

Canterbury Community Power Frequently Asked Questions (FAQ)

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1. What is Community Power?

Community Power, authorized under NH law (RSA Chapter 53-E), allows New Hampshire towns and cities to combine their purchasing power to buy electric energy in the wholesale market on behalf of their consumers. Together, as members of the Community Power Coalition of New Hampshire (“CPCNH” or “Coalition”), towns may become the suppliers of electric energy to their residents, businesses, and municipal accounts. Together, they will buy electric power (supply) to match customer “load” (demand) – putting power into the grid to match what customers take out in real time.

Under Community Power, NH towns and cities that belong to the Coalition can choose where their electric energy supply comes from. In several states across the country, regional Community Power programs have taken control of their combined electric energy purchases, both to reduce total costs to consumers and to push for production of more renewable energy.

If you want to know more about the Coalition, check out its website at www.cpcnh.org.

There are three main components of Community Power:

1. **Bulk Electric Energy Purchases.** Communities pool their buying power to make large electric energy purchases jointly. Informed bulk purchasing can stabilize and lower costs, while expanding choices such as renewable energy options.
2. **Electric Distribution Remains the Same.** Under Community Power, Canterbury’s two electric distribution utilities—Unitil and Eversource—will continue to deliver power over its “poles and wires,” and each will continue to send out the bills we pay each month for both delivery services and energy services.

Value-Added Retail Products & Services. Community Power can create a number of benefits for residents and businesses, including affordable rates, “green power” options, demand response and time-of-use rates, greater access to community solar, energy storage, and other technology innovations.

2. What is an “Electric Aggregation Plan”?

In October, Canterbury’s Select Board designated the CCPC as the Town’s “electric aggregation committee” under RSA Chapter 53-E, and tasked it with preparing the required “Electric Aggregation Plan” (the “Plan”) for Canterbury. The Plan will set forth Canterbury’s policy goals for our Community Power program, summarize how the program will work, and ensure that Canterbury Community Power complies with applicable statutes and regulations that:

- Require universal access, reliability, and equitable treatment of all classes of customers, subject to differences arising from the fact that Canterbury has three different electric utilities serving three different parts of town; and
- Meet, at a minimum, the basic environmental and service standards established by the Public Utilities Commission and laws and rules concerning the provision of electric service under Community Power.

Except for meeting these regulatory requirements, the Plan will not commit Canterbury to any particular course of action, including participation in the Coalition for the purposes of “launching” the program, and will not impose any financial commitment on the Town. In other words, the Town can back out of participating in Community Power at any point up until the program “launches,” either in the fall of 2023 or the spring of 2024.

After conducting public hearings on the draft Plan, the CCPC may vote to recommend approval of the Plan by the Select Board (as the Town’s governing body) and Town Meeting (as the Town’s legislative body). A majority vote to approve the Plan at Town Meeting in March 2023 will establish Canterbury Community Power as an approved “community power aggregation” with the powers set forth in RSA Chapter 53-E.

The Select Board will retain the power to contract for all required program services and electricity supplies, set rates, and pursue related projects independently of the Coalition if it determines that would be in Canterbury’s interests.

3. What are the Key Features of Canterbury Community Power?

Canterbury Community Power will only “launch” (likely in the fall of 2023 or the spring of 2024) if it is able to initially offer residential default energy service rates lower than or competitive with those offered by the two utility companies (Unitil and Eversource) that would otherwise provide power to residents and businesses in their respective service territories within the Town of Canterbury. Thereafter, the program will:

- Serve as the default supplier of electric power for all customers on a default “opt-out” basis;
- Offer innovative services and energy service rates to customers on an "opt-in" or "opt-up" basis (such as high-proportion renewable premium products, time-varying rates and Net Energy Metering generation credits for customers with solar PV systems);
- Operate on a competitive basis, meaning that customers may choose to switch between energy supply provided by Canterbury Community Power, energy service provided by “Competitive Energy Suppliers,” and utility-provided default energy service; and
- Be self-funded through revenues generated by participating customers; the Town will not use taxes to cover program expenses.

The Select Board, in coordination with advisory support from the CCPC, will authorize the Town Administrator to contract for the necessary services and power supplies to implement and operate the program, set customer rates prior to program launch and continue to provide oversight over the program thereafter.

4. Will Everyone Be Required to Use Canterbury Community Power?

No. Just as it is possible today for a customer to choose a different energy supplier, the same options will be available to energy customers after the launch of Canterbury Community Power. Any customer who is currently on utility provided default energy service will be able to opt-out of the Canterbury Community Power default electricity supply and stay with the utility or choose another competitive energy supplier. Any customer already on a competitive energy supply will need to opt-in to switch to Canterbury Community Power. No one will be required to use Canterbury Community Power as their energy supplier.

5. Will the Utility Company Continue to Deliver my Electricity?

Yes, the utility companies with the exclusive franchise to distribute electric power in Canterbury – Eversource, Unitil - will continue to own and operate the distribution system and arrange for regional transmission service from ISO New England and National Grid, including all electricity substations, power lines, utility poles, transformers, the electricity feed to your home and your meter. The distribution utility will still be responsible for reliability and responding to power outages and will continue to be regulated by the NH Public Utilities Commission.

