

City of Keene
New Hampshire

AD-HOC COMMUNITY POWER
MEETING MINUTES

Friday, August 7, 2020

8:00 AM

Virtual Zoom Meeting

Members Present:

Peter Hansel, Chair
Dr. Ann Shedd
Paul Roth
Jeffrey Titus
Councilor Mike Giacomo
Dan Belluscio

Staff Present:

Rhett Lamb, ACM/Community Development
Director
Mari Brunner, Planner

Guests:

Henry Herndon, Clean Energy NH
Steve Cotton, Town of Londonderry

Members Not Present:

Chair Hansel called the meeting to order at 8:00 AM.

1) Call to Order and Roll Call

Chair Hansel read a statement regarding the authority of the committee to hold a remote meeting, pursuant to Executive Order #2020-04. He called the meeting to order and conducted roll call.

2) Approval of July 8, 2020 Meeting Minutes

. Shedd made a motion to adopt the minutes of July 8, 2020 as submitted. Mr. Roth seconded the motion which carried unanimously by a roll call vote.

3) Overview of Community Power Options in New Hampshire- Henry Herndon, Clean Energy NH

Mr. Herndon introduced himself as the Director of Local Energy Solutions with Clean Energy NH (CENH). CENH is a 5013C non-profit, member-based organization. The City of Keene is one of 26 local government members along with numerous other cities, towns and counties including Cheshire County in the state of NH. They also represent business members of Clean Energy in the state and individuals as well.

Mr. Herndon explained that the organization works with local governments, communities, individuals, businesses and policy makers to move forward with clean energy solutions here in the Granite State. His role is specifically to provide technical assistance to cities, towns and

counties in regard to their energy goals and energy projects. It is a pretty broad category. After the Community Power Law was signed there was a gap in the state. There wasn't an organization to go to for information on this. A lot of CENH's members and the communities were coming to them asking how to implement this.

Mr. Herndon stated that beginning as early as Summer/Fall of 2019 they got to work doing research and outreach, talking to counterparts in MA, NY, CA and other states that have previous iterations of this type of legislation. They wanted to learn the pro and cons, do's and don'ts and best practices and how to take the lessons learned from other states and how to apply them here in NH. They've been doing a lot of outreach over the last year in partnership with a number of communities working on one particular approach to community power of the several approaches that exist. That is a little bit of the background of Clean Energy NH. He added that he could speak more to the best practices approach that is moving forward for a number of communities and that he believes some of the folks at this meeting are familiar with, if that is helpful. He is really just here to answer questions and participate in the conversations He knows there is a lot of work in Keene going on towards this. He has read the minutes from the previous meeting, and understands there is a RFP in process. He asked what would be most helpful. He is happy to share his experience and learnings from the work they've been doing over the past year.

Chair Hansel asked, since this is relatively new in NH, are there any regulations that have not yet been formulated from the state level?

Mr. Herndon replied yes, that is a good question. The Public Utilities Commission is in the process of promulgating rules that will govern a number of things, primarily the transfer of data from electric distribution companies to community power aggregations. They've been deeply involved in that process as have been a number of local governments as well- Nashua, Lebanon, Hanover etc. It's a really good opportunity for local governments to amplify their collective voice toward ensuring those rules are written, to make you empowered to have the best possible program you can have.

Mr. Herndon gave an example stating that there are some rather esoteric, back-end processes that actually are going to impact the ability to innovate and the ability to drive down cost. The legislation addresses two of these things- the authority to implement electricity metering, advance metering infrastructure or smart metering and billing of your aggregation customers. These are things referenced in the legislation and authorized for community power aggregations. But the devil's in the details and the degree to which the regulators will really embrace that legislation is yet to be seen. They are facilitating the coalition of the parties to ensure the full authorities are written in the rules. There is a draft rule set release he could share. In the next month or so they expect the commission to formally begin that process. And, as everything goes with State regulations, it's slow and cumbersome. Mr. Herndon explained that there will be a formal process initiated and they are hopeful and anticipate that the rules will be in place by the end of this calendar year.

