

June 21, 2021 Pembroke Energy Committee meeting minutes

Agenda:



TOWN OF PEMBROKE

Town Hall ~ 311 Pembroke Street, Pembroke, New Hampshire 03275 Tel: 603-485-4747

Pembroke Energy Committee

Pembroke Town Hall

June 21, 2021

6:00 PM

1. Call to order & attendance
2. Review and acceptance of May 24th, 2021 minutes
3. Henry Herndon presentation to Pembroke Energy Committee about CPCNH
4. Discussion about pros and cons of joining CENH for \$250 annual membership-- with goal to agree upon a yes or no recommendation to the select board by end of meeting.
5. Potential future meetings/presentation
 1. Andrew Provencher from Olivewood Energy - July meeting
 2. Ryan Polson from Standard Power of America
6. Any other business
 1. Capital Reserves Fund
 2. Future committee initiatives
7. Adjournment

Meeting started at 18:00 eastern time—in person.

Karen Yeaton, Pentti Aalto, Jackie Wengenroth, Richard Wengenroth, JJ Smith, Matt Miller, guest Henry Herndon (CPCNH)

The live stream camera was turned on.

Richard opened the meeting.

Role call: Richard, Karen, Jackie, Pentti, JJ, and Matt – all present in person

Guest: Henry Herndon—present in person

Next Meeting July 19, 18:00, Pembroke NH Town Hall.

Motion made to accept the May 24 meeting minutes. Notes from the May 24 action items are captured and will be included in the minutes of June 21 meeting minutes.

Henry Herndon --consultant with city of Lebanon formulating the CPCNH coalition. Henry presented to the Pembroke Energy Committee the CPCNH overview, including what is CPCNH, how to join, benefits.

1. What is community power? NH cities, towns and counties procure electric power supply on behalf of their residents and businesses and provide related services that are of interest to the town. Pooled purchasing power for energy supply. The Utility company (e.g. Eversource) continues to deliver power. Communities benefit from projects and programs of interest to the Town and facilitated by CPCNH.
2. Benefits. Communities formulate their own power plan based on their own priorities, and then energy procurement occurs for that community based on those priorities. Community power coalitions in other states have demonstrated lower energy rates than regulated utilities. Opens the door for communities to build or buy clean energy. Enables more technology innovations that lead to valuable services and more customer options, for example, smart electric meters and real time price signals to enable consumers to optimize their own electrical consumption/cost.
3. CPCNH is a statewide public nonprofit designed “For Communities by Communities.” The organization is designed and not yet incorporated. CPCNH is waiting for a critical mass of community members before incorporating and hiring staff into roles. Critical mass will look something like 7 or so communities and multi-10s of millions of dollars worth of electricity consumption (independent of transmission fees).
 1. Member communities participate in vendor vetting, can propose and join in local power projects, participate in sharing (distributing) the overhead cost of the

CPCNH organization, interact and cooperate with peer community members.

2. Phase 1 membership is no cost, no obligation, and gives members the access to resources and expertise they need in order to formulate their Community Power Plan, and achieve town approval. A town's select board must approve The Joint Powers Agreement in order to join CPCNH Phase 1.
 1. The Joint Powers Agreement is the contract between municipalities and CPCNH. It outlines the way CPCNH works, the roles of members, the powers that CPCNH has, governance, procedures and organization. It is a legal document and is accessible on the CPCNH webpage.
 2. The Community Power Plan is the communities vision of how and where it wants to source its electrical power, and other services that it wants to be available to community members. It is formulated with community input and must be approved by vote during a town meeting. There was some discussion about getting Pembroke's Community Power Plan prepared in time for its 2022 town meeting—this exercise would be challenging.
3. Phase 2 membership is basically the execution of the community power plan, involving procuring electricity, operating the program, formulating and contracting and performing projects of interest, engaging with state-wide energy and market related legislation and initiatives.
 1. Individual customers can opt out of the CPCNH program and will be connected to a default service provider (Eversource).
 4. Cost sharing occurs once a town transitions to Phase 2. All costs will be recovered from the revenues from electricity sales after the program is launched (and not from taxpayer funds).
4. The vendors the coalitions hire to procure power and provide related services (billing, risk management, etc), will be ISO NE members. CPCNH may grow into an ISO NE member in the future. ISO NE membership gives members the ability to influence ISO NE.
5. For most people, Eversource will remain the billing entity. The bill will reflect that either CPCNH or Eversource as the energy provider. Eversource remains the transmission provider.
6. Initial CPCNH staff may be leaner than the ultimate size of the organization. CPCNH staff will scale with the volume of customers and electricity revenues.

