



Due to the COVID-2019 State of Emergency, the Finance, Organization and Personnel Committee will be holding its meeting remotely using the web-based program, Zoom. Members of the public will be able to access this public meeting through a variety of options, described below. If you encounter any issues accessing this meeting, please call 603-757-0622 during the meeting. To access the meeting online navigate to *Zoom.us* and enter the Webinar ID #896 4930 1207. To listen via telephone call 877-853-5257 and enter the Webinar ID: #896 4930 1207. When the meeting is open for public comment, callers may press *9 if interested in commenting or asking questions.

**FINANCE, ORGANIZATION
AND PERSONNEL COMMITTEE
AGENDA
Council Chambers B
April 22, 2021
6:30 PM**

Thomas F. Powers, Chair
Stephen L. Hooper, Vice Chair
Michael J. Remy
Raleigh C. Ormerod
Bettina Chadbourne

1. Acceptance of Donation - Fire Department
2. Acceptance of Donations to Library Renovation Project - Library Director
3. James Weatherly/Southwest Region Planning Commission - CDBG Grant Amendment - Community Kitchen's Improvements
4. Deed Waiver - 2017 Tax Year - Revenue Collector
5. Downtown to Trails Study - Parks, Recreation and Facilities Director
6. City of Keene Community Power Plan - ad hoc Community Power Committee
7. Continued Discussion: Water and Sewer Methodology and Rates
8. Relating to Northern Boarder Regional Commission Grant Programs Resolution R-2021-23
9. General Overview of Proposed Operating Budget - City Manager

MORE TIME ITEMS:

- A. Body Worn Cameras - Police Chief
- B. Councilors Remy, Bosley and Giacomo - Continued Remote Participation
- C. Continued Discussion - Evaluation Process for Charter Employees

Non Public Session
Adjournment



City of Keene
Transmittal Form

April 14, 2021

TO: Finance, Organization and Personnel Committee

FROM: Mark Howard, Fire Chief

THROUGH: Elizabeth A. Dragon, City Manager

ITEM: 1.

SUBJECT: Acceptance of Donation - Fire Department

RECOMMENDATION:

Move that the Finance, Organization and Personnel Committee authorize the City Manager to do all things necessary to accept a donation of \$250.00.

BACKGROUND:

The Keene Fire Department has received a donation of \$250.00 from Ms. Audrey Hadcock.



City of Keene
Transmittal Form

April 12, 2021

TO: Finance, Organization and Personnel Committee

FROM: Marti Fiske, Library Director and Judith Putnam, Keene Public Library-Treasurer

THROUGH: Elizabeth A. Dragon, City Manager

ITEM: 2.

SUBJECT: Acceptance of Donations to Library Renovation Project - Library Director

RECOMMENDATION:

That the City Council accept donations of \$9,047.04 as listed in the City of Keene Library Renovation Restricted Trust from January 25, 2020 – March 27, 2021 donor list (see attached report) to be deposited into the Library Renovation Temporarily Restricted City Trust as part of the Next Chapter Campaign Drive.

ATTACHMENTS:

Description

Library Renovation Restricted Trust Donor list

BACKGROUND:

On June 30, 2015 the City Council authorized the establishment of a Temporarily Restricted City Trust Fund to receive and distribute funds for the Library Renovation Project. The Friends and Library Trustees put in place the Campaign Committee with Judith Putnam and Alfreida (Dita) Englund as Co-Campaign Chairs and Ernest Hebert and the Honorary Chair.

The attached Renovation Restricted Trust Donor list report contains the donations received January 25, 2020 – March 27, 2021. Donors have received acknowledgement of their donation.

Thanks to the generous donations from individuals, foundations, and corporations, the capital campaign has reached beyond its \$5,000,000 goal. As the funds are received, they are brought forth. After acceptance of the funds by City Council, the reports then go to the Trustees of the City held Trust funds for approval and acceptance.

City of Keene Library Renovation Restricted Trust

As of date: 01/25/2020 To 03/27/2021

Transaction Description	Deposited By	Posting Date	Principal Cash
GIFT FROM RAY & ANNE ANDERSON	City of Keene Library Trust Escrow	2/5/2021	\$500.00
GIFT FROM ANN HENDERSON	City of Keene Library Trust Escrow	2/5/2021	\$500.00
GIFT FROM ANN HENDERSON	City of Keene Library Trust Escrow	12/3/2020	\$500.00
GIFT FROM RAY & ANNE ANDERSON	City of Keene Library Trust Escrow	11/5/2020	\$500.00
GIFT FROM ANN HENDERSON	City of Keene Library Trust Escrow	10/19/2020	\$500.00
GIFT FROM ANN HENDERSON	City of Keene Library Trust Escrow	10/19/2020	\$1,000.00
GIFT FROM RAY & ANNE ANDERSON	City of Keene Library Trust Escrow	10/5/2020	\$500.00
GIFT FROM FRIENDS OF THE KPL	Cambridge Trust	3/2/2020	\$667.04
GIFT FROM KATHERINE M RICHARDSON	Cambridge Trust	2/18/2020	\$330.00
GIFT FROM CRAIG & SYLVIA MCBETH	Cambridge Trust	2/18/2020	\$1,000.00
GIFT FROM FENTON FAMILY DEALERSHIPS	Cambridge Trust	2/18/2020	\$1,000.00
GIFT FROM CARLO & GISELLE LASCALA	Cambridge Trust	2/11/2020	\$650.00
GIFT FROM ALEX & COLEEN KOSSAKOSKI	Cambridge Trust	2/4/2020	\$1,400.00
DONATIONS 1/25/20 - 3/27/21			\$9,047.04



City of Keene
Transmittal Form

April 20, 2021

TO: Finance, Organization and Personnel Committee

FROM: James Weatherly, SWRPC Planning Technician

THROUGH: Patricia A. Little, City Clerk

ITEM: 3.

SUBJECT: James Weatherly/Southwest Region Planning Commission - CDBG Grant Amendment -
Community Kitchen's Improvements

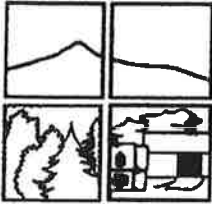
ATTACHMENTS:

Description

Communication_Weatherly

BACKGROUND:

This is a request for the City Council to authorize the submission of a grant amendment to the New Hampshire CDFA requesting additional funds through the Federal CDBG program for improvements to the Community Kitchen's facility.



Southwest Region Planning Commission
37 Ashuelot Street, Keene, NH 03431 603-357-0557 Voice 603-357-7440 Fax

DATE: APRIL 20, 2021

TO: THE HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: JAMES WEATHERLY, ^{sw} PLANNING TECHNICIAN, SOUTHWEST REGION PLANNING COMMISSION

THROUGH: PATTY LITTLE, CITY CLERK

RE: APPLICATION FOR CDBG GAP FUND IN SUPPORT OF THE COMMUNITY KITCHEN

Recommendation: That the City Council vote to authorize the submission of a grant amendment to the New Hampshire Community Development Finance Authority (CDFA) requesting additional funds through the federal Community Development Block Grant (CDBG) program for improvements to the Community Kitchen's facility.

Proposed application: The proposed amendment is to request up to \$165,000 from the CDFAs CDBG Gap Fund program which is intended to provide additional funds to ongoing projects facing cost overruns due to the COVID-19 pandemic. If awarded, additional funds, less administrative costs, would be subgranted to the Community Kitchen to assist with their ongoing CDBG-funded project. The purpose of the project is to make improvements at the Community Kitchen's facility located at 37 Mechanic Street including installation of a new solar array, improvements to heating and cooling systems and improvements to office space. Additional funds are being requested due to inflated construction costs arising from the COVID-19 pandemic.

Public Hearings and Schedule: A Public Hearing has been scheduled for May 6th, 2021 at 7:00 p.m. to provide the public an opportunity to understand and comment on the proposed application to the CDBG Gap Fund program.



City of Keene
Transmittal Form

April 8, 2021

TO: Finance, Organization and Personnel Committee

FROM: Mary Alther, Revenue Collector

THROUGH: Elizabeth A. Dragon, City Manager , Merri Howe, Finance Director

ITEM: 4.

SUBJECT: Deed Waiver - 2017 Tax Year - Revenue Collector

RECOMMENDATION:

Move that the Finance, Organization and Personal Committee recommend that The City Manager be authorized to instruct the Revenue Collector to waive tax deeding of the below listed properties until June 11, 2021.

For the following 4 properties, city staff is recommending to waive deeding and return after June 11, 2021 with additional recommendations after review of the status of the accounts.

<u>Owner</u>	<u>Address</u>	<u>Map & Lot</u>	<u>Property Type</u>
Tsohonis Michele Walker Parks	71 Oriole Ave.	219001000069000	Manufactured Housing
Ollikkala Glenda	14 Schult St.	242008000214000	Manufactured Housing
Nuzzo Diane	329 Park Ave	539087000000000	Single Family
Lortie Leonard M & Lisa A	163 Island St.	592025000000000	Single Family

BACKGROUND:

The tax collector must execute the deed unless the City Council directs the collector to waive that process. A waiver is appropriate in certain circumstances that include:

- taking deed to the property would subject the City to potential liability that might result from an environmental impairment of the property in question;
- taking deed to the property would expose the City to undesirable obligations or liability risks including obligations under real estate covenants or obligations to tenants; or
- taking deed to the property would for any other reason be contrary to the public interest.

The Deed Waiver will authorize the City Manager to sign deed waivers on the properties that are listed providing additional time for payment of the taxes, interest and costs outstanding. This action would extend the deadline for payment of the outstanding taxes until June 11, 2021. The properties listed have been making payments and should have the 2017 taxes paid by the June 11 deadline. Following this deadline, staff will review the status of any accounts with outstanding 2017 property taxes and advance additional recommendations.



City of Keene
Transmittal Form

April 19, 2021

TO: Finance, Organization and Personnel Committee

FROM: Andy Bohannon, Parks, Recreation and Facilities Director

THROUGH: Elizabeth A. Dragon, City Manager

ITEM: 5.

SUBJECT: Downtown to Trails Study - Parks, Recreation and Facilities Director

RECOMMENDATION:

Move that the Finance, Organization and Personnel Committee recommend that the City Manager be authorized to do all things necessary to execute a Memorandum of Understanding with the UNH Cooperative Extension for a Downtown to Trails study.

BACKGROUND:

Prior to the COVID-19 pandemic, the Community Development and Parks, Recreation and Facilities Departments connected with the University of New Hampshire Cooperative Extension related to a newly developed program to help communities understand the connection between their rail trails and the local economy in the downtowns. The program was first implemented in Bristol, NH in 2018 with great success. As a result of COVID, the program has not returned until public engagement opportunities could happen, however City staff stay connected to keep the City in the pipeline for potential future communities.