Chair Hansel stated that this spurs a follow up question for him and then he will open it up to everyone else. He asked, since this is relatively new and most of the consultants that have been dealing with this have been dealing with this in other states, are they, as they go through the RFP process, going to find enough expertise in consultants that can navigate what's happening in NH as opposed to what they are used to in other states? Mr. Herndon said he is not sure if he is equipped to speak on that. He thinks there are a lot of really good companies out there. It may depend on what type of program you are implementing. There's quite a spectrum. They're all probably fairly familiar with a municipality or large energy user entering into a competitive supply contract for 12 months of power. That's one analogy for community power aggregations. But that's just one type of program. That's one of the more basic programs. But the more sophisticated models they are seeing around the country are, rather than looking 12 months into the future and saying that's a good price for the next 12 months, they are saying let's look at now until whenever they are the electric provider and to provide electricity. Rather than signing one 12 month contract, they are going to build a book of contracts of long and short term, hedge managed for risks, on into the future that will evolve and grow over time. That is a more resource intensive approach that requires staff and requires a certain economy of scale. But, it's quite different, this sort of portfolio of contracts managed over time like a diverse stock portfolio. It's sort of the gold standard and is what a number of communities are working towards. He stated that the challenge is the economy of scale that is required. So what these communities are doing, rather than each of them hiring their own energy contract manager, they're working together to form what's called a joint powers agency that will then manage that portfolio and manage those procurements on behalf of all participating members.

Dr. Shedd commented that is related to her question which is about the economy of scale required, since at least initially, Keene's program would draw mostly on residential rate customers. Many of Keene's commercial rate customers are already on competitive energy supply, which is specifically excluded from participation by the language in the legislation. Can they achieve enough economy of scale to offer the cost savings that they're after and to build on some of the longer term goals of increasing their mix of renewables and increasing energy efficiency with modernization, that are potential benefits of aggregation?

Mr. Herndon asked about the population of Keene, which Dr. Shedd confirmed is about 23 thousand plus. Mr. Herndon stated that is a large energy user and again, like the details of load shape, load profile, the way you consume energy will play a role in cost. But, he has no reason to believe that you wouldn't be able to get competitive pricing relative to regulated utility pricing which is required to be bought in 6 months blocks. Every 6 months they go out to market and they bid for the next 6 months. That is the least sophisticated risk management approach. They don't get to go into the market when the market is good and they don't get to build a layered hedged portfolio of contracts. They don't get to take advantage of the market if they are regulated. So, yes, he thinks Keene would have an economy of scale to achieve competitive pricing. He said it's interesting looking at power markets right now. They're seeing a decline in wholesale power costs. Eversource just re-upped its default supply rate at about 7 cents, which is quite a bit lower than it was last year and the year before that. And that's largely due to the fact

that natural gas is cheap but demand is down and there are more and more distributed renewables out there. Increases in energy efficiency is bringing down the load and bringing down the price. So utility grade is cheaper but still the competitive business. Community power aggregations are likely to be able to be more competitive still because they're not regulated.

Chair Hansel asked Mr. Herndon if the lower rates he mentioned could be Covid related. Mr. Herndon replied it certainly could be. But, even so, Covid hit hard here late March, and going into this winter, many of the suppliers and the utilities were locking in rates at 60 bucks a megawatt hour and then this winter prices were consistently 30 dollars a megawatt hour. So they forward hedged at a much higher price than the market ended up being and they just had unexpectedly low prices this winter. There's a lot of factors and Covid comes along and is a very significant factor in power market prices, but the low cost pre-dated Covid.

Councilor Giacomo asked whether Mr. Herndon was talking about the concept of "peaky-ness." He is imagining what peaky-ness looks like and especially as an intra-day peaky-ness. Is that more of what he is referring to with that? Commercial customers are more likely to peak during the day and residential customers are more likely to peak during the night. Is that what Mr. Herndon is referring to, or seasonal peaky-ness?

Mr. Herndon replied that he is talking about both. He has less than the full expertise to talk about this but Councilor Giacomo is correct. There are a couple of key pricings. One is capacity and you pay for capacity based on the single hour of peak load every year. So there is one hour a year that sets 10-15% of your cost and that's due to capacity. That's one important peak and as your community as a whole you'll want to know, okay the hottest day of the summer is coming, let's communicate to their community tomorrow might be the peak so maybe don't use your air conditioners from 3:00 or to maybe turn it down by 4 pm. There are other things you could do like energy storage and distributed solar and over time you can really bring down that capacity.

