

Portsmouth Community Power

Electric Aggregation Plan Overview

February 2, 2023



Presented by: Portsmouth Energy Advisory Committee

Portsmouth Community Power will allow the City to provide energy supply and related services on behalf of Portsmouth's residents and businesses.

Community Power programs create an economy of scale that can result in more affordable electricity and expanded options for renewables and innovative energy technologies.



Agenda

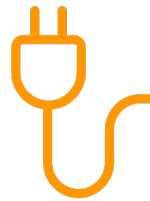
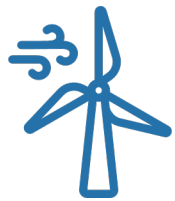
1. What is Community Power?
2. Electric Aggregation Plan
3. Community Power Coalition of New Hampshire
4. Timeline for Portsmouth Community Power
5. Questions & Discussion

What is Community Power?

- ~ Community Power programs pool, or aggregate, the demand of customers in a community and purchase electric power on behalf of that community with the goal of **lowering costs** and expanding **access to renewable energy** and other innovations.
- ~ Community Power programs are enabled by New Hampshire's updated Community Power law [RSA 53-E, Relative to Aggregation of Electric Customers by Municipalities & Counties](#).
- ~ 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***".

What is Community Power?

New Hampshire cities, towns, and counties can 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
- ~ Lower costs & price stability
- ~ Option to source power locally & access more renewables

Utilities continue to **Deliver** Power

- ~ Owns & maintains the power grid
- ~ Delivers generation to load
- ~ Ensures reliable electric service

Community Benefits from **Value Added Services**

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

Benefits of Community Power



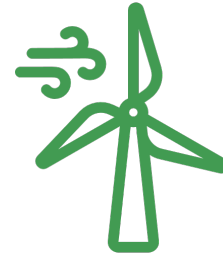
Local Control

Democratizing energy procurement to the community level



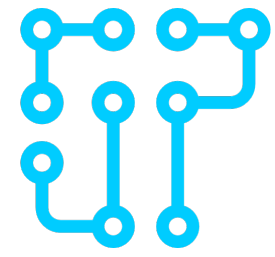
Lower Costs

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

“Portsmouth Community Power will only launch if it is able to initially offer residential default rates that are lower than or competitive with those offered by 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

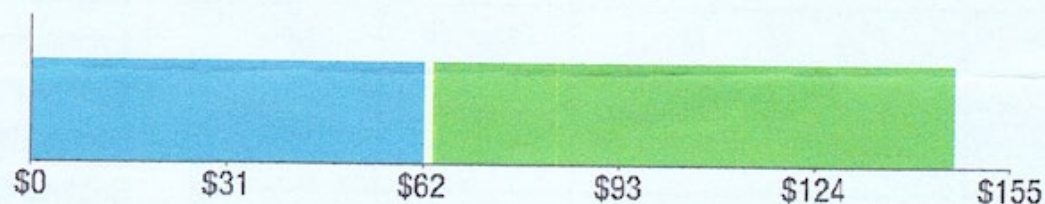
\$62.31

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

Electric Bill: Supply & Delivery

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Total Charges for Electricity

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

Delivery

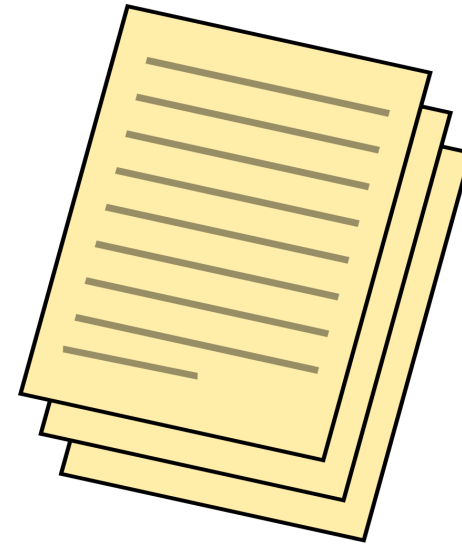
(RATE R RESIDENTIAL SVC)

