

**Peterborough Community  
Power Plan**



**As approved by Town Meeting on 5/11/22  
And as amended by the Peterborough Select Board on 1/17/23**

## Contents

Executive Summary .....	3
Peterborough Community Power Goals and Objectives.....	4
History .....	4
Immediate Goals .....	5
Longer-Term Goals .....	5
Purpose of this Community Power Plan.....	5
How Peterborough Community Power Will Operate.....	6
A. Organizational Structure .....	6
<b>Community Power Broker/Service Provider option:</b> .....	6
<b>Community Power Coalition of New Hampshire (CPCNH) option:</b> .....	7
B. Operations and Funding.....	8
C. Rights and Responsibilities of Program Participants.....	10
D. Contractual and Legal Requirements.....	10
1. <b>Methods of Entering into and Terminating Agreements</b> .....	10
2. <b>Rate Setting, Costs, Enrollment Process, and Options</b> .....	10
3. <b>Ensuring Discounts for Electric Assistance Program Participants</b> .....	12
4. <b>Net Metering Policies and Group Net Metering Policies</b> .....	13
5. <b>Termination of the Program</b> .....	13
E. Public Approval Process and Next Steps .....	14
Appendices .....	16
Appendix 1: Definition of Terms and Reference Links .....	16
Appendix 2: Legislative Background and Local Control Authorities.....	20
Appendix 3: Utility Default Procurement Cycles and Rate Setting .....	24
Appendix 4: How Load Serving Entity Services will be Implemented .....	25
Appendix 5: Customer Data Protection Plan.....	31

## Executive Summary

Peterborough Community Power is a new program, authorized by the New Hampshire legislature, to provide electricity to residents, businesses, and other entities on a competitive basis. Under the program:

- Peterborough Community Power, once operational, will serve as the default electricity supplier to residences and businesses within the Town of Peterborough. Like all electricity suppliers, it will be self-funded through revenues received from participating customers. The Town will not need to raise taxes to pay for it.
- Eversource, our local utility, will continue to deliver electricity to customers, own and maintain power lines, and bill customers.
- Peterborough's Select Board, with advisory support from the Town Administrator and the Peterborough Community Power Task Force, will be authorized to: (i) contract for the necessary services and power supplies to implement and operate the program, (ii) designate authorized individuals to make certain decisions, such as the decisions to move forward with or delay procurement, and the decision to set default and optional rate products provided to customers, and (iii) provide oversight over the program thereafter. The Town will work with one of three organizations, described later, that knows the electricity market. Town staff will not need expertise in the energy sector.

Once the Town and the NH Public Utilities Commission (NHPUC) approve Peterborough's Community Power Plan and after the Select Board has approved a power supply contract, all electricity customers in Peterborough will be notified. Customers currently using the Eversource default service will be enrolled in Peterborough Community Power after a 30-day period during which they may opt out and remain with Eversource's default service if they wish. If they do not opt out, customers will be transferred to Peterborough Community Power's default plan by a date given in the notification.

Customers buying electricity from a third-party supplier may opt into the Peterborough Community Power program.

Community Power will help Peterborough reach its climate and energy goal of 100% renewable electricity by 2030, passed in warrant article 11 in the town meeting vote on May 11, 2021. The Peterborough Community Power Plan will also provide a means for ratepayers to support energy efficiency, job creation, and climate resilience and preparedness regardless of their economic status.

Peterborough Community Power will:

- **Offer a default option** that will, on average, be less expensive than the Eversource default but will include a higher portion of renewable energy. The percentage of renewable energy will increase over time.
- **Offer two opt-up alternatives**, one with approximately 50% and another at 100% renewable electricity, possibly at higher prices.
- **Offer an opt-down alternative** to be as inexpensive as possible while meeting state requirements for renewable energy.
- **Provide fiscal stability** to ensure the program maintains competitive rates and advances the Town's renewable energy policy goals over the long term.

## **Peterborough Community Power Goals and Objectives**

### **History**

Warrant Article 11 passed in the Town Meeting vote on May 11, 2021. It set a goal for Peterborough of 100% renewable energy by 2030 for all electricity used within the Town. This created the need for a Peterborough Community Power Plan to assist in achieving this goal.

The Peterborough Select Board sought volunteers for a committee to investigate possible routes to the goal. On September 7, 2021, the Select Board appointed those volunteers to serve on the Peterborough Community Power Task Force, an official Town Committee. The Task Force began public biweekly meetings in the Abbot Board Room of the Peterborough Town Library on Wednesday, September 22. On October 20, these meetings became weekly.

The Task Force decided that the best approach to increase the proportion of renewable energy in the Town's electricity mix, while maintaining low prices, would be to take advantage of the possibilities for Community Power provided by recent New Hampshire legislation (RSA 53-E, as modified in October, 2021, by HB 315; "NH Community Power Legislation" (see Appendix 2 for details on RSA 53-E and other NH laws that enable Community Power.)

The Task Force consulted with three organizations that help New Hampshire municipalities take advantage of NH Community Power legislation. Two of these are Community Power Broker/Service Providers:

- [Standard Power](#) and its partner, Good Energy
- [Freedom Energy Logistics](#) and its partner, Colonial Power

The third is a non-profit Joint Powers Agency that was recently incorporated and is governed by the appointed representatives of the towns, cities, and counties that join as members:

- [The Community Power Coalition of New Hampshire](#) (CPCNH)

Each of the above entities made its case for the advantages of a Community Power program and offered to assist the Task Force both with creating such a program and with implementing it after the program is approved by Peterborough voters and by the New Hampshire Public Utilities Commission (NHPUC).

The Task Force reviewed examples of Community Power plans that their communities have already approved. The Task Force decided in December 2021 to develop its own plan using those from Hanover, Harrisville, and Keene as models, with modifications appropriate to Peterborough. The Task Force will continue to improve this plan draft (January 2022) as they receive input from the Select Board and the public.

