REGULAR CALENDAR

February 18, 2025

HOUSE OF REPRESENTATIVES

REPORT OF COMMITTEE

The Majority of the Committee on Science, Technology and Energy to which was referred HB 674-FN,

AN ACT relative to non-wire alternatives, time-of-use tariffs, and multi-year rate settings. Having considered the same, report the same with the following resolution: RESOLVED, that it is INEXPEDIENT TO LEGISLATE.

Rep. Michael Harrington

FOR THE MAJORITY OF THE COMMITTEE

Original: House Clerk
Cc: Committee Bill File

MAJORITY
COMMITTEE REPORT

Committee:	**Science, Technology and Energy**
Bill Number:	**HB 674-FN**
Title:	**relative to non-wire alternatives, time-of-use tariffs, and multi-year rate settings.**
Date:	**February 18, 2025**
Consent Calendar:	**REGULAR**
Recommendation:	**INEXPEDIENT TO LEGISLATE**

STATEMENT OF INTENT

The committee heard hours of testimony on the complexity of implementing advanced metering and time of use pricing, which utilities already offer in some form. There are ongoing dockets at the Public Utilities Commission on these issues and the committee felt that was a better venue to perform the investigation of them. In addition, the majority felt the cost of meter replacement and back-end systems support needed for these non-wires alternatives was too high.

Vote 10-8.

Rep. Michael Harrington
FOR THE MAJORITY

Original: House Clerk
Cc: Committee Bill File

REGULAR CALENDAR

Science, Technology and Energy

HB 674-FN, relative to non-wire alternatives, time-of-use tariffs, and multi-year rate settings. **MAJORITY: INEXPEDIENT TO LEGISLATE. MINORITY: OUGHT TO PASS.**

Rep. Michael Harrington for the **Majority** of Science, Technology and Energy. The committee heard hours of testimony on the complexity of implementing advanced metering and time of use pricing, which utilities already offer in some form. There are ongoing dockets at the Public Utilities Commission on these issues and the committee felt that was a better venue to perform the investigation of them. In addition, the majority felt the cost of meter replacement and back-end systems support needed for these non-wires alternatives was too high. **Vote 10-8.**

Original: House Clerk
Cc: Committee Bill File

REGULAR CALENDAR

February 18, 2025

HOUSE OF REPRESENTATIVES

REPORT OF COMMITTEE

The Minority of the Committee on Science, Technology and Energy to which was referred HB 674-FN,

AN ACT relative to non-wire alternatives, time-of-use tariffs, and multi-year rate settings. Having considered the same, and being unable to agree with the Majority, report with the recommendation that the bill OUGHT TO PASS.

Rep. Tony Caplan

FOR THE MINORITY OF THE COMMITTEE

Original: House Clerk
Cc: Committee Bill File

MINORITY
COMMITTEE REPORT

Committee:	**Science, Technology and Energy**
Bill Number:	**HB 674-FN**
Title:	**relative to non-wire alternatives, time-of-use tariffs, and multi-year rate settings.**
Date:	**February 18, 2025**
Consent Calendar:	**REGULAR**
Recommendation:	**OUGHT TO PASS**

STATEMENT OF INTENT

This bill is intended to bring on additional, much needed electric generation and lower costs using distributed generation resources such as renewables and battery storage projects, which count as "non-wire alternatives" (NWA) under NH integrated planning requirements. By establishing incentives and rules for electric utilities to procure these NWAs, located nearby to where the electricity will be used, rates for all customers will be lowered as utilities come to rely more on NWA generation and storage instead of transmission and distribution infrastructure such as poles and wires needed to move electricity far distances to their customers. This bill also intends to incentivize utilities to provide "time of use" pricing schemes coupled with smart meters which will allow greater cost savings and opportunities for energy efficiency to users. Finally, this bill intends to stabilize the distribution portion of bills for ratepayers by mandating regular 5-year rate cases where the utilities will be allowed to balance their estimates for infrastructure spending, including NWA procurements, with actual costs and pass any savings back to their customers. Some have stated that current dockets at the Public Utilities Commission will settle these issues, but the minority believes it is the legislature's role to set the agenda for the electric utilities, not allow regulators to unilaterally determine the goals of utility regulation.

