



Westmoreland Community Power Electric Aggregation Plan

As Approved by the Westmoreland Board of Selectmen

on

[DATE TBD]

COALITION TEMPLATE INSTRUCTIONS

Any **ORANGE colored text** indicates additional terms and/or sections for Electric Aggregation Committees to edit / replace / complete; these sections are related to the city/town/county's customer base / usage data, local governance / oversight / reporting processes, and local policy context / goals and corresponding objectives for the program. (Explanatory notes have been included where appropriate.)

If any other text is modified, please (1) coordinate with CPCNH throughout the drafting process and (2) TRACK CHANGES and provide the edited version to Coalition experts for review (to ensure that no inadvertent misstatements regarding the structure of the Coalition or the statutory requirements for Electric Aggregations Plans under the Community Power Law have been introduced).

Dates need to be specified / inserted on pages 3 and 5.

As final steps prior to release:

1. Delete this "Coalition Template Instructions" box.
2. Send to henry@cpcnh.org who will facilitate the CPCNH internal technical review in advance of legislative body consideration and approval.

Table of Contents

| | |
|---|---------------------------------|
| INTRODUCTION TO COMMUNITY POWER | 1 |
| OVERVIEW OF WESTMORELAND COMMUNITY POWER..... | 2 |
| CUSTOMER NOTIFICATION AND ENROLLMENT PROCESS | 2 |
| CUSTOMER ACCOUNTS AND ELECTRICITY USAGE ESTIMATES | 3 |
| MEMBERSHIP IN THE COMMUNITY POWER COALITION OF NEW HAMPSHIRE..... | 3 |
| PURPOSE OF THIS ELECTRIC AGGREGATION PLAN | 4 |
| APPROVAL PROCESS FOR WESTMORELAND COMMUNITY POWER..... | 4 |
| IMPLEMENTATION PROCESS FOR THE COALITION & WESTMORELAND COMMUNITY POWER | 5 |
| <i>Development of Member Cost Sharing Agreement and Services for Westmoreland Community Power</i> | 5 |
| <i>Energy Risk Management & Financial Reserve Policies</i> | 7 |
| ELECTRIC AGGREGATION PLAN SUBMISSION TO THE PUBLIC UTILITY COMMISSION | 7 |
| COALITION & WESTMORELAND COMMUNITY POWER IMPLEMENTATION MILESTONE CHARTS..... | 7 |
| WESTMORELAND COMMUNITY POWER GOALS, OBJECTIVES, AND REQUIREMENTS..... | 910 |
| WESTMORELAND’S POLICY GOALS | 10 |
| WESTMORELAND COMMUNITY POWER OBJECTIVES | 10 |
| NEAR-TERM OPERATIONAL REQUIREMENTS..... | 11 |
| <i>Performance Relative to Utility Default Service and Net Energy Metering Generation Rates</i> | 11 |
| <i>Customer Rates and Products</i> | 11 |
| <i>Renewable Portfolio Standard Requirements</i> | 1112 |
| ELECTRIC AGGREGATION PLAN STATUTORY REQUIREMENTS | 13 |
| ORGANIZATIONAL STRUCTURE OF THE PROGRAM..... | 13 |
| METHODS OF ENTERING INTO AND TERMINATING AGREEMENTS | 13 |
| OPERATION AND FUNDING | 1413 |
| RATE SETTING, COSTS, ENROLLMENT PROCESS, AND OPTIONS | 14 |
| <i>Rate Setting and Costs</i> | 15 |
| <i>Enrollment Process and Options</i> | 15 |
| RIGHTS AND RESPONSIBILITIES OF PROGRAM PARTICIPANTS..... | 16 |
| NET METERING AND GROUP NET METERING POLICIES..... | 17 |
| ENSURING DISCOUNTS FOR ELECTRIC ASSISTANCE PROGRAM PARTICIPANTS | 18 |
| TERMINATION OF THE PROGRAM | 18 |
| ATTACHMENT 1: WESTMORELAND COMMUNITY POWER NET METERING, GROUP NET METERING AND LOW-MODERATE INCOME SOLAR PROJECT OPPORTUNITIES..... | I |
| ATTACHMENT 2: WESTMORELAND’S PUBLIC PLANNING PROCESS | V |
| ATTACHMENT 3: TOWN POLICY EXCERPTS | XIV4 |
| ATTACHMENT 4: HOW LOAD SERVING ENTITY SERVICES WILL BE IMPLEMENTED | XIV44 |
| RESPONSIBILITIES OF THE COMMUNITY POWER COALITION OF NEW HAMPSHIRE (CPCNH) | XIV444 |
| RESPONSIBILITIES OF THE TOWN OF WESTMORELAND | XVI4 |
| ATTACHMENT 5: CUSTOMER DATA PROTECTION PLAN | XVIII444 |
| RESPONSIBILITIES OF THE COMMUNITY POWER COALITION OF NEW HAMPSHIRE (CPCNH) | XVIII444 |
| CPCNH REQUIREMENTS TO ACCESS AND USE OF INDIVIDUAL CUSTOMER DATA | XXIX4 |
| RESPONSIBILITIES OF THE TOWN OF WESTMORELAND | XXIX44 |
| ADDITIONAL REFERENCES: STATUTORY AND REGULATORY REQUIREMENTS | XXIII444 |
| STATUTORY REQUIREMENTS FOR COMMUNITY POWER AGGREGATORS & SERVICE PROVIDERS..... | XXIV444 |
| ADDITIONAL REQUIREMENTS SPECIFIC TO BROKERS & COMPETITIVE SUPPLIERS | XXV44 |
| ADDITIONAL REQUIREMENTS FOR THE MULTI-USE ENERGY DATA PLATFORM | XXVI444 |
| ATTACHMENT 6: ABBREVIATIONS | XXVII444 |

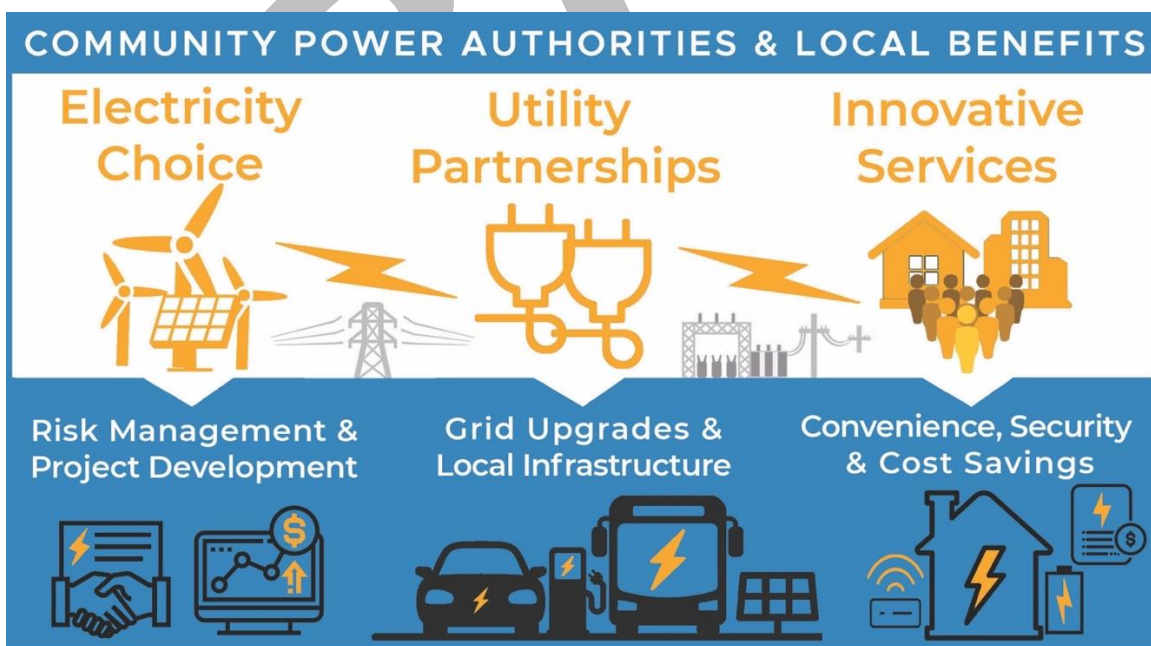
INTRODUCTION TO COMMUNITY POWER

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.

