

# Cheshire Community Power

## *Electric Aggregation Plan Overview*

*September 21, 2022 | 8:30am*



**Presented by:** Cheshire Electric Aggregation Committee  
Committee

**Presented to:** Public Hearing #1

Cheshire Community Power will allow the County to provide energy supply and related services on behalf of County facilities, residents, businesses and municipalities that wish to join.

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 Cheshire 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](#) (enacted as the first in the nation in 1996 and updated in 2019 and 2021).
- ⚡ 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



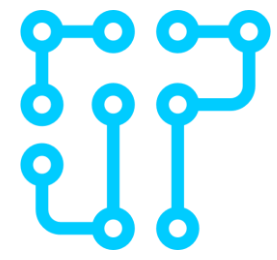
## Lower Costs

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

# Electric Bill: Supply & Delivery

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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

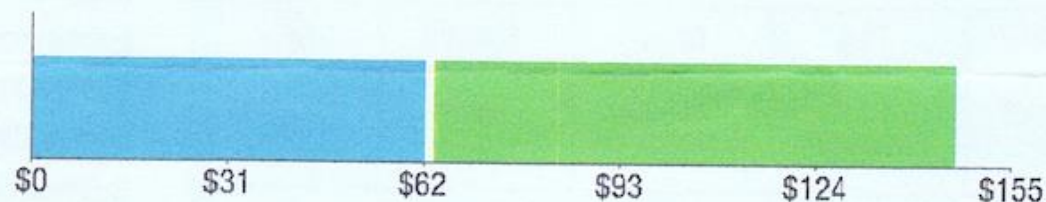
**\$62.31**

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 → Supplier  
Eversource Cheshire 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
<b>Total Cost of Electricity</b>		<b>\$145.64</b>

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

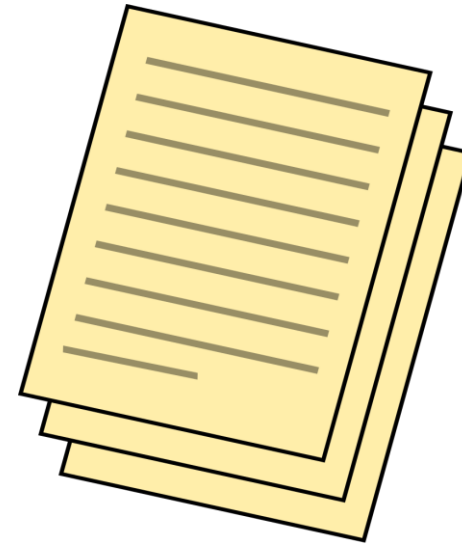
# Key Points for Opt-In

- ⚡ Cheshire Community Power will launch as an **“opt-in” program** to supply electricity to county facilities. Any customer within Cheshire County (residential, business, municipal) may voluntarily opt-in to receiving their electricity supply from Cheshire Community Power, and benefit from pooled purchasing power.
- ⚡ **Utilities 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 County will be **authorized to contract for the necessary professional services and power supplies to launch Cheshire Community Power.**
- ⚡ **Participation in Community Power is completely voluntary.**



# Default Electricity Service Option

- ⚡ Cheshire Community Power may offer “default electricity supply” to County **municipalities that request to participate by vote of their governing body** (e.g., Select Board).
- ⚡ For towns that choose to join, **Cheshire Community Power will become the default electricity provider** for residents, businesses and other electric accounts that currently receive “utility default electricity supply.”
- ⚡ The **program is voluntary**, and any customer may choose to “opt-out” back to the utility or a competitive energy supplier at any time with no penalty.
- ⚡ **Customers on competitive supply may choose to opt-in** to Cheshire Community Power or stay with their current supplier.



## 2. The Electric Aggregation Plan

# What is the Electric Aggregation Plan?

- ⚡ The County Delegation established an Electric Aggregation Committee, pursuant to RSA 53-E, and tasked the Committee with preparing an Electric Aggregation Plan (EAP).
- ⚡ The EAP explains how our Community Power program will operate. It is available for your review on our webpage or at [https://co.cheshire.nh.us/?post\\_type=new\\_and\\_alerts&p=10518&preview=true](https://co.cheshire.nh.us/?post_type=new_and_alerts&p=10518&preview=true)
- ⚡ The Cheshire Electric Aggregation Committee will hold 2 Public Hearings, on **Wednesday September 21** and **Wednesday September 28** at **8:30am**, 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 Cheshire 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:

- Otherwise commit the county to any defined course of action; or
- Impose any financial commitment or liability on Cheshire County.

