CITY OF PORTSMOUTH NH MEETING NOTES

Portsmouth Energy Advisory Committee Meeting Thursday, March 9, 2023

- 1. Roll call In person: Councilor John Tabor, chair; Council Kate Cook, Kevin Charette, Ben D'Antonio, Allison Tanner, Peter Somssich, Zoom: Tom Rooney. Peter Britz, Stephanie Seacord, recording secretary. Absent: Peter Rice
- 2. Member Services, Cost Sharing and Data Security agreements (to be considered for vote by the City Council March 20 as a precondition to launch). The documents offer a window into the portfolio management.
 - a. Risk Policy portion updated March 5, 2023 (from December version) at the request of Calpine, but not a substantive change
 - b. These end user agreements still allow the flexibility to withdraw before launch or at any time (after apportioning the share of costs from the accumulated reserves)
 - c. If the City Council does not approve the agreements then default to Eversource
 - d. Or if there is a substantial shift in the rate market (TBD Mar 10) CPCNH may advise Portsmouth to wait but Ascend sees no indication in the forecast that Portsmouth and other 'fast followers' should not go live in June.
 - e. If PUC for some reason does not approve Portsmouth's EAP, that would reset the '60 day clock'
 - f. Councilor Cook recommended that the motion for Mar 20 be that the City Council votes to approve the agreements and give the authorized Portsmouth officer the ability to act.
 - g. Has the City legal team reviewed? On schedule for next week. Might want to provide contact into for CPCNH attorney Michael Postar in DC.

Tom Rooney asked, 'Why is CPCNH rate-setting tied to the utilities' dates if one of the benefits of community power is being able to go to market at any time? CPCNH looks at those rates to benchmark its competitive advantage – but does not have to change rates on those dates. CPCNH will procure power on a different timetable to build a portfolio that can allow it to set a better rate on the same timetable that the utilities have to accept the market rate. Portsmouth Community Power option says we do not have to buy the default rate every 6 months nor do customers have to lock in a multi-year contract as they do with third-party suppliers.

- 2. Draft LTE responding to John Stephenson letter. Final letter, from PEAC as a group, approved in discussion (attached)/
 - a. John Tabor tone of the draft Ben provided is more on track. Our intent is to keep the community informed and do so in a thoughtful way.
 - b. Allison Tanner yes, more education
 - c. Ben D'Antonio This version is streamlined simple presentation of facts
 - d. Kate Cook Like simple answers, as direct as possible.
 - e. Peter S put more details in FAQs on website?
 - f. Kevin underscores that by law the City does not pay for the community power program. And Eversource remains as the default if CPCNH fails.
- 3. CPCNH update, neighboring towns go-live update
 - a. The utilities have refused to recognize CPCNH as an electricity supplier (CEPS Competitive Energy Power Supplier.) This was a complete reversal of their position last

- fall. The utilities don't object to community power, just don't agree that the language allows CPCNH to be recognized as a supplier. (CPCNH identifies itself as an agent, not a CEPS.)
- b. Calpine, the CPCNH retail component stepped up to its contracted subsidiary Champion, licensed for NH, to create Calpine Community Energy specific to CPCNH. Ascend approved. Gives CPCNH the flexibility to be the designated supplied to participate in ISO New England. Complicated workaround but CPCNH Board approved the arrangement on Mar 3.
- c. Issue delayed the launch of Wave 1 towns until Mar 24, which impacts the accumulation of reserves that would have accrued if those programs were already selling power, but CPCNH notified PUC on Mar 6 that Wave 1 would be taking power. Notification flyer and personalized letters now being finalized.
- d. CPCNH Board will set rates on 3/10. Two options under consideration:
 - i. A discount to the default utility rate which means rate would vary, town to town
 - ii. A set rate with varying discount depending on the utility

Portsmouth Community Power timeline:

- Apr 11 PUC decision on EAP
- Apr 12 CPCNH Risk Management team with update from Ascend goes to market for Portsmouth
- Apr 13 Portsmouth announces intent to launch in 45 days
- Apr 28 Notification mailer to Portsmouth customers
- May 28 Launch
- ALSO CPCNH will review three finalists for CEO on Mar 13.
 - 4. Discussion: Getting community understanding to catch up to community awareness
 - a. CPCNH preparing materials for Wave 1 Portsmouth can see communications rollout and adjust for June.
 - b. Can observe enrollment, notification process. Will have launched when Wave 1 experiences its first billing cycle, but will still have insight before Portsmouth's first billing cycle.
 - c. Are others launching in parallel with Portsmouth? Maybe Dover but delayed while considering impact to municipal contract. Nashua press conference on Mar 13
 - 5. Public Comment no public comment.

