



Town Council Regular Session

February 15, 2023 at 6:00 PM

Town Council Chambers

MINUTES

1. Roll Call

Present: Council Chair Toni Weinstein, Councilor Megan Brabec, Councilor Colin White, Councilor Scott Blackstone, Council Vice chair Katanna Conley, Councilor Brian Ward (Via Zoom), Councilor Joe LaMattina.

Staff: Town Manager Stephen Fournier and Wendy Chase, Recording Secretary.

2. Introductions

Councilor LaMattina explained that Henry Herndon of the Community Power Coalition will give an update on where the community power stands as an entity and where Newmarket stands on the process of joining the Community Power Coalition. The Energy & Environment Committee is currently working on the aggregation plan which is the next step to joining Community Power. He reiterated that nothing at this point commits Newmarket to anything.

Henry Herndon, consultant on behalf of the Community Power Coalition, gave a PowerPoint presentation on the Community Power Coalition of New Hampshire and where Newmarket fits in the plan.

The PowerPoint Presentation is attached.

3. Next Steps

Councilor LaMattina said the next step is for the Energy & Environment Committee to hold two Public Hearings and then go back to the Town Council with the final and updated aggregation plan.

4. Q + A

Ellen Read, 283 Lita Lane, was asked to ask what would happen if no one attended the Public Hearings. Mr. Herndon said he didn't believe that no one would attend, but there is no consequence if no one does. The goal is to educate people before the Public Hearing.

5. Adjournment

Chair Weinstein adjourned the meeting at 6:55 PM.

Respectfully submitted,

Wendy V. Chase
Recording Secretary

FOR COMMUNITIES, BY COMMUNITIES.

Newmarket Town Council Community Power Work Session

February 15, 2023 | 6 P.M. | Henry Herndon



**COMMUNITY
POWER COALITION**
OF NEW HAMPSHIRE



Agenda

- 1 | What is Community Power?
- 2 | Status Update: Community Power Coalition of NH
- 3 | Approval & Launch Process for Newmarket Community Power
- 4 | Q&A Discussion & Reference Slides

What is Community Power?

New Hampshire cities, towns, and counties can become **default electricity provider** for their residents + businesses and provide related services.



Pooled Purchasing Power
for **Energy Supply**

Utility Company
Delivers Power

Communities Benefit from
Value Added Services & Programs

Economies of Scale

Grid Reliability

Lower Rates & Product Choices

[RSA 53-E, Relative to Aggregation of Electric Customers by Municipalities & Counties](#)

Customers may switch back to utility default supply or take service from a Competitive Supplier

Community Power programs must be paid for out of revenues received from participating customers

Newmarket Electric Aggregation Plan

1. Introduction & Overview
 - a) Customer notification & enrollment process;
 - b) # of customer accounts & aggregate energy usage
 - c) Membership with CPCNH
 - d) Purpose; approval & implementation process
2. Overview of CPCNH
3. Newmarket's Goals, Objectives, Requirements
 - a) Competitive rates;
 - b) Expanded customer choice; cleaner, local power;
 - c) Regional collaborations
4. Statutory Requirements
 - a) Program structure; methods of entering into agreements;
 - b) Operation and funding (use of taxpayer funds prohibited; self-funded by revenue from sale of electricity);
 - c) Net metering & Electric Assistance Program accommodations;
 - d) Termination
5. Appendices
 - a) Legislative Context; CPCNH; Utility Procurement Methods; Planning Process; Regulatory Requirements

“The program will only launch if it is able to initially offer residential default rates that are lower than or competitive with those offered by Eversource and that provide a renewable energy content that is equal to or higher than Eversource. The Town Council will initiate the program if it determines it to be in the best interest of Newmarket.” Page 2.

Key Points

- ~ **Eversource will continue to deliver electricity** to customers, and to own and operate the distribution system (poles, wires, transformers, substations, etc.), and provide customer service and billing.
- ~ The Newmarket Town Council, with advisory support from the Energy Advisory Committee, will be **authorized to contract for the necessary professional services and power supplies to launch Newmarket Community Power.**
- ~ **Participation in Community Power is voluntary.** Customers may always choose to take power from Eversource or another provider without cost or penalty.

Town Council adoption of the EAP authorizes, but does not require, the Town to implement a program.

Other than costs “incidental to start-up” (e.g., Town staff review of materials), use of taxpayer funds is prohibited.

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

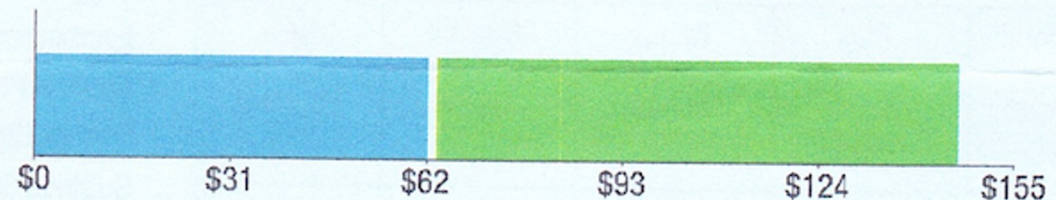
\$62.31

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

Supplier → **Supplier**
Eversource → Newmarket 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**

Customer Notification and Enrollment Process

- ~ At least **30 days before program launch** all **Newmarket electric customers mailed notifications** including initial fixed rate for Newmarket 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 Newmarket Community Power 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”**
- ~ All Newmarket 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:

<u>PRODUCT</u>	<u>CONTENT</u>	<u>MEMBER ELECTIONS</u>
Granite Basic	Minimum RPS Content (23.4%)	Default, opt-down/in, or N/A
Granite Plus	33% Renewable or Carbon Free	Default, opt-up/in, or N/A
Clean 50	50% Renewable or Carbon Free	Opt-up/in or N/A
Clean 100	100% Renewable or Carbon Free	Opt-up/in or N/A

(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%)



Overview of the Coalition & Power Agency Team



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

Coalition: “for Communities, by Communities”