These authorities and local benefits are depicted in the graphic below:



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 WESTMORELAND COMMUNITY POWER

Westmoreland 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 or competitive with those offered by Eversource. Thereafter, the program will:

- Serve as the default electricity supplier for all 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 Westmoreland 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.

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 be charged for utility delivery services at rates set by the Public Utilities Commission.

The Board of Selectmen, in coordination with advisory support from the Westmoreland Community Power Advisory Committee, 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.

Customer Notification and Enrollment Process

Prior to launch of Westmoreland 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 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 Eversource will be notified, provided the opportunity to decline participation ("opt-out"), and thereafter transferred to Westmoreland 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 Eversource's rate, be mailed to customers at least 30 days in advance of program launch and provide instructions for customers to decline participation (for example, by return postcard, calling a phone number or using a web portal).

After the launch of Westmoreland 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 Eversource or a Competitive Electric Power Supplier.

All customers on Westmoreland Community Power default service will remain free to switch back to the Eversource or to take energy service from a Competitive Electric Power Supplier.

Customer Accounts and Electricity Usage Estimates

The tables below show the total number and annual electricity usage of customers within Westmoreland’s territory who would initially receive either “opt-out” or “opt-in” notifications:

| | <u>Utility Default Supply Customers</u> (Eligible for Opt-Out Notifications & Automatic Enrollment) | | <u>Competitive Supply Customers</u> (Eligible for Opt-In Notifications & Voluntary Enrollment) | |
|--------------|--|--------------------|---|--------------------|
| | Customer Accounts | Annual Usage (MWh) | Customer Accounts | Annual Usage (MWh) |
| Municipal | [INSERT] | [INSERT] | [INSERT] | [INSERT] |
| Residential | [INSERT] | [INSERT] | [INSERT] | [INSERT] |
| Commercial | [INSERT] | [INSERT] | [INSERT] | [INSERT] |
| Industrial | [INSERT] | [INSERT] | [INSERT] | [INSERT] |
| St Lighting | [INSERT] | [INSERT] | [INSERT] | [INSERT] |
| Total | [INSERT] | [INSERT] | [INSERT] | [INSERT] |

Aggregated data shown was provided by Eversource for the 12 months ending [INSERT DATE].

[NOTE: modify rate classes as appropriate to the distribution utility service territory and modify combine commercial and industrial class rows in the event that too few industrial customers may violate confidentiality re: data disclosure.]

Membership in the Community Power Coalition of New Hampshire

Westmoreland is a member of the [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 will operate on a not-for-profit basis. The Coalition provides comprehensive services for authorizing, launching and operating Community Power programs.

The Coalition was created so that towns, cities, and counties across New Hampshire could:

1. Access the resources and support required to streamline the process of establishing an Electric Aggregation Committee, drafting an Electric Aggregation Plan and approving a new Community Power program.
2. Jointly solicit and contract for third-party services and staff support to launch and operate Community Power programs, without requiring any upfront costs or imposing any financial liabilities on participating communities.
3. Participate in joint power solicitations and local project development opportunities.
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 at the Legislature and Public Utilities Commission on public advocacy issues related to energy and Community Power.

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 is 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 public advocacy issues.



Purpose of this Electric Aggregation Plan

The Westmoreland Community Power Advisory Committee (WCPAC) was tasked by the Board of Selectmen to prepare this Electric Aggregation Plan, which sets forth Westmoreland’s policy goals for our Community Power program, summarizes program governance and implementation processes, and commits Westmoreland 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 Westmoreland 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 Board of Selectmen 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 Westmoreland Community Power

This Electric Aggregation Plan was developed by the WCPAC with due input from the public, as required under RSA 53-E. Public hearings were held on 5 January 2023 and 9 February 2023. Refer to [Attachment 2](#) for additional information.

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

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

Implementation Process for the Coalition & Westmoreland Community Power

On 17 November 2022 the Westmoreland Board of Selectmen voted to enter into the Coalition's Joint Powers Agreement. The Coalition Board of Directors voted to welcome Westmoreland as a member on 15 December 2022.

The Coalition's Joint Powers Agreement includes the Articles of Agreement and Bylaws of the nonprofit. It establishes the general purpose, authorities, structure, Board of Directors, committees, cost-sharing principles, liability protections, and other aspects of the organization.

This plan assumes, but does not require, that the Town will participate fully in the Coalition for the purposes of implementing and operating Westmoreland Community Power.

The Board of Selectmen appoints primary and alternate representatives of Westmoreland Community Power to serve on the Coalition's Board of Directors and as Member representatives to Annual meetings and certain votes. The Town's representatives provide oversight to the Coalition's operations and finances and may participate on Committees of the Coalition.

Westmoreland and all other members will be directly represented on the Coalition's Board until more than twenty-one (21) members join, at which point directors will be elected by vote of the Members' representatives at annual meetings (with a Board size of between 11 and 21 representatives, at the Members' direction).

To exercise more regular oversight over specific aspects of the joint powers agency, the Coalition will have six standing committees as it develops: Executive, Finance, Audit, Regulatory and Legislative Affairs, Risk Management, and Governance. The Board may also establish ad-hoc committees, and each direct project that members choose to pursue in the future will be overseen by a committee specific to that project.

All meetings of the Coalition will comply with New Hampshire's Right-to-Know Law (RSA 91-A), the purpose of which is to *"ensure both the greatest possible public access to the actions, discussions and records of all public bodies, and their accountability to the people"*, based on the recognition that *"openness in the conduct of public business is essential to a democratic society."*

Development of Member Cost Sharing Agreement and Services for Westmoreland Community Power

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 Westmoreland Community Power program.

Membership in the Coalition, and the implementation of Westmoreland 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).

To provide the services, credit support and electricity supply required to launch and operate Westmoreland Community Power:

- The Coalition will administer competitive solicitations on behalf of all participating Community Power programs to contract with qualified vendors and credit-worthy suppliers.
- Vendors are expected to fund and self-manage the upfront cost of launching Community Power programs, under at-risk and performance-based contract structures with payments contingent upon successful launch.
- Program implementation costs for Westmoreland, along with ongoing operational and power procurement expenses, will be factored into the customer rates adopted by the Board of Selectmen and be recovered from the revenues received from participating customers after the launch of Westmoreland Community Power.

The Coalition's Joint Powers Agreement provides certain requirements regarding how costs will be tracked and shared across participating Community Power programs, which will guide the development of the Coalition cost-sharing agreement:

- 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); and
- The debts, liabilities and obligations of the Coalition, and of other participating Community Power programs, will be non-recourse to Westmoreland (unless expressly agreed to by the Board of Selectmen under Westmoreland's Cost Sharing Agreement or a Project Contract).

The Coalition intends to contract for all the services required to launch and operate member Community Power programs, which is expected to enable access to advanced services and expertise at least cost for Westmoreland Community Power. However, note that:

- The Town will be under no obligation to rely on the services provided through the Coalition until the Board of Selectmen executes the Coalition's cost-sharing agreement and chooses which services will be provided through the Coalition.
- At that time, the Board of Selectmen may decide to rely on the Coalition for all or a subset of the services required to launch and operate Westmoreland Community Power.
- Alternatively, the Board of Selectmen could decide to withdraw from the Coalition entirely, prior to executing the cost-sharing agreement, and launch Westmoreland Community Power

independently.

- Lastly, after Westmoreland Community Power launches, the Town could still decide to procure certain services independently or to withdraw from the Coalition at a future date, subject to the terms, conditions and any continuing obligations specified in the cost-sharing agreement approved by the Board of Selectmen.