# Electric Aggregation Plan Overview

## Chapters:

1. Introduction to Community Power
2. Overview of Cheshire Community Power
3. Community Power Coalition of New Hampshire
4. County Goals and Objectives
5. Statutory Requirements for Cheshire's Plan

## Appendices:

1. Legislative Background
2. Community Power Coalition of NH
3. Renewable Portfolio Standard
4. Utility Procurement & Rate Setting
5. Utility Net Energy Metering Tariffs
6. Net Energy Metering, Group Net Metering & Low-Moderate Income Solar Project
7. How Load Serving Entity Services will be Implemented
8. Customer Data Protection Plan

# Cheshire Community Power will

1. **Serve as the electricity supplier** on an “opt-in” basis for county facilities, residents, businesses, and municipal electric customers that choose to participate
2. Serve as the **default electricity supplier** throughout municipalities who choose to participate in the program by vote of their governing bodies, and approval by the county.
3. **Offer innovative service and rate options to customers on an "opt-in" basis** such as more renewable energy and time-varying rates
4. **Operate on a competitive basis** – Customers will be able to switch back to Utilities energy service or other supplier *with no penalty*.
5. **Be self-funded** by rates paid by participating customers – **The County will not use taxes to cover program expenses.**

**The County Delegation, with advisory support from the Electric Aggregation 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 for Municipalities Electing to take Default Service

- ⚡ At least **30 days before enrolling customers**, all electric customers within participating towns will be mailed notifications that will include the initial fixed rate for Cheshire Community Power service compared with the utility rates
- ⚡ Customers currently on default energy service provided by utilities will be **able to decline participation or “opt-out”** of Cheshire 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 Cheshire Community Power.
- ⚡ New utility customers will get similar opt-out notices.
- ⚡ All Cheshire 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

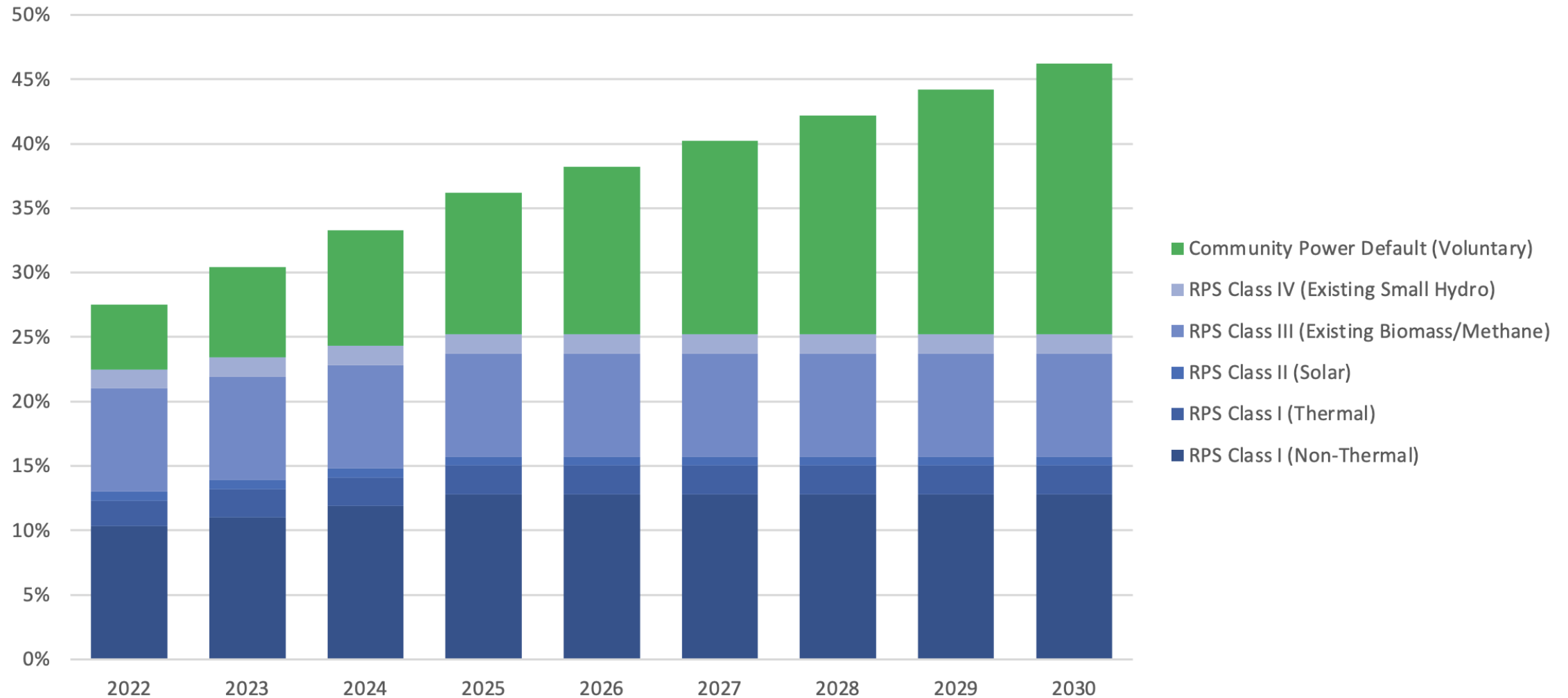
Example default service product and optional rates that could be offered to customers:

	Default Service (automatic enrollment)	Optional Products		
		Basic Service (opt-down)	Green Start (opt-up +)	Prime (opt-up +)
Attributes	5-10% above Renewable Portfolio Standard (RPS)	Meets Renewable Portfolio Standard	~50% Renewable	100% Renewable
Price	Meet or beat default utility rate at launch	Below default utility rates	Higher or competitive w/ default utility rate	Exceeds default utility rate

*(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%)*

# Illustrative Renewable Energy Purchases

Renewable Portfolio Standard Requirements + Voluntary Purchases





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

### 3. Community Power Coalition of New Hampshire (CPCNH, or, “the Coalition”)

# About the Coalition

The Coalition is a locally governed power agency, operating on a non-for-profit basis, providing shared expert services for Member cities and towns including:

- ⚡ Pooled competitive procurement and economies of scale
- ⚡ Shared expert staff servicing all Members
- ⚡ Risk management of a portfolio of power supply contracts
- ⚡ Retail customer services
- ⚡ Opportunities for new projects and services
- ⚡ Joint public advocacy to improve state energy policy

FOR COMMUNITIES, BY COMMUNITIES.



**COMMUNITY  
POWER COALITION**  
OF NEW HAMPSHIRE

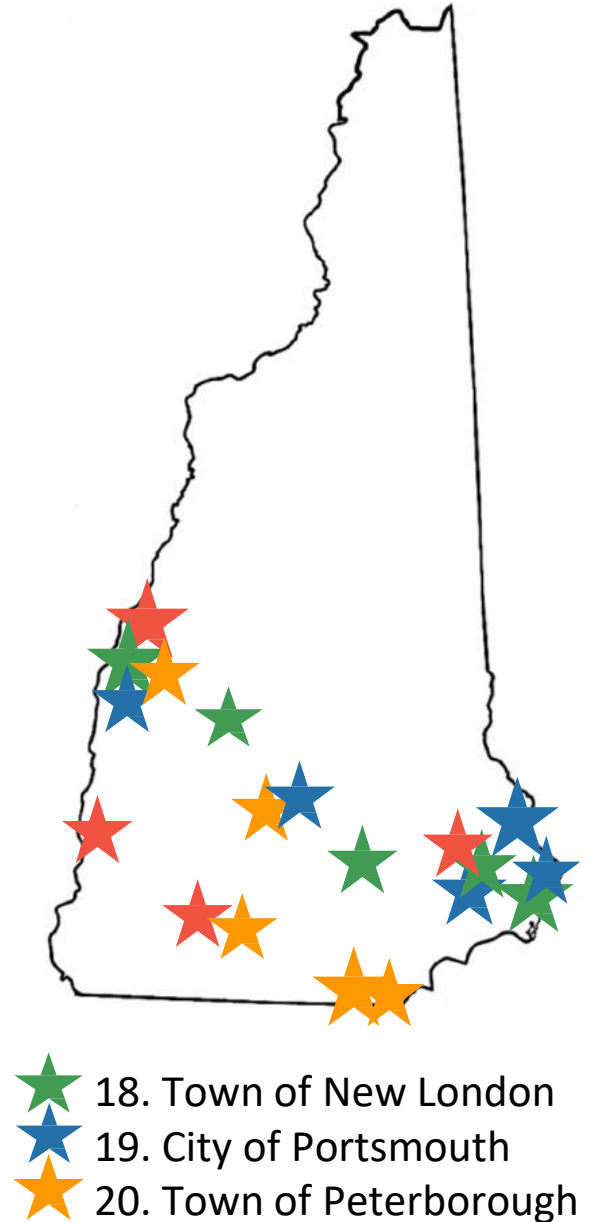
*CPCNH is designed to insulate member municipalities and their taxpayers from financial and legal liabilities of CPCNH and its services, while being accountable to locally elected bodies.*

