



All About Community Power Plans

Overview

1. **Community Power Plans** across the country authorize towns to provide choice regarding default electricity services and supply to their residents and businesses. (The utilities continue to own and operate the distribution grid.)
2. In October 2019, similar community power plans were enabled in New Hampshire by legislation passed by the State Legislative and Governor (RSA 53-E).
3. In April 2020, the Harrisville Select Board appointed an Electric Aggregation Committee to research and evaluate the opportunities brought about by this legislation. This document outlines much of what the Committee has learned about Community Power Plans thus far.
4. In a nutshell, the Committee recommends that the Town aim to take full advantage of the new legislation on behalf of residents and business owners, now and in the future.
5. The primary goals of a Community Power Plan would be to
 - A. Provide **electricity rates** that are lower or competitive overall with the default rate offered by Eversource.
 - B. Create a **Reserve Fund** to finance projects and programs that assist residents and business become carbon-free and animate local economic activity with respect to energy production and conservation.
 - C. Supply an **energy portfolio** that prioritizes the use of renewable resources, eventually to emphasize locally-generated power to the maximum extent technically and economically feasible.
 - D. Provide **training education, guidance, and support** to local residents and businesses regarding means of generating sustainable forms of energy and methods of conservation of energy such as weatherization and insulation.
6. In September, the team aims to explain to the Harrisville community: What are Community Plans, and ask others: Is this a good idea and why, why not?
7. By October/November, the Committee will have a draft of the more detailed **Community Power Aggregation Plan** for the second Community Conversation.
8. By end-year, the Committee will prepare the Warrant Article for the Town to vote — whether to adopt a Community Power Aggregation Plan — to be presented to the Select Board for its approval, and for public comment at public hearings ahead of Town Meeting.
9. March 9, 2021, Town Meeting barring the unforeseen.

So, What is Community Power?

10. The electric utility industry throughout our region was restructured in the 1990s to separate the business of generating electric power, which is now a competitive market, from the regulated monopoly functions of transmitting and distributing electricity.

11. This meant that household electricity customers could now select competitive electricity suppliers that purchase electricity generation from the wholesale market to match the load or consumption of electricity by the customer. Typically, the larger the load or amount consumed, the lower were the rates that could become available.
12. In Harrisville, Eversource remained the regulated distribution monopoly that owns the poles, wires, and transformers that deliver electricity from suppliers (generators) to customers. Eversource also arranges what is called “default service” from suppliers that bid to serve customers that have not chosen a competitive supplier. This electricity supply is called “energy service” on your Eversource bill.
13. Problem is, with the limited purchase power of one household or one business, it is exceedingly difficult if not impossible to access attractive bulk rates, smooth out price volatility, cope with predatory contract practices, and specify supply sources.
14. The NH municipal aggregation statute (RSA 53-E) approved in 2019 removes these barriers, and enables innovation in technologies and services.
15. To quote the *Constitution of New Hampshire*: “Free and fair competition in the trades and industries is an inherent and essential right of the people and should be protected against all monopolies and conspiracies which tend to hinder or destroy it”.
16. With further approval from the Town, Harrisville will be able to launch a Community Power Plan on behalf of roughly 915 residential and commercial customers (minus those who elect to opt out, or to remain with third-party brokers).
17. This will require Warrant Article approval at Town Meeting, which puts the Electric Aggregation Plan into effect. At this point the Town is authorized to consider the best vendor to meet the goals noted above, #5.
18. A contract could be entered into by the Select Board on behalf of the Town with a commercial broker, or Community Power New Hampshire (CPNH). CPNH is a not-for-profit corporation serving as a coalition of municipal and county governments by coordinating implementation of Community Power aggregation plans, or with some other broker or supplier. Once such a contract had been negotiated, a notice would be sent to all Town residents, setting out the newly-available electricity rates and other information.
19. Following receipt of this notice and information, all Eversource customers (that is, not on a competitive supply contract) would be automatically switched over to the Town’s Community Power Plan — unless they exercise the easily-available option to opt-out of such a Plan. Customers of other providers could choose to opt into the Town’s plan. Enrollment changes (opt in or out) would be processed with due notice.
20. Overall, this initiative is similar to the Broadband project with the exception that this is a self-funded enterprise (not requiring Town taxing or bond funding). And, sign up would be automatic unless the opt-out option is elected by a resident or business.

Why Harrisville Community Power?

21. The Harrisville Community Power Plan (HCPP) is consistent with and advances several goals set out in the Town’s Master Plan (and Natural Resource Inventory) in areas of local economic development, conservation, civic engagement, energy and business innovation, and investment — key measures that the Town considers essential to Harrisville’s continued success as a vital, sustainable community.

22. The specific ways that we can achieve these goals through a HCPP are listed here, roughly in a timeline order (from next year, extending out about ten).