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

- ~ **Eversource will continue to deliver electricity** to customers, and to own and operate the local distribution system (poles, wires, transformers, sub-stations, etc.). They will also continue to provide customer service and billing.
- ~ The Portsmouth City Council, with advisory support from the Portsmouth Energy Advisory Committee, will be **authorized to contract for the necessary professional services and power supplies to launch Portsmouth Community Power.**
- ~ **Participation in Community Power is completely voluntary.** After electricity rates are established, all customers not already on competitive supply will be notified and automatically enrolled. Customers can choose to opt-out and stay with Eversource for electricity supply. Customers on competitive supply may choose to opt-in to Portsmouth Community Power or stay with their current supplier.



2. The Electric Aggregation Plan

What is the Electric Aggregation Plan?

- ~ The Portsmouth City Council designated the Portsmouth Energy Advisory Committee as the Electric Aggregation Committee pursuant to RSA 53-E.
- ~ The City Council tasked the Committee with preparing an Electric Aggregation Plan. This is a detailed plan that explains how our Community Power program will operate. It is available for your review on our webpage:
<https://www.cityofportsmouth.com/city/peac-informational-materials>
- ~ The Portsmouth Energy Advisory Committee (also pursuant to RSA 53-E) is holding two Public Hearings -- on February 2 and February 9 -- to educate the community about the plan and get community input.

Purpose of the Electric Aggregation Plan

- ~ Defines program goals and objectives
- ~ Defines governance (E.g., process for approving rates)
- ~ Summarizes the implementation process
- ~ Commits Portsmouth Community Power to comply with applicable statutes and regulations in terms of:

(a) Providing universal access, reliability, and equitable treatment of all classes of customers;

(b) Meeting, at a minimum, the basic environmental and service standards established by the Public Utilities Commission and other applicable agencies and laws and rules.

The Plan does:

Address issues required to be considered by RSA 53-E including:

- (a) How net metering will be provided; and
- (b) How customers enrolled in the Electric Assistance Program will receive their discount.

The Plan does not:

- Commit the City to any defined course of action; or
- Impose any financial commitment or liability on the City of Portsmouth or its taxpayers.

Electric Aggregation Plan Overview

Chapters:

1. Introduction to Community Power
2. Overview of Portsmouth Community Power
3. Community Power Coalition of New Hampshire
4. Portsmouth Community Power's Goals, Objectives & Requirements
5. Statutory Requirements for Portsmouth's Plan

Attachments:

1. Net Energy Metering, Group Net Metering & Low-Moderate Income Solar Project
2. Portsmouth's Public Planning Process
3. City Policy Excerpts
4. How Load-Serving Entity Services will be Implemented
5. Customer Data Protection Plan
6. Abbreviations

Portsmouth Community Power will

1. **Serve as the default electricity supplier** on an “opt-out” basis
2. **Offer innovative service and rate options to customers on an "opt-in" basis** such as more renewable energy and time-varying rates
3. **Operate on a competitive basis** – Customers will be able to switch back to Eversource energy service or other supplier *with no penalty*.
4. **Be self-funded** by rates paid by participating customers – **The City will not use taxes to cover program expenses.**

The City Council, with advisory support from the Portsmouth Energy Advisory Committee, will contract for the necessary services and power supplies to implement and operate the program, set customer rates prior to program launch, and continue to provide oversight thereafter.

Customer Notification and Enrollment Process

- ~ At least **30 days before program launch** all Portsmouth electric customers will be mailed **notifications** that will include the initial fixed rate for Portsmouth 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 Portsmouth 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 Portsmouth Community Power.
- ~ New utility customers will get similar opt-out notices.
- ~ All Portsmouth 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**.

