

Charlestown Community Power Electric Aggregation Plan



FINAL DRAFT – 1/18/2024

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INTRODUCTION TO COMMUNITY POWER

New Hampshire's updated Community Power law ([RSA 53-E](#), as amended by SB 286, effective October 1, 2019) is a bipartisan policy designed to further democratize, evolve, and enhance the economic efficiency of our electric power industry.

The Legislature's intent in enacting RSA 53-E was to "*encourage voluntary, cost effective and innovative solutions to local needs with careful consideration of local conditions and opportunities.*" (Refer to <https://www.cpcnh.org/legislative-context> for a summary of the legislative context and local control authorities of Community Power.) To achieve this goal, RSA 53-E authorizes local governments (cities, towns, and counties) to launch Community Power programs that:

- Provide electricity supply service to residents and businesses, who are notified and enrolled on an "opt-in" customer choice or "opt-out" default service basis and may thereafter leave or rejoin the program (by switching suppliers in advance of their next billing cycle date);
- Procure a reliable supply of "all-requirements" electricity, inclusive of Renewable Portfolio Standard requirements, with the option to participate directly in the ISO New England wholesale market (as a load-serving entity on behalf of participating customers);
- Offer a range of innovative services, products, new Net Energy Metering supply rates, and local programs to participating customers;
- Establish a joint powers agency with other Community Power programs to share services, contract for energy project developments, and facilitate related energy initiatives; and
- Work collaboratively with distribution utilities, regulators, policymakers, and innovative energy businesses to help modernize our electrical grid and market infrastructure.

Distribution utilities will continue to deliver power to all customers, regardless of whether they are supplied electricity by new Community Power programs or Competitive Electric Power Suppliers (or have chosen to switch back to utility-provided default service).

OVERVIEW OF CHARLESTOWN COMMUNITY POWER

Charlestown Community Power is a program authorized under RSA 53:E to provide electricity supply service for the Town's residents, businesses, and other types of customers. Providing electricity supply involves being responsible for procuring electric generation (supply) to match customer loads (consumption) in real time, except when the grid goes down. The program will only launch if it is able to initially offer residential default rates that are lower than those offered by Liberty, NHEC & Eversource. Thereafter, the program will:

- Serve as the default electricity supplier for all Liberty, NHEC & Eversource customers on a default "opt-out" basis;
- Offer innovative services and generation rates to customers on an "opt-in" or "opt-up" basis (such as 100% renewable premium products, time-varying rates and Net Energy Metering generation credits for customers with solar photovoltaics);
- Operate on a competitive basis, in that customers may choose to switch between Charlestown Community Power, service provided by Competitive Electric Power Suppliers, and utility-provided default service; and
- Be self-funded through revenues generated by participating customers; the Town will not use taxes to cover program expenses.

Liberty, NHEC & Eversource will continue to own and operate the distribution grid and be responsible for delivering power to all customers within the Town. Customers will continue to be charged for utility delivery services at rates set by the Public Utilities Commission.

The Selectboard will authorize the Town Administrator, with support as needed from the Charlestown Community Power Committee, to contract for the necessary services and power suppliers to implement and operate the program and continue to provide oversight over the program thereafter.

Customer Notification and Enrollment Process

Prior to launch of Charlestown Community Power, all eligible customers will be mailed notifications and provided the opportunity to "opt-out" or "opt-in" to the program, depending on whether they currently are on default service provided by Liberty, NHEC & Eversource or take service from a Competitive Electric Power Supplier:

- Customers already served by Competitive Electric Power Suppliers will be notified and may request to "opt-in" to the program; and
- Customers currently on default energy service provided by Liberty, NHEC & Eversource will be notified, provided the opportunity to decline participation ("opt-out"), and thereafter transferred to Charlestown Community Power if they do not opt-out.

Notifications to customers on utility-provided default service will: include the initial fixed rate for the program's default service compared with the Liberty, NHEC & Eversource's rate, be mailed to customers at least 30 days in advance of program launch, provide details of service for various customer groups including exceptions to automatic enrollment, and provide instructions for customers to decline participation (for example, calling a phone number, sending an email, or using a web portal).

Examples of customer service websites and web portals are available at www.CommunityPowerNH.gov.

After the launch of Charlestown Community Power, any new customers starting service within the Town will be given a similar opt-out notice and will be transferred onto default service provided by the program, unless they choose to take energy service from Liberty, NHEC & Eversource or a Competitive Electric Power Supplier.

All customers on Charlestown Community Power default service will remain free to switch back to the energy supply service provided by their utility, or to take energy service from a Competitive Electric Power Supplier.

Membership in the Community Power Coalition of New Hampshire

Charlestown is a member of the not-for-profit [Community Power Coalition of New Hampshire](#) (“the Coalition”), a joint powers agency authorized under RSA 53-A (“*Agreements Between Governments: Joint Exercise of Powers*”) that operates on a not-for-profit basis. The primary reason to join the Coalition is for the Charlestown Community Power committee to take advantage of the Coalition’s comprehensive power agency for authorizing, launching and operating Community Power programs, but also noting that they too are a potential supplier/partner. See [Attachment 1](#) for details on the Community Power Coalition of New Hampshire

On December 20, 2023, the Charlestown Selectboard voted to enter into the Coalition’s Joint Powers Agreement. The Coalition Board of Directors voted to welcome Charlestown as a member on December 28, 2023. The Selectboard appointed Daniel Senie as member representative, and Philip Turner as alternate, to participate in the Coalition’s membership meetings and may delegate certain decision-making authorities to them to carry out their responsibilities at the Selectboard’s direction.

This plan does not require that the Town will participate in the CPCNH for the purposes of implementing and operating Charlestown Community Power.

Purpose of this Community Power Plan

The Community Power Committee was tasked by the Selectboard to prepare this Community Power Plan, which sets forth Charlestown’s policy goals for our Community Power program, summarizes program governance and implementation processes, and commits Charlestown Community Power to comply with applicable statutes and regulations in terms of:

- Providing universal access, reliability, and equitable treatment of all classes of customers subject to any differences arising from varying opportunities, tariffs, and arrangements between different electric distribution utilities in their respective franchise territories; and
- Meeting, at a minimum, the basic environmental and service standards established by the Public Utilities Commission and other applicable agencies and laws and rules concerning the provision of service under Community Power.

This plan does not otherwise commit Charlestown to any defined course of action, including participation in the Coalition for the purposes of launching the program, and does not impose any financial commitment on the Town.

The Selectboard retains the power to contract for all required program services and electricity supplies, to set rates, and to pursue related projects independently of the Coalition.

Approval Process for Charlestown Community Power

This Community Power Plan was developed by the Community Power Committee, nominated as an official town committee by the Selectboard with due input from the public, as required under RSA 53-E. Public hearings were held on 1/9/2024 and 1/15/2024.

The Community Power Committee has determined that this Community Power Plan satisfies applicable statutory requirements and is in the best, long-term interest of the Town and its residents, businesses, and other ratepayers.

The Selectboard may now submit this Plan for consideration by the voters at Town Meeting. Adoption of this Plan by the voters at Town Meeting, by majority approval of those present and voting, establishes Charlestown Community Power as an approved aggregation plan with statutory authorities defined under RSA 53-E:3 (to be exercised with due oversight and local governance, as described herein), and authorizes the Selectboard, with support from the Charlestown Community Power committee to arrange and contract for the necessary professional services and power supplies to launch Charlestown Community Power.

Implementation Process for Charlestown Community Power

This plan provides the Selectboard a choice of two different options for implementing the program. They may decide to either:

- Hire a commercial electricity broker / consultant, and subsequently contract with a Competitive Electric Power Supplier (CEPS) to provide all the electricity and related services required to launch and operate Charlestown Community Power; or
- Continue to participate in the non-profit Community Power Coalition of New Hampshire and rely on the Joint Powers Agency to provide for all the electricity and related services required to launch and operate Charlestown Community Power.

Regardless of which option the Selectboard chooses to implement Charlestown Community Power, four things will remain constant:

- If it is determined before the program is launched that Charlestown Community Power will be unable to offer default electric rates that are initially lower than the fixed energy service charge rates offered by Liberty, NHEC & Eversource for residential customers, then implementation of the program will not move forward. The program will not launch unless and until that condition is met.
- Customer participation in Charlestown Community Power will be completely voluntary. After the electricity rates to be offered under the program are established, customers will be notified and may choose to opt-out of the program. After program launch, customers on default service provided by the program may choose to opt-out without penalty.
- Liberty, NHEC & Eversource will continue to deliver electricity to customers, own and operate the distribution systems (poles, wires, transformers, substations, etc.) and in most cases, provide account and billing services to customers participating in the program.
- All costs associated with operating the program will be incorporated into rates paid by

Charlestown Community Power customers and will not be passed on to taxpayers or customers who chose to opt-out of participating in the program.

Under the terms of New Hampshire's Community Power law ([RSA 53-E](#)):

- Community Power programs must be self-funded, with ongoing costs paid for using the revenues generated by participating customers.
- Municipalities are only allowed to incur incidental costs associated with implementing Community Power programs, such as the costs necessary to comply with the Community Power law, up to the time that the program starts to produce revenue from participating customers. Incidental costs should not include any costs that are more properly accounted for as capitalized or operating costs of the Charlestown Community Power program.

The implementation of Charlestown Community Power will not require any upfront cost for the Town other than such incidental expenses (e.g., the staff time, counsel review of agreements, and other expenses required to comply with the Community Power law before the program starts to generate revenue).

Decisions made by the Selectboard regarding how to best implement and operate Charlestown Community Power, including the approval of agreements with selected service providers, will be made at duly noticed public meetings.

Energy Risk Management, Retail Rates, and Financial Reserve Policies

Charlestown Community Power's ability to maintain competitive rates, as market prices and Liberty, NHEC & Eversource default rates change over time, is a primary goal for the program. Competitive rates will significantly reduce the risk that customers opt-out of Charlestown Community Power and allow the program to achieve our medium- to long-term goals.

To proceed with launching and operating Charlestown Community Power through the Coalition:

- The Selectboard would review and approve execution of the Coalition's Cost Sharing Agreement and Member Services Contract, along with the Data Security and Privacy Policy and the Energy Portfolio Risk Management, Retail Rates, and Financial Reserves policies approved by the Coalition's Board of Directors.¹
- The Coalition would provide the services and credit support necessary to launch and operate Charlestown Community Power (along with the programs of other municipalities across the state) and would provide all-requirements electricity to customers participating in the programs.
- Confidential customer data would be handled in accordance with the Data Security and Privacy Policy.
- Power procurement and energy portfolio risk management, rate setting, and the accrual of financial reserves for the program would be carried out in accordance with the Coalition's Energy Portfolio Risk Management, Retail Rates, and Financial Reserves policies.

