

HB 1629-FN - AS INTRODUCED

2022 SESSION

22-2526

12/08

HOUSE BILL            ***1629-FN***

AN ACT                relative to default service for net metering.

SPONSORS:            Rep. Berezhny, Graf. 9; Rep. Lang, Belk. 4; Rep. Nunez, Hills. 37

COMMITTEE:          Science, Technology and Energy

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ANALYSIS

This bill clarifies the meaning of default generation supply service from the distribution utility for purposes of net energy metering.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Twenty Two*

AN ACT                   relative to default service for net metering.

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

1           1 Default Service for Net Metering. Amend RSA 362-A:9, I to read as follows:

2           I. Standard tariffs providing for net energy metering shall be made available to eligible  
3 customer-generators by each electric distribution utility in conformance with net metering rules  
4 adopted and orders issued by the commission. Each net energy metering tariff shall be identical,  
5 with respect to rates, rate structure, and charges, to the tariff under which a customer-generator  
6 would otherwise take default generation supply service from the distribution utility. ***For the***  
7 ***purposes of this section, default generation supply service from the distribution utility***  
8 ***shall be defined as the electrical energy portion of such supply and shall exclude ancillary***  
9 ***components such as ISO New England forward capacity market payments, renewable***  
10 ***portfolio standard costs, administrative costs, supplier profits, and any other non-***  
11 ***electrical energy components as determined by the commission.*** Such tariffs shall be available  
12 on a first-come, first-served basis within each electric utility service area under the jurisdiction of  
13 the commission until such time as the total rated generating capacity owned or operated by eligible  
14 customer-generators totals a number equal to 100 megawatts, with 50 megawatts of the 100  
15 megawatts allocated to the 4 electric distribution utilities that were subject to the commission's  
16 jurisdiction in 2010 multiplied by each such utility's percentage share of the total 2010 annual  
17 coincident peak energy demand distributed by those 4 utilities, and 50 megawatts of the 100  
18 megawatts allocated to the state's 3 investor-owned electric distribution utilities, multiplied by each  
19 such utility's percentage share of the total 2010 annual coincident peak energy demand distributed  
20 by those 3 utilities, all to be determined by the commission and to be utilized by eligible customer-  
21 generators located within each such utilities' service territory. Eighty percent of each utility's share  
22 of the 50 megawatts shall be apportioned to facilities with a total generating capacity of not more  
23 than 100 kilowatts and 20 percent to facilities with a total generating capacity in excess of 100  
24 kilowatts, but no greater than one megawatt. The 50 megawatts of capacity shall be made available  
25 to eligible customer-generators until such time as commission approved alternative net metering  
26 tariffs approved by the commission become available. No more than 4 megawatts of such total rated  
27 generating capacity shall be from a combined heat and power system as defined in RSA 362-A:1-a, I-  
28 d.

29           2 Effective Date. This act shall take effect 60 days after its passage.

**HB 1629-FN- FISCAL NOTE**  
AS INTRODUCED

AN ACT relative to default service for net metering.

**FISCAL IMPACT:**     State             County             Local             None

STATE:	Estimated Increase / (Decrease)			
	FY 2022	FY 2023	FY 2024	FY 2025
<b>Appropriation</b>	\$0	\$0	\$0	\$0
<b>Revenue</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>	\$0	Indeterminable	Indeterminable	Indeterminable
<b>Funding Source:</b>	<input checked="" type="checkbox"/> General <input type="checkbox"/> Education Various Government Funds		<input checked="" type="checkbox"/> Highway	<input checked="" type="checkbox"/> Other -

**COUNTY:**

<b>Revenue</b>	\$0	Indeterminable	Indeterminable	Indeterminable
<b>Expenditures</b>	\$0	Indeterminable	Indeterminable	Indeterminable

**LOCAL:**

<b>Revenue</b>	\$0	Indeterminable	Indeterminable	Indeterminable
<b>Expenditures</b>	\$0	Indeterminable	Indeterminable	Indeterminable

**METHODOLOGY:**

This bill would amend the definition of “default generation supply service from the distribution utility” under RSA 362-A:9 I to mean the “electrical energy portion of such supply” excluding ancillary components such as: ISO New England forward capacity market payments, renewable portfolio standard costs, administrative costs, supplier profits, and any other non-electrical energy components as determined by the commission.

The Department of Energy states the bill appears to reduce the per kWh credit provided to customer-generators by electric distribution utilities for energy exports from net-metered generation facilities. If a county or local government participates in group net-metering and excess energy generation is exported, revenues would decline to the extent the definition change results in a reduction in per kWh credits provided for such exports. If a county or local government does not participate in net-metering, or participates but uses all of its electricity output behind the meter without exporting any excess energy output, there should be no impact on its revenues.

There is a potential for the state, counties, and local governments to experience decreased expenditures for electricity from reductions in the per kWh credit provided for net-metered energy exports. Currently, electric distribution utilities are required to credit net-metered electricity exports at the full default service rate. A reduction in the per kWh credit provided for those exports would tend to decrease electric rates, in turn decreasing electricity costs for consumers.

There is the potential that net-metered distributed generation may reduce transmission costs and avoid other utility costs, which would reduce or otherwise mitigate the impact of cost increases. Reducing the per kWh credit provided for exported net-metered generation output could reduce the amount of future development of those facilities, thereby limiting future reductions in transmission costs and other avoided utility costs, the reduction of which should benefit all electricity customers. The Department is unable to quantify such avoided costs, cost increases, or potential cost-shifting at this time. The Department is working with a consultant to study issues related to the value of distributed energy resources eligible to net meter. That study is expected to be completed by late Spring 2022.

It is assumed that any fiscal impact would occur after FY 2022.

**AGENCIES CONTACTED:**

Department of Energy