

# Community Power

COMMUNITY POWER COALITION OF NEW HAMPSHIRE



**COMMUNITY  
POWER COALITION  
OF NEW HAMPSHIRE**

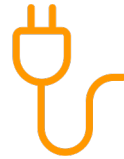


# Table of Contents

- 1 | How Community Power Works **(3-9)**
- 2 | Community Power Coalition of New Hampshire **(10-15)**
- 3 | Implementation Process **(16-17)**
- 4 | Questions & Discussion **(18)**

# What is Community Power?

New Hampshire cities, towns, and counties can become **default electricity provider** for their residents + businesses and provide related services.



Pooled Purchasing Power  
for **Energy Supply**

Utility Company  
**Delivers Power**

Communities Benefit from  
**Value Added Services &  
Programs**

*Economies of Scale*

*Grid Reliability*

*Lower Rates &  
Product Choices*

[RSA 53-E, Relative to Aggregation of Electric Customers by Municipalities & Counties](#)

Customers may switch back to utility default supply or take service from a Competitive Supplier

Community Power programs must be paid for out of revenues received from participating customers

# Eversource Electric Bill: Supply & Delivery

*Page 1*

Payment will be sent to bank  
for processing on 09/24/21

**\$145.64**

Amount Due On 08/29/21	\$26.47
Last Payment Received On 08/25/21	-\$26.47
Balance Forward	\$0.00
Total Current Charges	\$145.64

## Current Charges for Electricity

**Supply**

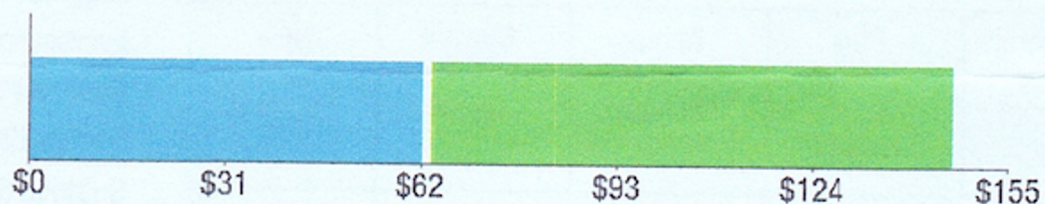
**\$62.31**

Cost of electricity from  
Eversource

**Delivery**

**\$83.33**

Cost to deliver electricity  
from Eversource



**Your electric supplier is**

Eversource  
PO Box 330  
Manchester, NH 03105-0330

# Eversource Electric Bill: Supply & Delivery

*Page 2*

## Total Charges for Electricity

Supplier	Supplier	
<del>Eversource</del>	Community Power	
Service Reference: [REDACTED]		
Energy Chrg - Rate R	706.00kWh X \$0.08826	\$62.31
Subtotal Supplier Services		\$62.31

### Delivery

(RATE R RESIDENTIAL SVC)

Service Reference: [REDACTED]

Customer Chrg		\$13.81
kWh Distribution Chrg	706.00kWh X \$0.05177	\$36.55
Regulatory Reconciliation Adj	706.00kWh X \$-0.00016	-\$0.11
Transmission Chrg	706.00kWh X \$0.03046	\$21.50
Strnded Cst Recovery Chrg	706.00kWh X \$0.00896	\$6.33
System Benefits Chrg	706.00kWh X \$0.00743	\$5.25
Subtotal Delivery Services		\$83.33