¹ CPCNH's (1) Joint Powers Agreement; (2) Energy Portfolio Risk Management, Retail Rates and Financial Reserves Policies; (3) Data Security and Privacy Policy; and (4) Cost Sharing Agreement and Member Services Contract are publicly available at <https://www.cpcnh.org/about> under "Key Documents."

- The Coalition would collect revenues from program customers on the Town's behalf and would recover expenses incurred on behalf of Charlestown Community Power in accordance with the Cost Sharing Agreement.

Governance of the power agency will be carried out pursuant to the Coalition's Joint Powers Agreement. The Coalition's Board of Directors and committees of Member Representatives — the Executive Committee, Finance Committee, Risk Management Committee, Member Operations and Engagement Committee, Regulatory and Legislative Affairs Committee, Audit Committee, etc. — will continue to meet regularly and carry out their responsibilities to provide oversight and direction, supported by a qualified CEO and staff experts hired to provide day-to-day oversight and management the agency's service providers, operations, planning, and program development activities.

Community Power Plan Submission to the Public Utility Commission

Charlestown will submit this final Community Power Plan to the Public Utilities Commission for review and approval as per RSA 53-E:7, II.

Charlestown Community Power Goals, Objectives, and Requirements

Charlestown Community Power affords the Town the capacity and flexibility to realize and build on our policies pertaining to energy and infrastructure.

Our policy goals will need to be pursued through a combination of direct program activities and informed public advocacy at the Legislature and Public Utilities Commission. This will require enhanced coordination with other communities as well as advanced operational services, dedicated expertise, innovation, and sustained initiative carried out over a period of multiple years.

Simultaneously, maintaining competitive rates compared to Liberty, NHEC & Eversource's default service rates — as market prices, energy technologies and policies change over time — will require nimble decision-making and the ability to evolve business operations in response to changing market conditions to actively manage risk, minimize costs and maximize the creation of customer value.

Charlestown Community Power Objectives

To achieve our policy goals, Charlestown Community Power will be guided by the following objectives:

- **Lower Rates:** provide residential default rates lower than those offered by Liberty, NHEC & Eversource ;
- **Expanded Choices for Renewable Energy and Other Innovations:** offer optional products, such as supply options with higher and lower levels of renewable energy and time-varying rates that enable the intelligent use of customer energy technologies to reduce energy expenditures and carbon emissions on a voluntary basis;
- **Fiscal Stability & Financial Reserves:** maintain a reserve fund to ensure that the program remains able to offer competitive rates as market prices fluctuate over time;
- **Consumer Protections:** ensure that the contracts entered into on behalf of customers are fair and represent the interests of Charlestown and its residents;
- **Public Advocacy:** represent the interests of Charlestown and the program's customers at the Legislature, Public Utilities Commission and other relevant agencies on matters pertaining to Community Power and towards creating a more modern electric grid;
- **Cleaner, Local Power:** encourage the development of cost-effective projects to supply an affordable energy portfolio that prioritizes the use of in-state and local renewable energy;
- **Community Resilience:** support local contractor training and education programs to lower barriers to the installation of new clean energy technologies, and support projects such as back-up power supplies, efficient electric vehicle charging networks and community microgrids on critical facilities;
- **Regional Collaborations:** collaborate with municipalities, other Community Power programs and government agencies to jointly develop cost-effective local renewable generation and storage projects, electric vehicle transit fleets (such as school buses) and charging corridors, and other clean energy infrastructure developments;

- **Manage Risk, Limit Liability:** protect the Town of Charlestown against any risks or liabilities arising as a result of Community Power programs in Charlestown, beyond those explicitly accepted by the Selectboard as reasonable in connection with a specific Community Power program (e.g., energy procurement) or project (e.g. a renewable generation project developed by the Town).

Through strategies and initiatives like these, enabled by the scope and scale of service provided through the Coalition, Charlestown Community Power intends to:

- Reduce fossil fuel consumption overall while enhancing the reliability of our electricity grid;
- Create savings and new value for customers; and
- Support the vitality and growth of local businesses.

These objectives are essential to our continued success as a vital, sustainable community.

To the extent such projects are financially prudent, Charlestown Community Power will seek to develop local energy assets and generation resources, including renewable generators and battery storage, that can provide power to the program’s customers cost effectively.

Near-Term Operational Requirements

While many of the broader benefits Charlestown Community Power intends to create for customers and the Town will be developed over time, the program’s immediate objective is to offer competitive default supply rates compared to Liberty, NHEC & Eversource, and additionally offering voluntary products that retail customers may opt-up to receive as well as Net Energy Metering supply rates that allow customer generators to participate in the program.

Performance Relative to Utility Default Service and Net Energy Metering Generation Rates

Compensation to customer generators under Net Energy Metering generation rates, the timing of the program’s rate setting decisions and, to a certain degree, the procurement of electricity will need to take into account Liberty, NHEC & Eversource’s tariffs, processes and timing in regard to these activities. Refer to [Attachment 2](#) for additional documentation and discussion of these factors.

Customer Rates and Products

The table below provides an example of a default service product and optional rates that could be offered to customers relative to Liberty, NHEC & Eversource residential default supply rates. The rates and products depicted below are offered by Community Power Coalition of New Hampshire to at least twelve New Hampshire municipalities and effective from August 2023 through January 2024.

The Coalition sets and adjusts rates with the objective of offering customers cost savings and expanded options. Most utility rates are set from February 1 to July 31, 2024. The Coalition's default rates will change for the next utility rate period, scheduled from February 1, 2024 through July 31, 2024.

| Residential, General Service, and Outdoor Lighting | | | |
|---|---|----------------------------|-------------------------------|
| Fixed Supply Rates Effective Through January 31, 2024 | | | |
| <u>Renewable Content</u> | <u>Power Option</u> | <u>Rate (¢/kWh)</u> | <u>Estimated Cost*</u> |
| 23.4% | Granite Basic (default power option) | 10.9¢ | ~ \$65 / month |
| 33% | Granite Plus | 11.3¢ | ~ \$68 / month |
| 50% | Clean 50 | 12.3¢ | ~ \$74 / month |
| 100% | Clean 100 | 15.2¢ | ~ \$91 / month |
| 23.4% | <i>Eversource</i> | 12.582¢ | ~ \$75 / month |
| 23.4% | <i>Liberty Utilities</i> | 12.242¢ | ~ \$73 / month |
| 23.4% | <i>NHEC</i> | 11.42¢ | ~ \$69 / month |

*Based on usage of 600 kWh per month

The products that Charlestown Community Power initially offers to customers, and the rates charged for each product, will be refined and finalized in advance of program launch.

Renewable Portfolio Standard Requirements

New Hampshire’s Renewable Portfolio Standard (RPS) requires all electricity suppliers to obtain Renewable Energy Certificates (RECs) for four distinct “classes” of renewables, each distinguishing between different technologies and dependent upon the year that the generators came online.

Liberty, NHEC & Eversource and other electricity suppliers are required to including the following amounts of renewable energy in their energy supply:

- For 2023, 23.4% renewable.
- For 2024, 24.3% renewable.
- For 2025, 25.2% renewable.

Absent an increase in the RPS, these minimum compliance requirements will remain fixed thereafter.

Charlestown Community Power may seek to procure voluntary renewables in excess of the RPS minimum requirements from “Class I” resources (as defined at <https://www.cpcnh.org/renewable-portfolio-standard>). Additionally, the program could prioritize including as much renewable energy sourced from generating resources located in New Hampshire and New England as possible.

COMMUNITY POWER PLAN STATUTORY REQUIREMENTS

The following requirements for this Community Power Plan, in compliance with RSA 53-E:6, are addressed below:

- A Organizational structure of the program;
- B Methods of entering into and terminating agreements;
- C Operation and funding;
- D Rate setting, costs, and customer enrollment process;
- E Rights and responsibilities of program participants;
- F Net metering and group net metering policies;
- G Ensuring discounts for Electric Assistance Program participants; and,
- H Termination of program.

Organizational Structure of the Program

Upon approval of this plan, Charlestown Community Power will be authorized to provide electricity and other related services to participating residents, businesses, and other customers in the Town.

The Selectboard, with support from the Charlestown Community Power committee, will oversee the program and has overall governance authority. Decisions regarding Charlestown Community Power, such as updating program goals, adoption of Energy Portfolio Risk Management, Retail Rates, and Financial Reserve policies to govern the program's power procurement and rate-setting decisions, may be made at duly noticed public meetings and with support from the Community Power Committee.

Additionally, the Selectboard may direct the Community Power Committee to hold meetings for the purpose of providing community input and advisory support regarding the program.

Methods of Entering into and Terminating Agreements

This Community Power Plan authorizes the Selectboard, with support from the Charlestown Community Power committee, to negotiate, enter into, modify, enforce, and terminate agreements as necessary for the implementation and operation of Charlestown Community Power.

Operation and Funding

The Town will contract with qualified vendors and credit-worthy suppliers to provide the services, credit support and electricity required to launch and operate the program.

Services provided by third-party entities required to launch and operate the program may include portfolio risk management advisory services, wholesale Load Serving Entity (LSE) services, financial services, electronic data interchange (EDI) services with the utility, and customer notification, data management, billing, and relationship management (e.g., call center, website, etc.) services. Additional information on how Charlestown Community Power will implement Load Serving Entity (LSE) services is found in [Attachment 3](#), *How Load Serving Entity Services will be Implemented*.

Additional support services such as management and planning, budgeting and rate setting, local project development support, regulatory compliance, and legislative and regulatory engagement services (on matters that could impact the program and participating customers) will be addressed through a combination of staff support and third-party services.

Charlestown Community Power program will provide “all-requirements” electricity supply for its customers, inclusive of all of the electrical energy, capacity, reserves, ancillary services, transmission services (to the extent not provided through Liberty, NHEC & Eversource), transmission and distribution losses, congestion management, and other such services or products necessary to provide firm power supply to participants and meet the requirements of New Hampshire’s Renewable Portfolio Standard. (Refer to <https://www.cpcnh.org/renewable-portfolio-standard> for details regarding the requirements of Renewable Portfolio Standard statute, RSA 362-F.)

