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Jared S. Chicoine

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October 1, 2025

Her Excellency, Governor Kelly A. Ayotte,  
and the Honorable Council  
New Hampshire State House  
Concord, New Hampshire 03301

**REQUESTED ACTION**

Pursuant to RSA 20:7, authorize the acceptance of the Department of Energy's Biennial Report for the period July 1, 2023 through June 30, 2025 effective upon Governor and Council approval.

**EXPLANATION**

Attached, please find copies of the Biennial Report for the Department of Energy for the 2024 and 2025 Fiscal Years as required by law.

Respectfully submitted,

Handwritten signature of Jared S. Chicoine in blue ink.

Jared S. Chicoine  
Commissioner

**Kelly A. Ayotte**  
Governor

**Joseph D. Kenney**  
Executive Councilor  
District 1

**Karen Liot Hill**  
Executive Councilor  
District 2

**Janet Stevens**  
Executive Councilor  
District 3

**John Stephen**  
Executive Councilor  
District 4

**David K. Wheeler**  
Executive Councilor  
District 5



October 1, 2025

Her Excellency, Governor Kelly A. Ayotte, and the Honorable Executive Council:

Pursuant to RSA 20:7, we are pleased to submit the biennial report for the New Hampshire Department of Energy for fiscal years 2024 and 2025.

Respectfully,

A handwritten signature in blue ink that reads "Jared Chicoine". The signature is fluid and cursive, with a long horizontal stroke at the end.

Jared S. Chicoine  
Commissioner

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## MISSION

The prosperity and security of New Hampshire and its citizens require an affordable, innovative, reliable, and sustainable energy economy.

The Department of Energy is committed to achieving that goal and will provide a unified direction of energy policies, responsible and practical programs, principled regulation, and skilled representation, in energy-related proceedings of New Hampshire's public interest. The Department of Energy will serve the people of New Hampshire in an honest, transparent, and effective manner.

## **HISTORY**

The Department of Energy (Department) was established effective July 1, 2021. It was created by the New Hampshire Legislature to promote and coordinate energy policies and programs in the state. The Public Utilities Commission (PUC), the Site Evaluation Committee (SEC), and the Office of the Consumer Advocate (OCA) are administratively attached to the Department. Until July 1, 2023, the Energy Efficiency & Sustainable Energy Board was also administratively attached.

The creation of the Department involved the reorganization of the PUC and the dissolution of the Office of Strategic Initiatives (OSI). Essentially, the new PUC retained the adjudicative functions of utility regulation, and the utility and energy advocacy and policy functions were transferred to the Department. The energy-related responsibilities of OSI were also transferred to the Department. In part the legislation was intended to make clear the separation between the Department's advocacy role and the impartial role the PUC plays.

The Department has a large and diverse set of responsibilities. The Department's enabling statute, RSA 12-P, states that the Department is established to "...improve the administration of state government by providing unified direction of policies, programs, and personnel in the field of energy and utilities, making possible increased efficiency and economies from integrated administration and operation of the various energy and utility related functions of the state government."

The Department is an automatic party in PUC proceedings, where it fills a record-building role and advocates for the interests of the state. These proceedings ensure that the services provided by electric, natural gas, water, and sewer utilities are safe and adequate, and provided to customers at just and reasonable rates.

The Department also administers federal assistance programs and other energy-related programs. It also provides support for customers who contact the Department with questions or concerns about their utility service.

The Department has a substantial role in utility safety and the enforcement of the state's utility-related laws, rules, and regulations. It has a strong policy role, which includes creation of the 10-year state energy strategy and providing technical and policy advice to the legislature.

The Department also plays a major role in energy-related discussions, collaborations, and negotiations with the other states in New England and beyond. As all New England is connected to one electric grid, the decisions of other states can affect New Hampshire and New Hampshire utility customers. The Department is statutorily obligated to defend New Hampshire's interests against the shifting of costs related to other states' policy decisions.

# ORGANIZATION

## COMMISSIONER

The Commissioner is appointed for a four-year term by the Governor with the consent of the Executive Council. The Commissioner shall be qualified to hold the position by reason of education and experience.

## DEPUTY COMMISSIONER

The Commissioner nominates a Deputy Commissioner for appointment by the Governor, with consent of the Executive Council. The Deputy Commissioner is appointed for a four-year term and shall be qualified to hold the position by reason of education and experience. The Deputy Commissioner performs such duties as the Commissioner may assign and shall perform the duties of the Commissioner if for any reason the Commissioner is unable to do so.

## GENERAL COUNSEL

The Commissioner appoints a General Counsel, who serves at the pleasure of the Commissioner. The General Counsel performs such duties and exercises such powers as the Commissioner may authorize.

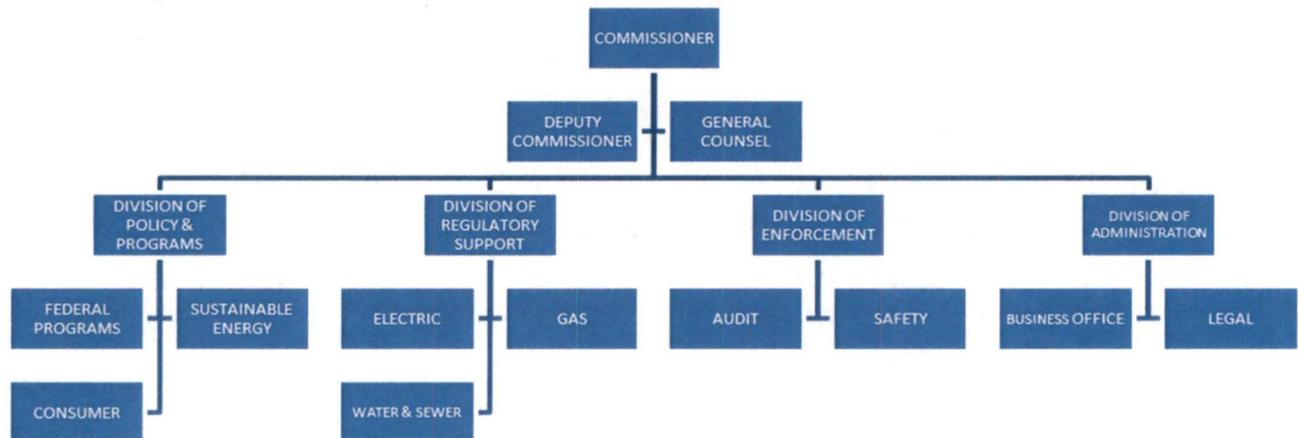
## DIVISION DIRECTORS

The Commissioner nominates four Division Directors: a Director of Administration, a Director of Enforcement, a Director of Regulatory Support, and a Director of Policy and Programs for appointment by the Governor with consent of the Executive Council. Each term is for four years, and the Directors shall be qualified to hold the position by reason of education and experience.

