

# Hudson Community Power

## *Electric Aggregation Plan Overview*

*October 4, 2022*



**Presented by:** Hudson Electric Aggregation Committee

**Presented to:** Hudson Selectmen

Hudson Community Power will allow the Town to provide energy supply and related services on behalf of Hudson'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

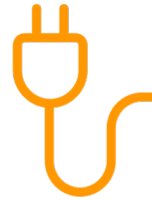
1. What is Community Power?
2. Electric Aggregation Plan
3. Community Power Coalition of New Hampshire
4. Timeline for Hudson Community Power
5. Questions & Discussion

# 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



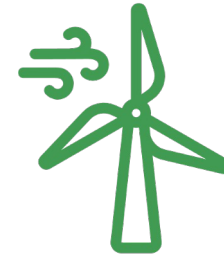
## Local Control

Democratizing energy procurement to the community level



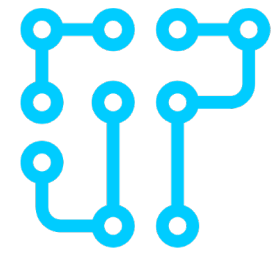
## Lower Costs

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

***Hudson 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”***

*(Page 2 of proposed Electric Aggregation Plan)*

# 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

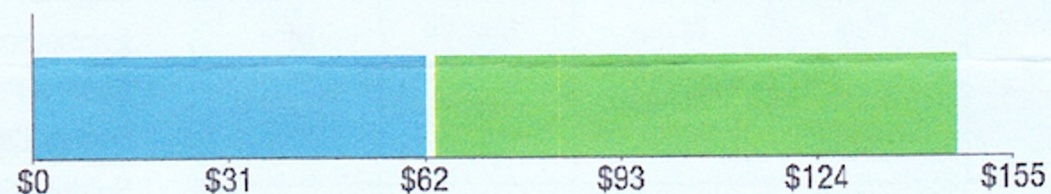
**\$62.31**

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

*Page 2*

## Total Charges for Electricity

<b>Supplier</b> Eversource	→	<b>Supplier</b> Hudson 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

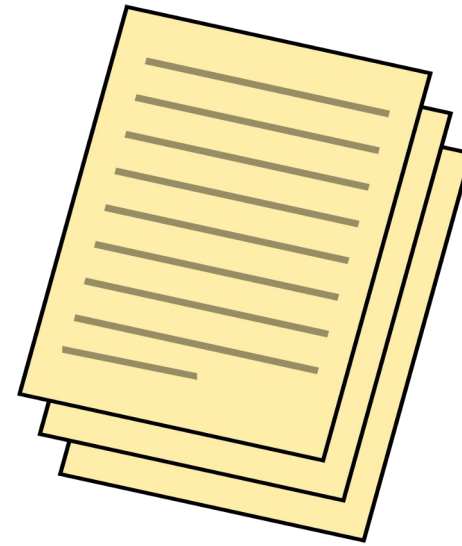
**Total Cost of Electricity** **\$145.64**

**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 Selectmen, with advisory support from the Hudson Electric Aggregation Committee, will be **authorized to contract for the necessary professional services and power supplies to launch Hudson 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 Hudson Community Power or stay with their current supplier.





## 2. The Electric Aggregation Plan

# What is the Electric Aggregation Plan?

- ⚡ The Selectmen designated the Hudson Electric Aggregation Committee as the Electric Aggregation Committee pursuant to RSA 53-E.
- ⚡ The Selectmen 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 at: [https://www.hudsonnh.gov/sites/default/files/fileattachments/sustainability\\_committee/page/52742/hcpeap - draft.pdf](https://www.hudsonnh.gov/sites/default/files/fileattachments/sustainability_committee/page/52742/hcpeap_-_draft.pdf)
- ⚡ The Hudson Electric Aggregation Committee (also pursuant to RSA 53-E) will hold 2 Public Hearings, on 11/15/22 and 1/17/23, 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 Hudson 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 Town to any defined course of action; or
- Impose any financial commitment or liability on the Town of Hudson or its taxpayers.

