

122 North Main Street, Concord, NH 03301 Tel: 603.224.5388 • Fax: 603.224.2872 • Web: www.BIAofNH.com

September 18, 2015

David K. Wiesner, Staff Attorney New Hampshire Public Utilities Commission 21 South Fruit Street, Suite 10 Concord, NH 03301

Re: NH Site Evaluation Committee Rulemaking Docket No. 2014-04

Dear Attorney Wiesner:

As shared with you in my letters of October 29, 2014 and March 23, 2015, the Business and Industry Association (BIA), New Hampshire's statewide chamber of commerce and leading business advocate, supports establishment of SEC rules for evaluating energy projects that are clear, fair and expeditious and fully embrace the provisions of RSA 162-H. BIA does not support rules that are overly restrictive or inappropriately thwart or delay development of new energy projects in New Hampshire.

BIA believes New Hampshire and New England are in an electrical energy crisis. The latest data from the U.S. Energy Information Administration shows New England has the highest commercial, industrial and residential electricity prices in the contiguous U.S. New Hampshire prices are 60 percent higher than the national average. The New Hampshire Public Utilities Commission itself recently reported that the region paid nearly \$5 billion more for wholesale electrical energy during the winter of 2013-14, and \$2 billion more last winter, than during the benchmark winter of 2011-12. The root cause for high electricity costs is that the region lacks enough natural gas pipeline and electric transmission capacity to balance electricity demand with supply. This is compounded by retirement of non-gas-generating facilities.

If electricity and natural gas infrastructure is not built soon, New Hampshire and New England will face significant, adverse economic consequences. A recent analysis by La Capra Associates estimates that failure to expand the region's energy infrastructure will lead to \$5.4 billion in higher energy costs for households and businesses, a reduction in disposable income that could top \$12 billion, and 167,600 jobs lost or not created.

While BIA has been very engaged in legislative efforts related to the siting process for energy infrastructure projects in New Hampshire, the association does not support or oppose any specific development project. BIA's primary concern is the cost of electricity and New Hampshire's economic future. Having a clear, fair and expeditious siting process is paramount to addressing the state's and region's energy crisis. Without it, New Hampshire will continue to pay some of the highest electric rates in the nation and be perceived by business leaders and others as having an environment that does not foster job creation and economic vitality.

Up to now, BIA worried about slowing job growth and economic activity as employers, particularly advanced manufacturers—New Hampshire's most important economic sector,

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expanded operations elsewhere. We now face a more dire scenario: employers moving existing jobs in New Hampshire and throughout New England to other locations around the country or world with lower-cost energy.

Thank you for the opportunity to provide these comments. Please do not hesitate to contact me with any questions.

Respectfully submitted,

Jim Roche President