Example of Customer Rates and Optional Products

Example default service product and optional rates that could be offered to customers:

<u>PRODUCT</u>	<u>CONTENT</u>	<u>MEMBER ELECTIONS</u>
Granite Basic	Minimum RPS Content (23.4%)	Default, opt-down/in, or N/A
Granite Plus	33% Renewable or Carbon Free	Default, opt-up/in, or N/A
Clean 50	50% Renewable or Carbon Free	Opt-up/in or N/A
Clean 100	100% Renewable or Carbon Free	Opt-up/in or N/A

(The Renewable Portfolio Standard (RPS) is a New Hampshire state policy setting a minimum requirement for renewable energy to be provided to customers. RPS requirement for 2023 is 23.4%)



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

3. Community Power Coalition of New Hampshire (CPCNH or “The Coalition”)

Community Power Coalition of New Hampshire

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

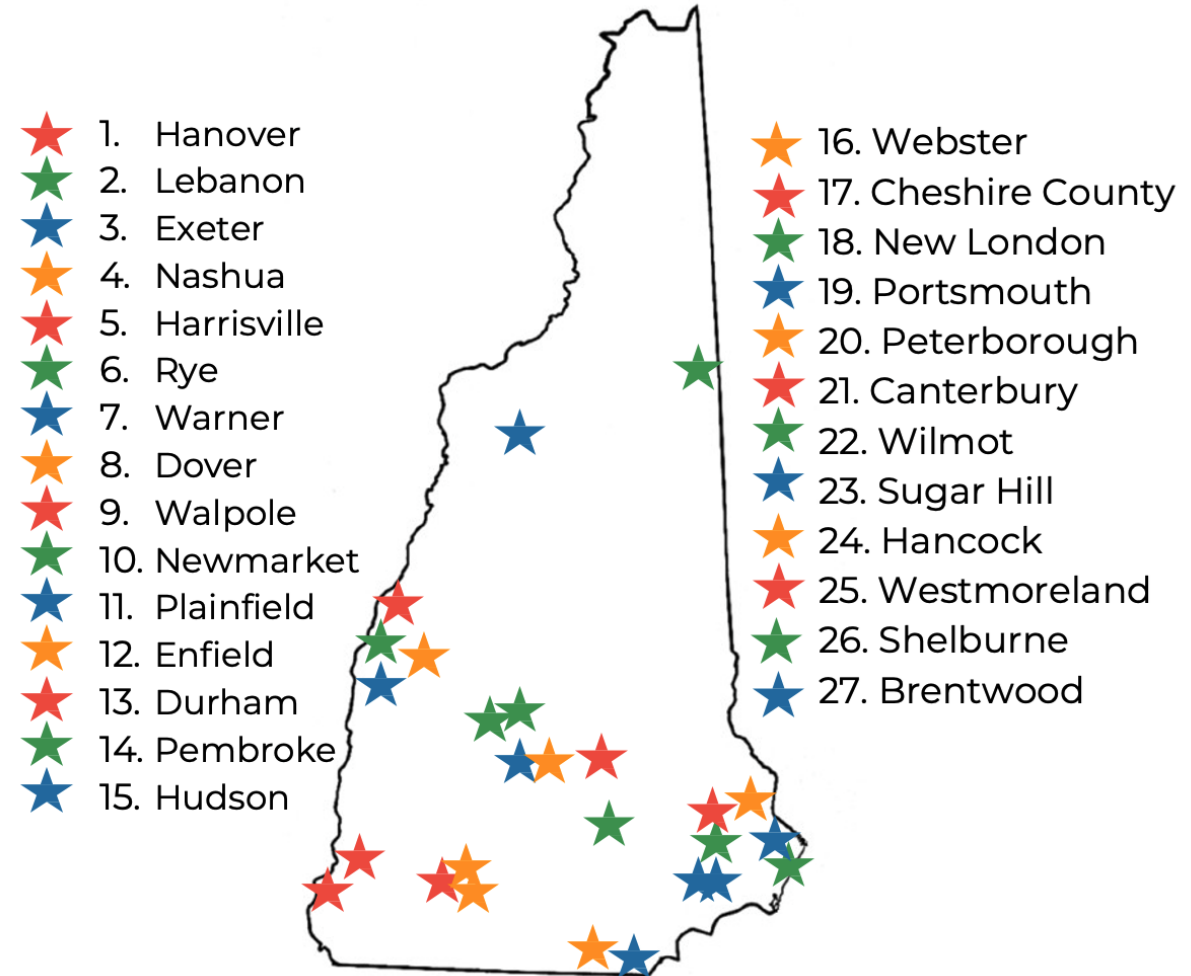
⚡ Nonprofit Joint Power Agency formed 10/1/21