# Electric Aggregation Plan Overview

## Chapters:

1. Introduction to Community Power
2. Overview of Hudson Community Power
3. Community Power Coalition of New Hampshire
4. Hudson's Goals, Objectives & Requirements
5. Statutory Requirements for Hudson'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. Hudson's Public Planning Process and Town Policy Excerpts
8. Abbreviations
9. How Load Serving Entity Services will be Implemented
10. Customer Data Protection Plan

# Hudson 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 Town will not use taxes to cover program expenses.**

**The Selectmen, 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

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

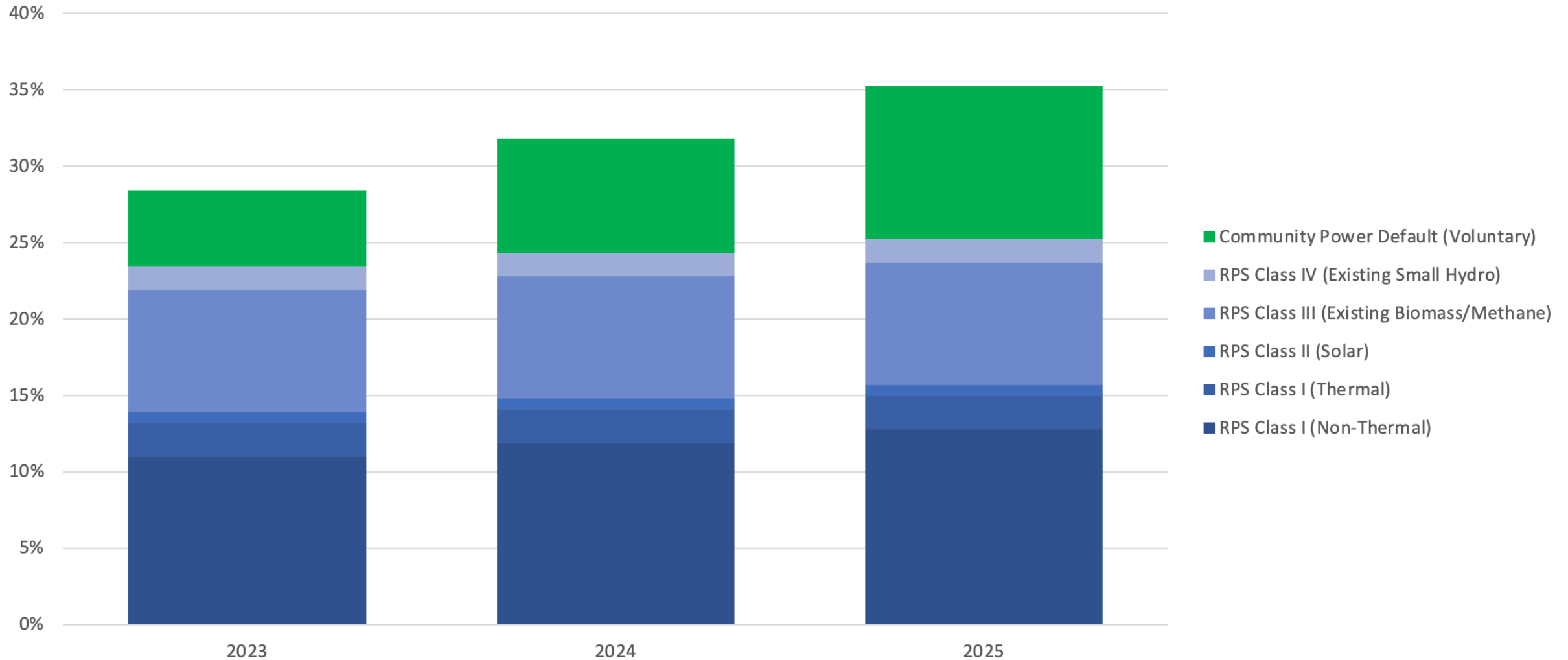
Example default service product and optional rates that could be offered to customers:

	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

FOR COMMUNITIES, BY COMMUNITIES.



