Energy & Natural Resources Advisory Committee MINUTES

March 2, 2022

<u>Present</u>: Camilla Lockwood, Chair, *Town of Temple*; Jane Johnson, *Town of Swanzey*; Scott Maslansky, *CDFA*; Richard Mellor, *Town of Rindge*; Francie Von Mertens, *Town of Peterborough*; Rick Brackett, *The Monadnock Conservancy* (remote); Matt Kelly, *UNH Cooperative Extension* (remote); Amanda Littleton, *Cheshire County Conservation District* (remote); Marge Shepardson, *Town of Marlborough* (remote); John Snowdon, *Town of Westmoreland* (remote); Ruth Ward, *Town of Stoddard* (remote).

<u>Staff members present</u>: Lisa Murphy, *Senior Planner*; J. B. Mack, *Principal Planner*; Rich Clough, *Office Support Specialist*.

<u>Guests present</u>: Dori Drachman, *Monadnock Sustainability Hub/Peterborough Energy Committee* (remote).

I. Call to Order and Introductions

Chair Lockwood called the meeting to order at 3:37 p.m. and introductions were made.

II. Minutes of October 28, 2021

Chair Lockwood tabled a vote of the minutes until after the Community Power (CP) presentation at which time a motion was made and seconded.

Motion: To approve the minutes of October 28, 2021.

Motion by Marge Shepardson, seconded by Francie Von Mertens. Approved by unanimous roll call vote, with Matt Kelly, Rick Brackett and John Snowdon abstaining.

III. Presentation: Community Power in the Monadnock Region

Lisa Murphy introduced J. B. Mack of SWRPC staff and Dori Drachman of the Monadnock Sustainability Hub. J. B. Mack stated that the Monadnock Sustainability Hub (MSH) and SWRPC have worked together for a number of months to provide presentations concerning the CP Law in NH to towns in the Southwest region.

Key takeaways from the presentation include:

Basic Points:

- Electricity costs in NH is 7th for highest retail price paid by residential sector, the cost as of November 2021 was 21 cents/KW, the U.S. median cost is 13 cents/KW.
- NH is one of 5 states where the residential sector is the largest energy consumer.
- More than 40% of NH households rely on fuel oil as a heating source, this is the 2nd largest share among states and about 10 times greater than the national average. In the future electricity may be used for heating to replace fuel oil.

Relevance of CP

- CP is a way for local governments to buy electricity in bulk. Communities can purchase on behalf of residents and businesses at wholesale instead of retail rates. Utility companies would continue to own poles and wires.
- Local control can provide more access to renewable energy options resulting in lower prices, value added services (innovative programming: i.e., a reserve fund) and establish credit worthiness.
- Over time communities could invest in more local renewable energy.
- Energy efficiency (insulation and energy saving measures) for low-income households could be provided as an add-on service.
- Can provide a buffer to offset price fluctuations.

Process to initiate CP

- Selectboard appoints a CP Committee.
- The Committee develops a CP Electric Aggregation Plan.
- The CP Electric Aggregation Plan is approved/adopted at Town Meeting.

Steps to implement the CP plan

- CP Committee works with a service provider to develop an array of plans for residents.
- Establish a default utility plan with the option to opt-out.
- The CP Electric Aggregation Plan is approved/adopted at Town Meeting.

Key action steps

- Form the CP Committee.
- Research: request load data from the current energy provider.
- Write Power Plan.
- Perform Public Outreach & Education.
- Approve Plan at Town Meeting.
- Select service partners or providers.
- Notify residents: Provide opportunity to opt-out.
- Launch program for residents.
- Confirm default utility plan or opt-out process.

CP Implementation

- Partners: experts get funding by a small fee off the top of the savings.
 - o Commercial consultants and brokers
 - o Government non-profit agency (e.g., the Community Power Coalition of NH)
- Town can decide before or after town approval.

J.B. Mack invited Dori Drachman to provide an update of progress at the state level and to describe the process currently underway in Peterborough. Dori Drachman noted that several Monadnock area towns are pursuing CP including Swanzey, Marlborough, Keene, Harrisville, Nelson, Peterborough, Dublin, Walpole, and Westmoreland. She also stated that the NH Public Utilities Commission (PUC) hasn't provided guidelines and rules for implementing CP plans due to new members and changes at the coordinating agencies. She stated that programs were targeted to commence in the Fall of 2022. Scott Maslansky asked if the transfer of customer data to a Statewide platform had been approved or was successful? Dori Drachman replied that although there had been some transfer there is a need for better access to data for decision making. She reported that Peterborough is going to a town vote in May and that after interviewing potential partners, the CP Committee decided to go through the process without the help of any partners. She further noted that the Peterborough process was easier because of the previous experiences of municipalities like Keene and Harrisville and that had been published online for easy access. She noted that it is also possible to talk to towns about the process. Matt Kelly asked if there is https://orgswrpc.sharepoint.com/sites/SWRPCFileShare/Shared

anything in place to keep distribution and transmission costs down? Dori Drachman replied that the PUC would oversee and approve prices but there was nothing in place to prevent changes in charges. Scott Maslansky noted that utilities don't own the generation asset, so a change in the supply source wouldn't take revenue away. He also noted that as the supply becomes more diverse, the calculations that dictate the energy costs will become more complex. He also explained that the savings are connected to supply, not distribution. Marge Shepardson explained that currently the utility companies in New Hampshire purchase power twice a year, often at times when the rates are high. She stated that brokers would purchase energy from sources much more frequently and take advantage of times when the prices are considerably lower, lock in prices for longer terms and also charge less of a commission. Dori Drachman noted that a coalition model enters into contracts even more often with varying amounts of time, allowing for reactions to energy volatility and more diversity in suppliers. Scott Maslansky stated that it would be ideal if each town could broker rates, but that it wasn't feasible to have a dedicated position. He stated that a coalition can engage an independent broker which reduces risk but still can be responsive to fluctuations. Dori Drachman added that the reserve fund is an integrated part of the Coalition model, but not an integral part of the Broker model. She noted that reserve funds can be used to smooth out fluctuations and that eventually a reserve fund can accrue enough to fund other resources. She stated that towns can save more money by cutting out the broker and also noted that over time data will accrue that will allow CP Committees to compare models. J.B. Mack reminded the Committee that SWRPC staff is available for presentations. Francie Von Mertens asked if all RPCs are funded in support of this program? J.B. Mack replied that some monies had been carved out of an economic development grant that includes energy as part of the work program and that CP is an up-and-coming issue. He added that each RPC has a slightly different approach to program funding allocations. Francie Von Mertens noted that energy has a big impact on economic development. Scott Maslansky acknowledged the benefits of local savings and the long-term goal of building energy resiliency. John Snowden thanked Dori Drachman and J.B. Mack for the CP presentation they did in Westmoreland.

IV. Update on Watershed Projects

Lisa Murphy provided the Committee with updates on the Spofford Lake Phase I implementation, the Lake Warren Phase I implementation, and the Ashuelot River Management Corridor Plan. She noted that volunteers had just completed a survey that targeted segments of the Ashuelot River. She encouraged committee members to visit the SWRPC website for more information.

V. Next Meeting June 22, 2022 at 3:30 p.m.

The next meeting is scheduled for June 22, 2022 at 3:30 p.m.

VI. Adjourn

The meeting adjourned at 4:52 p.m.

Respectfully submitted,

Rich Clough Office Support Specialist