New Hampshire is a restructured state which means that the utility company is in the wires business not the generation of electricity. They put out their default service load to bid by competitive suppliers every 6 months.

6. If I have net metered solar PV, can I still participate in Canterbury Community Power?

Yes, Canterbury Community Power Intends to offer a Net Metering generation credit and terms to customers with onsite renewable generation eligible for net metering. Note that any non-supply related components of the Net Metering tariff (e.g., credits for transmission and distribution) will continue to be provided to customer- generators directly by the incumbent utilities. More details on how Net Metering currently works and how it may work with Canterbury Community Power are provided in Canterbury's Electric Aggregation Plan.

7. What are the Benefits of Community Power?

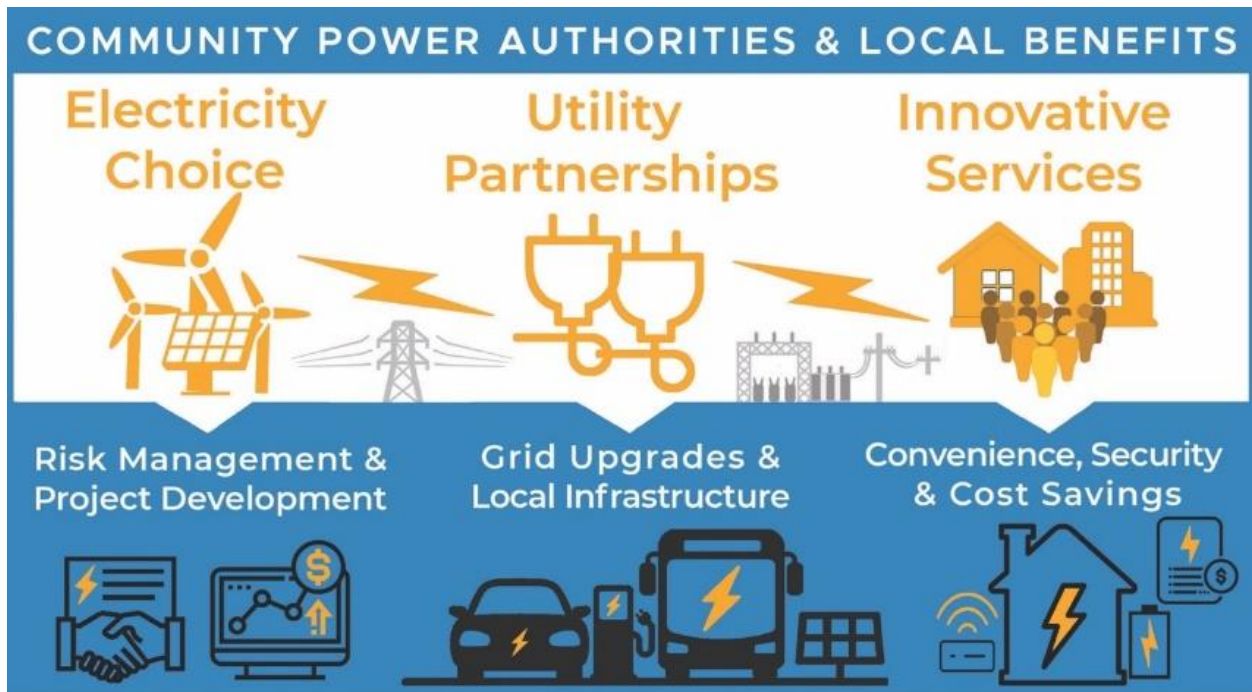
The main benefits of Community Power are:

- **Local Control:** Community Power presents an opportunity for cities and towns to have greater choice in sourcing their electricity, and gives them the local control authorities to meet their respective energy goals.
- **Lower Costs:** Community Power can lower energy costs by giving cities and towns access to competitive market options for power supply. Other Community Power markets have demonstrated an ability to supply power at rates that are on average lower than or at parity with the regulated utility.
- **Renewable Energy:** Community Power can enable cities and towns to procure more renewable energy through competitive markets. It also creates opportunities to contract directly with existing local renewable energy systems, or, to contract for development of new local generation such as solar or solar + storage to supply power to their program.
- **Resilience & Innovation:** Community Power can also facilitate greater resiliency and “retail innovation.” Programs can empower customers with more options including lower energy supply rates, green power options, time-based rate options, or other programs for residents and businesses including options for modern technologies like rooftop solar and battery storage (net metering alternatives), electric vehicle charging, energy efficiency options, and

more. These programs can help “shift load” to off-peak times, provide backup power during outages, and lower procurement costs for the program as a whole.

The New Hampshire 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.” Among other things it allows municipalities and counties to:

- 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.