Once approved by the Town, the Plan will be submitted to the NHPUC for approval. The Task Force will address any and all issues raised by the NHPUC and resubmit the Plan, as necessary. The Task Force will recommend one of the three above-mentioned organizations to the Select Board, which

will subsequently select one and start the process of implementation and maintenance of the Peterborough Community Power Program.

### **Immediate Goals**

- **Offer competitive rates** to meet or beat those available from Eversource.
- **Offer energy choices** in terms of percentage renewable power and pricing.
- **Provide fiscal stability**, including development of a reserve fund, both to ensure maintenance of competitive rates and/or to develop local energy resources and programs.
- **Maintain enhanced customer focus** to enable customers to voluntarily adopt new clean energy technologies that reduce energy expenditures and carbon emissions.
- **Offer consumer protections** to ensure contracts are fair.
- **Represent Peterborough's interests on energy issues** at the NH Legislature and the NHPUC.

### **Longer-Term Goals**

- **Stimulate the development** of local renewable electricity generation and storage.
- **Create community resilience** programs to reduce energy consumption, lower energy bills, create jobs, and build local back-up power supplies.
- **Support regional development** of clean energy infrastructure.
- **Modernize the energy grid** by supporting informed advocacy for policies, regulations, and infrastructure investments leading to a decarbonized, affordable, and resilient energy system.

### **Purpose of this Community Power Plan**

This plan sets forth the Town's policy goals for its Community Power program, summarizes Peterborough Community Power's governance and implementation processes, and commits Peterborough 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 in Eversource's distribution franchise territories.
- Meeting, at a minimum, the basic environmental and service standards established by the NHPUC and other applicable agencies and laws concerning the provision of service under Community Power.

Peterborough Community Power's power procurement, budgeting, and rate-setting will be carried out in accordance with the Select Board's adopted Energy Portfolio Risk Management, Retail Rates, and Financial Reserve policies to ensure that the program allocates revenues in a way that balances our short- and long-term goals.

The selection process the Task Force will use to make the recommendation includes: further due diligence, reviewing the three organizations' presentations and their responses to all questions that were developed to ask each, and using a matrix to score each item on a list of criteria developed and approved by the Task Force.

## **How Peterborough Community Power Will Operate**

For an explanation of terms used in this document, see Appendix 1.

### **A. Organizational Structure**

This is how the management of Peterborough Community Power will be structured once the NHPUC approves the Peterborough Community Power Plan:

Community Power Task Force: The Task Force will develop a draft plan, hold public hearings on the plan to solicit public input, revise the draft plan based on that input, and submit a plan to the Select Board for its approval. Within parameters set by the Select Board, the Community Power Task Force may continue to advise the Select Board and hold meetings to assess program performance, discuss how to evolve the services and products offered to customers, and address issues that need attention.

Select Board and town voters: In accordance with RSA 53-E:7, Peterborough's registered voters will decide at Town Meeting whether to adopt, by a majority approval of those present and voting, the Community Power Plan after the Community Power Task Force and the Select Board have approved it. The Select Board will review and enact (or not) any future proposed amendments to the plan.

Peterborough Community Power: Once voters approve the Community Power Plan, Peterborough Community Power will be authorized to provide electricity and other related services to participating residents, businesses, and other customers in the town. The Select Board will oversee the program and has overall governance authority with guidance from the Task Force and other experts. Decisions regarding Peterborough Community Power, such as the adoption of an energy risk management policy and approval of rates, will be made at public meetings.

Once voters approve the plan, the Select Board, working with the Community Power Task Force, will determine how to provide for the launch and operation of Peterborough Community Power in the Town's best interest. The Task Force will recommend one of the three organizations mentioned earlier to the Select Board, which will subsequently select one and start the process of implementation and maintenance of the Peterborough Power Program.

The two options have different organizational structures as summarized below.

### **Community Power Broker/Service Provider option:**

**Select Board**: The Select Board would designate a Peterborough Community Power (PCP) Manager to provide direct management and oversight of the plan on behalf of the town. The PCP Manager would be responsible for:

- Hiring a Community Power Broker/Service Provider
- Coordinating with other municipalities to conduct a joint solicitation (if desired)
- Meeting regularly with the Community Power Broker/Service Provider to provide oversight of the plan

- Making recommendations to the Select Board on plan amendments
- Authorizing the issuance of bids for power supply
- Negotiating and executing electricity supply agreements (ESAs) consistent with the products and goals described in this plan

**Community Power Broker/Service Provider:** The Broker/Service provider would manage certain Program activities under the direction of the PCP Manager. Their responsibilities would include, among others:

- Coordinate and interact with Eversource.
- Develop and implement customer communication and education activities.
- Provide periodic reports to the PCP Manager and Peterborough Select Board.
- Negotiate ESAs with credit-worthy, risk-managing Competitive Electric Power Suppliers (CEPSs). Lead oversight and quality assurance of competitive supplier.
- Provide customer services including staffing web and telephone-based services.
- Lead oversight and quality assurance of competitive supplier.
- Represent the Town's interests at the NH PUC.
- Consult on rate setting, design, and renewables sourcing.

**Competitive Electric Power Supplier (CEPS):** All Competitive Suppliers would be relied upon to:

- Provide "all-requirements electricity" for the program.
- Fulfill other responsibilities deemed reasonable and appropriate for retail electric customers as detailed in the ESA.

### **Community Power Coalition of New Hampshire (CPCNH) option:**

**Membership in CPCNH:** The Select Board of the Town of Peterborough would:

- Vote to approve CPCNH's Joint Powers Agreement to become a member.
- Appoint a Director and Alternate Director to serve on CPCNH's Board of Directors.
- Review and approve the CPCNH Member Cost Sharing Agreement (which would specify the Town's choice of services provided by CPCNH).
- Review and approve the Energy Portfolio Risk Management, Retail Rates, and Financial Reserves policies prepared with the assistance of CPCNH which would govern the program's power procurement and rate-setting decisions.
- Delegate, on occasion, certain decision-making authorities to Peterborough's Member Representative or other authorized individuals, as required to carry out their oversight responsibilities on behalf of Peterborough Community Power.