BOARD OF DIRECTORS

- 1. Chair Clifton Below, City of **Lebanon** (alternate Greg Ames)
- 2. Vice Chair Kevin Charette, City of **Portsmouth** (alt. Peter Rice)
- 3. Treasurer Kimberly Quirk, Town of **Enfield** (alt. Jo-Ellen Courtney)
- 4. Secretary Evan Oxenham, Town of **Plainfield** (alt. Steve Ladd)
- 5. Director William Chaisson, Town of **Wilmot**
- 6. Director Michael Prange, Town of **Shelburne** (alt. Ray Danforth)
- 7. Director Rick Labrecque, Town of **Brentwood** (alt. Tom Palma)
- 8. Director Andrea Hodson, Town of **Harrisville** (alt. Andrew Maneval)
- 9. Director Mandy Merrill, Town of **Durham** (alt. Nat Balch)
- 10. Director Paul Looney, Town of **Walpole** (alt. Dennis Marcom)
- 11. Director Jim Callihan, Town of **Hancock** (alt. Robbie Hertneky)
- 12. Director Doria Brown, City of **Nashua** (alt. Deb Chisholm)
- 13. Director April Salas, Town of **Hanover** (alt. Peter Kulbacki)
- 14. Director Nick Devonshire, Town of **Exeter** (alt. Julie Gilman)
- 15. Director Jordan Applewhite, Town of **Sugar Hill** (alt. Margo Connors)
- 16. Director Christopher Parker, City of **Dover** (alt. Jackson Kaspari)
- 17. Director Kent Ruesswick, Town of **Canterbury** (alt. Howard Moffett)
- 18. Director Toni Weinstein, Town of **Newmarket** (alt. Steve Fournier)
- 19. Director Craig Putnam, Town of **Hudson** (alt. Kate Messner)
- 20. Director Marty Bender, Town of **Webster** (alt. David Hemenway)
- 21. Director Clyde Carson, Town of **Warner** (alt. George Packard)
- 22. Director Steve Walker, Town of **Peterborough** (alt. Danica Melone)
- 23. Director Terry Clark, County of **Cheshire** (alt. Chris Coates)
- 24. Director Jamie Hess, Town of **New London** (alt. Tim Paradis)
- 25. Director Matt Miller, Town of **Pembroke** (alt. Jackie Wengenroth)
- 26. Director Mark Terry, Town of **Westmoreland** (alt John Snowdon)
- 27. Director Lisa Sweet, Town of **Rye** (alt. Howard Kalet)

COMMITTEES

Executive	Finance	Risk Management
CEO & Staff Search	Regulatory & Legislative Affairs	Member Operations & Engagement
(Audit & Governance Committees under formation)		

OFFICERS & COMMITTEE CHAIRS



Clifton Below
Chair

City of Lebanon
Assistant Mayor & City
Councillor



Kim Quirk
Treasurer

Town of Enfield
Energy Committee



Kevin Charette
Vice Chair

City of Portsmouth
Energy Committee



Evan Oxenham
Secretary

Town of Plainfield
Energy Committee



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



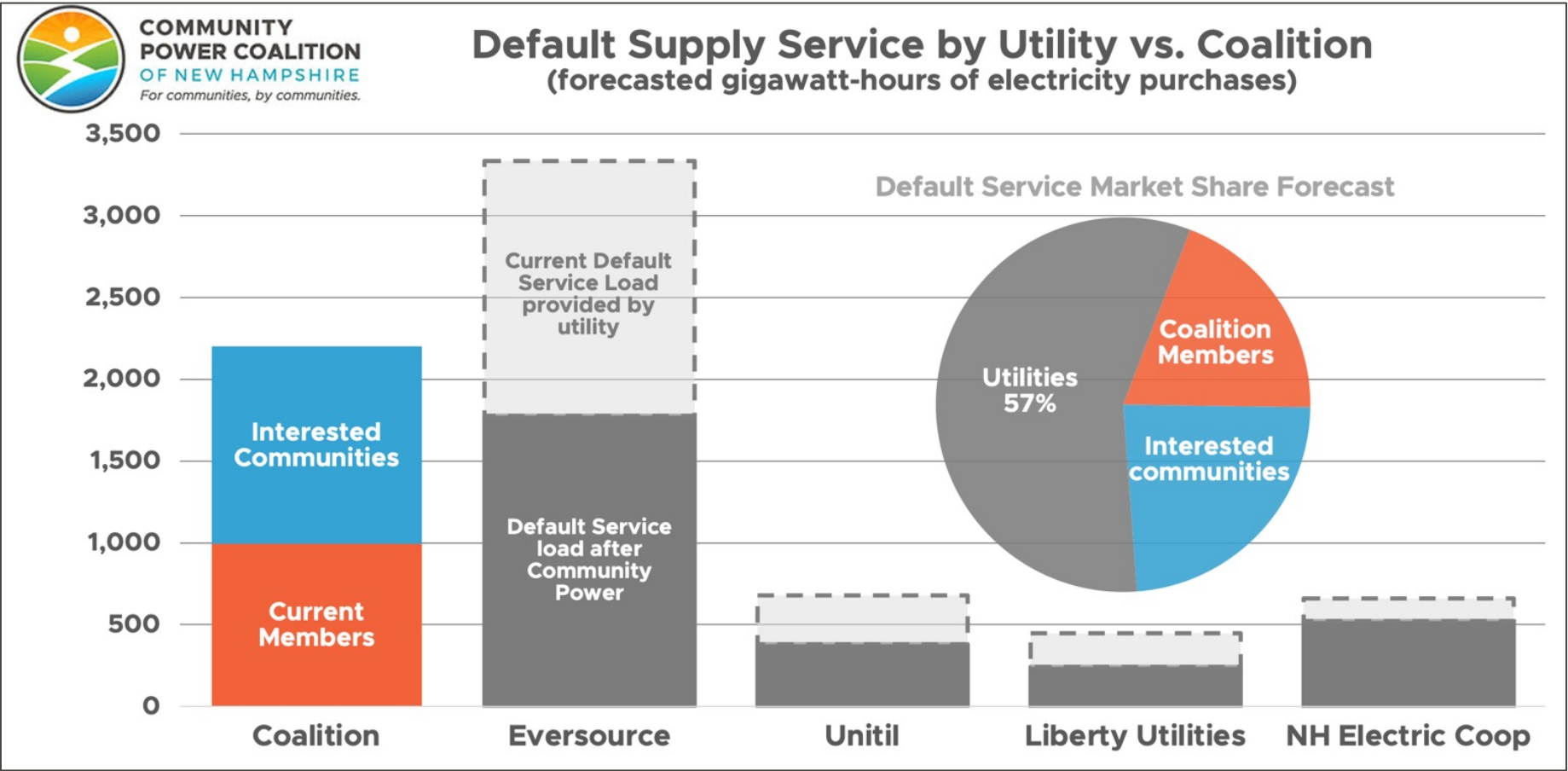
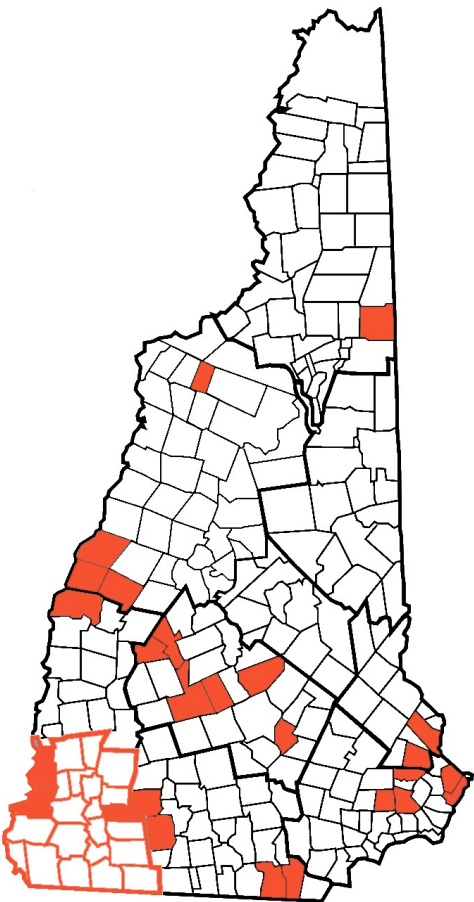
April Salas
Chair of CEO &
Staff Search

