

ST&E Majority Caucus 10-Year State Energy Strategy 2021 Update Comments

Keep electricity costs as low as possible – The state needs to recognize that electricity is essential to modern life and should work to keep it both reliable and affordable. Policy makers need to decide how best to create incentives for new energy development without placing an undue burden upon current ratepayers. Access to affordable energy drives economic success, which in turn contributes to human health and safety. Studies have shown a direct correlation between electricity affordability and economic proliferation.

Fund any needed subsidies without increasing the cost of existing energy – Subsidies should be short-term and temporary. They can provide a stimulus to establish a market presence and a threshold for desired technologies or practices. Subsidies, once established, create a constituency and become hard to eliminate. Therefore, new subsidies should be avoided, and existing subsidies should be subject to sunset provisions as quickly as practically achievable. Government subsidies more properly should be general fund expenditures that do not impact the costs that customers pay for essential energy services.

Focus any ratepayer funded energy efficiency on low/moderate income earners and rental properties – The citizens least able to afford energy efficiency deserve the bulk of the state's assistance to make homes and apartments more livable and less expensive. Ratepayers should qualify for assistance based on an income scale that supplies more help to those most in need. Low-income earners pay proportionally more of their income for energy and any reduction in their costs greatly enhances their standard of living. Studies show that high-income earners are more likely to purchase EVs, solar panels, and energy efficiency improvements and these earners need minimal state assistance.

Fund energy efficiency expenditures from ratepayer funds from which they were derived – Alternative funding mechanisms should be undertaken for efficiency expenditures such as general weatherization that may have indirect impacts on electricity and gas but that primarily benefit reductions in oil and other forms of energy. Avoid an unfair burden on electric and gas ratepayers to fund non-electric and gas efficiency measures.

Foster an energy environment that encourages the iteration and experimentation that produces innovation – Whether attempts at grid modernization through community aggregation/community power organizations, research and development into new nuclear technologies, inexpensive hydrogen-generated electricity, or some as yet unknown energy discovery, our state should remove any regulatory barriers to the trial-and-error approach to discovering what works and what does not. New ideas lead to the generation of further new ideas when developed in free and unrestricted environments. Even though we regulate today's monopoly energy markets, eliminating and reducing regulation where possible will provide the best circumstances for future innovation.

Recognize that all generation sources of electricity and all transportation fuel options should be allowed to compete for a consumer's dollars on a level playing field – Markets unburdened

by excessive regulation send price signals that produce the most efficient choices for any commodity, including energy. All citizens should be free to choose how best to power their cars and homes. Just as citizens in a free society decide what foods to consume to power their bodies, so should they decide how to power the rest of their lives.

--Rep. Michael Vose, Chair
Science, Technology, & Energy Committee
Rockingham District 9
Epping, NH