

January 26, 2026

Dear Members of the Municipal Committee,

On behalf of the National Association of Energy Service Companies (NAESCO), I respectfully urge you to oppose House Bill 1066.

NAESCO<sup>1</sup> serves as the leading national trade association for the energy services industry, dedicated to advocating for and refining Energy Savings Performance Contracting (ESPC) and fostering industry best practices. Our members facilitate more than \$7 billion in energy savings projects annually, totaling over \$70 billion in public infrastructure investments over the past two decades.

Our industry plays a pivotal role in helping New Hampshire municipalities and school districts address critical capital improvements that would otherwise be out of reach due to budget constraints. By modernizing infrastructure and using guaranteed energy and operational savings to fund these upgrades, communities can improve facilities, reduce operating costs, and support local jobs — all without raising taxes or requiring new appropriations.

House Bill 1066 would significantly limit municipalities and schools' ability to pursue these essential improvements, particularly by restricting access to tax-exempt lease-purchase agreements that are fundamental to ESPC delivery. This bill raises several serious concerns:

**A. Erosion of Local Control**

HB 1066 would reduce local decision-making authority by limiting the financing tools communities want to use to address their own infrastructure needs.

**B. Barriers to School and Municipal Improvements**

With limited state funding for capital projects, municipalities and schools rely on flexible financing tools like lease-purchase agreements to move projects forward efficiently. Restricting these tools would delay or prevent urgently needed facility upgrades.

**C. Undermining Energy Efficiency and Deferred Maintenance Solutions**

Requiring communities to wait until they have sufficient reserves or bonding capacity ignores fiscal certainties and undermines one of the most effective methods for addressing deferred maintenance and energy waste.

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<sup>1</sup> ABM Industries (Technical Solutions Group), AECOM, Alliance Building Solutions, Allied Facility Partners, Ameresco, Ascendant Facility Partners, Bostonia Partners, Brewer-Garrett, Building Infrastructure Management Solutions, CEG Solutions, Centrica Business Solutions, Climatec, CM3 Building Solutions, CMTA Energy Solutions, Constellation, D.A. Davidson, DCO Energy, Energy Efficient Investments, Energy Solutions Professionals, Energy Systems Group, Engenuity Power Systems, Entegriety, Georgia Power, GRP Wegman, HASI, Honeywell, Johnson Controls, McClure Company, McKinstry, METCO Engineering, Navitas, NORESO, OPTERRA Energy Services, Perfection Group, Performance Services, RWE Clean Energy, Schneider Electric, Siemens, SitemogIQ, Skilled Services, Southland, Syserco Energy Solutions, The Efficiency Network, Trane Technologies, Veregy, Wendel Energy Services, Willdan Energy Solutions

**D. Setting a Harmful Precedent**

Adopting HB 1066 would represent a step backward for infrastructure policy in New Hampshire, signaling that innovation in public financing and energy efficiency is no longer supported.

**E. Inconsistency with Prior Legislative and Executive Action**

In 2024, Governor Sununu vetoed similar legislation, recognizing the negative impact it would have on public entities. Additionally, a related bill was tabled by the House in 2025, reflecting legislative concern about moving forward with these restrictions.

**F. Economic Impact on Local Businesses**

ESPC projects are delivered largely through local contractors, engineers, and trades. Limiting this market would directly harm New Hampshire businesses and jobs.

We respectfully urge the Committee to reject HB 1066 and preserve municipalities' ability to responsibly finance critical infrastructure improvements through proven, performance-based tools.

Thank you for your consideration and for your continued commitment to New Hampshire's communities.

Respectfully,



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