

Senate Energy and Natural Resources Committee

Max Taylor 271-1403

HB 672-FN, to allow for off-grid electricity providers in New Hampshire.

Hearing Date: April 1, 2025

Time Opened: 10:05 a.m.

Time Closed: 10:37 a.m.

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

Members of the Committee Absent : Senator Avard

Bill Analysis: This bill defines "off-grid electricity providers" and establishes a specific category for off-grid electricity providers, exempting them from certain regulations as long as they remain independent from the regulated electric grid.

Sponsors:

Rep. Vose

Rep. Ammon

Rep. Bernardy

Rep. Cormen

Rep. Hill

Rep. McFarlane

Rep. Notter

Rep. Osborne

Sen. Lang

Sen. Pearl

Sen. Watters

Who supports the bill: Representative JD Bernardy (Rockingham County District 36), Representative Douglas Thomas (Rockingham County District 16), Glen Lyons (Advocate for Consumer Regulated Electricity), Donald Kreis (Consumer Advocate), Sam Evans-Brown (Clean Energy NH), Douglas Maily

Who opposes the bill:

Who is neutral on the bill: Griffin Roberge (Eversource), Josh Elliot (NHDOE)

Summary of testimony presented in support:

Representative Doug Thomas

Rockingham County District 16

- Representative Thomas introduced HB 672-FN on behalf of Representative Vose, who was unable to attend.
- Representative Thomas explained that HB 672-FN passed the House with bipartisan support and aims to enable the development of off-grid electricity generation facilities that are entirely exempt from Public Utilities Commission oversight.

- Under the bill, these facilities would operate outside the regulated utility system and instead be governed only by private contracts between energy generators and buyers.
- He stated the bill includes provisions to ensure such facilities comply with local, municipal, and state safety and roadway regulations, even though they are not subject to utility regulation.
- Representative Thomas stated the model is ideal for energy-intensive businesses such as data centers, which could bring economic growth and innovation to the state.
- He elaborated on benefits of the bill, such as zero cost or risk to ratepayers or taxpayers, promoting energy innovation and independence, allowing faster project development by removing regulatory delays, offering flexibility and scalability for future energy needs, and providing indirect competition to regulated utilities, encouraging improvement.
- Representative Thomas stated that together with HB 710-FN, the bill would make New Hampshire a leader in 21st-century energy policy.
- He stated HB 672-FN would allow New Hampshire to foster innovation, energy resilience, and economic development.

**Representative JD Bernardy
Rockingham County District 36**

- Representative Bernardy described HB 672-FN as a straightforward bill that allows the generation and sale of electricity to a customer not connected to the grid.
- He clarified that because these off-grid systems are entirely separate from the utility grid, laws related to utility monopolies, grid reliability, and Public Utilities Commission oversight do not apply.
- He emphasized that all other applicable business, safety, environmental, tax, and siting laws still remain in effect.
- Representative Bernardy stated the bill intends to support high-energy-use industries, such as data centers and artificial intelligence operations, that require consistent, reliable, and independent energy sources.
- He referenced examples such as Microsoft exploring the use of nuclear power to emphasize the importance of energy innovation.
- He stated that modular nuclear reactors could eventually serve as off-grid energy solutions for businesses with large-scale power needs.
- Senator Rosenwald asked whether the Burgess biomass plant in Berlin could generate power under this bill for a Bitcoin mining operation or similar energy-intensive business.

- Representative Bernardy stated such an arrangement would be possible under HB 672-FN.
- Representative Bernardy explained if a business such as a Bitcoin miner entered into a private contract with Burgess, and the facility operated continuously or scheduled its downtime appropriately, it could serve as a sole off-grid energy provider.

Glen Lyons

Advocates for Consumer Regulated Electricity

- Mr. Lyons explained that the bill supports the concept of “consumer regulated electricity,” or “off-grid electricity,” which allows energy to be sold to customers disconnected from the regulated utility grid.
- Mr. Lyons argued the existing regulated grid is slow to adapt and cannot easily meet the fast-growing demand from large energy users, such as data centers, without creating risk or unfair cost shifts to other ratepayers.
- He stated that off-grid energy solutions allow suppliers and buyers to operate outside the regulated utility sector, provided they do not impact the reliability or cost of the grid.
- By avoiding utility regulation, off-grid providers could move faster, innovate more freely, and design systems tailored specifically to customer needs.
- Mr. Lyons emphasized that large electricity consumers would benefit from faster deployment, competitive energy options, and the ability to choose the energy attributes they want, such as lowest price or 100% clean energy.
- He stated that New Hampshire as a whole would benefit because off-grid providers allow the state to attract large businesses without burdening the grid, reduce cost and reliability risks for traditional utility customers, serve as economic development tools by offering competitive energy solutions, and act as innovation test beds where successful models could later be adopted by regulated utilities.
- Mr. Lyons described electricity as the modern driver of economic growth and said HB 672-FN would bring the state’s energy policy into the 21st century.
- Senator Rosenwald asked Mr. Lyons was a lobbyist.
 - Mr. Lyons stated that he is not a lobbyist. He explained he is retired after 37 years with ExxonMobil and is pursuing this effort voluntarily because he believes it is in the public interest.

