

January 20, 2026

By Electronic Mail

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

Re: HB 1002, repealing the solar energy systems tax exemption.

Dear Chairman Vose and Honorable Committee Members,

Conservation Law Foundation (CLF) appreciates the opportunity to comment on HB 1002, which would repeal the solar energy systems property tax exemption. 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 HB 1002 would jeopardize the thousands of jobs in the state's solar industry and remove local control over energy policy, the Committee should reject the bill.

The Solar Industry Benefits New Hampshire's Economy

Renewables provide considerable economic and job benefits to our state. Currently, there are around 1,200 people employed in the solar energy industry in New Hampshire, close to \$1 billion has been invested in the state's solar industry to date,¹ and there is potential for significantly more solar energy investments in the state. Many homeowners and businesses contemplating installing solar systems on their property will be discouraged from investing in solar if such systems are no longer exempt from property taxes. This is because increases in property taxes precipitated by the installation of solar systems will extend project "payback" periods, which will likely disincentivize property owners from undertaking such projects in the first place. The abandonment of solar projects due to elimination of the solar property tax exemption has serious potential to jeopardize New Hampshire's solar jobs and investments.

Additionally, eliminating the solar property tax exemption is unfair to property owners who invested in solar projects in prior years. These property owners performed project cost analyses under the assumption that the solar tax exemption would remain in place for the lifetime of the project and will now be faced with increased project costs.

Behind-the-Meter Solar Contributes to Grid Reliability

Solar energy resources developed pursuant to policies and programs in New Hampshire and other New England states have contributed to increased reliability of the electric power system in the state and region. For instance, a study prepared for the regional grid operator, ISO New England

¹ *New Hampshire State Solar Overview through Q3 2025*, Solar Energy Industries Association (last visited Jan. 2026), <https://seia.org/state-solar-policy/new-hampshire-solar/>.

(ISO-NE), indicates that additions of behind-the-meter and utility-scale solar are critical to mitigating energy shortfall risks that result from significant winter load growth and retirements.² ISO-NE also concluded that behind-the-meter solar enhanced grid reliability on June 24, 2025, the peak system date of 2025, by reducing peak system demand by more than 2,000 MW.³ By reducing wholesale energy and capacity market costs, this helped save *all* electric customers on their energy bills.⁴ Behind-the-meter solar can also provide system benefits by producing power close to load, which can defer or reduce expensive distribution investments. However, repealing the solar tax exemption will deter many property owners from undertaking behind-the-meter solar projects in the first place, which will result in New Hampshire losing out on the system benefits and cost savings that these projects provide to all electric customers.

HB 1002 Would Reduce Local Control Over Energy Policy

Under current law, municipalities *may* adopt the solar energy systems property tax exemption. RSA 72:62. The current law is not a mandate, but rather, gives municipalities a tool for establishing local energy priorities, local tax policy, and local economic goals. However, HB 1002 would eliminate the ability of municipalities to determine local energy, tax, and economic development policies. Legislation mandating a one size fits all approach for the whole state and that ignores local preferences and concerns is the wrong approach for New Hampshire.

For the foregoing reasons, CLF urges the Committee to vote inexpedient to legislate on HB 1002.

Sincerely,

/s/ Nick Krakoff

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² *Operational Impact of Extreme Weather Events*, ISO New England, at 233 (Dec. 11, 2023), https://www.iso-ne.com/static-assets/documents/100006/operational_impact_of_extreme_weather_events_final_report.pdf.

³ *Grid remains reliable as June heat wave brings highest peak in over a decade*, ISO NEWSWIRE (July 2, 2025), <https://isonewswire.com/2025/07/02/grid-remains-reliable-as-june-heat-wave-brings-highest-peak-in-over-a-decade/>.

⁴ *Grid Action Report – June Heat Wave*, Acadia Center (July 1, 2025), <https://acadiacenter.wpenginepowered.com/wp-content/uploads/2025/07/Fact-Sheet-June-30-2025-Grid-Action-Report-June-Heat-Wave.pdf>