**CPCNH will succeed if communities have financial stability, unbiased professional oversight, and advanced services needed to achieve their policy goals.**

# Coalition Members

- ⚡ CPCNH is a **community-governed power agency** operated on a not-for-profit basis (*founded Oct. 1, 2021*)
- ⚡ 20 Members, ~119,000 customers, ~960,000 Megawatt-hours per year, **>\$75 million annual revenues**
- ⚡ **Revenues controlled by Member cities, towns and counties**
- ⚡ Empowering communities to develop **local renewable energy + storage projects** and **control energy costs**
- ⚡ **Target launch:** Spring 2023 for ~11 Members (*followed by other Members*)

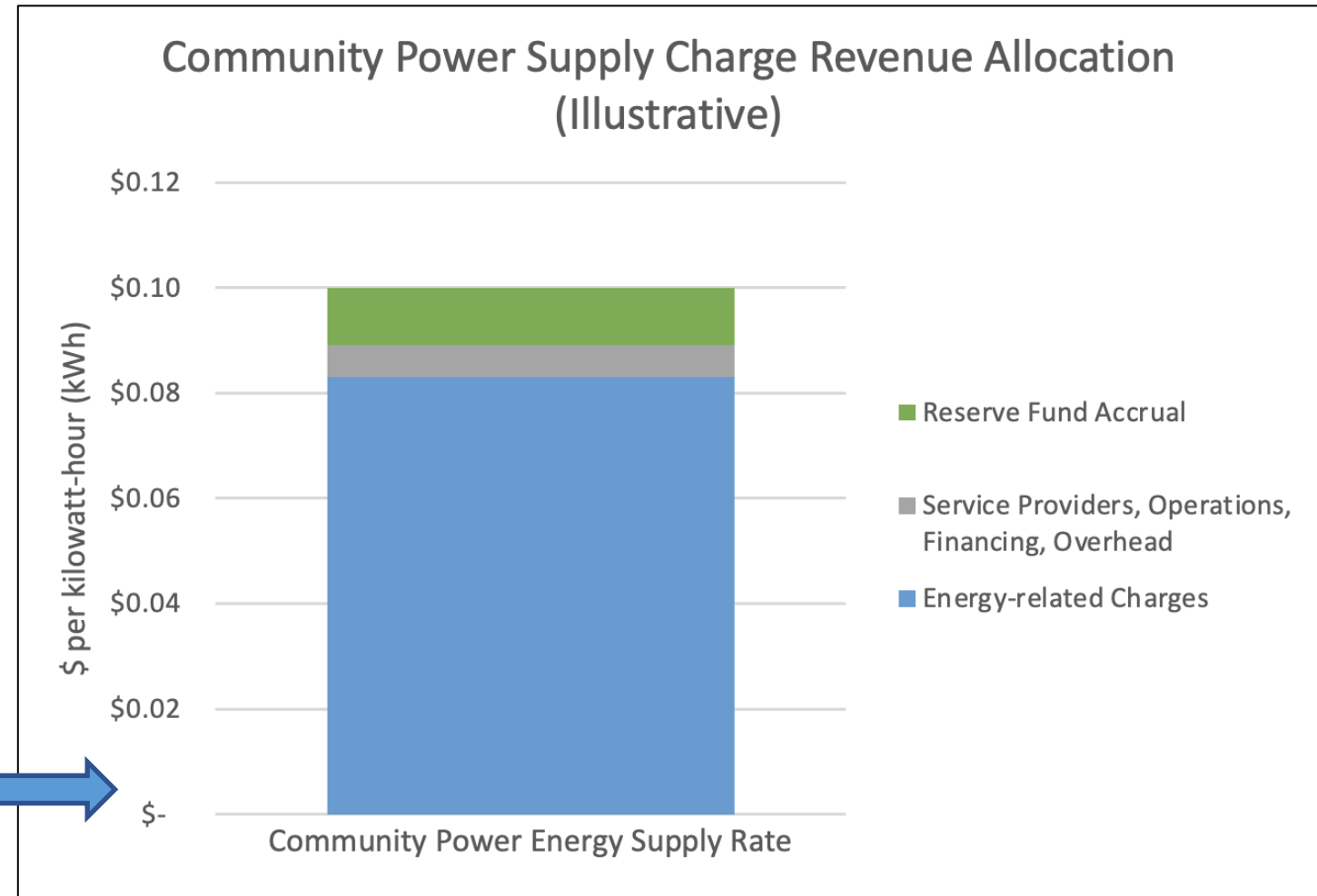
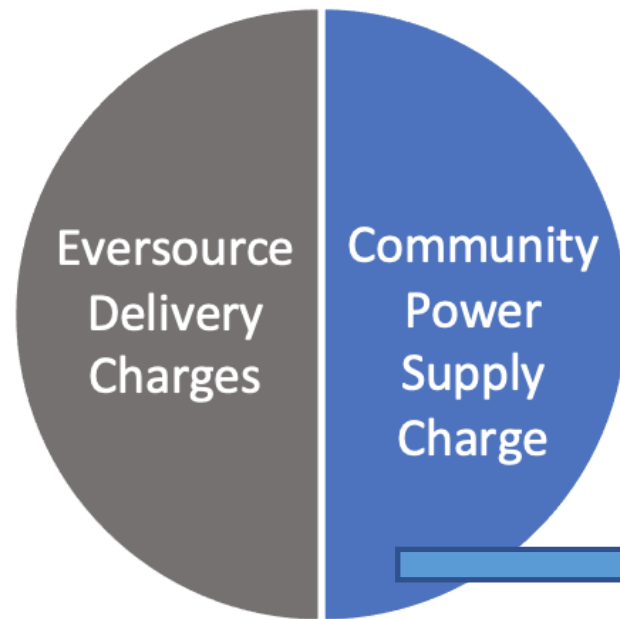
- ★ 1. Town of Hanover
- ★ 2. City of Lebanon
- ★ 3. Town of Exeter
- ★ 4. City of Nashua
- ★ 5. Town of Harrisville
- ★ 6. Town of Rye
- ★ 7. City of Dover
- ★ 8. Town of Warner
- ★ 9. Town of Walpole
- ★ 10. Town of Newmarket
- ★ 11. Town of Plainfield
- ★ 12. Town of Enfield
- ★ 13. Town of Durham
- ★ 14. Town of Pembroke
- ★ 15. Town of Webster
- ★ 16. Town of Hudson
- ★ 17. Cheshire County





# Illustration of Energy Supply Charge Revenue Allocation

Eversource Residential Bill  
(Illustrative)



(Average energy supply rates between 2019-2021 were ~ \$0.08 per kilowatt-hour (kWh). Supply rates have recently jumped to over \$0.15 per kWh. 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.)

