

CHAPTER 330
SB 268 – FINAL VERSION

03/27/14 1095s
03/27/14 1177s
14May2014... 1603h
06/04/14 1989CofC

2014 SESSION

14-2703
06/01

SENATE BILL **268**

AN ACT relative to funding for certain energy efficiency programs.

SPONSORS: Sen. Fuller Clark, Dist 21; Rep. Borden, Rock 24; Rep. Raymond, Belk 4

COMMITTEE: Energy and Natural Resources

AMENDED ANALYSIS

This bill permits the public utilities commission to allocate certain proceeds from the sale of allowances to entities managing certain comprehensive energy efficiency programs.

This bill also requires entities receiving such proceeds to file annual updates with the public utilities commission.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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STATE OF NEW HAMPSHIRE
In the Year of Our Lord Two Thousand Fourteen

AN ACT relative to funding for certain energy efficiency programs.

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

1 330:1 Energy Efficiency Fund and Use of Auction Proceeds. RSA 125-O:23, III is repealed and
2 reenacted to read as follows:

3 III. All remaining proceeds received by the state from the sale of allowances, excluding the
4 amount used for commission and department administration under paragraph I, shall be allocated
5 by the commission as follows:

6 (a) At least 15 percent to the low-income core energy efficiency program.

7 (b) Beginning January 1, 2014, up to \$2,000,000 annually to utility core programs for
8 municipal and local government energy efficiency projects, including projects by local governments
9 that have their own municipal utilities. Funding elements shall include, but not be limited to,
10 funding for direct technical and project management assistance to identify and encourage
11 comprehensive projects and incentives structured to assist municipal and local governments funding
12 energy efficiency projects. In calendar years 2014, 2015, and 2016, any unused funds allocated to
13 municipal and local government projects under this paragraph remaining at the end of the year shall
14 roll over and be added to the new calendar year program funds and continue to be made available
15 exclusively for municipal and local government projects. Beginning in calendar year 2017, and all
16 subsequent years, funds allocated to municipal and local government projects under this paragraph
17 shall be offered first to municipal and local governments as described in this paragraph for no less
18 than 4 full calendar months. If, at the end of this time, municipal and local governments have not
19 submitted requests for eligible projects that will expend the funds allocated to municipal and local
20 government projects under this paragraph within that program year, the funds shall be offered on a
21 first-come, first-serve basis to business and municipal customers who fund the system benefits
22 charge.

23 (c) The remainder to all-fuels, comprehensive energy efficiency programs administered
24 by qualified parties which may include electric distribution companies as selected through a
25 competitive bid process. The funding shall be distributed among residential, commercial, and
26 industrial customers based upon each customer class's electricity usage to the greatest extent
27 practicable as determined by the commission. Bids shall be evaluated based on, but not limited to,

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1 the following criteria:

- 2 (1) A benefit/cost ratio analysis including all fuels.
- 3 (2) Demonstrated ability to provide a comprehensive, fuel neutral program.
- 4 (3) Demonstrated infrastructure to effectively deliver such program.
- 5 (4) Experience of the bidder in administering energy efficiency programs.
- 6 (5) Ability to reach out to customers.
- 7 (6) The validity of the energy saving assumptions described in the bid.

8 330:2 New Paragraphs; Energy Efficiency Fund and Use of Auction Proceeds. Amend RSA 125-
9 O:23 by inserting after paragraph III the following new paragraphs:

10 IV. The electric division of the commission shall conduct a competitive bid process for the
11 selection of programs to be funded under subparagraph III(c), with such funding to begin January 1,
12 2015. The commission may petition the governor and council to extend existing contracts until such
13 time as the competitive bids are approved by the governor and council, but in no event later than
14 July 1, 2015. The competitive bid process shall be repeated every 3 years thereafter. Before
15 extending any existing program, public comment on the proposed extension shall be accepted.

16 V. Each entity receiving funding under subparagraph III(c) shall file an annual report on
17 the performance of the entity's program. The commission shall establish the format, content, and
18 the methodologies used to provide the content of the reports. The commission shall make use of, as
19 applicable and appropriate, the monitoring and verification requirements used in the natural gas
20 and electric utility core programs. The annual reports shall be delivered to the governor, the
21 president of the senate, the speaker of the house of representatives, the chairmen of the senate and
22 house standing committees with jurisdiction over energy matters, and the chairman of the public
23 utilities commission. The reports shall include, but not be limited to, the following:

- 24 (a) Program expenditures, including direct customer installation costs.
- 25 (b) Resulting actual and projected energy savings by fuel type and associated CO2
26 emissions reductions.
- 27 (c) Any measurement and verification data that corroborate projected savings.
- 28 (d) The number of customers served by the programs.
- 29 (e) Other data as required by the commission in order to determine program
30 effectiveness.

31 330:3 New Paragraph; Legislative Oversight Committee on Electric Restructuring; Duties.
32 Amend RSA 374-F:6 by inserting after paragraph V the following new paragraph:

33 VI. Reviewing state energy efficiency programs under the administration of the public
34 utilities commission to determine what barriers exist to providing all-fuels, comprehensive energy
35 efficiency savings to New Hampshire consumers.

36 330:4 Effective Date. This act shall take effect 60 days after its passage.

37 Approved: August 4, 2014

Effective Date: October 3, 2014