**Peterborough's CPCNH Member Representative:** on CPCNH's Board of Directors would:

- Act as the Town's Member Representative under the terms of the Joint Powers Agreement.
- Help oversee the start-up and operation of the agency.
- Provide input regarding the CPCNH's public advocacy on matters of policy and regulation.
- Provide feedback and direction to the CPCNH's service providers and staff as operations and customer services evolve over time.

- Report back regularly regarding the performance of Peterborough Community Power and on any matter that warrants attention or requires action by the Select Board.

**Community Power Coalition of New Hampshire (CPCNH):** The CPCNH will:

- Issue a competitive solicitation for the services and credit support necessary to operate the new power agency.
- Be relied upon to procure “all-requirements electricity” and provide all the services required to launch and operate Peterborough Community Power.
- Manage Peterborough’s power supply in accordance with the Cost Sharing Agreement and Energy Risk Management and Financial Reserves policies approved by the Select Board (which may, for example, stipulate the Town’s choice of how to balance considerations of cost versus higher renewable power content, including not-to-exceed rates, etc.).

**CPCNH Board of Directors:** The CPCNH board of directors would:

- Govern the power agency to ensure that the power agency provides the services necessary to carry out each of its members’ stated policy requirements, such as:
  - Increased renewable and local power sources
  - Competitive rates
  - Accrual of financial reserves
  - Promulgation of local programs
- Carry out its responsibilities in accordance with the processes specified in the CPCNH Joint Powers Agreement, including by establishing a number of committees (also composed of Member Representatives) that meet regularly to provide additional oversight over specific areas of focus — such as:
  - Executive Committee
  - Finance Committee
  - Governance Committee
  - Member Operations
  - Engagement Committee
  - Regulatory and Legislative Affairs Committee
  - Risk Management Committee (For example, the Risk Management Committee has been tasked with managing the competitive solicitation for services and credit support described above.)

## **B. Operations and Funding**

Peterborough 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. Once selected, either the CPCNH or the Community Power Broker/Service Provider will assist with selection of and contracting with qualified vendors and suppliers.

These third-party entities are expected to fund the upfront cost of implementing the program, the expense of which will be amortized and recovered in the program’s rates and charges to participating customers. The third parties may also seek opportunities to apply for grant funding.



Services provided by third-party entities required to launch and operate the program will include:

- Portfolio risk management services (direct [Coalition model] or by the Competitive Electric Power Supplier [Broker model])
- Wholesale supplier services direct [Coalition model] or by the Competitive Electric Power Supplier [Broker model])
- Financial services
- Electronic data interchange with the utilities
- Customer data management and billing services
- Customer notification and relationship management services (e.g., call center or website)
- Additional support services pertaining to 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

Peterborough Community Power will provide “all-requirements” electricity supply for its customers, including all the electrical energy, capacity, reserves, ancillary services, transmission services to the extent not provided by Eversource, transmission and distribution losses, congestion management, and other services or products necessary to provide firm power supply to participants and meet the requirements of New Hampshire’s Renewable Portfolio Standard ([NH RSA 362-F](#)).

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

Additional information on how Peterborough Community Power will implement Load Serving Entity (LSE) services is found in [Appendix 4](#), *How Load Serving Entity Services will be Implemented*.

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

However, the implementation of these authorities is expected to take time, as it requires the NHPUC to adopt enabling rules and coordination with Eversource to adapt existing meter and billing system processes.

### **C. Rights and Responsibilities of Program Participants**

All participants will have the customer protection provisions of the law and regulations of New Hampshire, including the right to question billing and service quality practices. Customers may ask questions of and register complaints with the Town of Peterborough, Eversource, and the NHPUC.

Peterborough Community Power shall maintain the confidentiality of individual customer data in compliance with its obligations as a service provider under [RSA 363:38](#) (Duties and Responsibilities of Service Providers) and other applicable statutes and NHPUC rules. Confidential data includes customers' name, service address, billing address, telephone number, account number, payment information, and electricity consumption that can identify, singly or in combination, a specific customer. This data will not be subject to public disclosure under [RSA 91-A](#) (Access to Governmental Records and Meetings). Suppliers and vendors for Peterborough Community Power will be contractually required to maintain the confidentiality of individual customer data pursuant to [RSA 363:38, V\(b\)](#). Appendix 5, *Customer Data Protection Plan*, details the reasonable security procedures and practices that the Town and Peterborough Community Power will employ to protect individual customer data from unauthorized access, use, destruction, modification, or disclosure.

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

Participants will continue to be responsible for paying their electricity bills. Failure to do so may result in a customer being transferred from Peterborough Community Power back to Eversource for default energy service, payment collections, and utility shut offs under procedures subject to oversight by the NHPUC.

Participants are responsible for requesting any exemption from the collection of any applicable taxes and must provide appropriate documentation of exemptions to Peterborough Community Power.

### **D. Contractual and Legal Requirements**

#### **1. Methods of Entering into and Terminating Agreements**

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

#### **2. Rate Setting, Costs, Enrollment Process, and Options**

Customers who choose not to participate in Peterborough Community Power shall not be responsible for any costs associated with the program.

Peterborough Community Power will launch only 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 while working to achieve the program's goals as set forth in this Community Power Plan and modified as needed at the direction of the Select Board. (See Appendix 3 for more information on rate setting and energy procurement cycles as used by Eversource.)

The Select Board will adopt Energy Risk Management and Financial Reserve policies to govern the program's power procurement cost 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 Peterborough 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 projects), and for additional credit enhancements and purposes that lower the program's cost of service.
- **Over the long term**, directly fund other program financial requirements or augment the financing for development of new projects and programs in the later years of the program, subject to the Select Board's approval.

As required by law, the program will set rates that ensure the equitable treatment of all classes of customers, subject to any differences arising from varying opportunities, tariffs, and arrangements in Eversource's distribution franchise territory. In other words, customers will be treated the same based on their circumstances.