Rep. Tony Caplan
FOR THE MINORITY

Original: House Clerk
Cc: Committee Bill File

REGULAR CALENDAR

Science, Technology and Energy

HB 674-FN, relative to non-wire alternatives, time-of-use tariffs, and multi-year rate settings. **OUGHT TO PASS.**

Rep. Tony Caplan for the **Minority** of Science, Technology and Energy. This bill is intended to bring on additional, much needed electric generation and lower costs using distributed generation resources such as renewables and battery storage projects, which count as "non-wire alternatives" (NWA) under NH integrated planning requirements. By establishing incentives and rules for electric utilities to procure these NWAs, located nearby to where the electricity will be used, rates for all customers will be lowered as utilities come to rely more on NWA generation and storage instead of transmission and distribution infrastructure such as poles and wires needed to move electricity far distances to their customers. This bill also intends to incentivize utilities to provide "time of use" pricing schemes coupled with smart meters which will allow greater cost savings and opportunities for energy efficiency to users. Finally, this bill intends to stabilize the distribution portion of bills for ratepayers by mandating regular 5-year rate cases where the utilities will be allowed to balance their estimates for infrastructure spending, including NWA procurements, with actual costs and pass any savings back to their customers. Some have stated that current dockets at the Public Utilities Commission will settle these issues, but the minority believes it is the legislature's role to set the agenda for the electric utilities, not allow regulators to unilaterally determine the goals of utility regulation.

Original: House Clerk
Cc: Committee Bill File

HOUSE COMMITTEE ON SCIENCE, TECHNOLOGY AND ENERGY

EXECUTIVE SESSION on HB 674-FN

BILL TITLE: relative to non-wire alternatives, time-of-use tariffs, and multi-year rate settings.

DATE: February 18, 2025

LOB ROOM: 302-304

MOTIONS: **INEXPEDIENT TO LEGISLATE**

Moved by Rep. Harrington Seconded by Rep. Bernardy Vote: 10-8

☐ **WITHOUT RECOMMENDATION**

CONSENT CALENDAR: NO

Statement of Intent: Refer to Committee Report

Respectfully submitted,

Rep JD Bernardy, Clerk

HOUSE COMMITTEE ON SCIENCE, TECHNOLOGY AND ENERGY

EXECUTIVE SESSION on HB 674-FN

BILL TITLE: relative to non-wire alternatives, time-of-use tariffs, and multi-year rate settings.

DATE: 2/18/25

LOB ROOM: 302-304

MOTION: (Please check one box)

☐ OTP ☒ ITL ☐ Retain (1st year) ☐ Adoption of Amendment # _____ *(if offered)*

☐ Interim Study (2nd year)

Moved by Rep. Harrington Seconded by Rep. Bernardy Vote: 10-8

MOTION: (Please check one box)

☐ OTP ☐ OTP/A ☐ ITL ☐ Retain (1st year) ☐ Adoption of Amendment # _____ *(if offered)*

☐ Interim Study (2nd year)

Moved by Rep. _____ Seconded by Rep. _____ Vote: _____

MOTION: (Please check one box)

☐ OTP ☐ OTP/A ☐ ITL ☐ Retain (1st year) ☐ Adoption of Amendment # _____ *(if offered)*

☐ Interim Study (2nd year)

Moved by Rep. _____ Seconded by Rep. _____ Vote: _____

MOTION: (Please check one box)

☐ OTP ☐ OTP/A ☐ ITL ☐ Retain (1st year) ☐ Adoption of Amendment # _____ *(if offered)*

☐ Interim Study (2nd year)

