

HB 1745-FN - AS INTRODUCED

2026 SESSION

26-2984

06/09

HOUSE BILL ***1745-FN***

AN ACT relative to the allocation of public utility costs to ratepayers.

SPONSORS: Rep. W. Thomas, Hills. 12; Rep. Wade, Straf. 15

COMMITTEE: Science, Technology and Energy

ANALYSIS

This bill prohibits public utilities from recovering certain legal, trade association, and promotional costs through rates.

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 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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

AN ACT relative to the allocation of public utility costs to ratepayers.

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

1 1 New Section; Prohibited Cost Recovery Through Rates. Amend RSA 374 by inserting after
2 section 2-a the following new section:

3 374:2-b Prohibited Cost Recovery Through Rates.

4 I. No public utility shall recover through rates any costs associated with its attendance at,
5 participation in, preparation for, or appeal of any contested proceeding conducted before the public
6 utilities commission. Such costs shall include, but not be limited to:

7 (a) Attorneys' fees;

8 (b) Fees for expert witnesses or consultants; and

9 (c) Any other related costs identified by the commission.

10 II. No public utility shall recover through rates any cost associated with membership, dues,
11 sponsorships, or contributions to any business or industry trade association, group, or related entity
12 incorporated under section 501(c)(6) of the Internal Revenue Code of 1986, as amended.

13 III. No public utility shall recover through rates any cost associated with advertising,
14 marketing, or promotional activities, unless the commission determines that such costs directly
15 benefit ratepayers and are necessary for the provision of utility service.

16 2 Effective Date. This act shall take effect January 1, 2027.

**HB 1745-FN- FISCAL NOTE
AS INTRODUCED**

AN ACT relative to the allocation of public utility costs to ratepayers.

FISCAL IMPACT:

Estimated State Impact				
	FY 2026	FY 2027	FY 2028	FY 2029
Revenue	\$0	\$0	\$0	\$0
<i>Revenue Fund(s)</i>	None			
Expenditures*	\$0	Indeterminable Decrease in Utility Costs	Indeterminable Decrease in Utility Costs	Indeterminable Decrease in Utility Costs
<i>Funding Source(s)</i>	General Fund, Highway Fund, and Various Agency Funds			
Appropriations*	\$0	\$0	\$0	\$0
<i>Funding Source(s)</i>	None			

*Expenditure = Cost of bill

*Appropriation = Authorized funding to cover cost of bill

Estimated Political Subdivision Impact				
	FY 2026	FY 2027	FY 2028	FY 2029
County Revenue	\$0	\$0	\$0	\$0
County Expenditures	\$0	Indeterminable Decrease in Utility Costs	Indeterminable Decrease in Utility Costs	Indeterminable Decrease in Utility Costs
Local Revenue	\$0	\$0	\$0	\$0
Local Expenditures	\$0	Indeterminable Decrease in Utility Costs	Indeterminable Decrease in Utility Costs	Indeterminable Decrease in Utility Costs

METHODOLOGY:

This bill prohibits public utilities from recovering certain costs through rates charged to customers. Specifically, the bill disallows recovery of costs associated with participation in contested proceedings before the Public Utilities Commission, including attorneys' fees and consultant costs, prohibits recovery of costs related to membership, dues, sponsorships, or contributions to business or industry trade associations, and restricts recovery of advertising, marketing, or promotional costs unless the Commission determines such costs directly benefit ratepayers and are necessary for the provision of utility service.

The Department of Energy states this bill would prohibit utilities from recovering certain legal, consulting, trade association, and promotional costs through rates. The bill would not result in increased State expenditures but could reduce electricity costs for State, county, and municipal customers to the extent utilities are unable to pass these costs on to ratepayers. The Department notes that the magnitude of any savings is indeterminable because utility rate case costs vary. As an example, the most recent Eversource rate case incurred approximately \$2,000,000 in outside legal and consultant costs. Because the State accounts for approximately 1% of total electricity sales, the State could realize savings of roughly \$20,000 in a comparable case. The Department does not have sufficient data to estimate impacts to counties or municipalities but expects any such impact would be less than \$10,000.

The Public Utilities Commission states this bill will not have an impact on their current operating budget.

AGENCIES CONTACTED:

Department of Energy and Public Utilities Commission