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NEPGA SUPPORTS LEGISLATION TO COMPLETE NEW HAMPSHIRE ELECTRIC RESTRUCTURING

BOSTON, MA – New England Power Generators Association (NEPGA) President Dan Dolan and Vice President Sandi Hennequin today testified before the New Hampshire House Science, Technology and Energy Committee in support of a bill that would increase competition in the state (HB 1238). The proposed legislation would require that Public Service of New Hampshire (PSNH) file a plan by October 15, 2012 with the state Public Utilities Commission (PUC) to divest its rate-based generation. Such a move would allow for all remaining PSNH customers' electric supply needs to be met through a competitive process.

Speaking at the hearing on HB 1238 Dolan said, "At a time when New Hampshire is working hard to retain and attract businesses and jobs in a recovering economy it is absolutely critical that the benefits of a competitive market be realized. All New Hampshire electricity consumers, whether served by a utility or an alternative provider, deserve the best price that the market can produce."

The proposed legislation was introduced in response to PUC order last year focused on how to recover PSNH's rising generation costs through an ever shrinking customer base as consumers fled to lower-cost alternative providers. The utility had requested a non-bypassable charge be applied to all consumers with NEPGA, among many others, countering that divestiture of the utility's remaining generation plants would provide the best course for consumers.

Providing background at today's hearing Dolan noted, "As the PUC states in its Order in Docket 10-160, the one proposal that does address the underlying cause motivating PSNH's request for a non-bypassable charge '*is the divestiture of PSNH's hydro and fossil assets.*' (page 39, emphasis added) To forestall a lengthy adjudicated proceeding over divestiture, the PUC suggested legislative resolution of the issue. The introduction of HB 1238 provides the tool for this legislative resolution and the solution to the underlying causes of PSNH's current unsustainable situation."

"Delaying any longer the completion of what the PUC called a "transition" away from utility-owned generation to a competitive model for all consumers would simply continue a fatally flawed structure," Dolan stated.

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NEPGA is the largest trade association representing competitive electric generating companies in New England. NEPGA's member companies represent approximately 27,000 megawatts of generating capacity in the region. NEPGA's mission is to promote sound energy policies which will further economic development, jobs, and balanced environmental policy. We believe that sustainable competitive markets are the best means to provide long-term reliable and affordable supplies of electricity for consumers. (www.NEPGA.org)