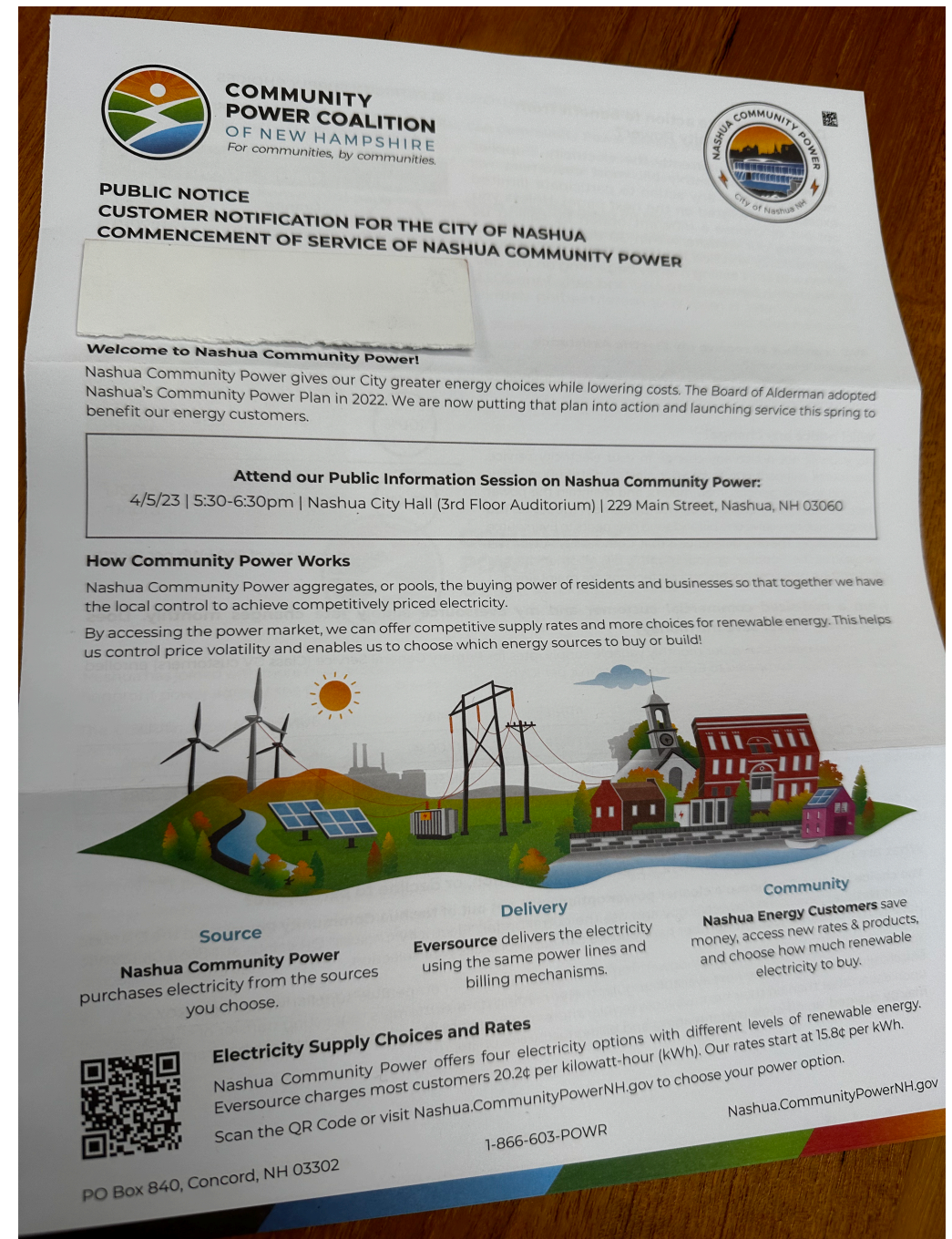
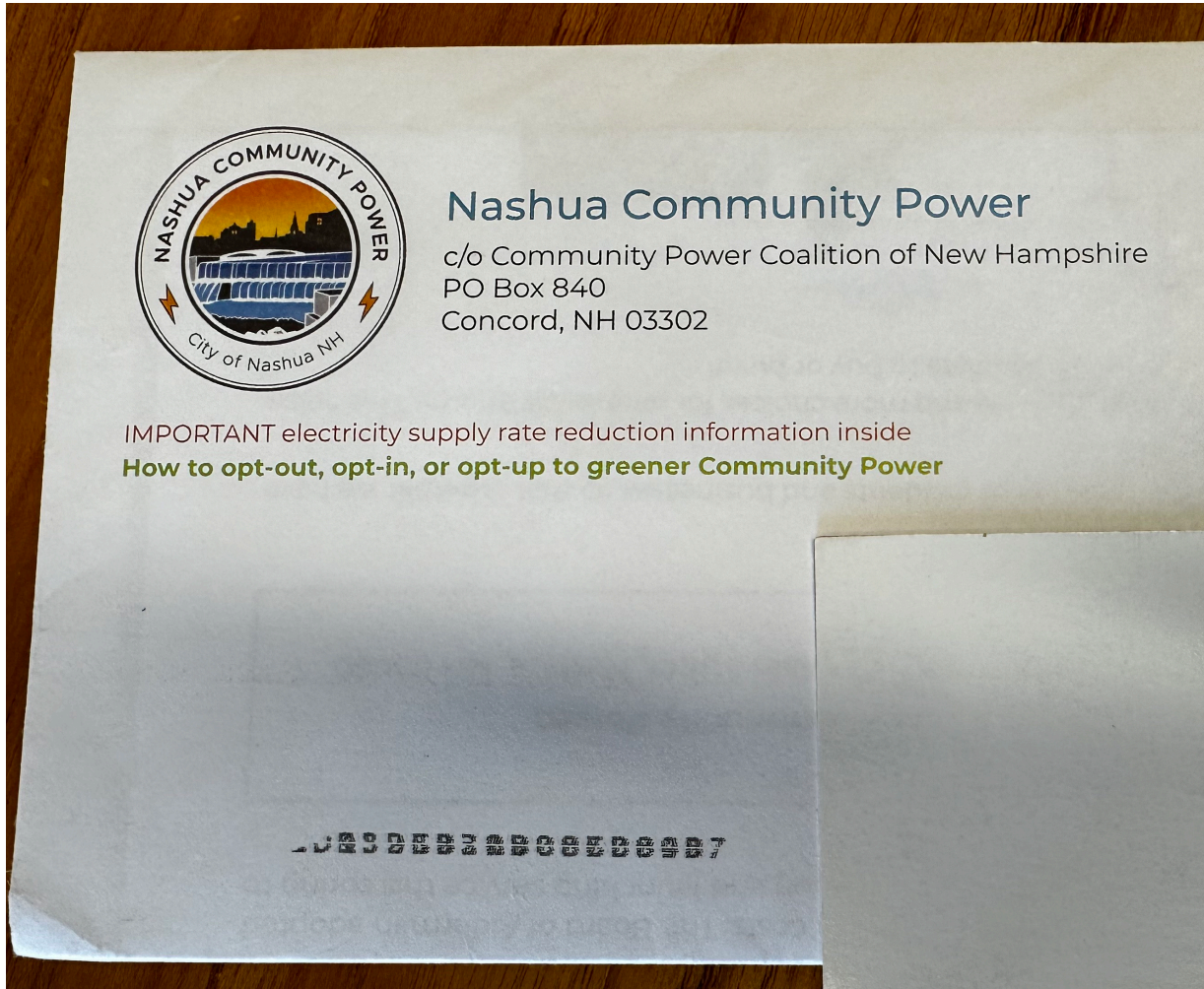
**Total Cost of Electricity** **\$145.64**

