

**Town of Boscawen
ENERGY COMMITTEE
Boscawen Municipal Complex
FINAL MEETING MINUTES
Monday, November 13th, 2023 @ 6:30 p.m.**

Members Present: Edward J. Cherian, Jr – Chair, Charles Niebling – Vice Chair, Gary Tillman & Nate Preisendorfer

Members Absent: Matthew Burdick – Ex-Officio

Guests: Henry Herndon – Director of Member Services at Community Power Coalition of NH, Andrew Hatch – Outreach Coordinator at Community Power Coalition of NH, Vernon John – Resident, Lester Colby – Resident, Kevin McMahon – Resident, Mark Haney – Resident, Bill Heinz – Resident

Staff Present: Kara Gallagher – Planning and Community Development Assistant, Kellee Jo Easler – Planning and Community Development Director & Katie Phelps – Town Administrator

Chair Cherian opened the meeting at 6:30 p.m.

PCD Director Easler completed roll call.

Minutes:

Mr. Tillman motioned to accept the 9/23/23 draft minutes as presented. Seconded by Vice Chair Niebling. All in favor. None opposed.

New Business:

Public Hearing: Chair Cherian explained that this Public Hearing was the second of two that are required to present the draft Energy Aggregation Plan (EAP). He said after the Public Hearing, the Committee will vote to forward the EAP to the Select Board for their consideration. Vice Chair Niebling said the legislature enabling Community Power was originally passed over 20 years ago. This legislation enables individual communities to serve as the energy supply entity for their community. Some advantages to this include significant savings, with current rates being approximately 18% less than Unitil, local control, and in time to provide a greater array of choices, including renewable energy options. The Select Board appointed the Energy Committee as the Electric Aggregation Committee (EAC) as part of this process. Vice Chair Niebling invited Mr. Henry Herndon and Mr. Andrew Hatch to give a brief presentation for the audience.

Chair Cherian opened the Public Hearing at 6:37 p.m.

Mr. Herndon said CPCNH is a non-profit that was created by NH cities and towns in response to the legislature, so they could work together to maximize value of these programs statewide in an

accountable and transparent fashion to ensure local control. The final draft of the EAP will come to the Boscawen voters in a warrant article at the 2024 Town Meeting. Should the voters approve the EAP, that would then authorize the Select Board to implement the program. The market launched in April/May, 2023 with the first 12 cities and towns through the Coalition to bring their programs online. Presently CPCNH serves roughly 80,000 electric customers across 16 communities. He said there are approximately 20 towns, including Boscawen, that are looking at bringing Community Power to their 2024 Town Meetings. Canterbury's program is already up and running. Warner and Pembroke are among those that are bringing plans to their 2024 Town Meetings. This is a voluntary program and customers can choose to opt-out at any time, the program is not funded by taxpayer monies, and the program will only launch if the initial rates beat the utility rates. All plans go through the Public Utility Commission (PUC) for approval. There are more than 45 towns that have joined CPCNH in some fashion. Chair Cherian asked if Mr. Herndon could explain net metering. Mr. Herndon explained that net metering is when residents install generation, such as solar panels, on their property to produce power for their house. Any excess power produced can be fed back into the grid and then they will receive a credit for that power. Because of a technical obstacle that CPCNH has yet to overcome, net meter customers would not be automatically enrolled in the program or affected at all. This is a temporary status until the data sharing issue can be solved.

Vernon John, 32 Weir Road, asked if his customer charge of \$16.22 would change. Mr. Herndon said that fee is the fixed delivery charge from the utility, and everyone will pay that regardless of whether they participate in Community Power or not. Mr. John asked if the PUC has ever disapproved of a Community Power plan. Mr. Herndon said they have 100% approval so far.

Lester Colby, 263 High Street, asked if he became a member of CPCNH but his neighbor didn't, and the electricity comes from the same wire, how can they be buying separate power. Mr. Herndon said it is all the same electricity once it's in the grid. Because of the approach, the rates are lowered on how the portfolio is managed and how the power is procured. Chair Cherian added that Unitil owns the poles and wires, and they buy electricity from another company. This is just a different source of buying electricity. Mr. Colby asked what would happen in a scenario where Boscawen used more power than was procured. Mr. Herndon said with their strategy for procurement, they buy a block of power 1 month to 6 months in advance, so they are protected from spikes in cost. The reserve fund could also come into play. CPCNH currently has a reserve of 60 days, with a goal of 120 days.

