

# Portsmouth Community Power

## Answers to Frequently Asked Questions (FAQs)

### 1. What is Community Power?

Community Power, authorized by [NH RSA 53-E](#), allows local governments to procure electric power on behalf of their residents, businesses, and municipal accounts. Providing electricity supply involves being responsible for procuring electric generation (supply) to match customer loads (consumption) in real time – putting power into the grid to match what customers take out.

Community Power is also referred to as "Community Power Aggregation" (CPA) and as "Community Choice Aggregation" (CCA).

Community Power empowers towns, cities, and counties to choose where their electricity supply comes. In several states across the country, municipalities and counties have launched regional Community Power programs as a means of taking control of their combined electricity purchases, both to reduce the cost to consumers and to push for production of more renewable energy.

There are three main components of Community Power:

1. **Bulk Electricity Purchases.** Communities pool together purchasing power to make large electricity buys jointly. Informed bulk purchasing can stabilize and lower costs, while expanding choices such as renewable energy options.
2. **Electric Distribution Utilities.** Under Community Power programs, the existing electric distribution utility, Liberty here in Lebanon, will continue to deliver power over their distribution system and arrange for transmission services to bring power to their system from bulk generators throughout New England.
3. **Value Added Retail Products & Services.** Community Power can create a number of benefits for residents and businesses including: affordable rates, green power options, demand response and time varying rates, greater access to community solar, energy storage, or other technology innovations.

## What is Community Power?

New Hampshire cities, towns, and counties procure electric power supply on behalf of their residents and businesses and provide related services.



### Pooled Purchasing Power for Energy Supply

- Access to competitive markets
- Joint risk management = lower costs & price stability
- Option to source power locally & build new renewables



### Utility Company Delivers Power

- Utilities own & maintain power grid
- Connecting generation to load
- Ensuring reliable electric service



### Communities Benefit from Value Added Services

- Affordable rates
- Access to green power options
- Time-of-Use rate options
- Solar, storage, electric vehicle support

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

## 2. Will Everyone Be Required to Use Portsmouth Community Power (PCP)?

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No. Just as it is possible today for a customer to choose a different energy supplier, any customer will be able to opt-out of the PCP default electricity supply and stay with Eversource for default supply or choose another competitive energy supplier. Any customer already on competitive supply will need to opt-in to switch to Portsmouth Community Power.

## 3. Will Eversource Continue to Deliver my Electricity?

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Yes, Eversource, the investor-owned utility with the exclusive franchise to distribute electric power in Portsmouth, will continue to own and operate the distribution system and arrange for regional transmission service from ISO New England and National Grid, including all electricity substations, power lines, utility poles, transformers, the electricity feed to your home and your meter. The distribution utility will still be responsible for reliability and responding to power outages and will continue to be regulated by the NH Public Utilities Commission.

New Hampshire is a restructured state which means that Eversource is in the wires business, not the electricity generation business. They put their default service load out to bid with competitive suppliers every 6 months.

## 4. What are the Benefits of Community Power?

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The main benefits of Community Power are:

- **Local Control:** Community Power presents an opportunity for cities and towns to have greater choice in sourcing their electricity, and gives them the local control authorities to meet their respective energy goals.
- **Lower Costs:** Community Power can lower energy costs by giving cities and towns access to competitive market options for power supply. Other Community Power markets have demonstrated an ability to supply power at rates that are on average lower than or at parity with the regulated utility.
- **Renewable Energy:** Community Power can enable cities and towns to procure more renewable energy through competitive markets. It also creates opportunities to contract directly with existing local renewable energy systems, or, to contract for development of new local generation such as solar or solar + storage to supply power to their program.
- **Resilience & Innovation:** Community Power can also facilitate greater resiliency and “retail innovation.” Programs can empower customers with more options including lower energy supply rates, green power options, time-based rate options, or other programs for residents and businesses including options for modern technologies like rooftop solar and battery storage (net metering alternatives), electric vehicle charging, energy efficiency options, and more. These programs can help “shift load” to off-peak times, provide backup power during outages, and lower procurement costs for the program as a whole.

## Benefits of Community Power



### Local Control

Democratizing energy procurement to the community level



### Lower Costs

MA, NY, CA and other markets have demonstrated lower rates than regulated utilities



### Renewables

Build & Buy Clean Energy Support more local renewables



### Resilience & Innovation

New Technologies Market Competition Price Signals Customer Empowerment

The Legislature's intent in enacting RSA 53-E was to "encourage voluntary, cost effective and innovative solutions to local needs with careful consideration of local conditions and opportunities." Among other things it allows municipalities and counties to:

- Establish a joint powers agency with other Community Power programs to share services, contract for energy project developments, and facilitate related energy initiatives; and
- Work collaboratively with distribution utilities, regulators, policymakers, and innovative energy businesses to help modernize our electrical grid and market infrastructure.

These authorities and local benefits are depicted in the graphic below:



# What is Community Power Coalition of NH (CPCNH), “the Coalition”?

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Community Power Coalition of New Hampshire (CPCNH, or, “The Coalition”) is a public nonprofit in formation, designed “For Communities, By Communities.” Lebanon has been a leader in helping to create the Coalition so that municipalities and counties across New Hampshire can:

1. Streamline implementation by collaborating across a statewide network of peers;
2. Share services and staff support across member cities, towns and counties;
3. Participate in joint power solicitations and project development opportunities (e.g., community solar + storage);
4. Share knowledge and collaborate regionally on clean energy and resilient infrastructure development at the community-level throughout the state.
5. Speak with one voice in state policy affairs relating to energy issues.

Portsmouth is working with other municipalities to design the Coalition:

- Shortly after SB 286 was signed into law in 2019, PEAC and those involved with developing Portsmouth Community Power concluded that exercising and deriving benefit from the full range of local control authorities authorized under RSA 53-E would be challenging for any single Community Power program to accomplish on its own.
- Consequently, beginning in December 2019, officials and staff from Portsmouth began researching Community Power and power agency design best practices in collaboration with several other municipalities and expert energy advisors from across the state.
- The ad hoc group evaluated various power agency models and hired legal experts to draft the Coalition’s Joint Powers Agreement (the governance agreement that municipalities jointly execute to create the agency); it has been approved by the cities of Lebanon and Nashua and the towns of Hanover, Exeter, Harrisville, and Rye to-date, is expected to be approved by Cheshire County in the near-term, and has been approved by the NH Attorney General as conforming with state law. Several other communities across the state are in the process of adopting the Joint Powers Agreement and joining the CPCNH.
- The Coalition’s joint powers agency governance model and competitive business model have been designed in accordance with energy industry best practices to ensure that participating Community Power programs benefit from transparent governance and high-quality services —so that all communities are able to take full advantage of their local control authorities under RSA 53-E and achieve the full scope of their local energy policy goals.

The Coalition will be governed “*for communities, by communities*” under a voluntary and flexible membership structure, will provide competitive electricity service on a statewide basis, and will strengthen the ability of communities to coordinate effectively on related public advocacy issues.

## COMMUNITY POWER COALITION: MEMBER BENEFITS



Key aspects of the Coalition's design, governance, services and start-up process are further detailed in the draft plan.

Visit the CPCNH website for more info: [Community Power Coalition of New Hampshire \(cpcnh.org\)](http://CommunityPowerCoalitionofNewHampshire.org)