopt rules, under RSA 541-A, to implement this chapter, including but not limited to rules governing the relationship between municipal or county aggregators and distribution utilities, metering, 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. Where the commission has adopted rules in conformity with this chapter, complaints to and proceedings before the commission shall not be subject to RSA 541-A:29 or RSA 541-A:29-a.

- 9 New Section; Billing Arrangements. Amend RSA 53-E by inserting after section 8 the following new section:
- 53-E:9 Billing Arrangements. Each electric distribution utility shall offer to bill customers on behalf of competitive electric power suppliers and to pay such suppliers in a timely manner the amounts due such suppliers from customers for generation services, less a percentage of such amounts that reflects uncollectible bills and overdue payments, as approved by the commission.
 - 10 Effective Date. This act shall take effect 60 days after its passage.

HB 213 - AS INTRODUCED

2021 SESSION

21-0393 10/06

HOUSE BILL 213

AN ACT relative to the elimination of useful thermal energy from renewable energy classes.

SPONSORS: Rep. Harrington, Straf. 3

COMMITTEE: Science, Technology and Energy

ANALYSIS

This bill removes the inclusion of technologies producing useful thermal energy from the minimum electric renewable portfolio standards.

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. 21-0393

10/06

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty One

AN ACT relative to the elimination of useful thermal energy from renewable energy classes.

- 1 Minimum Electric Renewable Portfolio Standards; Definition; renewable Energy Source. Amend RSA 362-F:2, XV to read as follows:
- XV. "Renewable energy source," "renewable source," or "source" means a class I, II, III, or IV source of electricity [or a class I source of useful thermal energy]. An electrical generating facility, while selling its electrical output at long-term rates established before January 1, 2007 by orders of the commission under RSA 362-A:4, shall not be considered a renewable source.
- 2 Minimum Electric Renewable Portfolio Standards; Technologies Producing Useful Thermal Removed. Amend RSA 362-F:3 to read as follows:
- 362-F:3 Minimum Electric Renewable Portfolio Standards. For each year specified in the table below, each provider of electricity shall obtain and retire certificates sufficient in number and class type to meet or exceed the following percentages of total megawatt-hours of electricity supplied by the provider to its end-use customers that year, except to the extent that the provider makes payments to the renewable energy fund under RSA 362-F:10, II:

2008 2009 2010 2011 2012 2013 2014 2015 2025 and thereafter

Class I 0.0% 0.5% 1% 2% 3% 3.8% 5% 6% [15% (*)] **6%**

Class II 0.0% 0.0% 0.04% 0.08% 0.15% 0.2% 0.3% 0.3% [0.7%] **0.3**%

Class III [3.5% 4.5% 5.5% 6.5% 1.4% 1.5% 3.0% 8.0% 8.0%] **1%**

Class IV 0.5% 1% 1% 1% 1% 1.3% 1.4% 1.5% 1.5%.

[*Class I increases an additional 0.9 percent per year from 2015 through 2025. A set percentage of the class I totals shall be satisfied annually by the acquisition of renewable energy certificates from qualifying renewable energy technologies producing useful thermal energy as defined in RSA 362-F:2, XV-a. The set percentage shall be 0.4 percent in 2014, 0.6 percent in 2015, 0.8 percent in 2016, and increased annually by 0.2 percent per year from 2017 through 2023, after which it shall remain unchanged. Class II shall increase to 0.5 percent beginning in 2018, 0.6 percent beginning in 2019, and 0.7 percent beginning in 2020, otherwise classes II-IV shall remain at the same percentages from 2015 through 2025 except as provided in RSA 362-F:4, V-VI.]