Moved by Rep. _____ Seconded by Rep. _____ Vote: _____

☐ **WITHOUT RECOMMENDATION**

CONSENT CALENDAR: ____ YES ____ NO

Minority Report? X Yes ____ No If yes, author, Rep: Caplan Motion OTP

Respectfully submitted: J Bernardy
Rep JD Bernardy, Clerk

STATE OF NEW HAMPSHIRE
OFFICE OF THE HOUSE CLERK
2025 SESSION

1/11/2025 12:07:23 PM
Roll Call Committee Registers - 2025 draft Report

Science, Technology and Energy

Bill #: HB 674-FN **Motion:** ITL **AM #:** _____ **Exec Session Date:** 18 February 2025

Members	YEAS	Nays	NV
Vose, Michael Chairman	X		
Thomas, Douglas W. Vice Chairman	X		
Notter, Jeanine M	X		
Harrington, Michael D	X		
Berezhny, Lex	X		
Bernardy, JD Clerk	X		
Ploszaj, Tom	X		
Summers, James	X		
Mattson, Rita G	X		
Schneller, John	X		
McGhee, Kat		X	
Parshall, Lucius		X	
Caplan, Tony M		X	
Thomas, Wendy Ellen N		X	
Cormen, Thomas H		X	
Raynolds, Ned		X	
Larochelle, John H		X	
Swanson, Dale		X	
TOTAL VOTE:	10	8	

HOUSE COMMITTEE ON SCIENCE, TECHNOLOGY AND ENERGY

PUBLIC HEARING ON HB 674-FN

BILL TITLE: **relative to non-wire alternatives, time-of-use tariffs, and multi-year rate settings.**

DATE: **February 10, 2025**

LOB ROOM: **302-304** **Time Public Hearing Called to Order:** **10:26 am**

Time Adjourned: **10:35 am**

Committee Members: **Reps. Vose, D. Thomas, Bernardy, Notter, Harrington, Berezhny, Ploszaj, Mattson, Schneller, McGhee, Parshall, Caplan, W. Thomas, Cormen, Raynolds, Larochelle and Swanson**

Bill Sponsors:

Rep. Caplan	**Rep. Bixby**	**Rep. Cormen**
Rep. McGhee	**Rep. Parshall**	**Rep. Schmidt**
Rep. W. Thomas	**Sen. Altschiller**	**Sen. Watters**

TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

- Representative Caplan introduced the bill. Want to open discussion on how to bring on board new production.
- Rep Harrington: Unknown whether impacts transmission
- Matt Young, NH Department of Energy, neutral. Several concerns, not reviewed because sponsor requested it be a study (retain).
- Alexander Speidel, NHPUC, opposes bill (in part). Can't project everything in five year increments.
- Michael Licata, Eversource, oppose. Has made progress but appreciate that this needs further study.

Respectfully submitted,

Representative JD Bernardy, Clerk

HOUSE COMMITTEE ON SCIENCE, TECHNOLOGY AND ENERGY

PUBLIC HEARING ON HB 674-FN

BILL TITLE: **relative to non-wire alternatives, time-of-use tariffs, and multi-year rate settings.**

DATE:

ROOM: **302-304** **Time Public Hearing Called to Order:** 10:26

Time Adjourned: 10:35

(please circle if present)

Committee Members: Reps. Vose, D. Thomas, Bernardy, Notter, Harrington, Berezhny, Ploszaj, Summers, Mattson, Schneller, McGhee, Parshall, Caplan, W. Thomas, Cormen, Raynolds, Larochelle and Swanson

Bill Sponsors:

Rep. Caplan	Rep. Bixby	Rep. Cormen
Rep. McGhee	Rep. Parshall	Rep. Schmidt
Rep. W. Thomas	Sen. Altschiller	Sen. Watters

TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

Rep Caplan - introduced - want to open discussion on how to bring on board new production

Q Harrington - unknown whether impacts transmission

Matt Young - neutral - but several concerns - not reviewed because sponsor requested it be a study (retain)
DOE