On a motion by Allison, seconded by Peter S. meeting adjourned at 6 pm.

- 3. On a motion by Allison Tanner, seconded by Kevin Charette, voted to approve minutes from January 18, 2023. On a motion by Allison Tanner, seconded by Kate Cook, voted to approve minutes from January 25, 2023
- 4. Public Hearing, Energy Aggregation Plan Can be viewed at: https://www.cityofportsmouth.com/sites/default/files/2023-01/DRAFT%20EAP%202023.01.27.pdf

Councilor Tabor outlined the schedule needed, per RSA 53, to move ahead with the Portsmouth Community Power program

- a. Public Hearings on February 2 and 9.
- b. Draft EAP to Public Utilities Commission on February 10 (for response in 60 days)
- c. City Council Work Session on February 13.
- d. City Council vote on Energy Aggregation Plan on February 21.
- e. City Council vote on Cost-Sharing and Rate-Setting agreements on Mar 20.

Councilor Tabor introduced the session noting that Portsmouth residents are paying a lot for electricity and that much of that energy comes from fossil fuels. Portsmouth Energy Advisory Committee (PEAC) was established by the City Council to use the RSA that permits municipalities to pursue community power programs to aggregate the electricity demand of residents and businesses to enter the power markets to obtain more competitive rates and more 'green' supplies of energy. There are now 28 towns who are members of the Coalition for Community Power of NH (CPCNH).

We expect to see substantial benefits over time and a 5-7% decrease in the short-term rate. Portsmouth Community Power expects lower rates because the regulators require that Eversource must accept the available market rate at two set dates, while power portfolio management by CPCNH allows us to purchase short-term and long-term rate inventory that can be used to stabilize rates and flatten spikes.

The PEAC survey in January showed that while residents are interested in green power, only 20 percent are taking advantage of third-party supplier alternatives because they've found it too cumbersome to do so.

Finally, Portsmouth Community Power holds the promise of driving innovation and the creation of local power source projects because CPCNH will build reserves from the energy payments made by customers in excess of the actual power sold. Those profits now go to Eversource, without local control of their use.

Portsmouth Community Power is an opt-out program so that CPCNH can leverage the buying power of all members when purchasing power. But customers can opt-out at any time, without penalty. A month in advance of going live, Eversource customers will receive a letter notifying them of the change in 'default supplier' and how to opt-out. That notice will also include the comparison of the CPCNH electric rate and the Eversource default rate.

Eversource will continue to maintain the electric infrastructure – poles, wires, transmitters – service to the network, repairs to outages and will continue to bill customers as it does now for those "delivery services."

- 5. Presentation Community Power program for Portsmouth, Henry Herndon [see presentation]
- 6. Community survey data Allison Tanner [see presentation]
- 7. Public Hearing Comments:

Dave Sanderson, 248 Spinney Road. "Full steam ahead! I'm 95 and I hope to see this happen while I'm still around."

Becca O'Brien, 396 Miller Ave., "As a former PEAC member, I second 'full steam ahead' and am really excited about what could happen with the reserves and some of the NH Saves initiatives. 100% supportive."

Lisa Sweet, Rye community power representative – here to echo support and Rye's belief in the program benefits and CPCNH management./

Peter Somssich reported that residents are in favor of more clean energy even if it's more expensive – and that at the moment green is 3 cents cheaper than the default – an encouraging sign.

Allison Tanner supported the idea of anything that allows the customer to intelligently shift at low cost. Looks forward to tech developments and more influence on things like EV-charging rates.

John Tabor concurred that the community control would allow the reserves to fund solar, hydro and self-financing projects. "Exciting things can be brought to life with this program" – Henry Herndon CPCNH

Kate Cook noted there is very little risk in the near term in the program, while giving residents another option. "Competitive rates and green, now – all that goodness, now."

JT also noted that current third-party suppliers require a multi-year contract. Portsmouth Community Power offers full flexibility – customers can opt-out without penalty

Adjourned at 7:04 pm on a motion by Allison Tanner seconded by Kevin Charette.

