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November 17, 2015

Site Evaluation Committee Members c/o David K. Wiesner, Staff Attorney New Hampshire Public Utilities Commission 21 South Fruit Street, Suite 10 Concord, NH 03301

Re: BIA Concern with Final Proposals 2015-11 and 2015-12

Dear Committee Members,

On behalf of Business and Industry Association of New Hampshire (BIA) membership, I am writing to express our continued concern with the Site Evaluation Committee (SEC) rules, specifically the final rules that were presented to the Joint Legislative Committee on Administrative Rules (JLCAR) on October 15, 2015. If the rules are approved in their current form, energy project development throughout the state will become very difficult. This will further exacerbate the high cost of electrical energy in New Hampshire and the region which is already 55% higher than the national average (U.S. Energy Information Administration, September 2015).

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-gasgenerating facilities, including the unexpected announcement of Pilgrim Nuclear Power's retirement in 2019. The high cost of electricity in our state impacts everyone, businesses and residents alike. It is of particular concern for advanced manufacturers – the state's most important economic sector – as high electricity costs make New Hampshire less competitive, jeopardizes current and future jobs, and threatens the state's economy as businesses move/expand operations elsewhere.

BIA has been engaged in the development of the SEC rules for the past several years. We worked with legislative sponsors and various stakeholders to develop a compromise that we believed improved the SEC review process and established a clear process for project applicants. The final rules proposed by the SEC do not reflect this compromise. Instead, it appears to be an opportunity to satisfy opponents of particular projects who seek to erect barriers to badly needed energy infrastructure development.

BIA strongly encourages you to address JLCARs objections to SECs final rules and the concerns expressed in this communication. Rules for siting energy infrastructure projects in New Hampshire must be fair, balanced, clear and expeditious. If not, the long-term adverse economic consequences will be pronounced.

Thank you.

Respectfully submitted,

Jim Roche President