



NH REGULATIONS & STATUTES

Current structure, impacts, & changes

CURRENT STATE ENERGY POLICIES

Regional Greenhouse Gas Initiative (RGGI)

- Carbon tax on electricity generation

Renewable Portfolio Standard (RPS)

- Renewable Energy Certificates (RECs)

System Benefits Charge (SBC)

- Administered by utilities as NHSaves
- EERS (Energy Efficiency Resource Standard)

Net Metering (NM)

- Sell excess electricity back to the grid



REGIONAL GREENHOUSE GAS INITIATIVE (RGGI)

- Carbon tax on electricity generation
- Tax on each ton of carbon emitted
- Generators pay into a regional fund
- Fund money returned to the states based on their electricity usage
 - NH gets ~10% of the fund yearly - \$12 to \$15 million
- NH currently rebates \$4 out of every \$5 back to ratepayers
- NH spends the remaining dollar (about \$2.5-\$3 million) on energy efficiency
- NH law specifies that the state will exit RGGI if one other state also exits
- The Transportation Climate Initiative, RGGI for cars and trucks, seems dead

RENEWABLE PORTFOLIO STANDARD (RPS)

- Provides subsidy payments to renewable energy operators
- Requires utilities to buy a REC for a specified percentage of the megawatt hours of electricity they sell
 - NH load averages ~9,500,000 MWh per year
 - Utilities must buy an average of one REC per 20% of load, or ~1,900,000 RECs
 - RECs average \$25 each
 - Cost to NH utilities = ~\$50 million each year
- The utilities pass along this cost to ratepayers in their energy charges
- RPS percentages go up each year

SYSTEM BENEFITS CHARGE (SBC)

- A ratepayer funded energy efficiency program
 - Comes out of everyone's pocket
- A non-bypassable charge added to each electricity bill
- Money collected by utilities and redistributed to applicants of the NHTSaves energy efficiency program
- Amount calculated by applying the precepts of an Energy Efficiency Resource Standard
- Currently an average residential ratepayer pays \$2-\$6 per month
- Commercial/industrial customers pay substantially more

NET METERING

- Incentive for renewable generators, mostly solar and hydroelectric dams
- Available to small producers, less than 1,000 kilowatts (1 megawatt)
 - New in 2022: Municipal hosts up to 5 megawatts
- Rate for less than 100 KW = ~70% of retail rate
- Rate for more than 100 KW up to 1 MW = default service rate, ~55% of retail
- Net metering customer-generators receive credits at the rates listed above
 - Credits offset what they buy from the utility
 - Credits are worth more than the electricity they supply
 - This disparity causes cost shifts to non-net metering customers

FUTURES

Current policies cost the average state ratepayer \$3-\$10 per month

Expansion of these programs, especially net metering, will drive these costs even higher

Exiting RGGI will cost NH ratepayers money

RPS costs will continue to grow under current law

Ratepayer funded energy efficiency hurts low/moderate-income customers disproportionately

Electrifying transportation and home heating will require major transmission/distribution system investments

Permitting will become a big issue for the development of massive new renewable energy projects

CHANGES NEEDED AND PLANNED

01

Freeze RPS percentages at 25%

02

Reduce the SBC program to low/moderate income residential customers only, and include rental properties

03

Redefine default service for net metering to exclude everything except electrical energy

04

Require large net metering customers to supply load from batteries or alternative suppliers when they cannot deliver load

05

Work to limit federal programs where possible

QUESTIONS

