

SB 449-FN - AS INTRODUCED

2026 SESSION

26-2027

06/05

SENATE BILL **449-FN**

AN ACT relative to the participation of large customer-generators in net metering.

SPONSORS: Sen. Lang, Dist 2; Sen. Rosenwald, Dist 13; Sen. Watters, Dist 4; Sen. Innis, Dist 7; Sen. McGough, Dist 11; Sen. Avarad, Dist 12; Sen. Pearl, Dist 17; Sen. Rochefort, Dist 1; Sen. Gannon, Dist 23; Sen. Ricciardi, Dist 9; Sen. Abbas, Dist 22; Rep. Moffett, Merr. 4

COMMITTEE: Energy and Natural Resources

ANALYSIS

This bill requires large customer-generators participating in net metering to consume at least 33 percent of their own generation.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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

AN ACT relative to the participation of large customer-generators in net metering.

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

1 1 Limited Electrical Energy Producers Act; Definition; Eligible Customer-Generator. Amend
2 RSA 362-A:1-a, II-b to read as follows:

3 II-b. "Eligible customer-generator" or "customer-generator" means an electric utility
4 customer who owns, operates, or purchases power from an electrical generating facility either
5 powered by renewable energy or which employs a heat led combined heat and power system, with a
6 total peak generating capacity of up to and including one megawatt, except as provided for a
7 municipal host as defined in paragraph II-c[, that is located behind a retail meter on the customer's
8 premises,] **and an industrial host as defined under paragraph II-g, that is located behind a**
9 **retail meter on the customer's premises**, is interconnected and operates in parallel with the
10 electric grid, and is used to offset the customer's own electricity requirements. Incremental
11 generation added to an existing generation facility, that does not itself qualify for net metering, shall
12 qualify if such incremental generation meets the qualifications of this paragraph and is metered
13 separately from the [~~nonqualifying~~] **non-qualifying** facility.

14 2 New Paragraph; Limited Electrical Energy Producers Act Definitions. Amend RSA 362-A:1-a
15 by inserting after paragraph II-f the following new paragraph:

16 II-g. "Industrial host" means a customer-generator with a total peak generating capacity of
17 greater than one megawatt and less than 5 megawatts, used to offset the electricity requirements of
18 a group consisting exclusively of commercial, industrial, or institutional entities with one or more
19 accounts, provided that all accounts are located within the same utility franchise service territory. If
20 an industrial host's total annual net exported generation exceeds the total annual electricity usage of
21 the host and members of the group, the industrial host shall be entitled to compensation for that
22 excess generation according to the process established by the department's 900 rules for annual
23 reconciliation. An industrial host may be owned by either a public or private entity.

24 3 New Paragraph; Net Metering. Amend RSA 362-A:9 by inserting after paragraph II the
25 following new paragraph:

26 II-a. Alternative tariffs for net metering shall be made available to eligible customer-
27 generators by each electric distribution utility in conformance with Order No. 26,029 dated June 23,
28 2017, and with net metering rules adopted by the commission. Any project that begins receiving
29 compensation under Order No. 26,029 alternative tariffs will be eligible to continue receiving that
30 tariff for either 20 years from the year it first begins receiving compensation or through the initial
31 tariff term ending on December 31, 2040, whichever is longer. If the commission creates new net

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1 metering tariffs through an adjudicated proceeding before December 31, 2040, eligible customer-
2 generators receiving Order No. 26,029 alternative tariffs will have the option of transitioning to new
3 tariffs created through that proceeding. If an eligible customer-generator elects to transfer to a new
4 tariff, they may not return to Order No. 26,029 alternative tariffs. Upon the expiration of a
5 customer-generator's eligibility under Order No. 26,029 alternative tariffs, the eligible customer-
6 generator will have the option of transitioning to the tariff available at that time.

7 4 New Paragraph; Net Metering; Consumption. Amend RSA 362-A:9 by inserting after
8 paragraph IV the following new paragraph:

9 IV-a.(a) Facilities eligible for the net metering tariff under this section for customer-
10 generators larger than one megawatt and up to 5 megawatts with an in-service date after January 1,
11 2027, and not acting as a group net metering host, must consume at least 33 percent of the
12 generation on an annual basis.

13 (b) Consumption requirements under this section shall not apply to low and moderate
14 income customers as defined in administrative rules of the public utilities commission in PUC
15 902.21.

16 5 Effective Date. This act shall take effect 60 days after its passage.

**SB 449-FN- FISCAL NOTE
AS INTRODUCED**

AN ACT relative to the participation of large customer-generators in net metering.

FISCAL IMPACT: This bill does not provide funding, nor does it authorize new positions.

Estimated State Impact				
	FY 2026	FY 2027	FY 2028	FY 2029
Revenue	\$0	\$0	Indeterminable Increase \$100,000+	Indeterminable Increase \$100,000+
<i>Revenue Fund(s)</i>	Utility Assessments			
Expenditures*	\$0	\$0	Indeterminable Increase \$100,000+	Indeterminable Increase \$100,000+
<i>Funding Source(s)</i>	Utility Assessments			
Appropriations*	\$0	\$0	\$0	\$0
<i>Funding Source(s)</i>	None			

*Expenditure = Cost of bill

*Appropriation = Authorized funding to cover cost of bill

Estimated Political Subdivision Impact				
	FY 2026	FY 2027	FY 2028	FY 2029
County Revenue	\$0	\$0	\$0	\$0
County Expenditures	\$0	\$0	Indeterminable Increase	Indeterminable Increase
Local Revenue	\$0	\$0	\$0	\$0
Local Expenditures	\$0	\$0	Indeterminable Increase	Indeterminable Increase

METHODOLOGY:

This bill establishes industrial hosts, a new class of group hosts, which serve commercial, industrial, or institutional entities as members; and expands eligibility for net metering. Facilities greater than 1 megawatt but less than 5 megawatts with an in-service date after January 1, 2027 that are not acting as a group host may net meter, provided the facility consumes at least 33% of the generation produced on an annual basis. This consumption requirement does not apply to low- and moderate-income customers as defined in PUC 902.21.

The Department of Energy states the creation of a new class of group hosts would create administrative costs for electric distribution utilities to track this group, with all costs being

passed on through electric rates to all electric ratepayers. The expansion of group net metering and net metering also increases utility costs associated with net metering credits paid to customer-generators, with all costs again being passed on through electric rates to all electric ratepayers. As a result, the Department anticipates an indeterminable increase in State energy expenditures.

The Department expects that the increase in group net metering registrations would require at least one additional full-time position in the Department's Sustainable Energy Division. The position, Utility Analyst IV, would cost approximately \$81,000 in FY 2028 (assumed start date of December 1, 2027), and \$131,000 in FY 2029. This bill does not authorize or fund this position and it is assumed this position would be paid for through utility assessments.

Based on electricity consumption data from the Department of Administrative Services, the State is responsible for roughly 1% of total statewide electricity consumption and would therefore incur approximately 1% of any total cost increase resulting from this bill. The total increase in electricity expenditures statewide is indeterminable; therefore, the resulting increase to State expenditures is also indeterminable.

County and local governments would experience an indeterminable increase in electricity expenditures. The Department does not have access to data for the total electricity consumption for either the counties or local units of government and therefore cannot make a reasonable estimate of the impact. There is no anticipated impact on county or local revenues.

It is assumed any fiscal impact would not occur until FY 2028.

AGENCIES CONTACTED:

Department of Energy

[As this bill is identical to SB 106 as amended, 2025 Session, we used the same information the agencies provided at that time to prepare the above fiscal note]