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Chairman Michael Vose
And Members of the House Science, Technology and Energy Committee
Room 302-304
Legislative Office Building
33 North State Street
Concord, NH 03301

RE: Testimony on HB 1600-FN, relative to participation in net energy metering

Chairman Vose and Members of the Committee:

At the public hearing for HB 1600-FN, the New Hampshire Department of Energy (Department) noted that the Community Power Coalition of New Hampshire (Coalition) proposed amendments to the bill as introduced. The Department wanted to review the proposed language. The Department submits this letter after its review of the Coalition's language.

At this time, the Department is neutral on the policy position outlined by the Coalition, pending further review. However, the Department has concerns with the statutory construction proposed. The Department's concerns can be addressed by adding a new definition to the statute for "community aggregation host" and moving the proposed changes to the municipal host statute to a new section within the same chapter.

The Coalition's amendment proposes two changes to HB 1600-FN as introduced:

1. Amend the bold text in Section 1 to read as follows: When a municipal host consents to use its generation to offset the group load of a municipal or county aggregation, and not individual retail customer accounts, then it shall be a customer of a municipal or county aggregation and not on utility default service, with compensation for their output made pursuant to RSA 362-A:9, II.

Although open to the concept, the Department *opposes* the first change purely on technical grounds.

Under state statute, a municipal host must offset the electrical load of a group consisting of one or more members that are individual political subdivisions. These subdivisions are members, or individual customer meters, that have their load offset by the municipal host's production. This approach is similarly undertaken for traditional group host net metering where a host offsets the load of individual customer accounts.

The Coalition's amendment would allow a municipal host to include the entirety of an aggregation's load in the group as an eligible member. This approach does not consider the load of individual customer meters, but the load of an entire aggregation. This represents a significant change from the state's existing net metering structure. This makes the administration of both these new arrangements and the existing municipal host arrangements very difficult, time consuming, expensive, and confusing.

## **Proposed Solution:**

If the Committee wishes to move forward with this concept, the Department strongly encourages creating a new definition under RSA 362-A:1-a that is separate and distinct from the municipal host definition as well as new language in RSA 362-A:9.

This new definition could create a new group host type called "community aggregation host" or something similar.

The Department suggests that the definition reads as follows: "Community aggregation host" means a customer generator with a total peak generating capacity of less than 5 megawatts whose generation is used to offset the group load of a municipal or county aggregation, and not individual retail customer accounts, provided that all customers are located within the same utility franchise service territory.

Language would be added in a new section of RSA 362-A:9 that reads as follows: When a community aggregation host uses its generation to offset the group load of a municipal or county aggregation, and not individual retail customer accounts, it shall be a customer of a municipal or county aggregation and not on utility default service, with compensation for its output made pursuant to RSA 362-A:9, II.

Considerations regarding what constitutes a "member" and how an aggregation "member" (as opposed to a traditional single customer member with their own meter) might interact with other sections of the group net metering statute would need to be reviewed and would likely work differently with other group host net metering types.

The Department is willing to provide feedback on any proposed language changes, and it would welcome the opportunity to review such language before acted upon by the House Science, Technology, and Energy Committee. Addressing these technical concerns is a necessity for the Department to not oppose this legislation.

2. Remove Section 2 entirely and renumber Section 3 as Section 2.

The Department is currently *neutral* on the Coalition's proposed second change.

If there is additional information needed or any questions, please feel free to contact the Department.

Respectfully,

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Suffer Amy

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