Decisions made by the Board of Selectmen regarding how to best implement and operate Westmoreland Community Power, including the execution of the Coalition cost-sharing agreement and selection of services provided through the Coalition, will be made at duly noticed public meetings.

Energy Risk Management & Financial Reserve Policies

Westmoreland Community Power's ability to maintain competitive rates, as market prices and 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 Westmoreland Community Power and allow the program to achieve our medium- to long-term goals.

To that end, working with the other members of the Coalition, Westmoreland Community Power will adopt Energy Risk Management and Financial Reserve policies. The purpose of these policies is to:

- Ensure that Westmoreland Community Power allocates customer revenues in ways that balance our community's goals and objectives over the short-to-long term; and
- Define how the Coalition will conduct energy risk management, procurement and market operations on behalf of Westmoreland Community Power (so that the agency remains in compliance with our adopted policies).

Westmoreland Community Power's power procurement, budgeting and rate-setting will be carried out in accordance with the Energy Risk Management Policy and Financial Reserve Policies that will be adopted by the Board of Selectmen.

Electric Aggregation Plan Submission to the Public Utility Commission

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

Coalition & Westmoreland Community Power Implementation Milestone Charts

The milestone charts below show the anticipated approval, formation and launch processes for Westmoreland Community Power and the Coalition power agency, as described in the sections above.

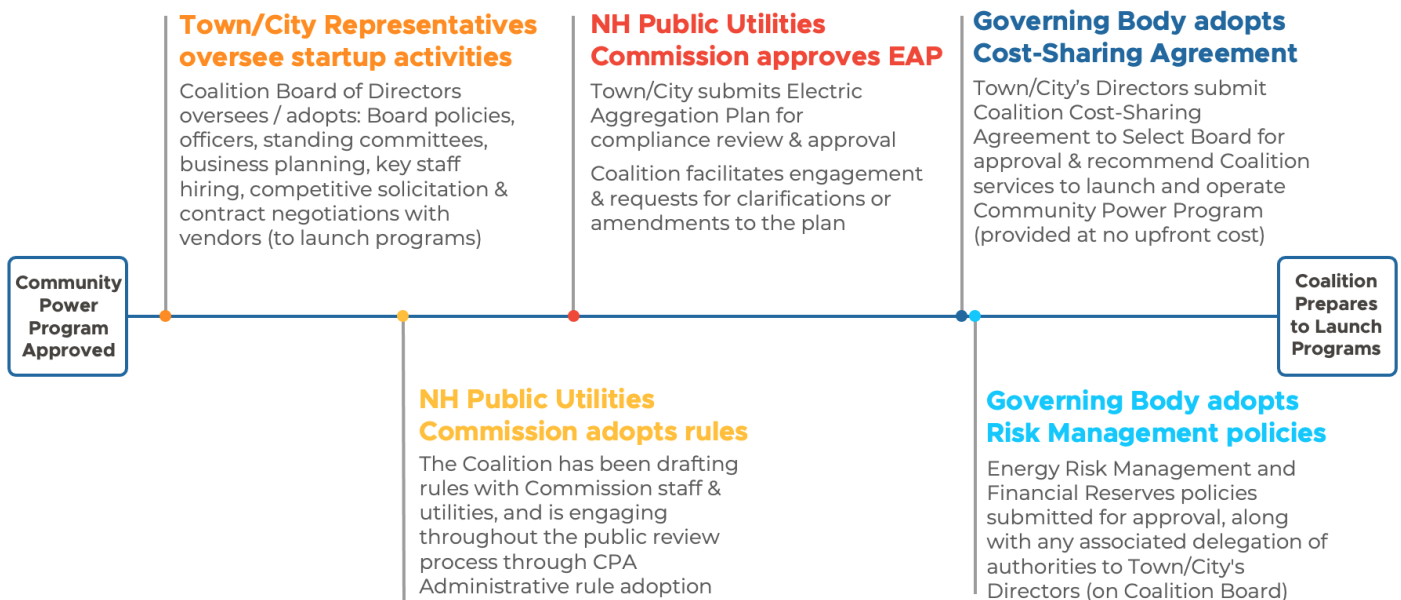
The first chart below summarizes the different categories of activities required to approve Westmoreland Community Power and join the Coalition as a member:

Approval Process for Coalition Agency & Westmoreland Community Power



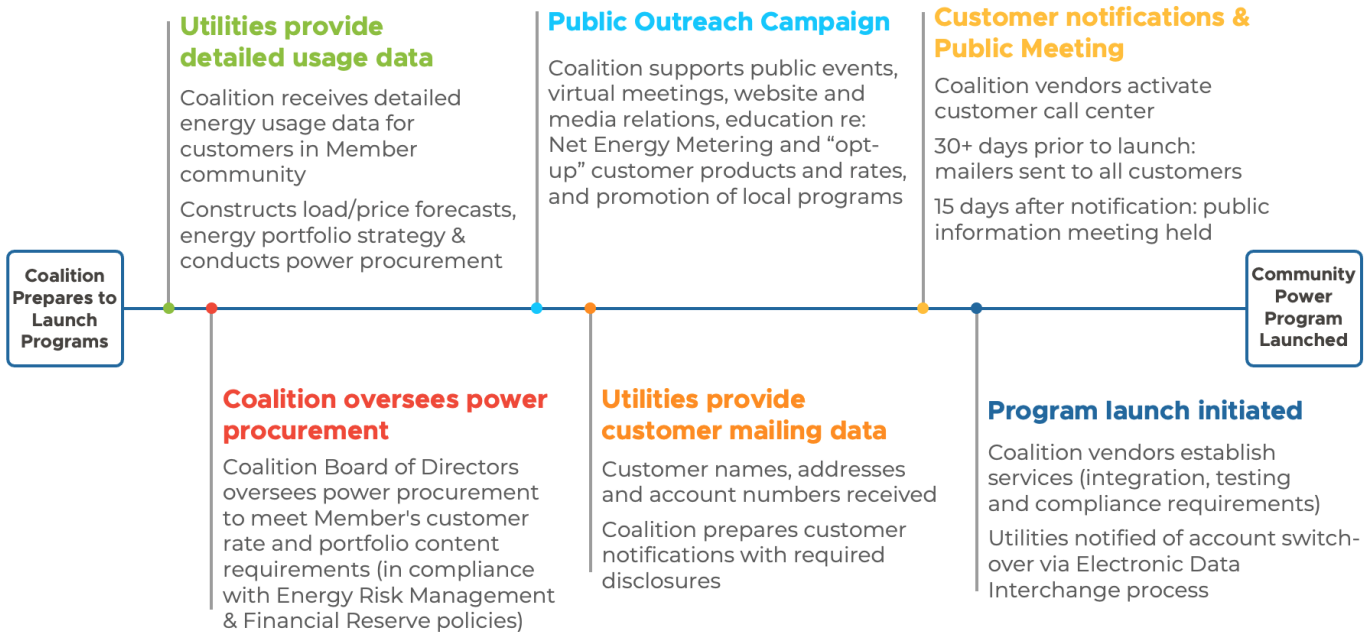
Coalition Startup, Rule Making and Risk Management Policy Approval Process

The milestones chart below summarizes the Coalition startup, PUC approval, and Board of Selectmen adoption of key agreements and policies required for program launch:



Westmoreland Community Power Launch Process

The milestones below summarize the process by which the Coalition will structure and conduct data collection, forecasting, power procurement solicitations and rate setting exercises — in compliance with the Energy Risk Management and Financial Reserve policies adopted by the Town, and with oversight provided by Westmoreland’s representatives on the Coalition’s Board of Directors — and the local outreach, customer notification mailings and public meeting process that culminates in the launch of Westmoreland Community Power:



Westmoreland Community Power Goals, Objectives, and Requirements

Westmoreland Community Power affords the Town the capacity and flexibility to realize and build on our policies pertaining to energy, economic development, 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 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.