Donald Kries

The Office of the Consumer Advocate

- Mr. Kries expressed his support for HB 672-FN, calling it a creative and forward-thinking policy idea worthy of serious consideration.

- He noted that data centers and similar high-energy users are likely to place major cost and reliability pressures on the electric grid, which could be harmful to all utility customers.
- He explained that by allowing these large users to operate off-grid, the bill could prevent them from adding strain to the grid, but also means they would not contribute to fixed utility costs, potentially increasing costs for everyone else.
- Mr. Kries stated that despite this tradeoff, he believes the policy offers more benefits than drawbacks, especially if it encourages innovation and takes pressure off the regulated system.
- He stated that even if such off-grid systems might already be allowed under current law, putting the concept explicitly into statute sends a clear signal that New Hampshire supports energy innovation.

Summary of testimony presented in opposition:

Neutral Information Presented:

Griffin Roberge Eversource Energy

- Mr. Roberge stated Eversource is neutral on HB 672-FN. However, Mr. Roberge presented an amendment with suggestions to improve the bill.
- He clarified that while Eversource supports innovation, they are concerned about safety, reliability, and fairness related to off-grid electricity providers as defined in the bill.
- Mr. Roberge highlighted the proposed changes to Lines 7-9, which he believes would clarify that off-grid electricity providers must be completely disconnected from the utility grid, including for backup power. He cited past cases in other states where facilities tried to use the grid for backup while claiming to be “off-grid.”
- He stated that the proposed changes to Lines 9-10 would prohibit off-grid systems from constructing within or crossing public roads to prevent potential safety hazards and infrastructure conflicts.
- He explained that regulated utilities like Eversource follow strict safety standards and have systems in place to remotely shut off power in emergencies, whereas off-grid providers would not be required to follow those standards, increasing the risk of confusion and danger during emergencies.
- He stated that the proposed changes to Lines 19-22 would clarify that if an off-grid provider later chooses to connect to the utility grid, they must pay for all

associated interconnection costs, in line with existing New Hampshire law, which prevents cost shifting to other customers.

- Senator Rosenwald asked who would respond if an off-grid system fails or breaks down.
 - Mr. Roberge responded that while regulated utilities have protocols and designated contacts for emergencies, there is no requirement under the current bill for off-grid providers to establish similar contacts with local first responders.
- Senator Rosenwald asked if the bill should explicitly clarify that the regulated utility is not responsible for responding to these incidents.
 - Mr. Roberge agreed it would be appropriate for the committee and bill sponsors to consider adding such a clarification, though he did not propose specific language.

Drew Biemer

New Hampshire Site Evaluation Committee

- Mr. Biemer offered clarification about the Site Evaluation Committee's role in regulating large-scale energy projects.
- He explained that any utility-scale generation project, whether tied to utility or not, would still be subject to the Site Evaluation Committee process under RSA 163-H, meaning concerns about safety, security, and operational standards would still be addressed.
- He noted that the Department of Energy is responsible for investigations and enforcement, while adjudications falls to the Site Evaluation Committee.
- Mr. Biemer emphasized that HB 672-FN does not allow developers to bypass Site Evaluation Committee oversight for utility-scale projects.
- Senator Pearl asked what qualifies as a utility-scale project.
 - Mr. Biemer responded that generally, anything over 30 megawatts is considered utility-scale. He added that modern data centers often require 100 megawatts, so projects built to power them would almost certainly fall under Site Evaluation Committee jurisdiction.
- Senator Rosenwald asked for clarification on the role of the Site Evaluation Committee, as it had been described as mainly evaluating landscape issues, not safety.
 - Mr. Biemer clarified that when a power plant is built or transferred, the ability to safely operate it is core requirement of the Site Evaluation Committee's certificate of operation. Additionally, he stated this includes major safety and health standards, as well as issues such as noise compliance.

- Mr. Biemer reiterated that non-utility facilities would still be help to the same construction and operational standards as utility-connected projects.

Jim Monahan
Dupont Group

- Mr. Monahan testified in response to the proposed Eversource amendments to HB 672-FN, stating he had not originally planned to speak but felt compelled to do so after learning of the changes.
- He stated he represents several large energy developers active in New Hampshire.
- Mr. Monahan expressed concern that the Eversource amendments go too far, particularly because they impose absolute prohibitions, such as barring any form of interconnection or construction across public roadways.
- He argued these issues, particularly around safety and coordination with first responders, are already addressed through the Site Evaluation Committee process for utility-scale projects.
- He emphasized the importance of allowing flexibility in the bill to avoid stifling potential development or innovation.
- Mr. Monahan noted that in high electric rate states like New Hampshire, large manufacturers and businesses are increasingly interesting in “bring your own power” models, where they generate their own electricity to avoid high utility rates.
- He stated this bill helps reinforce that message and gives New Hampshire a competitive advantage when attracting energy-intensive businesses.
- While he acknowledged the need to address concerns from monopoly utilities, he stressed that doing so is feasible and should not come at the cost of economic opportunity and energy flexibility.

Senator McConkey
District 3

- Senator McConkey made a brief comment during the hearing, noting the welcome presence of House Science, Technology, and Energy Committee leaders testifying before the Senate committee.
- Senator McConkey requested that Representative Vose and other bill sponsors follow up with the committee regarding their views on the Eversource's proposed amendments to HB 672-FN.