Mr. Herndon continued - The second peak is the transmission peak which occurs monthly and drives your transmission cost. This is the peak of your entire communities load for each month. So, when you are a community power aggregation, you are thinking on terms of what is their aggregate peak. But then you may want to eventually incorporate some of what Ann is talking about with those future goals and those future programs, and those could target your residential sectors with this time of use free or this battery storage program to spit their load sheet. And then maybe there's one large commercial user that has a particular load shape and you want to work with them to bring that down. It may be the case that there's large commercial user in Keene that is not currently on competitive supply. And the reasoning for that might be that they have a peaky load shape and the competitive suppliers don't want to sell them power.

Councilor Giacomo said that the concept of peaky-ness can shape their portfolio potentially if they can create a more level load. It sounds like they potentially can get more competitive rates which makes sense. How they do that exactly is of course to be seen, especially with commercial customers mostly having their own agreements already. They did discuss at the last meeting

whether, after the commercial contracts expire, they could then transition them to the Community Power Program if they want to join. Again, it sounds like the portfolio might benefit from a look at that concept.

Mr. Herndon commented that it is something that evolves over time. You have to stand up the program and demonstrate an ability to provide power and then if you have this portfolio approach you can go in and start to shape the load and shave away here and do programs there. Really the long term thinking about community power is really important because if you're just sort of like the bold thinking of a commercial business, Oh they can get a 7 cent rate for 12 months, great, sign the contract, come back in 12 months, oh they can 7.1, sign the contract. That is not going to allow you to start to go in and deploy local economic development, invest in your community to shape load in the same way as a more long term thinking approach would be.

Chair Hansel asked if anyone else has questions. Mr. Belluscio asked who else in NH has successfully done this. Mr. Herndon said that no other communities have implemented community power aggregation as of yet in NH. That is in part due to the fact that the regulations are not fully established yet. And just because it's so new. So the short answer is no one's done this yet. The sort of longer answer would be there are a number of communities that are probably in a similar place to Keene but in maybe a different way. The four he works with are Lebanon, Hanover, Nashua and Cheshire County because the four of them have been meeting regularly with one another for the past year or 6 months perhaps, to pursue a joint action approach to community power. In fact, today they are interviewing three law firms that responded to a RFQ to finalize their joint action agreement. He understands this is often a new concept, but in the power sector it is not uncommon for say 10 municipal utilities to form a joint action agency that is one power procurement office that provides power for those 12 municipal utilities, rather than each of them having their own trading desk and portfolio manager. So these four communities are in the process of developing the articles of incorporation and bylaws to form a joint action agency that will have a shared back office for each of them. With this model, your energy portfolio manager would go in to this one joint action agency and would then provide the portfolio management for Lebanon community power and for the separate and distinct Nashua community power. But you sort eliminate the redundant costs and overhead by having one power agency that can do your power purchasing and build that portfolio over time for the different communities and achieve that economy of scale. So, the status of that is they're interviewing these three firms now to finalize the agreement and incorporate this entity. That entity would then hire some internal oversight staff in October perhaps and then issue a solicitation to bring on the vendors to do the portfolio management and the wholesale purchasing and then also your customer services in terms of notifying all residents and businesses and then eventually growing into metering and those types of things where you really need better data to deploy those programs to shave your peak. It's a big topic.

Mr. Belluscio asked, with Cheshire County pursuing that as part of a larger group, what would be the benefit of Keene doing something different than Cheshire County? Is there independence vs the group, is there a benefit to that?

Mr. Herndon replied that with Cheshire County's approach, as he understands, they would like to facilitate all the small towns doing community power. They're not going to implement a program and opt in the entire load of Cheshire County. But what they would do is opt in the load of the county as a county load. And then through this model create a pathway where small towns in Cheshire could choose to join with Cheshire County in its aggregation through the joint action agency.

