

HB 1465-FN - AS AMENDED BY THE SENATE

22Feb2024... 0650h
05/15/2024 1691s

2024 SESSION

24-2572
10/05

HOUSE BILL

1465-FN

AN ACT relative to studies of nuclear energy technologies and renaming the office of offshore wind industry development.

SPONSORS: Rep. Ammon, Hills. 42; Rep. Harrington, Straf. 18; Rep. D. Thomas, Rock. 16; Rep. See, Merr. 26; Rep. P. Schmidt, Straf. 14; Rep. Cambrils, Merr. 4; Rep. A. Lekas, Hills. 38; Rep. T. Lekas, Hills. 38; Rep. Osborne, Rock. 2; Sen. Pearl, Dist 17; Sen. Watters, Dist 4

COMMITTEE: Science, Technology and Energy

AMENDED ANALYSIS

This bill requires the department of energy to coordinate the continuing studies by various state agencies on the uses and development of nuclear energy, including advanced nuclear reactors, and wind energy. This bill renames the office of offshore wind industry development to the office of offshore wind industry development and energy innovation.

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 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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

AN ACT relative to studies of nuclear energy technologies and renaming the office of
 offshore wind industry development.

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

1 1 Nuclear Energy Policy; Continuing Studies. Amend RSA 162-B:1 and 2 to read as follows:

2 162-B:1 Declaration of Policy.

3 I. The state of New Hampshire endorses the action of the Congress of the United States in
4 enacting the Atomic Energy Act of 1954 to institute a program to encourage the widespread
5 participation in the development and utilization of atomic energy for peaceful purposes to the
6 maximum extent consistent with the common defense and security and with the health and safety of
7 the public; and therefore declares the policy of the state to be, (1) To cooperate actively in the
8 program thus instituted; and (2) To the extent that the regulation of special nuclear materials and
9 by-product materials, of production facilities and utilization facilities, and of persons operating such
10 facilities, may be within the jurisdiction of the state, to provide for the exercise of the state's
11 regulatory authority so as to conform, as nearly as may be, to the Atomic Energy Act of 1954, **as**
12 **amended**, and regulations issued thereunder, to the end that there may, in effect, be a single
13 harmonious system of regulation within the state.

14 II. The state of New Hampshire recognizes that the development of industries producing or
15 utilizing atomic energy may result in new conditions calling for changes in the laws of the state and
16 in ~~regulations issued~~ **administrative rules** thereunder with respect to health and safety, working
17 conditions, workers' compensation, transportation, public utilities, life, health, accident, fire, and
18 casualty insurance, the conservation of natural resources, including wildlife, and the protection of
19 streams, rivers and airspace from pollution, and therefore declares the policy of the state to be, (1)
20 To adapt its laws and ~~regulations~~ **rules** to meet the new conditions in ways that will encourage the
21 healthy development of industries producing or utilizing atomic energy while at the same time
22 protecting the public interest; and (2) To initiate continuing studies ~~of~~ **and regularly publish**
23 **public results concerning** the need for changes in the relevant laws and ~~regulations~~ **rules** of the
24 state by the respective departments and agencies of state government responsible for their
25 administration; and (3) To assure the coordination of the studies thus undertaken, particularly with
26 other atomic industrial development activities of the state and with the development and regulatory
27 activities of other states and of the government of the United States.

28 162-B:2 United States Licenses or Permits Required. No person shall manufacture, construct,
29 produce, transfer, acquire or possess any special nuclear material, by-product material, production

1 facility, or utilization facility or act as an operator of a production or utilization facility wholly within
 2 this state unless [he] **the person** shall have first obtained a license or permit for the activity [in
 3 ~~which he proposes to engage~~] **proposed** from the United States [~~Atomic Energy~~] **Nuclear**
 4 **Regulatory** Commission, if, pursuant to the Atomic Energy Act of 1954, **as amended**, the
 5 commission requires a license or permit to be obtained by persons proposing to engage in activities of
 6 the same type over which it has jurisdiction.

7 2 Conduct of Studies; Publication. RSA 162-B:3 is repealed and reenacted to read as follows:

8 162-B:3 Conduct of Studies; Publication.

9 I. The coordinator of nuclear development and regulatory activities established under RSA
 10 162 B:4 shall have the duty to pursue continuing studies as to the need, if any, for changes in the
 11 laws and regulations administered by the departments and agencies of the state that would arise
 12 from the presence within the state of special nuclear materials and by-product materials and from
 13 the operation herein of production or utilization facilities, and, on the basis of such studies, to make
 14 such recommendations for the enactment of laws or amendments to laws in effect and such proposals
 15 for amendments to the regulations adopted under RSA 541-A as may appear necessary and
 16 appropriate. In pursuing these continuing studies, the coordinator of nuclear development and
 17 regulatory activities shall consult with following state departments and agencies:

18 (a) The department of health and human services, particularly as to hazards, if any, to
 19 the public health and safety.