**Total Current Charges** **\$145.64**

# Key Points

- ⚡ **If/when Your Community Power launches, most Eversource default electric supply customers will be automatically enrolled** in the same service for a lower price. Community Power will be the **new default electricity supplier** for your Town's customers.
- ⚡ **Participation in Community Power is voluntary.** Customers can choose to opt-out and to stay with Eversource for electric supply, or shop for another market option.
- ⚡ **Eversource will continue to deliver electricity** using their poles and wires, provide billing services, and ensure reliability.
- ⚡ **Customers shopping with third-party suppliers will remain with their supplier** unless they choose to opt-in to Community Power.
- ⚡ **Community Power will be self-funded** by rates paid by participating customers. **No taxes will be used to cover program expenses.**

# Customer Notification and Enrollment Process



# Customer Notification and Enrollment Process

- ⚡ At least **30 days before program launch all electric customers will be mailed notifications** that will include the initial fixed rate for Community Power service compared with Eversource
- ⚡ Customers currently on default energy service provided by Eversource will be **able to decline participation or “opt-out”** of Community Power by a return postcard, online, or by calling a customer service number.
- ⚡ If a **customer is already getting their power from a competitive supplier**, nothing will change unless they choose to switch and **“opt-in”** to Community Power.
- ⚡ New utility customers will get similar opt-out notices.
- ⚡ All Community Power default service customers will always be able to know the fixed rate at least 30 days in advance and be able to switch supplier at next meter read upon request with **no penalty or exit fee**.



