CHAPTER 25
HB 1539-FN - FINAL VERSION

19Feb2026... 0409h

2026 SESSION

26-2605
06/08

HOUSE BILL ***1539-FN***

AN ACT authorizing electric utilities to issue AAA-rated bonds for the purpose of storm cost recovery and infrastructure resilience.

SPONSORS: Rep. Vose, Rock. 5; Rep. Bernardy, Rock. 36; Rep. Harrington, Straf. 18; Rep. Mooney, Hills. 12; Rep. Schneller, Hills. 2; Rep. D. Thomas, Rock. 16; Sen. Avard, Dist 12; Sen. Watters, Dist 4

COMMITTEE: Science, Technology and Energy

ANALYSIS

This bill authorizes the securitization of storm-related electric utility costs through finance orders issued by the public utilities commission.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty-Six

AN ACT authorizing electric utilities to issue AAA-rated bonds for the purpose of storm cost recovery and infrastructure resilience.

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

25:1 New Paragraph; Declaration of Purpose and Findings. Amend RSA 369-B:1 by inserting after paragraph XVI the following new paragraph:

XVII. It is in the public interest for the commission to issue a finance order that is subject to the requirements of this chapter and that authorizes the issuance of rate reduction bonds that securitize storm costs.

25:2 New Subparagraph; Definitions. Amend RSA 369-B:2, XIV by inserting after subparagraph (g) the following new subparagraph:

(h) Storm costs.

25:3 New Paragraph; Definitions. Amend RSA 369-B:2 by inserting after paragraph XVIII the following new paragraph:

XIX. "Storm costs" means (i) any costs that the commission determines after a hearing to have been prudently incurred by an electric utility for preparation, restoration, and response to storm damage disrupting the normal operation of the electric system and (ii) in each case, all fees, expenses, and transaction costs incurred in connection with the issuance, servicing, retirement, or refinancing of rate reduction bonds whose proceeds are used to pay off the costs described in clause (i) of this definition.

25:4 Authority to Issue Finance Orders to Finance RRB Costs. Amend RSA 369-B:3, I to read as follows:

I. The commission is authorized, upon the petition of an electric utility and after a hearing, to issue one or more finance orders pursuant to which rate reduction bonds shall be issued, if the commission finds that the issuance of such finance order or finance orders is in the public interest as set forth in RSA 369-B:1, IX or RSA 369-B:1, XVI, ***or RSA 369-B:1, XVII,*** as applicable. Any finance order adopted pursuant to 1999, 289:3, I and II prior to the effective date of this chapter shall, following the effective date of this chapter, be deemed to be authorized by this chapter, provided the commission has made the required finding pursuant to RSA 369-B:3, IV(b).

25:5 New Subparagraph; Authority to Issue Finance Orders to Finance RRB Costs. Amend RSA 369-B:3, IV by inserting after subparagraph (c) the following new subparagraph:

(d) Authorize the issuance of rate reduction bonds in an amount sufficient to fund any storm costs. The net benefits of accumulated deferred income taxes relating to amounts that will be recovered through any such issuance of rate reduction bonds shall be credited to retail customers by reducing the amount of such rate reduction bonds that would otherwise be issued by the net present value of the related tax cash flows, using a discount rate equal to the expected interest rate on such rate reduction bonds. This authorization is in addition to any amount authorized in subparagraph (a), (b), or (c).

25:6 New Section; Finance Orders Concerning Storm Costs. Amend RSA 369-B by inserting after section 3-b the following new section:

369-B:3-c Finance Orders with Respect to Storm Costs. An electric utility may submit to the commission an application for a finance order with respect to incurred storm costs. Storm costs shall be paid off with the proceeds of rate reduction bonds if the commission determines that the issuance of such rate reduction bonds is in the public interest. A determination that such rate reduction bonds are in the public interest may be based on reasons including, but not limited to, a showing that retail customers would experience lower overall costs if such rate reduction bonds are issued, as compared to traditional recovery calculated over the same time period, or that such financing would mitigate bill impacts to retail customers as compared with alternative methods of financing or direct rate recovery of such storm costs. The commission shall issue a final decision on such application for financing of storm costs within a period not to exceed 180 days of its receipt of an application by an electric utility for a finance order.

25:7 Establishment of RRB Charge to Recover RRB Costs. Amend RSA 369-B:4, II and III to read as follows:

II. The commission shall set the RRB charge, per kilowatt-hour of electricity for delivery of retail electric service, in an amount necessary and sufficient to provide for the full recovery of principal, ***premium, if any,*** interest, and credit enhancement on the rate reduction bonds, in accordance with the amortization schedule for such bonds determined at the time of offering, as well as all other fees, costs, and charges in respect to the rate reduction bonds, based upon the electric utility's reasonable assumptions, including sales forecasts.

III. Notwithstanding any provision of RSA 369-B:3, the commission shall approve such adjustments to the RRB charge authorized to be imposed and collected pursuant to a finance order as may be necessary to ensure timely recovery of all RRB costs that are the subject of such finance order, including, without limitation, the costs of capital associated with the provision, recovery, financing, or refinancing thereof and the costs of issuing, servicing, and retiring the rate reduction bonds contemplated by such finance order. Such RRB charge shall be adjusted periodically, but not less frequently than annually nor more frequently than monthly, in accordance with the finance order. The commission shall provide in a finance order for a procedure for the timely approval by the commission of periodic adjustments to the RRB charge that is the subject of such finance order. The commission shall approve such adjustments within 60 days of the filing of such adjustment, or within such shorter period as the finance order may designate. These adjustments shall generally serve to reconcile the actual RRB charges collected with the RRB charges expected to have been collected during the relevant prior period in a manner such that the adjusted RRB charge will be sufficient to provide for scheduled principal, ***premium, if any,*** interest, credit enhancement, fees and other expenses associated with rate reduction bonds payable in the period during which such adjusted RRB charge will be billed. The electric utility shall include in such filing a report to the commission showing the calculation of each such adjustment.

25:8 Effective Date. This act shall take effect upon its passage.

Approved: April 15, 2026
Effective Date: April 15, 2026