

HB 294 - AS INTRODUCED

2021 SESSION

21-0452

10/11

HOUSE BILL **294**

AN ACT relative to the purchase of output of limited electrical energy producers.

SPONSORS: Rep. Pearl, Merr. 26; Rep. Lang, Belk. 4; Rep. Oxenham, Sull. 1

COMMITTEE: Science, Technology and Energy

ANALYSIS

This bill expands the authority of limited producers of electrical energy to sell their output in the private sector.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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 relative to the purchase of output of limited electrical energy producers.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 Limited Electrical Energy Producers Act; Purchase of Output by Private Sector. RSA 362-A:2-
2 a is repealed and reenacted to read as follows:

3 362-A:2-a Purchase of Output by Private Sector.

4 I. A limited producer of electrical energy may sell its produced electrical energy to one or
5 more purchasers other than the franchise electric utility. Such purchaser may be any electricity
6 supplier or retail electricity customer located in New Hampshire. The commission shall establish
7 procedures to authorize limited producers, including eligible customer-generators, to sell electricity
8 at retail, either directly or indirectly through an electricity supplier, within a single electric
9 distribution utility franchise area where the purchasers of electricity from such limited producers
10 shall not be charged a transmission tariff or rate for such sales, or the purchaser or limited producer
11 receives credit for avoided transmission charges as the commission otherwise determines, if the
12 retail sale of such electricity reduces the retail load measured at the wholesale meter point between
13 the distribution system and transmission facilities under federal jurisdiction such that transmission
14 charges allocated to the distribution utility are reduced from what they otherwise would be absent
15 the electricity produced behind retail meters. Direct retail sales of electricity across the distribution
16 grid shall be facilitated and accounted for by competitive electricity suppliers registered with the
17 commission under RSA 374-F:7, by municipal or county aggregations under RSA 53-E that are load
18 serving entities, or by utility sponsored tariffs that may be offered in conjunction with default
19 service. The public utilities commission shall establish such procedures, requirements, and
20 conditions concerning retail sales of electricity pursuant to this section that it deems necessary to
21 avoid substantial risk to the electric utility in whose franchise area the sales takes place.

22 II. Purchasers of power from limited producers shall pay for the delivery of such power
23 through tariffs, charges, and rates that are generally applicable to the customer's rate class, with the
24 exception of default energy service if not applicable and transmission charges if not applicable
25 pursuant to paragraph I.

26 III. Public utilities that distribute electricity under the jurisdiction of the commission shall
27 not report the production of electricity from behind or across retail electricity meters by limited
28 producers, including customer-generators, to the Federal Energy Regulatory Commission (FERC)
29 jurisdictional transmission utilities for load reconstitution purposes or otherwise unless ordered to
30 do so by a court of competent jurisdiction, provided that such limited producer is not registered as a
31 generator or an asset with ISO New England and is thus not authorized to participate in FERC

1 jurisdictional wholesale energy markets. Instead, such electricity production on the distribution grid
2 shall be treated as load reducers behind the wholesale meter point for purposes of ISO New England
3 wholesale energy markets and transmission services.

4 IV. Limited producers that first became operational before July 1, 2021 and that have
5 outstanding capacity commitments in the forward capacity market administered by ISO New
6 England may elect to transition to retail sales of electricity on the distribution grid and be treated as
7 a retail load reducer for purposes of wholesale energy markets provided that they undertake the
8 process of retiring from participation in wholesale energy markets administered by ISO New
9 England by:

10 (a) Ceasing participation in such energy markets such as by receipt of payments for
11 energy generation;

12 (b) Transferring to the limited producer's load serving entity any payments received or
13 due from ISO New England that are attributable to fulfillment of the limited producer's capacity
14 commitments until such capacity commitments are fulfilled or otherwise retired; and

15 (c) Completing the process of retiring from wholesale energy and capacity markets
16 administered by ISO New England once any such capacity commitments that were outstanding at
17 the time the limited producer commenced retail electricity sales are fulfilled or otherwise retired.

18 2 Effective Date. This act shall take effect 60 days after its passage.