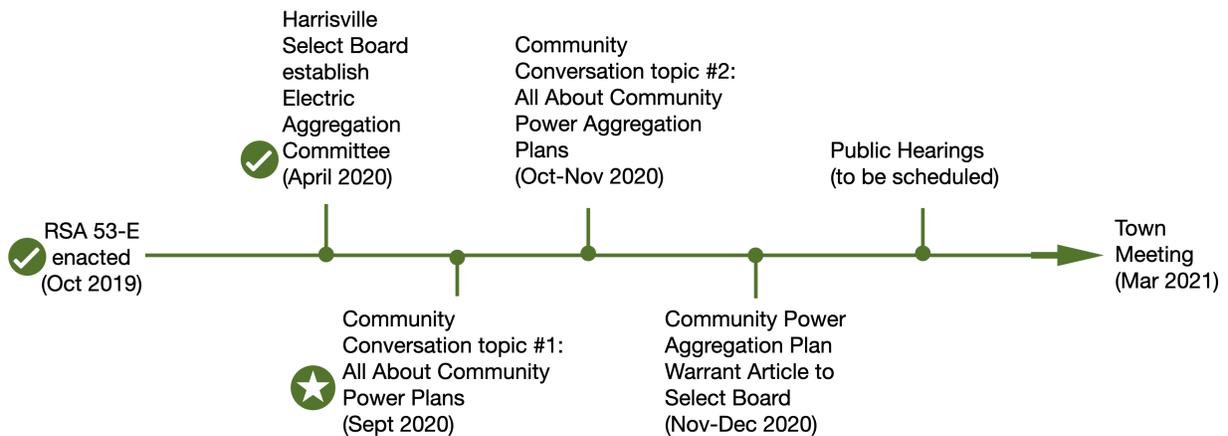
- A. **Choice:** The HCPP will offer residents an alternative to Eversource default energy supply that provides better and more stable pricing on average while offering more renewable-sourced energy.
- B. **Long-term affordability:** Through bulk-rate energy purchasing on behalf of Town residents and businesses, the HCPP will authorize us to negotiate electric supply prices to realize annual savings below the utility default rate.
- C. **Rates** might also be lower than rates from competitive suppliers, so customers who are now buying electricity competitively and who will not be enrolled in HCPP automatically, might choose to join anyway for the savings and/or for other benefits. Harrisville customers will also be able to opt-out of HCPP at the first notice and after being enrolled with HCPP.
- D. **Options to buy more renewably generated power.** HCPP will pursue and offer members options to purchase more renewable-sourced power than the minimum, State-required 20.7% RPS (Renewable Portfolio Standard). Careful planning makes this option affordable as has happened with other municipal aggregation programs. The HCPP would start at a minimum level of 25%, and increase to 100% incrementally each year to the extent technically and economically feasible. This plan puts Harrisville on a path to join Towns and cities across NH and the country to enhance environmental standards and reduce pollution by procuring a more sustainable, affordable, and carbon-free energy supply.
- E. **Reserve Fund:** The HCPP provides for an Electricity Reserve Fund to fund local weatherization and/or renewable energy programs that benefit Town residents and businesses. Funding would be collected at a rate to be determined following Town input and review. Revenues would be applied by the Select Board to finance programs that, for example, would:
 - Provide information and technical assistance to homeowners about pertinent weatherization renovation and replacement projects, with potential rebate or buying programs.
 - Offer skills training to trades professionals or apprentices in areas of building, installing, and maintaining energy-efficient or energy-generating systems, with potential rebate or buying programs.
 - Support renewable energy power generation projects for local households and businesses.
- F. **Sustainability and options to develop and purchase local renewables:** Like farm-to-table programs, the HCPP would aim to develop local, renewable power generation within Harrisville or through regional partnerships. This also strengthens the Town's capacity for disaster and emergency recovery and resiliency.
 - One HCPP goal can be to improve options to buy or invest in locally generated renewable electricity, such as through community solar, wind, and hydroelectric projects. Part of this vision is to accelerate the development of new local renewable energy resources, creating business and entrepreneurial opportunity while increasing the resiliency of the local grid and decreasing reliance on fossil fuels.

- This would entail identifying sites conducive to wind, solar, and/or hydropower generation, and maximizing or supporting related ordinances, permitting, technology, and installations.
- Already in place are Town savings through the installation of the solar array at Town Hall. Historic Harrisville’s energy independence and savings through the installation of its hydro-electric turbine. And, savings realized by Harrisville residents who live “off the grid”, or supplement their energy diet through private solar installations.

G. **Doing essential groundwork for the renewable grid of the future.** Besides the very local focus of the CPP, the Town would pledge to join with others to help Eversource, its competitors, and the PUC (Public Utility Commission) to reduce costs contained in other parts of the electric bill, namely reducing energy supply costs. For example, transmission charges for bringing electricity from a distance can be reduced or avoided when more of the grid’s power is generated locally. Also, the capacity charge, which holds electricity generation systems in readiness to meet the occasional peak demand, can be reduced for everyone cooperating to reduce consumption at the hours of peak demand. Improvements in energy storage capabilities can also help reduce costs in respect to timing of peak demand.

In sum!

23. Again, understanding Community Power Plans will be the focus of an ongoing, online **Community Conversation during September-October**. Please join us for this important discussion — drop in for a Q&A with the Electric Aggregation team and let us have your comments and concerns. Links to do one or the other or both are at the Community Plan web page of the Town’s website. The next topic will be all about community power aggregation plans (October - November).



Milestones to Town Meeting 2021