

Amendment to HB 1738-FN

1 Amend the title of the bill by replacing it with the following:

2

3 AN ACT relative to ratepayer benefits from the regional greenhouse gas initiative, extending
4 net metering eligibility terms for municipal energy projects, enabling electric utilities
5 to own, operate, and offer advanced nuclear resources, and purchased power
6 agreements for electric distribution utilities and limitations on community customer
7 generators.
8

9 Amend the bill by replacing section 4 with the following:

10

11 4 Cost Containment Allowances in Addition to the Budget. RSA 125-O:29 is repealed and
12 reenacted to read as follows:

13 I. For the purposes of cost containment, the department shall make available for sale at one
14 or more auctions up to the following amounts of allowances that shall be in addition to the budget
15 allowance total for the given year under RSA 125-O:21, II, if:

16 (a) The CO2 allowance auction price equals or exceeds \$19.50 in 2027, up to 503,667
17 allowances and up to 503,667 additional allowances if it equals or exceeds \$29.25;

18 (b) The CO2 allowance auction price equals or exceeds \$20.87 in 2028, up to allowances
19 and up to 503,667 additional allowances if it equals or exceeds \$31.30;

20 (c) The CO2 allowance auction price equals or exceeds \$22.33 in 2029, up to 503,667
21 allowances and up to 503,667 additional allowances if it equals or exceeds \$33.49;

22 (d) The CO2 allowance auction price equals or exceeds \$23.89 in 2030, up to 503,667
23 allowances and up to 503,667 additional allowances if it equals or exceeds \$35.83; or

24 (e) In any year thereafter, the CO2 allowance auction price equals or exceeds 1.07
25 multiplied by the auction price at which cost containment allowances were required to be made
26 available in the previous calendar year rounded to the nearest whole cent, until further legislative
27 action.

28 II. The allowances sold pursuant to paragraph I shall be replenished, such that the full
29 1,007,214 allowances, if needed, are available the following calendar year.

30

31 Amend the bill by replacing all after section 5 with the following:

32

33 6 Findings and Purpose. The general court finds that:

Amendment to HB 1738-FN
- Page 2 -

1 I. Through the passage of HB 315 of the 2021 regular session of the New Hampshire general
2 court, the state of New Hampshire intended to make the benefits of group net metering available to
3 municipalities across the state.

4 II. Despite strong interest from municipalities throughout New Hampshire seeking to
5 construct distributed energy resources for the benefit of their communities, unforeseen
6 interconnection delays have resulted in backlog, with many projects still waiting to come online. As
7 the commercial operation date of these projects is pushed out, the available net metering term
8 shrinks due to the termination of net metering in 2040 under current regulation. Without legislative
9 intervention, many municipal net metering projects will cease to be economically viable.

10 III. The general court finds that a net metering term of 20 years is necessary for municipal
11 projects to be financeable. Restoring a 20-year term for municipal net metering projects simply
12 implements the intent of HB 315 of the 2021 regular session of the New Hampshire general court
13 and ensures that cities and towns receive the benefits promised to them through that legislation.

14 7 New Paragraph; Net Metering. Amend RSA 362-A:9 by inserting after paragraph II the
15 following new paragraph:

16 II-a. Each electric distribution utility shall make available alternative tariffs for net
17 metering to eligible customer-generators in accordance with Order No. 26,029 dated June 23, 2017,
18 and the net metering rules adopted by the commission. Any eligible customer-generator that has
19 submitted an interconnection application to a distribution utility on or before the effective date of
20 this act and that is used to offset the electricity requirements of a group consisting exclusively of one
21 or more customers who are political subdivisions that first receives compensation under an Order
22 No. 26,029 alternative tariff shall remain eligible to receive that tariff for 20 years from the first day
23 on which compensation is received.

24 8 Findings and Purpose. The general court finds that:

25 I. The cost of electricity supply in New Hampshire is higher than the national average and
26 continues to create an economic burden on the state's citizens and businesses.

27 II. The cost of electricity in New England is driven by a number of factors, including the
28 retirements of baseload generation resources, lack of adequate natural gas capacity in the winter,
29 and increases in the cost of natural gas due to international factors.

30 III. The retention and development of reliable sources of low-cost electricity supply are
31 critical to stabilizing and reducing the cost of electricity in New Hampshire.

32 IV. Market volatility is harming New Hampshire's residents and businesses.

33 V. To ensure that New Hampshire ratepayers can benefit from cost-effective energy sources,
34 the general court finds that it is appropriate to allow the electric distribution utilities to issue
35 requests for proposals to provide more diverse and long-term options for providing energy service to
36 customers.