The structure of the Coalition — the combination of the joint powers agency’s community governance model, competitive business model and coordinated approach to engaging in public advocacy — has been designed to enable and streamline these activities for Westmoreland Community Power at an advantageous, cost-effective economy-of-scale.

Participation in the Coalition is therefore expected to strengthen the capacity and financial performance of Westmoreland Community Power, such that the program can operate continuously as a self-supporting, competitive enterprise for the foreseeable future, and will therefore be able to work towards achieving the full scope of our policy goals and objectives over the long-term.

Westmoreland's Policy Goals

The overall goal of community power aggregation is to harness the power of competitive markets and community-scale purchasing of electricity to reduce costs, increase supply options, enable greater customer choice, and provide services to enhance the lives of customers.

Refer to [Attachment 3](#) for additional select excerpts of these policies and links to more detail.

Westmoreland Community Power Objectives

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

- **Competitive Rates:** provide residential default rates that are lower than or competitive with those offered by Eversource;
- **Expanded Choices and Enhanced Customer Focus:** 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 Westmoreland and its residents;
- **Public Advocacy:** represent the interests of Westmoreland and the program's customers at the Legislature, Public Utility Commission and other relevant agencies on matters pertaining to Community Power and towards creating a more modern electric grid;
- **Cleaner, Local Power:** prioritize 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, 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 and charging corridors, and other clean energy infrastructure developments.

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

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

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

Near-Term Operational Requirements

While many of the broader benefits Westmoreland 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 Eversource while accruing a reserve fund sufficient to ensure long-term financial stability, 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.

Westmoreland Community Power will need to balance customer rate levels, renewable power content and the accrual of program reserves to meet these objectives.

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 Eversource’ tariffs, processes and timing in regard to these activities. Refer to [Attachment 1](#) for additional documentation and discussion of these factors.

Customer Rates and Products

The table below provides an illustrative example of a default service product and optional rates that could be offered to customers:

| | DEFAULT SERVICE (automatic enrollment) | OPTIONAL PRODUCTS | | |
|-------------------|--|-----------------------------|---|------------------------------|
| | | Basic Service | Green Start | Prime |
| Attributes | 5-10% above Renewable Portfolio Standard (RPS) | Meets RPS | ~50% Renewable | 100% Renewable |
| Price | Meet or beat default utility rate at launch | Below default utility rates | Higher or competitive w/ default utility rate | Exceeds default utility rate |

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

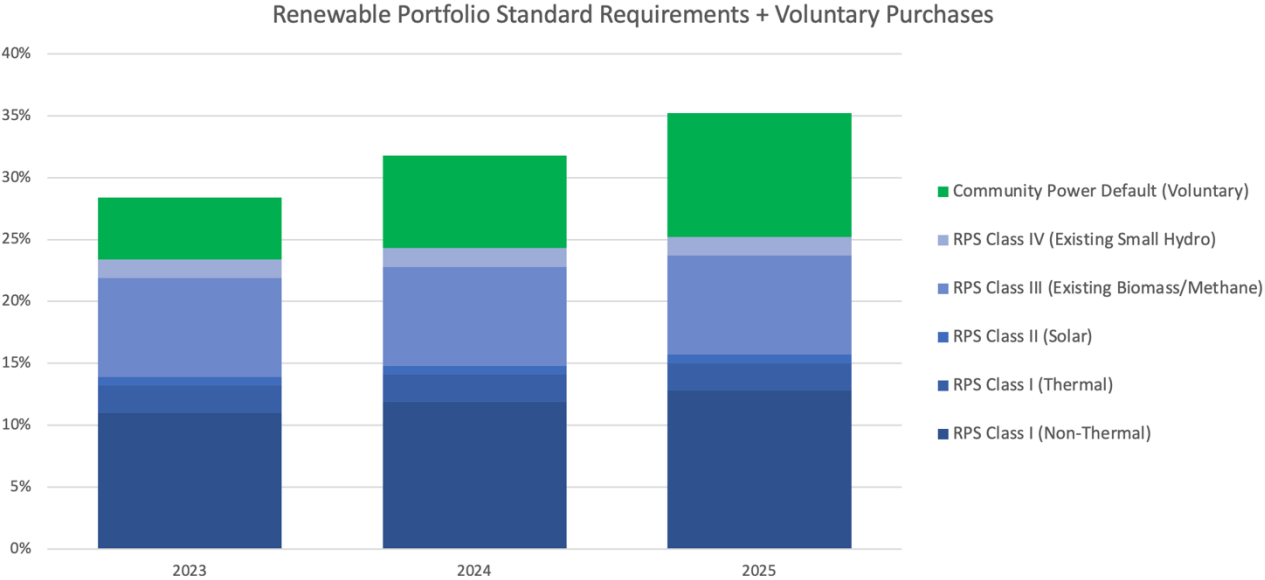
Renewable Portfolio Standard Requirements

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

For 2022, Eversource and other electricity suppliers are required to include 22.5% renewable energy in their energy supply. This minimum compliance requirement will increase incrementally to 25.2% by 2025 and remain fixed thereafter, absent an increase in the RPS.

Westmoreland Community Power will 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.

The chart below shows the different classes and quantities of renewable power required under the RPS between 2023 and 2025, along with, for the sake of illustration, Westmoreland Community Power’s additional voluntary purchases (assuming that the default product from the table in the proceeding section, which exceeds RPS requirements by 5% to 10% each year):



DRAFT

ELECTRIC AGGREGATION PLAN STATUTORY REQUIREMENTS

The following requirements for this Electric Aggregation 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, Westmoreland Community Power will be authorized to provide electricity and other related services to participating residents, businesses, and other customers in the Town.

The Board of Selectmen will oversee the program and has overall governance authority. Decisions regarding Westmoreland Community Power, such as updating program goals, adoption of Energy Risk Management and Financial Reserve policies and approval of customer rates, will be made at duly noticed public meetings and with advisory support from the Westmoreland Community Power Advisory Committee.

The Board of Selectmen has appointed a primary and alternate representative to participate in the Community Power Coalition of New Hampshire and to serve on the agency's Board of Directors and may delegate certain decision-making authorities to them to carry out their responsibilities at the Board of Selectmen's direction.

In general, Westmoreland's representatives will be expected to help oversee the start-up and operation of the agency, provide input regarding the Coalition's public advocacy on matters of policy and regulation, provide direction to the Coalition's staff and vendors as the agency's operations and customer services evolve over time, and report back regularly regarding the performance of Westmoreland Community Power and on any matter that warrants attention or requires action by the Board of Selectmen.

Additionally, the Board of Selectmen may direct the Westmoreland Community Power Advisory Committee to continue to hold meetings for the purpose of providing community input and advisory support regarding the program.

Methods of Entering into and Terminating Agreements

This Electric Aggregation Plan authorizes the Board of Selectmen to negotiate, enter into, modify, enforce, and terminate agreements as necessary for the implementation and operation of Westmoreland Community Power.

Operation and Funding

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

This plan assumes, but does not require, Westmoreland to participate fully in the Coalition and thereby contract for operational services jointly with other participating Community Power programs.

The Coalition's third-party contractors will be expected to fund the upfront cost of implementing Westmoreland Community Power, the expense of which will be amortized and recovered in the program's rates and charges to participating customers. The program may also seek opportunities to apply for grant funding, either independently or through the Coalition.

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 Westmoreland Community Power will implement Load Serving Entity (LSE) services is found in [Attachment 4, 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.

Westmoreland Community Power 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 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.)

Electricity supply contracts will be executed or guaranteed by investment-grade entities, and suppliers will be required to use proper standards of management and operations, maintain sufficient insurance, and meet appropriate performance requirements.

Additionally, RSA 53-E provides Community Power programs with authorities pertaining to meter ownership, meter reading, billing, and other related services. These authorities provide Westmoreland 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 Eversource to adapt existing meter and billing system processes.