20 (b) The department of labor, particularly as to hazardous working conditions, if any, the
 21 time and character of proof of claims of injuries and the extent of the compensation allowable
 22 therefor.

23 (c) The department of transportation, particularly as to the transportation of special
 24 nuclear materials and by-product materials on highways of the state.

25 (d) The public utilities commission and the department of energy, particularly as to the
 26 transportation of special nuclear materials and by-product materials by common carriers or public or
 27 private air carriers not in interstate commerce and as to the participation by public utilities subject
 28 to their jurisdiction in projects looking to the development of production or utilization facilities for
 29 industrial or commercial use.

30 (e) The department of insurance, particularly as to the insurance of persons and
 31 property from hazards to life and property resulting from atomic nuclear development.

32 (f) The council on resources and development, particularly as to the hazards, if any, to
 33 the natural resources of the state, including wildlife, and as to the protection, if necessary, of rivers,
 34 streams, and airspace from pollution.

35 (g) The department of business and economic affairs, particularly as to how matters
 36 relating to nuclear development may affect the overall economic well-being of the state.

1 (h) Such other departments and agencies including departments and agencies of political
2 subdivisions of the state as the coordinator of nuclear development and regulatory activities, the
3 commissioner or the department of energy or the governor may deem appropriate.

4 II. The coordinator of nuclear development and regulatory activities shall also examine the
5 ongoing costs versus benefits of existing and proposed new nuclear developments in the state
6 including, but not limited to, the impact on meeting projected energy requirements; any required
7 upgrades that may be required to the existing transmission and distribution infrastructure; how the
8 development of additional nuclear production capacity may affect electricity reliability; and what
9 impact additional capacity may have on seasonal fluctuations in electricity prices.

10 III. The department of energy shall publish a public report, prepared by the coordinator of
11 nuclear development and regulatory activities, at least once every three years beginning with a
12 report due not later than December 1, 2025.

13 3 New Paragraph; Continuing Studies; Department of Energy; Advanced Nuclear Reactors.
14 Amend RSA 162-B:3 by inserting after paragraph VII the following new paragraph:

15 VIII. The department of energy shall study state and federal policies, technologies, supply
16 chains, and potential siting locations related to advanced nuclear reactors.

17 4 Coordination of Studies; Commission of Energy. RSA 162-B:4 is repealed and reenacted to
18 read as follows:

19 162-B:4 Coordination of Studies and Development Activities; Position Established.

20 I. The commissioner of the department of energy or a designee from within the department
21 shall be the senior adviser to the governor with respect to the development and regulatory activities
22 of the state government relating to the industrial and commercial uses of nuclear energy; and as
23 deputy of the governor in matters relating to nuclear energy, including participation in the activities
24 of any committee formed by the New England states to represent their interest in such matters and
25 also cooperation with other states and with the government of the United States.

26 II. To assist the commissioner of the department of energy in his or her role as senior
27 adviser to the governor with respect to the development and regulatory activities of the state
28 government relating to the industrial and commercial uses of nuclear energy, the position of
29 coordinator of nuclear development and regulatory activities is established in the department of
30 energy, office of offshore wind industry development and energy innovation.

31 III. The coordinator of nuclear development and regulatory activities shall have the duty to
32 coordinate and produce the reports required by RSA 162-B:3, as well as coordinate the studies
33 conducted, and the recommendations and proposals made, in this state with like activities in New
34 England and other states and with the policies and regulations of the United States Nuclear
35 Regulatory Commission.

36 IV. All departments and agencies of the state government are directed to keep the
37 coordinator of nuclear development and regulatory activities fully and currently informed as to their

activities relating to nuclear energy. No administrative rule or amendment to a rule applying specifically to a nuclear energy matter shall be adopted under RSA 541-A until it has been submitted to the coordinator, unless the governor declares it an emergency need.

V. The coordinator of nuclear development and regulatory activities shall keep the commissioner of the department of energy, the governor and council and the several interested departments and agencies informed at least biennially as to private and public activities affecting nuclear industrial development and shall enlist their cooperation in taking action to further such development as is consistent with the health, safety and general welfare of this state.