# Customer Rates and Optional Products + Example Savings

## Rate Savings Relative to Investor-Owned Utilities

	Utility Supply Rates*	Coalition Granite Basic*	Customer Savings
<b>Eversource</b>	20.2 ¢/kWh	15.8 ¢/kWh	22%
<b>Liberty</b>	22.0 ¢/kWh		28%
<b>Unitil</b>	25.9 ¢/kWh		39%

**Savings: \$26 / month / customer**

**3-Month Bill Savings**    **3-Month Reserves**  
 \$185,330                      \$225,901

**Default Customers**                      **Annual MWh**  
 2,400    16,776

Default Power: *Granite Basic* — 23.4% Renewable



## Residential, General Service, & Outdoor Lighting

Fixed supply rates effective through July 31, 2023

Renewable Content	Power Options	Rate (¢/kWh)	Estimated Cost*
23.4%	<b>Granite Basic</b> <i>(Default Power Option)</i>	15.8¢	± \$95 / month
33%	<b>Granite Plus</b>	16.2¢	± \$97 / month
50%	<b>Clean 50</b>	16.9¢	± \$101 / month
100%	<b>Clean 100</b>	19.1¢	± \$115 / month
23.4%	<b>Eversource</b>	20.2¢	± \$121 / month

\*Based on usage of 600 kWh per month

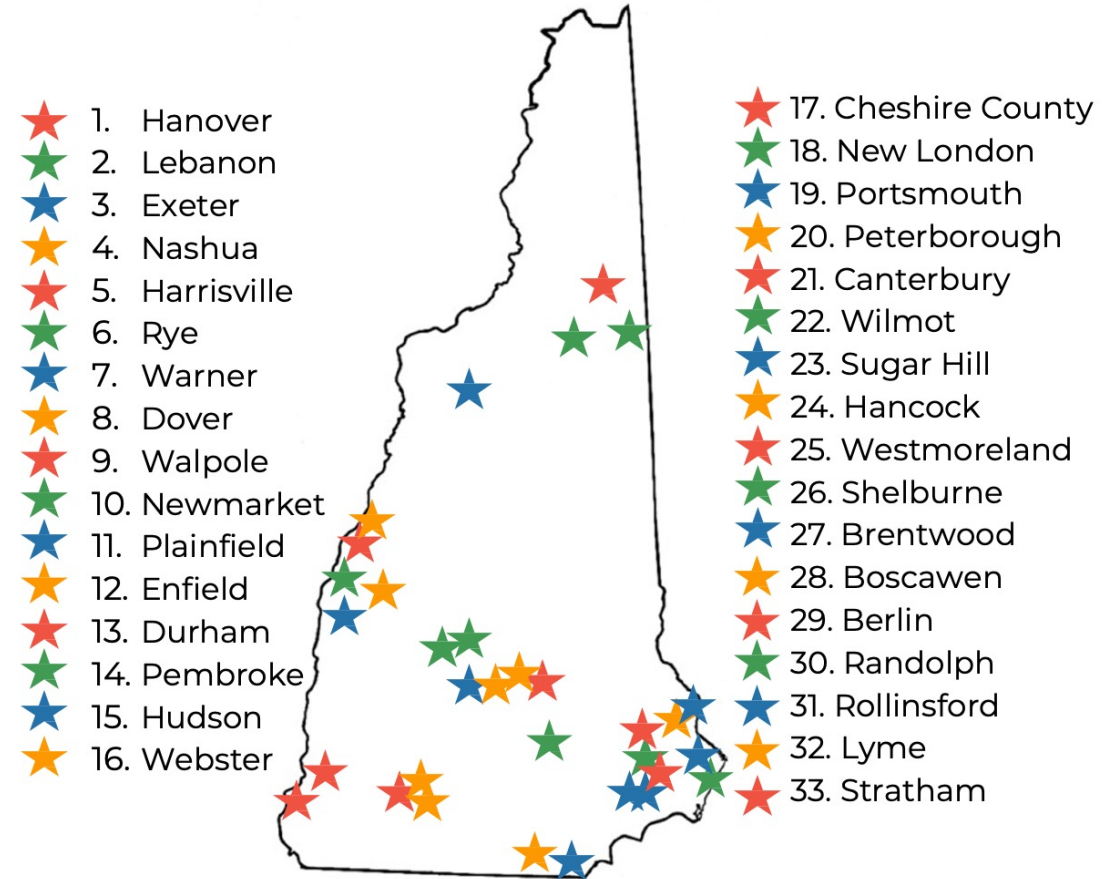
# Community Power Coalition of New Hampshire

Community-governed power supplier — launching 12 Community Power programs Spring 2023

## Our Mission

To foster resilient New Hampshire communities by empowering them to realize their energy goals.

