

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

IR 20-166

ELECTRIC DISTRIBUTION UTILITIES

**Investigation into Compensation of Energy Storage Projects for
Avoided Transmission and Distribution Costs**

ORDER OF NOTICE

HB 715-FN (2020), which added new chapter RSA 374-H, entitled “Energy Storage,” was signed into law in July 2020, effective September 12, 2020. RSA 374-H:2, I requires the Commission to open a proceeding, within 30 days of its effective date, to investigate how to compensate energy storage projects (ESPs) for avoided transmission and distribution costs while the ESPs also participate in wholesale energy markets. ESPs eligible for compensation will include both utility-owned and non-utility-owned ESPs, with behind-the-meter or front-of-the-meter storage, which are capable of storing electricity as some form of energy.

Pursuant to RSA 374-H:2, II, during its investigation, the Commission is required to consider the following issues: (a) How public policy can best help establish accurate and efficient price signals for energy storage projects that value their ability to avoid transmission and distribution costs while simultaneously reducing wholesale electricity market prices; (b) How to compensate energy storage projects that participate in wholesale electricity markets for avoided transmission and distribution costs in a manner that provides net savings to consumers; (c) How best to encourage both utility and non-utility investments in energy storage projects; (d) The costs and benefits of a potential bring your own device program; how such a program might be implemented; any statutory or regulatory changes that might be needed to create, facilitate, and implement such a program; and whether such a program should include all

distributed energy resources or be limited to distributed energy storage projects; (e) Any statutory changes the general court should implement, including but not limited to changes to or exceptions from RSA 374-F or RSA 374-G, to enable energy storage projects to receive appropriate compensation for avoided transmission and distribution costs while also participating in wholesale energy markets; and (f) Any other topic the commission reasonably believes it should consider in order to diligently conduct the proceeding. Within two years of initiating its investigation, the Commission is required to submit its report and recommendations to the New Hampshire House and Senate standing committees with jurisdiction over energy and utility matters. The report must identify ways any recommended statutory changes can minimize any potential conflict with the electric restructuring policy principles of RSA 374-F.

The Commission is commencing this investigation to provide an opportunity for public comment on these issues. The electric distribution utilities regulated by the Commission shall be mandatory participants in the investigation. This order and subsequent comments and other submissions, other than any information for which confidential treatment is requested of or granted by the Commission, will be posted to the Commission's website at www.puc.nh.gov.

This proceeding raises, *inter alia*, issues related to energy storage compensation as identified in RSA 374-H:2, II.

The electric distribution utilities, Commission Staff (Staff), and other interested stakeholders shall have until January 11, 2021 to file written comments with the Commission. Commenters are encouraged to address the issues listed in RSA 374-H:2, II, and to cite relevant data and approaches from New Hampshire and other jurisdictions.

Staff will review the comments, conduct a public stakeholder technical session on January 25, 2021, and issue a recommendation to the Commission by July 12, 2021. The

Commission will accept written comments on that recommendation on or before August 16, 2021, and hold a public comment hearing September 3, 2021. After reviewing Staff's recommendation and the stakeholder comments, the Commission will issue its report and recommendations to the designated New Hampshire legislative committees.

Based upon the foregoing, it is hereby

ORDERED, that the Executive Director shall publish this order of notice on the Commission's website no later than one business day after the date of issue; and it is

FURTHER ORDERED, that written comments consistent with this order and N.H. Admin. R., Puc 202.06(a) may be filed by electronic mail sent to executive.director@puc.nh.gov on or before January 11, 2021; and it is

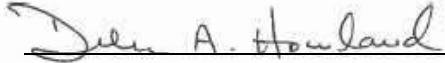
FURTHER ORDERED, that, consistent with Governor Christopher T. Sununu's Emergency Order #12, the Commission will hold a web-enabled remote public stakeholder technical session on January 25, 2021 at 10:00 a.m. Members of the public who wish to access the stakeholder technical session may do so by [clicking here](#). **If you have any difficulty obtaining access to this remote event, please notify the Commission by calling (603) 271-2431 as soon as possible**; and it is

FURTHER ORDERED, that the Staff of the Commission shall issue a recommendation to the Commission by July 12, 2021; and it is

FURTHER ORDERED, that the Commission will accept written comments on the Staff Recommendation from interested stakeholders on or before August 13, 2021; and it is

FURTHER ORDERED, that the Commission will hold a public comment hearing on September 3, 2021 to receive comment on the Staff Recommendation.

By order of the Public Utilities Commission of New Hampshire this twelfth day of
October, 2020.



Debra A. Howland
Executive Director

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability should contact the Americans with Disabilities Act Coordinator, NHPUC, 21 S. Fruit St., Suite 10, Concord, New Hampshire 03301-2429; 603-271-2431; TDD Access: Relay N.H. 1-800-735-2964. Notification of the need for assistance should be made one week prior to the scheduled event.

Service List - Docket Related

Docket#: 20-166

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