Community Power Plans, Survey #1
Follow up to concerns and questions submitted

SURVEY Q #1: Based on your review on the materials, do you think that community power is worth pursuing? Positive: 91% (21 Responses) Negative: 9% (2 Responses)

1. *Yes, but it must not turn into a major, mandated push for renewables. A focus on reducing our 5th highest state electricity rate in the country status matched with a vision of sustainability.*

   Or, what is New Hampshire's actual ranking for its electrical rate cost in the USA vs. other states? NH is regularly ranked among the highest electricity rates in the country (along with the rest of New England). However, New Hampshire's electric bills are on par with the rest of the nation. That is, while our per-unit rate is high, we consume less on average, and pay about the same total amount.

2. *No, 1. The savings to be realized (by a reserve fund or on one's personal bill, e.g. $5/month) is far too insignificant. 2. Plan control would follow under our local government 3. Individuals and businesses need less government and municipal control.*

   Or, what kind of reserve fund might the Town of Harrisville build over time, if it took 1/10th or 2/10th of a cent per kWh per month from participating CPA customers? (Our past year's annual load from all four classes of customers, based on data Eversource provided our EAC this summer is 4,177,413 kWh)

   At $0.001 / kwh * 4,177,413 kWh/year = $4,177/year
   At $0.002 / kwh * 4,177,413 kWh/year = $8,354/year
   At $0.005 / kwh * 4,177,413 kWh/year = $20,887/year

   And, can a Community Plan take this approach to building a Town Reserve Fund?

   Yes, Community Power empowers members to approve their own rates, which could include a-community adding a surcharge to capitalize a reserve fund.

   While savings on a personal bill may not be significant to some (e.g., $5/mon = $60/year on a bill) it is a savings to others. And the Reserve Fund possibility is that our Town might gain several thousand dollars/year for weatherization, local contractor training, and other energy related enhancements.

3. *There is not enough info here. My only concern is that aggregating power will enable the incumbent provider -Eversource to pass on long term maintenance and repair costs to the community to support their transmission infrastructure Power production is no longer the expensive part of delivering electricity to individual homes transmission is so it is critical to ensure the HUGE liability of maintaining the infrastructure throughout the community is not*

transferred to the community in the process. This would be a disaster. (see similar email at bottom of memo)

Or, is the writer of the above comment correct? If Harrisville elects to start its own Electric Aggregation Plan, will Eversource be able to: a) pass along added transmission-distribution infrastructure costs to the Town, or make the Town responsible for this huge cost; b) drop its commitment to maintain that infrastructure and place that commitment on an entity not capable of maintaining the transmission-distribution infrastructure?

No. Community Power will not affect the "delivery" costs associated with electricity (transmission and distribution). Eversource will continue to own the grid, and will charge for "delivery" (T&D) the same as if there were no Community Power Aggregation.

Eversource will not drop its commitment to maintaining the grid – that's what Eversource does best and gets paid for.

The questioner is correct that delivery of electricity is a very large portion of the cost, and this remains outside the control of Community Power.

SURVEY Q#2: In your opinion, what are the benefits of Community Power? (Lower rates, Renewables/clean energy, Better for environment, Local power, Access/choice)

4. *A reserve fund "Could" be beneficial, provided that dollars can be realized in a time frame 18 to 24 months. Funds should be available quickly.*

So, how quickly could reserve fund money be accessed by a Town Electric Aggregation Plan, assuming it is billed monthly based on an added 1/10th or 2/10th of a cent per kWh for all CPA customers?

A Community should be able to decide to include a surcharge to capitalize a reserve fund in initial rate offerings, and begin to accrue revenues at the outset of the program.

5. *Who will manage it?*

A non-utility entity partner will manage it as the Town does not have the capability to manage an Electric Aggregation Plan. The Electric Aggregation Plan discussion draft will highlight the options for what type of entity. In all options, the management cost will be built into the kWh rate that each customer pays.

6. *Coordination and compatibility with the leaders in other towns can be a source of tension, especially if the prevailing attitude that everyone is working for "the greater good" is not predominant. If people are working only for the benefit of his/her town, there is bound to be strife.*

Or, how would coordination and compatibility with other Towns be handled in either a commercial broker or joint-action membership model?

In the broker model town coordination is not an issue, the broker handles everything, there is no local control.