Alexander Speidel - neutral - but can't project everything in 5 year increments
NH PUC

Michael Licata - has made progress but appreciate that this needs further study
Eversource

SIGN UP SHEET

Register Your Opinion If Not Testifying

Committee: Science, Technology, and Energy

Date: 2/10/25

Bill #: HB674-FN

****Please Print All Information****

Name	Address	Phone	Representing	Pro	Con

House Remote Testify

Science, Technology and Energy Committee Testify List for Bill HB674 on 2025-02-10

Support: 10 Oppose: 7 Neutral: 0 Total to Testify: 0

Export to Excel

Name	City, State Email Address	Title	Representing	Position	Testifying	Non-Germane	Signed Up
Adrien, James	Rochester, NH jamie62274@comcast.net	A Member of the Public	Myself	Oppose	No	No	2/6/2025 5:10 PM
curley, june	WEARE, NH MYMOOLADI@COMCAST.NET	An Elected Official	Myself	Oppose	No	No	2/7/2025 12:28 AM
Springate, Gordon	Wilton, NH g_springate@yahoo.com	A Member of the Public	Myself	Oppose	No	No	2/7/2025 6:12 AM
Holmes, Stephen	Grantham, NH sobatsk@hotmail.com	A Member of the Public	Myself	Oppose	No	No	2/7/2025 7:29 AM
Piscetta, Patricia	Belmont, NH djppisce@atlanticbb.net	A Member of the Public	Myself	Support	No	No	2/7/2025 11:41 AM
Haggerty, Danielle	Manchester, NH danielle.d.haggerty@gmail.com	A Member of the Public	Myself	Support	No	No	2/7/2025 1:36 PM
Smith, Julie	Nashua, NH cantdog@comcast.net	A Member of the Public	Myself	Oppose	No	No	2/7/2025 4:03 PM
Konze, Margaret	Pembroke, NH maggiekonze@yahoo.com	A Member of the Public	Myself	Support	No	No	2/7/2025 5:20 PM
Turcotte, Rebecca	Henniker, NH slvrknitting@gmail.com	A Member of the Public	Myself	Support	No	No	2/8/2025 5:34 PM
leland, carissa	salem, NH lelandcarissa927@gmail.com	A Member of the Public	Myself	Oppose	No	No	2/8/2025 11:27 PM
Palmer, Dylan	Wolfeboro, NH dpalmer1301@gmail.com	A Member of the Public	Myself	Support	No	No	2/9/2025 10:55 AM
Richardson, Daniel	Nashua, NH daniel6_22@comcast	A Member of the Public	Myself	Oppose	No	No	2/9/2025 2:59 PM
Lucas, Janet	Campton, NH janluca1953@gmail.com	An Elected Official	Myself	Support	No	No	2/10/2025 9:11 AM

Doughty, Danielle	Strafford, NH doughtydanielle86@gmail.com	A Member of the Public	Myself	Support	No	No	2/10/2025 10:38 AM
Mason, Angela	Concord, NH anjibaybie@gmail.com	A Member of the Public	Myself	Support	No	No	2/10/2025 10:42 AM
Altschiller, Senator Debra	SD 24, NH kevin.condict@leg.state.nh.us	An Elected Official	SD 24	Support	No	No	2/10/2025 10:45 AM
Reardon, Janet	Hudson, NH joliveoil8358@gmail.com	A Member of the Public	Myself	Support	No	No	2/10/2025 2:16 PM

HB 674

june curley

NO NO NO

Gordon Springate

I strongly oppose this Bill. This is Communism. The government needs to stay out of business.

Further, this is a tax increase on consumers. Every cost this Bill wants so force on Utilities will come back to the consumer.

Consumers can choose to install a smart meter, or not. They must never be mandated

The government needs to stay out business.

LBA
25-0389
Revised 2/4/25

HB 674-FN FISCAL NOTE
AS INTRODUCED

AN ACT relative to non-wire alternatives, time-of-use tariffs, and multi-year rate settings.

