

# Senate Energy and Natural Resources Committee

*Max Taylor 271-1403*

**SB 233-FN**, establishing an energy reliability and large-scale storage task force.

**Hearing Date:** February 18, 2025

**Time Opened:** 9:20 a.m.

**Time Closed:** 9:41 a.m.

**Members of the Committee Present:** Senators Avard, Pearl, McConkey, Watters and Rosenwald

**Members of the Committee Absent :** None

**Bill Analysis:** This bill establishes the energy reliability and large-scale storage task force to develop market-based solutions and programs for electric system reliability using energy storage. The bill also repeals RSA 374-H:3 related to the department of energy investigation of energy storage.

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**Sponsors:**

Sen. Watters

Sen. Rosenwald

Sen. Altschiller

Sen. Avard

Sen. Fenton

Sen. Perkins Kwoka

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**Who supports the bill:** Senator David Watters (District 4), James Andrews (Granite Shore Power), Jim Monahan (The Dupont Group/Granite Shore Power), Katharine Cusack (Clean Energy NH)

**Who opposes the bill:** None.

**Who is neutral on the bill:** Megan Stone (Department of Energy)

**Summary of testimony presented in support:**

**Senator David Watters**

**Prime Sponsor, Senate District 4**

- Senator Watters introduced SB 233-FN, which would establish an energy reliability and large-scale storage task force to address electricity reliability challenges and the growing demand for energy.
- Senator Watters highlighted concerns about shortages in electricity supply, the projected 50% increase in demand, and the loss of generating capacity.
- Senator Watters emphasized the role of energy storage technologies, such as lithium-ion batteries, flow batteries, and iron-air storage, in improving reliability and reducing dependence on expensive fossil fuel peaking facilities.

- SB 233-FN would create Chapter 374I, consolidating existing storage-related provisions, defining storage durations, and repealing outdated sections of the law.
- The task force would include both public and private stakeholders and focus on evaluating storage technologies, addressing interconnection challenges, and exploring market-based incentives for energy storage development.
- The bill appropriates \$250,000 from the Renewable Energy Fund to hire consultants for the study, aligning the task force’s goals with the fund’s purpose.
- Senator Pearl asked if the task force would be repealed on December 1, 2025, as stated on Line 13 of Page 3 of the bill.
  - Senator Watters confirmed the task force would be repealed at that date and will submit a report of its findings by December 1, 2025.

**James Andrews (Granite Shore Power, CEO) & Jim Monahan (The Dupont Group/Granite Shore Power)**

- Mr. Andrews stated his support for SB 233-FN, due to his concerns about energy reliability in New England and the need for storage and dispatchable resources.
- Mr. Andrews highlighted three key challenges facing the New Hampshire energy market, such as high energy costs due to ineffective market designs, a shift from summer to winter peak demand which strains natural gas supplies and increases reliance on expensive LNG imports, and a growing dependence on intermittent renewable energy.
- Mr. Andrews argued that New Hampshire must invest in quick start, dispatchable, and storage solutions to reduce reliance on imports and avoid future energy crises.
- Mr. Andrews emphasized that SB 233-FN’s task force is critical in identifying and implementing these solutions.
- Mr. Monahan stressed the urgency of addressing energy reliability.
- Mr. Monahan noted the task force model was chosen over a traditional study commission to accelerate solutions.
- Mr. Monahan highlighted that New Hampshire lacks a structured market for reliability, and the task force aims to develop policies and incentives to address this.
- Senator Watters asked how Item D on Page 2, Line 24 should be revised, given that SB 111-FN has been re-referred.
  - Mr. Monahan suggested changing the language to “evaluate the use of indexing storage credits” to better reflect the evolving energy storage market.
- Senator McConkey asked whether investing in battery storage would ultimately lower costs for consumers compared to oil or biomass.

- Mr. Andrews responded that the task force would research this, but in his opinion, storage would provide a lower-cost solution by reducing peak demand pricing and reliance on costly fossil fuels.
- Mr. Andrews noted that short-duration batteries help shave peak electricity costs, while long-duration solutions could replace oil generation during extended peak demand periods.
- Senator Watters asked about the repeal of an existing Department of Energy study on energy storage (Page 3, Line 11).
  - Mr. Monahan explained that the legislature previously directed the Department of energy to conduct a study on energy storage, but due to bureaucratic transitions nothing substantial has happened.
  - Mr. Monahan supported repealing the outdated study and replacing it with a more action-oriented approach under the new task force.
- Senator Watters asked if an interim report in December 2025 could provide early legislative insights, followed by a final report in June 2026.
  - Mr. Monahan supported this idea, stating that it would prevent delays and allow for timely policy recommendations while still providing the extended timeframe requested by the Department of Energy.
- Senator Watters asked whether the task force could function without Renewable Energy Fund money, if the fund were repurposed.
  - Mr. Monahan acknowledged that using the Renewable Energy Fund would be ideal but stated that the task could still function with private-sector expertise and Department of Energy resources if necessary.

**Summary of testimony presented in opposition:** None.

**Neutral Information Presented:**

**Megan Stone**

**New Hampshire Department of Energy, Legislative Liaison**

- Ms. Stone testified that the Department of Energy is neutral on SB 233-FN but would be willing to participate in the task force should the bill be passed.
- Ms. Stone raised concerns about the timeframe, noting that the New Hampshire procurement and contracting process could take up to six months to hire a consultant. Due to such a delay, a consultant may not have enough time to meaningfully contribute before the December 1, 2025 reporting deadline.
- Ms. Stone stressed that the committee consider whether this time constraint could impact the quality of the report and recommendations.

- Senator Watters asked whether extending the reporting deadline to June 30, 2026, would be more appropriate.
  - Ms. Stone agreed and suggested that 18 months to two years would provide more than enough time for a consultant to be hired and contribute productively to the task force.
- Senator Watters asked about the availability of funds in the Renewable Energy Fund, which he argued was an appropriate funding source for the study.
  - Ms. Stone confirmed that there is money in the fund but did not have an exact figure at the time.

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Date Hearing Report completed: February 24, 2025