Town of Hanover
Sustainability Director

Rapid Membership Growth

Membership has doubled over the past year, to **27 members**, and **45+ are interested in joining**.

Current Members



The Coalition is poised to become the largest default Load Serving Entity in New Hampshire!

Power Agency Implementation Process (2022)

Accomplishments over our first year of joint action:

✓	Held over 100 CPCNH public meetings to design and oversee creation of a power agency
✓	Legislative and regulatory leadership (HB 315, SB 321, CPA rules adopted by PUC)
✓	Executed contracts to deploy the full capabilities of a Competitive Electric Power Supplier for the Joint Powers Agency to provide services to Member CPAs
✓	Secured \$750,000 in startup funds + \$8.5 million in credit support to launch Wave 1 CPA programs in April 2023
✓	Adopted Energy Portfolio Risk Management, Retail Rates & Financial Reserve Policies + Data Privacy & Security Policy + Conflict of Interest
✓	Adopted Cost Sharing Agreement & Member Services Contract for Complete Service Bundle (offering all Member CPAs turnkey launch and operation of CPAs at low marginal cost)
✓	Simulated power agency performance & financial viability under 13 different scenarios — with stochastic simulations (100+ ways power prices could move) to stress-test launch & financing assumptions — confirms cost-effectiveness & April 2023 launch

Operated by Expert Contractors

Months of competitive solicitations assembled a team of industry-leading **advisors** and professional service providers experienced in launching CPAs to **operate our power agency** and **provide support services**:

CEO Search Services:  **truesearch**

Energy Hedging, Planning & Portfolio Risk Management



ISO-NE Market Participant + Retail Customer Services



Member Services & Public Engagement



General Counsel & Legal Services



Start-up Consultants



Revenue Controls & Accounting Services



Wholesale & Retail Services Team

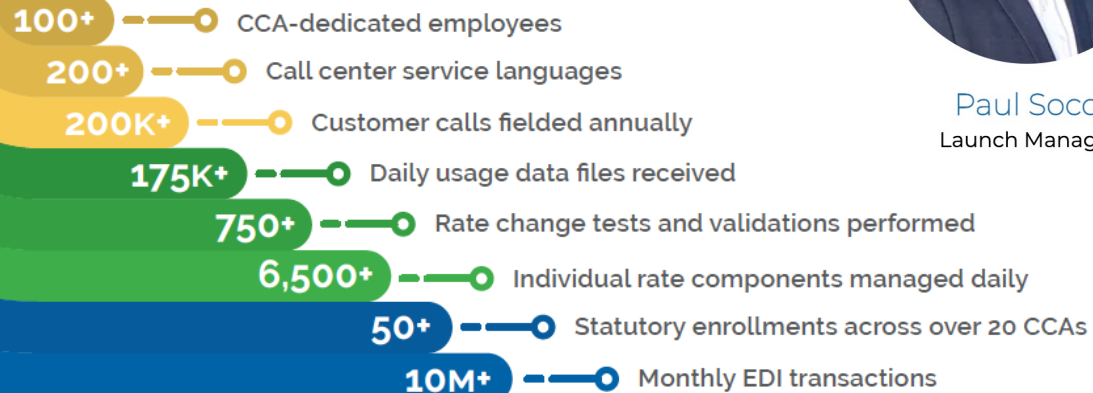


Industry leader: launched 20+ CPA Joint Power Agencies (like Coalition) & serves 4+ million customers

4M+

meters

AS OF JUNE 2022



Drake Welch
SVP of Community Power



Paula White
VP Operations



Marcus Dotson
VP Retail Commodity



Paul Soco
Launch Manager



Joshua Brock
VP Commercial Operations



Sam Schmidt
VP Applications



Matthew Messina
Director of CCA Client Services



Matthew Leja
Manager of Systems Support



Santiago Chuck
Director of Products and Services

Calpine's team includes significant call center agent capacity and an additional ~20 support staff to manage CPCNH data and billing operations.