The agreement will call for the City's Bicycle Pedestrian Pathways Advisory Committee (BPPAC) to create a subcommittee which will be directed by Parks, Recreation and Facilities. The purpose of this committee will be to receive proper training on conducting Intercept survey on the trails, engaging downtown businesses, and working directly with the UNH Cooperative staff. The Committee will be structured to work together for a 6 to 8 month period during the project's scope. In addition, a potential community forum related to the project may be formed, however, there will be various social media campaigns to promote the project and outcomes desired to help improve the awareness of accessibility to Downtown from the trails. The final outcome will draw the connection between Keene's vibrant downtown and the outdoor recreational opportunities creating strategy to develop and create sustainable tourism best practices.

To conduct the project, there is a \$3,000.00 fee which will be covered through the Parks, Recreation and Facilities operating budget.

The BPPAC voted unanimously at the last meeting on Wednesday, April 14 to move forward with the recommendation.



April 12, 2021

TO: Mayor and Keene City Council

FROM: Mari Brunner, on behalf of the Community Power Committee

THROUGH: Elizabeth A. Dragon, City Manager

ITEM: 6.

SUBJECT: City of Keene Community Power Plan - ad hoc Community Power Committee

COUNCIL ACTION:

In City Council April 15, 2021.

Referred to the Finance, Organization and Personnel Committee.

RECOMMENDATION:

Ann Shedd made a motion to approve the City of Keene Community Power Plan as amended and recommend adoption to the City Council. Paul Roth seconded the motion, which passed unanimously.

ATTACHMENTS:

Description

Draft City of Keene Community Power Plan

BACKGROUND:

The ad-hoc Community Power Committee (CPC) has been working with the City's Community Power Consultants and staff from the Community Development Department to develop a Community Power plan for the City of Keene. As part of this effort, four public information sessions were held in December 2020 and January 2021 and a Community Power Survey was conducted to gather feedback from the public prior to developing a draft plan. A draft City of Keene Community Power Plan dated February 2, 2021 was released to the public on February 5, 2021.

On March 30, 2021 the CPC held two public hearings on the draft Community Power Plan. Following these public hearings, the CPC met on April 2, 2021 to discuss the draft plan and review further public comments that were submitted in writing. At this meeting, the CPC decided to revise the plan in order to address comments received from the public. Then, at the April 8, 2021 CPC meeting, the committee reviewed a revised draft of the Community Power Plan dated April 5, 2021 and voted to approve the plan and recommend adoption to the City Council.

The full text of the draft City of Keene Community Power Plan is attached to this memo along with the minutes from the March 30, 2021 public hearings. The draft plan, which is dated April 8, 2021, has been updated to include information on the March public hearings and the approval of the plan by the Community Power Committee.

Included below is an excerpt from the draft minutes of the April 8 CPC meeting where this item was

discussed.

"3) **Draft City of Keene Community Power Plan**

a. **Discussion and Additional Comments** – Chair Hansel encouraged the committee to discuss the comments they had received during and after the public hearings, and started by mentioning a comment from Scott Maslansky. He had forewarned the committee that displaying rates with specific dollar amounts for the 50% and 100% products was likely going to cause negative feedback, which turned out to be right. Chair Hansel wondered if they should discuss that issue or not. Daria Mark and Patrick Roche stated that it would be great to bring this up in messaging to the public. Ms. Mark went on to state that it is important to explain that the program's goal is to provide savings and options, which is why there are four different product choices, including the default that aims to be very competitive with the services people are already receiving from Eversource. Ms. Mark added that it's also important to address that the 50% and 100% options, and accompanying rates, are for those who are looking to take climate action immediately and are willing to invest a little bit more for renewable energy. She reiterated that the goal of the program is not to raise rates, it is to provide a good balance and a lot of options so members of the community can choose whichever option suites them the best.

Councilor Mike Giacomo added that there seems to be comments from both sides, some stating that they aren't doing enough and some stating that they're doing too much. He stated that this push back from both directions is something they expected and one of the reasons why the plan has options for people on both sides. He felt the comments were a good sign that they went about the plan in the right way, with options for all levels.

Chair Hansel let the committee know that he submitted a letter to the editor, which was published on April 2, 2021, and will hopefully help clarify concerns.

Dr. Shedd stated that there will be two opportunities where public messaging around the aforementioned points will be significant. First, as the plan moves to City Council there will likely be press coverage and having the messaging clear and preemptive during that process will be helpful. Additionally, when the plan is ready to launch the messaging about the levels will again need to be very clear. She added that the calculator on the website will aid in supporting the messaging and allow people to get an idea of average numbers they might expect to see on their electricity bills.

Chair Hansel added that Mr. Maslansky also raised concern that the 50% and 100% products might not be as clear as they could be. Chair Hansel agreed with the concern and wondered if a footnote in the plan could explain those products in more detail. Mr. Roche stated that on the website and within the messaging they can show the total of both of those products to make sure the math is very clear. He added that in the plan they could do a quick footnote or example to help clarify, or they could leave the plan as is and make sure they do a better job of explaining it in their messaging to the public. Chair Hansel replied that focusing on messaging to the public should be adequate.

Ms. Mark added that the 50% is calculated based on what you're using in a month. She gave the example of 100 kilowatt hours, stating that 50 of those would be matched with renewable energy. She reiterated that all products meet state standards, but the 50% also adds on top of the state standards. In other words, half of the electricity used in a month will be matched with 50% renewable energy to support the push to move towards more new renewable energy in Keene. The same idea applies to the 100% product.

Paul Roth stated since the numbers were already presented they will likely remain a focus of the

public, and suggested they continue to move forward and address concerns as needed.

Dan Belluscio suggested they start their messaging by clearly stating that there are options that will not cost more money and highlighting that anyone can opt out at any time. From there they can go into details such as pricing. He added that if they provide those two major points up front, it will get the public's attention and help put them at ease.

Councilor Giacomo stated when the plan goes to City Council there will be another public hearing and having Council craft the narrative could be helpful.

Bob Hayden stated that a simple piece of language stating that it's an additional 50% or 100% of local renewable energy is a good direction to go in with messaging to the public. He suggested pointing out that the greenness is local.

Chair Hansel suggested they address Bob King's comments next.

Mr. Roche spoke to the comment about kilowatt hours versus Renewable Energy Certificates (RECs), stating the important thing to note is that at the end of the day all the electrons purchased are present on their grid and can be drawn from. He added that they did look at the plan language and made some tweaks so that it's clear that they have the option to do bundled contracts. He mentioned that in past programs they have done unbundled, but this plan will now allow for the flexibility to do bundled.

Mr. Roche then went over the clarification of what local means. They want to distinguish renewable energy sources that are on the New England electricity grid from those that are not, noting that the New England grid is the furthest they will include under the definition of local. Within that framework, Keene wants to try and source things as close to Keene as possible. Mr. Roche stated that they added the definition of local in the plan language to reflect the aforementioned points.

With regards to competitive suppliers, Mr. Roche stated past programs have used one supplier that has been able to serve all of the different rate classes. However, the option to use multiple suppliers was added into the plan language.

Lastly, Mr. Roche stated as they move towards 100% renewable energy it will be important, as Bob King suggested, to line up the needs of the city with the intermittency of renewable energy.

Chair Hansel mentioned that they had arbitrarily selected the Monadnock Region as the definition of local and asked the committee if that seemed sufficient. Mr. Roche replied that they adjusted the language to say Class 1 RECs for the greater Monadnock Region, with the biggest boundary in the plan being electrons on the New England grid. The option to go outside of the Monadnock region is allowable but the language states the city would like to focus as close to Keene as possible.

Mr. Belluscio stated he doesn't feel they should limit to the Monadnock region and suggested they could put a distance within a certain amount of miles from Keene.

Ms. Brunner reiterated that this language is for the initial contract to state their intent and it shouldn't limit them in any way. She also noted that the language states "greater Monadnock Region," so it could include renewable energy generated just over the border in Vermont or Massachusetts, for example. She said this language could be changed if the committee feels it should be more specific.

Mr. Hayden stated, with regards to the market scale, that the market for RECs is an annual market and the power is defined by the contract associated with it, which could be anywhere from 2 to 20 years long. He further explained that in this decoupled scenario, the RECs will be available but the green power may or may not be available. With regards to scale, the wastewater treatment plant in Keene may have up to a megawatt in solar and could make about 1.2 million kilowatt hours, which is less than 2% of the residential load in Keene. To have a great impact on the load and kilowatt hours with solar only, it will require a huge amount of space, so scale becomes very important. He went on to state that when looking across the greater Monadnock area they might be quite limited in the amount of local RECs available. He noted that across the borders in Massachusetts and Vermont the programs they have for renewable energy are much more luxurious than the ones in NH, which means they may be competing with a better value.

There were no further comments from the committee with regards to community questions and concerns.

Bob King thanked everyone for addressing the comments he sent in. He stated he is not quite clear on the bundling and unbundling and asked if the City could simply buy green energy without buying the RECs associated with it. Mr. Roche replied that they need the RECs because if they want to make the claim of using renewable energy it is required that they purchase the RECs and retire them from the facility. If they don't claim them, the facility owner could sell the RECs to someone else. He further explained that RECs are the legal instrument used to track environmental claims.

Mr. Hayden stated there's a difference between perspective and definitions. People don't always understand that they can support a local project by purchasing power through a group net metering program, but they can't say they are green because of it without the RECs.

Chair Hansel added that the Monadnock Food Co-op is an example of this. They host a solar facility and a separate group of investors own it. Which means the investors can take the RECs and sell them on the market and the food co-op is limited in claims they make because the RECs from their facility have been sold elsewhere.

Mr. King asked if this concept is written in law somewhere. Mr. Roche suggested referring to the Environmental Protection Agency which is a good resource and goes through RECs as the legally accepted instrument to track all environmental benefits. He also mentioned the NEPOOL GIS rules as well, stating that for every megawatt hour of electricity that gets created, in their grid or imported into their grid, it gets a certificate from NEPOOL GIS that has all the attributes about it.

Mr. King stated he has customers who buy the small scale hydro energy and don't buy the RECs, and they simply say, "We buy small scale green hydro power." He stated he is unsure if that is breaking a rule but also recognized that they are stating a fact.

