

SB 111-FN - AS INTRODUCED

2025 SESSION

25-1112

06/08

SENATE BILL ***111-FN***

AN ACT authorizing a reliability indexing credit pilot program.

SPONSORS: Sen. Watters, Dist 4; Sen. Fenton, Dist 10; Sen. Rosenwald, Dist 13; Sen. Perkins
Kwoka, Dist 21; Rep. McGhee, Hills. 35; Rep. Caplan, Merr. 8; Rep. Corman, Graf.
15

COMMITTEE: Energy and Natural Resources

ANALYSIS

This bill establishes a reliability indexing credit pilot program for the procurement of reliability indexing credits from qualified energy storage resources, defines related terms, and authorizes the public utilities commission to approve multi-year agreements and cost recovery mechanisms.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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

AN ACT authorizing a reliability indexing credit pilot program.

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

1 1 New Chapter; Reliability Indexing Credit Pilot Program. Amend RSA by inserting after
2 chapter 374-H the following new chapter:

3 CHAPTER 374-I

4 RELIABILITY INDEXING CREDIT PILOT PROGRAM

5 374-I:1 Definitions. In this chapter:

6 I. "Energy storage" means energy storage as defined in RSA 374-H:1.

7 II. "Qualified energy storage resource" means an energy storage resource located in New
8 Hampshire, which is expected to provide reliability value to the system by participating in the
9 wholesale market.

10 III. "Reliability indexing credit" means the record that identifies and represents each
11 megawatt-hour of capacity available from a qualified energy storage resource each day.

12 IV. "Reliability indexing credit reference price" means an approximation of the wholesale
13 market revenues available for each megawatt-hour of capacity from an energy storage resource each
14 day.

15 V. "Strike price" means the contract price for reliability indexing credits from a contracted
16 qualified energy storage resource.

17 VI. "Reliability indexing credit pilot program" means a program for the procurement of
18 reliability indexing credits in which payment for reliability indexing credits produced by qualified
19 energy storage resources would be the difference between the competitively bid strike price and the
20 reliability indexing credit reference price, calculated each day. On days for which the strike price
21 exceeds the reliability indexing credit reference price, the contract would result in payment to the
22 energy storage resource. On days for which the reliability indexing credit reference price exceeds the
23 strike price, the contract would result in a charge to the energy storage resource.

24 2 New Section; Reliability Indexing Credit Pilot Program. Amend RSA 374-I:2 by inserting after
25 section 15 the following new section:

26 362-F:16 Reliability Indexing Credit Pilot Program.

27 I. The public utilities commission shall authorize the state electric distribution utilities to
28 enter into multi-year agreements with qualified energy storage resources to undertake a reliability
29 indexing credit pilot program for up to 200 megawatts of energy storage and shall authorize the
30 utilities to recover the costs associated with those agreements through an appropriate rate
31 mechanism if it finds such agreements to be just and reasonable and in the public interest..

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1 II. The department of energy shall develop recommended terms and conditions of the
2 reliability indexing credit pilot program through an investigation which shall be completed by
3 December 1, 2025. Upon the completion of the investigation, but no later than February 1, 2026, the
4 state electric distribution utilities shall petition the public utilities commission to undertake the
5 reliability indexing credit pilot program with the recommended terms and conditions specified by the
6 department of energy and to seek rate recovery for the costs associated with those agreements.

7 3 Effective Date. This act shall take effect 60 days after its passage.

SB 111-FN- FISCAL NOTE
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AN ACT authorizing a reliability indexing credit pilot program.

FISCAL IMPACT:

Estimated State Impact				
	FY 2025	FY 2026	FY 2027	FY 2028
Revenue	\$0	\$0	\$0	\$0
<i>Revenue Fund(s)</i>	None			
Expenditures*	\$0	\$100,000+	\$0	\$0
<i>Funding Source(s)</i>	Utility Special Assessment			
Appropriations*	\$0	\$0	\$0	\$0
<i>Funding Source(s)</i>	None			

***Expenditure = Cost of bill**

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

METHODOLOGY:

This bill would establish a Reliability Indexing Credit Pilot program to compensate energy storage resources for their participation in wholesale electric markets. The Department of Energy would review the program's terms and conditions of the pilot program through an investigation, while the Public Utilities Commission would approve any multi-year agreements resulting from the program.

The Department of Energy anticipates that the costs associated with this investigation would be assessed to electric distribution utilities under RSA 365:37. While the exact cost may vary, based on recent experience, the Department estimates that the cost could exceed \$100,000.

The Public Utilities Commission is uncertain about the number of filings it may receive from the provisions of this bill. However, it anticipates that its current staffing levels will be sufficient to handle any additional caseload resulting from the bill.

AGENCIES CONTACTED:

Department of Energy and Public Utilities Commission