Rate Setting, Costs, Enrollment Process, and Options

Customers who choose not to participate in Westmoreland Community Power shall not be responsible for any costs associated with the program, apart from incidental costs incurred by the

Town 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

Westmoreland Community Power will only launch if it is able to offer residential default rates that are initially lower than or competitive with those offered by 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 Electric Aggregation Plan and modified from time to time at the direction of the Board of Selectmen).

The Board of Selectmen will 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 Westmoreland 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, subject to the Board of Selectmen's approval.

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.

Enrollment Process and Options

Westmoreland Community Power intends to launch on an opt-out basis, providing an alternative default service to the utility provided default service rate. After approval of this Electric Aggregation Plan and before the launch of Westmoreland 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 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 Westmoreland 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.

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 Eversource and Westmoreland Community Power and will be transferred onto Westmoreland Community Power’s default service unless they choose to be served by 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 Westmoreland Community Power.

Residents, businesses, and other electricity customers may opt-out of participating in Westmoreland Community Power default service at any time, by submitting adequate notice in advance of the next regular meter reading by 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 Westmoreland Community Power may switch back to the 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, Eversource and the Public Utilities Commission.

Westmoreland 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 Westmoreland Community Power will be contractually required to maintain the confidentiality of individual customer data pursuant to RSA 363:38, V(b). [Attachment 5, Customer Data Protection Plan](#), details the reasonable security procedures and practices that the Town and Westmoreland 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 Westmoreland 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 Westmoreland Community Power back to 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 Eversource and receive credits for electricity they export to the grid based on Eversource' Net Energy Metering (NEM) tariffs.

Westmoreland 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 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 Westmoreland Community Power supply rates are lower than Eversource default service or if the host is located outside of Westmoreland, it may be most advantageous for the host to remain a Eversource default service customer, while the other group members are free to switch to Westmoreland Community Power for their supply and continue to receive on-bill credits for their participation in the group.

Westmoreland 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 Eversource and Westmoreland Community Power. The enabling services and strategies that Westmoreland 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 1](#) provides an in-depth discussion regarding operational and strategic opportunities to enhance net metering and group net metering through Westmoreland 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. Westmoreland 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.

Westmoreland Community Power consequently plans to rely on 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 Westmoreland Community Power.

Westmoreland Community Power may be terminated by majority approval of the Board of Selectmen. If so terminated, Westmoreland 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 Eversource or to a Competitive Electric Power Supplier of their choosing.

Westmoreland Community Power will provide as much advance notice as possible regarding the potential or planned termination of the program to participating customers, the Coalition, the Public Utilities Commission and 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 Board of Selectmen and in accordance with any applicable law and regulation.



**Westmoreland Community Power
Electric Aggregation Plan
Attachments**

DRAFT

Attachment 1: Westmoreland Community Power Net Metering, Group Net Metering and Low-Moderate Income Solar Project Opportunities

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.”

Westmoreland Community Power intends to offer a NEM generation rate and terms to customers with onsite renewable generation eligible for net metering from 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 Westmoreland 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.

Westmoreland Community Power also anticipates encountering practical challenges of an operational nature in administering net metering and group net metering programs. This is partly because net energy metering continues to evolve in response to new policy and regulatory requirements, and the day-to-day processes that govern the coordination between the program, participating customers and Eversource are subject to refinement and change over time.

Westmoreland Community Power will be one of the first default aggregation programs to launch in Eversource' service territory, and the process of transferring significant numbers of NEM customers may cause unanticipated issues due to the metering, billing and data management requirements of this subset of customers. Westmoreland Community Power will maintain close coordination with Eversource to expeditiously resolve any such issues that may occur.

For example, Westmoreland Community Power may decide to separately issue supply bills 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 Eversource' 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 Westmoreland 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 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 Westmoreland 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 Westmoreland 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 Westmoreland 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 Eversource’ 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, Westmoreland 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 Westmoreland Community Power to also offer a time-varying rate (which may not otherwise be available

through Eversource' 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, Westmoreland 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 Westmoreland 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.

Westmoreland Community Power also intends to evaluate ways to enhance the value of the NEM credits that customers receive overall, from both the program and 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 Eversource; and
- Thereafter filing annual compliance reports.

Lastly, NEM tariffs are subject to revision and Westmoreland Community Power, through the Coalition, intends to work with 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.

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

Attachment 2: Westmoreland's Public Planning Process

Description of Electric Aggregation Committee

20 October 2022 Westmoreland Board of Selectmen Meeting: Mark Terry and Chris Ballou attended meeting and presented a vision statement for the Westmoreland Community Power Advisory Committee. The board was asked to formally approve our committee. The Board of Selectmen approved the request.

3 November 2022 Westmoreland Board of Selectmen Meeting: The Selectmen appointed five members to the Westmoreland Community Power Advisory Committee. The members are: Chris Ballou, Alan Bell, Melissa Bonita, Terry Cox, and Mark Terry.

9 November 2022:

- First meeting of the Westmoreland Community Power Advisory Committee was held at the Town Hall. Mark Terry was nominated to chair the committee and he accepted.
- Mrs. Kathy Cox was asked to assist with the committee's public information/education program, she agreed.
- The committee decided to reach out to the Community Power Coalition of New Hampshire and ask them to send a representative to attend a Board of Selectmen meeting to explain the New Hampshire community power program and to meet with the Westmoreland Community Power Advisory Committee.
- The committee reviewed the advantages and disadvantages of three options concerning the town's participation in the community power coalition:
 - Option 1: Westmoreland (stand-alone) was somewhat a legacy option which really doesn't seem like the best choice for a small town like ours. We would have to draft and create all the policies from scratch and has the potential downside that a small town like Westmoreland would not be able leverage the size a larger group would create.
 - Option 2: Join Cheshire County. This option seemed a bit better to the members except when Westmoreland Town representation was factored in, Westmoreland would lack a say on projects and the future direction of the CPCNH.
 - Option 3: Join the Community Power Coalition of New Hampshire (CPCNH). Of the three options this made the most sense to all committee members. It would allow Westmoreland a say in CPCNH and give the town the greatest flexibility when it comes to the direction of the coalition.
- After discussing the pros and cons of the three options, Option 3, Joining the Community Power Coalition of New Hampshire was the unanimous choice of the committee.
- Mark Terry outlined the way ahead for Westmoreland Community Power:
 - Invite CPCNH Representative to next committee meeting.
 - Invite CPCNH representative to BOS December 1 meeting.
 - WCPAC researches Community Power plans and service providers.
 - Draft an Electric Aggregation Plan, with input from the community.
 - Hold two public hearings to inform and educate the town about the Community Power Plan and get resident's feedback.
 - Residents vote to approve our Electric Aggregation Plan.

- Town sends an announcement to the residents that they will be enrolled in a new Community Power plan and provides them an opportunity to opt-out of the program.
- Town signs a Community Power contract with a service provider and the town launches the program.

17 November 2022 Westmoreland Board of Selectmen Meeting:

- Chair of the Board of Selectmen signed the Joint Powers Agreement with Community Power Coalition of New Hampshire.
- The Select Board appointed Mark Terry to serve as Westmoreland's primary representative to the CPCNH Board of Directors and John Snowdon as his alternate.
- Appointed Scott Talbot to Westmoreland Community Power Advisory Committee Member.

22 November 2022 Westmoreland Community Power Advisory Committee Meeting:

- Discussed dates for the two scheduled Public Hearing and how best to conduct our community outreach program.
- Mr. Henry Herndon called into the meeting (Via Zoom) and talked about the Coalition and answered several questions from the committee concerning:
 - How the Coalition works and how it can assist Westmoreland educate its residents on the community power program.
 - How residents can opt-out or opt-in to the program.
 - Net metering and solar credits.
 - Rate options based on percentage of renewable energy.

