



The State of New Hampshire
Department of Environmental Services



Robert R. Scott, Commissioner

March 20, 2018

The Honorable Kevin Avard
Chair, Senate Energy and Natural Resources Committee
State House, Room 103
Concord, New Hampshire 03301

Re: HB 1202, relative to town revolving funds for group net metering

Dear Chair Avard and Members of the Committee:

Thank you for the opportunity to comment on HB 1202, relative to town revolving funds for group net energy metering. This bill amends RSA 31:95-h, I to allow towns to establish, by vote of their governing body, a revolving loan fund for facilitating transactions relative to municipal group net metering. As clean renewable energy supports our mission of fostering a clean environment, the New Hampshire Department of Environmental Services (NHDES) supports this bill.

The intent of group net metering is to allow customer-generators, whose project sites offer more renewable-energy-generation capacity than they can utilize, to become group hosts and share some of that resource with other customers of the same electric distribution utility. This arrangement is advantageous to the New Hampshire customers, including municipalities, who may face barriers that prevent or limit their direct investment in renewable projects at specific sites. In the case of a municipality utilizing group net energy metering, the surplus renewable electricity generation at one site could be applied to other municipal facilities within the same electric distribution, reducing the municipality's energy costs to a larger extent than would otherwise occur.

The existing statutory language in RSA 31:95-h, I does not permit towns to establish a revolving loan fund for the purposes of facilitating group net energy metering project. By adding the new section, RSA 31:95-h, I (g), towns would be permitted to establish a revolving fund into which the governing body may deposit monies to be used for group net energy metering projects. Any part of the revenues derived from the group net energy metering projects, which were supported by the fund, could be deposited back into the revolving fund. That capital would be allowed to accumulate year-to-year, and would not be considered part of the town's surplus. Instead, the monies may be used for further investments in group net energy metering projects.

By making this change to RSA 31:95-h, I, towns will have greater opportunity to invest in clean distributed energy generation and reduce their overall energy costs. This would be a well-timed change as the NH Public Utilities Commission (PUC) recently eliminated the cap on the total allowable net metering capacity in the state, and ruled on compensation rates for new net

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29 Hazen Drive • PO Box 95 • Concord, NH 03302-0095
(603) 271-3503 • Fax: 271-2867 TDD Access: Relay NH 1-800-735-2964

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metered energy systems in PUC Order 26,029.¹ With the PUC decisions complete and with the upfront costs of renewable projects continuing to fall, the door to investment in clean renewable energy is opening further.

Thank you again for the opportunity to comment on HB 1202. If you have any questions or require further information, please contact either Chris Skoglund, Climate and Energy Program Manager, Air Resources Division (Christopher.Skoglund@des.nh.gov, 271-7624) or Rebecca Ohler, Administrator, Technical Services Bureau, Air Resources Division (Rebecca.Ohler@des.nh.gov, 271-6749).

Sincerely,



Robert R. Scott
Commissioner

cc: Representative Carson

¹ NH Public Utilities Commission (2017). *ORDER NO. 26,029 Order Accepting Settlement Provisions, Resolving Settlement Issues, and Adopting a New Alternative Net Metering Tariff, DE 16-576 Development of New Alternative Net Metering Tariffs and/or Other Regulatory Mechanisms and Tariffs for Customer-Generators*, June 23, 2017, <http://www.puc.state.nh.us/Regulatory/Orders/2017orders/26029e.pdf>.