FISCAL IMPACT: This bill does not provide funding.

Estimated State Impact				
	FY 2025	**FY 2026**	**FY 2027**	**FY 2028**
Revenue	$0	$0	$0	$0
Revenue Fund(s)	None			
Expenditures*	$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
Funding Source(s)	General Fund, Highway Fund, and Various Agency Funds			
Appropriations*	$0	$0	$0	$0
Funding Source(s)	None			

***Expenditure = Cost of bill** ***Appropriation = Authorized funding to cover cost of bill**

Estimated Political Subdivision Impact				
	FY 2025	**FY 2026**	**FY 2027**	**FY 2028**
County Revenue	$0	$0	$0	$0
County Expenditures	$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
Local Revenue	$0	$0	$0	$0
Local Expenditures	$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase

METHODOLOGY:

This bill mandates that electric distribution utilities providing default energy service integrate cost-effective non-wires alternatives (NWAs) into their integrated distribution plans. Additionally, it requires the Department of Energy and the Public Utilities Commission to establish rules ensuring that NWAs are procured competitively and transparently.

To enhance energy efficiency and grid reliability, electric distribution utilities must offer time-of-use (TOU) rates to all customer classes. These TOU programs will include incentives for load

curtailment, electric vehicle charging, and energy storage. Customers opting into TOU pricing can request an Advanced Metering Infrastructure (AMI) meter, which the utility must provide.

The bill also modifies the rate-setting process for state electric default service customers. It clarifies that distribution service rates—not default energy service rates—will be set every five years, extending the minimum period between utility rate cases from two years to five years. However, utilities can seek interim adjustments to address unforeseen cost changes. Additionally, any cost savings realized over the five-year period must be equitably shared between the utility and its customers.

The Department of Energy states the fiscal impact on the state is indeterminable. Two of the three regulated electric distribution utilities currently lack AMI metering systems. Transitioning from Automated Meter Reading (AMR) to AMI metering and billing will require substantial investments. A 2013 estimate from Eversource placed the cost of an AMR installation project at $42.3 million, including $3.3 million for IT upgrades. While the cost of upgrading to AMI remains uncertain, these expenditures would ultimately be recoverable through electric rates. Given that the state accounts for approximately 1% of total electricity consumption, it would likely bear 1% of the resulting cost increase.

The impact on county and local government expenditures is also indeterminable. The Department of Energy lacks comprehensive data on electricity consumption at the county and local levels, preventing an accurate cost estimate. However, as these entities consume electricity, they will likely experience an increase in rates similar to that of the state, depending on their electricity usage and the overall cost of AMI implementation.

The Public Utilities Commission (PUC) states this bill includes language in Section III(c) stating that "the Department of Energy and the Public Utilities Commission, in accordance with RSA 541-A, shall... (c) Set rate cases in accordance with RSA 378:7, ensuring that rates for state electric default service customers are established every five years." The PUC states under current law, the PUC is responsible for adjudicating utility rate cases, while the Department of Energy does not have the authority to set rate cases. Additionally, default service rates for electric customers are presently adjusted every six months to reflect market price fluctuations, a practice in place since the early 2000s.

The PUC notes transitioning to a five-year rate-setting period could create challenges in accurately forecasting electricity market prices over such an extended time frame and electricity prices fluctuate significantly within a five-year period, default service customers could

experience rate volatility, potentially resulting in higher costs or stranded financial obligations. The financial impact on ratepayers is indeterminable but could be significant if long-term pricing does not align with actual market conditions.

AGENCIES CONTACTED:

Department of Energy and Public Utilities Commission

HB 674-FN - AS INTRODUCED

2025 SESSION

25-0389
06/08

HOUSE BILL ***674-FN***

AN ACT relative to non-wire alternatives, time-of-use tariffs, and multi-year rate settings.