- 3 Renewable Energy Classes; Useful Thermal Removed. Amend the introductory paragraph of RSA 362-F:4, I to read as follows:
- I. Class I (New) shall include the production of electricity [or useful thermal energy] from any of the following, provided the source began operation after January 1, 2006, except as noted below:
- 4 Renewable Energy Classes; Biomass Technologies Producing Useful Thermal Energy Removed. Amend RSA 362-F:4, III to read as follows:
- III. Class III ([Existing Biomass/]Methane) shall include the production of electricity [from any of the following] from methane gas, provided the source began operation prior to January 1, 2006 [and except as provided in subparagraph (b):
- (a) Eligible biomass technologies having a gross nameplate capacity of 25 MWs or less.
- (b) Methane gas.] Effective for electricity production commencing January 1, 2017, methane gas shall not qualify for class III if the production is from a source or sources which began operation prior to January 1, 2006 and which source exceeds, or sources exceed, a total gross nameplate capacity of 10 MWs in the aggregate located at any single landfill site. All phases, stages, cells, lifts, expansions, and other landfill areas shall be combined in determining the single landfill site gross nameplate capacity. Only class III and potential class III eligible sources at any single landfill site shall be included in determining whether the 10 MW aggregate limitation has been exceeded.
- 5 Repeals. The following are repealed:
- I. RSA 362-F:4, I(1) relative to biomass technologies producing useful thermal energy.
- II. RSA 362-F:2, XV-a, relative to the definition of useful thermal.
- 6 Effective Date. This act shall take effect 60 days after its passage.

HB 549 - AS INTRODUCED

2021 SESSION

21-0717 10/06

HOUSE BILL **549**

AN ACT relative to the energy efficiency resource standard and the system benefits charge.

SPONSORS: Rep. Vose, Rock. 9; Rep. Harrington, Straf. 3; Rep. Ammon, Hills. 40; Rep. Nunez, Hills. 37; Sen. Ward, Dist 8; Sen. Gannon, Dist 23

COMMITTEE: Science, Technology and Energy

ANALYSIS

This bill requires the public utilities commission to adopt rules for the energy efficiency resource standard. The bill also modifies the requirements and procedures for use of the system benefits charge assessed to electric utility customers.

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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.

21-0717

10/06

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty One

AN ACT relative to the energy efficiency resource standard and the system benefits charge.

- 1 New Section; Electric Utilities; Energy Efficiency Resource Standard. Amend RSA 374-F by inserting after section 4-b the following new section:
- 374-F:4-c Energy Efficiency Resource Standard; Rulemaking. Within 60 days of the effective date of this section, the commission shall initiate a proceeding to develop rules to implement the energy efficiency resource standard (EERS). Such rules shall be adopted and effective not later than July 1, 2022. Each 3-year plan for the EERS shall require legislative approval based on a demonstration of cost effectiveness consistent with the legislative mandate that the commission prioritize energy efficiency and demand-side supply resources in order to provide the lowest reasonable cost energy supply to customers, as well as the requirement to set just and reasonable rates. The rules shall:
- I. Establish savings targets with a long-term goal of all achievable and provable cost-effective energy efficiency within the context of available, sustainable funding.
- II. Use at least a 3-year, short-term planning period. $_{\mbox{\scriptsize Page 15 of 21}}$

- III. Consider rate impacts on customers in setting short-term goals.
- IV. Focus primarily on comprehensive electric and gas programs with secondary focus on fuel neutral programs.
- V. Continue joint coordination of programs by the electric and gas utilities.
- VI. Drive innovation in technology, outreach, and regulation to accelerate energy efficiency gains.
- VII. Provide robust evaluation, measurement, and verification, comprised of data collection, monitoring, and analysis associated with the calculation of savings from individual projects to ensure that the program meets its savings targets and spends ratepayer funds in a just and reasonable manner, and that energy efficiency programs are cost effective.
- VIII. Leverage the private financing market and increase public awareness of the benefits of energy efficiency.
- IX. Fund the EERS with the systems benefits charge and the local distribution adjustment charge.
- X. Provide a 6 to 8 percent performance incentive for utilities.
- XI. Allow utilities to recover just, reasonable, and prudent costs incurred in developing, promoting, and delivering the EERS programs.
- XII. Require a suspension of any scheduled or pending 3-year plan when a state of emergency has been declared by the governor. In such case, the previously approved plan will remain in place.
- 2 Restructuring Policy Principles; System Benefits Charge. Amend RSA 374-F:3, VI to read as follows:
- VI. Benefits for All Consumers. Restructuring of the electric utility industry should be implemented in a manner that benefits all consumers equitably and does not benefit one customer class to the detriment of another. Costs should not be shifted unfairly among customers.

VI-a. System Benefits Charge.