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

After approval of this Community Power Plan and before the launch of Peterborough Community Power, all electricity customers in the Town of Peterborough will be sent notifications regarding the program and offered the opportunity to participate:

- **Customers currently on Eversource default service** will be notified, provided the opportunity to decline participation, and thereafter transferred to Peterborough Community Power if they do not "opt-out".
- **Customers already served by Competitive Electric Power Suppliers** will receive notifications describing the program (along with a warning that early termination fees may apply with some supplier) that give them the opportunity to opt into the program.

If the electric distribution utilities have not fully implemented Public Utilities Commission rules and procedures governing Community Power Aggregation service, certain groups of customers on default service provided by the utilities may need to be offered service on an opt-in basis, and/or offered service on an opt-out basis at a future date. For example, if the utilities are

unable to reliably provide Peterborough Community Power with the data on customer-generators necessary to offer Net Energy Metering (NEM) rates and terms, then Peterborough Community Power may initially choose to not enroll customer-generators on an opt-out basis, as doing so could risk negatively impacting NEM customer billing and crediting procedures.

All notices will be mailed to customers at least 30 days in advance of program launch and provide instructions for customers on how to opt-out or request to opt-in to the program (for example, by return postcard, calling a phone number or using a web portal). All such information and notifications will also be made available on the Town's website section established for the Community Power Program.

Optional products such as increased renewable power content beyond the Renewable Portfolio Standard (RPS) content of the program's default supply product and other energy services, may be offered on an opt-in basis.

After launch, the program will periodically send notices to inform new Eversource default service customers about the default service rates of Eversource and Peterborough Community Power and will transfer new customers onto Peterborough Community Power's default service unless they choose to be served by Eversource or a competitive electric power supplier.

Customers who request to opt into the program may do so at the discretion and subject to the terms of Peterborough Community Power.

Residents, businesses, and other electricity customers may opt out of participating in Peterborough Community Power default service by submitting a request to transfer back to Eversource default service or to a Competitive Electric Power Supplier of their choosing. Such requests must be submitted with adequate notice in advance of the customer's next regular meter reading by Eversource (in the same manner as if they were on utility-provided default service or as approved by the NHPUC). (Customers requesting a transfer on dates other than their next available regular meter reading date may be charged an off-cycle meter reading and billing charge.)

Customers that have opted into an optional product offered by Peterborough Community Power may switch back to the Peterborough Community Power default or to the Eversource default or may take service from a competitive electric power supplier subject to any terms and conditions of the optional product. Such terms and conditions will be disclosed in advance and as part of the service agreement.

### **3. Ensuring Discounts for Electric Assistance Program Participants**

Income-eligible households can qualify for discounts on their electric bills under the Electric Assistance Program. Peterborough 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 Systems

Benefits Charge, which is charged to customers and collected by the distribution utilities (Eversource for Peterborough).

At present, the NHPUC and utilities only support provision of the discount to individual customers when the customer's electricity supply charges are billed through the distribution utility, Eversource. Peterborough Community Power consequently will 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 NHPUC approves rules that enable Community Power programs to provide Electric Assistance Program customers with their discount directly.

#### **4. Net Metering Policies and Group Net Metering Policies**

In accordance with [RSA 362-A:9, II](#), Community Power programs may determine the terms and conditions for net metering. To support the development of distributed energy resources within Peterborough, Peterborough Community Power will seek to offer net metering terms and conditions -- for standard, alternative, and group net metering. For example, community solar falls under group net metering.

To ensure net metering customers can make a fully informed decision on their participation in Peterborough Community Power, relevant Peterborough Community Power education and outreach materials will clearly communicate all differences between the net metering value and operation provided by Peterborough Community Power and Eversource default service.

Peterborough Community Power will also evaluate how proposed or implemented changes to the utility metering or billing infrastructure may create new opportunities to enhance net metering benefits. The enabling services and strategies that Peterborough 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
- Engaging at the Legislature and NHPUC 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

#### **5. Termination of the Program**

There is no planned termination date for Peterborough Community Power.

Peterborough Community Power may be terminated by majority approval of those present and voting at Town Meeting. If so terminated, Peterborough Community Power would cease operations after satisfying any obligations contractually entered into prior to termination, 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.

Peterborough Community Power will provide at least 90 days advance notice or as otherwise required in administrative rules adopted by the NHPUC regarding the potential or planned termination of the program to participating customers, the NHPUC, 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 Select Board and in accordance with any applicable law and regulation.

### **E. Public Approval Process and Next Steps**

Peterborough's Community Power Task Force developed this Community Power Plan with input from the public, as required under [NH RSA 53-E](#).

The Community Power Task Force has determined that this plan satisfies applicable statutory requirements and is in the best long-term interest of the Town of Peterborough and residents, businesses, and other ratepayers. As such:

1. The Community Power Task Force may now submit this Community Power Plan for consideration by the Peterborough Select Board and, in turn, at Town Meeting.
2. Adoption of this Plan at Town Meeting, by majority approval of those present and voting, will establish Peterborough Community Power as approved with statutory authorities defined under NH RSA 53-E:3.
3. Future decisions made by the Select Board regarding how to implement and operate Peterborough Community Power, including the execution of any agreements, will be made at duly noticed public meetings.

The Town will submit this plan to the NHPUC to ensure compliance with applicable statutes and rules and will submit the plan to Eversource and the NH Office of the Consumer Advocate on the same day. The NHPUC has 60 days to approve or disapprove the plan, under a process that allows for public comment on the plan. If the NHPUC identifies areas where the plan needs to be revised, the Select Board will update the plan and resubmit it for approval to the NHPUC.

Additionally, the program will not launch until the NHPUC adopts administrative rules governing Community Power. Such rules are needed, for example, to authorize the Town of Peterborough to request access to additional customer data from Eversource that will be needed to implement and administer Peterborough Community Power.

The NHPUC has recently voted to proceed with an initial proposal for administrative rules, by

approving the petition for rulemaking and rules proposed by the Community Power Coalition of New Hampshire, and Peterborough Community Power will participate in the Commission's public review process.

