



**CITY OF PORTSMOUTH NH
Portsmouth Energy Advisory Committee**

MINUTES

**Wednesday, January 8, 2025, 6:30 pm
City Hall Conference Room A
and via Zoom**

Present: Chair Councilor John Tabor, Councilor Kate Cook, Kevin Charette, Tom Rooney, Herb Lloyd, Tracey Camerson, Peter Somssich. Excused: Betsy, Ben D'Antonio. Staff: Jillian Harris (Planning & Sustainability Department), Stephanie Seacord (PIO and recording secretary)

AGENDA

Councilor Tabot calle

1. Roll Call
2. Approval of minutes (December 5, 2024)
3. Chairman's remarks – Review of 2024

Some of our 2024 Portsmouth Energy Advisory Committee 2024 programs of work:

- Residential Solar information night (Betsy Blaisdell)
- Button Up seminar at Community Campus (Tracey Cameron)
- Engage the National Research Energy Lab to study feasibility of wind power for the city's two wastewater treatment plants (Herb Lloyd)
- Researching and publicizing exemption that allows Community Power users with early stage solar panels to net meter (Peter Somssich)
- Research solar array on Jones Ave and obtain council vote for feasibility analysis in 2025 (all)
- Research IRA grants for transportation and building efficiency (Tracey Cameron)
- Green Energy Challenge with Durham, Exeter, Newmarket, Durham and Dover to spur opt-ups to Green 50 and Green 100 Community Power options.
- CPCNH Member representation (Tom Rooney)

○ Council Actions:

- Nov 18, 2024: Feasibility of a 1-2 megawatt Municipal Solar Array on Jones Avenue Landfill - that the city explore the feasibility, built through contractors, of a large-scale solar array at the Jones Avenue Landfill to offset municipal utility costs and substantially reduce carbon emission - Voted that the city explore the feasibility,

built through contractors, of a large-scale solar array at the Jones Avenue Landfill to offset municipal utility costs and substantially reduce carbon emissions.

- Dec 2, 2024: Voted to include the Shuttle Loop/Micro-transit Study recommended by the Sustainability Committee and included as part of the Climate Action Plan in the CIP budget for funding in FY2026 with \$100,000.00 under Federal/State funding in FY26
- Dec 16, 2024: Report Back on Solar Overlay District – Voted to refer the zoning review and drafting of Solar Zoning Amendments to the Planning Board for its recommendation in a report back to the City Council.

4. Projects currently underway
5. Areas of work 2025
6. Public comment

DRAFT



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

Default Service Rates Recommendation

January 31, 2025 BOD Meeting

To: Risk Management Committee & Finance Committee
From: Brian Callnan, CEO
Date: Jan 31, 2025
Subject: Energy Service Spring Rates Recommendations (Mar '25 – Jul '25)

CPCNH signed a power purchase agreement on January 10, 2025 with a local generator to provide roughly 30% of CPCNH's power needs for the upcoming period at a preferred price. While this agreement was fully executed, there was a complication on the sellers side that proved too difficult to overcome in time to honor the delivery of power for CPCNH beginning February 1. CPCNH closed the position with market power on January 28 at a higher price. This has increased our costs for the period resulting in the need for higher rates from March 3 - July 31. Ascend Analytics and Calpine Energy Solutions collaborated on the development of the necessary rate to recover the expected cost of service.

Please see Figure 1 on the next page for the Energy Service Rate Recommendations.



ENERGY SERVICE RATE RECOMMENDATIONS:

Figure 1:

ELECTRICITY SUPPLY RATE CHOICES

Fixed supply rates effective March 3, 2025 through July 31, 2025

Distribution Utility			Community Power Coalition of NH (CPCNH)				
Distribution Utility	Utility Rate (Proposed)	Power Cost per Month (Supply Only)*	CPCNH Rate	Power Cost per Month (Supply Only)*	Renewable Content**	CPCNH Rate Higher or Lower than Utility Rate?	% Higher
Default Service			Granite Basic				
Eversource	8.929 ¢	\$58	9.700 ¢	\$63	25.2%	CPCNH Higher	9%
Liberty	8.416 ¢	\$55	9.700 ¢	\$63	25.2%	CPCNH Higher	15%
Unitil	8.306 ¢	\$54	9.700 ¢	\$63	25.2%	CPCNH Higher	17%
NHEC	8.108 ¢	\$53	9.700 ¢	\$63	25.2%	CPCNH Higher	20%
Not Applicable (N/A)			Granite Plus				
Eversource	N/A	N/A	10.400 ¢	\$68	33.0%	N/A	N/A
Liberty	N/A	N/A	10.400 ¢	\$68	33.0%	N/A	N/A
Unitil	N/A	N/A	10.400 ¢	\$68	33.0%	N/A	N/A
NHEC	N/A	N/A	10.400 ¢	\$68	33.0%	N/A	N/A
50% Renewable			Clean 50				
Eversource	N/A	N/A	11.100 ¢	\$72	50.0%	N/A	N/A
Liberty	N/A	N/A	11.100 ¢	\$72	50.0%	N/A	N/A
Unitil	N/A	N/A	11.100 ¢	\$72	50.0%	N/A	N/A
NHEC	9.956 ¢	\$65	11.100 ¢	\$72	50.0%	CPCNH Higher	11%
100% Renewable			Clean 100				
Eversource	N/A	N/A	13.100 ¢	\$85	100.0%	N/A	N/A
Liberty	N/A	N/A	13.100 ¢	\$85	100.0%	N/A	N/A
Unitil	N/A	N/A	13.100 ¢	\$85	100.0%	N/A	N/A
NHEC	11.981 ¢	\$78	13.100 ¢	\$85	100.0%	CPCNH Higher	9%

* Based on usage of 650 kWh per month - Supply Costs Only, does not include Utility Distribution Costs

** 2025 Renewable Portfolio Standard (RPS) obligation for Granite Basic and Utility default service is 25.2% before NH DOE adjustments

** Granite Plus, Clean 50 and Clean 100 include incremental renewable content above the RPS obligations

- ~ Recommended Monthly rates: The following monthly rates (Figure 2) are recommended by distribution utility service territory. These rates are determined by developing a load weighted monthly average cost percentage from the utility proposed or approved monthly variable rates multiplied by the base CPCNH flat six-month rate.



Figure 2:

Utility	MAR	APR	MAY	JUN	JUL	Base
Distribution Utility Monthly Variable Rates						
<i>Eversource</i>	6.827 ¢	6.026 ¢	5.942 ¢	6.505 ¢	7.727 ¢	7.389 ¢
<i>Liberty</i>	6.580 ¢	5.893 ¢	5.706 ¢	6.015 ¢	6.876 ¢	6.651 ¢
<i>Unitil Var. Res.</i>	7.738 ¢	6.528 ¢	6.211 ¢	7.294 ¢	8.722 ¢	8.306 ¢
<i>Unitil Var. Com.</i>	7.428 ¢	6.028 ¢	5.660 ¢	6.822 ¢	8.319 ¢	7.804 ¢
Utility	MAR	APR	MAY	JUN	JUL	Base
CPCNH Monthly Variable Granite Basic						
Eversource	9.00 ¢	7.90 ¢	7.80 ¢	8.50 ¢	10.10 ¢	9.70 ¢
Liberty	9.60 ¢	8.60 ¢	8.30 ¢	8.80 ¢	10.00 ¢	9.70 ¢
Unitil Var. Res.	9.00 ¢	7.60 ¢	7.30 ¢	8.50 ¢	10.20 ¢	9.70 ¢
Unitil Var. Com.	9.20 ¢	7.50 ¢	7.00 ¢	8.50 ¢	10.30 ¢	9.70 ¢
CPCNH Monthly Variable Granite Plus						
Eversource	9.60 ¢	8.50 ¢	8.40 ¢	9.20 ¢	10.90 ¢	10.40 ¢
Liberty	10.30 ¢	9.20 ¢	8.90 ¢	9.40 ¢	10.80 ¢	10.40 ¢
Unitil Var. Res.	9.70 ¢	8.20 ¢	7.80 ¢	9.10 ¢	10.90 ¢	10.40 ¢
Unitil Var. Com.	9.90 ¢	8.00 ¢	7.50 ¢	9.10 ¢	11.10 ¢	10.40 ¢
CPCNH Monthly Variable Clean 50						
Eversource	10.30 ¢	9.10 ¢	8.90 ¢	9.80 ¢	11.60 ¢	11.10 ¢
Liberty	11.00 ¢	9.80 ¢	9.50 ¢	10.00 ¢	11.50 ¢	11.10 ¢
Unitil Var. Res.	10.30 ¢	8.70 ¢	8.30 ¢	9.70 ¢	11.70 ¢	11.10 ¢
Unitil Var. Com.	10.60 ¢	8.60 ¢	8.10 ¢	9.70 ¢	11.80 ¢	11.10 ¢
CPCNH Monthly Variable Clean 100						
Eversource	12.10 ¢	10.70 ¢	10.50 ¢	11.50 ¢	13.70 ¢	13.10 ¢
Liberty	13.00 ¢	11.60 ¢	11.20 ¢	11.80 ¢	13.50 ¢	13.10 ¢
Unitil	12.20 ¢	10.30 ¢	9.80 ¢	11.50 ¢	13.80 ¢	13.10 ¢
Unitil	12.50 ¢	10.10 ¢	9.50 ¢	11.50 ¢	14.00 ¢	13.10 ¢



