

HB 549 - AS INTRODUCED

2021 SESSION

21-0717

10/06

HOUSE BILL **549**

AN ACT relative to the energy efficiency resource standard and the system benefits charge.

SPONSORS: Rep. Vose, Rock. 9; Rep. Harrington, Straf. 3; Rep. Ammon, Hills. 40; Rep. Nunez, Hills. 37; Sen. Ward, Dist 8; Sen. Gannon, Dist 23

COMMITTEE: Science, Technology and Energy

ANALYSIS

This bill requires the public utilities commission to adopt rules for the energy efficiency resource standard. The bill also modifies the requirements and procedures for use of the system benefits charge assessed to electric utility customers.

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 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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 energy efficiency resource standard and the system benefits charge.

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

1 1 New Section; Electric Utilities; Energy Efficiency Resource Standard. Amend RSA 374-F by
2 inserting after section 4-b the following new section:

3 374-F:4-c Energy Efficiency Resource Standard; Rulemaking. Within 60 days of the effective
4 date of this section, the commission shall initiate a proceeding to develop rules to implement the
5 energy efficiency resource standard (EERS). Such rules shall be adopted and effective not later than
6 July 1, 2022. Each 3-year plan for the EERS shall require legislative approval based on a
7 demonstration of cost effectiveness consistent with the legislative mandate that the commission
8 prioritize energy efficiency and demand-side supply resources in order to provide the lowest
9 reasonable cost energy supply to customers, as well as the requirement to set just and reasonable
10 rates. The rules shall:

11 I. Establish savings targets with a long-term goal of all achievable and provable cost-
12 effective energy efficiency within the context of available, sustainable funding.

13 II. Use at least a 3-year, short-term planning period.

14 III. Consider rate impacts on customers in setting short-term goals.

15 IV. Focus primarily on comprehensive electric and gas programs with secondary focus on
16 fuel neutral programs.

17 V. Continue joint coordination of programs by the electric and gas utilities.

18 VI. Drive innovation in technology, outreach, and regulation to accelerate energy efficiency
19 gains.

20 VII. Provide robust evaluation, measurement, and verification, comprised of data collection,
21 monitoring, and analysis associated with the calculation of savings from individual projects to
22 ensure that the program meets its savings targets and spends ratepayer funds in a just and
23 reasonable manner, and that energy efficiency programs are cost effective.

24 VIII. Leverage the private financing market and increase public awareness of the benefits of
25 energy efficiency.

26 IX. Fund the EERS with the systems benefits charge and the local distribution adjustment
27 charge.

28 X. Provide a 6 to 8 percent performance incentive for utilities.

29 XI. Allow utilities to recover just, reasonable, and prudent costs incurred in developing,
30 promoting, and delivering the EERS programs.

1 XII. Require a suspension of any scheduled or pending 3-year plan when a state of
2 emergency has been declared by the governor. In such case, the previously approved plan will
3 remain in place.

4 2 Restructuring Policy Principles; System Benefits Charge. Amend RSA 374-F:3, VI to read as
5 follows:

6 VI. Benefits for All Consumers. Restructuring of the electric utility industry should be
7 implemented in a manner that benefits all consumers equitably and does not benefit one customer
8 class to the detriment of another. Costs should not be shifted unfairly among customers.

9 ***VI-a. System Benefits Charge.***

10 ***(a)*** A nonbypassable and competitively neutral system benefits charge applied to the use
11 of the distribution system ~~[may]~~ ***shall*** be used ***only*** to fund public benefits related to the provision of
12 electricity. ~~[Such benefits]~~ ***This charge***, as approved by ~~[regulators]~~ ***the general court***, may
13 ~~[include, but not necessarily be limited to,]~~ ***fund*** :

14 ***(1)*** Programs for low-income customers~~[- energy efficiency programs,]~~.

15 ***(2)*** ***The electricity utility industry's portion of the energy efficiency resource***
16 ***standard described in RSA 374-F:4-c.***

17 ***(3)*** ~~[Funding for]~~ The electric utility industry's share of commission expenses
18 pursuant to RSA 363-A~~[-]~~.

19 ***(4)*** Support for research and development~~[- and]~~.

20 ***(5)*** Investments in commercialization strategies for new and beneficial technologies.

21 ***(b)*** Legislative approval of the New Hampshire general court shall be required to
22 increase the system benefits charge, ***and to enumerate its uses.*** ~~[This requirement of prior~~
23 ~~approval of the New Hampshire general court shall not apply to the energy efficiency portion of the~~
24 ~~system benefits charge if the increase is authorized by an order of the commission to implement the~~
25 ~~3-year planning periods of the Energy Efficiency Resource Standard framework established by~~
26 ~~commission Order No. 25,932 dated August 2, 2016, ending in 2020 and 2023, or, if for purposes~~
27 ~~other than implementing the Energy Efficiency Resource Standard, is authorized by the fiscal~~
28 ~~committee of the general court; provided, however, that]~~ ***Such approval for the energy efficiency***
29 ***portion of the system benefits charge can be provided by the approval of a 3-year EERS***
30 ***plan as described in RSA 374-F:4-c. To ameliorate economic uncertainty, any scheduled or***
31 ***pending increase in the systems benefits charge shall be suspended during a declared state***
32 ***of emergency.*** No less than 20 percent of the portion of the funds collected for energy efficiency
33 shall be expended on low-income ***electric*** energy efficiency programs. Energy efficiency programs
34 should include the development of relationships with third-party lending institutions to provide
35 opportunities for low-cost financing of energy efficiency measures to leverage available funds to the
36 maximum extent~~[- and shall also include funding for workforce development to minimize waiting~~
37 ~~periods for low-income energy audits and weatherization]~~.

1 3 Effective Date. This act shall take effect upon its passage.