## Appendices

### Appendix 1: Definition of Terms and Reference Links

Words or terms in **bold** are defined in this Appendix

#### General Energy and Community Power Definitions

**Aggregation:** The process of selecting a mix of energy sources available on the wholesale electricity market to make available sufficient energy to meet the needs of a group of retail customers. The mix of sources allows for control of availability, renewable energy content and cost. [Enabling Legislation 53-E \(1996\)](#), [NH Code of Administrative Rules \(2002\)](#). *Aggregation is best left to the professionals who know the wholesale market but are also responsive to the renewable energy goals of Peterborough Community Power.*

**Aggregator:** Any person or entity, other than a utility, that aggregates electric load or serves as a **Broker** on behalf of a **Competitive Electric Power Supplier**, an individual customer, a group of customers, or any combination thereof (such as Peterborough Community Power). An aggregator does not take ownership of the electricity. [List of NH Aggregators](#). *Peterborough Community Power will use an aggregator to help obtain electricity from various electricity generators to create the four electricity mixes that will be offered to our residential and commercial customers.*

**All-Requirements Electricity or All-Requirements Electricity Supply Service:** Electricity and everything else that is needed to provide it reliably to the customer (such as **Capacity**, ancillary services, transmission services, transmission and distribution losses, congestion management) while also meeting all the regulatory requirements, especially the state's **Renewable Portfolio Standard (RPS)**. The RPS is met by either acquiring Renewable Energy Certificates or making Alternative Compliance Payments.

**Alternative Compliance Payments (ACP):** See **Renewable Energy Fund**.

**Broker:** Energy brokers are intermediaries between **Competitive Electric Power Suppliers** and their clients. Brokers do not own or distribute energy and they are not allowed to sell energy directly to you. They simply present the rates of a wholesaler, or supplier. *The Town of Peterborough has used a broker to aggregate 70% to 100% renewable energy to power the town's municipal buildings since 2013.*

**Capacity:** The ability to generate electricity and provide Electric Power to the distribution grid. . There is market for capacity in New England, in addition to the electric energy market. Capacity costs are part of **All-Requirements Electricity** and are reflected in the electricity supply rates.

**Community Choice Aggregator (CCA) aka Community Power:** Recently allowed in New Hampshire as an alternative to utility-supplied electricity, Community Power allows towns to acquire electricity (with the help of an **Aggregator**) and supply it to their residential and commercial customers. The utility (in our case, Eversource) continues to be responsible for distributing the electricity and maintaining the power lines. Enabling legislation: [NH RSA 53-E](#).



**Community Power Coalition of New Hampshire (CPCNH):** A nonprofit **Joint Powers Agency** that was formed in 2021 to jointly implement and operate **Community Power** programs. CPCNH membership now comprises 19 towns/cities plus one county. *The CPCNH is a forceful advocate for Community Power in New Hampshire and intends to act as an aggregator for its members.*

**Competitive Electric Power Supplier (CEPS):** An entity that sells or offers to sell **All-Requirements Electricity** to retail customers, including **Net Meter** customers, using the transmission or distribution facilities of a utility. These entities are one type of **Load Serving Entities (LSEs)** that are market participants in the regional wholesale electricity market administered by **ISO New England**.

**Demand:** The level of electricity consumption, measured in kilowatts (kW) or megawatts (MW) at any given time (see Load).

**Electricity Supply Agreement (ESA):** Also known as “Electricity Service Agreement”, “Electric Supply Agreement”, or “Energy Supply Agreement” (all used interchangeably). An ESA is an agreement which commits the energy supplier to provide **All-Requirements Electricity**.

**Energy Supplier:** Anyone who supplies electricity to customers, such as the actual electricity generators (owners of power generation), **brokers, aggregators**, and pools that arrange for the supply of electricity generation to meet retail customer demand, which may be municipal or county entities. *Peterborough Community Power will be the Energy Supplier listed on your Eversource Bill.*

**Grid:** The network of the transmission lines, substations, and associated equipment of an electric power system which enables the delivery of electric energy to the customer. The operation of the grid in New England is by ISO-New England. The grid has an additional property, that of **Capacity**, which is the ability to generate and supply power to the grid. There are markets for both Energy and Capacity. In addition, utilities (like Eversource) and **LSEs** must acquire sufficient **Renewable Energy** to meet the **Renewable Portfolio Standard (RPS)** with **Renewable Energy Certificates (REC)** or pay into the **Renewable Energy Fund (RPS)**.

**Group Net Metering:** Provides the ability of a net-metered “host” to share the proceeds of the self-generated power with non-net metered customers (a “group”), if they all belong to the same utility. A group can be a single person, multiple customers, or even a low to moderate income community solar project. [PUC Group Net Metering Page](#) [Net Metering Tariff Overview](#)

**ISO New England:** An independent, not-for-profit company authorized by the Federal Energy Regulatory Commission (FERC) ensuring the constant availability of competitively priced wholesale electricity by managing the transmission lines in Connecticut, Rhode Island, Massachusetts, Vermont, New Hampshire, and most of Maine. *Aggregators go to the wholesale market overseen by ISO New England to buy the mix of energy they need for their clients.*

**Joint Powers Agency:** A new governmental body created when separate governmental agencies (such as towns, counties, school districts, water districts, etc.) contract with each other for the purpose of joint cooperative action. [NH Rev Stat § 53-A:3 - Joint Exercise of Power](#). *The Community Power Coalition of New Hampshire (CPCNH) is a Joint Powers Agency formed for the purpose of providing*

*community power service to its members.*

**Load:** Electrical “Load” is defined as the level of electric power required from the distribution **grid**, as measured in kilowatts (kW) or megawatts (MW), to be used by end customers.

**Load Serving Entities (LSEs):** Organizations that directly supply retail customers with electricity. Most LSEs in New Hampshire are **Competitive Electric Power Suppliers (CEPS)**. LSEs typically are responsible not only for procuring **All-Requirements Electricity** for their retail customers, but also the **Capacity** necessary to guarantee a reliable electricity supply.