Energy Risk Management Team



Industry leader in “software for the energy transition”

Experts in power portfolio risk management:
market simulation, hedging & project solicitations

Extensive client list: N. America’s more advanced
Community Power Agencies, utilities, financial
traders, and RE + storage project developers

Services include:

1. Hosted software platform:

- SmartBidder (wholesale market bidding)
- PowerSIMM Portfolio Manager (hedging)
- PowerSIMM Planner (projects)
- ISO-NE Market Intelligence (0-30-year forecasts)

2. Risk Management services: committee support, market & counterparty monitoring, portfolio reporting & analysis, short-to-long-term planning, hedging & rate setting, enterprise risk management advice & local project solicitations, etc.

3. Credit support to launch CPAs (\$8.5M)



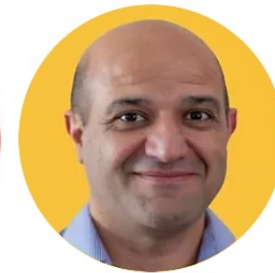
Dr. Gary Dorris
President of Ascend Analytics



Scott Wigglesworth
VP Operations & Strategy



Dr. Allison Weis
VP Optimization



Dr. Carlos Blanco
Managing Director of
Analytics Solutions



Justin Brickhouse
Director of Storage
& RE Operations



Dr. Brent Nelson
Director of Market
Intelligence



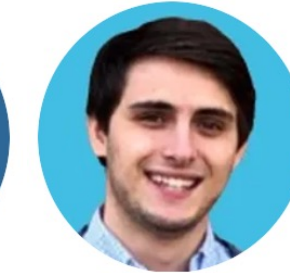
Dr. Brandon Mauch
Manager of Resource
Planning Analytics



Michael Ballow
Director of Analytics and
Strategy



Rishi Sahay, CFA
Director of Portfolio Analytics



Robert LaFaso
ISO Monitoring & Compliance
Analyst

+ ~30 analysts support procurement and portfolio risk management

Technical Assessment & Financial Forecast

Base Case Economics (across 100 simulations)

Scenarios & Stress-Tests

Local Project Development Economics

Rate & Headroom (margin) Forecast

Breakout: Wave 1 CPA Benefits



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For communities, by communities.



Wave 1 Member Benefits

Financial benefits are substantial due to current market conditions & outlook

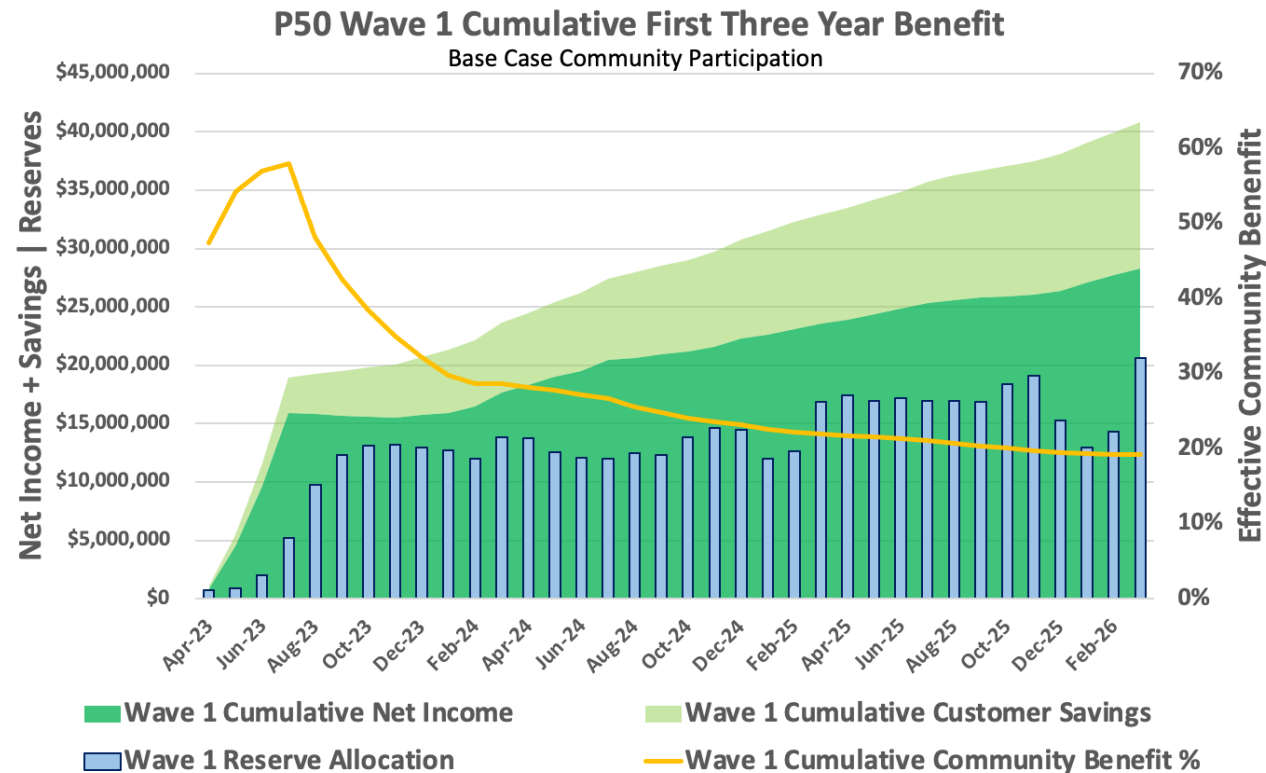
Forecasted Benefits

Member Service Contract initial 36-month term:

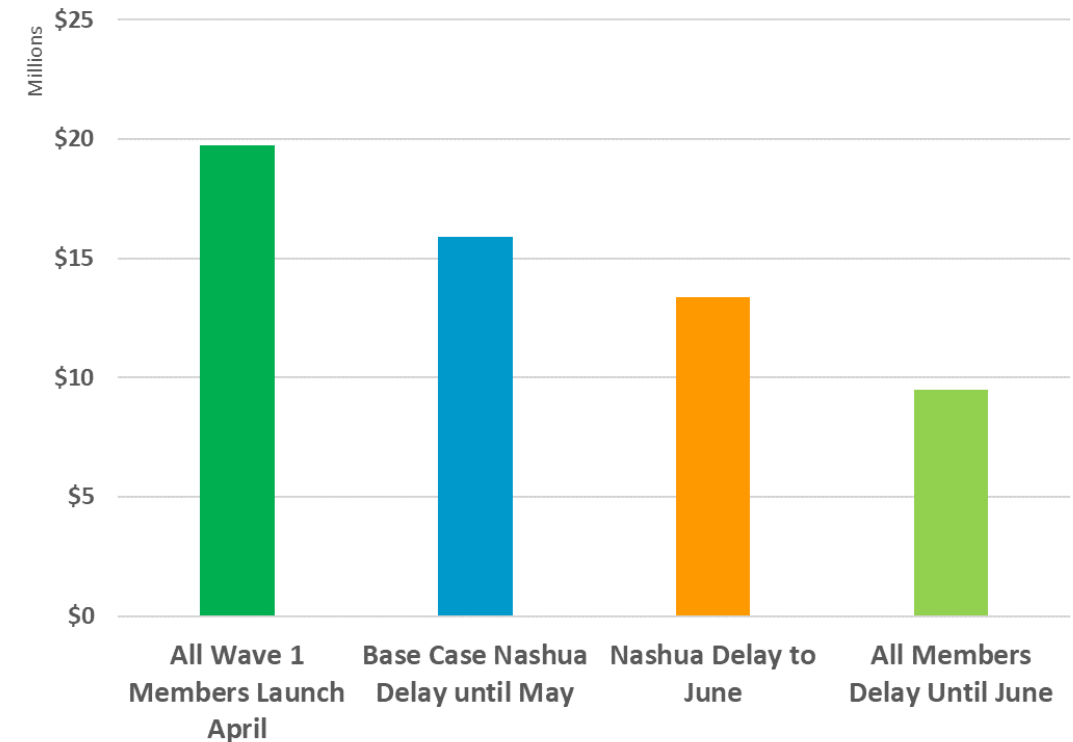
- ⚡ \$12.5M in customer savings
- ⚡ \$20-30M in financial reserves
- ⚡ **Net benefit = 19% lower costs vs utility rates**

Key Takeaways

- ⚡ Utility auction premiums = all-time high
- ⚡ Delayed launch foregoes \$ millions in benefits



Decrease in CPA Reserves from Delaying Launch
From April to June 2023 (\$ millions)



CPA Rates & Headroom Forecast

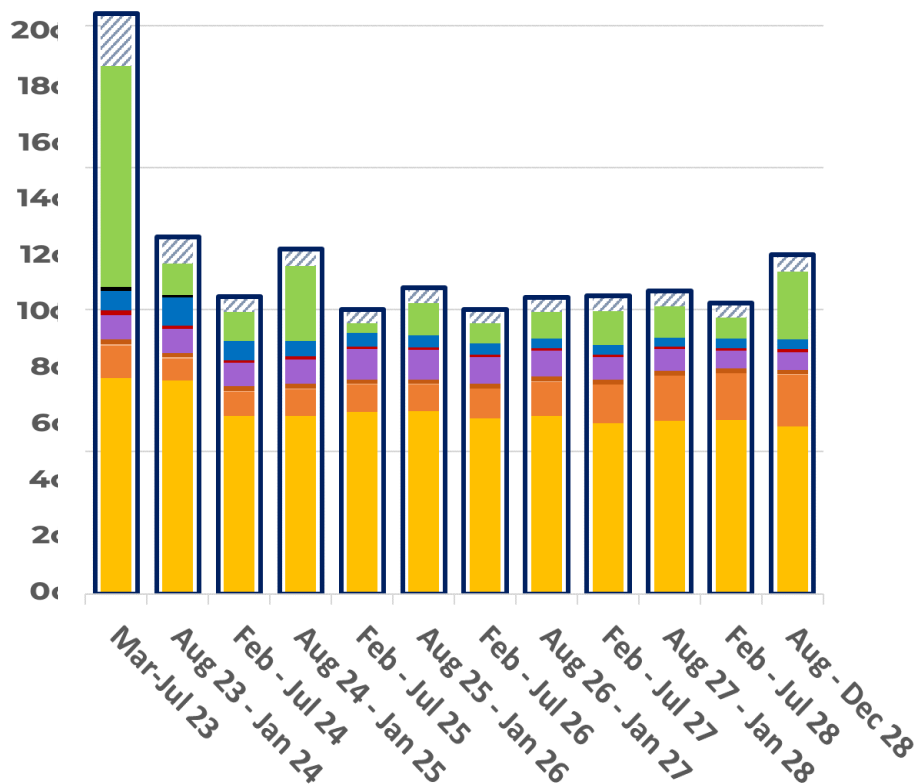
Base rates are uniform across CPAs in each utility territory & change w/ utilities to maintain discount

Deferred implementation costs = 0.01% of revenues (forecast 0.019¢/ kWh repaid for 5 years)

Steady-state cost of operating our own power agency = 4% of revenues (competitive business model)