## STAFF

The Department has 77 full-time employees, including 7 unclassified employees, 70 classified employees, and 3 part-time classified employees.

## ORGANIZATION CHART



## ADMINISTRATIVELY ATTACHED AGENCIES



## **FUNDING & EXPENDITURES**

The Department's non-grant-related operating expenses are funded primarily through assessments of the utilities the Department regulates as well as of non-utility providers who fall within the Department's registration and enforcement responsibilities.

The Department's general assessment is authorized by RSA 363-A. This assessment is based either on revenue earned, a set dollar amount (direct assessments), or a specified minimum amount (minimum assessments), depending on type of entity.

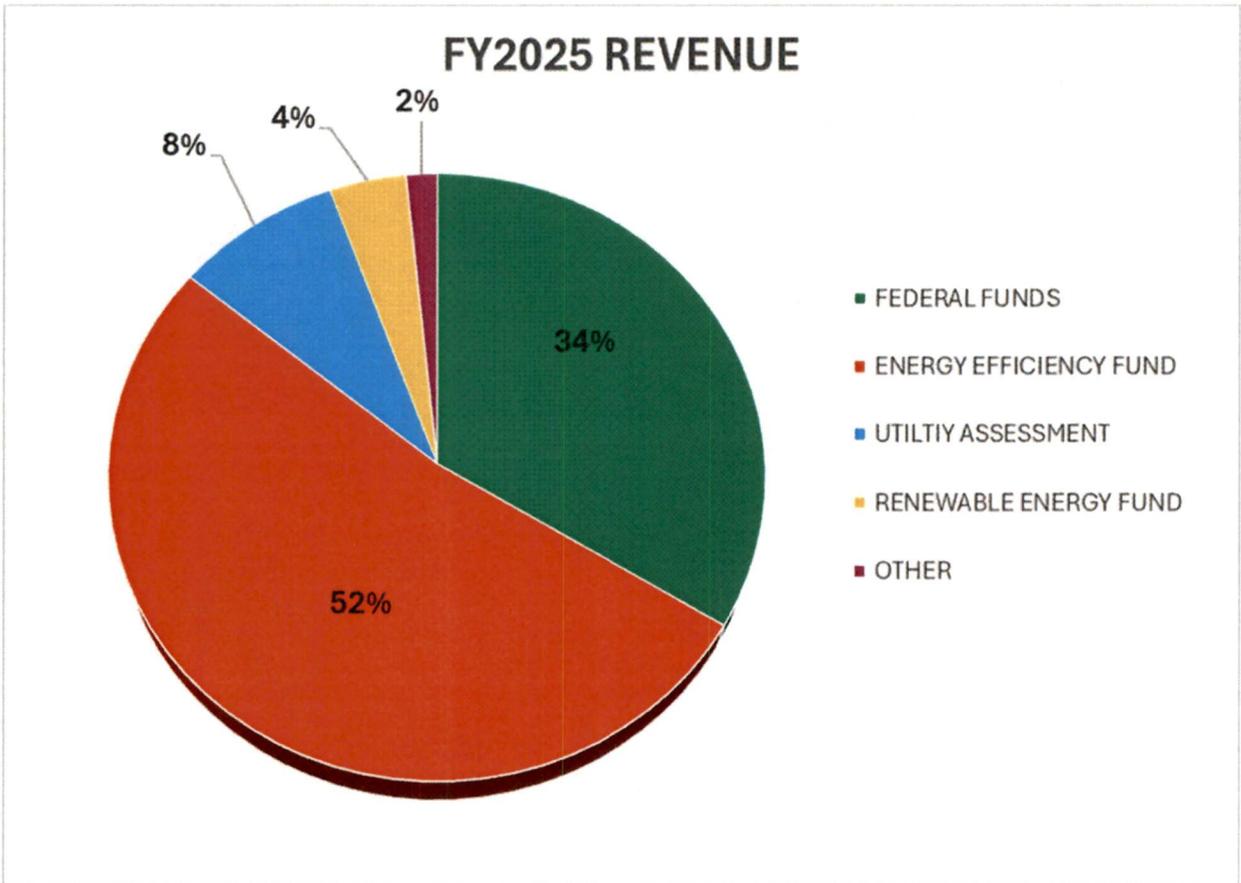
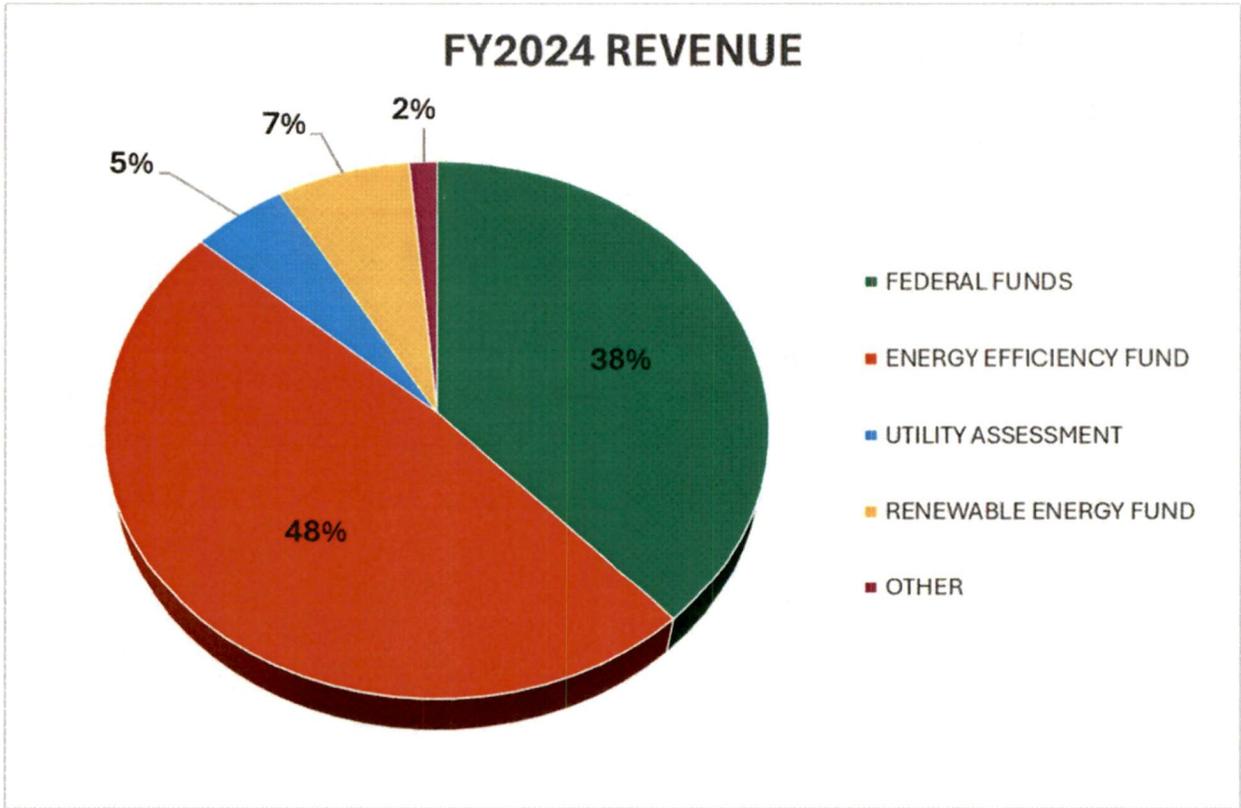
RSA 365:37 enables the Department to specially assess the costs of investigations and proceedings related to its authority. Such special assessments recover, for example, the costs of experts.