Chair Hansel thanked Mr. Herndon for the clarification, and asked if there are any other questions? He would like to get to Steve Cotton soon and hopefully Mr. Herndon can stay as well. Mr. Roth asked what type of autonomy the individual municipalities have under a joint agreement. Mr. Herndon replied that Community Power NH is being designed in such a way where Lebanon community power will have autonomy, it will have its own program. It will set its own rates and will have its own renewables goals. Nashua will be separate and will be the same. They'll be distinct and separate. They'll have sort of seats on the board of directors of this joint action agency that makes decisions. They will share costs that are evenly relevant for all aspects like the portfolio manager and the customer service vendors. But to the extent that they have distinct projects, those costs will be allocated only to those members that are participating in those projects. Now this agreement is drafted and it is in very good shape. For the past months he has been telling communities around the state that he is going to share it with them but it hasn't been in good enough shape yet. But he thinks that they are at a point where it's something that they could share with the caveat and disclaimer that this is a draft, it has not yet received full legal review. Please don't share this, keep it confidential and don't necessarily disclose it. This may not be feasible, but it may be something they could share if you just want to read it and have a better understanding of what that entity and that organization will be.

Chair Hansel announced that there is a representative from the county on their Energy and Climate Committee so hopefully they will get any feedback from him as to the progress with that. Any other questions from the group? If not he'd like to have Steve Cotton who is from Londonderry introduce himself to the group.

Mr. Cotton said he is the Administrative Support Coordinator and reports to the town manager in Londonderry. One of the functions here is energy, it's just one piece of what he does. The Town of Londonderry town council asked staff to look into this program in an effort to help the citizens in town get somewhat of a break on their electric bill to help offset all the tax impact from the school system. So that was the whole effort to see if they could kick off this program or not for their citizens to give them a little break from the power side to help offset what the tax rate was. That's why they got involved and started that program.

Chair Hansel said it sounds like Londonderry's objective is a little different than what they are facing here in Keene. They're trying to figure out how to transition from fossil fuel to renewable energy over time. Whereas it sounds like the driving force for Londonderry is economic. s

Mr. Cotton replied in the affirmative. They are just trying to help their tax payers out and this is one way they can help their citizens.

Chair Hansel asked Mr. Cotton- in listening to Henry's description, how far along are you in the process of getting that agreement going?

Mr. Cotton said they are working with and have an agreement with Freedom Energy. They are engaged and getting a database. They did run into the same issues that Henry had stated, getting from Eversource the data for all the customers. So they haven't succeeded in crossing that bridge. They are having that same issue. They're building the web page and getting all the information ready to put it out there, with Covid -19 they haven't has a meeting in a couple of months. They are waiting for Covid-19 to get behind us but in the background, Freedom Energy is working on a plan of literature, that kind of information, to get this this thing ready to go once they have the go-ahead.

Chair Hansel stated he is pretty sure they had a presentation from Freedom Energy back in the winter and asked Dr. Shedd if that is correct. Dr. Shedd replied yes, that is correct. Ms. Brunner said it was Freedom Energy that presented to the Climate and Energy Committee and there was a company called Good Energy that presented at Radically Rural last year.

Chair Hansel asked Mr. Cotton where they are in their timeline. Mr. Cotton said the original goal was to launch this fall but honestly that's been pushed out. Chair Hansel asked if there are any questions for Steve. Mr. Roth asked about the process for selecting Freedom Energy. Mr. Cotton said they are a local company that they've dealt with before with other energy programs and also the LED conversion program. They already had an established relationship. There are a lot of other companies out there but they've obviously worked them before.

Chair Hansel asked whether any of the existing companies that work with the City are equipped to respond to the RFP that they are putting out? Mr. Titus said that they have been working with an energy broker that is based in Massachusetts. It's actually a partnership between a company called Access Energy and another company called Beacon Energy Solutions. They have worked with the City for a number of years now to advise us and help us manage their bid process when they go out for various types of fuel and electricity and so forth. They have discussed earlier this year with them about this concept. He is not sure, he should probably check in with them and find out if they are planning to submit something, but he hasn't heard that they were yet. But he thinks that they are capable of assisting us in that manner as well. They are a good company and they have had good luck working with them in a number of different ways. They have actually provided a little advice, I think to Mari, when they were trying to learn more about this as this process started up.