**COMMUNITY  
POWER COALITION**  
OF NEW HAMPSHIRE

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

*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.**

# Governed “for Communities, by Communities”

## BOARD OF DIRECTORS

1. Chair Clifton Below, City of Lebanon (alternate: Greg Ames)
2. Vice Chair Christopher G. Parker, City of Dover (alternate: Jackson Kaspari)
3. Treasurer Kimberley Quirk, Town of Enfield (alternate: Jo-Ellen Courtney)
4. Secretary Doria Brown, City of Nashua (alternate: TBD)
5. Founding Chair April Salas, Town of Hanover (alternate: Peter Kulbacki)
6. Director Terry Clark, Cheshire County (alternate: Chris Coates)
7. Director Kevin Charette, City of Portsmouth (alternate: Peter Rice)
8. Director Mandy Merrill, Town of Durham (alternate: Nat Balch)
9. Director Nick Devonshire, Town of Exeter (alternate: Julie Gilman)
10. Director Andrea Hodson, Town of Harrisville (alternate: Andrew Maneval)
11. Director Craig Putnam, Town of Hudson (alternate: Kate Messner)
12. Director Jamie Hess, Town of New London (alternate: Tim Paradis)
13. Director Toni Weinstein, Town of Newmarket (alternate: Steve Fournier)
14. Director Matthew Miller, Town of Pembroke (alternate: Jacqueline Wengenroth)
15. Director Evan Oxenham, Town of Plainfield (alternate: Steve Ladd)
16. Director Lisa Sweet, Town of Rye (alternate: Howard Kalet)
17. Director Paul Looney, Town of Walpole (alternate: Dennis Marcom)
18. Director Clyde Carson, Town of Warner (alternate: George Packard)
19. Director Martin Bender, Town of Webster (alternate: David Hemenway)
20. Director Steve Walker, Town of Peterborough (alternate: Danica Melone)

## OFFICERS & COMMITTEE CHAIRS



Clifton Below  
Chair

**City of Lebanon**  
Assistant Mayor & City  
Councilor



Kim Quirk  
Treasurer

**Town of Enfield**  
Energy Committee



Christopher Parker  
Vice Chair

**City of Dover**  
Deputy City Manager



Doria Brown  
Secretary

**City of Nashua**  
Energy Manager



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

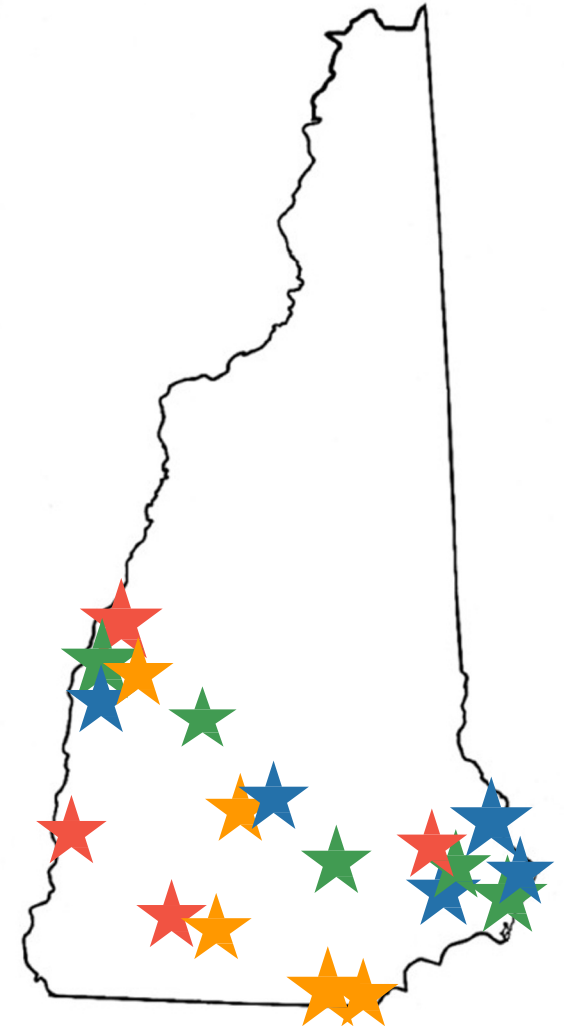
**Town of Hanover**  
Sustainability Director

**COMMITTEES:** (1) Executive (2) Finance (3) Risk Management (4) Member Operations & Engagement (5) Regulatory & Legislative Affairs (6) CEO & Staff Search