⚡ **27 Members representing:**

- **21% of NH population**
- ~125,000 customers
- ~1,124,000 MWh / year
- ~\$138 million / year revenues (controlled by communities)

⚡ Target windows for program launch:

- Spring 2023 for 12 Members
- Spring 2024 for 15 Members



Governed “for Communities, by Communities”

BOARD OF DIRECTORS

1. Chair Clifton Below, City of **Lebanon** (alt. Greg Ames)
2. Vice Chair Kevin Charette, City of **Portsmouth** (alt. Peter Rice)
3. Treasurer Kimberly Quirk, Town of **Enfield** (alt. Jo-Ellen Courtney)
4. Secretary Evan Oxenham, Town of **Plainfield** (alt. Steve Ladd)
5. Director Terry Clark, **Cheshire** County (alt. Chris Coates)
6. Director Christopher Parker, City of **Dover** (alt. Jackson Kaspari)
7. Director Doria Brown, City of **Nashua** (alt. Deb Chisholm)
8. Director Rick Labrecque, Town of **Brentwood** (alt. Tom Palma)
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14. Director Andrea Hodson, Town of **Harrisville** (alt. Andrew Maneval)
15. Director Craig Putnam, Town of **Hudson** (alt. Kate Messner)
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27. Director William Chaisson, Town of **Wilmot** (alt:)

COMMITTEES

Executive	Finance	Risk Management
CEO & Staff Search	Regulatory & Legislative Affairs	Member Operations & Engagement

(Audit & Governance Committees under formation)

OFFICERS & COMMITTEE CHAIRS



[Clifton Below](#)
Chair

City of Lebanon
Assistant Mayor & City
Councillor



[Kim Quirk](#)
Treasurer

Town of Enfield
Energy Committee



[Kevin Charette](#)
Vice Chair

City of Portsmouth
Energy Committee



[Evan Oxenham](#)
Secretary

Town of Plainfield
Energy Committee



[Matt Miller](#)
Chair, Risk
Management

Town of Pembroke
Energy Committee



[Lisa Sweet](#)
Chair, Member
Operations

Town of Rye
Energy Committee



[Mandy Merrill](#)
Chair, Regulatory &
Legislative Affairs

Town of Durham
Energy Committee



[April Salas](#)
Chair of CEO &
Staff Search

Town of Hanover
Sustainability Director

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**:

Energy Hedging, Planning & Portfolio Risk Management



Retail Customer Services + ISO-NE Load Serving Entity



Member Services & Public Engagement



CLEAN ENERGY NH
Your Voice in All Energy Matters

General Counsel & Legal Services



Start-up Consultants



Revenue Controls & Accounting Services



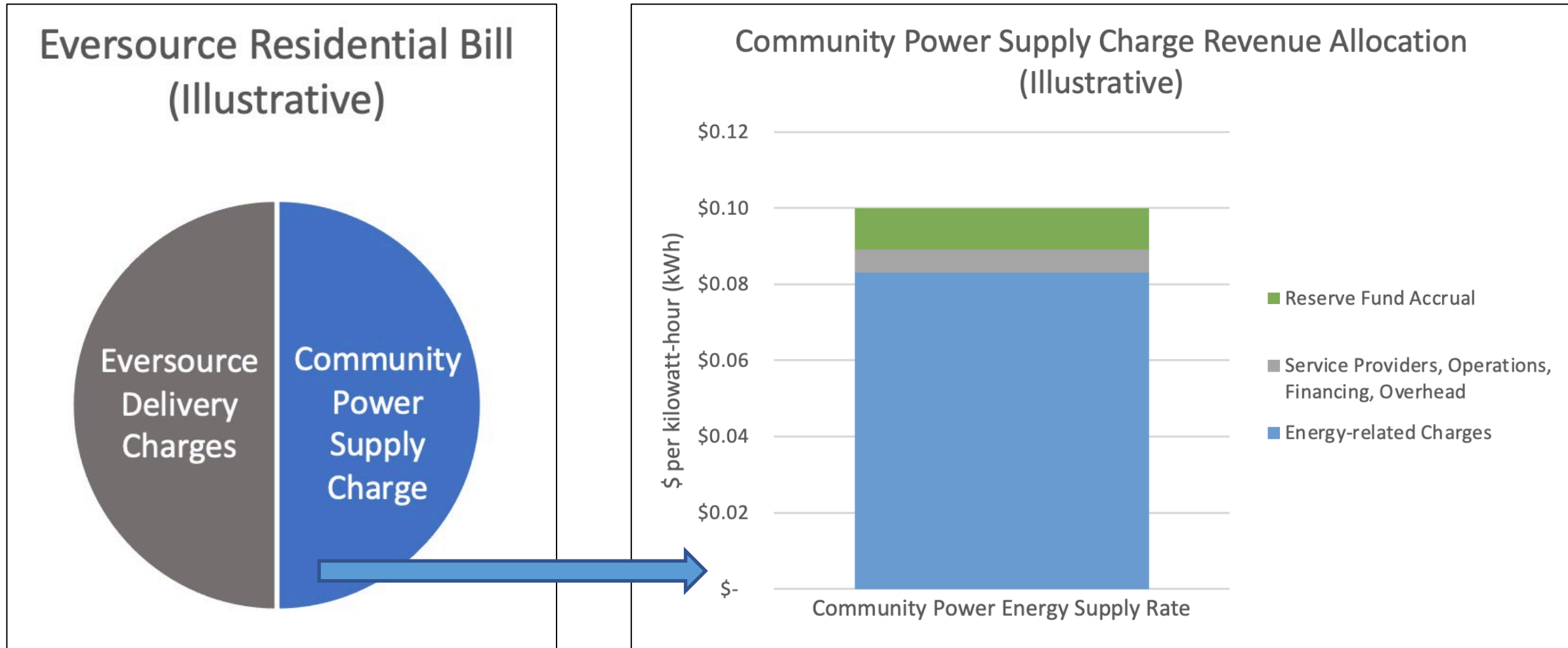
River City Bank

(Coalition in process of enlisting accounting services)

CEO Search & Hire Services:



Illustration of Energy Supply Charge Revenue Allocation



(Average energy supply rates between 2019-2021 were ~ \$0.08 per kilowatt-hour (kWh). Supply increased to over \$0.22 per kWh in 2022. Energy supply rates fluctuate over time depending on market forces, availability of fuel and generators, weather, climate, and other factors. The \$0.10 per kWh supply rate in the graphic is for illustrative purposes.)

PORTSMOUTH COMMUNITY POWER

Portsmouth Energy
Advisory Committee

Drafts Electric Aggregation Plan (EAP)

City Council

Sends EAP to City Council vote
Appoints CPCNH Directors
Oversees Portsmouth CP

PORTSMOUTH RESIDENTS

CPCNH is formed and governed
by 27 Member communities,
including PORTSMOUTH

CPCNH provides comprehensive
services to Portsmouth
Community Power



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

Community-appointed
Board & Committees
Expert staff & vendors
Provides power & serves
customers

EAP



**PUBLIC UTILITIES
COMMISSION**

Approves Portsmouth
EAP

Eversource

Power Delivery,
Metering, Billing

ISO New England

Power Market

4. Timeline for Portsmouth Community Power



Portsmouth Community Power Timeline

- ~ **Step 1:** Conduct Research and Form Community Power Committee
- ~ **Step 2:** Draft Community Power Plan / Hold Public Hearings
- ~ **Step 3:** Bring Plan to City Council for vote of adoption
- ~ **Step 4:** Contract with Service Provider, Notify Customers, Launch!



5. Questions/Comments



THANK FOR YOUR INTEREST!

LEARN MORE AT:

CityofPortsmouth.com/city/Portsmouth-community-power



- ✓ The Portsmouth Electric Aggregation Plan
- ✓ Presentation on the Electric Aggregation Plan
 - ✓ Frequently Asked Questions
- ✓ **NEXT PUBLIC INFORMATION SESSION on February 9, 2023**