Lastly, Mr. King asked if the public gets to see the revised plan before it goes to council. Ms. Brunner replied that the plan is publicly available now in the committee packet and they will also post on the Community Power website once it's adopted. When the plan goes to City Council it will be included in their packet as well and any changes will be publicly posted on the website. Ms. Brunner put the link to the agenda packet for the meeting in the zoom chat for everyone.

Mr. Roth asked if they contract for a supplier, does that constrain them to exclusively that supplier, or would they be allowed to procure power from other people? Mr. Hayden stated it depends on the supplier; most are already willing to include in the power stack any power that they bring to them, at a premium. He stated that each thing you add to a contract increases its costs, so

there will be the dilemma of not wanting to add too much cost so they can keep a low market rate option. Sometimes cost of flexibility can be expensive but as they move into the future suppliers will likely adjust.

- b. **Board Deliberation** – Ann Shedd made a motion to approve the City of Keene Community Power Plan as amended and recommend adoption to the City Council. Paul Roth seconded the motion, which passed unanimously."

CITY OF KEENE
DRAFT
COMMUNITY POWER PLAN



April 8, 2021

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I. Community Power Goals and Vision

The City of Keene will develop and implement its Community Power Program (“Program”) as described in this Community Power Plan (“Plan”).

Community Power creates new electricity supply choices for Keene residents and businesses with the potential for cost and environmental benefits beyond that of the Default Service supply from the utility, Eversource. Instead of simply utilizing Eversource’s electricity supply, Keene will bundle together the electricity needs of its residents and small businesses and put out a bid for an electricity supplier to provide the necessary electricity at competitive prices. With Community Power, the City is able to make strategic decisions about when to solicit bids, lock in fixed pricing for multiple years, and increase the amount of renewable energy above the existing statewide minimum. Eversource will continue to manage billing and maintain wires and poles.

Community Power is part of the City’s comprehensive climate and energy planning process. One of the primary goals of Keene’s process, embodied in the City Council’s 2018 Resolution R 2018-36, is to achieve 100% renewable electricity use:

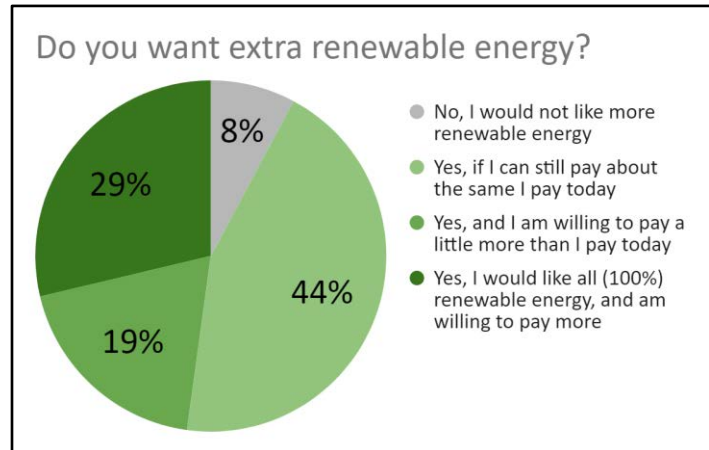
“It is the goal of the City of Keene that all electricity consumed in the City will come from renewable energy sources by the year 2030 and that 100% of all thermal energy and energy used for transportation come from renewable energy sources by the year 2050. This goal will apply to the entire Keene community, not just municipal government operations.”

Keene’s climate and energy planning process also seeks to support equity, energy efficiency, job creation, and climate resilience and preparedness.

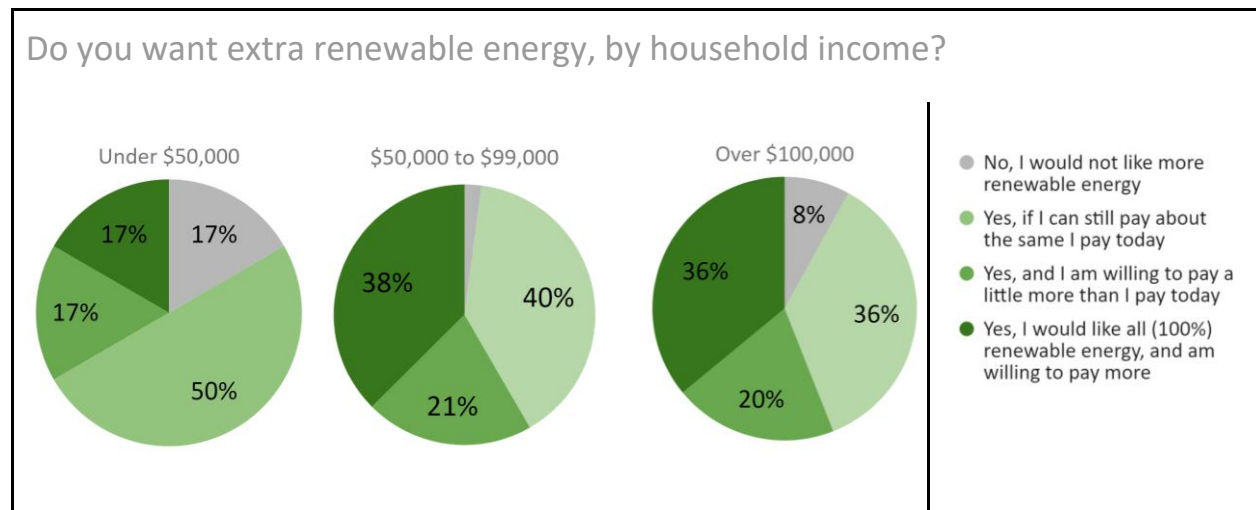
To establish specific goals and a vision for the Program, the City held information sessions and surveyed community members to ask about their priorities and preferences. While individual opinions differed, there was strong support from the majority of survey respondents from all income classes and age groups for five community priorities related to electricity supply:

- Choice for electricity options
- Control of electricity costs
- Competitive rates and lower bills
- Increased local renewable energy
- Local jobs

Particularly strong among respondents was support for renewable energy. As shown at right, over 90% of all respondents indicated a desire for extra renewables, and almost half indicated a willingness to pay more for extra renewables.



The desire for extra renewable energy generally held across age and household income brackets, with the strongest support overall in the middle income bracket, as shown below.



Detailed survey results can be found in **Exhibit I**.

The Keene community goals translate into the following goals for Keene’s Community Power Program:

1. Establish a standard (or default) electricity supply product that delivers economic value via competitive rates, uses more renewable energy, and supports the growth of local renewable energy as defined in Section V.b.
2. Increase the contribution of renewables toward 100% renewable electricity *for the entire program* by 2030, using optional products, tools and incentives that include:
 - Provide optional electricity supply products with alternative renewable electricity amounts (for example, 100%). Options afford individual participants the opportunity to meet higher renewable goals immediately and increase the overall

-
- renewable energy impact of the Program;
- Catalyze the development of distributed energy resources within Keene, such as rooftop solar, by providing enhanced net metering and other incentives;
 - Explore opportunities to support the development of and utilize new renewable energy supply at utility scale within our region; and
 - Support energy efficiency initiatives to reduce total Program electricity demand and costs for participants;
 - Explore, and implement when possible, other tools and incentives successfully established elsewhere in New Hampshire, in other states or around the world (for example, time-of-use rate structures).
3. Engage the community to bring new ideas and resources into the Program, through every means possible, over the life of the program. Also engage the community to assess how benefits of the program can be allocated equitably.
 4. Work with regulators, utilities and suppliers to craft solutions and remove barriers to harnessing all cost-effective solutions, especially recognizing that increased electrification will be part of the solution toward 100% transportation and thermal renewable energy by 2050.
 5. Expand the Program’s impact by empowering other communities with similar goals. This includes sharing information and materials to help launch other programs as well as evaluating regional buying groups as to whether they provide greater cost savings to all participants through economies of scale.

The vision for Keene Community Power is to launch a timely Community Power Program that provides community members with attractive choices and substantially enhanced renewable energy options at competitive prices, and opens a new promising community path to 100% renewable electricity in 2030.

Community Power is emerging as a leading strategy to reach multiple community goals efficiently and equitably. The City of Keene looks forward to refining this vision for meeting our 100% renewable energy goals and all of Keene’s goals that are impacted by energy choices.

II. Process to Develop and Approve Plan

Before implementation, the Plan must be reviewed and approved by the Community Power Committee (“Committee”) and adopted by the Keene City Council. The Committee will ensure that the Program satisfies all of the statutory requirements, including that the Plan provides universal access, reliability and equitable treatment for all classes of customers. This Plan was developed to demonstrate that the Program of the City satisfies all the requirements necessary for approval by the Committee and adoption by the City Council.

This plan was developed through the following process, consistent with New Hampshire Revised Statutes Annotated (RSA) 53-E:

1. Creation of Community Power Committee
2. Creation of a Draft Plan with public hearings,
3. Approval of Plan by Community Power Committee,
4. Adoption of Plan by City Council, and
5. Submission of Final Plan to Public Utilities Commission.

Please see **Exhibit I** for detail on these steps.

III. Customer Participation

III.a. Applicable classes of customers

The Community Power Program will be available for the residential, commercial and industrial classes of electricity customers as defined by City's electric distribution company, Eversource ("Applicable Classes"). See Eversource for current classes: <https://www.eversource.com/content/nh/residential/my-account/billing-payments/about-your-bill/rates-tariffs>

III.b. Universal access

The Plan provides for universal access for all customers by guaranteeing that all customer classes will be included in the Program under equitable terms.

All retail electric customers will have access to the Program. All customers receiving Default Service supply will be eligible for automatic enrollment in the Program, and they will be automatically enrolled in the Program unless they choose to opt out.

All customers will have the right to opt-out of the Program at any time with no charge.

As required by the statute, there shall be equitable treatment of Applicable Classes within the Program.

III.c. Equitable treatment

The community power statute requires equitable treatment of all classes of customers subject to any differences arising from varying opportunities, tariffs and arrangements between different electric distribution utilities in their respective franchise territories. This does not mean that all classes of customers must be treated "equally," but rather that similarly situated classes of customers be treated "equitably."

Among applicable classes of customers, the Plan makes three distinctions.

First, the Program will distinguish among customer classes by soliciting separate pricing for each of the same customer classes the electric distribution utility uses for the distribution service.

Second, the Program will distinguish between customers receiving the default product and customers that affirmatively choose an optional product. Customers selecting an optional product will be charged the price associated with that product.

Third, the Program will distinguish between customers that join the program through an automatic enrollment process (i.e. customers who do not choose to opt-out) and customers that affirmatively elect to join the program.