If a single supplier is relied upon to provide all-requirements electricity on behalf of Charlestown Community Power, then (1) the supply contract will be executed or guaranteed by entities that possess at least a BBB- or equivalent investment-grade rating issued by a nationally recognized statistical rating organization (NRSRO), and (2) the supplier will be required to use proper standards of management and operations, maintain sufficient insurance, and meet appropriate performance requirements for the duration of the supply contract. Alternatively, if a portfolio of contracts with multiple entities is structured to diversify counterparty credit risk exposure, and actively managed to provide for all-requirements electricity on behalf of Charlestown Community Power, then counterparty credit requirements and monitoring, hedging transaction authorities, residual ISO-NE market exposure limits, and reporting requirements will be carried out in accordance with Energy Portfolio Risk Management, Rates, and Financial Reserves policies that would be established prior to commencing procurement and implementing the program.

Additionally, RSA 53-E provides Community Power programs with authorities pertaining to meter ownership, meter reading, billing, and other related services. These authorities provide Charlestown Community Power with the practical ability to help customers adopt and use innovative technologies (for example, building management systems, smart thermostats, backup battery storage systems, controllable electric vehicle chargers, etc.) in ways that save money, enhance grid resiliency, and decarbonize our power supply.

However, the implementation of these authorities is expected to take some time, as it requires action by the Public Utilities Commission to adopt enabling rules and coordination with Liberty, NHEC & Eversource to adapt existing meter and billing system processes.

Rate Setting, Costs, Enrollment Process, and Options

Customers who choose not to participate in Charlestown Community Power shall not be responsible for any costs associated with the program, apart from Town’s incidental costs incurred prior to the point at which the program starts producing revenue from participating customers (for example, contract review by legal counsel, but not any operational or capitalized costs of the program).

Rate Setting and Costs

Charlestown Community Power will only launch if it is able to offer residential default rates that are initially lower than those offered by Liberty, NHEC & Eversource; thereafter, the program will strive to maintain competitive rates for all default service customers on an overall annual basis, as well as customers who opt-in or opt-up to receive optional retail products, while working to achieve the program's goals (as set forth in this Community Power Plan and modified from time to time at the direction of the Selectboard).

As required by law, the program will ensure the equitable treatment of all classes of customers, subject to any differences arising from varying opportunities, tariffs, and arrangements between different electric distribution utilities in their respective franchise territories.

In other words, customers will be treated the same based on their circumstances. For example, any customers that opt-in after being offered the opportunity to participate during the initial enrollment period may be offered rates that reflect how market prices have changed in the intervening period.

Changes to the program's default service rates shall be set and publicly noticed at least 30 days in advance of any rate change.

Should the Selectboard, with support from the Charlestown Community Power committee, choose to select a non-profit supplier, they will also adopt Energy Risk Management and Financial Reserve policies to govern the program's power procurement and rate-setting decisions. Rates will be set at a level such that revenues from participating customers are projected to meet or exceed the ongoing operating and capital costs of the program.

To ensure the financial stability of Charlestown Community Power, a portion of revenues will be deposited in a financial reserve account. In general, the fund will be restricted for uses such as:

- **In the near-term**, maintain competitive customer rates in the context of price fluctuations in the electricity market and other factors;
- **In the medium term**, as collateral for power purchase agreements (including for the development of new renewable and battery storage projects), and for additional credit enhancements and purposes that lower the program's cost of service; and
- **Over the long term**, may also be used to directly fund other program financial requirements, or to augment the financing for development of new projects and programs in the later years of the program.

Enrollment Process and Options

Charlestown Community Power intends to launch on an opt-out basis, providing an alternative default service to the Liberty, NHEC & Eversource provided default service rate. This format increases the number of customers, therefore improves buying power and revenue share opportunities when applicable. After approval of this Community Power Plan and before the launch of Charlestown Community Power, all customers in the Town will be sent notifications regarding the program and offered the opportunity to participate:

- **Customers currently on default service provided by Liberty, NHEC & Eversource** will be sent “opt-out” notifications — describing the program, its implications for the Town, the rights and responsibilities of customers, and program rates and charges — with instructions on how to decline participation, and thereafter be transferred to Charlestown Community Power if they do not opt-out of the program prior to launch.
- **Customers already served by Competitive Electric Power Suppliers** will receive “opt-in” notifications describing the program and may request to opt-in to the program.

If Liberty, NHEC & Eversource has not fully implemented Public Utilities Commission rules and procedures governing Community Power Aggregation service, certain groups of customers on default service provided by the utilities may need to be offered service on an opt-in basis, and/or offered service on an opt-out basis at a future date. For example, if the utilities are unable to reliably provide the data on customer-generators necessary to offer Net Energy Metering (NEM) rates and terms, then the program may initially choose to not enroll customer-generators on an opt-out basis, as doing so could risk negatively impacting NEM customer billing and crediting procedures.

Customers will be notified through a mailing, which will be posted not less than 30 days prior to the enrollment of any customers. All information will be repeated and posted at the Town’s Community Power website. A public information meeting will be held within 15 days of the notification to answer program questions or provide clarification.

Optional products, such as increased renewable power content in excess of the Renewable Portfolio Standard (RPS) requirements and other energy services, including time varying rates, may be offered on an opt-in basis.

After launch and in accordance with any applicable rules and procedures established by the Public Utilities Commission, new customers will be provided with the default service rates of Liberty, NHEC & Eversource and Charlestown Community Power and will be transferred onto Charlestown Community Power’s default service unless they choose to be served by Liberty, NHEC & Eversource or a Competitive Electric Power Supplier.

Customers that request to opt-in to the program may do so at the discretion and subject to the terms of Charlestown Community Power.

Residents, businesses, and other electricity customers may opt-out of participating in Charlestown Community Power default service at any time, by submitting adequate notice in advance of the next regular meter reading by Liberty, NHEC & Eversource (in the same manner as if they were on utility provided default service or as approved by the Public Utilities Commission).

Customers that have opted-in to an optional product offered by Charlestown Community Power may switch back to the Liberty, NHEC & Eversource or to take service from a Competitive Electric Power Supplier subject to any terms and conditions of the optional product.

Rights and Responsibilities of Program Participants

All participants will have available to them the customer protection provisions of the law and regulations of New Hampshire, including the right to question billing and service quality practices.

Customers will be able to ask questions of and register complaints with the Town, Liberty, NHEC & Eversource and the Public Utilities Commission.

Charlestown Community Power shall maintain the confidentiality of individual customer data in compliance with its obligations as a service provider under [RSA 363:38](#) (privacy policies for individual customer data; duties and responsibilities of service providers) and other applicable statutes and Public Utilities Commission rules. Individual customer data includes information that singly or in combination can identify that specific customer including the individual customers' name, service address, billing address, telephone number, account number, payment information, and electricity consumption data.

Such individual customer data will not be subject to public disclosure under RSA 91-A (access to governmental records and meetings). Suppliers and vendors for Charlestown Community Power will be contractually required to maintain the confidentiality of individual customer data pursuant to RSA 363:38, V(b). [Attachment 4](#), *Customer Data Protection Plan*, details the reasonable security procedures and practices that the Town and Charlestown Community Power will employ to protect individual customer data from unauthorized access, use, destruction, modification, or disclosure.

Aggregate or anonymized data that does not compromise confidentiality of individual customers may be released at the discretion of Charlestown Community Power and as required by law or regulation.

Participants will continue to be responsible for paying their bills. Failure to do so may result in a customer being transferred from Charlestown Community Power back to Liberty, NHEC & Eversource (the regulated distribution utility and provider of last resort) for default energy service, payment collections and utility shut offs under procedures subject to oversight by the Public Utilities Commission.

Net Metering and Group Net Metering Policies

Under the net metering process, customers who install renewable generation or qualifying combined heat and power systems up to 1,000 kilowatts in size are eligible to receive credit or compensation for any electricity generated onsite in excess of their onsite usage.

Any surplus generation produced by these systems flows back into the distribution grid and offsets the electricity that would otherwise have to be purchased from the regional wholesale market to serve other customers.

Currently, customer-generators are charged their full retail rate for electricity supplied by Liberty, NHEC & Eversource and receive credits for electricity they export to the grid based on Liberty, NHEC & Eversource's Net Energy Metering (NEM) tariffs.

Charlestown Community Power intends to provide new rates and terms that compensate participating customer-generators for the electricity supply component of their net metered surplus generation.

Customer-generators will continue to receive any non-supply related components (e.g., transmission and distribution credits) directly from Liberty, NHEC & Eversource, as specified under the terms of their applicable net energy metering tariff.

For group net metering where the host customer-generator is on default service, to the extent Charlestown Community Power supply rates are lower than Liberty, NHEC & Eversource default service or if the host is located outside of Charlestown, it may be most advantageous for the host to remain an Liberty, NHEC & Eversource default service customer, while the other group members are free to switch to Charlestown Community Power for their supply and continue to receive on-bill credits for their participation in the group.

Charlestown Community Power's exact terms, conditions, and rates for compensating and crediting different types of NEM customer generators in the Town will be set at duly noticed public meetings and fully disclosed to all prospective NEM customers through the program's enrollment notification process and thereafter.

Certain aspects of administering net energy metering require coordination between Liberty, NHEC & Eversource and Charlestown Community Power. The enabling services and strategies that Charlestown Community Power may pursue, to benefit and encourage customers to adopt distributed generation, include but are not limited to:

- Dual-billing customer-generators separately for supply services;
- Offering time-varying rates and alternative credit mechanisms to compensate customers for surplus generation;
- Streamlining the establishment of new Group Net Metering and Low-Moderate Income Solar Project groups;
- Facilitating interval meter and Renewable Energy Certificate (REC) meter installations for customer-generators; and
- Engaging at the Legislature and Public Utilities Commission to advocate for upgrades and reforms to metering and billing infrastructure and business processes to enable Net Energy Metering and other innovative services to benefit customer-generators.

For additional details regarding these enabling services and strategies, refer to:

- [Attachment 2](#) provides an in-depth discussion regarding operational and strategic opportunities to enhance net metering and group net metering through Charlestown Community Power.

Ensuring Discounts for Electric Assistance Program Participants

Income eligible households can qualify for discounts on their electric bills under the Electric Assistance Program. Charlestown Community Power will support income eligible customers who enroll in the Electric Assistance Program to receive their discount.

Electric Assistance Program discounts are funded by all ratepayers as part of the System Benefits Charge, which is charged to all customers and collected by the distribution utilities.

At present, the Public Utilities Commission and utilities only support provision of the discount to individual customers when the customer's electricity supply charges are billed through the distribution utility.

Charlestown Community Power consequently plans to rely on Liberty, NHEC & Eversource to bill all customer accounts enrolled in the Electric Assistance Program. This represents no change in the provision or funding of this program.