# Coalition Members

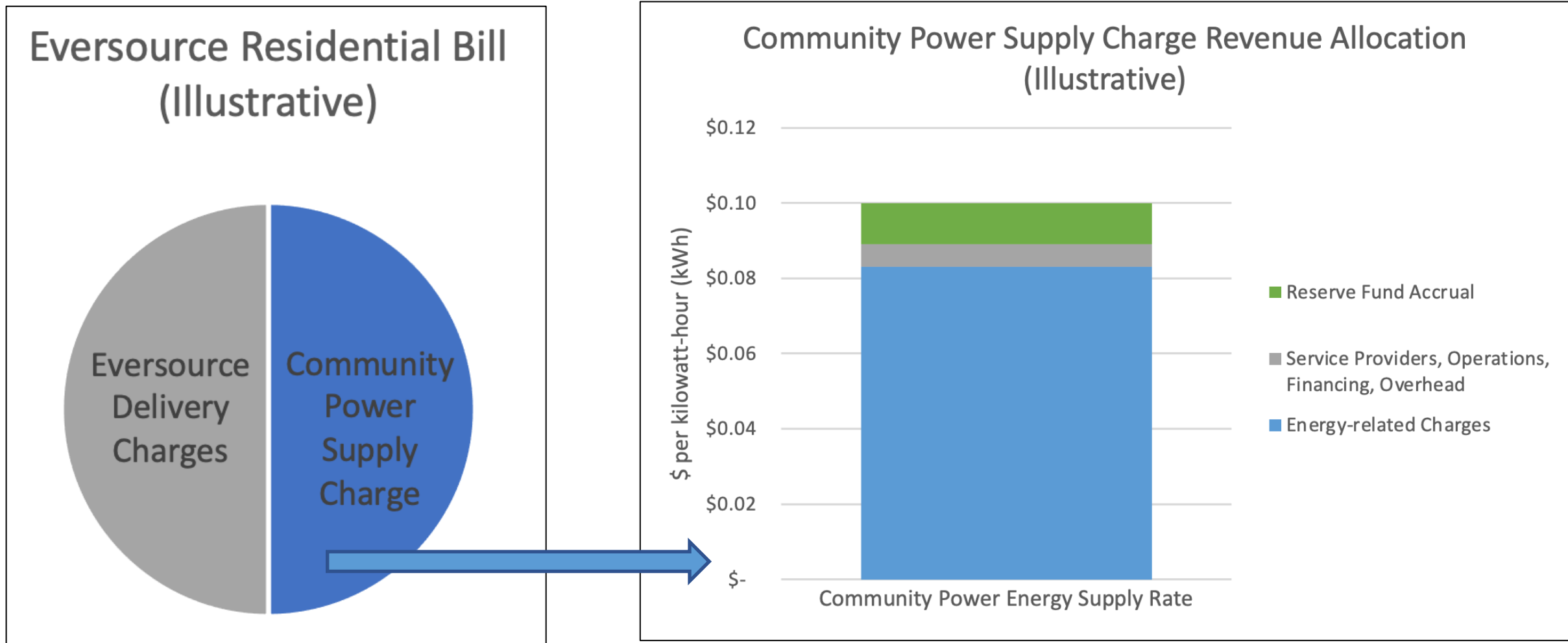
- ⚡ CPCNH is a **community-governed power agency** operated on a not-for-profit basis (*founded Oct. 1, 2021*)
- ⚡ 20 Members, ~119,000 customers, ~960,000 Megawatt-hours per year, **>\$150 million annual revenues**
- ⚡ **Revenues are controlled by Member cities and towns**
- ⚡ Empowering communities to develop **local renewable energy + storage projects** and **control energy costs**
- ⚡ **Target launch:** Spring 2023 for ~11 Members (*followed by other Members*)

- ★ 1. Hanover
- ★ 2. Lebanon
- ★ 3. Exeter
- ★ 4. Nashua
- ★ 5. Harrisville
- ★ 6. Rye
- ★ 7. Dover
- ★ 8. Warner
- ★ 9. Walpole
- ★ 10. Newmarket
- ★ 11. Plainfield
- ★ 12. Enfield
- ★ 13. Durham
- ★ 14. Pembroke
- ★ 15. Webster
- ★ 16. Hudson
- ★ 17. Cheshire County
- ★ 18. New London
- ★ 19. Portsmouth
- ★ 20. Peterborough





# Illustration of Energy Supply Charge Revenue Allocation



*(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.)*

# Hudson 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 Selectmen of Hudson, with the assistance of the Hudson Electric Aggregation Committee, will contract for operational services. The Electric Aggregation Plan *assumes, but **does not require***, that Hudson will participate in the Coalition services alongside other Member communities.
- ⚡ By joining the Coalition, the Town of Hudson has accessed the expertise, resources, and legislative advocacy of the other Coalition communities.