- Customers that join through an automatic enrollment process include a) the initial customers at the start of the program and b) new customers that move into the City after the program start-date. All initial customers will receive the standard program pricing for their rate class. Among new customers, the Program will distinguish between new residential and small commercial customers, who will receive the standard program pricing, and all other commercial and industrial customers, who may receive pricing based on market prices at the time the customer joins the Program.
- Finally, customers that affirmatively elect to join include two types of customers: a) customers that did not become part of the Program initially because they were being served by a Competitive Supplier but then later join the Program; and b) customers re-joining the Program after having previously opted out. Those customers that were being served by a Competitive Supplier at program initiation but who later join the Program will be treated the same as new customers – residential and small commercial customers will receive the standard program pricing and all other commercial and industrial customers may be offered a price based on the then-current market rates. All customers that join the Program after having previously opted out may be offered a price based on then-current market rates rather than the standard contract price. This distinction is designed to limit any incentive for frequent switching back and forth between the Program and Default Service of the electric distribution utility.

III.d. Reliability

Reliability has both physical and financial components. The Program will address both through the Electricity Supply Agreement (“ESA”) with the Competitive Supplier. From a physical perspective, the ESA commits the Competitive Supplier to provide all-

requirements power supply and to use proper standards of management and operations. All-requirements power supply includes all of the electrical energy, capacity, reserves, ancillary services, transmission services, transmission and distribution losses, congestion management, and other such services or products necessary to provide firm power supply to Program participants and meet the state's Renewable Portfolio Standard and any additional renewable energy requirements of the default or optional products. The electric distribution utility will continue to remain responsible for delivery service, including the physical delivery of power to the customer, maintenance of the delivery system, and restoration of power in the event of an outage. From a financial perspective, the ESA requires the Competitive Supplier to pay actual damages for any failure to provide supply at the contracted rate (i.e., to pay the difference between the contract rate and the utility supply rate). The ESA requires the Competitive Supplier to maintain insurance and the Request for Proposals for a Competitive Supplier will require that an investment-grade entity either execute or guarantee the ESA. Accordingly, the Program satisfies the reliability requirement of the statute.

IV. Organizational Structure

Community Power Committee (CPC): The Finance, Organization and Personnel Committee, a standing committee of the City Council, voted to request that the Mayor constitute an ad-hoc Community Power Committee, as the designee of the Mayor and as established under RSA 53-E:6, to develop and approve a Community Power Plan for submission to and adoption by the City Council, as the legislative body of the City. The Committee will develop a draft plan, hold public hearings on the plan to solicit public input, revise the draft plan based on that input, and ultimately submit an approved Plan to the City Council. See **Exhibit I** for detail on the public input process.

City Council: In accordance with RSA 53-E:7, the City Council, as the legislative body of the municipality, will be the body to adopt the Community Power Plan after it has been approved by the Community Power Committee. The City Council will review and approve any proposed amendments to the Plan.

City Manager: The City Manager is designated by the City Council to provide direct management and oversight of the Plan on behalf of the City. The City Manager, or their designee(s), shall regularly meet with the Community Power Consultant for the purpose of providing oversight of the Plan and shall make recommendations to the City Council on Plan amendments. The City Manager shall authorize the issuance of bids for power supply and shall negotiate and execute a Electric Service Agreements ("ESA") consistent with the products and goals described in this Plan.

Community Power Consultant: The Community Power Consultant will manage certain Program activities under the direction of the City Manager. Their responsibilities will

include managing the supply procurement, developing and implementing the public education plan, interacting with the electric distribution utility and monitoring the supply contract. Through a competitive procurement process the City has selected the partnership of Good Energy, L.P. and Standard Power (“GE/SP”) to provide these services.

Competitive Supplier: The Competitive Supplier will provide power for the Program, provide customer support including staffing a toll-free number for customer questions, and fulfill other responsibilities as detailed in the ESA. The Competitive Supplier shall be required to enter into an individual ESA with the City under terms deemed reasonable and appropriate for the retail electric customers by the City Manager.

Buying Group: The City may elect to join with other municipal aggregators in combining its load for purposes of soliciting bids from Competitive Suppliers. The purpose of the Buying Group is to allow municipal aggregators to capture the benefits of collective purchasing power while retaining full municipal autonomy. The City shall be represented by the City Manager, or their designee, on the executive committee of the Buying Group. The City, through the City Manager or their designee, shall select a Competitive Supplier based on the needs of the City and shall not be required to select the same terms or Competitive Supplier as other members of the Buying Group.

Retail electric customers: Retail electric customers shall include all electric customers taking distribution service of electricity located within the geographic boundaries of the City of Keene.

V. Electricity Supply Product Options

V.a. Default and Optional Electricity Supply Products

The Program intends to offer the following electricity supply products. Any retail electric customer that joins through an automatic enrollment process, shall be enrolled into the Program’s default product, unless they affirmatively choose to enroll in any of the optional products.

	Default Product (Automatic enrollment)	Optional Products		
Product Name	Keene Local Green	Keene Basic	Keene 50% Local Green	Keene 100% Local Green
Product Goals	Increase renewable energy use while maintaining competitive rates	Most competitive rate (no increase in renewable energy use)	Significant increase in renewable energy use (e.g. 50%)	Largest increase in renewable energy use (e.g. 100%)

- Default Product

- **Keene Local Green:** The Program intends to offer Keene Local Green as its default product. The Keene Local Green product has a goal of maintaining rough cost parity with Eversource’s Default Service supply while including extra renewable electricity above the Renewable Portfolio Standard (“RPS”) required in New Hampshire. The exact amount of extra renewable electricity will be determined after the receipt of bids from competitive suppliers. It is expected to include 5-10% extra renewable energy in the initial ESA. It is the City's goal to increase this amount in subsequent ESAs, while maintaining cost parity with Eversource’s Default Service. This product is intended to include as much local renewable energy as possible, as defined in Section V.b. Including additional renewable energy in this product enables customers to have a meaningful impact on the reduction of greenhouse gas emissions through the support of local renewable energy sources.

- Optional Products

- **Keene Basic:** Some customers may feel that the amount of new, renewable energy required by the RPS in New Hampshire is sufficient to fulfill their renewable energy objectives. This product offers the same amount of renewable energy as Default Service from Eversource as required by the RPS of New Hampshire. Keene Basic will be the lowest cost option in the Program.
- **Keene 50% Local Green:** For customers that want more renewable electricity than is offered by Keene Local Green, this product offers up to 50% local renewable energy above the RPS. The City reserves the right to adjust the amount of renewable energy to be included with this product and that amount will be the same for all customers choosing this option. This product enables customers who chose this option to have a more meaningful impact on the reduction of greenhouse gas emissions through the support of local renewable energy sources.
- **Keene 100% Local Green:** For customers that want more renewable electricity than is offered by Keene Local Green, this product offers up to 100% local renewable energy above the RPS. City reserves the right to adjust the amount of renewable energy to be included with this product and that amount will be the same for all customers choosing this option. This product enables customers who chose this option to have a more meaningful impact on the reduction of greenhouse gas emissions through

the support of local renewable energy sources.

The Program reserves the right to adjust product names as needed.

The Program notes that it cannot guarantee savings for any of its products compared to the utility Default Service rates, because utility Default Service rates may not be known for the entirety of any Program supply contract.

Any charge for the additional renewable energy would be included in the rate submitted to the electric distribution utility or be purchased separately as Renewable Energy Certificates (“RECs”) from a third party. RECs are the accepted legal instrument used to track renewable energy generation and to substantiate claims of renewable energy use. For every one megawatt-hour (MWh) of renewable electricity that is generated and fed onto our electricity grid, one REC is created. In order to claim the use of a certain quantity of renewable energy, one must hold and retire an equivalent quantity of RECs. Retiring a REC ensures that there can be no double counting of renewable energy (i.e. no one else may claim to use the same REC one it has been retired).

V.b. Green & Local Definitions

The term “Green” means that the product contains additional renewable energy, substantiated through REC retirement, above that required by state law.

“Local” means that the additional RECs come from renewable energy sources that are part of our ISO-New England electricity grid. This means the sources are located in New England or the energy is imported as allowed by ISO-New England from locations such as New York or eastern Canada. This stands in contrast to some electricity supplies that obtain RECs from national sources (e.g. Texas) in which the electricity is not part of our ISO-New England electricity grid.

In its procurement, as described in Section VI.a, Keene seeks to support renewable energy generation located within Keene or as close to Keene in New Hampshire as possible. Keene also seeks to support the growth of renewable energy, thereby displacing fossil fuels and reducing greenhouse gas (GHG) emissions.

V.c. NH Class I Renewable Energy

New Hampshire Class I renewable energy is known as “new renewable energy”. The State requires all electricity supplies to include a minimum quantity of Class I renewable energy, and that amount increases annually (currently plateauing after 2025). This increasing requirement, along with similar requirements in other New England states, has been a major driver of the growth of renewable energy in our region. If the Program voluntarily purchases additional Class I renewable energy at significant scale, Keene will augment this growth even further.

Class I renewable energy can come from wind, solar, small hydroelectric, biomass, methane, as well as hydrogen and ocean thermal, tidal or wave energy. These categories align with the Keene Energy Plan's support for "Green Power" as defined by the US Environmental Protection Agency (EPA). All Class I renewable energy must have started operation after January 1, 2006 and must be physically delivered to our regional electricity grid, which means it can come from New England, New York or eastern Canada.

- Additional detail on NH Class I renewable energy, as well as the other classifications of renewable energy covered by the New Hampshire Renewable Portfolio Standard, may be found at https://www.puc.nh.gov/Sustainable%20Energy/Renewable_Portfolio_Standard_Program.htm
- Additional detail on EPA's Green Power definition can be found at <https://www.epa.gov/greenpower/what-green-power>.

As described above, the City intends to purchase a portion of the RECs from renewable energy generators and include these RECs in a renewable energy product. If RECs are obtained through the Competitive Supplier, any charge for these RECs would be included in the same rate submitted to the electric distribution utility.

VI. Operation

The implementation of the Community Power Program requires extensive interaction between the City, the Competitive Supplier, and the electric distribution utility.

Following adoption of the Plan by the City Council, the key operational steps will be:

- a. Issue a Request for Proposals (RFP) for power supply and select a Competitive Supplier
- b. Implement a public information program, including an opt-out notice
- c. Enroll customers and provide service, including quarterly notifications and annual reporting
- d. Plan for program evolution

These steps are described in the sections below.

