

HB 1385 – AS AMENDED BY THE HOUSE

25Mar2014... 0864h

2014 SESSION

14-2329
06/03

HOUSE BILL **1385**

AN ACT relative to changes and additions to energy facilities.

SPONSORS: Rep. Townsend, Graf 11; Rep. Rappaport, Coos 1; Rep. M. Hammon, Coos 5

COMMITTEE: Science, Technology and Energy

AMENDED ANALYSIS

This bill defines “sizeable changes or additions” as they pertain to energy facilities.

This bill also prohibits the public utilities commission from including the costs of certain sizeable changes or additions in the base rate of a public utility.

Explanation: Matter added to current law appears in ***bold italics***.
 Matter removed from current law appears [~~in brackets and struck through.~~]
 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Fourteen

AN ACT relative to changes and additions to energy facilities.

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

1 1 New Paragraph; Definition; Sizeable Changes or Additions. Amend RSA 162-H:2 by inserting
2 after paragraph XII the following new paragraph:

3 XIII. "Sizeable changes or additions" includes, but is not limited to, changes or additions to
4 an energy facility involving construction expenses greater than 20 percent of the assessed value of
5 the current facility.

6 2 Additions and Improvements. Amend RSA 374:5 to read as follows:

7 374:5 Additions and Improvements. For the purpose of enabling the commission to perform its
8 duty to keep informed as provided in RSA 374:4, every public utility, before making any addition,
9 extension, or capital improvement to its fixed property in this state, except under emergency
10 conditions, shall report to the commission the probable cost of such addition, extension, or capital
11 improvement whenever the probable cost thereof exceeds a reasonable amount to be prescribed by
12 general or special order of the commission. For this purpose, the commission may classify public
13 utilities according to the amount of their respective fixed capital accounts, and prescribe a
14 reasonable limitation for each such classification. In no case shall the minimum amount prescribed
15 be less than 1/4 of one percent of such fixed capital account as of December 31 of the preceding year,
16 or [~~\$10,000~~] **\$100,000**, whichever is the smaller amount. Reports shall be filed in writing with the
17 commission within such reasonable time as may be prescribed by the commission before starting
18 actual construction on any addition, extension, or improvement. The commission shall have
19 discretion to exclude the cost of any such addition, extension, or capital improvement from the rate
20 base of said utility where such written report thereof shall not have been filed in advance as herein
21 provided. ***If the actual cost exceeds a reported probable cost of more than \$1,000,000, the***
22 ***commission shall not include in the base rate of such utility excess costs of 120 percent or***
23 ***more without substantial evidence of unforeseeable factors.***

24 3 Effective Date. This act shall take effect 60 days after its passage.