This arrangement may be revisited if, at some point in future, the Public Utilities Commission enables Community Power programs to provide Electric Assistance Program customers with their discount directly.

Termination of the Program

There is no planned termination date for Charlestown Community Power.

Charlestown Community Power may be terminated by majority approval of voters at Town Meeting. If so terminated, Charlestown Community Power would cease operations after satisfying any obligations contractually entered into prior to termination, and after meeting any advance notification period or other applicable requirements in statute or regulation, at which point participating customers would either be transferred to default service provided by Liberty, NHEC & Eversource or to a Competitive Electric Power Supplier of their choosing.

Charlestown Community Power will provide as much advance notice as possible regarding the potential or planned termination of the program to participating customers, the Public Utilities Commission and Liberty, NHEC & Eversource.

Upon termination, the balance of any funds accrued in the program's financial reserve fund and other accounts, if any, would be available for distribution or application as directed by the Selectboard and in accordance with any applicable law and regulation.

(see attachments below)

Charlestown Community Power Plan Attachments

Attachment 1: The Community Power Coalition of New Hampshire

Charlestown is a member of the Community Power Coalition of New Hampshire (“CPCNH” or “the Coalition”), a nonprofit joint powers agency authorized under RSA 53-A and governed by participating communities under the terms of the Joint Powers Agreement.

The Coalition is an all-requirements Joint Powers Agency incorporated as a government instrumentality and non-profit on October 1st, 2021, to provide for the launch and operation of Community Power Aggregation (CPA) programs on behalf of our Members throughout the state. CPCNH launched power supply services in April and May of 2023.

CPCNH’s participating local governments Members share the administrative and general costs of CPCNH on a pro-rata basis, and may elect to share costs, on an individual basis, for operational services, pooled power purchases, and energy project development contracts. CPCNH also engages at the Legislature and Public Utilities Commission on behalf of its members on matters related to energy and Community Power.

CPCNH benefits its Member communities by providing for the delivery of cleaner and more locally produced electricity, innovative retail distributed energy and demand flexibility programs, policy engagement and public advocacy, competitive rates for residents, businesses, and municipal facility customers, and economic investment through the development of local programs, projects, and energy infrastructure.

CPCNH operates across all four distribution company service territories in the state: Eversource, Unitil, Liberty Utilities and the New Hampshire Electric Co-Op.

CPCNH is locally controlled, governed by a Board of appointed community representatives, and is funded through customer revenues, with no taxpayer subsidies. By law, each member’s CPA program is funded through program revenues; CPCNH’s budget is completely separate from the general funds of participating local governments.

Meetings of CPCNH’s Board and committees are subject to New Hampshire’s Right to Know Law and open to the public.

Governance Structure

CPCNH is governed in accordance with our Joint Powers Agreement, and overseen by a Board of Directors composed of the representatives appointed by participating local governments.

The Board of between 11 and 21 Directors is elected by vote of the Members at the Annual Membership Meeting in April.

CPCNH’s Board of Directors elected by the Members at the Annual Membership meeting held on April 21, 2023 is shown in the table below:

| CPCNH Board of Directors, Elected 4/21/23 | | |
|---|---------------------|--------------|
| Member | Director | Term expires |
| Walpole | Paul Looney | 2024 |
| Hanover | April Salas | 2024 |
| Durham | Steve Holmgren | 2024 |
| Enfield | Kim Quirk | 2024 |
| Exeter | Nicholas Devonshire | 2024 |
| Peterborough | Bruce Tucker | 2024 |
| Webster | David Hemenway | 2025 |
| Portsmouth | Kevin Charette | 2025 |
| New London | Jamie Hess | 2025 |
| Plainfield | Evan Oxenham | 2025 |
| Newmarket | Joseph Lamattina | 2025 |
| Warner | Clyde Carson | 2025 |
| Cheshire County | Terry Clark | 2025 |
| Pembroke | Matt Miller | 2026 |
| Harrisville | Andrea Hodson | 2026 |
| Randolph | Kathleen Kelly | 2026 |
| Dover | Jackson Kaspari | 2026 |
| Lebanon | Clifton Below | 2026 |
| Nashua | Doria Brown | 2026 |
| Rye | Lisa Sweet | 2026 |

CPCNH also conducts its business through the committees, each of which is composed of Member representatives drawn from across the state:

1. **Executive Committee:** Meetings of CPCNH’s Chair, immediate past-chair, Vice Chair, Treasurer, and Secretary. Authorized to act on behalf of the Board, on most matters, in instances where decisions may not wait until the next meeting of the Board.
2. **Audit Committee:** Oversees the quality and integrity of the Corporation’s accounting, auditing and reporting practices, and causes an independent financial report of the accounts and records of the Corporation to be made by a certified public accountant each fiscal year, which is provided to Directors and to Members at the Annual Meeting.
3. **Governance Committee:** Assists the Members in recruitment of Board Directors; determines eligibility of nominees for consideration of Directorship; monitors the effective functioning of the Board and committees; conducts regular Board orientations and evaluations; periodically reviews and recommends amendments to the Joint Powers Agreement.
4. **Finance Committee:** Responsible for advising the Treasurer and the Board as to the investments, budget, and general fiscal policy of CPCNH.

5. **Member Outreach & Engagement Committee:** Responsible for supporting and facilitating Member engagement, education, and collaboration across the Membership, present and future, and providing a forum for the Members to interact with one another and with the organization.
6. **Risk Management Committee:** Responsible for overseeing energy portfolio risk management procurement decisions, and for understanding and advising upon enterprise risk factors and mitigating strategies more broadly.
7. **Regulatory and Legislative Affairs Committee:** Responsible for monitoring and advising CPCNH and its Members regarding regulatory and legislative engagement, and for appointing representatives of the Corporation to serve on statutory commissions, study commissions, and other boards and commissions created by the state legislature.

Members and Service Territory

CPCNH is formed by more than 50 current municipal and county members, which represent more than 25% of New Hampshire’s population. The following fourteen “**Wave 1**” Members launched service in 2023:

- Cheshire County; the cities of, Dover, Lebanon, Nashua and Portsmouth; and the towns of Canterbury, Enfield, Exeter, Hanover, Harrisville, Peterborough, Plainfield, Rye, and Walpole.

The following nine “**Wave 2**” Members adopted Community Power Plans locally in 2023 and are positioned to launch service in spring 2024:

- The towns of Durham, Hudson, Newmarket, New London, Pembroke, Stratham, Warner, Webster, Westmoreland.

Several Members from New Hampshire’s Androscoggin River Valley and the **Androscoggin Valley Energy Collaborative** are planning to develop the state’s first regional Community Power Aggregation, including:

- The City of Berlin, and the towns of Randolph and Shelburne.

Additional recent members preparing Community Power Plans and future launch of service include:

- The city of Somersworth and the towns of Atkinson, Barrington, Bethlehem, Boscawen, Bradford, Bristol, Campton, Epping, Franconia, Gilford, Grantham, Hampton Falls, Hopkinton, Kensington, Lancaster, Loudon, Lyme, Northfield, Springfield, Sugar Hill, Tamworth, Temple, and Wilmot.

At full enrollment of the current membership, CPCNH may serve ~110,000 customer accounts, provide ~900,000 MWh of electricity, and produce well over \$100 million in annual revenues.

Over 30 additional local governments have expressed interest in joining CPCNH, which would increase representation to ~50% of New Hampshire’s population.

CPCNH subsequently expects relatively robust member recruitment, and the launch of dozens of new CPA programs in the next two to three years.

Organizational Capacity

The Coalition’s Board, committees, and executive team bring a great breadth and depth of experience to the organization with professional backgrounds that support CPCNH’s mission.

In 2022, CPCNH concluded a competitive solicitation for services and credit support and executed contracts for \$750,000 in startup funding, and several millions of dollars in credit support and professional services to operate the power agency and expand CPCNH’s membership. CPCNH is supported by:

- **Ascend Analytics:** for energy portfolio risk management and procurement services.
- **Calpine Energy Solutions:** for Load Serving Entity services, startup funding support, and retail customer services (utility electronic data interchange (EDI), retail data management, and call center operations).
- **Community Choice Partners:** for technical consulting services.
- **Duncan Weinberg Genzer Pembroke:** for general counsel and legal services, with local New Hampshire counsel provided by Primer Piper Eggleston Kramer.
- **ecoCFO:** for accounting services.
- **Resilient Buildings Group:** for community engagement services
- **River City Bank:** for secure revenue “lockbox” account administration and various commercial banking services.
- **Clean Energy NH:** for community and media engagement and support.

CPCNH’s committee award reports and winning response materials are online.²

Staffing Strategy

In May 2023, CPCNH hired its first Chief Executive Officer, Mr. Brian Callnan, who was identified as a result a rigorous and nationally competitive search process.

Mr. Callnan has spent his career leading power supply and project and program development for public power agencies. Most recently, Mr. Callnan served as Vice President of Power Resources and Access at NH Electric Co-op, where he managed a portfolio of wholesale contracts to achieve lower rates for customers compared to NH’s investor-owned utilities. Mr. Callnan also led the Coop’s roll-out of “virtual power plants” harnessing distributed batteries and electric vehicles, along with “transactive energy rates” for customers to lower power costs.

Additional staff roles include:

- Bobbi-Jo Michael, Director of Administration
- Henry Herndon, Director of Member Services
- Deana Dennis, Director of Regulatory and Legislative Affairs

² CPCNH Public RFP Response Material:

https://drive.google.com/drive/folders/17i_JcBRu_47t0fNKdjCpTLW6XtuPXwzu

The Board will support the CEO in filling additional key functional roles with highly qualified staff in managerial positions to provide oversight and initiative that guides the evolution of the agency.

CPCNH anticipates that the CEO will recommend prioritizing staff capacity in the follow areas of expertise:

- **Retail Services:** retail customer products and services, key account management and retention, and local programs.
- **Energy Portfolio Management:** contract valuation, procurement, power purchase agreements, portfolio strategy, and energy risk management analytics and reporting.
- **Information Technology:** enterprise data management and analytics.

Regulatory and Legislative Engagement

CPCNH carries out public information campaigns and routinely engages at the Legislature and Public Utilities Commission, often alongside the NH Office of the Consumer Advocate, to advance consumer interests and protect and expand the authorities of our Members. Board Chair Clifton Below, Assistant Mayor of the City of Lebanon, often leads the agency’s regulatory and legislative engagement activities.

