

The State of New Hampshire
Department of Environmental Services

Robert R. Scott, Commissioner



February 8, 2021

The Honorable Kevin Avard Chairman, Energy and Natural Resources Committee Legislative Office Building, Room 103 Concord, New Hampshire 03301

Re: SB 115, establishing greenhouse gas emission reduction goals for the state and establishing a climate action plan.

Dear Chairman Avard and Members of the Committee:

Thank you for the opportunity to testify on SB 115. This bill establishes short, medium, and long term greenhouse gas (GHG) emissions reduction goals for New Hampshire, and includes several direct requirements for the New Hampshire Department of Environmental Services (NHDES). NHDES takes no position on this bill, but offers the following information for the Committee's consideration.

This bill specifically requires:

- 1) NHDES to establish and report on an annual GHG emissions inventory (e.g., carbon dioxide, methane, and nitrous oxide emissions);
- 2) Certain state agencies to incorporate the GHG emissions reductions goals into "project planning, rulemaking, and funding determinations";
- 3) NHDES to prepare a state climate plan, through a transparent stakeholder process to achieve the GHG goals, and update the plan every five years while reporting on progress semi-annually.

NHDES already requires stationary sources to report on the emissions of other, non-GHG pollutants, and NHDES already calculates an annual sector-based GHG emissions inventory based on commonly defined sectors of the economy and widely-used analytical guidelines. The data for the GHG calculation is primarily obtained annually from the US Department of Energy's Energy Information Administration.

In addition, the State developed a Climate Action Plan,¹ with aspirational goals in 2009. This was an extensive process that included pre-planning during the first half of 2007, along with full-scale planning that ran all of 2008 and into March 2009. The Plan development process was overseen by a 29-member Climate Change Policy Task Force (CCPTF) drawn from the public, private, and non-profit sectors, as well as academia, state agencies, and members of the General Court, and which represented a geographically diverse area. The CCPTF received guidance from six sector-based working groups, composed of 125 individuals, which in turn received considerable analytical support concerning the GHG emissions reduction potential of the more than 100 strategies considered, as well as their costs and benefits. The

¹ CCPTF (2009). <u>2009 NH Climate Change Action Plan</u>, Climate Change Policy Task Force, <u>https://www.des.nh.gov/sites/g/files/ehbemt341/files/documents/r-ard-09-1.pdf</u>, (last accessed February 5, 2021).

CCPTF also sought extensive public input throughout the process, ranging from briefings for the public at the outset of the process, open CCPTF meetings with public comments, as well as listening sessions held in all corners of the state.

Based on the requirements of this bill, NHDES estimates that at least three (3) full-time-equivalent positions would be necessary for NHDES to fulfill the additional work. While current staff are engaged in tracking the annual emissions of non-GHG pollutants and GHG emissions, additional staff would be needed to plan and manage the incorporation of GHG goals into agency activities. It is likely that the other stated agencies named in the bill would need or benefit from NHDES staff assisting in their own GHG emissions reduction efforts.

Additionally, NHDES staff would need to oversee the process to develop the state climate action plan intended to achieve the state's GHG emissions reduction goals. This includes managing stakeholder engagement and technical analysis. Following the plan's completion, those staff would need to maintain the GHG inventory, and track implementation of the new climate action plan. As written, the Department would be required to track and report on the elements in the plan biennially, and manage an update to the plan every five years. The above requirements exceed the current NHDES staffing capacity.

In addition, the implementation of a climate plan will very likely have an economic impact on the state, influencing energy costs for residents, businesses, and manufacturers as well as towns, schools, counties, and the state, as well as resulting in workforce changes. To understand the implications of the GHG emissions reductions required to meet the targets in this bill, the development of the new climate action plan by 2023, and then again every five years, would strongly benefit from the support of a technical consultant. Such a consultant would be necessary to evaluate the emissions-reduction potential, as well as the costs and benefits of the GHG emissions reductions strategies considered during the plan's development. The consultants that took part in the development of the 2009 NH Climate Action Plan and the 2014 State Energy Strategy² were invaluable in assuring that those plans included strategies that provided a substantial positive net economic benefit to the state.

Thank you again for the opportunity to comment on SB 115. If you have any questions or require further information, please contact either Mike Fitzgerald, Assistant Director, Air Resources Divisions (<u>Michael.Fitzgerald@des.nh.gov</u>, (603) 271-6390) or Chris Skoglund, Climate and Energy Program Manager, Air Resources Division (<u>Christopher.Skoglund@des.nh.gov</u>, (603) 271-7624).

Sincerely,

Mohota La

Robert R. Scott Commissioner

ec: Sponsors of HB 115: Senators Prentiss, Watters, Perkins Kwoka, and Bradley

² EAC (2014). <u>2014 New Hampshire State Energy Strategy</u>, NH Energy Advisory Council, <u>https://www.nh.gov/osi/energy/programs/documents/energy-strategy.pdf</u>, (last accessed February 5, 2021).