

**STATE OF NEW HAMPSHIRE
DEPARTMENT OF ENERGY**

INV 2023-002

**Investigative Proceeding Relative to Compensation of Energy Storage Projects for
Avoided Transmission and Distribution Costs**

ORDER OF NOTICE

In July 2020, HB 715 created RSA 374-H, entitled “Energy Storage,” requiring the Public Utilities Commission (Commission or PUC) to open a proceeding to investigate how to compensate energy storage projects for avoided transmission and distribution costs while the energy storage projects also participate in wholesale energy markets. In 2022, HB 1258 amended RSA 374-H, transferring the investigatory mandate to the Department of Energy (Department). As such, the Department is commencing this investigative proceeding to fulfill this statutory requirement and provide an opportunity for public comment on these issues. This order and subsequent comments and other submissions, other than any information for which confidential treatment is requested of or granted by the Department, will be posted to the Department’s website. This proceeding raises issues related to energy storage compensation as identified in RSA 374-H:3. Pursuant to RSA 374-H:3 the Department is required to consider the following issues:

1. How public policy can best establish accurate and efficient price signals for energy storage projects that avoid actual transmission and distribution costs or reduce wholesale electricity market prices.

2. How to compensate energy storage projects that participate in wholesale electricity markets for actual avoided transmission and distribution costs in a manner that provides net savings to consumers.
3. How best to encourage both utility and non-utility investments in energy storage projects.
4. 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.
5. 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 actual avoided transmission and distribution costs while also participating in wholesale energy markets.
6. Any other topic the department reasonably believes it should consider in order to diligently conduct the proceeding.

Pursuant to the Department's investigative powers established in RSA 12-P:2, IV and RSA 12-P:10, the Department opens this proceeding and directs the participation of all three regulated electric distribution utilities: Public Service Company of New Hampshire d/b/a Eversource Energy; Unitil Energy Systems, Inc.; and Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty. Furthermore, the Department invites other interested persons to participate as well.

The Department requests that the electric distribution utilities and interested persons review the materials within PUC docket IR 20-166,¹ including the summary comment materials provided for the May 27, 2021, technical session available on the Department webpage, and provide updated comments addressing the issues listed in RSA 374-H:3 and above, citing relevant data and approaches from New Hampshire and other jurisdictions.

The Department will review the comments and conduct a virtual stakeholder session on **July 27, 2023, at 9 am.**

Petitions to intervene are not required to submit comments. Persons wishing to be on the service list for this proceeding should request that an email address be added to the service list by emailing Proceedings@energy.nh.gov. Inquiries regarding this proceeding may also be directed to Proceedings@energy.nh.gov.

Based upon the foregoing, it is hereby

ORDERED, that the three regulated electric distribution utilities of this State shall be mandatory participants to this investigative proceeding; and it is

FURTHER ORDERED, that written comments shall be filed with the Department by **July 14, 2023.**

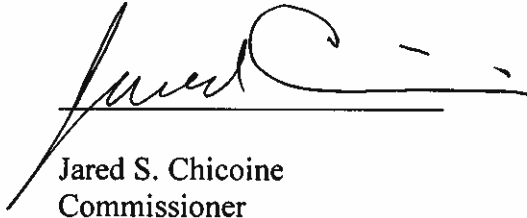
FURTHER ORDERED, a copy of this order of notice shall be posted on the Department's website no later than June 23, 2023; and it is

FURTHER ORDERED, that a virtual stakeholder session shall be held by the Department on July 27, 2023, at 9:00 am during which any interested stakeholder may provide comments regarding any issues listed above. A meeting invite will be sent to all persons on the service list at least one-week prior to the technical session.

¹ Available at <https://www.puc.nh.gov/Regulatory/Docketbk/2020/20-166.html>

FURTHER ORDERED, all comments and inquiries related to this proceeding shall be emailed to Proceedings@energy.nh.gov.

So ordered, this 23rd day of June, 2023.



Jared S. Chicoine
Commissioner

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability should contact the Department of Energy, 21 S. Fruit St., Suite 10, Concord, New Hampshire 03301-2429; 603-271-3670; TDD Access: Relay N.H. 1-800-735-2964. Notification of the need for assistance should be made no later than one week prior to the scheduled event.