HB 234-FN - AS INTRODUCED

2023 SESSION

23-0401
10/04

HOUSE BILL ***234-FN***

AN ACT relative to renewable energy credits.

SPONSORS: Rep. McWilliams, Merr. 30; Rep. Chretien, Hills. 41; Rep. Parshall, Ches. 8; Rep. Spier, Hills. 6

COMMITTEE: Science, Technology and Energy

ANALYSIS

This bill repeals the statutory provision allowing for credit for electricity production for customer-sited sources that are net metered and for which renewable energy certificates are not issued.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Three

AN ACT relative to renewable energy credits.

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

1 Repeal. RSA 362-F:6, II-a, relative to credit for electricity production for customer-sited sources that are net metered and for which renewable energy certificates are not issued, is repealed.

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

LBA
23-0401
12/21/22

HB 234-FN- FISCAL NOTE
AS INTRODUCED

AN ACT relative to renewable energy credits.

FISCAL IMPACT: **[X] State** **[X] County** **[X] Local** **[ ] None**

	Estimated Increase / (Decrease)			
STATE:	**FY 2023**	**FY 2024**	**FY 2025**	**FY 2026**
Appropriation	$0	$0	$0	$0
Revenue	$0	Indeterminable	Indeterminable	Indeterminable
Expenditures	$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
Funding Source:	[X] General [ ] Education [ ] Highway [X] Other - Renewable Energy Fund, Various Government Funds			

COUNTY:

Revenue	$0	$0	$0	$0
Expenditures	$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase

LOCAL:

Revenue	$0	$0	$0	$0
Expenditures	$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase

METHODOLOGY:

This bill repeals the statutory provision allowing for credit for electricity production for customer -sited sources that are net metered and for which renewable energy certificates are not issued.

The Department of Energy indicates to the extent electric distribution utilities and competitive energy suppliers meet their renewable portfolio standards (RPS) obligation by making alternative compliance payments, state revenues could increase by an indeterminable amount. If electric distribution utilities and competitive energy suppliers meet their entire obligation through purchase and use of renewable energy certificates, there would be no impact to state revenues.

Regarding the impact state, county and local expenditures, the Department states the bill would result in an indeterminable increase in expenditures. In 2021, the Class I RPS obligation was 8.9% with a credit of 0.0058%, leaving a net of 8.8942%. The class II RPS obligation was .7%, with a credit of .4752%, leaving a net of .2248% needed to be met by the electric distribution utilities or competitive energy suppliers through the purchase of renewable energy certificates or making alternative compliance payments. Assuming no change in the consumption of electricity and the entire obligation to cover the amount of the existing credits is met through the alternative compliance payments, the cost of electricity statewide would increase at most by roughly $3,000,000. Based on the Department's understanding of the renewable energy certificate market and 2021 renewable portfolio standard compliance submissions for these classes, there does not seem to be any shortage of certificates available in the Class I or II market, so the impact will likely be less than this maximum. As such, the state, counties, and units of local government would see their cost for electricity increase by an interminable amount. There would be no impact on county and local revenues.

It is assumed that any fiscal impact would occur after FY 2023.

AGENCIES CONTACTED:

Department of Energy