**Net Energy Metering (NEM):** Net Energy Metering is a program using a special bi-directional **Net Meter** that measures how much energy produced by your electric generating equipment (solar, wind, hydro) is sent back onto the grid and how much electricity is pulled from the grid for your use. The NEM rate schedule (tariff) determines how much you are paid for the electricity you sold to the grid. PV systems installed after 2017 have different, less generous, compensation (NEM 2) from those installed before 2017 (NEM 1) \*\*.

\*[PUC Net Metering Page](#) \*\*[Net Metering Tariff Overview](#)

**Net Energy Metering, Standard (NEM 1.0):** A rate schedule for owners of solar arrays (or other renewable energy sources) that compensates the customer for excess energy that is sent back to the grid. NEM 1.0 is for installations brought online before September 1, 2017, and sets the rate to include the full retail value of the energy, distribution, transmission, system benefit charge and stranded cost charge. Excess kWh could be banked (in summer when production is higher) and used later to offset usage when production is lower (winter).

**Net Energy Metering, Alternative (NEM 2.0):** A rate schedule for owners of solar arrays (or other renewable energy sources) that compensates the customer for excess energy that is sent back to the grid. NEM 2.0 is for installations brought online on September 1, 2017, or later and sets the rate to include the full retail value of the energy and transmission charges, 25% of distribution and 0% of system benefit charge and stranded cost charge. Excess production is not banked for later use but is converted to monetary credit that can be carried forward.

**Net meter, bi-directional:** Used in conjunction with a solar array (or other renewable energy system), a net meter is an advanced electric meter capable of measuring electricity flowing both from the grid and excess energy production back to the grid. It is used to record how much electricity has been “purchased” from the grid as well as the customer’s “sales” of renewable electricity to the utility. Older bi-directional meters had wheels that would “spin backwards” (to the left) when the PV panels were producing excess energy. Modern electronic meters have replaced the mechanical wheel with a simulated animation, and some models may also be capable of recording values and the time of day, making possible enhanced time-of-use rate schedules.

**New England Power Pool Generation Information System (NEPOOL GIS):** Issues and tracks **Renewable Energy Certificates (RECs)** for all MWh of generation and consumption of renewable energy in the ISO New England control area, as well as imported MWh from adjacent control areas. *There were over 22 million RECs issued by NEPOOL GIS in 2021.*

**Public Utility Commission (PUC):** Public Utility Commissions are governmental bodies created to regulate the rates, quality of service, finance, accounting, and safety provided by utilities that provide electricity, natural gas, water, and sewer. The PUC sets the rules under which utilities operate. [“NHPUC’s mission](#) is to ensure that customers of regulated utilities receive safe, adequate and reliable service at just and reasonable rates.” *Peterborough Community Power will not be able to start supplying energy to Peterborough until the New Hampshire PUC issues rules for implementing Community Power Plans.*

**Renewable energy:** Energy that is created from an energy source that is renewed through a natural process. Solar (both photovoltaic and solar-thermal), wind (terrestrial and off-shore), hydropower, geothermal, and biomass (including renewable natural gas) are considered renewable. Coal, petroleum, natural gas, and nuclear are considered non-renewable energy sources.

**Renewable Energy Fund:** “Electric service providers who cannot obtain sufficient quantities of RECs for a given compliance year are required to make Alternative Compliance Payments, or ACPs. ACPs provide the funding for the Renewable Energy Fund, the purpose of which is to support thermal and electrical renewable energy initiatives.” [Source.](#) The Renewable Energy Fund, administered by the NHPUC, distributes funds through rebate programs or competitive grant solicitations for a variety of residential, commercial, industrial, or community solar projects. See info at [NHPUC](#) and the [2021 REF Annual Report](#).

**Renewable Portfolio Standard (RPS):** Utilities are required to provide electricity (in a “portfolio” of renewable and non-renewable sources) with a minimum percentage of Renewable Energy. Since 2008, the RPS has risen from 4% renewable to 22.5% in 2022. The maximum required percentage of renewable energy will be reached in 2025 (and beyond) at 25.2%. [RSA 362-F](#), [NHPUC-RPS info](#). *The Town of Peterborough has passed a warrant article with a goal of 100% renewable electricity by 2030, which would not be met by Eversource’s regular RPS-compliant mix.*

**Renewable Energy Certificate (REC):** To meet the **Renewable Portfolio Standard**, utilities must acquire Renewable Energy Certificates representing the amount of energy supplied to their customers (one Certificate = 1 MWh). Residential solar arrays also can generate RECs if the owner registers the system with NEPOOL GIS. Unregistered private energy production can be “claimed” by utilities without compensation, which lowers the value of all RECs. *Since electrons don’t have tags to prove they were created from renewable sources, RECs are issued to the generators when they add electricity to the grid, and then transferred to utilities or aggregators when they draw it for distribution to their customers.*

**REC meter:** An electric meter that is placed to measure the output of a solar array or other renewable energy generation source and is installed in a manner compliant with utility requirements. ([Eversource info on RECs](#)) *Home and business owners could make money from RECs by registering their solar arrays with NEPOOL GIS, in addition to monetary value obtained from **Net Metering**.*

## **Appendix 2: Legislative Background and Local Control Authorities**

### **Electric Utility Restructuring Act: RSA 374-F**

In 1996, New Hampshire led the nation in being the first state to pass an Electric Utility Restructuring Act ([RSA 374-F](#)), the purpose of which is excerpted in full below:

- *The most compelling reason to restructure the New Hampshire electric utility industry is to reduce costs for all consumers of electricity by harnessing the power of competitive markets. The overall public policy goal of restructuring is to develop a more efficient industry structure and regulatory framework that results in a more productive economy by reducing costs to consumers while maintaining safe and reliable electric service with minimum adverse impacts on the environment. Increased customer choice and the development of competitive markets for wholesale and retail electricity services are key elements in a restructured industry that will require unbundling of prices and services and at least functional separation of centralized generation services from transmission and distribution services.*
- *A transition to competitive markets for electricity is consistent with the directives of part II, article 83 of the New Hampshire constitution which reads in part: "Free and fair competition in the trades and industries is an inherent and essential right of the people and should be protected against all monopolies and conspiracies which tend to hinder or destroy it." Competitive markets should provide electricity suppliers with incentives to operate efficiently and cleanly, open markets for new and improved technologies, provide electricity buyers and sellers with appropriate price signals, and improve public confidence in the electric utility industry.*
- *The following interdependent policy principles are intended to guide the New Hampshire public utilities commission in implementing a statewide electric utility industry restructuring plan, in establishing interim stranded cost recovery charges, in approving each utility's compliance filing, in streamlining administrative processes to make regulation more efficient, and in regulating a restructured electric utility industry. In addition, these interdependent principles are intended to guide the New Hampshire general court and the department of environmental services and other state agencies in promoting and regulating a restructured electric utility industry.*

### **The Community Power Act: SB 286 and RSA 53-E**

To support the growth of competitive market services in alignment with The Electric Utility Restructuring Act, Senate Bill 286 and [RSA 53-E](#) have authorized towns, cities and counties to launch Community Power programs that replace distribution utilities as default suppliers of electricity to retail customers. The purpose of RSA 53-E is excerpted below:

*"The general court finds it to be in the public interest to allow municipalities and counties to aggregate retail electric customers, as necessary, to provide such customers access to competitive markets for supplies of electricity and related energy services. The general court finds that aggregation may provide small customers with similar opportunities to*

*those available to larger customers in obtaining lower electric costs, reliable service, and secure energy supplies. The purpose of aggregation shall be to encourage voluntary, cost effective and innovative solutions to local needs with careful consideration of local conditions and opportunities.”*

To achieve this purpose, RSA 53-E:3 allows Community Power programs to enter into agreements and provide for:

*“the supply of electric power; demand side management; conservation; meter reading; customer service; other related services; and the operation of energy efficiency and clean energy districts adopted by a municipality pursuant to RSA 53-F and as approved by the municipality's governing body.”*

RSA 53-E:3-a further provides Community Power programs with authorities and regulatory pathways to offer more advanced meters for customers, and to provide for alternative customer billing options. Both metering and billing services are important means by which Community Power programs will be able to better engage customers and offer more innovative services that lower the energy expenditures and carbon emissions for individual customers and communities.

Lastly, and to enable all municipalities to work together to achieve this purpose, RSA 53-E:3 provides that *“such agreements may be entered into and such services may be provided by a single municipality or county, or by a group of such entities operating jointly pursuant to [RSA 53-A](#).”*

Community Power program *“shall not be required to own any utility property or equipment to provide electric power and energy services to its customers.”* To ensure that utilities are fairly compensated for their continuing role in owning and operating the distribution grid, RSA 53-E:4(III) stipulates that:

*“Transmission and distribution services shall remain with the transmission and distribution utilities and who shall be paid for such services according to rate schedules approved by the applicable regulatory authority, which may include optional time varying rates for transmission and distribution services that may be offered by distribution utilities on a pilot or regular basis.”*

### **Amendments to RSA 53-E by HB 315 in 2021**

[HB 315](#), which modifies RSA 53-E in several ways, was passed by both houses of the General Court, then signed into law by the Governor. It became fully effective October 25, 2021.

### **New Hampshire's Electric Renewable Portfolio Standard (RPS) statute, RSA 362-F**

RSA 362-F established the renewable energy policy for NH. It requires each electricity provider,

including Eversource and Peterborough Community Power, to meet a certain percentage of customer load by purchasing, generating or otherwise acquiring Renewable Energy Certificates (RECs):

- One REC represents the renewable attributes of one megawatt-hour of electricity, or the equivalent amount of useful thermal energy.
- RECs are generated by certified renewable energy facilities for power that is physically delivered into the New England wholesale electricity market operated by ISO-New England (which means the power can come from within New England, New York or eastern Canada).
- The New England Power Pool Generation Information System (NEPOOL GIS) issues and tracks RECs for the region.
- RECs are generally used for compliance in the same year as the renewable power was generated, though suppliers may “bank” RECs for up to two years to meet up to 30% of compliance requirements.

The classes of renewable certificates under the RPS are:

- Class I non-thermal electricity, from generators that came online after January 1, 2006: wind, excess solar beyond what is used to satisfy Class II requirements, small hydroelectric, methane (biologically derived such as from anaerobic digestion of organic materials), biomass, hydrogen (from methane or biomass), ocean thermal, current, tidal or wave energy and biodiesel (if produced in state).
- Class I thermal energy, from generators that came online after January 1, 2013 (and are producing thermal energy, rather than electricity): geothermal, solar thermal, biomass and methane.
- Class II: solar generation that came online after January 1, 2006
- Class III: biomass & methane that came online before January 1, 2006
- Class IV: small hydroelectric that came online before January 1, 2006

Compliance Year	Total RPS Requirement	Class I Non-Thermal	Class I Thermal	Class II Solar	Class III Biomass & Methane	Class IV Small Hydro
2020	20.70%	8.90%	1.60%	0.70%	8.00%	1.50%
2021	21.60%	9.60%	1.80%	0.70%	8.00%	1.50%
2022	22.50%	10.30%	2.00%	0.70%	8.00%	1.50%
2023	23.40%	11.00%	2.20%	0.70%	8.00%	1.50%
2024	24.30%	11.90%	2.20%	0.70%	8.00%	1.50%
2025 onwards	25.20%	12.80%	2.20%	0.70%	8.00%	1.50%

Electricity suppliers must obtain RECs for each of the four classes of renewables as a set percentage of their retail electric load, which increases on an annual basis (until plateauing after 2025, unless the RPS is raised in future).

For additional information on the Renewable Portfolio Standard, refer to:

- [New Hampshire's RPS statute \(RSA 362-F\)](#)
- [Public Utilities Commission RPS Website](#)
- [New Hampshire Renewable Energy Fund Annual Report \(1 October 2021\)](#)



- [UNH Sustainability Institute Study: New Hampshire RPS Retrospective 2007 to 2015](#)

### **Net Energy Metering: RSA 362-A**

[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.”*

### **Appendix 3: Utility Default Procurement Cycles and Rate Setting**

Peterborough Community Power has a goal of maintaining competitive default rates compared to Eversource, while also offering voluntary products that retail customers may opt- in to receive. The timing of the program's rate setting decisions and the procurement of electricity will need to consider when Eversource conducts these same activities (particularly for the program's default electricity product).