Mari asked Jeff if this is the Constellation Energy Company that they talked to, is that the same group or a different group. Jeff said the Constellation Energy Company is the one they are currently contracted with for supply. And the way they reached them was through assistance with Access and Beacon. So, Constellation is their current energy supply company. The others are the consulting part of that.

Ms. Brunner said she spoke with Constellation but not the other Mr. Titus mentioned. She knows there are a few other companies such as Standard Power. She said there are a few companies that have been going around letting communities in NH know that they are out there and provide these types of services. So she is hopeful that they'll get good responses to that.

Mr. Lamb said that he has a question that may be for Steve. One of the key components of their RFP, and as Henry pointed out that one of the key elements of decision making around community power, is how municipalities would manage the back office element of this. If they become the aggregator, they are buying and administering power for the entire citizenry, right? And those businesses that sign up. So when they reach out to a consultant they want someone who can do "soup to nuts." There are brokers out there who are just being the go between, between a business or a city or town and the energy supplier. So it will be really important if they can get to a consultant who can handle all of it. Freedom Energy has told us that they do. Clean Energy has told us that they do. There may be other brokers out there as well or other companies that handle all aspects of what they're asking them to do. So now that question for Steve was, as you are developing your program, to what degree are you taking into consideration the administration of this back office element of billing, of managing customers and those types of things. To what degree does that factor in to the decision you make with respect to choosing a consultant or contractor of some kind?

Mr. Cotton said that was a key consideration for them. Freedom Energy is taking care of everything. Basically, all the town has to do is the mailing, supply the residents that they have to Freedom Energy, put a link on their web page and Freedom Energy is taking care of all of the other information and taking care of the customer service if there are any questions. That was a key element on that decision, how much involvement was the town going to have vs. who is going to take over Freedom Energy making sure they have the capability to handle that decision and make calls. That's what drove us to Freedom.

Mr. Roth asked if there is an education or customer service portion and for the users as part of Freedom's agreement. Mr. Cotton there is; they've been coming up with program literature and web based information. They're working on that and mailers as well to their residents in Londonderry so they can learn the program. They may even have web sessions if people want to come in they'll have presentations of the project and how to get involved and what it's about. That's another item on the list to address. They're also going to put it on their public television channel.

Dr. Shedd said that she wants to verify with Steve that what Londonderry is putting together is an opt out program as the legislation allows, so customers will automatically be enrolled unless they specifically request not to participate?

Mr. Cotton confirmed that is correct.

Chair Hansel asked Mari- Steve mentioned the education part of this, getting the public to sort of buy in. Our committee is tasked with going out to the public at some point before the city council votes on this program. Would the consultant be involved in that education process?

Mari replied that it is what they are intending to have the consultant do and they did have in the scope of work that was attached to the RFP. The idea would be that this committee would still be heavily involved and would help organize the outreach and making sure they have ways of getting public input. But then the consultant would play a pretty big role in being at the public meetings to answer some of the more technical questions for example and help describe what the program is. One of the questions she has for Steve is whether Londonderry has gotten to the point of doing any public outreach around your program yet or if you didn't get to that point yet?

Mr. Cotton replied- Yes. On Election Day in March, at their town elections, Freedom Energy was present at the polls, outside the polls, to at least start kicking it up. That was their first kick off. Obviously that's where it stopped. But, yes it initially started at the poles to start getting that feeler out there and making people aware of what they are doing.

Ms. Brunner asked Chair Hansel if she can ask a question to Henry. Chair Hansel replied yes. She said that one of the tasks this committee will be working on is identifying local goals that they want their community power program to achieve and it would be helpful to understand what community power is capable of doing for NH. From what she understands, the law in NH provides a little bit more of an opportunity than some of the laws in other states. Would Mr. Herndon briefly speak to that and describe what some of the possibilities are?

