

For Immediate Release

July 6, 2011

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Governor Lynch's Veto Message Regarding SB 154

By the authority vested in me, pursuant to part II, Article 44 of the New Hampshire Constitution, on July 6, 2011, I vetoed SB154, repealing New Hampshire's participation in the Regional Greenhouse Gas Initiative.

RGGI was created as a bipartisan initiative in New Hampshire, and across the Northeast, to address shared economic and environmental concerns. Here in New Hampshire, Republicans, Democrats and Independents worked together to develop a two-part strategy: help families and businesses reduce their energy use through RGGI and increase our supplies of homegrown renewable energy through the Renewable Portfolio Standard.

I am vetoing this legislation because it will cost our citizens jobs, both now and into the future, hinder our economic recovery, and damage our state's long-term economic competitiveness.

According to an independent assessment of the program conducted by the University of New Hampshire, the cumulative impact of the initiative through the end of 2010 has been a net benefit of over \$16 million in allowance revenue. These are funds that have been invested directly in helping New Hampshire families, businesses and local governments become more energy efficient, reduce costs, and create jobs.

This bill would have ended those energy efficiency efforts - eliminating jobs today and eliminating efforts to help businesses and families cut their energy use. Given that energy is a major cost factor for businesses, ending our energy efficiency programs would also hurt our efforts to bring new companies and jobs to New Hampshire.

In addition, because New Hampshire is part of a regional electricity system, if this legislation were to become law, New Hampshire ratepayers would continue to pay part of the cost of the Regional Greenhouse Gas Initiative, but would no longer receive any benefit from the allowance auction revenue. SB 154 would effectively cause New Hampshire ratepayers to pay higher electric rates to subsidize efforts to reduce energy costs in other states.

RGGI continues to have bipartisan support today because it is helping to reduce our dependence on foreign oil, creating jobs, and helping our businesses save money and become more competitive. I believe that we should continue that progress. Therefore, I am vetoing this legislation.

As originally drafted, this legislation also contained important changes to New Hampshire's Comprehensive Shoreland Protection Law. These changes, which enjoyed widespread support among stakeholders and bi-partisan support in the legislature, were ultimately included in HB 2 and have already become law.