In addition to funds collected through the assessments, the Department receives federal funding from various federal agencies including the U.S. Department of Health and Human Services, the U.S. Department of Energy, and the U.S. Department of Transportation. This funding supports programs including the Low Income Home Energy Assistance Program and the Weatherization Assistance Program, which provide financial assistance to income-eligible households.

The Department also administers both the Energy Efficiency Fund and the Renewable Energy Fund and recovers its administrative costs from those funds. Both funds are non-lapsing, special funds. The Energy Efficiency Fund supports efficiency programs offered by the electric and gas utilities and provides rebates to electric ratepayers. The Renewable Energy Fund supports renewable energy initiatives in New Hampshire through competitive grants and rebates. In the state fiscal years (SFY) 2024 and 2025, the Department exercised varying degrees of oversight over more than 300 utility and non-utility providers.

Federal Funds accounted for approximately 38% of the Department's funding in SFY 2024 and approximately 34% in SFY 2025. The Energy Efficiency Fund accounted for approximately 49% of the Department's funding in SFY 2024 and 52% in SFY 2025.

The following pie charts represent revenue collected for the Department only in SFY 2024 and 2025. They do not include assessment revenue collected for the PUC or the OCA.



Passthrough Grants accounted for approximately 88% of the Department’s expenses in SFY 2024 and approximately 88% in SFY 2025.

<b>CLASS DESCRIPTION</b>	<b>FY2024 EXPENSES</b>	<b>FY2025 EXPENSES</b>
PERSONAL SERVICES PERM CLAS	5,071,765	5,242,426
PERSONAL SERVICES UNCLASSIF	893,184	1,049,934
FT EMPLOYEES SPECIAL PAYMEN	0	39,038
OVERTIME	207	0
CURRENT EXPENSES	35,449	0
RENTS-LEASES OTHER THAN STA	10,315	13,246
ORGANIZATIONAL DUES	34,679	27,432
TRANSFERS TO DOIT	607,500	715,777
TRANSFERS TO GENERAL SERVIC	165,220	199,307
INTRA-AGENCY TRANSFERS	527,900	546,672
EQUIPMENT NEW REPLACEMENT	70,670	35,340
CAPITAL PROJECTS	0	239,312
TECHNOLOGY-HARDWARE	19,110	0
TECHNOLOGY-SOFTWARE	15,036	1,983
TELECOMMUNICATIONS	52,392	49,832
INDIRECT COSTS	519,332	767,355
AUDIT FUND SET ASIDE	46,046	44,704
CONSULTANTS	952,360	1,099,707
TRANSFER TO OTHER STATE AGE	250,898	303,609
PERSONAL SERVICE TEMP APPOI	209,769	180,679
BOOKS PERIODICALS SUBSCRIPT	29,374	21,798
TEMP FULL TIME	329,409	782,215
BENEFITS	3,067,236	3,555,216
WORKERS COMPENSATION	14,186	19,052
RET PENSION BENE HEALTH INS	213,878	186,805
BOARD EXPENSES	0	800
EMPLOYEE TRAINING	17,512	14,586
IN STATE TRAVEL REIMBURSEME	10,227	3,735
GRANTS NON FEDERAL	58,404,752	69,347,275
GRANTS FOR PUB ASST AND REL	43,011,077	40,322,942
GRANTS SUBSIDIES AND RELIEF	1,900,000	198,566
OUT OF STATE TRAVEL REIMB	80,263	66,276
INTERAGCY XFR OUT OF FED FN	146,314	507,959
TRANSFER TO DAS MAINT FUND	22,346	22,348
CONTRACTS FOR PROGRAM SERVI	258,056	174,435
CATASTROPHIC CASUALTY INS	981	1,039
<b>TOTAL EXPENSES</b>	<b>116,987,442</b>	<b>125,781,397</b>

Source: NH First FY 2024 and FY 2025 Closing Statements of Appropriation and Detailed Transaction Registry

## **COMMISSIONER'S OFFICE**

### **OVERVIEW**

RSA 12-P:5 lays out the duties of the Commissioner of the Department of Energy. This includes representing the public interest in the administration of the functions of the department, rulemaking authority, authority to receive and administer federal and other programs, and ensuring that the Department provides support to administratively attached agencies. The Commissioner's Office includes the Commissioner, Deputy Commissioner, General Counsel, and staff who work on regional policy matters and administrative responsibilities.