# Cheshire Community Power



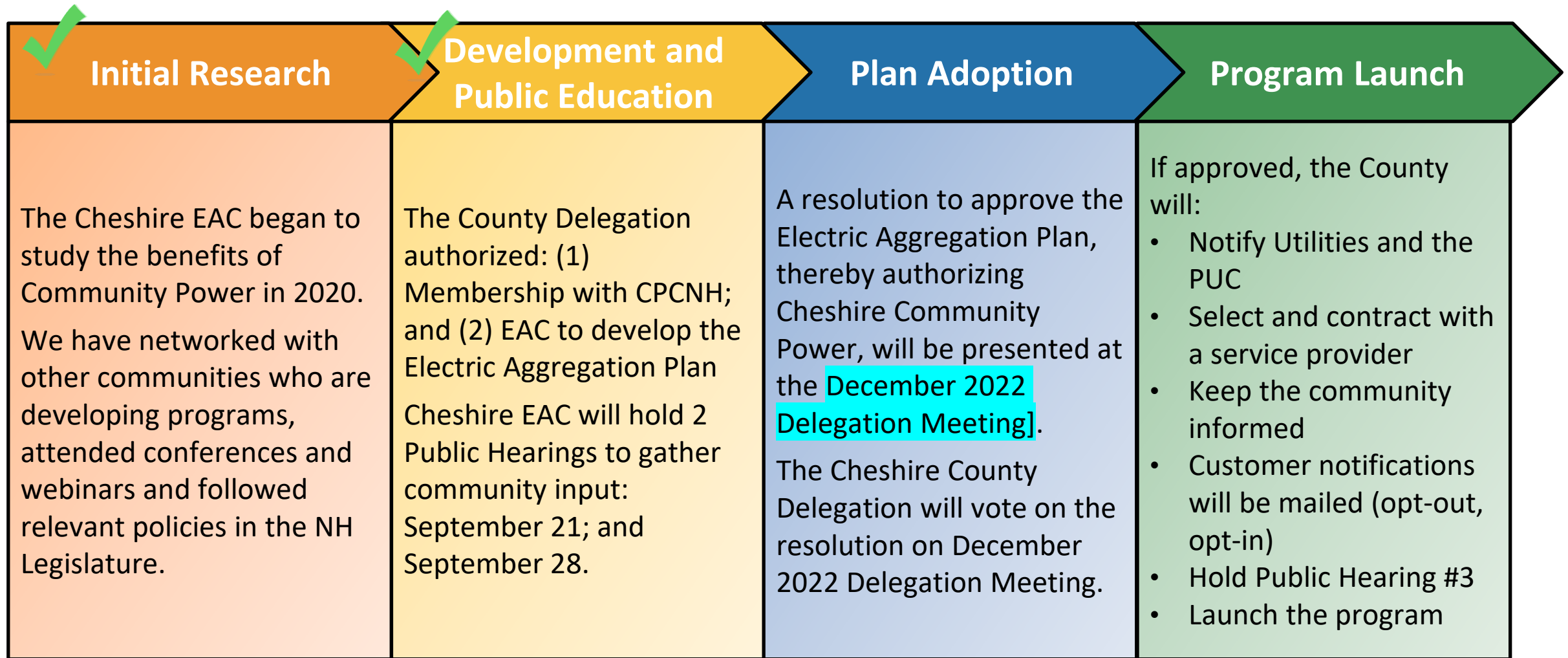
**COMMUNITY  
POWER COALITION  
OF NEW HAMPSHIRE**  
*For communities, by communities.*

- ⚡ Each Member has appointed a Director and an Alternate to the Board of the Coalition to oversee its formation, governance and operations
- ⚡ The Cheshire County Delegation, with the assistance of the Electric Aggregation Committee, will contract for operational services. The Electric Aggregation Plan *assumes, but **does not require***, that Cheshire will participate in the Coalition services alongside other Member communities.
- ⚡ By joining the Coalition, Cheshire County has accessed the expertise, resources, and legislative advocacy of the other Coalition communities.

## 4. Timeline for Cheshire Community Power



# Cheshire Community Power Timeline





## 5. Questions/Comments



# THANK FOR YOUR INTEREST!



LEARN MORE AT:

**[INSERT WEBSITE]**

Questions? Comments

[henry@cpcnh.org](mailto:henry@cpcnh.org)

- ✓ The Cheshire Electric Aggregation Plan
- ✓ Presentation on the Electric Aggregation Plan
- ✓ Frequently Asked Questions

✓ **NEXT PUBLIC INFORMATION SESSION on September 28, 2022 | 8:30am**