

# Poverty Plains – Questions & Answers

April 8, 2025

## Poverty Plains – 5 MW Group Net Metering Solar

### What is Poverty Plains?

Poverty Plains is a shovel-ready 4.999-MegaWatt<sub>AC</sub> photovoltaic generation project located on a near-ideal site in Warner, NH. The project is expected to commence operations in mid-2026.

Poverty Plains expects to generate 8,800,000 kilowatt-hours (kWh) of solar power in year one – i.e., less than 1% of CPCNH’s projected 2025 load.

### What is the value to CPCNH of participating?

Poverty Plains is an opportunity for CPCNH to support the deployment of a new local renewable energy generator in New Hampshire – an objective shared by many of our Member communities.

The project will provide CPCNH with competitively priced Renewable Energy Credits (RECs) to support our Renewable Portfolio Standard compliance obligations and our voluntary energy products (Grante Plus, Clean 50, and Clean 100).

In addition, municipal and other public accounts of CPCNH Members can realize value in the form of bill credits or payments by subscribing their load to the project via New Hampshire’s Group Net Metering program.

## Power Purchase Agreement (PPA)

### How is the Power Purchase Agreement structured?

If approved and executed, the PPA will require CPCNH to pay a fixed price for 20 years in exchange for all of the products generated by Poverty Plains over that period (e.g., any and all energy, RECs, capacity, etc.). By structuring the project’s output as a Group Net Metering arrangement, subscribers (i.e., group members) will get significant bill discounts and CPCNH will recoup much of the PPA price, with the net effect being that CPCNH will end up paying a competitive price for Poverty Plains’ RECs.

The contract has the flexibility to accommodate potential future changes to state law and regulation. For example, changes in state policy could someday enable CPCNH to realize the full value of distributed generation from Load Reducers (e.g., the value of avoided wholesale energy and capacity costs, avoided transmission costs, etc.). In this event, CPCNH could elect to convert the project from “Group Net Metering” to “Load Reducer” in order to realize those greater benefits on behalf of its Members.

The PPA and its Group Net Metering Rider are structured to enable the developer to earn the total price needed to develop the project through a combination of (1) an 87.5% share of the Eversource supply rate (net metering credit) + (2) the sale of RECs to CPCNH. Meanwhile, participating group members earn bill credits equal to 12.5% of the Eversource supply rate.

## Is this a “Project Contract” under the Joint Powers Agreement or part of the “Complete Service Bundle” under the Cost Sharing Agreement?

Poverty Plains falls within the Complete Service Bundle of CPCNH’s Cost Sharing Agreement. It is not designed to be apportioned to Members via “Project Contracts” under CPCNH Joint Powers Agreement Article X.

## Are CPCNH Members obligated for the full 20-year PPA term?

No. Under the Cost Sharing Agreement, a CPCNH Member has a capped obligation to participate with CPCNH of no more than 36 months from their notice to exit, with avenues for early termination within that timeframe. The RECs that CPCNH purchases from Poverty Plains are allocated to cover a proportional share of the needs of CPCNH’s active Member Community Power Aggregations.

## What, if any, is the financial risk to CPCNH?

CPCNH currently pays ~\$41/REC. CPCNH Monte Carlo analysis suggests that in a conservative future scenario, the expected P95 (near-worst case) price for Poverty Plains RECs would be ~\$41/REC on average. Within that same conservative scenario, a more-likely P50 outcome yields a price of \$34/REC on average, and hence savings relative to current market prices. The quantity of RECs generated by Poverty Plains would have amounted to ~6% of CPCNH’s Class I REC obligations in 2024.

# Group Net Metering Agreement

## Who can be a “group member” of Poverty Plains? What is their commitment?

Qualifying public accounts—such as municipal office buildings, wastewater treatment plants, county courthouses and correctional facilities, school districts (SAUs), etc.—are eligible to participate in Poverty Plains as group members, as long as they are located in Eversource service territory. There is no cost to subscribe as a group member, and the commitment is effectively 12 months (see below).

## Who is the group administrator?

CPCNH is the group administrator. For Poverty Plains to proceed under Group Net Metering, CPCNH must develop and maintain a group of accounts with a usage roughly equivalent to the project's power output.

## Do “group members” buy electricity from Poverty Plains?

No, subscribed accounts can both participate in Poverty Plains as group members and continue to purchase their electricity supply from Community Power, their utility, or another third-party option. Poverty Plains allows the group members to support the development of a new community solar project in New Hampshire.

## What is the value to the “group members” from participating?

Participating group members will receive electric bill credits equal to 12.5% of the Eversource supply rate (i.e., net metering credit). For example, if the Eversource supply rate is 10 cents/kWh, then group member accounts would be compensated as shown in this illustrative table:

<b>Illustrative Compensation for Group Members</b> <b>@ 12.5% of a 10 cent/kWh Eversource supply rate (net metering credit)</b>		
<b>Example Account / Group Member Size</b>	<b>Annual Usage (kWh)</b>	<b>Value</b>
Small Account (e.g., small town office)	10,000	\$125
Medium Account (e.g., municipal complex)	100,000	\$1,250
Large Account (e.g., wastewater treatment facility)	1,000,000	\$12,500

## Are there any tradeoffs for group members to consider?

Substantial reductions to a group member's energy usage (e.g., from installing on-site generation or implementing deep energy efficiency retrofits) may affect the Poverty Plains group, as the project must balance group members' usage with power production. A group member may exit the Poverty Plains group with 12 months' notice.

## What happens if there are not enough subscribers for the project?

If CPCNH cannot initially find enough group members to fully subscribe to the project's annual output, then CPCNH will not move forward with the project.

If CPCNH is able to fully subscribe the project initially but then one or more group members desire to leave the group at some point during the operational phase, then those departing group members are required to provide 12 months' notice of their impending departure (or otherwise pay an early termination fee that is roughly equivalent to one full year of their group net metering credits). This 12-month window will provide CPCNH with time to find replacement group members.

If CPCNH is unable to find sufficient replacement group members, then it is possible that a portion of the project's annual generation will be unsubscribed. Any unsubscribed portion of the project's annual generation will be compensated by the local distribution utility at its "avoided cost" rate, which is less than its default supply rate (to which the net metering credit is pegged). In a worst-case scenario, where CPCNH fully subscribes the project initially but then a significant number of group members depart and CPCNH is unable to find sufficient replacement group members, CPCNH has the right to terminate the group net metering arrangement with 90 days' notice and treat the project as a pure Load Reducer or instead ask the project owner to register the project with ISO-NE as a generator. Either of those two alternatives—pure Load Reducer or registered ISO-NE generator—will provide value to CPCNH (exactly how much value depends on timing and the then-current regulatory and market landscape).