### **WHOLESALE AND REGIONAL ELECTRICITY**

The Wholesale and Regional Electricity group monitors and provides analysis to the Commissioner, the Deputy Commissioner, the Division Director, and other Department staff on wholesale and regional electricity developments at venues such as the New England Power Pool (NEPOOL), New England States Committee on Electricity (NESCOE), and the region's independent system operator (ISO-NE). The group provides direct support to the Commissioner in his role as NESCOE manager. This group is staffed by an administrator, who reports to the Deputy Commissioner and supervises a utility analyst and a hearings examiner.

# **POLICY AND PROGRAMS**

## **OVERVIEW**

RSA 12-P:7 authorizes the Division of Policy and Programs. The Division includes the Department's staff who work on both policy matters and the Department's programs. These include the Office of Energy Innovation, Fuel Assistance Program, Weatherization Assistance Program, Consumer Services, State Energy Program, and the Grants and Rebates groups. The Director of the Division is Joshua W. Elliott.

## **OFFICE OF ENERGY INNOVATION**

The Office of Energy Innovation (OEI) has several duties, including oversight over nuclear issues, overseeing legislatively directed investigations into energy related matters, and participation in both the grid modernization advisory group and the hydrogen advisory committee. This OEI group also represents and defends New Hampshire's interests in any development of offshore wind in the Gulf of Maine. The group works with a variety of stakeholders, including the federal government, other state agencies, the electric distribution utilities, and interested parties. The group recently took part in an investigation into microgrids with a forthcoming report on that issue. This group is staffed by an administrator, who reports to the Division Director and supervises one utility analyst.

## **CONSUMER SERVICES GROUP**

The Consumer Services group assists customers of regulated utilities who have questions or concerns. The group works with customers on disconnections, payment plans, service-quality concerns, and other utility-service issues. The group also provides general customer education on energy matters and referrals to other agencies, including community action agencies. In addition, the group participates in regulatory proceedings at the PUC to help ensure the customer perspective is taken into consideration. The group also manages competitive supplier registration and group host net metering registrations. This group is staffed by an administrator and supervises four utility analysts and a program specialist. The administrator reports to the Consumer Services and Assistance Programs Administrator who in turn reports to the Division director.

## **FUEL ASSISTANCE PROGRAM**

This Department group oversees the implementation of the federal Low Income Home Energy Assistance Program (LIHEAP), known in New Hampshire as the Fuel Assistance Program (FAP). FAP assists homeowners and renters in paying their winter heating bills. Funding for FAP comes from the federal government and ranges between \$25 and \$30 million each year, subject to congressional appropriations. FAP is means tested and limited to those making less than 60% of state median income. The Department contracts with the state's five community action agencies, which conduct client outreach, income verification, and enrollment, and make payments directly to fuel vendors. Last program year, FAP served roughly 28,000 households in the state. This group is staffed by an administrator, who supervises two program specialists. The administrator reports

to the Consumer Services and Assistance Programs Administrator, who in turn reports to the Division Director.

### **WEATHERIZATION ASSISTANCE PROGRAM**

The Department group oversees the implementation of the federal Weatherization Assistance Program (WAP), which helps homeowners and renters by providing funding for energy efficiency measures to reduce home energy consumption. Funding for WAP comes from the federal government and is roughly \$2 million each year, subject to congressional appropriations. The Department also received a one-time appropriation of \$18.2 million for WAP through The Infrastructure Investment and Jobs Act (IIJA), also known as the Bipartisan Infrastructure Law (BIL), (H.R. 3684). WAP and WAP-BIL are means tested and limited to those making less than 60% of state median income. The Department contracts with the state's five community action agencies, which conduct client outreach, income verification and enrollment, and work directly with contractors who undertake the work. WAP works closely with the NHSaves® program. Last program year, WAP served 179 households in the state and WAP-BIL served an additional 171 households. This group is staffed by two administrators, divided between the regular appropriation program and the one-time funding program and each supervises a program specialist, for a total of four staff. The administrators report to Consumer Services and Assistance Programs Administrator who in turn reports to the Division Director.

### **STATE ENERGY PROGRAM**

This State Energy Program (SEP) group oversees the implementation of the federal SEP. This federal grant provides states with flexible funding that can be used for a variety of purposes, including grants and staff. Funding for SEP is roughly \$450,000 each year, subject to congressional appropriations. The Department also received a one-time appropriation of \$3.4 million for SEP through the Bipartisan Infrastructure Law (BIL). The Department uses SEP funds to provide grants to school districts for energy efficiency projects. The Department also uses funding to provide staff support to the legislature during the legislative session and to support myriad of new federal funding programs made available to the states through the Inflation Reduction Act and the BIL. This group is staffed by one administrator and one program specialist. The administrator reports to the Division director.

### **GRANTS AND REBATES GROUP**

The Grants and Rebates group oversees the implementation, and the management, of programs funded with one time money from the Bipartisan Infrastructure Law (BIL) and the Inflation Reduction Act, as well as the programs funded out of the Renewable Energy Fund. This group oversees both Inflation Reduction Act Rebate programs, Grid Resiliency program, Energy Efficiency Conservation Block Grant program, and several smaller federal grant programs as well as three rebate programs and three competitive grant programs funded through the Renewable Energy Fund. This group is staffed by an administrator, who reports to the Division Director and supervises six program specialists.

# **ENFORCEMENT DIVISION**

## **OVERVIEW**

The Enforcement Division has responsibilities for nine general areas of oversight. Specifically, the Division provides support to other divisions within the Department and externally to other state agencies in subject matters of:

1. Underground Damage Prevention
2. Pipeline Safety
3. Electrical Safety & Reliability
4. Emergency Preparedness & Emergency Response
5. Engineering and Safety Reviews
6. Physical & Cyber Security
7. Engineering, Geographic Information Systems, Technical and Analytical Expertise
8. Site Evaluation Committee Complaints
9. Auditing

The Director of the Enforcement Division is Michael Soucy. Other Division staff include an administrator who reports to the Director and supervises three utility analysts and two program specialists. The Audit team administrator reports to the Director and supervises four audit examiners. Also, the IT manager and a utility engineer report to the Director.

## **PIPELINE SAFETY AND INSPECTIONS**

The Enforcement Division oversees more than 3,225 miles of intrastate pipelines delivering gas to more than 127,500 customers within 54 communities in New Hampshire. Two natural gas utilities, two transmission operators, over 21 liquid propane gas operators, one propane-air distribution company, one master meter operator, and two methane operators are inspected at least once per biennium, although most are inspected annually. The Division utilizes 30 natural gas inspection modules, many of which include customized versions of federal inspection forms. These modules are designed to provide guidelines for pipeline safety inspectors to conduct thorough inspections of gas operators using a risk-based methodology.