~ Cost of Service:

Figure 3:

	Rate
Total	\$97.00
Energy Costs	\$65.98
Other ISO Costs and Losses	\$16.17
Renewable Portfolio Standard (RPS)	\$6.44
Operating Costs, Reserves and Uncollectible Costs	\$8.41
Billed Volumes (MWh)	682,608
Reserves (\$000)	\$1,101

~ Resolution:

The CPCNH Board of Directors adopt the Energy Service Fall Rates as presented at the January 31, 2025 Board of Directors meeting.



BILL NUMBER & TITLE:	HB 760, AN ACT Relative to Utility Default Service
SPONSORS:	Rep. Cormen, Graf. 15; Rep. W. Thomas, Hills. 12; Rep. Muns, Rock. 29; Rep. McGhee, Hills. 35; Rep. Darby, Hills. 11; Rep. Caplan, Merr. 8; Rep. Ammon, Hills. 42; Rep. Osborne, Rock. 2; Sen. Watters, Dist 4
COMMITTEE:	House Science, Technology & Energy
LINK TO TEXT:	https://www.gencourt.state.nh.us/bill_status/pdf.aspx?id=7688&q=billVersion
LINK TO BILL DOCKET:	https://www.gencourt.state.nh.us/bill_status/billinfo.aspx?id=906&inflect=2
RECOMMENDATION:	OUGHT TO PASS (OTP)

SUMMARY

This bill protects consumers and the competitive market from the emerging threat posed by regulators and monopolies to shift costs from utility default supply service to all customers through non-bypassable (i.e., compulsory) wires charges. Specifically, this bill would reverse this troubling deviation from business-as-usual ratemaking practices by Public Utilities Commission (PUC) by making two things mandatory to **ensure utility default energy service costs are not shifted to all customers:**

1. Specifies that costs arising from utility default energy service must be recovered through utility energy service charges. The prevents utilities from socializing cost overruns from utility default energy supply service onto the backs of customers served by Community Power default energy service or competitive supply service.
2. Specifies that any cost-overruns incurred for each utility energy service customer class in a rate period must be (a) recovered from or credited to the same customer class and (b) recovered over no more than two default service rate setting periods. This ensures that cost overruns or surpluses are paid for or credited to the utility default customer group who caused them to occur.

WHAT PROBLEM DOES THE BILL SOLVE?

Thanks to the wisdom and foresight of the New Hampshire General Court, for over two decades consumers have had the ability to choose their electricity supplier. However, that right is in jeopardy unless the legislature acts now to reverse this troubling trend. Absent timely legislative action, customers would end up paying twice for energy supply – once to their chosen supplier (i.e., Community Power or competitive supply) and once to their electric distribution utility through a compulsory wires charge. By putting an end to this

unfair cost shift, it protects fair market competition and customer choice in NH's energy market.