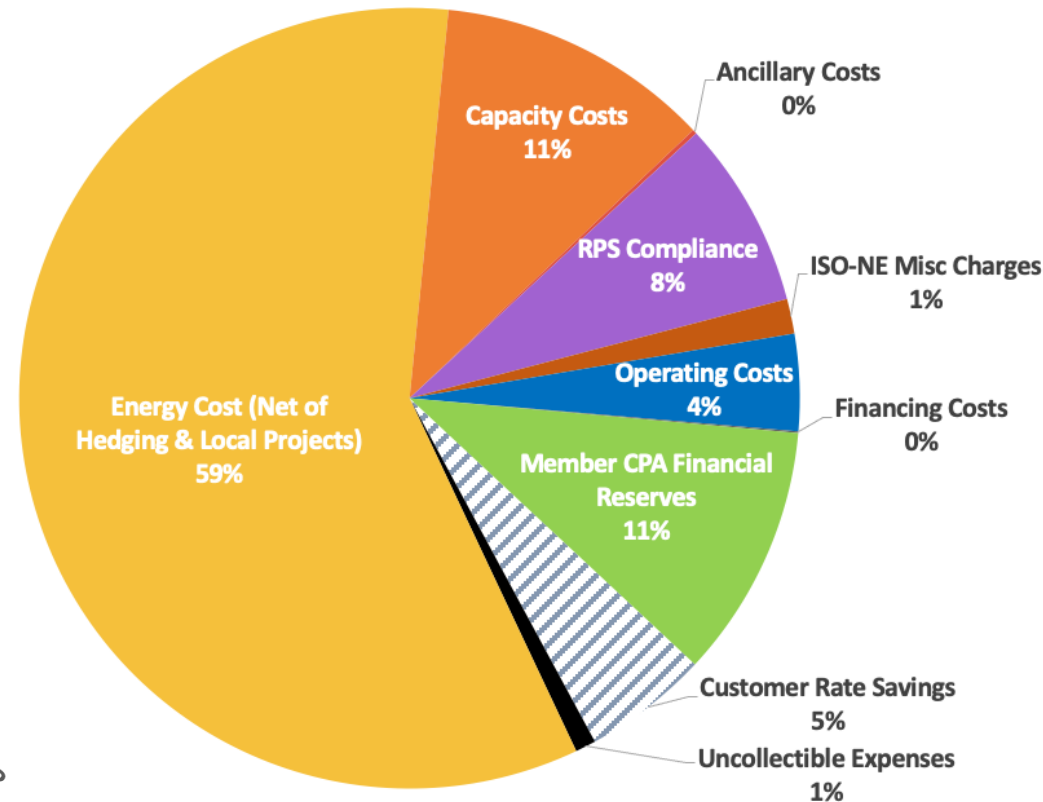
Retail Rates & Revenue Allocation

P50 Simulation | Annual Hedging
Top of bars = utility rate (6-mo periods)

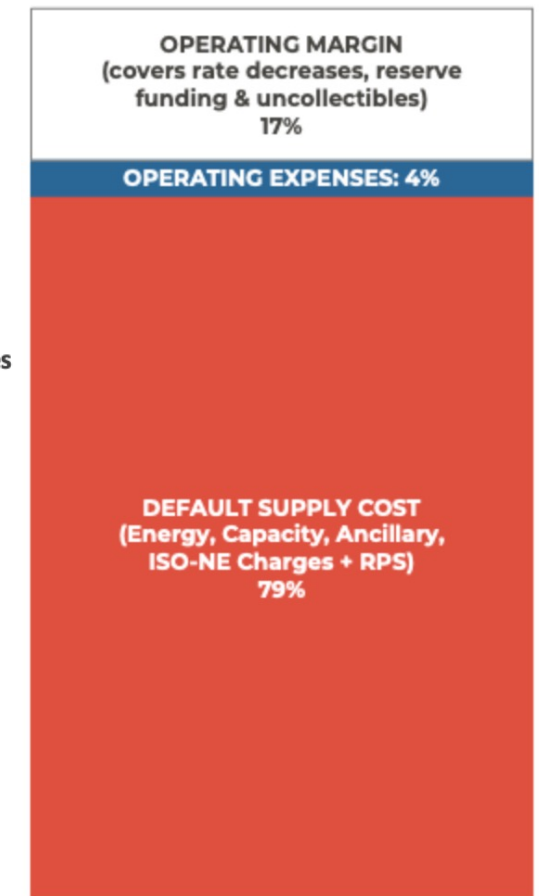


Costs x All Periods

(2023-2028 average)