Mr. Herndon said there's three big opportunities. First and foremost is local control, just the autonomy and the energy democracy aspect there and it's a broad category. And then buckets 2 and 3 are represented well here are cost reduction and the ability to purchase renewables. Now, the renewables questions, it can get complicated because are you buying Texas wind credits or are you building a new solar array in your community that's providing the power or something in between. So there's the details there. And then there's a 4th bucket which kind of ties it all together, which can get complicated, which he calls market innovation or energy independence. And that's where you're really talking about the ways in which NH statute is more innovative. So, they got right into peak shaving and peak shaping, which is cool. He's impressed with their ability to talk about some of those complicated topics. But the ways in which NH's law, the opportunities available are sort of most in the local retail market competition side. To the extent that you can implement new technologies, smart metering, data collection. You use that data to understand the ways energy is used in your community to then respond and empower your

customers with time of use rates or with distributive technologies. Be they distributive storage and solar, be they electric vehicle charging that only charges at off peak times because of price signals. Or any number of other technologies. That is where the true potential of community power lies. He thinks that if you can get into how do they engage their customers, their residents and businesses and offer them new products and services that have to do with great design, great pricing and aggregate procurement of new technologies and understanding their data. That is the vision and the goal that they're working for. Because then they can start to build up the portion of this energy supply portfolio that actually comes from their communities. Lets' retain all that economic capital that's within their communities and generating local economic equity.

Mr. Herndon has another question or clarification for the group. He said in reading the notes it looks like they'll issue a request for a proposal for the entity to write the aggregation plan. He is curious what is the RFP looking for and what is the process? He noted that while consultants can help with plan writing, etc., they can also help with back office services.

Mr. Lamb stated that Mari is probably better prepared on the more minor details. But, basically they set up a two stage process to write the plan, work its way through public review, adoption at city council and then moving forward into a future stage where they're actually contracting for power. Mari can fill in the details. Ms. Brunner added that the consultant would handle a lot of the back office tasks, similar to what Steve was describing earlier. All of the customer enrollment and notifications will be handled by the consultant as well.

Mr. Lamb said this committee has a primary role to help structure what the goals are in the program. Also the Energy and Climate committee as well. So, they're anticipating a pretty extensive public process that kicks off really as the contract gets signed this fall. Hopefully they'll be doing this in person but who knows, maybe it's all going to be digital. But, regardless, that's the intent really is to reach out to the community and find out their interest and willingness. Obviously this only works really if the community wants us to go this way. They have to make sure they understand all of the circumstances around it and have the information they need to feel good about moving forward going this way. It really is quite a shift in the way people are acquiring electricity. Even though they are going to be paying the same old bill, it's a big shift. They want to make sure the community understands and that they buy into the idea. So there's a lot up front this fall as they move forward to adopting this plan.

Chair Hansel asked if there are any more questions for either Steve or Henry. Mr. Roth said on the billing, he has an agreement here with Cheshire Medical Center, and he gets two invoices. One from Eversource and one from my provider. Is that the way most of these work, or does everything go through the CCA and then it goes on to the customer?

Mr. Herndon replied there are three ways this can work. There's consolidated billing through the utility where the utility bills on behalf of the supplier and the CCA. There's consolidated billing through the CCA or CPA, where the community aggregation bills on behalf of the utility and its supply. Or there's an option where you get a bill from each. Those are sort of the three options.

Probably the easiest way would be consolidated billing through the utility. But the way in which they're going to get the most opportunity, and he's talking about shaping your community's load and having the most sophisticated back office system, would be having consolidated billing through the community choice aggregation. That's something they want to make possible through the regulatory rules especially through a joint action agency that would have the economies of scale to have its own billing system that would sort of dwarf the monopoly utilities. There's a lot of problems that arise through some of the monopoly utilities systems such as metering and billing that are often obstacles to innovation. It's a long way to answer your question again but there's 3 ways you can do it.

Mr. Lamb said that it's a really a key question too because they really want to be able to take advantage of everything community power gives us. But they also recognize that they're probably not going to have the one solution from the very beginning. So they do see this as something of an evolution and part of that evolution is making sure that the customers don't get confused. So the initial phase of this is probably to just bill right through Eversource the same way it happens today. So then they talk about evolution of change to improve the program in the future.