Purpose, Mission, Values & Power Enterprise Objectives

CPCNH is guided by the requirements and processes provided for under our Joint Powers Agreement, the decisions of our Members and Board of Directors, and the considerations that operating a competitive power enterprise entail.

Purpose of CPCNH

The overarching objective of CPCNH is provided for in the Joint Powers Agreement:

The purpose of CPCNH is to promote the common good and general welfare by supporting the economic vitality and prosperity of local communities by enabling municipalities and counties to support and jointly exercise authorities granted to them pursuant to NH RSA 33-B, NH RSA 53-E, NH RSA 53-F, and NH RSA 374-D, all in accordance with NH RSA 53-A; to assist member municipalities and counties in complying with the provisions of NH RSA 53-E in developing and implementing Electric Aggregation Plans and Programs known as Community Power Aggregations (“CPAs”); to provide supportive services and technical assistance to community power aggregations serving member towns, cities, counties, unincorporated places, and village districts; and to support and promote public education and civic engagement by the residents and businesses of member communities in developing and implementing energy and climate policies and actions and the role of CPAs in advancing such policies and actions for the common good.

Mission and Values

CPCNH’s Board of Directors has subsequently adopted the mission and values below:

Our mission is to foster resilient New Hampshire communities by empowering them to realize their energy goals. CPCNH will create value for our Community Power member municipalities by jointly contracting for services, developing projects and programs together, educating and engaging the public, and advocating for communities and customers at the Legislature and Public Utilities Commission.

In carrying out its activities, CPCNH is guided by the following values:

1. *Embody an inspiring vision for New Hampshire's energy future.*
2. *Support communities to reduce energy costs and pursue economic vitality by harnessing the power of competitive markets and innovation.*
3. *Support communities to implement successful energy and climate policies and to promote the transition to a carbon neutral energy system.*
4. *Balance the interests of member communities who are diverse in demographics, geography and their energy goals.*
5. *Use our shared expertise, leadership and skills to educate, empower and build the capacities of our members.*
6. *Help communities demystify the power sector to make informed decisions.*
7. *Facilitate collaboration and teamwork by championing diversity, equity and inclusion of people and communities of all kinds.*

Power Enterprise Objectives

CPCNH's immediate objectives in implementing CPA supply service in April to May 2023 were summarized in the Coalition's prior solicitation for services and credit support:

While many of the broader benefits that CPCNH intends to create will be developed over time, the agency's immediate objectives are to:

1. *Procure a reliable supply of all-requirements electricity, inclusive of Renewable Portfolio Standard requirements, and satisfy all load-serving entity obligations on behalf of participating customers.*
2. *Launch with default supply rates that "meet or beat" utility default service rates and maintain competitive default supply rates thereafter.*
3. *Accrue reserve funds sufficient to ensure Members' long-term financial stability.*
4. *Offer voluntary products that retail customers may opt-up to receive as well as Net Energy Metering supply rates that allow customer-generators to participate in the program.*
5. *Ensure individual customers have excellent customer service experience every time they interact with CPCNH regarding their electric service and all account transactions.*
6. *Guarantee that individual customer data is secure and protected against third party attacks, data breaches and inappropriate use.*

Coalition Energy Portfolio Risk Management, Rates, and Reserves Policies

The Coalition's Members expect the agency to balance customer rate levels, renewable power content, and the accrual of program reserves on behalf of Member programs to meet their local policy objectives. The Board of Directors is incorporating these considerations and trade-offs regarding the prudent allocation of revenues into Energy Portfolio Risk Management, Rates, and Reserves policies, summarized as follows:

- **Energy Portfolio Risk Management Policy:** defines the risks associated with the procurement of the power supply, identifies those responsible for administering the various elements of

the risk management policy (from procurement through daily operations and oversight), and sets policy parameters for managing, monitoring, and reporting on the risks associated with procuring and hedging the power supply portfolio. The policy will define the requirements and limits within which Members delegate their procurement authority to CPCNH.

- **Rates Policy:** ensures rates are set in a timely fashion to recover capital and operating costs of Member programs and that public notice and customer communication activities remain in compliance with statutory and Member Electricity Aggregation Plan requirements.
- **Financial Reserves Policy:** sets appropriate target levels (e.g., minimum and maximum contributions) to ensure CPCNH satisfies working capital requirements, procures energy at competitive rates, adheres to contractual covenants, covers unanticipated expenditures, supports rate stability, and progresses towards obtaining an investment grade credit rating. Member contributions to reserves will be tracked, and provided back to Members, pursuant to any contractual obligations, if and when they choose to cease participating in the Coalition.

Member Cost Sharing Agreement

The Coalition's Joint Powers Agreement provides certain requirements regarding how costs will be tracked and shared across participating Community Power programs, which must be formalized in a Cost Sharing Agreement executed with each Member before the Coalition may provide services for their Community Power program, as follows:

- Costs will be tracked in three distinct categories: direct project costs, member services, and general and administrative costs (which are overhead costs that are not associated with any specific project or member service).
- Member cost-sharing agreements will be the same in all material respects: general and administrative costs will be allocated based on each Community Power program's share of total electricity usage each year, while each member will choose and separately pay for the costs of specific services and projects (under terms that reflect a fair allocation across all the members that chose the same services and projects).
- The debts, liabilities, and obligations of the Coalition, and of other participating Community Power programs, will be non-recourse to Member communities (unless expressly agreed to by the Member under their Cost Sharing Agreement or a Project Contract).

Attachment 2: Charlestown Community Power Net Metering, Group Net Metering and Low-Moderate Income Solar Project Opportunities

NOTE ON STATUS OF NET METERING CUSTOMERS:

At this time if you are a Net Metered customer, you will NOT be automatically enrolled into Charlestown Community Power until such time as electric distribution utilities are able to share net metering export data to allow for proper service and crediting of net metering exports to the grid. Charlestown Community Power and Community Power Coalition of New Hampshire are actively working with utilities and state regulators to resolve this issue. Once the data sharing issue is resolved, Charlestown Community Power will offer Net Metering rates and terms to compensate or credit customers for the electricity supply component of their net metered surplus generation. The remainder of this attachment describes net metering in further detail and is relevant for when the utility data sharing issues have been resolved.

Under the Net Energy Metering (NEM) process, customers who install renewable generation or qualifying combined heat and power systems up to 1,000 kilowatts in size are eligible to receive credit or compensation for any electricity generated onsite in excess of their onsite usage.

Any surplus generation produced by these systems flows back into the distribution grid and offsets the electricity that would otherwise have to be purchased from the regional wholesale market to serve other customers.

The table below compares New Hampshire’s two NEM tariff structures, which offer different credits to customers depending on the size of their installed system:

Net Energy Metering (NEM) Credit on Net Monthly Exports to Grid

| | NEM 1.0 <i>“Standard NEM”</i> <i>Offered prior to 9/1/2017</i> | NEM 2.0 <i>“Alternative NEM”</i> <i>Effective 9/1/2017</i> |
|--|---|--|
| Large Systems <i>100 Kilowatts to 1 Megawatt</i> | Full credit (at the customer’s retail rate) for electricity supply <u>only</u> | |
| Small Systems <i>≤ 100 Kilowatts</i> | Full credit for electricity supply, distribution, transmission, System Benefits, Stranded Cost & Storm Recovery charges | Full credit for electricity supply and transmission; 25% credit for distribution & no credit for other charges |

[RSA 362-A:9, II](#) grants Community Power programs broad statutory authority to offer customer-generators new supply rates and terms for the generation supply component of Net Energy Metering (NEM). The relevant statutory authority is quoted in full below:

“Competitive electricity suppliers registered under RSA 374-F:7 and municipal or county aggregators under RSA 53-E determine the terms, conditions, and prices under which they

agree to provide generation supply to and credit, as an offset to supply, or purchase the generation output exported to the distribution grid from eligible customer-generators. The commission may require appropriate disclosure of such terms, conditions, and prices or credits. Such output shall be accounted for as a reduction to the customer-generators' electricity supplier's wholesale load obligation for energy supply as a load service entity, net of any applicable line loss adjustments, as approved by the commission. Nothing in this paragraph shall be construed as limiting or otherwise interfering with the provisions or authority for municipal or county aggregators under RSA 53-E, including, but not limited to, the terms and conditions for net metering."

Charlestown Community Power intends to offer a NEM generation rate and terms to customers with onsite renewable generation eligible for net metering from Liberty, NHEC & Eversource. Note that any non-supply related components of the Net Energy Metering tariff (e.g., credits for transmission and distribution) will continue to be provided to customer-generators directly by their utility.

How Charlestown Community Power calculates, accounts for and provides NEM credits to participating customer-generators for the different types of eligible system sizes, customer types and group configurations will have a number of important financial and practical implications for the program and customers in the Town.

Charlestown Community Power will work closely with Liberty, NHEC & Eversource on the process of transferring NEM customers with regard to metering, billing and data management requirements of this subset of customers. Charlestown Community Power will maintain close coordination with Liberty, NHEC & Eversource to expeditiously resolve any NEM issues that may occur.

For example, Charlestown Community Power may decide bills should be separately issued to customers that have installed systems after September 2017.

The advantage in dual-billing this subset of customers stems from what is essentially an accounting irregularity in how Liberty, NHEC & Eversource's billing system and PUC policies currently treat customer-generators taking service under the NEM 1.0 tariff, which applies to systems installed before September 2017, versus the NEM 2.0 tariff, which applies to all systems installed after that date. As context:

- The cumulative surplus generation exports of net metered customer-generators will decrease the amount of electricity that Charlestown Community Power will have to purchase from the regional power market to supply other customers in the program. The surplus generation from both NEM 1.0 and NEM 2.0 customer-generators will be tracked and netted out from the program's wholesale load obligations by Liberty, NHEC & Eversource for this purpose.
- However, for the purpose of netting out of the program's Renewable Portfolio Standard (RPS) compliance requirements, the surplus generation from NEM 1.0 customers is tracked and accounted for differently than it is for NEM 2.0 customers:
 - Surplus generation from NEM 1.0 customers is tracked as a kWh credit that is carried forward to offset the customer's future electricity supply requirements; these kWh

credits will be counted as an offset that decreases the total electricity supplied by the program to retail customers in aggregate — which lowers the program’s RPS compliance obligation.

- Surplus generation from NEM 2.0 customers is tracked as a monetary credit that is carried forward to offset the customer’s future electricity bills; even though the monetary credit is calculated each month based on every customer’s kWh surplus generation, the monetary credit is treated as a re-sale or delivery of power generated by NEM 2.0 customer and provided to other participating customers through the program — it is not treated, in other words, as an offset that decreases the total electricity supplied by program to retail customers in aggregate — and therefore does not lower RPS compliance obligations in the same way.