- (a) A nonbypassable and competitively neutral system benefits charge applied to the use of the distribution system [may] shall be used only to fund public benefits related to the provision of electricity. [Such benefits] This charge, as approved by [regulators] the general court, may [include, but not necessarily be limited to,] fund:
- (1) Programs for low-income customers [, energy efficiency programs,].
- (2) The electricity utility industry's portion of the energy efficiency resource standard described in RSA 374-F:4-c.
- (3) [Funding for] The electric utility industry's share of commission expenses pursuant to RSA 363-A[-].
- (4) Support for research and development[, and].
- (5) Investments in commercialization strategies for new and beneficial technologies.
- (b) Legislative approval of the New Hampshire general court shall be required to increase the system benefits charge, and to enumerate its uses. [This requirement of prior approval of the New Hampshire general court shall not apply to the energy efficiency portion of the system benefits charge if the increase is authorized by an order of the commission to implement the 3-year planning periods of the Energy Efficiency Resource Standard framework established by commission Order No. 25,932 dated August 2, 2016, ending in 2020 and 2023, or, if for purposes other than implementing the Energy Efficiency Resource Standard, is authorized by the fiscal committee of the general court; provided, however, that] Such approval for the energy efficiency portion of the system benefits charge can be provided by the approval of a 3-year EERS plan as described in RSA 374-F:4-c. To ameliorate economic uncertainty, any scheduled or pending increase in the systems benefits charge shall be suspended during a declared state of emergency. No less than 20 percent of the portion of the funds collected for energy efficiency shall be expended on low-income electric energy efficiency programs. Energy efficiency

programs should include the development of relationships with third-party lending institutions to provide opportunities for low-cost financing of energy efficiency measures to leverage available funds to the maximum extent[, and shall also include funding for workforce development to minimize waiting periods for low-income energy audits and weatherization].

3 Effective Date. This act shall take effect upon its passage.

HB 351 - AS INTRODUCED

2021 SESSION

21-0410 10/06

HOUSE BILL 351

AN ACT relative to the system benefits charge.

SPONSORS: Rep. Harrington, Straf. 3

COMMITTEE: Science, Technology and Energy

ANALYSIS

This bill changes the procedure for increasing the system benefits charge assessed electric customers and clarifies its purposes.

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.

21-0410

10/06

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty One

AN ACT relative to the system benefits charge.

- 1 Restructuring Policy Principles; System Benefits Charge. Amend RSA 374-F:3, VI to read as follows:
- VI. Benefits for All Consumers. Restructuring of the electric utility industry should be implemented in a manner that benefits all consumers equitably and does not benefit one customer class to the detriment of another. Costs should not be shifted unfairly among customers. A nonbypassable and competitively neutral system benefits charge applied to the use of the distribution system may be used to fund public benefits related to the provision of electricity. Such benefits, as approved by regulators, may include, but not necessarily be limited to, programs for low-income customers, energy efficiency programs whose main purpose is to reduce the consumption of electricity and not some other form of energy, funding for the electric utility industry's share of commission expenses pursuant to RSA 363-A, support for research and development, and investments in commercialization strategies for new and beneficial technologies. [Legislative] Prior approval [of] by either the passage of legislation by the New Hampshire general court or authorization by the fiscal committee of the general court shall be required to increase the system benefits charge[. This requirement of prior approval of the New Hampshire general court shall

not apply to the energy efficiency portion of the system benefits charge if the increase is authorized by an order of the commission to implement the 3-year planning periods of the Energy Efficiency Resource Standard framework established by commission Order No. 25,932 dated August 2, 2016, ending in 2020 and 2023, or, if for purposes other than implementing the Energy Efficiency Resource Standard, is authorized by the fiscal committee of the general court]; provided, however, that no less than 20 percent of the portion of the funds collected for energy efficiency shall be expended on low-income energy efficiency programs. Energy efficiency programs should include the development of relationships with third-party lending institutions to provide opportunities for low-cost financing of energy efficiency measures to leverage available funds to the maximum extent, and shall also include funding for workforce development to minimize waiting periods for low-income energy audits and weatherization.