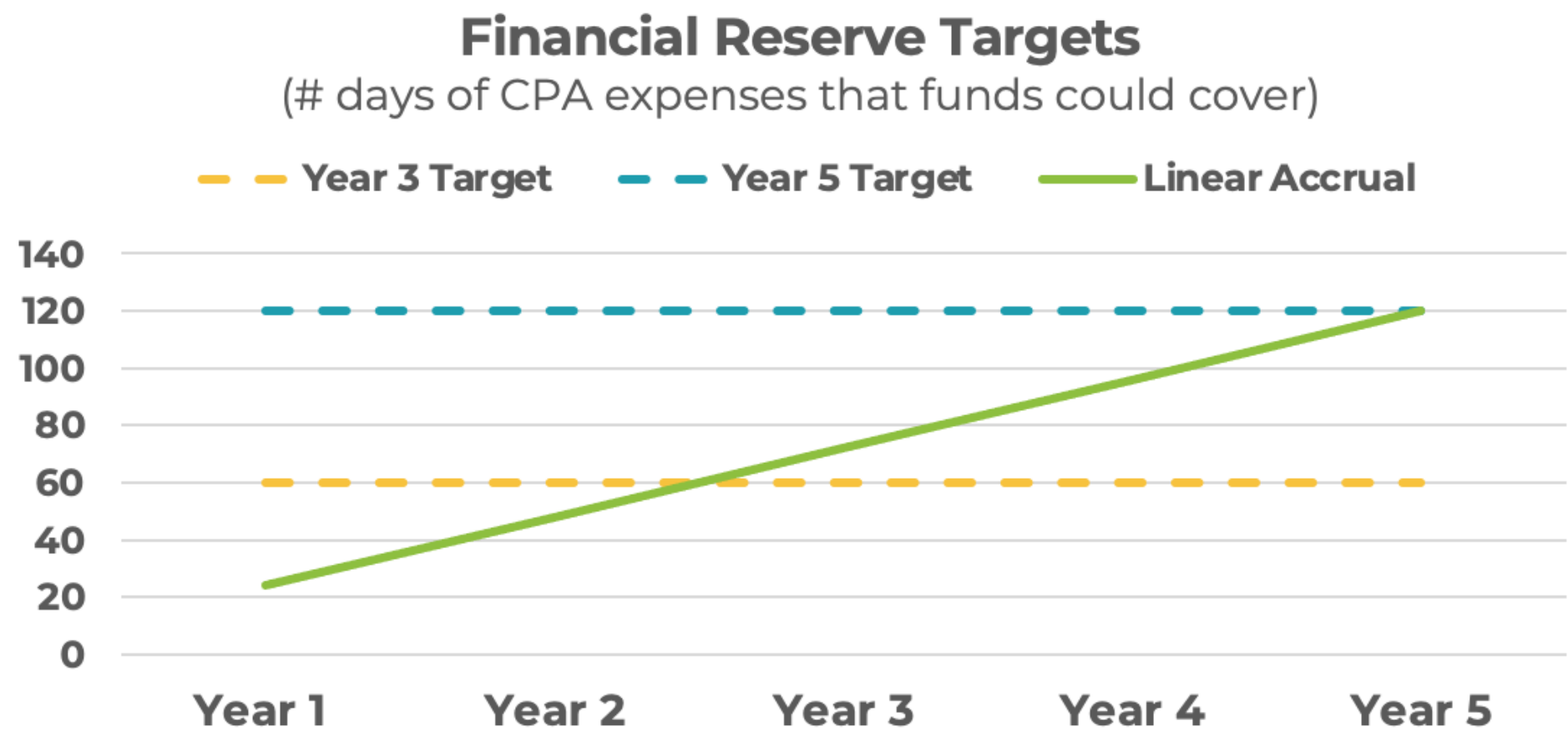
Headroom vs. Utility Rate



Financial Reserves Targets

Reserves Policy requires collection of “joint reserves” so CPAs remain stable w/ competitive rates

Policy targets = reserve covers 60 days of expenses by year 3 → 120 days by year 5:



Local Project Context

Federal incentives + NH SB 321 pilot framework enables cost-effective local projects for Coalition

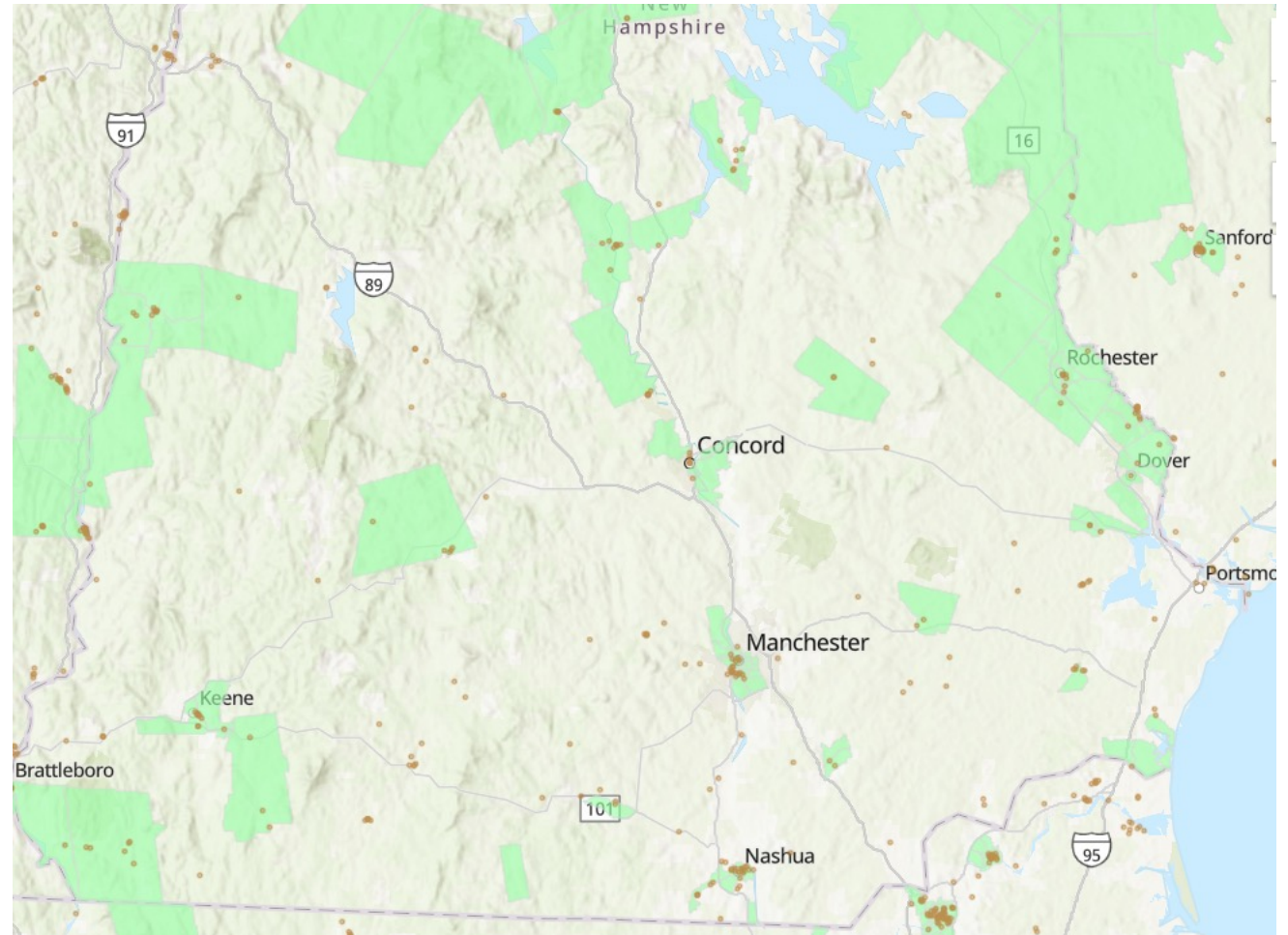
Inflation Reduction Act of 2022 (IRA)

- ⚡ Provides investment tax credit OR direct payment (e.g., for CPAs) for RE / storage
- ⚡ <5MW installed in low-income zones can include interconnection costs
- ⚡ Incentives = up to 50% of cost
 - 30% baseline incentive
 - +10% bonus brownfield / low income
 - +10% bonus low-income <5 MW

NH Senate Bill 321

- ⚡ Pilots market-based contract framework to pay projects full value for energy, capacity & transmission reduction impact
- ⚡ Worth \geq \$200/MWh (av.) for CPAs that contract for local projects
- ⚡ Allows up to 8 MW pilot projects (2 MW per utility territory)
- ⚡ Requires CPA + utility proposal to PUC

Low Income and Brownfield Sites (Eligible for additional incentive tax credit under IRA)



Local Project Modeling Results

The Coalition can build new local projects for 30%+ less cost than purchasing market power (!)