The Division is also responsible for monitoring and inspecting construction, operations, maintenance, and safety practices for over 900 jurisdictional liquid petroleum (LP) systems. In addition, three liquefied natural gas facilities are inspected annually.

In the last biennium the Division completed approximately 308 scheduled inspection days that included construction of new and upgraded mains and services, company integrity management plans, public awareness plans, drug and alcohol testing program and control room inspections.

## UNDERGROUND DAMAGE PREVENTION

The Enforcement Division administers the Underground Utility Damage Prevention Program, otherwise known as Dig Safe program, to ensure public safety and minimize damage to underground facilities. Third party excavation continues to be the number one cause of damage to underground facilities in New Hampshire and nationally. New Hampshire generated over 89,000 calls into the Dig Safe center in CY2024.

In 2015, New Hampshire had a damage rate of 2.3 incidents per 1000 Dig Safe requests. New Hampshire currently has a damage rate of 1.1 incidents per 1000 Dig Safe requests, while the national average is 2.6 incidents per 1000 Dig Safe requests, one of the lowest damage rates in the country. This is indicative of solid program performance resulting from continued enforcement, ongoing Enforcement Division training, increased advertising, and other public outreach efforts by utilities and stakeholders.

The Division inspects construction sites for damage prevention compliance, investigates reported damage, and issues citations when probable violations are identified. In CY2024, the Division processed 141 reports of damage to underground facilities. The Division was able to resolve 139 investigations, and 2 investigations were submitted to the NH Attorney General's Office for further legal action.

Annually each spring, the Division co-sponsors with Managing Underground Safety Training (MUST) four [Dig Safe](#) damage prevention seminars state-wide with over 450 participants in attendance.

The Division offers three types of training:

- Seminars geared toward general contractors, presented in conjunction with utilities;
- Trainings conducted at company headquarters upon request; and
- Trainings conducted at the Department's offices to address civil penalties and specific contractor violations.

Enforcement of the Underground Utility Damage Prevention Program remains a high priority for the Division. Civil penalties totaling \$114,000.00 were received over the last two-year period, all of which were applied to the State's General Fund. 55 educational trainings for contractors were also conducted by staff in lieu of civil penalties, totaling an equivalent value of \$27,500 during the same period.

## ENGINEERING AND SAFETY REVIEWS

The Enforcement Division staff reviewed 63 applications from utilities to install facilities crossing over public waters and State-owned land in the last biennium. The Division's reviews identified potential negative impacts upon the public and assisted the Commissioner in determining whether such crossings were necessary to meet reasonable requirements of service to the public and whether they conformed to applicable safety codes, which standards must be met to issue a license.

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## **PHYSICAL AND CYBER SECURITY**

The Enforcement Division is working with New Hampshire Department of Safety's Homeland Security Emergency Management (HSEM) to identify critical infrastructure within the State of New Hampshire and participates in a threat and hazard identification and risk assessment.

The Division monitors cyber security plans developed by the electric and gas utilities for completeness and best practices. Current standards are evolving, both nationally and sector specific, regarding cyber intrusion, detection, prevention and response.

Continued progress regarding cybersecurity has been a focal point of the Division for many years. Efforts have been made to attend national conferences, maintain contacts with federal partners, and participate in drills and briefings to stay at the forefront of this rapidly evolving area.

## **EMERGENCY PREPAREDNESS AND STORM RESPONSE**

An Emergency Preparedness and Security Team, headed by the Director of the Enforcement Division participates in planning and coordination with HSEM. Prior to activation of the Emergency Operation Center, the Division routinely participates in emergency exercises and drills conducted by HSEM, federal agencies, and in most of the required drills that electric and gas utilities conduct throughout the year. Training sessions attended include Web Emergency Operations Center (WebEOC), Incident Command System, and monthly Emergency Support Functions (ESF) meetings. Familiarization with individual utility-specific emergency response plans allows for feedback regarding Department expectations as well as allows for a more streamlined state response.

Often, post activation, the Division prepares and publishes comprehensive After-Action Reports for those incidents considered historical in nature and affecting large segments of the New Hampshire population. Observations and recommendations are provided to each utility and the Department.

## **ENGINEERING, GIS, AND OTHER SUPPORT**

The Enforcement Division maintains a Geographic Information System (GIS) that contains critical infrastructure and major infrastructure for energy and telecommunication providers within the state. Since 2012, the Division's capabilities have been augmented with the addition of an analyst with GIS technical skills. This has allowed the Division to update and develop numerous GIS databases for various industry sectors. The Department has been active with HSEM and the State Emergency Operations Center (SEOC) by providing GIS data during state emergencies. To date, GIS data has been created for natural gas, propane, electric, telecommunications, and cable TV infrastructure.

## **SITE EVALUATION COMMITTEE COMPLAINTS**

Pursuant to RSA 162-H:12, II, the Enforcement Division investigates complaints related to projects approved by the Site Evaluation Commission (SEC). If the Department determines that a term or condition of a certificate is being violated, it will notify the certificate holder of the specific

violation and order the person to immediately terminate the violation. If the person does not terminate the violation, the Department will refer the matter to the SEC for the imposition of fines or suspension of the certificate. The SEC will afford certificate holders notice and an opportunity for hearing before imposing penalties, except in emergency situations, in which case the hearing may occur promptly afterward.

The statutory provisions regarding evaluation, siting, construction, and operation of energy facilities are set forth in RSA 162-H:1-24. More specifically, the statutory duties and authority of the Division regarding monitoring and enforcement are set forth in RSA 162-H:12, I-VII.

### **AUDITING**

The Enforcement Division's Audit Group is responsible for auditing the books and records of public utilities in New Hampshire. This work involves close collaboration with the Regulatory Division, conducting line-by-line reviews of utility companies' financial statements. The resulting audit reports provide expert analysis of rate structures and recommend proposed changes. The group's primary objective is to complete all mandatory and requested audits related to utilities operating within the state. In the last biennium the Audit group worked on 36 different dockets and audited 34 public utility annual reports.

# **REGULATORY SUPPORT**

## **OVERVIEW**

The Division of Regulatory Support was established pursuant to RSA 12-P:9. It investigates New Hampshire's public utilities' compliance with law, rules, and regulations and appears before the PUC in all proceedings. The Division advocates for the state's interest in those investigations and proceedings, to ensure New Hampshire's utility customers receive safe and reliable service at just and reasonable rates.