Amendment to HB 1738-FN
- Page 3 -

1 9 Coordination of Studies and Development Activities; Position Established. Amend RSA 162-
2 B:4, III to read as follows:

3 III. The coordinator of nuclear development and regulatory activities shall have the duty to
4 coordinate and produce the reports required by RSA 162-B:3, as well as coordinate the studies
5 conducted, and the recommendations and proposals made, in this state with like activities in New
6 England and other states and with the policies and regulations of the United States Nuclear
7 Regulatory Commission. *These activities may include outreach programs to inform and*
8 *educate the public, particularly regarding safety.*

9 10 Net Metering. Amend RSA 362-A:9, III and IV to read as follows:

10 III. Metering shall be done in accordance with normal metering practices. A single net
11 meter that shows the customer's net energy usage by measuring both the inflow and outflow of
12 electricity internally shall be the extent of metering that is required at facilities with a total peak
13 generating capacity of not more than [~~100~~] **500** kilowatts. A bidirectional metering system that
14 records the total amount of electricity that flows in each direction from the customer premises, either
15 instantaneously or over intervals of an hour or less, shall be required at facilities with a total peak
16 generating capacity of more than [~~100~~] **500** kilowatts. The bidirectional system may consist of one or
17 more meters, as long as it can be used to appropriately meter and bill in compliance with utility
18 tariffs and rules. Customer-generators shall not be required to pay for the installation of net meters,
19 but shall pay for the installation of, or procure at their own cost if approved by the interconnecting
20 utility, all bidirectional metering systems as outlined in utility interconnection tariffs or rules.

21 IV.(a) For facilities with a total peak generating capacity of not more than [~~100~~] **500**
22 kilowatts, when billing a customer-generator under a net energy metering tariff that is not time-
23 based, the utility shall apply the customer's net energy usage when calculating all charges that are
24 based on kilowatt hour usage. Customer net energy usage shall equal the kilowatt hours supplied to
25 the customer over the electric distribution system minus the kilowatt hours generated by the
26 customer-generator and fed into the electric distribution system over a billing period.

27 (b) For facilities with a total peak generating capacity of more than [~~100~~] **500** kilowatts,
28 the customer-generator shall pay all applicable charges on all kilowatt hours supplied to the
29 customer over the electric distribution system, less a credit on default service charges equal to the
30 metered energy generated by the customer-generator and fed into the electric distribution system
31 over a billing period.

32 11 Net Energy Metering. Amend RSA 362-A:9, XIV(e) to read as follows:

33 XIV.(e) The department of energy, by rule or order, shall develop a process by which
34 community solar developers can apply for designation as a community solar project for new solar
35 arrays. Such projects designate their production for the benefit of households on the list required in
36 subparagraph (d). Such projects will qualify for the low-moderate income solar addition as
37 established in subparagraph (c) and shall specify the amount of on-bill credit they can offer to low-

Amendment to HB 1738-FN
- Page 4 -

1 moderate income households. Annually, the number of projects designated as low-moderate income
2 community solar shall not exceed a total nameplate capacity rating of [6] **18** megawatts in the
3 aggregate. If more than [6] **18** megawatts of projects apply for designation, the department of
4 energy shall select the projects that offer the largest on-bill credit and that demonstrates project
5 readiness.

6 12 Definitions. Amend RSA 362-A:1-a, II-c to read as follows:

7 II-c. "Municipal host" means a customer generator with a total peak generating capacity of
8 greater than one megawatt and less than 5 megawatts used to offset the electricity requirements of a
9 group consisting exclusively of one or more customers who are political subdivisions, provided that
10 all customers are located within the same utility franchise service territory. A municipal host may
11 be owned by either a public or private entity. For this definition, "political subdivision" means the
12 state of New Hampshire or any city, town, county, school district, chartered public school, village
13 district, school administrative unit, [~~or any district or entity created for a special purpose~~
14 ~~administered or funded by any of the above-named governmental units~~] **nonprofit educational**
15 **institution, or any district or entity created for a special purpose administered or funded**
16 **by any of the above-mentioned governmental units; such districts or entities include public**
17 **housing authorities.**

18 13 New Paragraph; Definition; Nonprofit Educational Institution. Amend RSA 362-A:1-a by
19 inserting after paragraph II-f the following new paragraph:

20 II-g. "Nonprofit educational institution" means a nonpublic, nonprofit elementary school,
21 secondary school, or post-secondary institution such as a college or university, with approval to
22 operate as a school by the state board of education or the department of education, that is exempt
23 under section 501(c)(3) of the Internal Revenue Code, is organized and operated primarily for the
24 purpose of providing direct instruction to enrolled students, and does not distribute profits to private
25 shareholders or individuals.