Kevin McMahon, 3 Dove Street, asked if the rates would be adjusted twice a year. Mr. Herndon said under the current practice, yes. Mr. McMahon asked if the rate the customers would pay would not be determined by town officials but would be based upon the negotiated price for the electricity for that period. Mr. Herndon said not exactly, the rate is set by the CPCNH Board of Directors. The Board is made up of representatives from member cities and towns. When the Board sets that rate, they're making a bit of a tradeoff decision; how much of the value created can we give to the customers, and how much do we need to deposit into a reserve fund. The purpose of the reserve fund is to keep rates low and stable. Mr. McMahon asked if Boscawen's rate would be the same as other towns within the Coalition. Mr. Herndon said currently all members have the same rates. Mr. McMahon asked if that could change. Mr. Herndon said yes, particularly if a member town were to enter into a contract with a specific generator, for example a community based solar array.

Mark Haney, 15 Woodbury Lane, asked what would happen if the CPCNH rate was higher than Unitil in the future. Mr. Herndon said there is no guarantee that the CPCNH rate will always beat the Unitil rate 100% of the time. They are confident that they can consistently beat their rate because they are not subjected to certain regulations that the utility companies are. Mr. Haney asked if the Board and CEO's salaries are transparent. Mr. Herndon said yes, and they draft regular reports that are sent to the member cities and towns. The Board of Directors are all volunteers and do not receive compensation. Chair Cherian added that the Board of Directors are elected by the member cities and towns. Vice Chair Niebling sat on the Board recently as Boscawen's representative.

Chair Cherian asked about the law that was recently passed that now allows utilities to do Power Purchase Agreements as opposed to twice a year spot purchases, and what implications that law might have on the rate structure. Mr. Herndon said his understanding is that's limited to a fifth of the utilities' portfolio, up to 20%, and he doesn't know if there's been any implementation of that law yet. It could marginally affect how the utilities are buying power, but 80% of their power they must buy under the existing model. He doesn't foresee a significant change any time soon, but they will be monitoring it overtime.

Bill Heinz, 55 Tremont Street, asked what Boscawen's load is, and how many megawatt hours are produced. Chair Cherian said there are multiple tiers, including industrial, commercial, residential, and then those on Third-Party Supply agreements would be subtracted. Mr. Herndon said he did not have those figures, but they have made a request to the utility companies for that information. The utilities provide the number of residential customers on Unitil default or Third-Party Supply, and then the kilowatt hours in the residential class for default and Third-Party Supply. Those figures will be added to a table that will populate into the EAP. Chair Cherian received a list of all meters in town and the usage and sent that information to CPCNH.

Chair Cherian closed the Public Hearing at 7:31 p.m.

Chair Cherian said the next step is to finalize the EAP with information from the hearings and vote to forward the EAP to present to the Select Board. The Select Board can then have a meeting or Public Hearing to vote to put it on the warrant. If the residents vote to adopt the EAP, that gives the Select Board the power to formally join the Coalition as a full member. If within a year, there are several exit provisions if the town decides the Coalition is not working out.

Mr. Herndon said on or around January 16th, the town should present the final EAP to the state PUC. This target date will help launch the program as quickly as possible.

Other Business:

LED Lighting: Chair Cherian said because of the tariff, it was too costly to switch all the streetlights in town. The new tariff will be coming up soon and new rates will be set for LED lighting. LED lights use a quarter or less of energy than sodium vapor lights so this is a topic Chair Cherian would like to keep active. Mr. Heinz said he recently discussed the light conversion with Unitil, and he said all lights have depreciated. His understanding was because those lights have

depreciated, Unitil will replace them, and the town would continue to pay the cost under the current tariff. Discussion ensued.

Municipal Solar: Vice Chair Niebling found a note to reach out to LCHIP regarding the installation of solar on the Municipal Office building. Town Administrator Phelps did so and did not hear back. Chair Cherian said he and Mr. Hardy discussed this in the past, and structurally the building could not handle the snow load. The structural reinforcements required may be too expensive. In addition, because the building is historic, any proposals for change would be required to go through the Penacook Academy Review Board. Discussion ensued.

Vice Chair Niebling motioned to adjourn. Seconded by Mr. Tillman. All in favor. None opposed.

Next Meeting: December 19th, 2023 @ 5:30 p.m.

Respectfully submitted by Kara Gallagher.