The Regulatory Division is comprised of dedicated professionals with expertise in electric, gas, sustainable energy, water, and sewer industries. Each regulated industry is led by an administrator. Each of those administrators supervises a group of analysts. The Director of the Division is Amanda Noonan.

During the biennium, the Regulatory Division participated in PUC proceedings related to a wide-ranging scope of issues, including distribution rate increases, rate design, default service rates, transmission costs, cost of gas rates, gas supply procurement, decoupling, energy efficiency, franchise expansion, and a merger and acquisition. The Division leads or co-leads the Department's investigations including those regarding telephone number conservation to preserve the life of NH's 603 area code (INV 2023-03), pole attachment rates (INV 2025-001), the potential benefits of microgrids (INV 2025-001), and the 2025 Renewable Portfolio Standard Review (INV 2025-002).

## **ELECTRIC**

New Hampshire has four electric distribution utilities: Public Service Company of New Hampshire d/b/a Eversource (Eversource), Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty (Liberty Electric), Unitil Energy Systems, Inc. (Unitil), and New Hampshire Electric Cooperative (NHEC). Since electric restructuring, the NHEC is regulated only in some specific areas such as its participation in New Hampshire's energy efficiency programs and means-tested financial assistance programs. In total, New Hampshire has over 750,000 electric utility customers consuming approximately 10.8 million MWh of electricity per year.

During the biennium, the Electric group participated in 68 new adjudicative PUC dockets as well as many other adjudicative PUC dockets that continued from the prior biennium. In addition, the Electric group participated in and provided comments in PUC complaint proceedings and other investigations related to utility rates and data and systems available to community power aggregation plans as well as a PUC investigation into distributed generation.

The Electric group reviewed utility filings and provided testimony, technical statements or recommendations on various topics including distribution rate increases, default energy service rates, transmission rates, vegetation management plans, storm costs, net metering, distributed generation, utility franchise boundary changes, and financings.

Annually, the Electric group prepares legislative reports related to the System Benefits Charge and the Regional Greenhouse Gas Initiative (RGGI). It also contributes New Hampshire data to the RGGI, Inc., annual report. The Electric group contributes New Hampshire energy efficiency data and electrification data to the regional transmission system operator, ISO-NE, for electric load forecasting.

The Electric group assists the Department's Consumer Services group with customer complaints and inquiries regarding electric tariffs, service, and bills. Annually, the Electric group prepares the avoided cost calculation for net metering customers with excess generation. It meets weekly as a member of the Data Platform Group and participates in the Evaluation, Monitoring, and Verification Working Group, which oversees various process and impact-evaluation studies of the utilities' energy efficiency programs.

The Administrator of the Electric group supervises five utility analysts.

### **NATURAL GAS**

The Gas group oversees two natural gas utilities: Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty (Liberty), and Northern Utilities, Inc., a Unital Corporation subsidiary (Northern). Together, those utilities serve almost 138,000 customers across 57 New Hampshire towns. Liberty comprises approximately 71% of the natural gas service in the state, and Northern serves approximately 29%. In 2024, New Hampshire natural gas customers consumed approximately 13.3 million dekatherms.

During the biennium, the Gas group participated in 24 PUC dockets. The Gas group reviewed utility filings and provided testimony, technical statements or recommendations on various topics related to distribution rate cases, cost of gas proceedings, revenue decoupling, capacity agreements for gas supply, financings, and a special contract. The Gas team also participated in reviewing the electric and natural gas utilities' most recent three-year energy efficiency program filing.

The Gas group also assists the Department's Consumer Services group with customer complaints and inquiries regarding natural gas tariffs, service, and bills.

The Administrator of the Gas group supervises two utility analysts.

### **SUSTAINABLE ENERGY**

The work of the Sustainable Energy group is shared between the Regulatory Division and the Policy and Programs Division. Within the Division, the Sustainable Energy group oversees the implementation of, and the compliance with, the state's Renewable Portfolio Standard (RPS), assists generators with Renewable Energy Credit (REC) registration, and works with the electric distribution companies and the competitive electricity suppliers to ensure their compliance with the RPS. The Sustainable Energy group oversees the implementation of net metering, including group host and municipal group host net metering.

During the biennium, the Sustainable Energy group reviewed and recommended approval of 11 municipal group host and 79 group host net metering applications representing a combined

capacity of approximately 36.6 MWs of capacity. The Sustainable Energy group developed and implemented a low-moderate income community solar program, consistent with SB 270, passed in 2022, designating four projects for 2023 totaling 3.997 MW and another four projects for 2025 totaling 3.454 MW as eligible to participate in the program. The Sustainable Energy group also investigated an alternative to metering for small thermal facilities as directed by SB 388, passed in 2024, that resulted in the issuance of a Department order establishing an alternate method to verify small thermal renewable energy certificates for wood pellets. The Sustainable Energy group lead stakeholder sessions to review and revise rules related to net energy metering, the En 900 rules, and to develop rules related to interconnection standards for customer generators, the En 1000 rules. Additionally, the group is an integral part of the PUC's net metering investigation, IR 25-031, Investigation into Distributed Generation in New Hampshire.

The Sustainable Energy group assists the Department's Consumer Services group with customer complaints and inquiries regarding net metering, distributed generation and billing.

The Administrator of Sustainable Energy supervises two permanent utility analysts and one temporary utility analyst.

## **WATER AND SEWER**

During the past biennium, the Water and Sewer group oversaw 11 regulated water utilities ranging in size from 44 customers to approximately 30,000 customers with combined revenues of approximately \$69.5 million, and 4 regulated sewer utilities, all serving less than 200 customers and with combined revenues of approximately \$424,000.

The Water and Sewer group reviewed utility filings and provided testimony, technical statements or recommendations on various topics including distribution rate increases, franchise expansions, annual capital improvement plans, and financings.

Pennichuck Water Works (PWW), the state's largest regulated utility, serves approximately 30,000 customers with operating revenues of \$41.4 million. PWW had two affiliate water utilities, Pennichuck East Utility (PEU), serving more than 8,900 customers with operating revenues of approximately \$12 million, and Pittsfield Aqueduct Company (PAC), serving 653 customers with revenues of approximately \$824,000. During 2024, the Department participated in a PUC proceeding regarding the proposed consolidation of PWW, PEU, and PAC. In early 2025, the PUC approved the merger of PEU and PAC into PWW.