The practical consequence of this accounting treatment is that Charlestown Community Power would have to purchase Renewable Energy Certificates for the amount of surplus generation supplied by NEM 2.0 customer-generators (but not NEM 1.0 customer-generators) in the same way as if the program had imported that amount of electricity from the regional wholesale market.

- Taking on the responsibility of billing this subset of NEM 2.0 customers directly may allow Charlestown Community Power to track and account for the impact of their surplus generation in ways that lower the program’s RPS compliance obligations and costs. Specifically, the program could credit customers currently on the utility’s NEM 2.0 tariff in the same way that NEM 1.0 customers are credited (i.e., using kWh credits to track surplus generation on the supply portion of the bill). Note that RSA 362-A:9,II explicitly grants Community Power programs the flexibility to offer net metered customers either:
 - A “*credit, as an offset to supply*” for their surplus generation, which is equivalent to the NEM 1.0 tariff accounting practices; or
 - To “*purchase the generation output exported*” which is equivalent to how the NEM 2.0 tariff tracks surplus generation.

Exercising the first option listed above, by offering NEM 2.0 customers a kWh credit tracked as an offset to supply, would allow Charlestown Community Power to harmonize the accounting treatment of NEM 1.0 and 2.0 surplus generation for the purpose of program RPS compliance reporting. This would help lower program rates and is an option that the program may therefore find cost-effective to implement.

Additionally, certain customer-generators currently receiving IRS Form 1099 taxable income from monetary credits under Liberty, NHEC & Eversource’s NEM 2.0 tariff may benefit financially from receiving kWh credits for the supply portion of their monthly surplus generation instead.

While dual billing is typically avoided — as it is less convenient for most customers to receive a separate bill from their utility and supplier — customers with onsite generation systems tend to be highly informed on energy issues and respond positively to more active engagement with both their utility and supplier.

Consequently, dual billing may enhance customer satisfaction, awareness and ongoing participation in the program for customer-generators. Furthermore, dual billing could be done electronically, which is more convenient for the customer and will be less costly for the program than sending paper bills.

Furthermore, Charlestown Community Power may be able to create additional value for customer-generators through a combination of dual billing, assistance with metering upgrades and time-varying rate structures. For example:

- Many customer-generators with solar systems may benefit from local programs that help them reduce their full energy bill costs;
- Providing the customer with a separate supply-only bill would allow Charlestown Community Power to also offer a time-varying rate (which may not otherwise be available through Liberty, NHEC & Eversource's billing system);
- Upgrading to an interval meter (if the customer does not have one) and installing onsite battery storage, combined with a time-varying rate, may enable the customer-generator to further lower their overall bill by shifting their pattern of electricity usage at times of high-power prices and constrained generation and transmission capacity. This could also help to manage and lower the program's electricity supply costs in aggregate as well, and thus benefits all participating customers.

Similarly, Charlestown Community Power may be able to streamline the process and cost of installing REC production meters for customer-generators that don't already have one. By registering customer-generators and purchasing their RECs for their onsite power generation Charlestown Community Power could use them to satisfy part of the program's overall RPS compliance requirements. This would allow the program to source RECs locally and would provide an additional source of revenue for customer-generators in the Town.

Charlestown Community Power also intends to evaluate ways to enhance the value of the NEM credits that customers receive overall, from both the program and Liberty, NHEC & Eversource. For example, customer-generators may benefit by becoming hosts in Group Net Metering, including by establishing a Low-Moderate Income Solar Project group. The program may be able to streamline the process required to do so, which entails:

- Matching customers interested in becoming members with prospective group hosts;
- Executing a Group Net Metering Agreement together;
- Registering the group with the Public Utilities Commission and Liberty, NHEC & Eversource; and
- Thereafter filing annual compliance reports.

Lastly, NEM tariffs are subject to revision and Charlestown Community Power, through the Coalition, intends to work with Liberty, NHEC & Eversource, participate in Public Utilities Commission proceedings and engage at the Legislature on issues that impact how the tariffs evolve going forward.

Customers are increasingly adopting new energy technologies and expect to be offered rates and services that provide them with new choices and fair compensation based on their investment; the program's ability to assist customers in these ways is heavily dependent on how state policies and utility regulations evolve over time.

Charlestown Community Power will seek to represent the interests of our community and customers in these matters.

Attachment 3: How Load Serving Entity Services will be Implemented

Charlestown Community Power will implement Load Serving Entity (LSE) services, for the purpose of procuring or selling electricity on behalf of customers participating in the aggregation.

The Role & Responsibility of Load Serving Entities

A Load Serving Entity (LSE) is an entity that has registered with ISO New England (ISO-NE, the non-profit regional wholesale electricity market operator) as a market participant and assumes responsibility for securing and selling electric energy and related services to serve the demand of retail customers at the distribution level (i.e., homes and businesses).

As context, every retail customer in New Hampshire (and across New England) is assigned to a specific Load Serving Entity at all times:

- Customers on utility default service are periodically re-assigned to whichever Competitive Supplier has won the utility's most recent auction or the utility as LSE.
- Similarly, customers are assigned to a different Load Serving Entity whenever they are transferred to Community Power Aggregator (CPA) service on an opt-out default basis, choose to opt-in to take service from the CPA, or switch to a Competitive Supplier of their choosing.

Consequently, all Competitive Suppliers and CPAs in New Hampshire are required to either:

1. Register as a Load Serving Entity with ISO-NE; or
2. Contract with a third-party that has agreed to be the Load Serving Entity responsible for the Competitive Supplier's or CPA's customers.

To ensure that customers receive firm power supply, there are a variety of services that need to be performed and electrical products that must be procured or otherwise provided. The required products and services are referred to as "all requirements energy" (or alternatively, "full requirements service").

The role of Load Serving Entities is to provide, arrange for, or otherwise pay for the cost of providing all requirements energy to customers. The majority of these requirements are defined by the ISO-NE wholesale market operator, which is subject to Federal oversight, but certain requirements are defined by the state in which the LSE registers to serve customers (Renewable Portfolio Standard requirements, for example).

In New Hampshire, full-requirements energy is defined as the provision or cost of (1) electrical energy, capacity, and reserves (including transmission and distribution losses); (2) ancillary services, congestion management, and transmission services (to the extent not already provided by the customer's utility); (3) the costs associated with complying with New Hampshire's Renewable Portfolio Standard (i.e., the cost of purchasing Renewable Energy Credits or, if an insufficient number of credits is procured, the cost of Alternative Compliance Payments); and (4) other services or products necessary to provide firm power supply to customers (i.e., because the definition and requirements of the above products and services are subject to change over time).

Each of the above products and services is procured, provided, and accounted for in different ways, through market mechanisms and regulated processes that have been designed to accommodate the unique characteristics of the product or service in question.

Given the complex and capital-intensive nature of providing all requirements electricity to customers, Load Serving Entities are subject to significant state and Federal oversight, in terms of registration, reporting, and financial security requirements.

The web pages below provide current information regarding Load Serving Entity registration, financial security, and renewal requirements to operate in ISO-NE and New Hampshire:

- ISO-NE: [New Participant Registration Instructions](#)
- NH PUC: [Forms for Competitive Electric Power Suppliers and Electric Load Aggregators](#)
- Eversource: [Electric Information for Suppliers & Aggregators](#)
- Unitil: [Energy Supplier Resources](#)
- Liberty Utilities: [Become a Liberty Utilities Approved Supplier](#)
- New Hampshire Electric Cooperative: [Supplier Information](#)

Options for Enlisting Load-Serving Entity (LSE) Services

In 2022, on behalf of the Town and CPCNH's other Member communities, each of which are in various stages of authorizing, launching, and operating Community Power Aggregations, CPCNH conducted a competitive solicitation process to solicit and contract for Comprehensive Services and Credit Support.³

As a result of the competitive solicitation process CPCNH selected and has contracted with Calpine Energy Solutions for Retail Data Management, Billing Services, other retail customer solutions, and Load Serving Entity (LSE) services. CPCNH selected and has contracted with Ascend Analytics for Portfolio Risk Management Services, credit support, and certain other services.

If Charlestown chooses to contract with CPCNH as an all-requirements joint powers agency, CPCNH will be responsible for providing — either through a contracted service provider, or through itself as a registered LSE with ISO New England — LSE services inclusive of providing all requirements energy supply and all other energy services required to implement and operate Charlestown Community Power.

In the event that the Town does not contract with CPCNH to provide LSE and other services to Charlestown Community Power, then the Town may contract to implement LSE services independently, either with a third-party LSE acting as the Town's agent or with a Competitive Electric Power Supplier (CEPS) that contracts to provide LSE services for customers taking service from Charlestown Community Power.

The Town, with the support of the Charlestown Community Power committee, will ensure that contracts entered into provide for the implementation of LSE services and full requirement energy supply for customers participating in Charlestown Community Power.

³ CPCNH's Request for Proposals for Comprehensive Services and Credit Support and additional supporting reference documentation are posted online here: <https://www.cpcnh.org/solicitations>.

Attachment 4: Customer Data Protection Plan

Charlestown Community Power will protect and maintain the confidentiality of Individual Customer Data in compliance with its obligations as a Service Provider under RSA Chapter 363 ([RSA 363:38](#) and [RSA 363.37](#) (“*privacy policies for individual customer data; duties and responsibilities of service providers and definitions*”) and other applicable statutes and Public Utilities Commission rules.

Individual Customer Data (ICD) includes information that is collected over the course of providing energy services to customers participating in Charlestown Community Power and that, singly or in combination, can be used to identify specific customers, including: individual customer names, service addresses, billing addresses, telephone numbers, account numbers, electricity consumption data, and payment, financial, banking, and credit information.

As described herein, the Town of Charlestown is responsible for ensuring that reasonable security procedures and practices are implemented and maintained to protect the confidentiality of Individual Customer Data from unauthorized access, destruction, modification, disclosure, or use.

If the Town chooses to participate fully in the Community Power Coalition of New Hampshire (CPCNH) for the purposes of implementing and operating Charlestown Community Power, the responsibilities would be as follows.

