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March 31, 2017

Ms. Debra A. Rowland  
Executive Director  
NH Public Utilities Commission  
21 S. Fruit Street, Suite 10  
Concord, NH 03301-2429

**Re: Docket DE 16-576 Letter of support for the Joint Settlement Proposal from the Energy Future Coalition**

Dear Ms. Rowland,

As members of the legislative working group that authored HB 1116, the net metering bill that charged the PUC with creating a new tariff model, we can attest that much thought was devoted to the concluding sentence of the first paragraph of the bill that goes to the heart of the bill's intent: "The general court continues to promote a balanced energy policy that supports economic growth and promotes energy diversity, independence, reliability, efficiency, regulatory predictability, environmental benefits, a fair allocation of costs and benefits, and a modern and flexible electric grid that provides benefits for all ratepayers." The following is an examination of how net metering impacts each of these goals.

**Economic Growth** - Net metering has a proven record of creating good, new jobs at an ever increasing rate. Net metering expenditures in local alternative energy production represent investments in the state economy that would have otherwise largely left the state to pay for imported power and fuel. Such new investments usually seed additional dollars at a rate of about 3 to 1. And energy produced within the state with locally available "fuel" (i.e. solar, biomass, wind, etc.) will reduce the multi-billion dollars permanently exported from the state each year to fund imported power or fuel.

**Energy Diversity** - A major strength of net metering is its agnostic approach to energy technology, and its inherent ability to harness in-state resources for the benefit of NH consumers. The ability to allow, and in fact encourage, new technologies to enter the market with relatively minor investments aids the inevitable transition to a more

distributed model. In public meetings, your own staff has pointed out this inevitability resulting from the continued rapid drop in alternative energy costs. The evolution, aided by net metering, represents a risk reduction for ratepayers. The investment risks are borne by early adopting neighbors and businesses, while adding no new potential sunk cost to rates.

**Independence** - Net metered energy is made in New Hampshire and stays in New Hampshire. Enough said.

**Reliability** (and we should have added "security") - A diffused generation model lowers the impact of any single point-source failure. This is now more important than ever as increasing percentages of our energy arrives "just in time," whether in the form of imported electric power or natural gas pipelines. Transmission lines and pipelines represent vulnerabilities that could lead to massive disruptions given the concentration of power or fuel they convey. This fact cannot be easily dismissed in times when acts of terrorism are everyday occurrences.

**Efficiency** - The distributed model encouraged by net metering, if implemented wisely, will lower distribution transmission, and generation costs over time.

**Regulatory Predictability** - Yes, net metering does not make the work of the NH PUC any easier. The missing factor is the availability of quality, constantly-refreshed data upon which to base wise decisions. Here the absence of a truly intelligent grid and data collection system are self-evident and we would hope that closing this gap would be an included element of your decision.

**Environmental Benefit** - According to U.S. Department of Energy data, New Hampshire's cleanest fossil-fueled power plants, combined-cycle natural gas, have a lifecycle greenhouse gas impact approximately 50 times higher than solar. Our coal-fired plants are about 100 times higher than solar.

**Modern and Flexible Electric Grid** - We know that the NH PUC appreciates the importance of this topic and is actively engaged in fact finding.

**Fair Allocation of Costs and Benefits** - This is the key to the net metering decision. We would encourage you to take a long-term perspective. We know these facts:

- The state will inevitably move toward a model that utilizes more distributed energy.
- We understand the need to reduce the negative environmental impacts imposed by fossil fueled power production.

- We know current net metering regulation is helping to foster rapid job growth while adding new distributed energy to the grid and understand an abrupt change could negatively impact this burgeoning beneficial industry.
- An abrupt tariff change would likely lead to a significant contraction in the nascent solar industry and negatively and disproportionately impact middle income families' ability to participate.
- A reduction in our adoption rate will further decrease our competitive advantage with our neighboring states that are moving more quickly to a new energy economy model, by way of lost new investment and due to increased energy costs based on an increased NH share of regional energy or capacity charges.
- There is a dearth of quality data currently available upon which to base an enduring regulatory decision. It is worth noting the PUC's own consultant found no evidence of significant cost shifting from solar to non-solar customers or evidence of significant loss of utility revenue.

It is of critical strategic importance that we transition New Hampshire expeditiously to a new energy model that best serves the future needs of the state while minimizing the negative impact to implementers and investors that are the very drivers of change. We believe the Joint Settlement Proposal from the Energy Future Coalition filing represents the more responsible path forward. In the spirit of the enacting the legislation's intent, we hope you will agree.

Respectfully submitted,

William Baber, former NH Representative  
Senator Martha Fuller-Clark  
Senator Dan Feltes  
Representative Robert Backus  
Representative Marjorie Shepardson