The “general/administrative” costs in a joint-action model, those costs which are equally necessary to serve all members, will be shared proportionally across all members. Members may enter into Projects jointly, if they choose. If two or more members decide to enter into a Project jointly (e.g., build a new solar array), the costs of that project will be shared proportionally among the members who choose to participate in the Project; members who choose not to participate in the Project will not have to pay any of the costs.

Qs, concerns about Aggregations

7. *1. Rates 2. Municipal Control 3. Opt out provision. Should be opt in. 4.Committee stuck on 100% renewables. There needs to be a more common sense approach.*

8. *Change is hard; disruptions in service.*

   See Q3, above – Eversource will still be responsible to manage the transmission-distribution infrastructure. The out-sourced broker or CPNH will provide the supply of electricity.

9. *Possible future liability of maintaining transmission infrastructure throughout the community.*
   See above answer. The utility will still be responsible to manage the transmission-distribution infrastructure

10. *I cannot see any, except it will take time to educate and decide for some of these priorities so that the long-term economic, emergency, environmental and other benefits are understood to be economically of great value to the town's long-term viability.*

11. *Depends on patterns of usage between different people. It may reach some folks but not everyone.*

   This is not a legitimate concern, as everyone who opts for a Town Electric Aggregation Plan will receive power at a kWh cost the same or less than the current utility (Eversource) default rate – by definition.

12. *Thanks for reaching out, as I have interest in what's happening but not much time these days. My concern in general is that the cost of power generation continues to drop with renewables and that is great. It is also great if the town can select a more aggressiveÂ option of including more renewable energy (and locally produced) as the percentage of what is distributed throughout the community.*

However, it is my belief from working in the power industry for the first 10 years of my career, that companies such as Eversource will want to offload maintaining the transmission and distribution system in small communities if they get a chance I have no idea how the recent laws have been written, but I suspect that if the incumbent (Eversource) loses revenue in the

community as part of this process, it will force them to increase the cost of transmission and distribution to each and every home owner throughout the community.

I am all for this to occur, however I believe it will come at an increased cost to each and every home owner, including those homeowners who generate their own renewable energy but stay grid connected.

From a personal space, my 5 year plan will be that I will be fully self sufficient with my own power production with Renewables, and I will likely break my interconnection with the grid, so I can avoid paying higher transmission costs, because it is what the incumbent will be forced to do going forward.

So just a caution in presenting that this measure will save homeowners money, because I don't believe it will when you include future changes to the Transmission and Distribution model

> This concern is misunderstanding the relationship between (1) energy supply, energy procurement, community power, etc.; and (2) transmission and distribution cost drivers.
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> Energy Prices are Trending Down, in part because of Renewables (but it's more complicated than that). Writer is correct: more renewable energy (which has zero fuel cost, so zero marginal cost to generate after initial capital expenditure) is depressing wholesale prices in New England (and everywhere). Gas prices, flat demand (as a result of energy efficiency and solar), and other factors are also contributing to a trend in lower wholesale prices. That being said, renewables are intermittent (sun not always shining, wind not always blowing) -- so while average prices could be lower overall, we could also expect to start seeing more volatility in prices. Also, who knows what will happen with gas prices or other variables in the future which could affect electricity prices.
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> A Community Power Program has no direct effect on Distribution and Transmission costs (but maybe some indirect effects down the line). The name of the game for Eversource is "spend money on Distribution and Transmission and get a guaranteed/ regulated 10% return on those expenditures!" The source of the supply (e.g., Eversource "default service", a competitive supplier, Harrisville Community Power) doesn't matter much to Eversource. There is a more nuanced issue of, if/when CPNH starts doing cool things like integrating distributed renewables using real price signals, that could lower monthly peaks which drive transmission costs. So in a future-based nuanced way, Community Power could erode Eversource Transmission revenues, and hurt Eversource's arguments for wanting to build new Transmission, which is Eversource's most favorite thing to do.
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> Regardless of what Community Power does, Distribution costs will always go up, because they are invented by utility accountants in preparation for negotiations with PUC staff. And often go like this:
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> Eversource: "we need $40 million more dollars annually."
> PUC: "That seems like a lot, how about $35 million?"
> Eversource: "Call it $37.5M?"
> PUC: "Deal!"