7. Current members of CPCNH: Lebanon, Hanover, Keene, Exeter, Rye, Harrisville, Cheshire, and Nashua.

1. Keene and Harrisville have approved Community Power Plans.
2. Hanover and Lebanon are close to town vote on their prepared Community Power Plans.
3. Exeter and Rye only recently joined and have not prepared their Community Power Plans.

8. If Pembroke were to join, it would represent approximately \$1.5 million annually of electricity supply, not including transmission.

9. Where do cost savings come from?

1. Utilities have no legal flexibility to play the market. Having electricity sourcing vendors to manage a book of electricity supply contracts of different time durations and different geographical locations creates a cost benefit.
2. Although cost benefit is easiest to explain, more important are benefits that result from local initiatives (local power generation, sourcing from specific energy sources, education and awareness of how markets work, oversight of energy procurement process.)
3. visibility of electricity price and consumption at local level to help shape the electricity load and shave peak consumption—factors that influence electricity transmission costs.

1. Maximum 1 hour peak capacity over the course of 1 year.

2. Maximum 1 hour peak capacity over the course of 1 month.

3. A third factor that I missed.

10. Why would a town not join CPCNH at Phase 1?

1. They do not want to do community power. Creating a Community Power Plan takes time and effort and may not be interesting to the town. The town may be satisfied with the current known arrangement.
2. They are very individualistic and would like to forge their own energy pathways independently.

3. They may simply hire an energy broker and short circuit the Community Power Planning process. Also implying they are focused on the cost benefit and not so much all the other longer term benefits of local power solutions, innovations, grid resilience, etc.
11. What percentage of individual customers does CPCNH expect to opt out of the program?
1. 4 to 10% of people opt out of community power coalitions based on data from other states.
 2. One idea to help attract people to remain in a Community Power Plan is that CPCNH would help the town create a local brand and marketing. So, there would be something like a Pembroke Power Coalition brand for Pembroke residents.
12. What would happen to the incumbent electric utility providers if every town in NH opted in? In principle, they would continue their business of running the transmission grid.
1. Assuming CPCNH successfully reduces peak electricity consumption rates, Eversource would lose peak transmission rates
 2. It is likely that they would adjust their transmission rates due to loss of peak transmission rates and depending on how the loss of electricity sales affected their internal cash flows and cost allocations. This is an example of a topic that requires very close communication between CPCNH and the utility companies.
13. Technology barriers to net metering and real time electricity rates—smart meters, modern billing system.
14. Discussion about real time pricing experiment in Chicago. This led to question of who would handle billing. Real time pricing is not envisaged to be one of initial service offerings of CPCNH (could be in future).
15. Discussion about how an individual may join NEPOOL (parent of ISO NE) for some annual fee, and then be permitted to organize and perform their own energy solutions. I missed some details of this discussion.

Clean Energy NH – second agenda item.

1. Brief discussion about what is CENH.
 1. Long history with frequent renaming/rebranding.

2. Current incarnation is a network of consultants that facilitate several energy related activities.
 1. Connect communities with network of experts
 2. lead clean energy initiatives in NH, e.g., residential home winterization projects, education and awareness, electric vehicle initiative, etc.
 3. track and lobby all energy legislation and initiatives in NH. Have helped achieve favorable outcomes recently.
 4. Support local energy projects.
3. \$250 annual membership fee for a town. Gives access to network of experts, two free passes to the annual LES energy conference, access to the CENH consultants.