Responsibilities of the Community Power Coalition of New Hampshire (CPCNH)

CPCNH is a Joint Powers Agency authorized under RSA 53-A (“*Agreements Between Governments: Joint Exercise of Powers*”) and RSA 53-E:3 (“*Municipality and County Authorities*”). CPCNH’s [Joint Powers Agreement](#) expressly authorizes the agency to:⁴

- “[C]omply with orders, tariffs, and agreements for the establishment and implementation of community power aggregations and other energy related programs”;
- “Make and enter into contracts” and “[m]ake and enter into service agreements relating to the provision of services necessary to plan, implement, operate, and administer CPCNH’s affairs”; and
- “[D]o all acts permitted... as well as any act necessary, consistent with New Hampshire law to fulfill the purposes” set forth under the agreement, which include assisting “member municipalities and counties in complying with the provisions of NH RSA 53-E in developing and implementing ... Community Power Aggregations”.

CPCNH has solicited for and contracted with third-parties to provide comprehensive services and credit support to launch Member CPA programs. CPCNH has adopted Energy Portfolio Risk Management, Retail Rates, Financial Reserves, and Data Security and Privacy policies to govern CPA operations.

CPCNH’s adopted Data Security and Privacy Policy is linked to below.⁵ The policy defines the

⁴ From Section 2.3, Powers, of the By-Laws of CPCNH, found at pages 21-22 of the JPA, available here: https://www.cpcnh.org/files/ugd/202f2e_601bfada901c4a89a1c2812a0638090a.pdf, and more specifically §2.3.11, §2.3.6, §2.3.9, and §2.3 introductory paragraph. Similar language is also in the Articles of Agreement.

⁵ CPCNH adopted Data Security and Privacy Policy:

https://drive.google.com/file/d/1oU9KvV20zAU85AYKQohifyGudG9bNX_V/view?usp=sharing

specific goals, requirements, and controls necessary to safeguard the confidentiality, integrity, and availability of confidential information.

CPCNH's Board has also adopted a Cost Sharing Agreement and Member Services Contract, which Members will execute prior to taking CPA service from CPCNH.

CPCNH Request for Proposals for Comprehensive Services and Credit Support

In April, 2022, CPCNH issued a Request for Proposals for Comprehensive Services and Credit Support and subsequently contracted with qualified third-parties to provide comprehensive services and credit support to enable CPCNH to develop, finance, launch, and operate CPAs.

In November, 2022, CPCNH selected Calpine Energy Solutions, LLC to provide Retail Customer Services, inclusive of services required to ensure the confidentiality of ICD and executed a Master Professional Services Agreement with Calpine Energy Solutions, LLC. Services are inclusive of Member CPA start-up and customer enrollment support services, utility and Electronic Data Interchange (EDI) services, customer information system, customer call center and engagement support services, billing administration, and other services.

For additional information regarding the use of customer data, and expected operational needs of CPCNH, refer to (1) the RFP at pp. 20-23⁶ and to (2) the RFP Addendum #2 (issued May 24, 2022), at pp. 11 in response to Questions 15.⁷ The latter is excerpted below, and provides a concise summary of CPCNH's requirements to ensure the confidentiality of ICD:

Regarding Customer Privacy Compliance:

[RSA 53-E:4](#), VI, requires CPAs to maintain the confidentiality of individual customer information in compliance with their obligations as service providers under [RSA 363:37](#) (Definitions) and [RSA 363:38](#) ("Privacy Policies for Individual Customer Data; Duties and Responsibilities of Service Providers"). [RSA 53-E:7](#), X also requires the Public Utilities Commission to adopt Administrative Rules for CPAs governing "access to customer data" and other matters.

Calpine Energy Solutions, LLC has demonstrate physical and cybersecurity readiness sufficient to ensure customer data is held in strict confidence — e.g., through audits in accordance with the American Institute of Certified Public Accountants Statements on Standards for Attestation Engagements No. 16 (SSAE 16) Service Organizational Controls (SOC) Reports, periodic network vulnerability assessments, etc. — and is contractually required to maintain the confidentiality of individual customer data pursuant to [RSA 363:38, V\(b\)](#) and applicable Public Utilities Commission rules.

Refer to the PUC's [Adopted CPA Administrative rules \(Chapter Puc 2200\)](#), specifically the definitions in Puc 2202.07 ("Confidential customer information") and Puc 2202.02 ("Anonymized"), and Puc 2205.02 ("Application of Puc 2000 to CEPS When Providing Electricity Supply to CPA Customers").

As CPCNH's retail customer services provider, Calpine Energy Solutions, LLC will comply with relevant portions of the PUC's current Administrative Rules for Competitive Electric Power Suppliers and Aggregators (Chapter Puc 2000). Refer to [Chapter Puc 2000](#), Puc 2002.09 (definition of "Confidential Customer Information") and Puc 2004.19 ("Protection of Confidential

⁶ https://www.cpcnh.org/files/ugd/202f2e_e781638c123d4cf3977358f845081313.pdf

⁷ Pages 11-12 at https://www.cpcnh.org/files/ugd/202f2e_8ceed8824453482c902a8a0fa1ab826c.pdf.

Customer Information”), which is proposed to apply to CEPS providing electricity supply service to CPA customers pursuant to Puc 2205.02 under the PUC's CPA Administrative Rules.

The Request for Proposals and evaluation process was overseen by CPCNH’s Risk Management Committee, composed of CPCNH Member municipality representatives, with additional support from (1) independent experts with experience operating Community Power Aggregation Joint Powers Agencies, and (2) CPCNH’s General Counsel, DWGP, P.C., a nationally recognized law firm with substantial expertise in the Community Power and broader public power industry.

CPCNH’s Risk Management Committee evaluated, ranked, and selected Calpine Energy Solutions, LLC as a vendor with a proven track record of successful qualification for EDI transactions and protection of confidential customer information, including what is characterized as ICD under RSA 363, and other relevant factors.

- Refer to CPCNH’s RFP at p.2 for a summary of the substantial domain expertise participating on the Risk Management Committee and proposal evaluation process.
- For example, the committee includes a Member Director who previously worked for Eversource for 26 years, where he was responsible for deploying and/or operating Eversource’s Customer Information System and day to day interface with competitive electric suppliers and was most recently the Director of Eversource’s Customer Center Operations.

CPCNH Requirements to Access and Use of Individual Customer Data

In CPCNH’s capacity as a service provider to the Town, the agency and third parties contracted through CPCNH to provide services to Charlestown Community Power will need to access and use ICD for operational needs and for the research, development, and implementation of new rate structures and tariffs, demand response, customer assistance, energy management, or energy efficiency programs on behalf of Charlestown Community Power.

Third parties under contract to CPCNH that may require access to ICD on behalf of Charlestown Community Power may include CEPS (Competitive Electric Power Suppliers) functioning as Load Serving Entities (LSEs) for the supply of all requirements energy, or other third-party vendors providing Load Serving Entity (LSE) services on behalf of CPCNH, as well as portfolio management, Electronic Data Interchange (EDI), Customer Information System (CIS), billing, accounting, and related services, and other contractors and academic institutions under contract to support the research and development of potential new energy services to offer to customers participating in Charlestown Community Power.

Specific types of ICD that Charlestown Community Power, CPCNH, and third parties under contract are expected to receive and possess include:

- Name, address, account number, and other information about electric customers within the Town for purposes of sending required notification of Charlestown Community Power Commencement of Service and enrollment of customer in Charlestown Community Power, consistent with Puc 2204.04, .05, and .06, as adopted by the PUC and the requirements of [RSA 53-E:7](#), III, V, and VI.
- Individual customer information used for operation of Charlestown Community Power, such as that in Puc 2205.13, most of which may be accessed through the EDU EDI.
- Other confidential customer information that may be received or collected directly by

Charlestown Community Power or CPCNH, or through sources other than the EDU due to customer participation in particular related programs or services, billing operations, other customer services, or that may be volunteered by customers, will likewise only be used for statutorily authorized purposes as ICD.

Ongoing collection and use of individual customer data of the types described in Puc 2205.13 will be used for both:

1. **General operational needs** for retail power supply and related energy services operational needs, such as load and supply forecasting, portfolio management, billing and audit processes, and for research and development of potential new energy services to offer to customer participants; and
2. **Programmatic and customer-specific services and offerings**, such as responding to customer account queries, opt-in rates or demand side management for customers with flexible demand, distributed generation or storage, and interval meters; and other energy services that may be offered including programs for LMI participants that are qualified in the Electric Assistance Program (EAP).

In compliance with [RSA 363:38](#) and [RSA 363.37](#), CPCNH and third parties contracted through CPCNH that require access to ICD to provide services to Charlestown Community Power will be contractually required to:

- Implement and maintain reasonable security procedures and practices appropriate to the nature of the ICD.
- Protect ICD from unauthorized access, use, destruction, modification, or disclosure.
- Use ICD solely for primary purposes, such as: complying with the provisions of RSA 53-E:7, II; providing or billing for electrical service; meeting system, grid, or operational needs; researching, developing, and implementing new rate structures and tariffs, demand response, customer assistance, energy management, or energy efficiency programs; and for research and development of potential new energy services to offer to customer participants.
- Collect, store, use, and disclose only as much ICD as is necessary to accomplish the aforementioned primary purposes.
- Not use ICD for a secondary commercial purpose unrelated to the aforementioned primary purposes of the contract without the express consent of the customer.
- Return or permanently delete all ICD after contract termination and deliver a certificate, signed by an authorized representative, stating that all ICD has been returned or permanently deleted and that all materials based on ICD has been destroyed, as appropriate (i.e., except for copies necessary for tax, billing, or other financial purposes).

Additionally, if CPCNH contracts with one or more Competitive Suppliers to provide Load Serving Entity services to participating customers, or brokers to support operations in a capacity that would require access to ICD, then the Competitive Suppliers and/or brokers would additionally be required to comply with the requirements of Puc 2004.19 (*Protection of Confidential Customer Information*), which are excerpted below in the section “Statutory and Rule Requirements” for reference.

Responsibilities of the Town of Charlestown

If the Town chooses to participate fully in the Community Power Coalition of New Hampshire (CPCNH) for the purposes of implementing and operating Charlestown Community Power, the responsibilities would be as follows.

The Town Administrator, with support from the Charlestown Community Power committee, shall review that CPCNH has adequate policies, procedures and measures in place to protect confidential information and that contractual requirements consistent with the Town's obligations to protect ICD as required under [RSA 363.37](#), [RSA 363:38](#) and [RSA 53-E:4](#), VI, and consistent with PUC rules, including Puc 2004.19 and its non-disclosure restrictions, are incorporated into any contracts with CPCNH, or any other third parties that are authorized to access ICD on behalf of the Town before executing any such contracts.