1 December 2022

- Westmoreland Board of Selectmen Meeting:
 - Henry Herndon, Community Power Coalition of New Hampshire representative attended and briefed the Select Board on the Coalition, the legislation that makes community power available in New Hampshire, and the process of creating a Westmoreland community power program, and ultimately launching our program.
 - Mr. Herndon explained a 3 Phase Process:
 - Phase 1 - Join Coalition - Westmoreland became 25th municipality/county to join CPCNH, gaining access to all materials produced by previous members.
 - Phase 2 - Working with CPCNH, the Westmoreland Community Power Advisory Committees create a plan and submit it to the Westmoreland Board of Selectmen. When the Select Board approves the plan the WCPAC will hold two Public Hearings prior to asking voters' approval at the March Town Meeting. A simple majority is required to pass. All meetings will be posted using Right to Know guidelines. If passed, the plan is submitted to NH PUC for final approval. PUC has 60 days to approve or will be approved automatically.
 - Phase 3 - Launch the Westmoreland Community Power Program.
- Westmoreland Community Power Advisory Committee Meeting:

- Based on information proved by Mr. Herndon to the Westmoreland Select Board the committee discussed the following items:
 - Funds generated by the Coalition and how towns might be able to utilize them.
 - At least initially, funds would be primarily utilized to stabilize energy rates, but that at a future date the Coalition could use those funds to help the Coalition to get a credit rating to finance projects.
- The committee discussed how to get the word out for our public hearings so that we may get as many people as possible.

13 December 2022 Westmoreland Community Power Advisory Committee Meeting:

- The committee discussed the public meeting dates, January 5th being the first public date on the books and also the content of the presentations.
- The committee were asked to review the Public Hearing draft presentation content and provide edits to Mr. Terry.
- Alan Bell talked about recording the public meeting and power point presentation in January so that we could have a video so people could learn about Westmoreland Community Power before the town meeting in March.

5 January 2023

- Westmoreland Board of Selectmen Meeting: Mark Terry informed the Board of Selectmen the dates for the Westmoreland Community Power Public Hearings.
 - 1st Community Power Informational Meeting January 5th at 7pm at the Town Hall.
 - 2nd Community Power Informational Meeting February 9th 7pm. at the Town Hall
- Westmoreland Community Power Public Hearing:
 - The following topics were covered during the Public Hearing:
 - Community Power Coalition of New Hampshire
 - What is Community Power?
 - Electric Aggregation Plan
 - Timeline for Westmoreland Community Power
 - There were several good questions/issues from the residents in attendance:
 - Is there coordination between the Cheshire County program and the Westmoreland Program?
 1. It was explained that the Cheshire County program was a separate program though it was part of the coalition. If the town of Westmoreland joined the country program, the town would not have the same flexibility as running its own program. Alan Bell mentioned that he believed we would be a small fish in a large pond if the Westmoreland were to join the county program and that Westmoreland would be better served having it's on voice and seat at the table as it were.

2. Discussion between the room and the Coalition representative ensued regarding the Westmoreland's ability to create projects based on a revenue from the coalition in order to offset energy prices in the future. The Coalition representative made it clear that there will be a reserve threshold for the Coalition as a whole in order to maintain pricing stability, however each coalition member would have the ability to set pricing according to the towns needs and these additional funds would belong to the member town to utilize according to the best interests of that town.
3. It was brought up by Mark Terry that as the coalition is new and the first wave of towns are coming online and the Coalition does not yet have the rates in order to compare with current Eversource pricing, but that we would get those numbers before the town meeting so that the towns people could see the real cost savings they can expect. More discussion was had about how the town would decide to set rates and evaluate programs within our membership. John Snowdon said that the Board of Selectman would work with the community power committee to evaluate all of the options before taking any action.
4. Net metering was another question that came up. How would people who already had solar panels and credits with Eversource or another energy provider going to join. Mr. Herndon said that net metering details were still being worked out, but the plan was to have those rates competitive with existing Eversource net metering rates. Those residents who had credits at the time of the Westmorland plan going "Live" would not opt-in until they had cashed out of, or used their existing credits from the other provider at which point they could join and start to build credits with Westmoreland Community Power.

26 January 2023 Westmoreland Community Power Advisory Committee Meeting:

- The committee discussed the Public Hearing presentation and made several changes to the text. The goal was to simplify and shorten the presentation. The committee members agreed to individually look at the power point presentation and make comments.
- A committee member had questions about the Coalition reserve fund and how it could be used. It was explained that the Coalitions fund would be used to offset the cost or electricity. Though there are opportunities within the Coalition for communities to create additional funds by adding to the cost of energy it is not something as a community we plan on doing, furthermore the committee agreed that the sole purpose of the committee is to reduce the costs of power.

9 February 2023 Westmoreland Community Power Public Hearing: No members of the public attended the Public Hearing. The presentation was given and edited.

15 March 2023 Town Meeting:

- Town Warrant for Electric Aggregation Plan: “To see if the Town will vote to adopt the Westmoreland Community Power Electric Aggregation Plan which authorizes the Selectboard to develop and implement Westmoreland Community Power as described therein (pursuant to RSA 53-E:7).”

Description of Electric Aggregation Plan Drafting Process

The Community Power Coalition of New Hampshire provided an Electric Aggregation Plan template to the Westmoreland Community Power Advisory Committee to use during the drafting process.

During the two Westmoreland Community Power Public Hearings, the committee solicited input from those who attended and, where appropriate, incorporated the input into the draft plan.

During the 13 December 2022 WCPAC meeting the committee discussed and approved the following Westmoreland Community Power Goals and Objectives:

Westmoreland’s Policy Goals: The overall goal of community power aggregation is to harness the power of competitive markets and community-scale purchasing of electricity to reduce costs, increase supply options, enable greater customer choice, and provide services to enhance the lives of customers.

Westmoreland Community Power Objectives:

- **Competitive Rates:** provide residential default rates that are lower than or competitive with those offered by Eversource;
- **Expanded Choices and Enhanced Customer Focus:** 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 Westmoreland and its residents;
- **Public Advocacy:** represent the interests of Westmoreland and the program’s customers at the Legislature, Public Utility Commission and other relevant agencies on matters pertaining to Community Power and towards creating a more modern electric grid;
- **Cleaner, Local Power:** prioritize 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, 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 and charging corridors, and other clean energy infrastructure developments

Once the Electric Aggregation Plan is completed it was sent to:

- The Westmoreland town attorney for a legal review
- CPCNH for review and comment
- Westmoreland Board of Selectmen for review and approval
- Final step, it will be sent to the NH Public Utility Commission for approval

Public Meeting Process and Key Dates

Residents of Westmoreland were invited to attend and participate in all Westmoreland Community Power Advisory Committee meetings and Public Hearings.

On 5 January and 9 February 2023, the WCPAC held public hearings in order to solicit public input in the planning process. Information obtained during these public hearings was discussed and, where appropriate, incorporated into the Westmoreland Electric Aggregation Plan.

20 October 2022: Westmoreland Board of Selectmen agreed to form a Community Power Committee to be appointed by the Selectboard.

3 November 2022: The Board of Selectmen appointed five community volunteers to the Westmoreland Community Power Advisory Committee. An additional WCPAC member was appointed on 17 November 2022.

17 November 2022:

- Westmoreland Board of Selectmen appointed Mark Terry to serve as Westmoreland's primary representative to the CPCNH Board of Directors and John Snowdon to serve as an alternate representative to CPCNH and its Board of Directors.
- The Board of Selectmen signed Joint Powers Agreement with Community Power Coalition of New Hampshire.

5 January 2023: First WCPAC public hearing conducted in order to solicit public input in the planning process.

9 February 2023: First WCPAC public hearing conducted in order to solicit public input in the planning process.

15 March 2023: Annual Town Meeting was held and residents voted on Town Warrant for the Westmoreland Electric Aggregation Plan.

Attachment 3: Town Policy Excerpts

Not applicable, there are no Westmoreland policies that pertain to Community Power.

DRAFT

Attachment 4: How Load Serving Entity Services will be Implemented

Westmoreland 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.