VI.a. Issue an RFP for power supply and select a competitive supplier

The City, under direction of the City Manager or its designee, will solicit bids from leading competitive suppliers, including those currently supplying community power programs in New England and other states. In seeking bids from competitive suppliers, the City may solicit bids for its load individually or as part of a Buying Group with other

municipal aggregators. The RFP will require that the supplier satisfy key threshold criteria, including:

- Registration with the New Hampshire Public Utilities Commission (NHPUC)
- Strong financial background
- Experience serving the New England competitive market or community power programs (also known as municipal aggregations) in other states
- Demonstrated ability, supported by references, to provide strong customer service.

In addition, suppliers will be required to agree to the substantive terms and conditions of the ESA, including, for example, the requirement to:

- Provide all-requirements power supply at a fixed price
- Allow customers to exit the program at any time with no charge
- Agree to specified customer service standards
- Comply with all requirements of the NHPUC and the electric distribution utility

The City will solicit price bids from suppliers that meet the threshold criteria and agree to the terms and conditions of the ESA. The City will request bids for a variety of term lengths (e.g. 12, 24, 36 or 48 months) and for power from different sources. The City Manager, or their designee(s), will determine the appropriate level of renewable energy to be included with the default product and the optional products based upon their assessment of market conditions and what would be in the best interest of retail electric customers at the time of the solicitation. As noted in **Section V.a.**, all claims of renewable energy use will be substantiated by the supplier obtaining and retiring the appropriate quantity of RECs. The City will require bidders to identify the technology, vintage, and location of the renewable energy generators that are the sources of the RECs. It will also require that the RECs be created and recorded in the New England Power Pool Generation Information System. The City may seek RECs from a variety of renewable energy sources; may elect to procure from those sources RECs, power or both; and will choose the best combination of environmental benefits and price. All additional RECs, above those required by the RPS, are initially expected to be New Hampshire Class I eligible RECs or RECs from sources located within the greater Monadnock region.

The City may provide customers with renewable energy generation source information through a variety of vehicles including the program web site, content disclosure labels and the customer notification letter.

In consultation with its Community Power Consultant, the City Manager, or its designee, will evaluate the bid results including price, term and source. Whether the City conducts an individual solicitation or participates in a solicitation with a Buying Group, at the conclusion of the bidding process it will select a price, term and supplier appropriate for

its retail electric customers. Participation in the Buying Group shall not require the City to select the same price, terms or supplier as other members of the Buying Group. If a bid is satisfactory, the City Manager, or its designee, shall execute an Electric Service Agreement (“ESA”) with the selected supplier(s). The City reserves the right to select supplier(s) per customer class (as distinguished in Section III.c. to ensure equitable treatment). If none of the bids is satisfactory, the City will reject all bids and repeat the solicitation for bids as often as needed until market conditions yield a price that is acceptable. The City will only accept a bid that enables it to launch the Program with a price, terms and characteristics that meet the criteria set by their municipal officials.

VI.b. Implement public information program including an opt-out notice

An Education and Outreach Plan is required to fully inform and educate potential customers and participants in advance of automatic enrollment in the Community Power Program. Customers, including customers with limited English language proficiency and disabilities, must be informed that they would be automatically enrolled in the Program and that they would have the right to opt-out of the Program without penalty. The purpose of the Education and Outreach Plan is to raise awareness and provide retail electric customers with information concerning their opportunities, options and rights for participation in the Program.

The Education and Outreach Plan (**See Exhibit II**) consists of five components:

i. Initial Outreach and Education: This will be conducted after the selection of a Competitive Supplier and prior to arrival of the customer notification letter. It is intended to promote general awareness of the upcoming program, minimize any questions generated by the arrival of the customer notification letter and maximize recipients’ ability to make an informed choice about their participation in the Program. This effort will include information about the goals of the Program, the basic terms and conditions including renewable energy components, and the opt-out process.

ii. Customer Notification Letter: In addition to the initial outreach and education initiatives, a customer notification letter (also known as an opt-out notice) will be mailed to every retail electric customer on Default Service with the electric distribution utility. This letter will contain all details on the products offered by the Program; explain that the customer will be automatically enrolled in the default product unless they choose otherwise; have instructions for how to not participate (opt out) via web, phone or a pre-addressed envelope included with the letter; and instruction for how to enroll in an optional Program product.

iii. Opt-Out Period Education & Outreach: The opt-out period will last a minimum of 30 days from the date of mailing of the customer notification letter.

After the customer notification letter has been sent, the City will continue its education and outreach to afford residents and businesses the opportunity to learn more and find answers to key questions relating to their decision to opt out or enroll in one of the optional products of the program. This will include, at a minimum, a public information meeting within 15 days of the mailing of the customer notification letter.

iv. Timeline and Preliminary Marketing Plan for Launch: This component identifies the steps the City intends to take in marketing the Program including identification of media and other community resources, examples of education and outreach documents, and an expected timeframe for the outreach effort.

v. Ongoing Outreach & Education: This component describes the expected outreach and education activities following Program launch. Key elements include:

- Program goals and performance, particularly as they relate to progress towards the City’s ambitious short- and long- term goals for renewable energy, particularly for 2030 and 2050.
- On-going campaigns to recruit participation into its optional product(s) that contain more renewable energy than required by law (“Opt up campaigns”). Increasing participation in these products will serve the City’s goals to expand new renewable energy and increase overall renewable energy use; AND
- Promotion and support of the NHSaves energy efficiency program, and future energy efficiency and weatherization programs

The attached Education and Outreach Plan (**Exhibit II**) describes in detail the City’s anticipated outreach efforts, including a timeline.

VI.c. Enroll customers and provide service

i. Enroll Customers: After the conclusion of the opt-out period (i.e. no sooner than 37 days from the date of the postmark of the opt-out notice), the Competitive Supplier will enroll into the Program all retail electric customers on Default Service with the electric distribution utility who did not opt out. All enrollments and other transactions between the Competitive Supplier and the electric distribution utility will be conducted in compliance with the relevant provisions of New Hampshire Public Utilities Commission regulations, Terms and Conditions for Competitive Suppliers, and the protocols of the New Hampshire Electronic Business Transaction (EBT) standards.

ii. Provide Service: Once customers are enrolled, the Program will provide all-

requirements power supply service. The Program will also provide ongoing customer service, maintain the Program web site, and process customer enrollments, ongoing opt outs, and customer selections of optional products. The Program will provide Energy Source Disclosure labels to participants as required by RSA 378:49.

Prior to the expiration of the initial ESA, the City intends to solicit a new power supply agreement, as described in **Section XIII. Method of Terminating and Entering Agreements with Other Entities**. If the City elects not to enter into a new power supply agreement, participating customers would return to Default Service as described in **Section XV. Extensions or Termination of Program**.

When new customers move into the City, they will receive a customer notification letter detailing the Plan and an opt-out card. At the end of the opt-out period they will be enrolled in the Program unless they elect to opt-out. New customers may proactively enroll by contacting the Program directly.

iii. Annual Report: On an annual basis, the City Manager, or its designee(s) will report to the City Council on the status of the Community Power Program, including the number of customers enrolled and opting-out, kilowatt-hour usage, customer savings, participation in renewable energy products, and such other information as the City may request. The information for this report will be prepared by the Community Power Consultant, and the Community Power Consultant will assist or lead in presenting to the City Council as desired by the City Manager.

iv. Data Portal: The Community Power Consultant will make available to the City Manager and its designee(s) a secure, password-protected cloud-based data portal that provides the ability to run reports on key program metrics and performance.

VI.d. Plan for program evolution

City seeks to continually improve the program and progress towards its long-term goals. To this end, the Community Power Consultant and City will regularly assess new opportunities such as technologies, services, regulatory policy changes, and more for their applicability to the program. Community Power Consultant will develop appropriate strategies to integrate these opportunities into the Program. Community Power Consultant will support the City to present new opportunities to the City Council for their consideration and approval, if amendments to the Plan are needed.

VII. Funding

All of the costs of the Program will be funded through the ESA.

The primary cost will be the charges of the Competitive Supplier for the power supply. These charges will be established through the competitive solicitation for a supplier.

The administrative costs of the Program will be funded through a per kilowatt-hour implementation fee that will be paid by the Competitive Supplier to the Community Power Consultant, as specified in the ESA. This implementation fee will cover the services of the Community Power Consultant, including developing the Community Power Plan, managing the supply procurement, developing and implementing the public education plan, providing customer support, interacting with the electric distribution utility, monitoring the supply contract, and providing ongoing reports.

VIII. Rate Setting and Other Costs to Participants

The Program is offered on an opt-out basis, such that eligible customers will be automatically enrolled unless they proactively choose to opt out.

As described above, the power supply charges of the Program will be set through a competitive bidding process and will include the implementation fee and applicable taxes pursuant to the ESA. Prices, terms, and conditions may differ among customer classes, which classes will be the same as the Default Service customer classes of the electric distribution utility. The frequency of price changes will be determined through the competitive bid process. The City expects to solicit bids for a number of different contract terms. Prices may change as specified in the winning bid and customers will be notified of price changes through media releases and postings on the Community Power Program website.

Regulatory events, such as new or altered requirements for the Renewable Portfolio Standard, or new taxes may result in a direct, material increase in costs during the term of the ESA. In such cases, the City and the Competitive Supplier will negotiate a potential change in the program price. At least 30 days prior to the implementation of any such change, the City will notify customers of the change in price by issuing a media release and posting a notice in City Hall and on the program website. The City shall also notify the NHPUC Consumer Services and External Affairs Division prior to implementation of any change in the Program price related to a regulatory event or new taxes. Such notice shall be provided prior to notifying customers and will include copies of all media releases, postings on the City and Program websites and any other communications the City intends to provide to customers regarding the price change.

The Program affects only the electricity supply charges of the customers. Delivery charges will be unchanged and will continue to be charged by the electric distribution utility in accordance with tariffs approved by the NHPUC.

Participants in the Program will receive one bill from the electric distribution utility that includes both the power supply charge of the Competitive Supplier and the delivery charge of the electric distribution utility. Any applicable taxes will be billed as part of the Program's power supply charge.

IX. Net Metering Compensation

In accordance with RSA 362-A:9, II, the Program may determine the terms and conditions for net metering. In order to support the development of distributed energy resources within Keene, the Program will seek to offer net metering terms and conditions - for standard, alternative and group net metering - equal to or better than that provided on Default Service. To this end, the Program will evaluate the net metering terms and conditions offered by competitive suppliers as part of the procurement and bid selection process.

To ensure net metering customers can make a fully informed decision on their participation in the Program, the Program will tailor all education and outreach materials to clearly communicate any and all differences between the net metering value and operation provided by the Program and Default Service.

Additionally, the Program will evaluate how any proposed or implemented changes to the utility metering or billing infrastructure may create new opportunities to enhance the net metering benefits.