The Town expects contracts and policies to provide for:

- Third-party security assessment requirements regarding: Information Security Management; Personnel Security; Systems Development and Maintenance; Application Security; System Security; Network Security; Data Security and Integrity; Access Control; and Vulnerability Management.
- Third-party security requirements including: (1) User Account and Access Controls to ensure that only authorized individuals have access to ICD for legitimate primary purposes under RSA 368:38, which may include the need for non-disclosure agreements; (2) Handling of Sensitive Data Protocols to protect confidential customer information from unauthorized access, use, destruction, modification, or disclosure; (3) Breach Reporting, including obligations to report a security breach as defined in [RSA 359-C:19](#), V and required by [RSA 359-C:20](#) and any other applicable laws, rules, or utility requirements for data breach reporting; (4) Plan for deletion and destruction ICD when it is no longer necessary to accomplish primary purposes pursuant to RSA 368:38; and (5) Prohibitions on use of ICD for a secondary commercial purpose not related to the primary purpose of vendor's contract without the express consent of the customer.
- Third-party documentation and reporting requirements regarding, as applicable: Audit Reports (e.g. SSAE 16/SOC Report); Documentation describing Control practices used to review sub-vendors; Maintenance of an Information Security Program; Training Program for Employees on Cyber Awareness; Background checks performed for all employees with access to ICD; Immediate Data Breach reporting to appropriate parties; and any material changes in Data Security practices since prior review and approval.

Lastly, in the event that the Town does not contract with CPCNH to provide energy services to Charlestown Community Power, then the Town will develop and adopt policies and contracts that ensure compliance with the Town's obligations as a Service Provider to protect and maintain the confidentiality of ICD under [RSA 363:38](#), [RSA 363.37](#) and other applicable statutes and Public Utilities Commission rules prior to directly collecting, storing, using, or disclosing any ICD or contracting with other Competitive Suppliers, brokers and/or other third-party vendors that require access to ICD.

Additional References: Statutory and Regulatory Requirements

The sections below are provided for additional reference, and summarize the different requirements that apply to (1) Community Power Aggregators and Service Providers, (2) brokers and Competitive Electric Power Suppliers (CEPS) that provide Load Serving Entity services under contract to Community Power Aggregators, and (3) access to ICT through the Multi-Use Energy Data Platform authorized under RSA 378:50-54 (if and when it becomes operational).

Statutory Requirements for Community Power Aggregators & Service Providers

Statutory requirements regarding the use of Individual Customer Data for Community Power Aggregators are summarized below:

- [RSA 363:37](#), I defines Individual Customer Data (ICD) as *“information that is collected as part of providing electric, natural gas, water, or related services to a customer that can identify, singly or in combination, that specific customer, including the name, address, account number, quantity, characteristics, or time of consumption by the customer.”*
- [RSA 363:38](#), IV requires Service Providers to *“use reasonable security procedures and practices to protect individual customer data [ICD] from unauthorized access, use, destruction, modification, or disclosure.”*
- [RSA 53-E:4](#), VI provides that Community Power Aggregations (CPAs) *“shall be subject to RSA 363:38 as service providers and individual customer data shall be treated as confidential private information and shall not be subject to public disclosure under RSA 91-A”*.
 - The definition of Service Provider under [RSA 363:37](#), II includes *“an aggregator, as defined by RSA 53-E:2, II...and any other service provider that receives individual customer data [ICD]...”*
 - [RSA 53-E:2](#), II defines an *“aggregator”* in this context as *“any municipality or county that engages in aggregation of electric customers within its boundaries”*.
 - RSA 53-E:2, VI further defines *“municipality”* in this context as *“any city, town, unincorporated place, or village district within the state.”*
- [RSA 363:38](#), II requires Service Providers to: *“(a) Collect, store, use, and disclose only as much individual customer data [ICD] as is necessary to accomplish primary purposes, and (b) Use individual customer data solely for primary purposes.”*
- [RSA 363:37](#), III defines “[p]rimary purpose” as *“the main reason for the collection, storage, use, or disclosure of individual customer data [ICD] which is limited to: (a) Providing or billing for electrical or gas service. (b) Meeting system, grid, or operational needs. (c) Researching, developing, and implementing new rate structures and tariffs, demand response, customer assistance, energy management, or energy efficiency programs.”*
- [RSA 53-E:4](#), VI further authorizes approved Community Power Aggregations to *“use individual customer data to comply with the provisions of RSA 53-E:7, II and for research and development of potential new energy services to offer to customer participants.”*
- [RSA 363:38](#), V(b) further makes clear that a Service Provider may disclose ICD *“to a third party for system, grid, or operational needs, or the research, development, and*

implementation of new rate structures and tariffs, demand response, customer assistance, energy management, or energy efficiency programs” — provided that the Service Provider “has required by contract that the third party implement and maintain reasonable security procedures and practices appropriate to the nature of the information, to protect the personal information from unauthorized access, use, destruction, modification, or disclosure, and to prohibit the use of the data for a secondary commercial purpose not related to the primary purpose of the contract without the express consent of the customer.”

- [RSA 363:38](#), V(c) provides that “[n]othing in this section shall preclude a service provider from disclosing electric, natural gas, or water consumption data required under state or federal law, or which is identified as information subject to warrant or subpoena or by an order of the commission.”
- [RSA 363:38](#), V(a) makes clear that ICD may be aggregated and used for “analysis, reporting, or program management after information that identifies an individual customer has been removed.”

Additional Requirements Specific to Brokers & Competitive Suppliers

Pursuant to Puc 2205.02 under the PUC's CPA Administrative Rules, brokers and Competitive Suppliers that are hired by municipalities to manage and operate Community Power Aggregations and provide Load Serving Entity services to participating customers must comply with the requirements of Puc 2004.19 (*Protection of Confidential Customer Information*), which is excerpted below for reference along with Puc 2002.09 (*Confidential Customer Information*).

Note that the use of the term “aggregator” throughout Puc 2004.19 below refers to brokers and does not refer to or otherwise apply to Community Power Aggregators.

As context, these requirements are part of the Commission’s [Chapter Puc 2000 rules](#) (*Competitive Electric Power Supplier and Aggregator Rules*), which apply to Competitive Suppliers and brokers— referred to as “CEPS” and “aggregators” below, respectively — and are expressly not applicable to “municipalities or counties providing electricity or aggregating within the boundaries of participating municipalities under RSA 53-E” (Community Power Aggregators) per Puc 2001.02 (*application of rules*).

Puc 2002.09 “Confidential customer information” means information that is collected as part of providing electric services to a customer that can identify, singly or in combination, that specific customer, and includes the customer name, address, and account number and the quantity, characteristics, or time of consumption by the customer, and also includes specific customer payment, financial, banking, and credit information.

...

Puc 2004.19 Protection of Confidential Customer Information.

(a) No CEPS or aggregator shall, except as permitted under (c) below or as otherwise required by law, release confidential customer information without express written authorization from the customer.

(b) A CEPS or aggregator shall implement and maintain reasonable security procedures and practices appropriate to the nature of the information, to protect confidential

customer information from unauthorized access, use, destruction, modification, or disclosure, and to prohibit the use of the confidential customer information for a secondary commercial purpose not related to the primary purpose of the service provided to the customer, without the express written consent of the customer.

(c) A CEPS or aggregator may disclose to a third party subject to non-disclosure restrictions confidential customer information as necessary for any one or more of the following purposes:

- (1) Billing for electric service;*
- (2) Meeting electric system, electric grid, or other operational needs;*
- (3) Implementing any one or more of the following programs:*
 - a. Demand response;*
 - b. Customer assistance;*
 - c. Energy management; and*
 - d. Energy efficiency.*

(d) For purposes of this section, the term “non-disclosure restrictions” means that the CEPS or aggregator has required by contract that the third party implement and maintain reasonable security procedures and practices appropriate to the nature of the information, to protect the confidential customer information from unauthorized access, use, destruction, modification, or disclosure, and to prohibit the use of the confidential customer information for a secondary commercial purpose not related to the primary purpose of the contract without the express consent of the customer.

(e) A customer granting authorization to release confidential customer information for purposes described in the terms and conditions of service shall satisfy the requirement in (a) above.

(f) A CEPS or aggregator granted agency authority shall be deemed authorized to obtain customer usage information when it has received customer authorization as described in Puc 2004.08 or Puc 2004.09.

(g) In the event of a dispute about the release of confidential customer information, including whether the information is or should be confidential, a CEPS, aggregator, or customer may file a complaint with the commission for resolution.

Attachment 5: Abbreviations

| <u>Acronym</u> | <u>Meaning</u> |
|----------------|---|
| AC | Alternating Current (electric current that reverses direction many times a second at regular intervals; the N. American standard for power supply is 60 Hertz) |
| ACP | Alternative Compliance Payment (under the NH Renewable Portfolio Standard) |
| CEPS | Competitive Electric Power Suppliers |
| CHP | Combined Heat and Power |
| CIS | Customer Information System |
| CPA | Community Power Aggregation |
| CPCNH | Community Power Coalition of New Hampshire |
| CPC | Community Power Committee |
| CPP | Community Power Plan |
| EDI | Electronic Data Interchange |
| EDU | Electric Distribution Utility |
| ICD | Individual Customer Date |
| ISO-NE | Independent System Operator New England (the wholesale electricity market operator) |
| KW | Kilowatt (a measure of electrical capacity, equivalent to 1,000 watts of power) |
| kWh | Kilowatt-hour (a measure of electrical energy, equivalent to using or producing 1,000 watts for 1 hour, and typically used to refer to customer generation or onsite usage) |
| LSE | Load Serving Entity (entity registered with ISO-NE as a market participant, responsible for providing electric energy and related services to meet the demand of retail customers) |
| MW | Megawatt (a measure of electrical capacity, equivalent to 1,000,000 watts of power) |
| MWh | Megawatt-hour (a measure of electrical energy, equivalent to using or producing 1,000,000 watts for 1 hour, and typically used in reference to power plants or large aggregations of customers) |
| NEM | Net Energy Metering (tariffs that provide compensation for customer-generators) |
| NEPOOL GIS | New England Power Pool Generation Information System (which issues and tracks RECs) |
| NHEC | New Hampshire Electric Co-Op (a member-owned electric distribution cooperative) |

| | |
|-------|---|
| NHPUC | New Hampshire Public Utilities Commission (which regulates NH's investor-owned electric distribution utilities: Eversource, Unitil and Liberty Utilities) |
| PV | Solar Photovoltaics |
| REC | Renewable Energy Credit (under the NH Renewable Portfolio Standard) |
| RFP | Request for Proposals |
| RPS | New Hampshire's Renewable Portfolio Standard (authorized under RSA 362-F) |
| RSA | Revised Statutes Annotated (refers to the codified state law of New Hampshire) |