This plan assumes, but does not require, that the Town will participate fully in and rely on the services provided through the Community Power Coalition of New Hampshire (CPCNH) for the purposes of implementing and operating Westmoreland Community Power.

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 nonprofit 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. Refer to [Attachment 4](#) for an overview of utility default procurement solicitations.
- Similarly, customers are assigned to a different Load Serving Entity whenever they are transferred to 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 Community Power Aggregators (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, as

detailed in [Attachment 3](#)); 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](#)

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

The Town currently anticipates that it will contract with CPCNH, as an all-requirements joint powers agency, for the provision of LSE services, all requirements energy supply and all other energy services required to implement and operate Westmoreland Community Power.

CPCNH Competitive Solicitation for Comprehensive Services and Credit Support

On behalf of the Town and CPCNH's twenty-eight other Member communities, each of which are in various stages of authorizing Community Power Aggregations, CPCNH issued a Request for Proposals (RFP) for Comprehensive Services and Credit Support on April 25, 2022 and is currently conducting a solicitation process *"to select a qualified entity or group of entities to provide comprehensive services and credit support to enable CPCNH to develop, finance, launch, and operate of Community Power Aggregation (CPA) programs."*¹ As context:

- For an overview of CPCNH's authorities as a Joint Powers Agency, the RFP, proposal evaluation and contracting process, and the process by which CPCNH's Board of Directors and participating Member communities, including the Town, plan to draft and adopt enabling agreements, contracts and policies (such as the Energy Risk Management and Financial Reserves policies) refer to "Responsibilities of the Community Power Coalition of New Hampshire (CPCNH)" in Attachment 10: Customer Data Protection Plan below.
- CPCNH's RFP is primarily based upon the solicitation and contracting strategy pioneered by

¹ CPCNH's Request for Proposals for Comprehensive Services and Credit Support, and additional supporting reference documentation, including the draft Business Plan for CPCNH, are posted online here: <https://www.cpcnh.org/solicitations>.

the [Redwood Coast Energy Authority](#) (RCEA), a CPA Joint Powers Authority in California that is similar in size to CPCNH and which successfully contracted for comprehensive services and credit support (inclusive of LSE services) on an at-risk, deferred compensation basis.

- RCEA subsequently launched CPA program service and began providing LSE services and all-requirements supply to CPA customers in 2017 and has operated continuously while accruing financial reserves and enabling numerous local programs and new project developments.
- The three Professional Services Agreements that RCEA negotiated and executed subsequent to their RFP process provided (1) LSE and portfolio risk management services and credit support, (2) retail data management, billing, and customer care services, and (3) various support services (e.g., administration, marketing, etc.). All three contracts are available for review [online here](#).
- Subsequent CPA Joint Powers Agencies have employed similar solicitation and contracting strategies in order to successfully contract for and implement LSE and portfolio management services for participating CPA customers.
- CPCNH previously issued a Request for Information for Comprehensive Services and Credit Support in December 2021 and received numerous submissions from well-established third-party vendors that provide LSE services, portfolio management services and credit support in response. (CPCNH’s Board of Directors has designated the responses as confidential due to fact that the competitive solicitation is ongoing.)²

The scope of operational services requested under CPCNH’s RFP is to broadly “*provide all required services and credit support necessary to operate the agency and supply all-requirements electricity to CPA customers*”. The specific scope of operational functions requested in CPCNH’s RFP is provided below:

1. *Retail Data Management and Billing Services*
 - a. *Utility Electronic Data Interchange (EDI)*
 - b. *Customer Data Validation and Error Resolution Management*
 - c. *Billing Calculations*
 - d. *Utility Payment Receipt*
 - e. *Revenue Oversight and Tracking*
2. *Retail Customer Solutions*
 - a. *Customer and Program Analytics and Insights*
 - b. *Rate Design Development, Pricing and Product Structuring*
 - c. *Grid Edge Enablement and Portfolio Integrations*
 - d. *Key Account Relationship Management*
 - e. *Inbound and Outbound Call Center Operations*
 - f. *Digital Engagement and Orchestration*
3. *Portfolio Risk Management Services*
 - a. *Energy Portfolio Planning and Development*
 - b. *Contract Valuation and Procurement*
 - c. *Deal Capture, Contract Management and Counterparty Monitoring*

² CPCNH’s Request for Information for Comprehensive Services and Credit Support is available online at: <https://www.cpcnh.org/solicitations>

- d. *Trading, Position Management and Reporting*
- e. *Forecasting, Scheduling and Settlements*
- f. *ISO shadow settlements and dispute resolution*
- g. *ISO monitoring, stakeholder processes, collateral posting and onboarding support*
4. *Banking and Financial Services*
 - a. *Credit Support*
 - b. *Secure Revenue Account Administration*
 - c. *Accounting Support and Controls*
 - d. *Financial Statement Setup and Review*
 - e. *Revenue Forecasting and Budgeting*
 - f. *Invoice Validation*
5. *Enterprise Data Management: to support the development of an in-house central repository of customer and other data for use by CPCNH staff and authorized third parties for the purpose of enabling research and development of new energy services.*
6. *Additional Services: respondents should provide additional descriptions of services not provided for above.*

CPCNH Proposal Evaluation Process and Contracting Timeline

As detailed in [Attachment 10](#), CPCNH's Risk Management Committee is responsible for evaluating, ranking, and scoring proposals and recommending an award to the Board of Directors.

To ensure that the committee fully evaluates proposals to provide LSE and portfolio management services, CPCNH has contracted with independent experts with domain expertise in:

- Managing and overseeing power supply portfolios and LSE services for an operational CPA Joint Power Agency;
- Evaluating proposals, interviewing proposers, and recommending an award for LSE and portfolio management services on behalf of a CPA Joint Power Agency that subsequently launched CPA program service, has operated continuously since 2018, and recently gained an industry-first "A" credit rating from S&P Global Ratings on the basis of its fiscal discipline and approach to energy portfolio risk management; and/or
- Working for an established publicly owned nonprofit enterprise that maintains three operational control centers to support 24/7/365 operations across multiple ISO/RTO markets in order to provide LSE and portfolio management services to substantial numbers of public and private sector clients that serve retail end-use customers.

CPCNH expects to conclude the RFP process, enter into contract negotiations in July-August, and execute contracts to provide comprehensive services and credit support (inclusive of LSE services) in August to September 2022.

Thereafter, CPCNH's Board of Directors expects to finalize and approve the agency's Cost Sharing Agreement and Energy Risk Management and Financial Reserves policies, which Westmoreland's appointed Directors expect to provide to the Board of Selectmen for approval between October – December 2022.

At this point, the Town may contract for and authorize CPCNH to provide comprehensive services and credit support (inclusive of LSE services) to implement and operate Westmoreland Community Power.

Responsibilities of the Town of Westmoreland

The Town expects that CPCNH's solicitation and contracting strategy will be successful, and that CPCNH and the third-party contractors contracted by CPCNH will implement LSE services and all other services required to launch and operate Westmoreland Community Power.

Depending on the result of CPCNH's solicitation and contract negotiation process, LSE services may be implemented as follows:

- CPCNH may contract directly for LSE services with a third-party that is registered or will register with ISO-NE as a market participant and Load Serving Entity, satisfies all applicable financial security and other registration requirements with ISO-NE, the Commission, and NH's distribution utilities, and has contractually agreed to assume responsibility for providing all requirements energy on behalf of Westmoreland Community Power's customers.

Typically, such a third-party would additionally provide portfolio management services and credit support and assist CPCNH in structuring and maintaining a portfolio of physical and financial contracts to provide all requirements energy to participating customers. At a certain future point, CPCNH may be positioned to register with NEPOOL and ISO-NE as a market participant and Load Serving Entity directly.³

This implementation option would essentially replicate the same approach and structure employed by the New Hampshire Electric Cooperative, which actively manages an all-requirements energy portfolio, accrues financial reserves, and provides LSE services for default service customers.