8. What is Community Power Coalition of NH (CPCNH / the Coalition)?

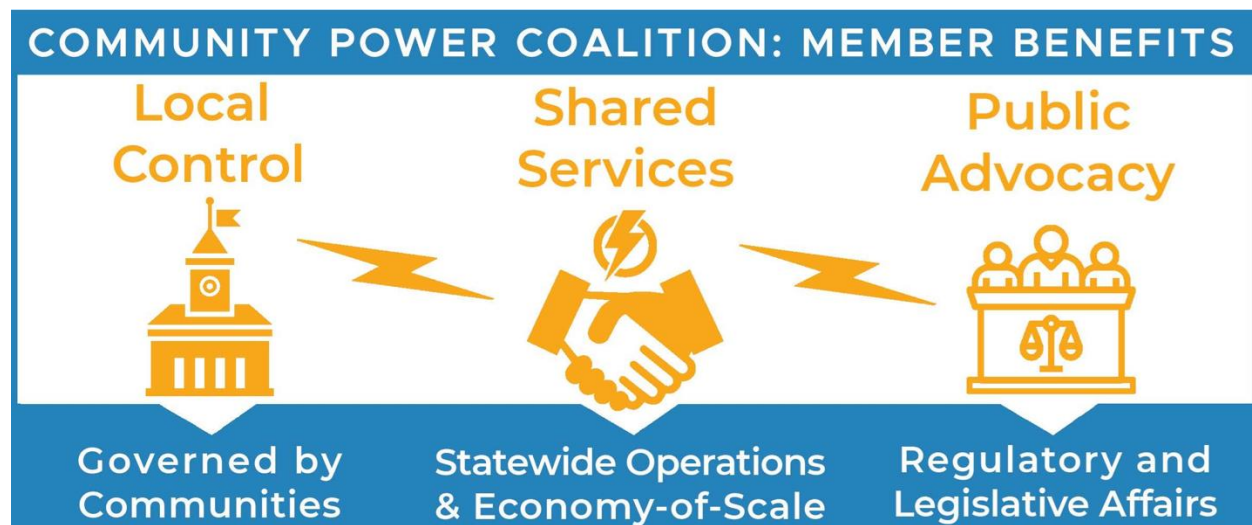
Community Power Coalition of New Hampshire (CPCNH or “The Coalition”) is a nonprofit power agency, designed “For Communities, By Communities.” The Coalition helps municipalities and counties across New Hampshire to:

1. Streamline implementation by collaborating across a statewide network of peers;
2. Share services and staff support across member cities, towns and counties;
3. Participate in joint power solicitations and project development opportunities (e.g., community solar + storage);
4. Share knowledge and collaborate regionally on clean energy and resilient infrastructure development at the community-level throughout the state.
5. Speak with one voice in state policy affairs relating to energy issues.

The Coalition’s joint powers agency governance model and competitive business model have been designed in accordance with energy industry best practices to ensure that participating Community Power programs benefit from transparent governance and high-quality services — so that all communities are able to take full advantage of their local control authorities under RSA 53-E and achieve the full scope of their local energy policy goals.

The Coalition will be governed “for communities, by communities” under a voluntary and flexible membership structure, will provide competitive electricity service on a statewide basis, and will strengthen the ability of communities to coordinate effectively on related public advocacy issues. Key aspects of the Coalition’s design, governance, services and start-up process are further detailed in Canterbury’s Electric Aggregation Plan (EAP) available on the CCPC page of the town website at <https://www.canterbury-nh.org/canterbury-community-power-committee>.

Visit www.cpcnh.org for more information about the Coalition.



9. Are Taxpayers at Risk with the Town of Canterbury Joining CPCNH or Launching Canterbury Community Power?

No. Joining CPCNH doesn't cost anything and doesn't commit a city or town or its residents to the programs of the CPCNH. Municipalities are under no financial obligation until they execute a cost-sharing agreement. Municipalities may withdraw from the Coalition prior to entering into a cost-sharing agreement without any financial obligation and withdraw at any time thereafter subject to the terms, conditions and continuing obligations specified in the cost-sharing agreement.

Community Power programs are to be self-funded from the revenue received from participating customers:

- Members will be able to launch Community Power programs at no upfront expense through the Community Power Coalition of NH (CPCNH).
- Program implementation and ongoing operating costs for each Member will be recovered post- launch through revenues from electricity sales.
- All operating costs will be recovered in the customer rates set by each Member.

There are no taxpayer funds required for a community and its residents to take power supply services through CPCNH. The cost to operate programs will be recovered through revenues associated with electricity sales (i.e., a small portion of the energy supply rate paid by each participating electric customer).

Visit www.cpcnh.org for more information about the Coalition.

10. What are the Objectives and Near-Term Requirements of the Canterbury Community Power Program?

The Program Objectives described in the final Electric Aggregation Plan are:

- Lower residential default rates than those offered by Eversource and Unitil
- Provide expanded choices for renewable energy and innovation
- Maintain rate stability throughout market fluctuations
- Engage in Public Advocacy at the Legislature and PUC, as a member of Community Power Coalition of New Hampshire
- Support and develop local and regional renewables and storage
- Support and develop customer and community energy resilience
- Accelerate Grid Modernization
- Protect the Town against risks and liabilities

The Near-Term Requirements are:

- Launch with lower rates
- Begin accruing financial reserves
- Offer Net Energy Metering supply rates
- Offer opt-in products (increased renewables, time varying rates, etc.)