# HUDSON COMMUNITY POWER

Electric Aggregation Committee

Drafts Electric Aggregation Plan (EAP)

EAP



Public Utilities Commission

Approves Hudson's EAP

Selectmen

Sends EAP to Town Meeting vote  
Appoints CPCNH Directors  
Oversees Hudson CP

HUDSON RESIDENTS

CPCNH is formed and governed by 20 Member communities, including Hudson

CPCNH provides comprehensive services to Hudson Community Power

Eversource

Power Delivery, Metering, Billing

ISO New England

Power Market

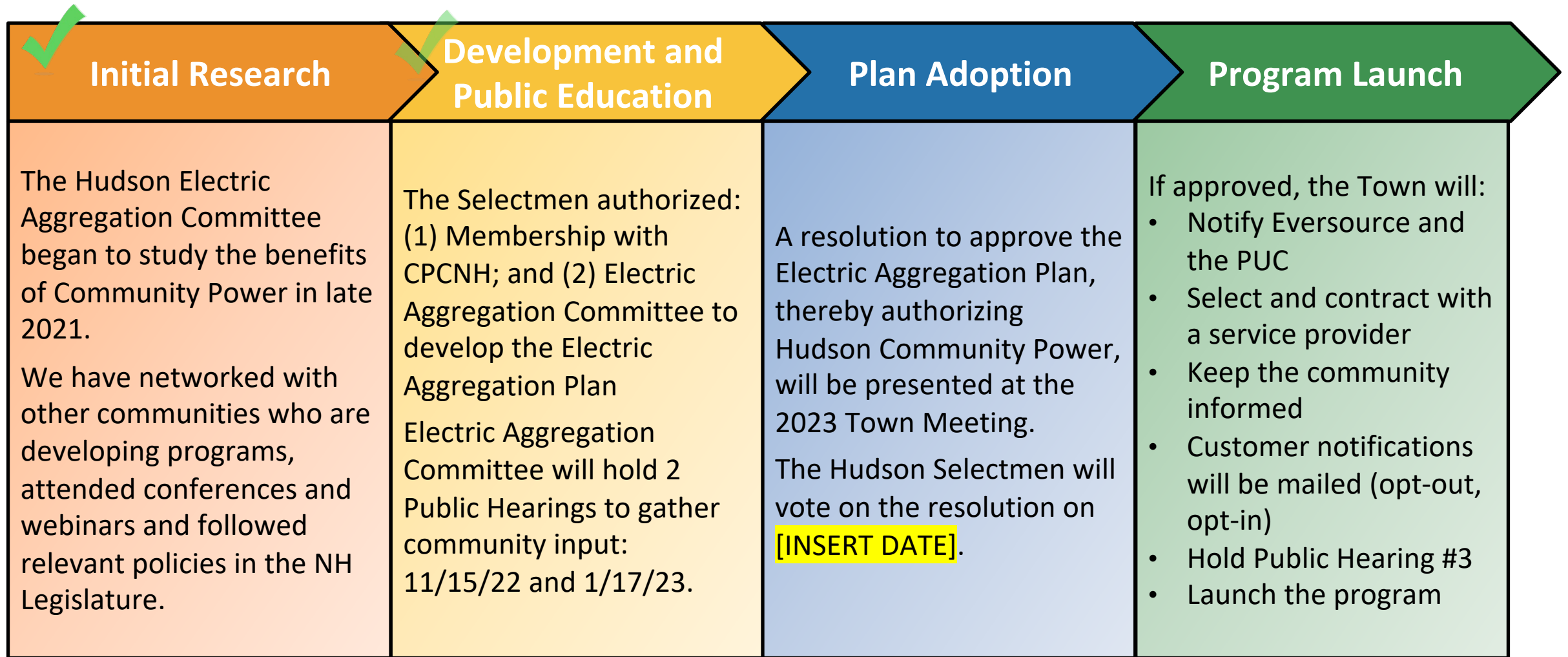


**COMMUNITY POWER COALITION**  
OF NEW HAMPSHIRE  
*For communities, by communities.*

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

# 4. Timeline for Hudson Community Power

# Hudson Community Power Timeline



# Proposed Warrant Article

“To see if the Town will vote to adopt the Hudson Community Power Electric Aggregation Plan which authorizes the Selectmen to develop and implement Hudson Community Power as described therein (pursuant to RSA 53-E:7).”

⚡ Tax impact: None

⚡ Selectmen vote: TBD





## 5. Questions/Comments



# THANK FOR YOUR INTEREST!

## LEARN MORE AT:

<https://www.hudsonnh.gov/bc-sc/page/heac>

## Questions? Comments

[\*\*HudsonSustainability@gmail.com\*\*](mailto:HudsonSustainability@gmail.com)

- ✓ The Hudson Electric Aggregation Plan
- ✓ Presentation on the Electric Aggregation Plan
  - ✓ Frequently Asked Questions
- ✓ **NEXT PUBLIC INFORMATION SESSION on 11/15/22**