Additionally, note that the Town of Hanover (whose Member director and alternate director are both participating on CPCNH's Risk Management Committee and proposal evaluation) is already a market participant and Load Serving Entity for the Town's load obligations.

- CPCNH may alternatively contract with one or more Competitive Electric Power Suppliers to provide LSE services and all requirements electricity to customers at a pre-specified rate for a set length of time. Under this arrangement, the Competitive Supplier would either be the designated Load Serving Entity or would contract with a third-party that has agreed to be the Load Serving Entity responsible for the CPA's customers.

This implementation option would essentially replicate the same approach and structure employed by NH's regulated distribution utilities (Eversource, Unitil and Liberty Utilities), under which customers are periodically re-assigned to whichever Competitive Suppliers have won the utilities' default service solicitations. Refer to [Attachment 4](#) for an overview of utility default procurement solicitations.

- CPCNH may also propose a combination of the above approaches for the Town's consideration.

³ Refer to CPCNH's draft Business Plan for further details, available under RFP Reference Materials online at: <https://www.cpcnh.org/solicitations>

In the event that the Town does not contract with CPCNH to provide LSE and other services to Westmoreland 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 Westmoreland Community Power.

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

DRAFT

Attachment 5: Customer Data Protection Plan

Westmoreland 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 Westmoreland 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 Westmoreland 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.

This plan assumes, but does not require, that the Town will participate fully in the Community Power Coalition of New Hampshire (CPCNH) for the purposes of implementing and operating Westmoreland Community Power.

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 begun the process of soliciting and hiring third-parties to provide comprehensive services and credit support to launch Member CPA programs, and is drafting various related enabling agreements, policies, and internal protocols necessary to do so.

CPCNH Request for Proposals for Comprehensive Services and Credit Support

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.

CPCNH issued a Request for Proposals for Comprehensive Services and Credit Support on April 25, 2022, and is currently conducting a solicitation process “to select a qualified entity or group of entities to provide comprehensive services and credit support to enable CPCNH to develop, finance, launch, and operate of Community Power Aggregation (CPA) programs”⁵ on behalf of CPCNH’s nineteen Member communities, each of which are in various stages of authorizing Community Power Aggregations.

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.

The selected Proposer will be expected to 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 will be contractually required to maintain the confidentiality of individual customer data pursuant to [RSA 363:38, V\(b\)](#) and applicable Public Utilities Commission rules.

As previously noted, Administrative Rules for CPAs are under development. Refer to the PUC’s [Initial Proposal for 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”).

The selected Proposer, as applicable, should expect to 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 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 Initial Proposal for CPA Administrative Rules.

The Request for Proposals and evaluation process is being 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

⁵ CPCNH’s Request for Proposals for Comprehensive Services and Credit Support, and additional supporting reference documentation, including the draft Business Plan for CPCNH, are posted online here: <https://www.cpcnh.org/solicitations>.

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

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

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 will evaluate, rank, and select vendors with a proven track record of successful qualification for EDI transactions, 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 expects to conclude the solicitation process and execute contracts in August to September 2022.

CPCNH Enterprise Risk Management & Customer Data Policies

After CPCNH has executed service contracts, CPCNH's Board of Directors will finalize and approve the agency's Cost Sharing Agreement and Energy Risk Management and Financial Reserves policies. CPCNH's Energy Risk Management and Financial Reserves policies will be subsets of CPCNH's Enterprise Risk Management Policy, which will additionally cover relevant elements of cybersecurity and data confidentiality requirements and other topics.

- CPCNH's Joint Powers Agreement requires CPCNH's Risk Management Committee to draft and recommend the Enterprise Risk Management Policy for consideration and adoption of CPCNH's Board of Directors on or before October 1, 2022.⁸
- Between October and December 2022, Westmoreland's appointed Directors are expected to provide CPCNH's Cost Sharing Agreement and Energy Risk Management and Financial Reserves policies to the Board of Selectmen for approval between October – December 2022.
- At this point, the Town will contract for and authorize CPCNH to provide specific services on behalf of Westmoreland Community Power.

CPCNH's Board of Directors has been recently presented with a plan to develop additional specific policies and CPCNH's Treasurer has prepared a budget to allocate sufficient funding to support the drafting and review process over the summer and fall. Two relevant such policies are listed below:

- Record Retention & Disposal Policy: to provide a process that ensures compliance with the proper retention, protection, and timely destruction of all records created or obtained by, or otherwise in the possession and control of, CPCNH, consistent with all legal requirements.
- Data Security and Privacy Policy: to define the specific goals, requirements, and controls necessary to safeguard the confidentiality, integrity, and availability of confidential

⁸ CPCNH's Risk Management Committee is also responsible for (1) reviewing major risk exposures and monitoring the steps taken to control risk exposures and (2) commissioning an independent agent to conduct and deliver an evaluation of the operational performance of the agency relative to the Enterprise Risk Management Policy every two years (starting three years after the commencement of CPA service, and as otherwise requested by the Board).

information.

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 Westmoreland 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 Westmoreland Community Power.

Third parties under contract to CPCNH that may require access to ICD on behalf of Westmoreland 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 Westmoreland Community Power.

Specific types of ICD that Westmoreland 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 Westmoreland Community Power Commencement of Service and enrollment of customer in Westmoreland Community Power, consistent with initially proposed Puc 2204.04, .05, and .06, as they, or equivalent rule provisions, may be adopted by the PUC and the requirements of [RSA 53-E:7](#), III, V, and VI.
- Individual customer information used for operation of Westmoreland Community Power, such as that in initially proposed Puc 2205.13, most of which may be accessed through the EDU EDI. The need and use for such information, and a proposed modification of this particular rule, are addressed in CPCNH's 3/14/22 Comments on the PUC's initial rule proposal for CPAs, in docket # [DE 21-142](#)⁹, and in its 3/28/22 Reply Comments.¹⁰
- Other confidential customer information that may be received or collected directly by Westmoreland 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 proposed Puc 2205.13 will be used for both:

⁹ See p. 2 ¶4 and p. 4 ¶16 at: https://www.puc.nh.gov/Regulatory/Docketbk/2021/21-142/LETTERS-MEMOS-TARIFFS/21-142_2022-03-14_CPCNH_COMMENTS.PDF.

¹⁰ See p.4-11, and Comments on proposed Puc 2203.02(b)(1) on p. 13, Puc 2204.02(a)(1)-(4) on pp. 16-17, and Puc 2205.13 p. 23 https://www.puc.nh.gov/Regulatory/Docketbk/2021/21-142/LETTERS-MEMOS-TARIFFS/21-142_2022-03-28_CPCNH_OCA_CENH-COMMENTS.PDF.

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 Westmoreland 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 Westmoreland

The Town currently anticipates that it will contract for all requirements electricity supply and related energy services through CPCNH, as a joint powers agency, and that the primary acquisition and use of ICD will be through CPCNH and the vendors placed under contract to provide comprehensive services for the operation of Westmoreland Community Power.

The Town Administrator 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 Westmoreland 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 Town, 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 Initial Proposal for 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.

Additional Requirements for the Multi-Use Energy Data Platform

If and when the Multi-Use Energy Data Platform (Platform) authorized under RSA 378:50-54 becomes operational, Westmoreland Community Power and any third-parties under contract that require access to ICD sourced from the Platform — such as CPCNH and third-parties contracted through CPCNH — will be required to comply with any Platform User Requirements, Privacy Standards, Annual Attestations, and obligations to report a security breach pursuant to terms of Settlement Agreement conditionally approved by the PUC in [DE 19-197](#) and detailed in Exhibit C of the Agreement found in [Exhibit 1B](#) and as may be actually implemented.

Attachment 6: 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 |
| CPA | Community Power Aggregation |
| CPCNH | Community Power Coalition of New Hampshire |
| EAC | Electric Aggregation Committee |
| EAP | Electric Aggregation Plan |
| 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) |
| 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) |

DRAFT