

CHAPTER 310
HB 1602 – FINAL VERSION

25Mar2014... 0781h
05/15/14 1767s
05/15/14 1824s
05/15/14 1881s
4Jun2014... 1958CofC

2014 SESSION

14-2417
06/10

HOUSE BILL ***1602***

AN ACT relative to the divestiture of PSNH assets and relative to the siting of wind turbines.

SPONSORS: Rep. Borden, Rock 24; Rep. Kaen, Straf 5; Rep. Rappaport, Coos 1; Rep. Backus, Hills 19; Rep. Devine, Rock 4; Rep. Cali-Pitts, Rock 30; Sen. Fuller Clark, Dist 21

COMMITTEE: Science, Technology and Energy

AMENDED ANALYSIS

This bill:

I. Authorizes the public utilities commission to determine whether PSNH generation assets should be divested.

II. Permits the public utilities commission to order PSNH to divest all or some of its generation assets.

III. Adds certain costs associated with the divestiture of PSNH generation assets to stranded costs.

IV. Provides certain employee protections in the event PSNH generation assets are divested.

V. Establishes guidelines for the site evaluation committee in adopting rules to govern the siting of large wind energy systems in New Hampshire.

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 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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 the divestiture of PSNH assets and relative to the siting of wind turbines.

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

1 310:1 Purpose. The purpose of allowing the public utilities commission to determine if
2 divestiture of Public Service Company of New Hampshire's (PSNH) remaining generation assets is
3 in the economic interests of PSNH's retail customers should be to maximize economic value for
4 PSNH's retail customers, minimize risk to PSNH's retail customers, reduce stranded costs for
5 PSNH's retail customers, promote the settlement of outstanding issues involving stranded costs,
6 and, if appropriate, provide for continued operation or possible repowering of PSNH's generation
7 assets.

8 310:2 Divestiture of PSNH Generation Assets. Amend RSA 369-B:3-a to read as follows:

9 369-B:3-a Divestiture of PSNH Generation Assets. [~~The sale of PSNH fossil and hydro~~
10 ~~generation assets shall not take place before April 30, 2006.~~]

11 ***I. Before January 1, 2015, the commission shall commence and expedite a***
12 ***proceeding to determine whether all or some of PSNH's generation assets should be***
13 ***divested. On or before March 31, 2015, the commission shall submit a progress report to the***
14 ***legislative oversight committee on electric utility restructuring established under RSA 374-***
15 ***F:5.*** Notwithstanding RSA 374:30, [~~subsequent to April 30, 2006,~~] ***the commission may order***
16 ***PSNH [may] to divest all or some of its generation assets if the commission finds that it is in the***
17 ***economic interest of retail customers of PSNH to do so, and provides for the cost recovery of such***
18 ***divestiture.***

19 ***II.*** Prior to any divestiture of its generation assets, PSNH may modify or retire such
20 generation assets if the commission finds that it is in the [~~public~~] ***economic*** interest of retail
21 customers of PSNH to do so, and provides for the cost recovery of such modification or retirement.

22 310:3 New Section; Divestiture of PSNH Generation Assets; Employee Protections. Amend
23 RSA 369-B by inserting after section 3-a the following new section:

24 369-B:3-b Employee Protections. In the event of divestiture or retirement of any or all of
25 PSNH's generation assets, the employee protections set forth in Section X of the original proposed

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1 settlement defined in RSA 369-B:2, VIII, shall be provided to affected employees.

2 310:4 Definitions; Stranded Costs. Amend RSA 374-F:2, IV to read as follows:

3 IV. “Stranded costs” means costs, liabilities, and investments, such as uneconomic assets,
4 that electric utilities would reasonably expect to recover if the existing regulatory structure with
5 retail rates for the bundled provision of electric service continued and that will not be recovered as a
6 result of restructured industry regulation that allows retail choice of electricity suppliers, unless a
7 specific mechanism for such cost recovery is provided. Stranded costs may only include costs of:

8 (a) Existing commitments or obligations incurred prior to the effective date of this
9 chapter;

10 (b) Renegotiated commitments approved by the commission; ~~and~~

11 (c) New mandated commitments approved by the commission, including any specific
12 expenditures authorized for stranded cost recovery pursuant to any commission-approved plan to
13 implement electric utility restructuring in the territory previously serviced by Connecticut Valley
14 Electric Company, Inc.;

15 (d) *Costs approved for recovery by the commission in connection with the*
16 *divestiture or retirement of Public Service Company of New Hampshire generation assets*
17 *pursuant to RSA 369-B:3-a; and*

18 (e) *All costs incurred as a result of fulfilling employee protection obligations*
19 *pursuant to RSA 369-B:3-b.*

20 310:5 New Section; Wind Energy Systems. Amend RSA 162-H by inserting after section 10 the
21 following new section:

22 162-H:10-a Wind Energy Systems.

23 I. To meet the objectives of this chapter, and with due regard for the renewable energy goals
24 of RSA 362-F, including promoting the use of renewable resources, reducing greenhouse gas and
25 other air pollutant emissions, and addressing dependence on imported fuels, the general court finds
26 that appropriately sited and conditioned wind energy systems subject to committee approval have
27 the potential to assist the state in accomplishing these goals. Accordingly, the general court finds
28 that it is in the public interest for the site evaluation committee to establish criteria or standards
29 governing the siting of wind energy systems in order to ensure that the potential benefits of such
30 systems are appropriately considered and unreasonable adverse effects avoided through a
31 comprehensive, transparent, and predictable process. When establishing any criteria, standard, or
32 rule for a wind energy system or when specifying the type of information that a wind energy
33 applicant shall provide to the committee for its decision-making, the committee shall rely upon the
34 best available evidence.

35 II. For the adoption of rules, pursuant to RSA 541-A, relative to the siting of wind energy
36 systems, the committee shall address the following:

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1 (1) Visual impacts as evaluated through a visual impact assessment prepared in
2 accordance with professional standards by an expert in the field.

3 (2) Cumulative impacts to natural, scenic, recreational, and cultural resources from
4 multiple towers or projects, or both.

5 (3) Health and safety impacts, including but not limited to, shadow flicker caused by
6 the interruption of sunlight passing through turbine blades and ice thrown from blades.

7 (4) Project-related sound impact assessment prepared in accordance with
8 professional standards by an expert in the field.

9 (5) Impacts to the environment, air and water quality, plants, animals and natural
10 communities.

11 (6) Site fire protection plan requirements.

12 (7) Site decommissioning, including sufficient and secure funding, removal of
13 structures, and site restoration.

14 (8) Best practical measures to avoid, minimize, or mitigate adverse effects.

15 310:6 Effective Date.

16 I. Section 5 of this act shall take effect upon its passage.

17 II. The remainder of this act shall take effect 60 days after its passage.

18
19 Approved: August 1, 2014

20 Effective Date: I. Section 5 shall take effect August 1, 2014.

21 II. Remainder shall take effect September 30, 2014.