26 14 New Paragraph; Electric Utility Restructuring; Definitions. Amend RSA 374-F:2 by
27 inserting after paragraph II the following new paragraph:

28 II-a. "Advanced nuclear resource" (ANR) means generation IV nuclear technologies that
29 include gas-cooled, lead-cooled, sodium-cooled, supercritical water-cooled, and molten salt and very
30 high temperature reactors, small modular, thermal-only, and encased fuel pellet reactors, including
31 any micro, mini, or small nuclear reactor having a generating capacity between 0 and 300
32 megawatts.

33 15 Definitions. Amend RSA 362-F:2, X-a to read as follows:

34 X-a. "Low-moderate income community solar project" means ground-mounted or rooftop
35 solar arrays, **with a total peak generating capacity of up to and including 3 megawatts**, that
36 directly benefit a group of at least 5 residential end-user customers, where at least a majority of the
37 residential end-user customers are at or below 300 percent of the federal poverty guidelines, or

Amendment to HB 1738-FN
- Page 5 -

1 directly benefit the residents of a public housing authority created pursuant to RSA 203, or a
2 housing project as described in RSA 78-B:2, XXIII, where the electric bills are either paid directly by
3 the residents or by the public housing authority or housing project, provided that at least a majority
4 of the residents receiving the direct benefit are at or below 80 percent of the Area Median Income
5 (AMI) calculated by the Department of Housing and Urban Development. No more than 15 percent
6 of the projected load for such project shall be attributable to non-residential end-user customers.

7 16 Purchased Power Agreements. Amend the introductory paragraph of RSA 374-F:11, I to read
8 as follows:

9 I. Investor-owned electric distribution utilities may elect to develop and, no later than June
10 30, ~~[2025]~~ **2040**, issue a request for proposals for multi-year agreements for energy, in conjunction
11 with or independent of any attendant environmental attributes from electric energy sources.

12 17 Purchased Power Agreements. Amend RSA 374-F:11, I(g) to read as follows:

13 (g) All megawatt hours procured through agreements made pursuant to this section
14 shall come from *existing*, new, or incremental electric energy sources.

15 18 New Subparagraph; Purchased Power Agreements. Amend RSA 374-F:11, I(h) by inserting
16 after subparagraph (2) the following new subparagraphs:

17 (3) "Existing electric energy sources" means all sources that currently provide
18 energy to the ISO-NE regional markets, including nuclear power generation facilities located in the
19 ISO-NE control area that commenced commercial operation before January 1, 2011.

20 (4) Upon the petition of one or more electric distribution utilities, and after notice
21 and hearing, the public utilities commission may authorize such utility or utilities to enter into
22 multi-year agreements with existing, new, or incremental electric energy sources up to a total of 3
23 million megawatt hours statewide, on an annual basis, if it finds such agreements to be just and
24 reasonable and in the public interest.

25 (5) Further, any single source shall be eligible to procure an amount of energy not to
26 exceed 1 million megawatt hours statewide, on an annual basis, except for advanced nuclear
27 resources as defined in RSA 374-F:2, II-a, which may procure an amount not to exceed 2 million
28 megawatt hours on an annual basis.

29 19 Purchased Power Agreements. Amend the introductory paragraph for RSA 374-F:11, II to
30 read as follows:

31 II. Any investor-owned electric distribution utility electing to enter into an agreement
32 pursuant to this section shall petition the public utilities commission for authorization to enter the
33 agreement no later than June 30, ~~[2026]~~ **2041**.

34 20 Effective Date. This act shall take effect 60 days after its passage.

Amendment to HB 1738-FN
- Page 6 -

2026-1735s

AMENDED ANALYSIS

This bill:

I. Changes the carbon dioxide emissions budget allowances for 2027 through 2030 and thereafter, and creates 2 cost containment allowance levels and the trigger price at which the department releases allowances for years 2027 through 2030 and thereafter.

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

III. Establishes long-term eligibility for certain customer-generators to receive net energy metering compensation under alternative tariffs approved by the public utilities commission and outlines conditions for those projects to transition to future tariffs.

IV. Defines "advanced nuclear resource" (ANR) and includes ANR options alongside renewable energy sources for utility services.

V. Sets limitations and guidelines for investments in distributed electric generation.

VI. Clarifies the coordinator's duties in nuclear development and regulatory activities.

VII. Allows the department of energy or the electric distribution utilities, or both, to issue requests for proposals (RFPs) for multi-year agreements for energy, in conjunction with or independent of any attendant environmental attributes from electric energy sources, and coordinate with one or more New England states in issuing this RFP.

VIII. Modifies the scope and capacity limits of community solar projects, including expanding the annual cap for low-moderate income community solar projects from 6 MW to 18 MW.

IX. Allows group net metering members to sign agreements with multiple group hosts, as long as their combined allocated load does not exceed their total load.

X. Expands the definition of "political subdivision" to include public housing authorities and explains eligibility for participation in group net metering.