

NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

DRM 21-142

Community Power Coalition of New Hampshire Petition for Rulemaking to Implement RSA 53-E for Community Power Aggregations by Stakeholders

Commission vote adopting a final rulemaking proposal

July 27, 2022

TRANSCRIPTION OF COMMISSIONER CARLETON SIMPSON'S CLOSING REMARKS

“I'd like to make that motion [to approve the final rulemaking proposal including changes approved during the meeting] and I'd like to offer a few comments for the commission as I think it's exciting that we've reached this point, with respect to these rules pertaining to community power aggregations, as the efforts have been underway for several years.

These are landmark rules as they realize some of the main efforts that have spanned two decades here in New Hampshire. In 1996, the New Hampshire General Court passed RSA 374 F. Electric Utility restructuring, which required all utilities in the state to divest ownership of power generation assets. Prior to restructuring, many electric utilities owned and operated power generation and the electric grid with rates for which activity is regulated by the PUC in an effort to lower energy supply costs. A major premise of the restructuring statute was to unbundle electric utility generation from the utility monopoly, distribution and transmission services in order to promote market competition. And today here in New Hampshire, power generators are owned by companies not regulated by this commission, and participate in the New England Regional electricity markets administered by ISO New England. All New Hampshire electric ratepayers may elect to purchase their own energy supply through an open competitive marketplace. If customers choose not to purchase their energy from a competitive supplier, the regulated utilities solicit energy supply on their behalf through a competitive bid process. In this restructured context, the Commission's role in approving such utility provided default energy supply rates is to ensure that those rates and charges are procured competitively and represent market-based prices that are directly passed through the utilities to customers with no additional costs or utility profits incurred. Despite this paradigm, which has provided reliable and market-based electricity for New Hampshire over the past several decades, most New Hampshire customers remained on default service today therefore purchasing electricity supply from their distribution utility.

Promulgation of these rules before us today I believe will transform the state's electricity supply market by enabling communities to select their supplier and resource mix directly. The community aggregation model has been successful in other jurisdictions by returning such decision making to local control so the citizens of every New Hampshire community have a voice to directly express what they want as an electricity customer. Furthermore, I believe these rules provide a pathway to enable a truly transactive retail electricity market in New Hampshire.

Our review and drafting effort was extensive and thorough. Many parties worked together to get us to the point where we are today over several years. I want to recognize the Office of the Consumer Advocate for their continued commitment to realizing the benefits of customer choice and harnessing the power of competitive markets. I also want to recognize the Department of Energy and Attorney Wiesner for their efforts, convening many stakeholder discussions and providing the Commission with thoughtful recommendations pertaining to the rules. Finally, I also want to recognize former Commissioner Clif Below and the Community Power Coalition of New Hampshire for their extensive work within both the initial proposal adopted by the Commission and their efforts within this subsequent rulemaking.

Having reviewed the responses and summary of comments and reply comments on the initial proposal that was distributed to us today by Attorney Wind, it's my view that the draft rules before us today will advance New Hampshire's retail electricity market in a way that is cost effective and reflects a balanced approach to the energy transformation. Lastly, and I think most importantly, some of the changes here are important to revisit the Commission's prior decisions in light of the evolved market and technological realities that have manifested over the last several years.

Attorney Wind's suggested a review of the [Electronic Data Interchange] standards and I believe that now is the appropriate time to do so. Given that the currently leveraged Electronic Data Interchange standards were adopted in a restructuring docket decades ago, and EDI seems to provide functional data exchange necessary for truly transactive energy and specific CPA services as described by the commenters, I wholeheartedly endorse the suggested investigation of EDI standards to guide further functionality evolution. And with that I moved to amend the initial proposal adopted by all the modifications in the summary document provided by Attorney Wind and discussed herein today and adopt the amended initial proposal as our final proposal.”