5 New Paragraph; Definition Added; Advanced Nuclear Reactor. Amend RSA 162-B:6 by inserting after paragraph I the following new paragraph:

I-a. The term "advanced nuclear reactor" means the same as defined in 42 U.S.C. section 16271(b)(1).

6 Office of Offshore Wind Industry Development. Amend the subdivision heading preceding RSA 12-O:51 to read as follows:

Office of Offshore Wind Industry Development *and Energy Innovation*

7 Offshore Wind Industry Workforce Training Center Committee. Amend RSA 12-O:51-a, I(k) to read as follows:

(k) The director of the office of offshore wind industry development *and energy innovation* under RSA 12-P:7-b.

8 Office of Offshore Wind Industry Development. Amend the section heading of RSA 12-P:7-b to read as follows:

12-P:7-b Office of Offshore Wind Industry Development *and Energy Innovation* Established.

9 Office of Offshore Wind Industry Development and Energy Innovation Established. Amend RSA 12-P:7-b, I to read as follows:

I. There is established in the department of energy the office of offshore wind industry development *and energy innovation*. The office shall be under the supervision of a classified director of the office of offshore wind industry development *and energy innovation*, who shall serve under the supervision of the commissioner. The director shall provide administrative oversight and ensure that the responsibilities of the office described in this section are fulfilled.

10 Office of Offshore Wind Industry Development and Energy Innovation Established. Amend RSA 12-P:7-b, II to read as follows:

II. The office of offshore wind industry development *and energy innovation* shall:

(a) Support the work of the New Hampshire members of the Intergovernmental Renewable Energy Task Force administered by the federal Bureau of Ocean Energy Management (BOEM).

(b) Support the work of the offshore wind commission established in RSA 374-F:10.

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1 (c) Assist the offshore wind commission to develop and implement offshore wind
2 development strategies including:

- 3 (1) Assessment of port facilities.
- 4 (2) Economic impact analyses.
- 5 (3) Supply chain analyses.
- 6 (4) Outcome and performance measurements.

7 (d) Collaborate with key state agencies and partners on offshore wind industry
8 development initiatives.

9 (e) Coordinate offshore wind industry economic development policy, including:

- 10 (1) Development of workforce.
- 11 (2) Identification of and recruitment of offshore wind development employers.
- 12 (3) Identification and recruitment of offshore wind supply chain employers.
- 13 (4) Promotion of New Hampshire's benefits to the various components of the offshore

14 wind industry.

- 15 (5) Provide updates and guidance to the general court with regard to policy and
- 16 funding.

17 (f) Advise the governor, state agencies, the public utilities commission, and the
18 legislature on the development of clean energy resources in the Gulf of Maine and the purchase of
19 power by New Hampshire public utilities from these resources.

20 ***(g) Fulfill the duties outlined in RSA 162-B:4.***

21 11 Renewable Energy Fund. Amend RSA 362-F:10, I to read as follows:

22 I. There is hereby established a renewable energy fund. This nonlapsing special fund shall
23 be continually appropriated to the department of energy to be expended in accordance with this
24 section; provided that at the start of the period in which there is no adopted state operating budget,
25 the department of energy shall in a timely manner seek the approval of the fiscal committee of the
26 general court to continue using moneys from the renewable energy fund to support renewable energy
27 rebate and grant programs in order to ensure there are no interruptions to the programs. The state
28 treasurer shall invest the moneys deposited therein as provided by law. Income received on
29 investments made by the state treasurer shall also be credited to the fund. All payments to be made
30 under this section shall be deposited in the fund. Any remaining moneys paid into the fund under
31 paragraph II of this section, excluding class II moneys, shall be used by the department of energy to
32 support thermal and electrical renewable energy initiatives and offshore wind initiatives, including
33 the office of offshore wind industry development ***and energy innovation***. Class II moneys shall
34 primarily be used to support solar energy technologies in New Hampshire. All initiatives supported
35 out of these funds shall be subject to audit by the department of energy as deemed necessary. All
36 fund moneys including those from class II may be used to administer this chapter, but all new
37 employee positions shall be approved by the fiscal committee of the general court. No new employees

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1 shall be hired by the department of energy due to the inclusion of useful thermal energy in class I
2 production.

3 12 Offshore Wind and Port Development; Commission Established. Amend RSA 374-F:10, VI to
4 read as follows:

5 VI. The commission shall receive staff support and other services, including research and
6 facilities assessments, from the department of energy, office of offshore wind industry development
7 ***and energy innovation*** established in RSA 12-P:7-b.

8 13 Effective Date. This act shall take effect upon its passage.