No other competitive supplier can socialize its cost overruns onto the backs of all utility customers. Competitive suppliers should have full and fair opportunities to compete to serve customers on a level playing field with utilities.

Potentially exacerbating the cost-shifting issue, the PUC has recently directed utilities to adopt a new methodology for power supply procurement and rate setting that would unfairly shift costs. Under the new practice,

- ⚡ 30% of Eversource and Unitil's six-month procurement is left open to commodity market pricing while 70% is provided through fixed-price forward contracts.
- ⚡ For Liberty Utilities, the ratio of fixed-price forward contracts to "open" spot-market exposure is 50% to 50%.¹
- ⚡ Utilities and regulators will estimate the expected costs of the "open" positions in the spot market to set the rate.
- ⚡ If rates fail to cover all costs of spot market purchases during the 6-month period, the PUC is directing those cost-overruns be shifted into stranded cost charges paid for by all customers (even those not purchasing utility energy supply).

WHY IS THE BILL NEEDED NOW?

The PUC's proposed new method is likely to result in increased cost-overruns for utility supply rates which will have to be collected from customers in the future with interest.

- ⚡ The PUC has directed that cost-overruns be shifted away from utility supply customers and onto all distribution customers including those not purchasing utility supply, such as competitive supply and community power customers.
- ⚡ The methodology may give the appearance of lower supply costs in the form of lower rates for utility supply while moving costs onto other customers elsewhere in bills.
- ⚡ Moving costs of utility supply into the Stranded Cost Recovery Charge (SCRC) is a clear example of unjust and unreasonable cost shifting.

If the cost-shifting is not addressed in a timely fashion, there will be a chilling effect on the competitive energy market in New Hampshire. Suppliers may be less likely to offer their services, and customer choices will diminish. Customer choice, competitive supply options, and Community Power all result in more cost-saving options for customers. Choice and competition should be expanded, not undermined.

¹ In the next rate period effective August 2025 - January 2026, the PUC has directed the three Investor-Owned Utilities (IOUs) to propose a minimum of 50% commodity market exposure for their supply product and rates (for residential and small commercial customers). That is a large shift of risk from suppliers on to customers that could result in volatility and price swings for customers, and under the PUC's proposed method, large cost shifts.

KEY POINTS & BENEFITS FOR NEW HAMPSHIRE

- ⚡ Utility default supply rates should reflect the cost of serving those customers.
- ⚡ Any cost overruns from utility default supply service should be borne by the customer group(s) that caused them.
- ⚡ Shifting cost overruns from utility default supply undermines the consumer and the choices they've made through the competitive market.
- ⚡ Market competition and customer choice results in cost savings and additional value that benefits NH.
- ⚡ The bill benefits New Hampshire by protecting competitive market options and choices for customers, which drive cost savings.

COST BENEFIT OF BILL

The bill has no cost impact and will protect market-based cost-savings options from competitive suppliers and Community Power.

For additional discussion see:

- ⚡ [CPCNH 12/17/24 Statement on Changes to Investor-Owned Utility \(IOU\) Supply Procurement Methodology: New Regulations Shift Supply Costs, Increase Volatility](#)

From: Herb Lloyd <herb_lloyd@hotmail.com>

Sent: Thursday, January 30, 2025 2:05 PM

To: Councilor John Tabor <councilor.tabor@portsmouthnh.gov>

Subject: Re: Small municipal solar grants

John,

Here is the feedback from Katrin:

"We still have available battery backup systems for 50% paid by everource for any building that is an emergency center, warming shelter, or any type of place people can gather in an emergency. It does not have to be the primary building for emergencies, just available if needed. If you put that 50% with the tax credits we hope still exist, you only pay 20% the cost of the battery.

If we had different people in office, we would be discussing the free small solar opportunities planned for this year, however, we are currently being told the ones awarded last year are at risk because they help Justice 40 communities...

I would say to think about what your community needs, and work toward getting plans created, hopefully the math makes them work whatever the incentives are. I do think large solar has a better chance because the numbers work out and it can't be attacked for being helpful to an underserved population."

I have not found any federal or state programs that looked like they would support Portsmouth, I will keep looking though.

Thx