X. Electric Assistance Program and other discounts

The New Hampshire Electric Assistance Program (EAP) provides qualifying customers with a discount on their monthly electric bill. The New Hampshire Legislature authorized funding for this statewide program as part of electric utility deregulation. All electric utility ratepayers support the statewide EAP through the System Benefits Charge (SBC) portion of their electric bill.

The EAP for income-eligible customers that may qualify for a discount off their monthly electric bill would continue for participants in the Program. The level of discount depends on household income, household size and electricity usage.

The EAP discount does apply to the Supplier Services portion of an electric bill when a customer chooses an independent supplier for their electricity needs. The participants in the Program who are enrolled in the EAP will receive their discounts by the same method they presently receive their discount. Participation in the Program is independent of enrollment in the EAP and does not impact the EAP discount.

Other discount programs administered by Community Action Programs that address the needs of low-income residents would continue for participants in the Program.

XI. Aggregating Municipalities & Buying Group

Participating in a buying group may offer the potential for the City to expand its buying power for greater economies of scale and to support the City's goal of acting as a regional leader, supporting other municipalities to access the benefits for Community Power. Keene will evaluate opportunities for such a buying group before issuing a bid for competitive supply. See **Section VI.a. Issue an RFP for Power Supply and Select a Competitive Supplier** for details on the implementation of a buying group.

Additionally, the City reserves its right, in accordance with RSA 53-E:6, I, to join with other municipalities or counties for its Community Power Plan and implementing its Community Power program. Any changes to the Community Power Plan must be reviewed and approved by the City Council.

XII. Promoting Energy Efficiency

In addition to supporting cost-competitive and cleaner electricity, the City seeks to leverage the Community Power Program to help reduce energy use. This will initially take the form of cross-promoting awareness of efficiency programs through the Program's education and outreach. The Program will also evaluate opportunities for direct support of energy efficiency.

Promotional education will focus on existing energy efficiency and conservation programs, such as New Hampshire's Weatherization Assistance Program for low-income households and the New Hampshire Saves (NHSaves) program, which provides customers with information, incentives and support designed to save energy, reduce costs, and protect our environment statewide. NHSaves is funded by electric and natural gas ratepayers and delivered by Eversource, Liberty Utilities, New Hampshire Electric Cooperative and Unitil to make homes, businesses and towns more sustainable and more comfortable places to live and work, both now and in the future. Through NHSaves customers can receive a Home Energy Assessment. The assessment identifies energy-saving opportunities in the home and provides the customer with an energy report. The report includes information on equipment rebates and no-cost products, as well as access to 0% financing and a limited time offers, such as up to 100% off approved insulation. The assessment can also include delivery of energy-saving products recommended by the Energy Specialist, such as LED light bulbs, advanced power strips, and thermostats that can be installed right away to start saving money and energy.

If and when additional energy efficiency and conservation programs or initiatives become

available, the Program will evaluate how to incorporate them into its promotional outreach and education.

XIII. Method of Entering and Terminating Agreements with Other Entities

The process for entering, modifying, enforcing, and terminating all agreements associated with the Plan will comply with the municipal charter, federal and state law and regulations, and the provisions of the relevant agreement.

The City plans to use the same process described in **Section IV.a.** of this Plan to solicit bids and enter into any subsequent ESAs with the assistance of its then-current Community Power Consultant. Customers will be notified of subsequent ESAs through press releases and public notices. The transfer of customers from the existing supplier to the new supplier will be coordinated with the electric distribution utility using established Electronic Data Interchange (EDI) protocols.

If the City determines that it requires the services of a Community Power Consultant after expiration of the existing agreement with GE/SP, it will evaluate opportunities to solicit a Community Power Consultant individually or as part of a group of municipalities aggregating the electric load of their respective customers. The City will solicit proposals for, and evaluate, potential Community Power Consultants using a competitive procurement process or alternative procedure which the City determines to be in the best interest of its customers and consistent with all applicable local, state and federal laws and regulations.

XIV. Rights and Responsibilities of Program Participants

All participants will have the right to opt out of the Program at any time without charge. They may exercise this right by any of the following: 1) calling the toll-free number of the Competitive Supplier; 2) contacting the electric distribution utility and asking to be returned to Default Service; or 3) enrolling with another competitive supplier.

All participants will have available to them the customer protection provisions of the law and regulations of New Hampshire, including the right to question billing and service quality practices. Customers will be able to ask questions of and register complaints with the City, the Community Power Consultant, the Competitive Supplier, the electric distribution utility and the NHPUC. As appropriate, the City and the Community Power Consultant will direct customer complaints to the Competitive Supplier, the electric distribution utility or the NHPUC.

Participants will continue to be responsible for paying their bills and for providing access to metering and other equipment necessary to carry out utility operations. Participants

are responsible for requesting any exemption from the collection of any applicable taxes and must provide appropriate documentation of such exemption to the Competitive Supplier.

XV. Extensions or Termination of Program

At least 90 days prior to the end of the term of the initial ESA, the City will solicit bids for a new supply agreement and plans to continue the program with the same or new competitive supplier.

Although the City is not contemplating a termination date, the program could be terminated upon the termination or expiration of the ESA without any extension, renewal, or negotiation of a subsequent supply contract, or upon the decision of the City to dissolve the program effective on the end date of the existing ESA. In the event of termination, customers would return to the Default Service of the electric distribution utility, unless they choose an alternative competitive supplier. The City will notify customers of a planned termination of the program through media releases and postings on the Program website.

The City will notify the electric distribution utility of the planned termination or extension of the Program. In particular, the City will provide the electric distribution utility notice: (1) 90 days prior to a planned termination of the program; (2) 90 days prior to the end of the anticipated term of the ESA; and (3) four business-days after the successful negotiation of a new electric service agreement. The City will also provide notice to the NHPUC 90 days prior to a planned termination, which notice shall include copies of all media releases, City Hall and website postings and other communications the City intends to provide customers regarding the termination of the Program and the return of participants to Default Service.

In the event of the termination of the Program, it is the responsibility and requirement of the Competitive Supplier to return the customers to Default Service of the electric distribution utility in accordance with the then applicable EDI rules and procedures.

XVI. Planned Schedule

The planned schedule below is presented for illustrative purposes. The final schedule will be established once the Program has received all necessary approvals.

Day	Action or Event
1	Issue RFP for Competitive Supplier
31	ESA executed between City and Competitive Supplier

32	Competitive Supplier notifies electric distribution utility to prepare retail electric customer data of the City; broad-based educational campaign begins
33	Competitive Supplier begins EDI testing with electric distribution utility.
44	Competitive Supplier receives retail electric customer data from electric distribution utility
48	Competitive Supplier, at its expense, mails opt-out notice and reply cards with pre-paid envelopes to all retail electric customers, identifying the return date by which the reply card envelopes must be mailed and postmarked
51	Retail electric customers receive opt-out notice in the mail
63	Competitive Supplier completes EDI testing with electric distribution utility.
81	Return date by which customers deciding to opt-out must mail a reply card in pre-paid envelope to Competitive Supplier.
85	Competitive Supplier removes all retail electric customers who opt out from the eligible list
85	Competitive Supplier sends “supplier enrolls customer” EDI for all participating customers.
90	Service begins as of each customer's next meter read date

XVII. Conclusion

Keene’s Community Power Program meets all of the requirements of the Community Power law, including providing universal access, a reliable power supply and treating all customer classes equitably. The City looks forward to launching the Program and pursuing the benefits of a competitive power supply, renewable energy, and electricity choice for its retail electric customers.

Exhibit I - Historical Overview

1. Creation of Community Power Committee

On June 18, 2020 the Keene City Council approved the formation of an Ad-Hoc Community Power Committee (CPC). From City Council Minutes June 18, 2020:

FOP REPORT - COMMUNITY POWER PROGRAM & AD HOC COMMUNITY POWER COMMITTEE – ASSISTANT CITY MANAGER/COMMUNITY DEVELOPMENT DIRECTOR

The Mayor brought forward the Finance, Organization and Personnel Committee report recommending that the Mayor be requested to constitute an ad-hoc Community Power Committee to develop a Community Power Plan for submission to the City Council in accordance with RSA 53-E. A motion by Councilor Powers to carry out the intent of the report was duly seconded by Councilor Hooper. The motion passed on a roll call vote with 15 Councilors present and voting in favor.

APPOINTMENT OF AN AD HOC COMMUNITY POWER COMMITTEE

The Mayor appointed an ad hoc Community Power Committee that would be charged with developing a community power plan for the citizens of Keene. The appointments from the Mayor included: Dr. Ann Shedd, Peter Hansel, Paul Roth, Jeffrey Titus, Michael Giacomo and Daniel Belluscio. A motion by Councilor Powers to confirm the appointments was duly seconded by Councilor Bosley. On roll call vote, 15 Councilors were present and voting in favor. The appointments were confirmed.

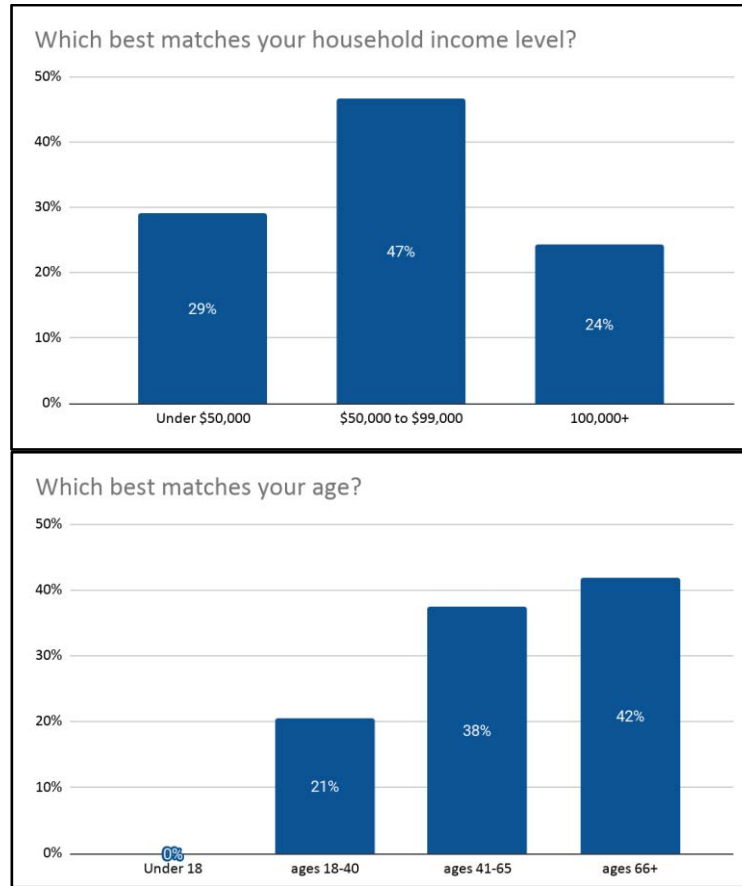
2. Creation of a Draft Plan with public hearings

The Committee, supported by City Staff and the Community Power Consultant, held two public information sessions on December 8, 2020 to promote awareness of the development of a Community Power Plan and to begin gathering input. Also on December 8, 2020, the Committee released a community survey open for approximately one month through January 7, 2021. The survey was available online and via paper in the Monadnock Shopper News. The online survey and the City's website, KeeneEnergyPlan.com also hosted two educational videos about Community Power. KeeneEnergyPlan.com has hosted additional educational resources about Community Power, including an FAQ page, podcast and interviews with municipal leaders from active community power (also known as municipal aggregation) programs, such as Medford, Massachusetts.

