

## HB 365 FACTS & ANSWERS to What You May Hear...

You May Hear.... HB 365 is a subsidy that will cost ratepayers millions of dollars.

FALSE. No such costs are mentioned in the Fiscal Note or have been reported by the PUC. Moreover, the Fiscal Note from last year's net metering bill says, "*To the extent State, county or local governmental units are able to install their own renewable generation facilities, those governmental entities may benefit from lower electricity costs and may also receive revenues in the form of net metered payments for excess power generated.*"

You May Hear ...HB 365 will only benefit large-scale solar companies.

FALSE. HB 365 will benefit all NH ratepayers by increasing the supply of low-cost power from local sources such as biomass boilers, NH's small hydro facilities, and solar arrays on landfills and rooftops. And local power will avoid the high cost of transmitting electricity from distant power plants. HB 365 also benefits all classes of consumers by adding more competition to retail power sales. More locally produced power means more savings and more energy independence for NH.

You May Hear... HB 365 will shift utility costs from consumers who net meter to those who do not.

FALSE. The PUC found "little to no evidence of any significant cost-shifting" from net metering. Consumers who net meter under HB 365 will use PUC-approved rules designed to prevent cost shifting and ensure fair rates for all ratepayers. Furthermore, utilities will use net metered power as "load reduction" to prevent cost-shifting and maximize ratepayer benefits. Liberty Utilities already handles net metered power this way because it saves their customers money and protects their customers against regional cost-shifting by other states onto NH ratepayers.

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You May Hear... The increase from 1 megawatt to 5 megawatts in HB 365 is too much and will destabilize the grid and market.

FALSE. Renewable power generators less than 5 megawatts are a small portion of the region's total energy production, but because they are located locally throughout the grid, they add stability to grid operations by providing energy diversity and distributed generation. The 5 megawatt cap is reasonable because this is the limit where the regional grid considers a power plant to be a wholesale producer. The 5 megawatt cap also allows businesses and communities to right-size projects for their electricity needs and maximize economies of scale. HB 365 is a solution to high electricity costs and lack of new supply.

You May Hear... HB 365 will enable a renewable energy generator to skirt utility rules, e.g., they will install a light bulb at their 5 megawatt solar farm so they can sell their power at the PUC approved net metering rate.

FALSE. State law and rules prevent this scenario (PUC Order No. 26,029 adopted in 2017). This rule requires any renewable generator above 100 kW to consume at least 20% of the generation on-site, behind the meter, in order to be eligible for net metering. If they don't use at least 20% on site and they want to net meter, they must register as a group net metering host and find consumers who are willing to enter into contracts to join the group. The consumers' estimated demand for power must match the generator's estimated output.

You May Hear... HB 365 will raise electric rates and hurt ratepayers.

FALSE. In addition to the PUC's finding that net metering will not shift costs and raise electric rates, HB 365 removes a regulatory barrier that is preventing many small businesses and communities from producing their own low-cost power or entering into privately negotiated power contracts with local renewables. HB 365 enables renewable power generators between 1 megawatt and 5 megawatts to participate in the retail power market and offer consumers more competitive options, savings, and energy independence.