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

HB 225 - AS INTRODUCED

2021 SESSION

21-0213 10/06

HOUSE BILL 225

AN ACT relative to the calculation of net energy metering payments or credits.

SPONSORS: Rep. Plett, Hills. 6

COMMITTEE: Science, Technology and Energy

ANALYSIS

This bill changes the methods of calculating and paying for the energy net metered by a customer-generator to an electric distribution utility each billing period.

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.

21-0213

10/06

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty One

AN ACT relative to the calculation of net energy metering payments or credits.

- 1 Definition; Eligible Customer Generator. Amend RSA 362-A:1-a, II-b to read as follows:
- II-b. "Eligible customer-generator" or "customer-generator" means an electric utility customer who owns, operates, or purchases power from an electrical generating facility either powered by renewable energy or which employs a heat led combined heat and power system, with a total peak generating capacity of up to and including [one megawatt] 2 megawatts, that is located behind a retail meter on the customer's premises, is interconnected and operates in parallel with the electric grid, and is used to offset the customer's own electricity requirements. Incremental generation added to an existing generation facility, that does not itself qualify for net metering, shall qualify if such incremental generation meets the qualifications of this paragraph and is metered separately from the nonqualifying facility.
- 2 Net Energy Metering; Calculation of Payment or Credit. Amend RSA 362-A:9, IV-VI to read as follows:
- IV.(a) For facilities with a total peak generating capacity of not more than 100 kilowatts, when billing a customergenerator under a net energy metering tariff that is not time-based, the utility shall apply the customer's net energy

usage when calculating all charges that are based on kilowatt hour usage. Customer net energy usage shall equal the kilowatt hours supplied to the customer over the electric distribution system minus the kilowatt hours generated by the customer-generator and fed into the electric distribution system over a billing period.

- (b) For facilities with a total peak generating capacity of more than 100 kilowatts, the customer-generator shall pay all applicable charges on all kilowatt hours supplied to the customer over the electric distribution system, less a credit [on default service charges] equal to the metered *kilowatt-hours of* energy generated by the customer-generator and fed into the electric distribution system over a billing period *multiplied by the average monthly locational marginal price as determined by ISO-New England for the New Hampshire load zone for the month in which the energy is generated.*
- V. When a customer-generator's net energy usage is negative (more electricity is fed into the distribution system than is received) over a billing period, such surplus shall [either:
- (a) Be credited to the customer-generator's account on an equivalent basis for use in subsequent billing cycles as a credit against the customer's net energy usage or bill in a manner consistent with either subparagraph IV(a) or IV(b), as applicable; or
- (b)], except as provided in paragraph VI, [the customer-generator may elect to] be paid or credited by the electric distribution utility [for its excess generation at rates that are equal to the utility's avoided costs for energy and capacity to provide default service as determined by the commission consistent with the requirements of the Public Utilities Regulatory Policy Act of 1978 (PURPA). The commission shall determine reasonable conditions for such an election, including the frequency of payment and how often a customer-generator may choose this option versus the option in subparagraph (a)] by means of a monetary credit applied to the bill of the customer-generator.
- VI. Instead of the [option] monetary credit in [subparagraph V(b)] paragraph V, an electric distribution utility providing default service to customer-generators may voluntarily elect, annually, on a generic basis, by notification to the commission, to purchase or credit such excess generation from customer-generators at a rate that is equal to the generation supply component of the applicable default service rate, provided that payment is issued at least as often as whenever the value of such credit, in excess of amounts owed by the customer-generator, is greater than \$50.
- 3 Commission Rules; Review. Amend RSA 362-A:9, X to read as follows:
- X. The commission shall adopt rules, pursuant to RSA 541-A, to:
- (a) Establish reasonable interconnection requirements for safety, reliability, and power quality as it determines the public interest requires. Such rules shall not exceed applicable test standards of the American National Standards Institute (ANSI) or Underwriters Laboratory (UL); [and]
- (b) Require periodic review, not less frequently than every 2 years, of net metering compensation rates to determine if costs are being shifted from customer-generators to non-customer-generators and to adjust such compensation rates to reduce or eliminate any shift determined through such review; and
- (c) Implement the provisions of this section.
- 4 Effective Date. This act shall take effect 60 days after its passage.