SB 106-FN - AS INTRODUCED

2025 SESSION

25-0476
06/08

SENATE BILL ***106-FN***

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

SPONSORS: Sen. Lang, Dist 2; Sen. Innis, Dist 7; Sen. McGough, Dist 11; Sen. Pearl, Dist 17; Sen. Watters, Dist 4; Rep. Moffett, Merr. 4

COMMITTEE: Energy and Natural Resources

ANALYSIS

This bill requires large customer-generators participating in net energy metering to consume at least 20 percent of their own generation.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

25-0476
06/08

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Five

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

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

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

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

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

II-a. Alternative tariffs for net energy metering shall be made available to eligible customer-generators by each electric distribution utility in conformance with Order No. 26,029 dated June 23, 2017, and with net metering rules adopted by the commission. Any project that begins receiving compensation under Order No. 26,029 alternative tariffs will be eligible to continue receiving that tariff for either 20 years from the year it first begins receiving compensation or through the initial tariff term ending on December 31, 2040, whichever is longer. If the commission creates new net metering tariffs through an adjudicated proceeding before December 31, 2040, eligible customer-generators receiving Order No. 26,029 alternative tariffs will have the option of transitioning to new tariffs created through that proceeding. If an eligible customer-generator elects to transfer to a new tariff, they may not return to Order No. 26,029 alternative tariffs. Upon the expiration of a customer-generator's eligibility under Order No. 26,029 alternative tariffs, the eligible customer-generator will have the option of transitioning to the tariff available at that time.

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

IV-a.(a) Facilities eligible for the net metering tariff under this section for customer generators larger than 100 kilowatts and up to 5 megawatt with an in-service date after January 1, 2023 and not acting as a group net metering host, must consume at least 20 percent of the generation, on an annual basis.

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

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

LBA
25-0476
Revised 1/31/25

SB 106-FN- FISCAL NOTE
AS INTRODUCED

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

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

Estimated State Impact				
	FY 2025	**FY 2026**	**FY 2027**	**FY 2028**
Revenue	$0	$0	$0	$0
Revenue Fund(s)	None			
Expenditures*	$0	Indeterminable Increase in excess of $1,000,000	Indeterminable Increase	Indeterminable Increase
Funding Source(s)	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		
Local Revenue	$0	$0	$0	$0
Local Expenditures	$0	Indeterminable Increase		

METHODOLOGY:

This bill creates new net energy metering tariffs to be available, allowing projects to receive compensation for up to 20 years or until December 31, 2040, whichever is longer. Facilities with a generation capacity between 100 kilowatts and 5 megawatts, operational after January 1, 2023, must use at least 20 percent of their generated energy annually, with exemptions for low and moderate-income customers. Additionally, the Department of Energy states that 20 percent meter consumption requirement is already established elsewhere in statute as well as in the PUC 900 administrative rules. The net impact would be that 100 kw and smaller arrays would function solely as generators but would be compensated at the net metering tariff rate.

The Department indicates that this bill removes the requirement for a customer generator and their electrical generating facility to be in the same utility service territory. To enable this, electric distribution utilities' billing systems would need to communicate with each other to share generation and consumption data across different service territories, which is currently not done. It is assumed that any costs associated with establishing the link between billing systems would be recovered by the utilities from all ratepayers, resulting in an indeterminable increase in county and local expenditures. The Department is unable to provide a true estimate of the cost for these billing system upgrades, but it is likely to be in the millions of dollars and require ongoing staff and maintenance to remain operational.

Furthermore, according to electricity consumption data from the Department of Administrative Services, the state accounts for approximately 1 percent of all electricity purchases. Consequently, it could potentially experience 1 percent of any overall increase in electricity costs.

This bill also establishes a new class for net metering for customer generators, which aims to override the Public Utilities Commission (PUC) decision in Order 27,074 in Docket 22-060. With this legacy period applying to a presumably narrow window, there will be administrative costs for the electric distribution utilities to track this cohort, with all costs being passed on through electric rates to all electric ratepayers.

AGENCIES CONTACTED:

Department of Energy