

HB 407 - AS INTRODUCED

2021 SESSION

21-0495

10/06

HOUSE BILL **407**

AN ACT relative to the purchase of output of limited electrical energy producers in intrastate commerce and including qualifying storage system.

SPONSORS: Rep. McGhee, Hills. 27

COMMITTEE: Science, Technology and Energy

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ANALYSIS

This bill expands the authority of a limited producer of electrical energy to sell its output to retail electricity customers located within the same New Hampshire electric distribution utility franchise area as the limited producer, and includes qualifying electrical energy storage.

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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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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 in intrastate commerce and including qualifying storage system.

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

1 1 Definition; Limited Electrical Energy Producers; Limited Producer. Amend RSA 362-A:1-a, III  
2 to read as follows:

3 III. "Limited producer" or "limited electrical energy producer" means a qualifying small  
4 power producer, **a qualifying storage system**, or a qualifying cogenerator, with a [~~total~~] **maximum**  
5 **rated generating or discharge** capacity of [~~not more~~] **less** than 5 megawatts, **that does not**  
6 **participate in net energy metering, that is not registered as a generator, asset, or network**  
7 **resource with ISO New England, and does not otherwise participate in any FERC**  
8 **jurisdictional wholesale electricity markets. Such non-participation in FERC**  
9 **jurisdictional intrastate wholesale markets may be achieved by retirement from such**  
10 **markets.**

11 2 New Paragraph; Definition; Qualifying Storage System. Amend RSA 362-A:1-a by inserting  
12 after paragraph IX the following new paragraph:

13 IX-a. "Qualifying storage system" means an electric energy storage system as defined in  
14 RSA 72:84.

15 3 Limited Electrical Energy Producers Act; Purchase of Output in Intrastate Commerce. RSA  
16 362-A:2-a is repealed and reenacted to read as follows:

17 362-A:2-a Purchase of Output of Limited Producers in Intrastate Commerce.

18 I. A limited producer of electrical energy may sell its produced electrical energy to one or  
19 more purchasers other than the franchise electric utility. Such purchasers may be any retail  
20 electricity customers located within the same New Hampshire electric distribution utility franchise  
21 area as where the limited producer is located or any electricity suppliers serving retail load within  
22 such area.

23 II. Intrastate sales of electricity across the distribution grid shall be facilitated and  
24 accounted for by competitive electricity suppliers registered with the commission under RSA 374-F:7  
25 or by municipal or county aggregations under RSA 53-E that are load-serving entities.

26 III. To participate in such intrastate sales of electricity over the distribution grid a limited  
27 producer must be equipped with a revenue grade interval meter that can accurately measure hourly  
28 exports to the distribution grid and report such meter data for daily load settlement purposes.

29 IV. The commission shall establish procedures to enable limited producers to sell electricity  
30 at wholesale within intrastate commerce and at retail, either directly or indirectly through

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1 electricity suppliers. The commission may establish such requirements and conditions concerning  
2 intrastate sales of electricity pursuant to this section that it deems necessary to avoid substantial  
3 risk or uncompensated costs to the electric utility in whose franchise area the sales takes place.

4 V. The limited producer, or the purchasers of their output, as determined by the  
5 commission, shall receive credit for actual avoided transmission charges if the intrastate wholesale  
6 or retail sale of such electricity reduces the retail load measured at the wholesale meter point  
7 between the distribution system under state jurisdiction and transmission facilities under federal  
8 jurisdiction such that transmission charges allocated to the distribution utility are reduced from  
9 what they otherwise would be absent the electricity exported to the distribution grid by the limited  
10 producer during hours of coincident peak on which transmission costs are allocated. Such credit  
11 shall be based on measurement of exports to the distribution grid at the retail meter point without  
12 additional credit for avoided line and transformation losses between the wholesale and retail meter  
13 points to provide some sharing of the benefit of reduced transmission charges with other ratepayers  
14 who do not participate in such intrastate electricity sales by limited producers.

15 VI. Purchasers of power from limited producers shall pay for the delivery of such power  
16 through tariffs, charges, and rates that are generally applicable to the customer's rate class, except  
17 for default energy service charges if not applicable and transmission charges as they may be  
18 adjusted pursuant to paragraph V.

19 4 New Section; Electric Renewable Portfolio Standard; Exclusion to Amount of Electricity  
20 Supplied. Amend RSA 362-F by inserting after section 3 the following new section:

21 362-F:3-a Exclusions to the Amount of Electricity Supplied. If a provider of electricity has  
22 revenue grade meter data on the quantity of exports to the grid from a qualifying storage system as  
23 defined in RSA 362-A:1-a to the extent that it is charged from the grid, such amounts may be  
24 deducted from the calculation of electricity supplied by the provider to its end-use customers for the  
25 applicable year for purposes of compliance with RSA 362-F:3 as determined and provided for by the  
26 commission.

27 5 Utility Property Tax; Exclusion From Definition of Utility Property. Amend RSA 83-F:1, V(d)  
28 to read as follows:

29 (d) The electrical generation, production, **storage**, and supply equipment of an "eligible  
30 customer-generator" as defined in RSA 362-A:1-a, II-b, **and of a "limited producer" as defined in**  
31 **RSA 362-A:1-a, III if selling under RSA 362-A:2-a, for facilities with a rated electricity**  
32 **production capacity of up to and including one megawatt;**

33 6 Effective Date. This act shall take effect 60 days after its passage.