Mr. Herndon said he agrees, but there is a counter perspective in that this is brand new and however you do it first is going to set a precedence and people will be comfortable with that. So there's an opportunity in the first way you do it to really set the bar high and go right to the correct way of doing it rather than accepting an inferior approach and then hoping that inferior approach will evolve. So he agrees, but there may be a bit of nuance in that discussion around how that evolution occurs and is it right to take what exists now or try to set the bar at what they know is possible and authorized under law.

Mr. Lamb thanked Henry and said they want to be open to the ideas that create this opportunity. Mr. Roth said he doesn't want to get in the politics or future of energy but as they all know the distribution systems are not being maintained optimally as you can see in California. So that's going on and with his facilities manager history the purchasing power is really good but the distributions continues to go up because he monitors the distribution charges and they continue to go up. He thinks part of this is what they have control over. They need to explain that to their customers because all they have power over is the purchasing part. They really don't have final power of distribution which is only going to continue to increase.

Chair Hansel thanked Mr. Cotton and Mr. Herndon for their time. He welcomes them to stay on as next agenda item is discussed. Mr. Cotton and Mr. Herndon signed off at this point.

4. Community Power Consultant
a. Update on RFP Process

Ms. Brunner stated that the RFP was issued July 13 and proposals are due August 14. They have a proposal review committee that was formed mostly of staff, although Peter will be participating

in that as well. This proposal review committee is going to review any proposals that they receive and individually score and rank them. Then they'll meet to choose who they want to interview. Included in the packet is a draft of the proposal review form. Those are the evaluation criteria that were pulled from the RFP that they're proposing to use to review these proposals. She asked if there were any questions or comments on the proposed review criteria, and said committee members could email her with questions after the meeting if they need more time to look at them. Chair Hansel brought up the proposal review from the packet and asked if anyone has any questions or comments.

Dr. Shedd said that her only questions is on the criteria. There's nothing that specifically eludes to experience with scaling in more renewables. There is a line for innovations and creativity which she thinks would be more the ancillary, long term, key benefits of a community power program. Are they factoring in any experience with increasing the community's mix of renewables or offering tiered contracts? She knows that some communities have offered the customer the choice of 50% renewables in their mix or 100% renewables in their mix. Ms. Brunner said that's definitely something that they should be asking them. In the background section of the RFP they talked about the City's renewable energy goals and made it clear that that would be a major component in the Community Power program. But they should add that to the form that they use in reviewing and also in the interview they should be asking about that.

Chair Hansel asked if there are other questions. He asked Ms. Brunner, as people think of things when the meeting is over, how soon do they have to get those comments back to her?

Ms. Brunner said that as she mentioned, proposals are due next Friday. Please send comments by end of day Friday next week. At that time, she will send out the review form to the proposal review committee, which again is mostly staff but also includes Peter.

Mr. Roth asked about community outreach – should that be a major decision point in the RFP? Ms. Brunner stated that she can add that as well. She can ask them to describe their experience or provide examples of past community outreach that they have done and education around it and have it specifically included. Chair Hansel said that's a good point. These firms may not have strengths in that so it's good to ask that.

Councilor Giacomo stated that the one thing that he is wondering is, when they do go through this and there's a scoring process, some factors are clearly a lot more important than others, is there a weighting system for these? Or is it just going to be they weighed it in their heads basically.

Ms. Brunner said that how she was envisioning that the proposal review committee would use this more as a tool to individually rank the proposals that they've received. Then the Proposal Review Committee is going to be meeting over Zoom to have a discussion and decide who to interview. And so this would be used as a tool. She hadn't anticipated putting in weighting. They

definitely can though if you think that there's certain criteria that's much more important than others.

Mr. Titus said that he can mention a couple of things. Processes that they've used in the past have been done both ways. Sometimes they utilize straight numbering in terms of scoring. Other times they've provided weighting. It is up to the committee that's conducting the process and how they want to emphasize certain things. There is a two part process here with regard to evaluating the written proposals and then later on evaluating the interview process. You might find yourself actually doing a couple of different scorings and then comparing what happens at the end because often times what you see on paper in proposals gets changed tremendously by the conversation that occurs during an interview. Ultimately all of those things come together in the end to hopefully create a good decision overall. But you may find that you want to have a couple of different scoring processes for those key pieces and then find a way to combine it all. So that's certainly doable but something to think about.

