

January 27, 2025

By Electronic Mail

The Hon. Michael Vose, Chair
Science, Technology and Energy Committee
N.H. House of Representatives
Concord, NH 03301

Re: HB 224, relative to rebates to ratepayers from the renewable energy fund

Dear Chairman Vose and Honorable Committee Members,

Conservation Law Foundation (CLF) appreciates the opportunity to comment on HB 224, which would essentially eliminate the Renewable Energy Fund and instead rebate all funds to ratepayers. CLF is a non-profit environmental advocacy organization working in New Hampshire and across the region for healthy communities, including advancing energy policies that reduce pollution and strengthen the state's economy. Because the Renewable Energy Fund provides significant economic and job benefits to NH and eliminating the fund would result in non-existent benefits to ratepayers, the committee should oppose the bill.

Rebating the Renewable Energy Fund Will Result in Negligible Benefits for Ratepayers

The NH Department of Energy releases an annual report each year on the Renewable Energy Fund that details the projects that the Renewable Energy Fund provides funding to, as well as the costs of the fund. In the 2024 Annual Report, the Department found that the Renewable Energy Fund received \$5.87 million in revenue (through Alternative Compliance Payments) in 2023. Based on the Department's calculations, the total cost to ratepayers from the Renewable Energy Fund for 2023 was only 0.056¢/kWh.¹ Thus, assuming the average NH residential customer consumes 600 kWh of electricity per month,² if Renewable Energy Fund revenues were rebated to ratepayers, the average residential customer would have only received a rebate of 33.6¢ per month in 2023!

The Renewable Energy Fund Results in Significant Economic and Job Benefits for NH

The Department of Energy's 2024 Annual Report notes that rebate and grant funds "have leveraged over \$460 million in private investment since its inception, *providing a boost to the state's*

¹ See NH Renewable Energy Fund Annual Report, Department of Energy, at Table 4, p. 14 (Nov. 1, 2024), <https://www.energy.nh.gov/sites/g/files/ehbemt551/files/inline-documents/sonh/2024-ref-report-to-legislature.pdf>. The Department calculates that the rate impact for *all* Renewable Portfolio Standard (RPS) costs, including the costs of the Renewable Energy Fund is 0.33¢. *Id.* Therefore, as a percentage of total RPS costs, the total cost of the Renewable Energy Fund to ratepayers is 0.056¢/kWh.

² 2023 Average Monthly Bill-Residential, U.S. Energy Information Administration, last visited Jan. 24, 2024, https://www.eia.gov/electricity/sales_revenue_price/pdf/table_5A.pdf.

economy and creating jobs for electricians, plumbers, and alternative energy businesses.³ The 2024 Annual Energy Report explains that the Renewable Energy Fund has been utilized to fund nearly 10,000 rebates for energy systems for not just homeowners and businesses, but also schools and towns. The report further states that the Renewable Energy Fund’s competitive grant program “has provided nearly \$16.4 million in funding for 56 renewable projects for schools, businesses, and municipalities, featuring technologies from biomass heating systems to hydroelectric project upgrades.”⁴ In 2024, non-competitive grants were awarded to Raymond High School, as well as two lumber companies, to fund biomass heating or combined biomass heating and power systems.⁵

Under RSA 362-F:10, 15 percent of the Renewable Energy Fund must be provided to programs that benefit low-moderate income residential customers. This program may finance or leverage financing for low-moderate income community solar projects that benefit manufactured housing communities, public housing developments, or multi-family rental housing. In 2024, the low-moderate income program funded projects undertaken by several municipal housing authorities and homeowner cooperatives, as well as a project undertaken by New Hampshire Catholic Charities. The New Hampshire Catholic Charities project will provide \$17,523 in annual benefits for 59 households, meaning that each household will annually receive nearly \$300 in benefits in the form of payments/credits on monthly electric bills.⁶

In sum, the Renewable Energy Fund boosts the state’s economy, creates jobs, and helps fund municipal and school heating and power system projects. In contrast, rebating the entire Renewable Energy Fund to all ratepayers will result in only trivial benefits for the average ratepayer. For these reasons, the Committee should vote “inexpedient to legislate” on HB 224.

Sincerely,

/s/ Nick Krakoff

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³ NH Renewable Energy Fund Annual Report, Department of Energy, at p. 28 (Nov. 1, 2024), <https://www.energy.nh.gov/sites/g/files/ehbemt551/files/inline-documents/sonh/2024-ref-report-to-legislature.pdf>

⁴ *Id.*

⁵ *Id.* at 20-21.

⁶ *Id.* at 22-23.