

Amendment to SB 321

1 Amend the bill by replacing section 3 with the following:

2
3 3 New Section; Limited Electrical Energy Producers Act; Authorization of Pilots. Amend RSA
4 362-A by inserting after section 2-a the following new section:

5 362-A:2-b. Authorization of Pilots.

6 I. In this section, the terms “capacity commitment period,” “capacity supply obligation,”
7 “coincident peak demand,” and “load-serving entity (LSE)” shall have the meanings as used by ISO
8 New England, Inc. (ISO-NE).

9 II. The public utilities commission is authorized to approve one or more proposed pilots of
10 the concepts expressed in this section through orders issued pursuant to adjudicated proceedings in
11 which a pilot is proposed, without the need to adopt any administrative rules of general application
12 for such pilots.

13 III. Before approving any pilots authorized in paragraph II, the commission shall open a
14 docket to determine definitively whether any jurisdictional conflicts exist concerning the use of the
15 distribution or transmission system, including a determination about whether the activities allowed
16 by this chapter would require a utility to violate its transmission owners operators agreement or
17 require a recalculation of any ISO-NE open access transmission tariffs, and whether such projects
18 produce avoided transmission cost savings. Upon successful resolution of these questions, the
19 commission may approve pilot projects.

20 IV. Pilot projects shall be subject to the following limits:

21 (a) Projects shall be limited to 2 megawatts in size.

22 (b) No more than one pilot shall be permitted for any utility.

23 (c) Pilot projects shall end no later than 10 years from their initiation.

24 (d) Each pilot project shall deliver a study three years after project initiation to report to
25 the commission on the consumer benefits of the project.

26 V. The commission may waive any existing provisions of RSA 362-A:2-a, utility tariffs, or
27 administrative rules in its authorization of any pilots approved pursuant to this section.

28 VI. If any pilot approved under this section terminates prior to December 31, 2040, any
29 limited producer participating in such pilot may continue to be interconnected and take service as a
30 customer-generator under RSA 362-A:9 pursuant to any net metering or group net metering tariff to
31 which they would have otherwise been eligible at the start of the pilot absent participation in the

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1 pilot or any other available option under law or applicable tariffs in effect at the time of termination
2 of the pilot.

3 VII. Each electric distribution utility may propose and participate in a pilot, in conjunction
4 with a competitive electric power supplier or municipal or county aggregation, pursuant to RSA 53-
5 E, operating as or in conjunction with a load-serving entity. The commission may approve provisions
6 to cover incremental costs of the utility related to any such approved pilot.

7 VIII. If approved pursuant to this section, a limited producer of electrical energy may sell its
8 produced electrical energy to one or more purchasers other than the franchise electric utility. Such
9 purchasers may be any non-residential retail electricity customers located within the same New
10 Hampshire electric distribution utility franchise area where the limited producer is located, or any
11 electricity suppliers serving retail load within such area.

12 IX. Intrastate sales of electricity across the distribution grid under an approved pilot shall
13 be facilitated and accounted for by load-serving entities that are either competitive electricity
14 suppliers registered with the department under RSA 374-F:7, or municipal or county aggregations
15 under RSA 53-E operating as or in conjunction with load-serving entities. Electric distribution
16 utility provided default energy service shall not be required to facilitate, account for, or otherwise
17 enable the participation of limited producers in sales of electricity or purchases of power from limited
18 producers.

19 X. To participate in such intrastate sales of electricity over the distribution grid a limited
20 producer must be equipped with a revenue grade interval meter that can accurately measure hourly
21 imports from and exports to the distribution grid and report such meter data to the distribution
22 utility for daily load settlement purposes. Exports to the distribution grid by a limited producer
23 shall be accounted for as reductions or offsets to the load obligation of the load serving entity serving
24 the limited producer for load settlement in the ISO New England wholesale electricity market.

25 XI.(a) The sponsors of a pilot, including the participating electric distribution utility, may
26 petition the commission to determine, through an adjudicated proceeding, how credits for actual
27 avoided transmission charges are to be made for exports to the distribution grid by limited producers
28 during hours of coincident peak on which transmission costs are allocated to reduce the retail load
29 measured at the point of interconnection between the distribution system under state jurisdiction
30 and transmission facilities under federal jurisdiction. Said costs shall be allocated to the
31 distribution utility as transmission network customer are reduced from what they otherwise would
32 be absent the electricity exported to the distribution grid by the limited producer. Such credit shall
33 be made pursuant to either subparagraph (b) or (c) as proposed and determined by the commission to
34 be for the public good.

35 (b) Monthly transmission charges incurred by the distribution utility as the
36 transmission network customer may be allocated to the load serving entity for payment by the LSE
37 for all or part of the retail meters within its retail metering subdomain, under terms and conditions

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1 approved by the commission. Such allocation shall be made based on the share of the LSE's network
2 load, or the share of its network load by participating meters, at the monthly hour of coincident peak
3 demand on which the applicable monthly transmission charges are incurred in proportion to the
4 utility's applicable total network load. In such an event, the customers within such LSE's metering
5 subdomain shall no longer be subject to the distribution utility's transmission charges, after
6 accounting for any prior period over or under collection of transmission costs, such that there is an
7 equitable allocation of transmission costs accounting for applicable leads and lags in how such costs
8 are incurred and paid for as determined by the commission.

9 (c) The limited producer or their load serving entity may receive credit or payment for
10 actual avoided transmission charges based on measurement of exports to the distribution grid at the
11 retail meter point without additional credit for avoided line and transformation losses in the
12 distribution and transmission grids to provide some sharing of the benefit of reduced transmission
13 charges with other ratepayers who do not participate in such intrastate electricity sales by limited
14 producers. In such an event, the customers within such LSE's metering subdomain shall continue to
15 the pay the utility's regular transmission charges from which such credits or payments shall be
16 made.

17 XII. Purchasers of power from limited producers participating in the pilot shall pay for the
18 delivery of such power through tariffs, charges, and rates that are generally applicable to the
19 customer's rate class, except for default energy service charges if not applicable and transmission
20 charges as they may be adjusted pursuant to this section.

21 XIII. To the extent that limited producers participating in the pilot are exporting power to
22 distribution grid at the annual hour of coincident peak demand on which capacity supply obligations
23 are incurred for any given capacity commitment period and such exports reduce overall capacity
24 supply obligations from what they would otherwise be absent such exports to the grid, such reduced
25 capacity supply obligations shall be assigned to the LSE serving such limited producers as approved
26 by the commission. To the extent such exports to the grid are purchased by the LSE as an intrastate
27 wholesale transaction the LSE may in turn prorate its reduced capacity supply obligation
28 attributable to such exports to reduce the capacity tags for all meters served by it within its
29 applicable meter subdomain at the time of the annual coincident peak demand for the applicable
30 capacity commitment period. To the extent such exports to the grid are sold by the Limited Producer
31 at retail to individual customers such reduced capacity supply obligations attributable to such
32 exports may be assigned to reduce the capacity tags assigned to the meters of such customers, as
33 determined by the LSE serving such customers at the time of the applicable annual hour of
34 coincident peak demand for the applicable capacity commitment period. However, in no case shall
35 the capacity tag assigned to any one retail meter, including that of the limited producer, be reduced
36 below zero.