SPONSORS: Rep. Caplan, Merr. 8; Rep. Bixby, Straf. 13; Rep. Cormen, Graf. 15; Rep. McGhee, Hills. 35; Rep. Parshall, Ches. 8; Rep. Schmidt, Straf. 14; Rep. W. Thomas, Hills. 12; Sen. Altschiller, Dist 24; Sen. Watters, Dist 4

COMMITTEE: Science, Technology and Energy

ANALYSIS

This bill:

I. Defines non-wire alternatives, time-of-use pricing, and time-of-use tariffs.

II. Requires the department of energy and public utilities commission to regulate non-wire alternatives, time-of-use pricing, time-of-use tariffs, and multi-year rate cases.

- - - -

HB 674-FN - AS INTRODUCED

25-0389
06/08

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Five

AN ACT relative to non-wire alternatives, time-of-use tariffs, and multi-year rate settings.

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

1 New Section; Non-Wire Alternatives; Time-of-Use Pricing; Rulemaking. Amend RSA 378 by inserting after section 42-a the following new section:

378:42-b Non-Wire Alternatives; Time-of-Use Pricing; Rulemaking.

I. In this section:

(a) "Non-wires alternative" or "NWA" means any electrical grid investment including grid enhancements that are intended to defer or remove the need to construct or upgrade components of a distribution and transmission system and may also include distributed energy resources as authorized under RSA 374:G.

(b) "Time-of-Use pricing" means an electric rate schedule that adjusts the price of electricity based on load demand.

(c) "Time-of-Use tariffs" means sending price signals that reflect system conditions.

II. Regulated state electric default service provider utilities undergoing integrated distribution planning in accordance with RSA 378:38 shall include procurement of cost effective non-wires alternatives, including interconnection of distributed energy resources as authorized under RSA 374:G, to the maximum extent that NWAs provide system resilience, reliability, and defer or remove the need to construct or upgrade components of the electrical distribution or transmission system.

III. The department of energy and public utilities commission, in accordance with RSA 541-A, shall:

(a) Set rules for procurement processes to include competitive and transparent procurement by utilities of NWAs, based on an analysis of capital costs and demand savings associated with each NWA project.

(b) Require default service provider utilities to establish fair and reasonable time-of-use tariffs for seasonal and daily peak and off-peak usage for all classes of commercial and residential customers. This shall include programs for load curtailment, electric vehicle charging, and energy storage system services. As part of any time-of-use pricing system, default service utilities shall provide customers with AMI smart meters upon request. Such smart meters shall be capable of providing customers with real-time, on-demand data. Utilities shall calculate all applicable capital costs and demand savings associated with smart metering programs in their rate cases, as specified in RSA 374:62, III.

(c) Set rate cases in accordance with RSA 378:7, ensuring that rates for state electric default service customers are established every 5 years. Such rates shall be based on a combination of historic cost of operations, realized NWA procurements, and load servicing and infrastructure investment projections. Five-year rate cases may be supplemented by interim rate setting in response to unanticipated changes, such as variations in the rate of inflation, generation procurement and distribution costs, or other emergency relief sought by the default service utilities.

(d) Determine a formula and a process as part of a multi-year rate case to settle any cost savings above and beyond projections of costs made as part of a previous rate case. Such a formula and process will be set in order to share the savings equitably between utilities and ratepayers and incentivize cost savings by the utilities.

2 Effective Date. This act shall take effect January 1, 2026.

LBA
25-0389
1/9/25

HB 674-FN- FISCAL NOTE
AS INTRODUCED

AN ACT relative to non-wire alternatives, time-of-use tariffs, and multi-year rate settings.

FISCAL IMPACT:

The Office of Legislative Budget Assistant is unable to complete a fiscal note for this bill as it is awaiting information from the Department of Energy and Public Utilities Commission. The Department and Commission were contacted on 1/3/25 for a fiscal note worksheet. When completed, the fiscal note will be forwarded to the House Clerk's Office.

AGENCIES CONTACTED:

Department of Energy and Public Utilities Commission