- ⚡ Nonprofit Joint Power Agency formed 10/1/21
- ⚡ **33 Members | 23% of NH population**
- ⚡ 12 of 33 Members launching **2023**
  - ~75,000 customers
  - ~400,000 MWh in 2023 (APR – DEC)
  - ~\$51 million 2023 revenues (controlled by communities)
- ⚡ Remaining & new Members to launch 2024+



All New Hampshire cities, towns, and counties are invited to join the Coalition.



**Clifton Below**  
Lebanon  
*Assistant Mayor*



**Kim Quirk**  
Enfield  
*Energy Cmte*



**Kevin Charette**  
Portsmouth  
*Energy Advisory Cmte*



**Evan Oxenham**  
Plainfield  
*Energy Cmte.*

# Board of Directors: *Community Governance*

*Local elected officials, former utility executives, energy finance & development professionals, municipal managers, teachers, & much more.*



**Kathleen Kelley**  
Randolph  
*AVEC*



**Clyde Carson**  
Warner  
*Finance Director*



**Andrea Hodson**  
Harrisville  
*Select Board*



**Lisa Sweet**  
Rye  
*Energy Cmte.*



**Paul Looney**  
Walpole  
*Community Power Cmte.*



**Joseph Lamattina**  
Newmarket  
*Town Council*



**Jackson Kaspari**  
Dover  
*Resilience Manager*



**April Salas**  
Hanover  
*Sustainability Dir.*



**Matt Miller**  
Pembroke  
*Energy Cmte*



**Bruce Tucker**  
Peterborough  
*Energy Cmte.*



**Doria Brown**  
Nashua  
*Energy Manager*



**Terry Clark**  
Cheshire County  
*Commissioner*



**Jamie Hess**  
New London  
*Energy Cmte.*



**Nick Devonshire**  
Exeter  
*Energy Cmte.*



**David Hemenway**  
Webster  
*Select Board*



**Steve Holmgren**  
Durham  
*Energy Cmte.*

# Chief Executive Officer: Brian Callnan

- ⚡ Mr. Callnan was selected as most uniquely qualified candidate from **nationally competitive search**.
- ⚡ Former Vice President of Power Resources & Access at NH Electric Co-op
  - Managed portfolio of wholesale power contracts to consistently deliver lower rates than investor-owned utilities.
  - Led Co-op's "**virtual power plants**" program, harnessing **home batteries** & **electric vehicles** to lower customer power costs.
- ⚡ Previously Director of Power Supply and Transmission at Vermont Public Power Supply Authority



# Operated by Expert Contractors

Months of competitive solicitations assembled a team of industry-leading **advisors** and professional service providers experienced in launching CPAs to **operate our power agency** and **provide support services**:

CEO Search Services:  **true search**

Energy Hedging, Planning & Portfolio Risk Management



ISO-NE Market Participant + Retail Customer Services



Member Services & Public Engagement



CLEAN ENERGY NH  
Your Voice in All Energy Matters

General Counsel & Legal Services



PRIMMER PIPER  
EGGLESTON  
CRAMER PC &

Start-up Consultants



HERNDON  
ENTERPRISES

Revenue Controls & Accounting Services

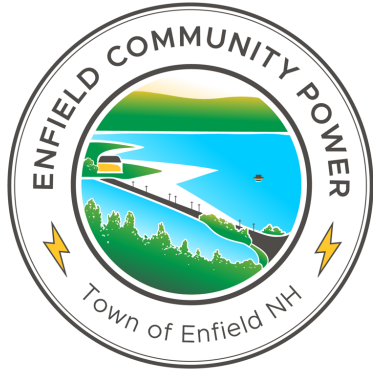


River City Bank

*(Coalition in process of enlisting accounting services)*

# Streamlined CPA Program Implementation

Step-by-step plans, custom logos & websites, FAQs & community outreach materials (etc.)



