

HB 1775-FN - AS AMENDED BY THE SENATE

19Feb2026... 0594h  
05/07/2026 1705s

2026 SESSION

26-2700  
06/08

HOUSE BILL **1775-FN**

AN ACT relative to utility ownership of natural gas and nuclear power generation facilities.

SPONSORS: Rep. Bernardy, Rock. 36; Rep. D. Thomas, Rock. 16; Sen. Avard, Dist 12

COMMITTEE: Science, Technology and Energy

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AMENDED ANALYSIS

This bill:

I. Expands the purpose of RSA 374-G to include investment in natural gas, hydrogen, and nuclear technologies for grid reliability.

II. Authorizes electric utilities to own or invest in such resources up to 10 percent of peak load.

III. Allows rate recovery eligibility for those investments.

IV. Repeals certain limitations on utility-funded generation equipment and prior investment restrictions.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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

AN ACT relative to utility ownership of natural gas and nuclear power generation facilities.

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

1 1 Purpose; Electric Utility Investment in Distributed Energy Resources. Amend RSA 374-G:1 to  
2 read as follows:

3 374-G:1 Purpose. Distributed energy resources can increase overall energy efficiency and  
4 provide energy security and diversity by eliminating, displacing, or better managing traditional  
5 fossil fuel energy deliveries from the centralized bulk power grid, in keeping with the objectives of  
6 RSA 362-F:1. It is therefore in the public interest to stimulate investment in distributed energy  
7 resources in New Hampshire in diverse ways, including by encouraging New Hampshire electric  
8 public utilities to invest in renewable and clean distributed energy resources at the lowest  
9 reasonable cost to taxpayers benefiting the transmission and distribution system under state  
10 regulatory oversight. ***Reliable, dispatchable, and controllable power generation must also be***  
11 ***available to provide all essential electric service when renewable distributed energy***  
12 ***resources, including storage, are not sufficient. It is therefore in the public interest to***  
13 ***stimulate investment in natural gas, hydrogen, and nuclear technologies, including***  
14 ***battery storage, to ensure reliable and efficient energy in addition to renewable and clean***  
15 ***distributed energy resources. Given the ability of nuclear technology to provide reactive***  
16 ***power, it also ensures grid stability and supports voltage regulation.***

17 2 New Section; Investments in Natural Gas and Nuclear Resources. Amend RSA 374-G by  
18 inserting after section 2 the following new section:

19 374-G:2-a Investments in Natural Gas and Nuclear Energy Resources.

20 I. Notwithstanding any other provision of law to the contrary, a New Hampshire electric  
21 utility may invest in or own natural gas or nuclear energy resources as whole generation units, or as  
22 part of a generation unit, located on or interconnected to the local electric distribution system. No  
23 individual generation unit may exceed 5 megawatts in size.

24 II. The cumulative nameplate capacity in megawatts of natural gas and nuclear electric  
25 generation owned by or receiving investments from an electric utility under this section shall not  
26 exceed 10 percent of the utility's total distribution peak load in megawatts.

27 3 Rate Filing; Authorization. Amend the introductory paragraph of RSA 374-G:5, I to read as  
28 follows:

1 I. A New Hampshire electric public utility may **be eligible to** seek rate recovery for its  
2 portion of investments in [~~distributed~~] **natural gas and nuclear** energy resources, **in addition to**  
3 **renewable distributed energy resources**, from the commission by making an appropriate rate  
4 filing. At a minimum, such filing shall include the following:

5 4 Rate Filing; Authorization. Amend the introductory paragraph for RSA 374-G:5, II to read as  
6 follows:

7 II. Prior to authorizing a utility's recovery of investments made in [~~distributed energy~~  
8 ~~resources~~] **natural gas or nuclear distributed energy resources, or other distributed energy**  
9 **resources**, the commission shall determine that the utility's investment and its recovery in rates, as  
10 proposed, are in the public interest. Determination of the public interest under this section shall  
11 include giving a balanced consideration and proportional weight to each of the following factors:

12 5 Repeal. The following are repealed:

13 I. RSA 374-G:3, V, relative to electric generation equipment funded by public utility and  
14 their requirements.

15 II. RSA 374-G:4, III, relative to investments in distributed energy resources.

16 6 Effective Date. This act shall take effect 60 days after its passage.

**HB 1775-FN- FISCAL NOTE**  
AS AMENDED BY THE SENATE (AMENDMENT # 2026-1705s)

AN ACT relative to utility ownership of natural gas and nuclear power generation facilities.