**HB 1465-FN- FISCAL NOTE
AS INTRODUCED**

AN ACT relative to studies of nuclear energy technologies.

FISCAL IMPACT: ☒ State ☐ County ☐ Local ☐ None

Estimated State Impact - Increase / (Decrease)				
	FY 2024	FY 2025	FY 2026	FY 2027
Revenue	\$0	\$0	\$0	\$0
<i>Revenue Fund(s)</i>	None			
Expenditures	\$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
<i>Funding Source(s)</i>	General Fund Insurance Department Assessment and Highway Fund			
Appropriations	\$0	\$0	\$0	\$0
<i>Funding Source(s)</i>	None			

- Does this bill provide sufficient funding to cover estimated expenditures? ☒ No
- Does this bill authorize new positions to implement this bill? ☒ No

METHODOLOGY:

This bill requires the Department of Energy to coordinate the continuing studies by various state agencies on the uses and development of nuclear energy, including advanced nuclear reactors.

The Department of Energy indicates it is unaware if the duties under the statute as it currently exists are being fulfilled by another state agency. The Department states it could absorb the costs of performing the duties as directed in the bill by repurposing existing federal funds, although it would result in the Department forgoing or reducing some activities that it currently undertakes with those funds.

The Department of Business and Economic Affairs assumes it would work with the Department of Energy to help coordinate with the other state agencies and develop the recurring five-year report. The other agencies will initiate and pursue continuing studies concerning the need for changes in the laws and administrative rules arising from the presence of nuclear materials and by-products from the operation of production or utilization facilities in NH. From these continuing studies, the report will recommend changes to state laws and administrative rules. The Department assumes it would require a Program Specialist IV position within the Office of

Planning and Development. This person will possess an understanding of federal and state nuclear issues and work with other offices in the Department and at least six other state agencies, including the Department of Justice since the Department of Business and Economic Affairs does not have a staff attorney. The estimated annual cost for this position, starting in FY 2025 at step 1 is \$121,000 (\$60,000 salary, \$31,000 benefits and \$30,000 office space, equipment and operating expenses). Because the bill requires the report to be updated every five years, the Department assumes the position will be permanent. The Department notes that it may be difficult to hire for such a specialized position and they may have to offer the salary at a higher step in order to fill the position.

The Department of Insurance indicates this bill relates to a 1955 statute that addresses the impact of nuclear material in NH on certain forms of insurance. The Department states this 60 plus year old statute has not been the focus of the Insurance Department in at least many years. The bill would require the Department to perform studies and produce public reports of the type that the Department does not currently produce. The Department would require additional staff or a contractor/expert to conduct such studies and produce public reports. This will increase the Department's expenditures which are funded by the Insurance Department Assessment, however the Department is not able to estimate the amount of such increase.

The Department of Labor indicates that it is unlikely that this bill would have significant impact on revenues or expenditure at the state, county or local level. The Department notes that it is possible that any administrative rule amendment borne from continuing nuclear energy studies could have some impact on the state and municipalities, but any quantification of such change is difficult. It is not anticipated that the bill would materially impact the administration of hazardous working conditions, the workers compensation system, or other workplace safety legislation from the Department's perspective.

The Department of Health and Human Services does not anticipate an increase in state expenditures due to this bill. With respect to the proposed changes, the Department understands the role of the Department's Radiological Health Section is to monitor federal NRC requirements (new or revised regulations) related to nuclear energy industrial development, and share any information and coordinate with the Department of Energy. The Department states that participating in and monitoring the proceedings of national councils and training programs related to the industry can be managed with existing staff, including the preparation of a periodic report every 5 years.

The Department of Transportation indicates it does not have the expertise or the staff capable of leading and conducting a study that could define the impact of transporting special nuclear

material or byproducts or for the presence of these material in the vicinity of a state highway. The Department would need to retain a consultant that could provide the expertise and service including the generation of the report. The Department states the fiscal impact is indeterminable since the scope of the study, mainly due to the materials to be handled, is outside of the normal projects the department oversees. The engineering consultant the Department would need to undertake this study is not one that would be on the Department's normal prequalified list. The study would require an expert in the field, and this would limit the number of firms available and increase the cost. Depending on the scope the study, it could take 1,000 to 1,500 hours and cost between \$185,000 to \$280,000. Annual coordination for continuous study and to update and maintain the report would require an estimated at 200 hours per year at a cost of \$35,000.

AGENCIES CONTACTED:

Departments of Energy, Health and Human Services, Insurance, Labor, Business and Economic Affairs, and Transportation