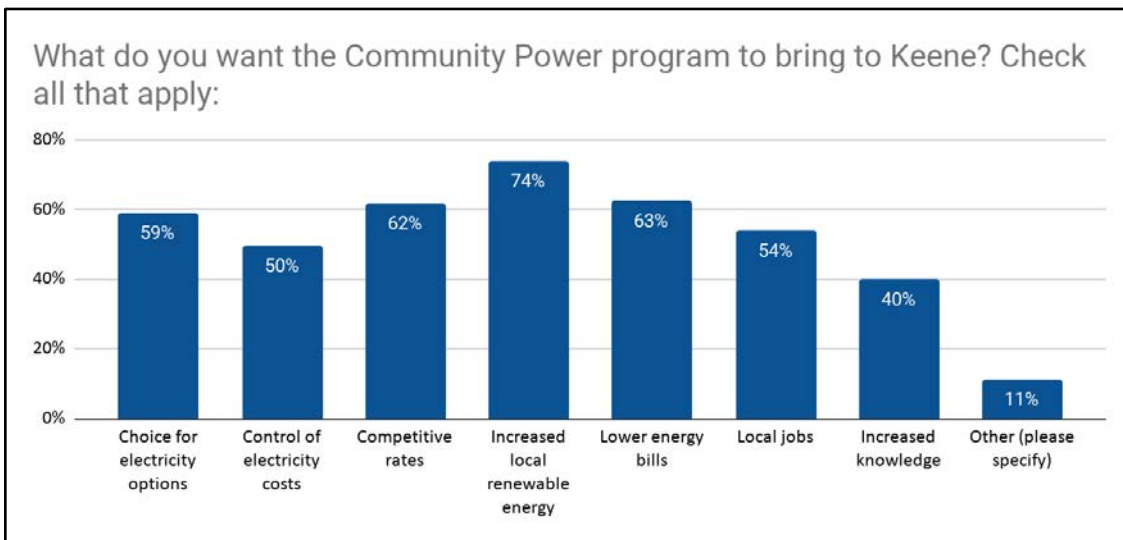
The survey received 126 responses, 97 online and 29 in paper via the Monadnock Shopper News. Key survey findings:

- 86% of respondents currently receive supply from Eversource Default Service. Such customers would be eligible for automatic enrollment in the program.

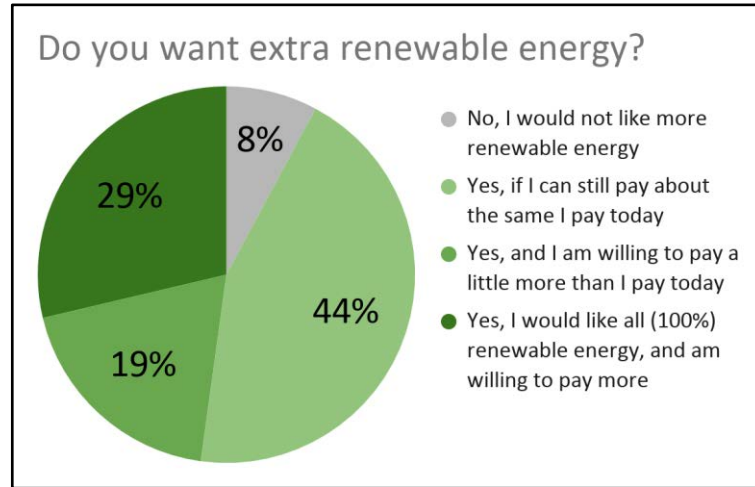
- The survey had a well-distributed diversity of household income groups and age, as shown below:



- Respondents identified a range of benefits they are interested in with Community Power:

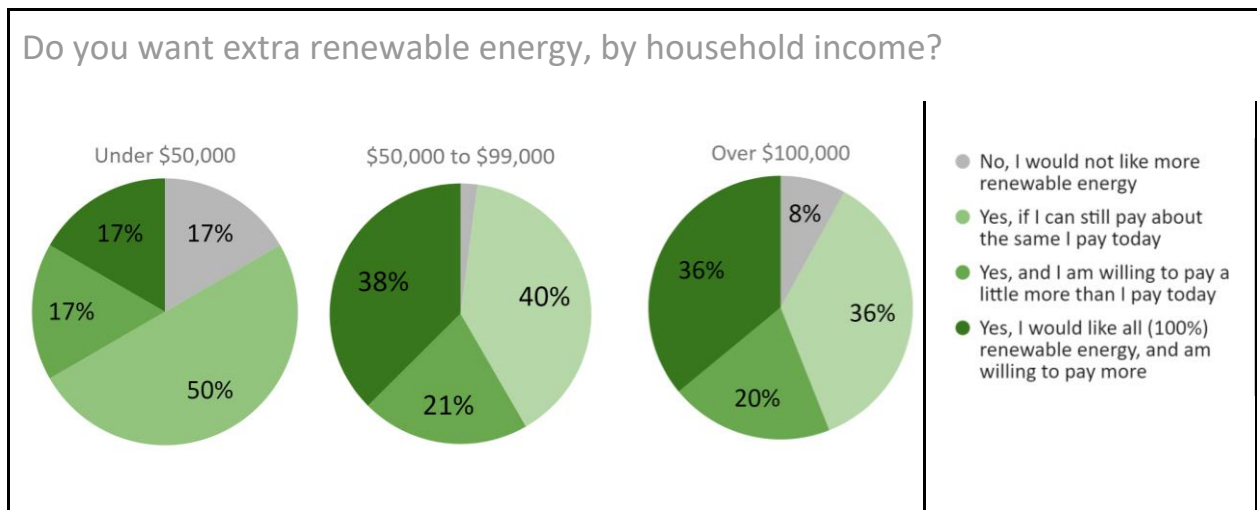


- 92% of respondents were interested in including more renewable energy in their electricity. Of those interested, roughly half (45%) sought extra renewable energy if they could pay about the same they pay today. The other half (55%) was willing to pay a little or a lot more for extra renewable energy.

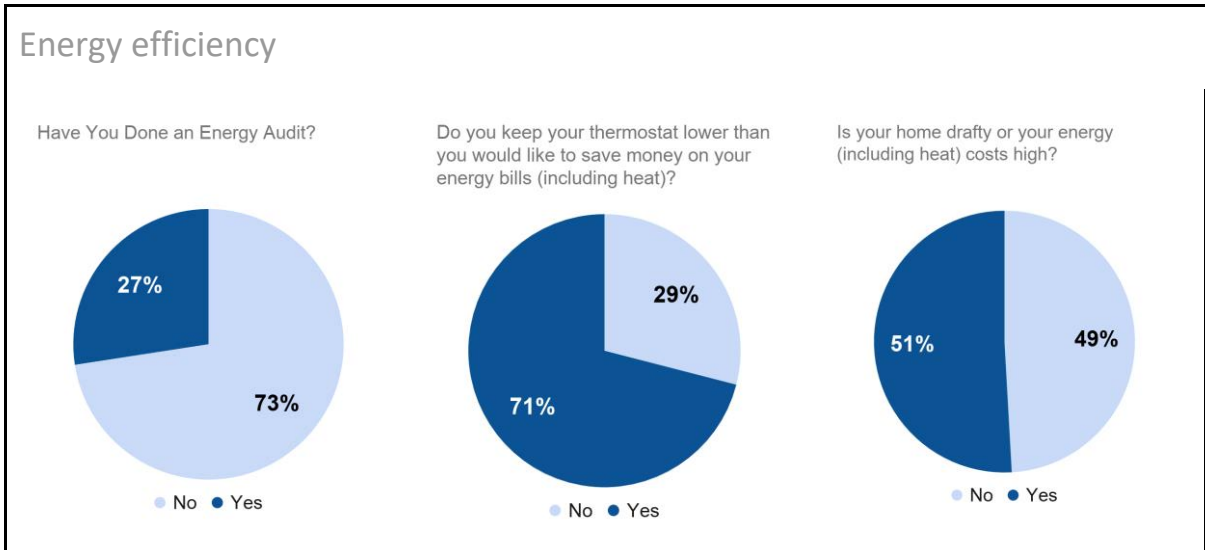


- When analyzing preferences for renewable energy and cost by household income, a similar pattern remains for each income group.

Those households under \$50k were more likely than other income groups to want no extra renewable energy; however, 83% of the income group was still interested in more renewable energy. Of those interested, 50% sought extra renewable energy if they could pay about the same they pay today. The other 33% was willing to pay a little or a lot more for extra renewable energy.



- Nearly three-quarters (73%) of participants had not performed an energy audit, and the percentages were nearly identical across household income groups. There appears to be widespread opportunity for energy efficiency improvements, with nearly three-quarters (71%) reporting that they keep their thermostat lower than they would like in winter and over half (51%) reporting their home is drafty or heating costs are too high.



Survey Conclusions:

The majority of participants in Community Power programs typically remain in the default product rather than choosing any of the program optional products. Given the strong support for both renewable energy and cost parity demonstrated in the survey responses, it suggests that Keene would be well-served by a default product designed with the goals of 1) achieving cost parity or savings compared to Eversource Default Service and 2) including some extra renewable energy.

Additionally, the survey highlighted that, for those that can afford it, the program should offer options with substantially more renewable energy for a price premium.

Although less than 8% of survey responses were not interested in extra renewable energy, it could be beneficial to have an optional product that would meet their needs by providing a lower-cost option with no extra renewable energy, particularly for those households in the lowest income bracket.

There is substantial opportunity for energy audits and efficiency improvements, suggesting support for energy efficiency by the Program would be valuable.

