

FAQ on HB 1600

An act relative to participation in net energy metering 5/2/24

What does HB 1600 do?

COMMUNITY

POWER COALITION

OF NEW HAMPSHIRE

For communities, by communities.

- ✓ HB 1600 creates a new option to allow New Hampshire communities to develop local energy resources to supply power to their residents and businesses through their Community Power Aggregation.
- ✓ Under the bill, the excess energy produced from community-scale generators (sized between 1 and 5 megawatts) can be purchased by Community Power Aggregations in a way that offsets the electricity demand of a Community Power Aggregation as a whole instead of individual customer accounts.
- ✓ Enabling local, community-scale energy resources can reduce certain wholesale costs that are otherwise imposed on customers, such as transmission and capacity costs.

What problem does HB 1600 solve?

- Current state law limits the ability of Community Power Aggregations to compensate net-metered generators (also referred to as "customergenerators") only up to 1 megawatt in size.
- ✓ The only net metering option for generators between 1 and 5 megawatts is through the Municipal Host Group Net Metering program, which is only available to Municipal Hosts that are on utility default service.
- ✓ HB 1600 gives communities more options and expands the market so that Community Power Aggregations can also serve community-scale generators through their own net metering programs.

Would HB 1600 eliminate the existing Municipal Host program?

- ✓ No, HB 1600 would not eliminate the existing Municipal Host program; instead, it would create additional options for NH communities.
- ✓ Existing Municipal Hosts and eligible generators who wish to join the Municipal Host program would continue to be able to do so.

Would HB 1600 result in cost shifting?

✓ No. HB 1600 aligns a community-scale generator with its Community Power Aggregation. Compensation for the energy and capacity value that it produces is provided by a Community Power Aggregation (instead of the distribution utility). There would be no increase in utility stranded costs and no cost shifting to the general utility customer base.



✓ This is one of the key reasons this bill received unanimous support from the House Science, Technology & Energy Committee, and broad and bipartisan support in the House, having earned passage by voice vote on the consent calendar on March 7th.

Does HB 1600 reduce choices for NH net metered generators?

- ✓ No. HB 1600 increases choices for net metered generators in the state. HB 1600 gives generators needed choice as it increases the amount of clean generation that can be built in the state by using their output to power whole communities rather than just benefiting individual municipal accounts.
- ✓ The bill also provides a sustainable path for continued growth of communityscale net metered generation because the Municipal Host program will eventually become fully subscribed due to a dwindling number of local government accounts that can be served through Group Net Metering.

Why do we need to pass HB 1600 this year?

- ✓ Recent utility reports indicate that there are more than 60 community-scale (between 1 to 5 megawatts) projects in the distribution utilities' interconnection queues that could be eligible for participation in net metering programs.
- ✓ Without this legislation, those projects have only one option to participate in net metering and that is through utility default service. HB 1600 dramatically increases those options and gives customer-generators a choice of who they sell their output to and buy their power from when they consume..
- ✓ Since the Electric Utility Restructuring Act was passed in 1996, NH has espoused a strong policy preference for competitive markets and customer choice when it comes to energy supply and related energy services.
- ✓ HB 1600 aligns with this long-standing policy preference by advancing a competitive, market-based solution that expands customer choice.