The Water and Sewer group assists the Department's Consumer Services group with customer complaints and inquiries regarding water and sewer tariffs, service, and bills.

The Administrator of the Water and Sewer group supervises three utility analysts.

# **ADMINISTRATION**

## **OVERVIEW**

RSA 12-P:6 authorizes the Division of Administration. The Administration Division includes the Department's legal and its business office staff. The Director of the Division is Rorie E. Patterson.

## **LEGAL GROUP**

During the biennium, the Department participated in nearly all the PUC proceedings as a party and conducted its own proceedings. The proceedings included adjudications, investigations, and rulemakings, and they involved complex issues with significant financial implications. The Department's legal group represented it in those proceedings. The lawyers in the legal group worked closely with the analysts in the Department's Regulatory Division as well as external experts to advance for the Department's positions and fulfill its legal mandates. The lawyers also worked closely with the staff in the Policy and Programs and the Enforcement Divisions to guide legal decisions related to their work.

The Department's lawyers participated in 125 PUC proceedings. Some of the more significant proceedings considered utilities' recovery from customers of tens of millions of dollars. Other proceedings involved important policy issues such as energy efficiency and means-based financial assistance to utility customers.

Two examples of significant PUC proceedings are the Liberty Utilities Electric rate case and the Eversource rate case. The Liberty rate case was filed in March 2023 and continued through March 2025. After the PUC denied the Department's motion to dismiss for lack of sufficient reliable evidence, the legal group and Regulatory Division staff worked for almost two years to support a position that ultimately informed a settlement agreement with the company, which the PUC approved and allowed Liberty to recover almost \$40 million less than Liberty requested.

The Eversource rate case began in May 2024, and the hearings concluded in June 2025. During this time, the Department issued more than 300 data requests, responded to numerous data requests, prepared or supervised the preparation by consultants of complex and lengthy testimony, participated in numerous technical sessions and settlement conferences, and appeared before the PUC for the 11 days of fully litigated hearings. The initial rate filing alone consisted of approximately 20,000 pages, not including several updates and rebuttal testimony.

Twelve Department attorneys and analysts and seven consultants represented the Department in the Eversource rate case. At stake was approximately \$43 million annually, which equated to the difference between the initial revenue increase sought by the company and the revenue increase recommended by the Department. The Department's presentation also contested a series of four yearly increases also sought by the company, ranging from \$28 to \$42 million per year. On July 25, 2025, the PUC issued its order. While the PUC did not accept the Department's recommendation relative to performance based ratemaking or an alternative ratemaking formula, the PUC's order did adopt several Department recommendations, including disallowing

approximately \$2.7 million of plant in service investment, reducing by approximately \$12 million the company's proposed recovery for materials and supplies in inventory, approving a \$6.5 million weather-normalization adjustment, disallowing 21% of incentive compensation expense and associated taxes, denying \$1.8 million of projected inflation, and approval of a return on equity of 9.5%. On August 22, 2025, the Department filed a motion for rehearing on several issues, including the PUC's approval of an alternative regulation framework.

In addition to proceedings at the PUC, the Department's legal group worked on 68 Department proceedings, including investigations mandated by the legislature, requests for waivers of rules, and rulemakings. Of note is the Department's development of 14 new sets of rules during the biennium. The rulemaking process is arduous, complex and exacting; it takes many months to complete. Often, the Department's rules were accepted with very little revision required by the Office of Legislative Services and by consent of the Joint Legislative Committee on Administrative Rules.

During the biennium there were eight permanent full-time positions (seven lawyers and a legal assistant) and one full-time temporary position (lawyer) in the legal group. A Senior Hearings Examiner directly reported to the Administrative Division Director and supervised the lawyers and the legal assistant.

#### **BUSINESS OFFICE**

Daily during the biennium, the business office provided timely, accurate and transparent financial and administrative support for the Department's operations. The business office also provided back-office support for the operations of the agencies that are administratively attached to the Department, namely, the PUC and the OCA.

The business office administered the FY2024-25 biennial budget and developed the FY2026-27 budget during this time. The development of the budget requires in-depth knowledge of the Department's varied, current, and probable future responsibilities and needs, as well as a skillful approach to balancing them with the expectations of reduced spending. The Department's budget alone was approximately \$50 million per year. The Department is almost entirely self-funded, which requires the business office to calculate and collect an annual assessment of regulated entities.

The business office managed the collection, use, and accounting of millions in state and federal grant funding. The business office kept detailed, organized and thorough records to account for all these transactions and spent a significant amount of time responding to regular audits on top of the demands of its regular workload.

The business office's work also included ensuring grants compliance by monitoring and evaluating numerous programs managed by the Department's Policy and Programs Division. Through the front desk staff, the business office provided a friendly and helpful interface between the Department and the public it served.

The business office provided services across the Department's Divisions, which required significant collaboration, effective and timely communication of needs and goals, and conscientious, multifaceted project management. The services the business office provided to the administratively attached PUC and OCA included budgeting, recordkeeping, and related administrative and clerical assistance, and required those agencies to pay the Department on a cost allocation basis for such services.

The business office managed the Department's contracting with external entities, including consultants, who assisted with PUC dockets, and the community action agencies, which administer the federally funded, energy related financial assistance programs serving income-eligible New Hampshire citizens. The contracting process is labor and time intensive, requires precision, significant organization and attention to detail, communication and collaboration among many people internally and externally, including those at the Department of Administrative Services and the Department of Justice, and the meeting multiple deadlines before Governor and Executive Council consideration.

During the biennium there were eleven permanent, full-time positions, two temporary, full-time positions, and one part-time position in the business office. A Chief Operating Officer directly reported to the Administration Division Director and supervised one Accountant III, two Accountant IIs, one Business Administrator I, two Business Administrator IVs, three Grants Program Coordinators, a Program Assistant II, and a Clerk IV.