- Base Case assumes 2 MW net (revenues increase by ~\$350k to \$515k/ year)
- 8 MW scenario: \$2.8MM/ year increased net revenues
- Projects generate millions of extra \$\$\$ each year (strong competitive advantage)
- Strategic objective: empower Members & Legislative to lift 8 MW cap & develop the local energy market across NH!



Figure 33: Base Case Local Projects

Month	2023	2024	2025	2026	2027	2028
Local Projects Revenue (Cost Reduction) (\$/MWh)	\$0.22	\$0.31	\$0.27	\$0.23	\$0.26	\$0.25
Market Energy Value	\$0.69	\$0.61	\$0.34	\$0.28	\$0.30	\$0.29
Renewable Energy Credit Value	\$0.27	\$0.22	\$0.19	\$0.15	\$0.12	\$0.10
Capacity Credit Value	\$0.00	\$0.02	\$0.03	\$0.04	\$0.05	\$0.06
Transmission Credit Value	\$0.19	\$0.25	\$0.23	\$0.23	\$0.24	\$0.27
PPA Cost	\$0.94	\$0.79	\$0.52	\$0.47	\$0.45	\$0.47
Local Projects Revenue (Cost Reduction)	\$84,623	\$352,946	\$474,806	\$455,621	\$515,615	\$483,448
Market Energy Value	\$264,618	\$687,343	\$598,160	\$553,691	\$595,280	\$559,549
Renewable Energy Credit Value	\$104,483	\$247,127	\$331,566	\$295,205	\$244,247	\$194,443
Capacity Credit Value	\$0	\$19,825	\$54,610	\$80,054	\$103,694	\$121,669
Transmission Credit Value	\$73,750	\$286,740	\$412,906	\$445,938	\$481,613	\$520,142
PPA Cost	\$358,229	\$888,090	\$922,435	\$919,266	\$909,219	\$912,355

Figure 34: 8 MW Scenario Local Projects

Month	2023	2024	2025	2026	2027	2028
Local Projects Revenue (Cost Reduction) (\$/MWh)	\$0.22	\$0.94	\$1.26	\$1.21	\$1.34	\$1.42
Market Energy Value	\$0.69	\$0.80	\$0.63	\$0.53	\$0.56	\$0.55
Renewable Energy Credit Value	\$0.27	\$0.30	\$0.34	\$0.26	\$0.21	\$0.18
Capacity Credit Value	\$0.00	\$0.02	\$0.10	\$0.16	\$0.21	\$0.25
Transmission Credit Value	\$0.19	\$0.76	\$0.94	\$0.91	\$0.96	\$1.07
PPA Cost	\$0.94	\$0.94	\$0.74	\$0.66	\$0.61	\$0.63
Local Projects Revenue (Cost Reduction)	\$84,623	\$1,056,271	\$2,224,554	\$2,379,095	\$2,680,109	\$2,758,333
Market Energy Value	\$264,618	\$895,273	\$1,116,544	\$1,047,641	\$1,129,771	\$1,074,955
Renewable Energy Credit Value	\$104,483	\$338,562	\$594,512	\$519,389	\$430,684	\$343,598
Capacity Credit Value	\$0	\$19,825	\$175,959	\$320,217	\$414,774	\$486,675
Transmission Credit Value	\$73,750	\$860,220	\$1,651,622	\$1,783,752	\$1,926,452	\$2,080,569
PPA Cost	\$358,229	\$1,057,609	\$1,314,084	\$1,291,904	\$1,221,574	\$1,227,462

Approval & Launch Process for Newmarket Community Power

Adopt Electric Aggregation Plan

↳ **Approve Coalition Agreements**

↳ **Launch!**



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For communities, by communities.



Coalition Key Documents

Posted online at www.cpcnh.org/about (under “key documents”)

1. [Joint Powers Agreement & Bylaws](#)
2. [Cost Sharing Agreement & Member Services Contract](#)
3. [Data Security and Privacy Policy](#)
4. [Energy Portfolio Risk Management, Retail Rates & Financial Reserves Policies](#)
5. [Board Approved Start-up Budget](#)
6. [Technical Assessment by Ascend Analytics](#)

Implementation Process Steps

Adopted Electric Aggregation Plan (EAP) → Adopt CSA & Policies → Launch!

☐ 1. Newmarket Adopts EAP → Submits to Public Utilities Commission (PUC)

- ☐ Convene Public Hearing #1 on _____ and Public Hearing #2 on _____
- ☐ Approves EAP + Amendment to Joint Powers Agreement (JPA) — Submit EAP to PUC

☐ 2. Newmarket Reviews & Approves Cost Sharing Agreement, Service Contract, Policies

- ☐ **Cost Sharing Agreement** — Ensures fair cost sharing (“Cost Causation Principles”) + Cost Reporting
- ☐ **Member Services Contract** — Authorizes CPCNH to provide power & accrue reserves on behalf of Newmarket
- ☐ **Rates, Risk, Reserves Policies** — Govern all procurement, rate-setting, and reserve decisions
- ☐ **Data Security & Privacy Policy** — Ensures individual customer data is held confidential

☐ 3. Newmarket “Authorized Officer” may “elect to delay procurement”

- ☐ Up until CPCNH Risk Management Committee authorizes power purchase for Newmarket, option to defer/delay

☐ 4. CPA launch → customers enrolled & power flows!

- ☐ Coalition publishes rates, notifies utilities, mails customer notifications, prepares enrollment and opt-ins/outs
- ☐ Member holds public hearing within 15 days of mailers being sent (Coalition supports)

FOR COMMUNITIES, BY COMMUNITIES.



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