**WARNER  
COMMUNITY  
POWER**



[www.CommunityPowerNH.gov](http://www.CommunityPowerNH.gov)

# Coalition: Design Context

Municipalities have two CPA options: contract with a for-profit supplier or launch their own power agency

## 1. Contract with a For-Profit Supplier

*Municipality hires a broker to contract w/ a supplier for fixed-price power (typically for 1 to 3 years)*

- ✦ Simplified implementation that outsources program to the broker/supplier team
- ✦ Governance + oversight largely limited to broker/supplier selection & contract approval
- ✦ No ability to adjust rates
- ✦ No demonstrated success in reforming policy or developing local projects (“Market Status Quo”)
- ✦ Relies on supplier instead of diversified portfolio of power contracts (**significant risk if supplier breaks contract for fixed term & rate**)
- ✦ **Hundreds of notable failures** — including recently in Ohio and New York:

[Retail Supplier Files Bankruptcy, Customers Returned To Default Service; Supplier Serves Over 100 Muni Aggregations \(March 2022\)](https://bit.ly/3HtNODV) — <https://bit.ly/3HtNODV>

[Credibility Of New York's Opt- Out Aggregation Program At Risk \(April 2022\)](https://bit.ly/3Pod6W3) — <https://bit.ly/3Pod6W3>

## 2. Create a Community-Owned Supplier

*Municipalities form a Joint Powers Agency & contract for the services & credit support required to buy & sell power*

- ✦ Complex, year+ power agency startup process
- ✦ Transparent, **locally accountable governance**
- ✦ **Member reserve fund** accrual = long-term stability
- ✦ Market Transformation: **scale** to achieve policy reforms & proven model to develop **local projects & programs**
- ✦ **Demystifies** power sector for informed decision-making & innovation over time
- ✦ **Better customer service & quality control**
- ✦ Nonprofit **ratesetting** to maintain discounts for customers as utility rates change + **active portfolio risk management** to manage costs (**significant risk if industry risk management practices are ignored**)
- ✦ **One instance of failure** (a 6-municipality Joint Powers Agency that failed in its first year, in California):

[Statement on Western Community Energy \(June 2021\)](https://cal-cca.org/statement-on-western-community-energy/) — <https://cal-cca.org/statement-on-western-community-energy/>

# Implementation Process Steps

Join the Coalition → Bring a Plan to Town Meeting → Launch!

- ❑ **1. Join Coalition “Joint Powers Agency” — Governed by Members**
  - ❑ Membership by Select Board vote to adopt Joint Powers Agreement (JPA)
  - ❑ JPA is the contract among Members & By-laws
- ❑ **2. Establish an “Electric Aggregation Committee” (EAC) to;**
  - ❑ Prepare an “Electric Aggregation Plan” (EAP);
  - ❑ Hold two public hearings on that EAP in advance of;
  - ❑ Bringing the EAP to Town Meeting for voter adoption;
- ❑ **3. Launch Community Power!**
  - ❑ Town Meeting adoption of an EAP authorizes (but does not require) the Select Board to contract for services to finance, launch, and operate Community Power.



# Step 1: Joint Powers Agreement (JPA)

- ⚡ **JPA is a contract among municipal and county members establishing the Agency**
  - **Financial liabilities & obligations of Agency are “firewalled” from municipal general funds**
- ⚡ Includes Articles of Agreement and By-Laws (purpose & structure; voting rights; Director & Officer elections; provisions of cost sharing; oversight committees; financial & operational risk management compliance audits; limitations of liability; insurance; etc.)
  - Up until 21 Members, each Member appoints a Director & Alternate to the Board
  - After 21 Members, a Board of 11-21 will be elected by Member vote at next Annual Meeting (April)
    - Membership may also hold regular or special meetings throughout the year
    - “One Member One Vote” at all membership meetings (statutory requirement)
- ⚡ **Adopting JPA and joining CPCNH provides access to expertise and resources at no cost**
  - **No “hard” commitment until Cost Sharing Agreement + Energy Risk Management, Rates & Reserves policies are subsequently approved by governing body (which authorizes CPCNH to procure supply)**
- ⚡ Process: vote of governing body approves the JPA for execution & designates Director & Alternate → and then CPCNH Board votes to approve community as a new Member
  - Direct link to JPA at [www.cpcnh.org/about](http://www.cpcnh.org/about)

# Join Us In Leading New Hampshire's Community Power Movement!



**COMMUNITY  
POWER COALITION  
OF NEW HAMPSHIRE**  
*For communities, by communities.*

## Questions & Discussion

[www.CPCNH.org](http://www.CPCNH.org)

[CommunityPowerNH.gov](http://CommunityPowerNH.gov)