Other agenda topics—did not have enough time for full discussion, so these topics are a preview.

1. Pembroke energy committee still wants more ideas and proposals for projects, such as how individuals should optimize the use of multiple heating and cooling sources if their home is so equipped (electric heat pump, oil furnace, propane furnace, wood pellet furnace).
2. How to drum up more community engagement on energy? Energy is a fascinating subject, everybody uses it in multiple forms for many beneficial purposes—it is indispensable, it involves significant costs, and all sources of energy come with their own set of trade-offs.
3. Andrew from Olivewood Energy has agreed to join and present during the July energy committee meeting.
4. Ryan Polson from Standard Power of America has reached out and would like to present to the energy committee. It will be valuable to hear their perspective and sales pitch.

Meeting was adjourned around 20:00.

Summary of May 24, 2021 Action Items:

1. Completed ACTION ITEM: Karen Yeaton will ask David Jodoin for legal requirements for meeting minutes.
 1. From David Jodoin: "The minutes have to be available at least 5 days after the meeting. Now they can be in draft form. I would say that once the minutes are complete that they be forwarded to the members and should be listed on the next agenda for approval. All official agendas and minutes get uploaded to the website. Draft minutes are supposed to be available to anyone after 5 days. Minutes can be approved as presented. If there are corrections, then they can be approved as amended. The changes will need to be reflected in the minutes before you send me the final approved minutes"
2. Completed ACTION ITEM—recommend committee members listen to the May 4 and May 13 recordings.
3. Completed ACTION ITEM—Matt to obtain details of process for a town to join CPCNH as a Phase 1 member in order to learn more and perform due diligence. Ideally, learn this information before the June 16 Selectman meeting.
 1. Yes, a town must adopt/join the CPCNH Joint Powers Agreement in order to become a Phase 1 member and access CPCNH resources. Adopting this agreement does involve Select Board voting to request town manager to sign the JPA agreement. Upon signing JPA, a town gets access to the resources to perform further due diligence and determine whether to join as a Phase 2 active member of CPCNH, to terminate the JPA at absolutely no cost, no obligation. The rationale for having towns first adopt JPA is to make sure towns are deliberate and serious about the subsequent due diligence process and development of a community power plan; more on this later.
4. Completed ACTION ITEM: Karen will investigate and ask the town budget committee what information they can find on the topic of a capital reserve trust fund.
 1. There is a Capital reserve fund that is set up and the Selectmen are agents to expend. The last balance was \$27,539.79, however now that Gerry is no longer doing the books the bank is charging us to do that so the balance is most likely less.
5. Completed ACTION ITEM: Karen will find a link to Olivewood Energy's presentation to the town of Pembroke.
 1. 9/21/20 Meeting link:
https://www.townhallstreams.com/stream.php?location_id=98&id=31631

2. Presentation attached.
6. Completed ACTION ITEM: JJ will ask one of Olivewood Energy principals whether they could present and discuss that solar project with the Energy Committee during its next monthly meeting (June 21, 18:00 at the Pembroke Town Hall).
 1. Communication established between Richard Wengenroth and Andrew Provencher, tentative arrangement for presentation at July Energy Committee Meeting. Will be discussed for group input at June 21 meeting.

NEW ACTION ITEMS

1. Matt Miller to draft a recommendation for Pembroke to join CPCNH. This draft will be circulated amongst the Energy Committee members for revision. A final draft will be provided to the Select Board and explained via presentation. The recommendation will include frequently asked questions. Draft to be circulated by Monday June 28.
2. Introduce David Jodoin to the Lebanon town manager, Shaun Mulholland (603-448-4220), who is very involved and familiar with CPCNH and the procedure to join, including approving the JPA.
3. Pembroke Energy Committee wants to join CENH. We need to ask David Jodoin how to get approval to spend \$250 for membership.
4. Richard to ask David Jodoin about a webpage to upload our meeting minutes and related documents. Also, is there a town server that we can use for our working notes and safe reliable storage of documents and projects?