**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  |
| <b>Revenue</b>           | \$0  | \$0  | \$0  | \$0  |
| <i>Revenue Fund(s)</i>   | None   |  |  |  |
| <b>Expenditures*</b>     | \$0  | Indeterminable Increase \$250,000 to \$500,000 (Utility Assessments) | Indeterminable Increase \$250,000 to \$500,000 (Utility Assessments) | Indeterminable Increase \$250,000 to \$500,000 (Utility Assessments) |
|                          |  | Indeterminable Increase (State's Utility Costs)                      | Indeterminable Increase (State's Utility Costs)                      | Indeterminable Increase (State's Utility Costs)                      |
| <i>Funding Source(s)</i> | General Fund, Various Agency Funds, and Utility Assessment per RSA 363-A |  |  |  |
| <b>Appropriations*</b>   | \$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                 |
| <b>County Revenue</b>                  | \$0     | \$0                     | \$0                     | \$0                     |
| <b>County Expenditures</b>             | \$0     | Indeterminable Increase | Indeterminable Increase | Indeterminable Increase |
| <b>Local Revenue</b>                   | \$0     | \$0                     | \$0                     | \$0                     |
| <b>Local Expenditures</b>              | \$0     | Indeterminable Increase | Indeterminable Increase | Indeterminable Increase |

**METHODOLOGY:**

This bill expands New Hampshire’s energy policy to explicitly support investment in natural gas, hydrogen, and nuclear technologies, including battery storage, alongside existing distributed energy resources and authorizes electric public utilities to invest in or own natural gas and nuclear energy generation resources located on or interconnected with their distribution systems. A utility may own or invest in these resources up to an amount equal to 10% of its total

distribution peak load. The bill further allows utilities to seek rate recovery for investments in natural gas, nuclear, or other distributed energy resources by making a filing with the Public Utilities Commission and directs the Commission to evaluate whether any such investment is in the public interest. The bill repeals certain limitations on utility-funded generation equipment and prior investment restrictions.

Relative to the repeal of RSA 374-G:3, V and RSA 374-G:4, III, the Department states both statutes restrict the types of generation that may be built under RSA 374-G. Repealing these statutes removes those statutory limitations on utility generation investments and therefore would not have a fiscal impact.

The Department of Energy states this bill would allow electric distribution utilities to own or invest in natural gas, hydrogen, or nuclear generation resources located on or interconnected with their distribution system. Any utility pursuing such an investment may seek rate recovery with the Public Utilities Commission, and the Department would be required to participate in that proceeding by reviewing the filing and providing recommendations regarding whether the investment is in the public interest. To administer this bill, the Department would need to retain external consultants with the expertise necessary to review any filings made by an electric distribution utility proposing to invest in natural gas, hydrogen, or nuclear energy resources located on or interconnected with its distribution system and to provide, on behalf of the Department, recommendations to the Public Utilities Commission relative to whether the public interest would be served. The Department estimates consulting costs between \$150,000 and \$250,000. These costs would be paid by the petitioning utility through a special assessment, so there is no direct State expenditure impact on the Department's budget.

However, this bill may result in increased electricity rates for customers if the Public Utilities Commission determines a proposed investment is in the public interest and authorizes rate recovery. The State of NH represents approximately 1% of total electric utility sales in New Hampshire. Because the Department cannot predict if and when utilities may pursue such investments or the size of those investments, the fiscal impact is indeterminable. A rate increase of \$0.01 per kilowatt hour would increase the State's electricity costs by approximately \$1,000,000 annually. The Department does not have access to electricity usage data for county or local governments and therefore cannot reasonably estimate the impact to those entities.

The Public Utilities Commission states this bill expands the Commission's responsibilities by allowing electric utilities to own or invest in natural gas and nuclear energy resources and by requiring the Commission to determine whether those investments and any associated rate recovery are in the public interest. The Commission anticipates the fiscal impact could range between \$100,000 and \$500,000 annually. The Commission states its current utility analyst and

attorney staffing are already working at or near full utilization and cannot absorb this additional workload. To meet the bill's requirements, the Commission anticipates the need for one full-time Utility Analyst (13-1190 Miscellaneous Business Operations Specialist-5) and one full-time Attorney IV (23-1010 Lawyers and Judicial Law Clerks-4) beginning in FY 2027. Each position is estimated to cost \$127,000 in FY 2027, \$133,000 in FY 2028, and \$140,000 in FY 2029. These costs would be funded through the Utility Assessment under RSA 363-A.

The Department of Revenue Administration states the bill expands the types of utility investments eligible for rate recovery to include natural gas and nuclear resources. If utilities construct new generation property in New Hampshire, the fiscal impact would occur through either the Utility Property Tax or a shift in the distribution of the Statewide Education Property Tax depending on which tax applies to the investing utility. The Department cannot estimate the fiscal impact because it does not know if, when, or to what extent utilities may make these investments. The Department also states the repeal of RSA 374-G:3, V and RSA 374-G:4, III would not affect state revenues.

**AGENCIES CONTACTED:**

Department of Energy, Public Utilities Commission, and Department of Revenue Administration