## **LEGISLATION**

### **2023 LEGISLATIVE SESSION**

HB1 & HB2 relative to state fees, funds, revenues, and expenditures

HB281 Relative to least cost integrated resource plans of utilities; municipal hosts for purposes of limited electrical energy producers; the cost of compliance with disclosure of electric renewable portfolio standards; repealing the energy efficiency and sustainable energy board; and procedures for energy facility siting by the site evaluation committee

SB54 Relative to purchased power agreements for electric distribution utilities

SB166 Relative to electric grid modernization

### **2024 LEGISLATIVE SESSION**

HB558 Requiring the department of energy to initiate a microgrid study

HB1431 Relative to utility requirements for integrated distribution planning

HB1465 Relative to studies of nuclear energy technologies and renaming the office of offshore wind industry development

HB1623 Relative to involuntary retirement or decommissioning of electricity generators

SB303 Relative to the use of renewable energy funds by the department of energy

SB388 Relative to administration of utilities by the department of energy

SB391 Relative to electric grid interconnection for certain customer generators

SB603 Relative to telephone number and area code conservation.

### **2025 LEGISLATIVE SESSION**

HB1 & HB2 Relative to state fees, funds, revenues, and expenditures

HB189 Relative to the department of energy's 10-year state energy strategy and removing references to the energy efficiency and sustainable energy board

HB504 Relative to state energy policy

HB508 Relative to decreasing assessment rates for entities providing VoIP and IP-enabled services, as well as certain local exchange carriers and their affiliates

HB672 To allow off-grid electricity providers in New Hampshire

HB682 Relative to the office of offshore wind industry, the offshore and port development commission, and the office of energy innovation

HB690 Directing the department of energy to investigate the state's withdrawal from ISO-New England and other strategy decisions that impact ratepayers in relation to New England's environmental policy

SB108 Relative to the department of energy

SB233 Relative to the grid modernization advisory group

SB236 Relative to transfer control of the Electric Assistance Program to the department of energy

## STATUTES

The following chart details the primary statutes and authority applicable to the Department of Energy:

<b>RSA</b>	<b>Provides Department of Energy Authority Relative to:</b>
6:12-b	Maintenance of system benefits charge funds used for electric assistance program
12-K	Preparation of maps, model ordinances, guidance, and rules relating to deployment of personal wireless service facilities
12-P	Establishment of Department and purpose, including investigating matters before, and providing a complete record to, the PUC; establishment of divisions, office of offshore wind and industry development, and grid modernization advisory group; appointment of commissioner, deputy commissioner, general counsel, and directors; preparation of state energy strategy; general provisions including being an automatic party to all PUC proceedings; duties of the commissioner and specific duties regarding pipeline safety; duty of jurisdictional entities to provide information when asked; rulemaking authority; transfer of functions from PUC to Department
38	Participation in PUC proceedings regarding certain municipal utility operations and disputes between municipalities and utilities; assist cities and towns that have established energy commissions
53-E:7	Aggregation of electric customers by municipalities and counties
53-F:6	Certification of building analysts
72:8-e	Rate recovery mechanism for public utilities' recovery of property taxes paid to municipalities on distribution assets
106-H	Participation on 911 commission
125-O:23	Use of the Energy Efficiency Fund and performance reporting
155-A	Energy code compliance; participation on state building code review board
162-F	Participation on nuclear decommissioning financing committee
162-B	Studies concerning Atomic Industrial Development
162-H	Monitoring and enforcement conditions placed on energy infrastructure by Site Evaluation Committee
238-A	Participation in New Hampshire Transportation Council
339-G	Establishing minimum energy efficiency standards

362	Jurisdiction over electric, telephone, water, sewer, gas, and pipeline utilities
362-A	Participation in PUC proceedings regarding limited electrical energy producers and qualifying co-generators; net energy metering; interconnection standards; and approval of low-moderate income community solar projects
362-F	Implementation of renewable portfolio standards for providers of electricity; authority to administer the Renewable Energy Fund and to approve power purchase agreements in conjunction with or independent of power purchase agreements
362-H	Participation in PUC proceedings regarding power purchase agreements between utilities and eligible facilities; support Hydrogen Advisory Committee
362-I	Participation in PUC proceedings regarding procurement of renewable natural gas and investment in infrastructure; authority regarding requests for proposals for renewable natural gas supply
363-A	Expenses against certain utilities
363-B	Procedures for termination of certain utility services
364	Participate in PUC proceedings to investigate the public need for a municipality to acquire an existing public utility, construct a public utility, or expand an existing municipal utility and to determine the feasibility of such plans
365	Procedures governing complaints against public utilities; investigations, inquiries and inspections; affordable telephone service; participation in PUC proceedings regarding recovery of costs of investigations and proceedings
366	Contracts between utilities and affiliates; sale of utility securities to or by employees; and information to be disclosed regarding affiliates and control; in annual reports
369	Participation in PUC proceedings regarding utility financing, including securities, mortgages, short- and long-term debt; limited authority over certain mergers and reorganizations
370:1-9	Service equipment of public utilities, including the determination of units of service, standards for meter accuracy; related enforcement procedures
371	Participation in PUC proceedings regarding public utility eminent domain proceedings; authority to approve crossings across public waters and state-owned land for utility and utility-type infrastructure

374	Supervision and investigation of public utilities including participation in PUC proceedings regarding service territories, slamming, leases and transfers of equipment and franchise, receivership, purchase of capacity, and other matters; affordable telephone service; alteration of telephone service territories and authorization of more than one telecommunications service provider in a franchise area; regulation of pole attachments; investigation of accidents; telephone number conservation; utility renewable energy and energy efficiency loans
374:48-56	Administration of the Underground Facility Damage Prevention System
374-A:7	Participation in PUC proceedings regarding regulation of foreign electric utilities
374-B	Participation in PUC proceeding municipal electric revenue bonds and notes
374-F	Promotion of competition in retail electric service; restructuring principles; transition and default electric service; stranded costs; the system benefits charge; regulation of competitive electricity suppliers; regional electric activities; Offshore Wind and Port Development Commission; requests for proposals regarding power purchases; participation in PUC proceedings to approve resulting power purchase agreements
374-G	Regulation of, and participation in PUC proceedings related to, utility investments in distributed energy resources
374-H	Investigation and reporting regarding energy storage projects
378	Regulation of utility rates and participation in PUC proceedings regarding utility rates; establishment of local calling areas and reduction in access charges; approval of special contracts; regulation of, and participation in PUC proceedings related to, an online energy data platform; establishment of energy policy act standards
485-I:4	Participation on Coastal Fund Advisory Board
674:30, III-IV	Participation in PUC proceedings regarding exemption of utility structures from municipal regulation



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