Councilor Giacomo said that one of his thoughts is if they end up with 20 options, then the scoring becomes more important and they can look at it from a numerical perspective. If they only have three, they don't necessarily need to try to make this as quantitative. It depends on the number of quotes they get.

Chair Hansel asked Mari if she has any more to add. Ms. Brunner said that the role of the Proposal Review Committee is to review the proposals and conduct interviews, and then bring that information and make a recommendation to City Council. It would probably go through the FOP committee. Just so this committee is aware of the process, depending on timing, they are hoping to bring it to FOP in September, but again that will really depend on when they can schedule interviews and conduct them. A big part of it will depend on how many proposals they receive. As councilor Giacomo mentioned, if they only receive 3, hopefully they will be able to move it along quickly. If they receive 20 obviously it will take a little longer.

Chair Hansel asked if there was any new business. Mr. Belluscio asked a question in regards to the last presentation. What is the relationship between Cheshire County and the Keene Community Power Initiatives? How closely are they working with them, are they working with us? Are they completely separate? How is that all linking together?

Ms. Brunner replied that they do have representation from Cheshire County on their Energy and Climate Committee. So, there's kind of a link there. But, for the most part, Cheshire County is working separately from the city with the Community Power NH joint action agency initiative that's happening. Mr. Belluscio asked why it is separate. Are their goals different than Keene's goals because they're looking at putting in administrative structure that would support this type of thing? Are you going to duplicate that on this side or why are there separate initiatives?

Mr. Lamb said that that is a great question and he would like to comment on that. They had a quite a long interaction with Cheshire County and also with Clean Energy NH and other

communities that were moving ahead early on. They made a pretty conscious decision to work outside of what the county was doing for a couple of reasons. Number one was that it was their thought that they could probably move more swiftly and start a program, learn more about it and find out if it was going to work in Keene much more quickly and swiftly than the county could working with a multitude of towns that have to go through the town meeting process particularly. They saw the complexity of working with multiple towns as the potential for pretty significant delay. The other part was, there is no reason why into the future they can't collaborate with the County. Perhaps they could help move the process forward more quickly by learning about it in their phase and then joining with the County at some later point in time. The County has chosen the approach to work through the more deliberative process that Clean Energy NH has developed. That's why you are hearing about this independent, back office concept that's being developed. They want to try to see if they can move forward more quickly. I think that is really the basic reason and they didn't see a downside knowing that they could collaborate with them in the future. Mr. Belluscio thanked Mr. Lamb for the explanation.

Chair Hansel stated that Keene has its own goals and that's what the Energy and Climate Committee's is actively working with the City to develop a plan to achieve those goals, to move towards 100% renewables. Every municipality around us may not buy into or have those same goals, including the County. So Keene has an incentive to push this forward, as Rhett said, possibly in a more aggressive manner than the towns do. That's part of the reason for making that decision.

Ms. Brunner said that she was just going to mention that to build off of what Rhett was saying, the model that Clean Energy NH is working on is a really interesting and great model. But it would require a much larger, upfront investment of resources from Keene. At this point and time it seems like they don't have the resources to commit to that process. Speaking mostly from staff perspective, it would take a lot of staff time. She thinks it's more appropriate for us to try and build up to that and demonstrate success first with a simpler program that follows a model that's been tested in other states.

Dr. Shedd said she would like to make clear that the Energy and Climate Committee is continuing to advocate that whatever community power plan they devise as the City of Keene needs to explicitly include provisions for later broadening and other collaborations so that as commercial entities in Keene come to the end of their competitive energy supply contracts they can consider the City's program among their options. As other communities or other multiple counties are exploring with Cheshire County to explicitly keep the door open for broadening the scale.

Chair Hansel asked if there are any other questions or other new business. If not, their next meeting is set for September 4th, Friday at 8:00 AM.

There being no further business, Chair Hansel adjourned the meeting at 9:13 AM.

AHCPC Meeting Minutes
August 7, 2020

ADOPTED

Respectfully submitted by,
Amanda Burdick, Minute Taker

Reviewed and edited by Mari Brunner, Planner