As context, Eversource issues requests for proposals (RFPs) twice annually for competitive suppliers to assume load-serving entity obligations and supply default customers with electricity for six-month "strip" periods, with suppliers bidding to serve individual "tranches" or segments of customers by class.

Eversource issues RFPs in May and November with bids due in early June and December for suppliers to begin serving customers in August and February, offering four ~100 MW tranches to serve small customers and a single tranche to serve large customers (five tranches in total). Retail rates are fixed over the six-month period for small customers and vary by month for large customers.

Supplier bids are priced in dollars per megawatt-hour (\$/MWh) monthly and generally exclude Renewable Portfolio Standard (RPS) compliance obligations called Renewable Energy Certificates (RECs). Distribution utilities typically procure most or all their supply of RECs through competitive solicitations held separately from the auctions for default electricity service.



## **Appendix 4: How Load Serving Entity Services will be Implemented**

Peterborough 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, regardless of the selected service provider.

This plan does not require the Town to participate in or rely on the services provided through the Community Power Coalition of New Hampshire (CPCNH) for the purposes of implementing and operating Peterborough Community Power, but the Town may elect to do so.

### **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 [Appendix 3](#) 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); 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](#)

### Contracting Flexibility for the Town of Peterborough

In the event that the Town does not contract with CPCNH to provide LSE and other services to Peterborough 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), through the services of a broker, that contracts to provide LSE services for customers taking service from Peterborough Community Power.

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

The Town may 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 Peterborough Community Power.

### **CPCNH Competitive Solicitation for Comprehensive Services and Credit Support**

On behalf of the Town and CPCNH's nineteen 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.”<sup>1</sup> 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 Appendix 5: Customer Data Protection Plan below.
- CPCNH’s RFP is primarily based upon the solicitation and contracting strategy pioneered by 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.)<sup>2</sup>

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*

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<sup>1</sup> 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>.

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

- 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*
  - 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**

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 Peterborough's appointed Directors expect to provide to the Select Board 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 Peterborough Community Power.

### **Responsibilities of the Town of Peterborough**

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 Peterborough 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 Peterborough 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.<sup>3</sup>

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

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

periodically re-assigned to whichever Competitive Suppliers have won the utilities' default service solicitations. Refer to [Appendix 3](#) for an overview of utility default procurement solicitations.

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

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

## **Appendix 5: Customer Data Protection Plan**

Peterborough 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 Peterborough 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 Peterborough 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.

### **Contracting Flexibility for the Town of Peterborough**

This plan does not require the Town to participate in the Community Power Coalition of New Hampshire (CPCNH) for the purposes of implementing and operating Peterborough Community Power, but allows that the Town may elect to do so.

The Town may elect an alternative service provider.

In the event that the Town does not contract with CPCNH to provide energy services to Peterborough Community Power, then the Town will, in coordination with selected service providers, 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. If the Town selects alternative service providers, the Town will work with those providers to ensure collecting, storing, using, or disclosing any ICD adheres to applicable statutes and regulations.

### **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:<sup>4</sup>

- *“[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

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<sup>4</sup> 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](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.

- “[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***

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”<sup>5</sup> on behalf of CPCNH’s twenty 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. 20-23<sup>6</sup> and to (2) the RFP Addendum #2 (issued May 24, 2022), at pp. 11 in response to Questions 15.<sup>7</sup> 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”).*

<sup>5</sup> 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>.

<sup>6</sup> [https://www.cpcnh.org/files/ugd/202f2e\\_e781638c123d4cf3977358f845081313.pdf](https://www.cpcnh.org/files/ugd/202f2e_e781638c123d4cf3977358f845081313.pdf)

<sup>7</sup> Pages 11-12 at [https://www.cpcnh.org/files/ugd/202f2e\\_8ceed8824453482c902a8a0fa1ab826c.pdf](https://www.cpcnh.org/files/ugd/202f2e_8ceed8824453482c902a8a0fa1ab826c.pdf).



*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 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 September or October 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.<sup>8</sup>
- Between October and December 2022, Peterborough's appointed Directors are expected to provide CPCNH's Cost Sharing Agreement and Energy Risk Management and Financial Reserves policies to the Select Board for approval between October – December 2022.
- At this point, the Town will contract for and authorize CPCNH to provide specific services on behalf of

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<sup>8</sup> 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).

Peterborough 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 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 Peterborough 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 Peterborough Community Power.

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

Specific types of ICD that Peterborough 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 Peterborough Community Power Commencement of Service and enrollment of customer in Peterborough 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 Peterborough 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](#)<sup>9</sup>, and in its 3/28/22 Reply Comments.<sup>10</sup>
- Other confidential customer information that may be received or collected directly by Peterborough

<sup>9</sup> See p. 2 ¶14 and p. 4 ¶6 at: [https://www.puc.nh.gov/Regulatory/Docketbk/2021/21-142/LETTERS-MEMOS-TARIFFS/21-142\\_2022-03-14\\_CPCNH\\_COMMENTS.PDF](https://www.puc.nh.gov/Regulatory/Docketbk/2021/21-142/LETTERS-MEMOS-TARIFFS/21-142_2022-03-14_CPCNH_COMMENTS.PDF).

<sup>10</sup> 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](https://www.puc.nh.gov/Regulatory/Docketbk/2021/21-142/LETTERS-MEMOS-TARIFFS/21-142_2022-03-28_CPCNH_OCA_CENH-COMMENTS.PDF).

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:

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 Peterborough 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 Peterborough**

The Town may contract for all requirements electricity supply and related energy services through CPCNH, as a

joint powers agency, and in that case, 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 Peterborough Community Power.

The Town Manager shall review and confirm 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.

### **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, Peterborough 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.