



The State of New Hampshire
Department of Environmental Services



Clark B. Freise, Assistant Commissioner

January 25, 2017

The Honorable Richard Barry, Chair
House Science, Technology, and Energy Committee
Legislative Office Building, Room 304
Concord, New Hampshire 03301

Re: House Bill 518 relative to eliminating the cap on net metering

Dear Chair Barry and Members of the Committee:

Thank you for the opportunity to comment on House Bill 518, relative to eliminating the cap on net metering. House Bill 518 would also amend RSA 362-A:9, I by setting each net energy metering tariff equal to the average monthly energy wholesale rate, as determined by the Independent System Operator of New England. The New Hampshire Department of Environmental Services (NHDES) supports eliminating the cap on net metering. However, NHDES does not support changes to the net energy metering tariff as proposed by HB 518.

In the 2016 General Court session HB 1116 modified the cap on net metering tariffs and directed the Public Utilities Commission (PUC) to initiate a proceeding to develop new net metering tariffs. In response, the PUC opened Docket 16-576, *Development of New Alternative Net Metering Tariffs and/or Other Regulatory Mechanisms and Tariffs for Customer-Generators*. Final hearings in this docket will be held in March 2017, and NHDES feels this process should be allowed to continue to its completion. Amending the RSA, at this time, is premature.

Increased use of renewable energy resources has both environmental and economic benefits to the State and NHDES supports net metering as a mechanism to incentivize additional investment in renewable energy. The benefits of incentivizing additional renewable energy is further described in RSA 362-F:1 as follows:

“Renewable energy generation technologies can provide fuel diversity to the state and New England generation supply through use of local renewable fuels and resources that serve to displace and thereby lower regional dependence on fossil fuels. This has the potential to lower and stabilize future energy costs by reducing exposure to rising and volatile fossil fuel prices. The use of renewable energy technologies and fuels can also help to keep energy and investment dollars in the state to benefit our own economy. In addition, employing low emission forms of such technologies can reduce the amount of greenhouse gases, nitrogen oxides, and particulate matter emissions transported into New Hampshire and also

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generated in the state, thereby improving air quality and public health, and mitigating against the risks of climate change. It is therefore in the public interest to stimulate investment in low emission renewable energy generation technologies in New England and, in particular, New Hampshire, whether at new or existing facilities.”

Thank you again for the opportunity to comment on HB 518. If you have any questions or require further information, please contact either Craig Wright, Director of the Air Resources Division (craig.wright@des.nh.gov, 271-1088) or Michael Fitzgerald, Assistant Director (michael.fitzgerald@des.nh.gov, 271-6390).

Sincerely,



Clark B. Freise
Assistant Commissioner

cc: Sponsor of HB 518: Reps. Barry, L. Ober, Vadney, & Vose