Respondents also cited an interest in local jobs, which the Program can support through demand for additional local renewable energy and by promotion greater

participation in energy efficiency programs. Regional cooperation, particularly with neighboring municipalities, would amplify this impact as well.

Draft Plan: Public Hearings & Comments

The Committee held two additional public meetings on January 26, 2021 (12:00 pm and 6:30 pm) to present the survey findings, discuss how the results would be incorporated into the draft Community Power Plan, and provide an overview of other details to expect in the Community Power Plan.

On February 5, 2021 the draft Community Power Plan was posted publicly to the program website, KeeneCommunityPower.com. During the Committee's meeting on February 12, 2021, the Committee announced the availability of the draft Community Power Plan, invited comment and scheduled two public hearings for March 30, 2021 (12:00 pm and 6:30 pm). The Committee and the City promoted awareness of the draft Plan through diverse means including a formal hearing notice in the newspaper, press releases, postings on the City website and social media, and email outreach to the City's Community Power email list. The public was encouraged to submit comments ahead of the public hearings using the online comment form on the program's website, KeeneCommunityPower.com, and email, phone or written comment to the City's Community Development department.

The Committee received comments ahead of and during the public hearings. All public comment is available in the Committee's meeting packet for April 8, 2021.

3. Approval of Plan by Community Power Committee

The Committee discussed public comments and potential changes to the Community Power Plan during their Committee meeting on April 2, 2021. Additional public comment was provided during the meeting, and the Committee determined to reconvene on April 8, 2021 (see the Committee's meeting packet for April 8, 2021 for additional comment received).

In response to some of the public comments, the Committee revised the plan as follows:

- Adjusted the language describing the likely sources of additional renewable energy in the City's first supply contract to make it clear that local renewable energy generated within the "greater Monadnock region" could also be included, in addition to NH Class I renewable energy.
- Revised the procurement language to clearly allow for the procurement of power and Renewable Energy Credits (RECs) from the same facility (also known as "bundled") or purchase only one or the other from a facility (also known as "unbundled").

-
- Revised the procurement language to allow for the selection of multiple suppliers (for example, one for residential and small commercial and one for large industrial).
 - Modified language throughout the plan to clarify what is meant by the term “local” in different contexts (e.g. “renewables that are on the ISO-New England electricity grid,” or “within or as close as possible to Keene in New Hampshire”).

The revised plan, including a red-line and clean version dated April 5, 2021, was included in the Committee’s meeting packet for the meeting on April 8, 2021. During the meeting, the Committee discussed the revisions. The Committee then unanimously voted to approve the plan and recommend it to the City Council for adoption.

Subsequent to the meeting, on April 8, 2021, summary detail of the public hearings, public comment, Committee’s deliberation and vote was added to the Historical Overview.

4. Adoption of Plan by City Council

[insert detail]

5. Submission of Final Plan to Public Utilities Commission

[insert detail]

Exhibit II - Education & Outreach Plan

1. Initial Outreach and Education

The initial outreach and education will provide a description of the Program for eligible customers and will be conducted via traditional print and TV channels, social media, a dedicated website, public presentations and personal communications to inform eligible customers about the Program and will include a toll-free number. This effort will provide specific information about the Program and increase public awareness of the goals of the Program and the upcoming opt-out notification process.

If any Program materials were to reference cost savings for any part of the program, a notice would be included which states that the City cannot guarantee that the Program will provide customers with prices lower than the distribution utility's Default Service rate over the full term of any supply contract entered into by the City.

1.1 Media Outreach

Prior to the launch of the Program, the City will initiate media outreach that may include the use of local cable television shows, newspapers and social media to provide greater public education and to describe the Program, the opt-out process, the website, and the toll-free telephone number. Outreach may also include public service announcements (PSAs), scheduling interviews of Program spokespersons with local media outlets, and securing a positive media presence.

A news release may be distributed to help achieve the aforementioned goals. Follow-up news releases may be used to update the media on the status of the progress of the Program.

1.2 Notices and Public Postings

Brochures/flyers will be distributed in City offices describing the Program, the opt-out process and the toll-free telephone number in order to further reinforce the Program's details. Brochures/flyers may be placed in key gathering areas or buildings (e.g. library, Senior Center, etc.) which will create the necessary repetition of messages required to motivate customer action and build awareness and understanding.

1.3 Customer Service Center

The Program will maintain a toll-free telephone number to address eligible customers' questions regarding the Program, deregulation, the opt-out process, price information and other issues eligible customers may raise.

1.4 Website

All information regarding the Program will be posted on the Community Power (CP) website, which is linked to the website of the City. The CP website will have links to the website of the electric distribution utility, the New Hampshire Public Utilities Commission (NHPUC), and the Competitive Supplier.

1.5 Public Presentations

The Program will provide presentations to municipal officials and to interested community groups.

1.6 Outreach to Persons with Limited English Proficiency or Disabilities

At the launch of the Program, the City will include in its customer notification letter a Language Access Document in the native languages of limited-English-speaking residents, which includes, but is not limited to, Spanish. This Language Access Document will inform eligible customers that the letter contains important information from the City about their electric service and they should have the notice translated. The notice will also include the toll-free customer service number. The City will also provide a translation option on its Program website that will translate any written materials on the website into over 100 different languages. The website will be designed with the goal of being compliant with the Americans with Disabilities Act (“ADA”) and will include formats that allow the content to be read out loud by computer assistive technology. Outreach efforts will be communicated in print and audio formats to provide access to both the hearing and visually impaired.

2. Customer Notification Letter

The customer notification letter (also known as “opt out notice”) will be sent via standard mail to the billing address of each eligible customer on Default Service. The notification envelope will be designed to appear as an official City communication and it will be clearly marked as containing time sensitive information related to the Program. The notification will contain a letter describing the Program. The Competitive Supplier shall bear all expenses regarding the opt-out notice.

The letter will inform eligible customers:

- a) about the Program and provide information regarding participation and rights;
- b) that they have the right to opt-out of the Program without penalty;
- c) of all charges, prominently stated, with a comparison of price and primary terms of the Competitive Supplier and the current Default Service offering;
- d) that any savings under the Program compared to Default Service cannot be

guaranteed because the Default Service rate is subject to changes

- e) about the opt-out process; and
- f) in languages other than English for appropriate customer groups (i.e. toll-free telephone number).

The customer notification letter will also contain an opt-out reply card with a simple check off and signature line for eligible customers who do not wish to participate. The envelope will be pre-stamped for return of the opt-out reply card in order to protect customer privacy.

Eligible customers will have 33 days from the date of the mailing to mail back the opt-out card in a pre-addressed postage-paid envelope and the customer notification shall identify the specific date by which the envelopes containing the opt-out card must be postmarked. Automatic enrollment of customers will not start until three days after the date specified for the postmark of the return envelopes to allow for receipt of the opt-out cards prior to the start of automatic enrollments. New eligible customers will be enrolled in the Program in accordance with applicable Local Distributor Company rules. Upon initiation of service, these new eligible customers will receive the same customer information as all other eligible customers.

A copy of the initial customer Notification Letter will be filed with the Director of the Consumer Services and External Affairs Division of the Public Utilities Commission prior to the start of the opt-out period.

3. Opt-Out Period Education & Outreach

After the customer Notification Letter has been sent, City will continue its education and outreach to afford residents and businesses the opportunity to learn more and find answers to key questions relating to their decision to opt out or enroll in one of the optional products of the program. This process will include, at a minimum, a public information meeting within 15 days of the mailing of the customer notification letter. It will also include a similar range of outreach activities as enumerated in section 1.1 to 1.6.

4. Timeline and Preliminary Marketing Plan for Launch

The timeline and preliminary marketing plan identifies the steps the City may take to inform the community about the Program, as described in Sections 1 through 3 of Exhibit II. The schedule is designed to work towards the estimated date when the customer Notification Letter is scheduled to arrive in customer mailboxes.

The costs and implementation will be handled by the Community Power Consultant, under the direction of the City.

From estimated date customer notification letter arrives in customer mailboxes		
Action	Days before	Days after
A. Website launch	60	Ongoing
B. Work with local media resources	60	30
C. Active social media outreach	30	30
D. Initial person presentations	30	30
E. Distribute marketing materials	30	30
F. Customer help line	30	Ongoing
G. Mail postcard to all eligible accounts	15	-
H. Customer notification letter arrives	0	0

A. Website Launch:

Timeframe: 60 days before the estimated date that the customer notification letter arrives in customer mailboxes, then maintained on an ongoing basis.

The Program will maintain an informational website with features that include Program details, an online savings calculator and enrollment, opt-up and opt-out forms for the convenience of participants.

B. Work with local media resources:

Timeframe: 60 days before to 30 days after the estimated date that the customer notification letter arrives.

Area Newspapers:

The City will work with area print and online newspapers to disseminate accurate and timely information about the Program. As part of this targeted outreach to these papers, the City may seek a meeting with the editorial board to establish a good foundation for continued dialogue over the course of the contract. Other newspaper outlets may include other local publications.

- These papers include: Keene Sentinel, Monadnock Shopper News, and the New Hampshire Union Leader

Local Public Access Television:

The City intends to work with Cheshire TV channels for public (1301) and government (1302) access. City can record interviews about the program and PSAs for upcoming meetings.

Other Television and Radio Stations

Develop press releases to send to other TV stations and radio stations.

- TV stations include WMUR (ABC, MANCHESTER, NH) Channel 9; WUTF (INDEPENDENT, WORCESTER, MA) Channel 27; WVTA (PBS, WINDSOR, VT) Channel 41; WWJE (INDEPENDENT, DERRY, NH) Channel 50; WEKW (PBS, KEENE, NH) Channel 52; WNEU (NBC, MERRIMACK, NH) Channel 60;
- Radio stations include WVBA (88.9 FM) Brattleboro, VT; WEVO (89.1 FM) Concord, NH; WEVN (90.7 FM) Keene, NH; WEEY (93.5 FM) Swanzey, NH; WSNI (97.7 FM) Keene, NH; WINQ (103.1 FM) Keene, NH; WKNE (103.7 FM) Keene, NH; WYRY (105.5 FM) Keene, NH; WCNL (1010 AM) Newport, NH; WKBK (1290 AM) Keene, NH; WTSA (1450 AM) Brattleboro, VT

Municipal Staff Interviews

Develop Q&A Scripts and prepare municipal staff or volunteers for interviews.

C. Active Social Media Outreach

Timeframe: 60 days before to 30 days after the estimated date that the customer notification letter arrives.

Boost all traditional media coverage on social media platforms, with the goal of driving traffic to the dedicated website of the City.

In concert with the communication leads of the City, develop a campaign of planned tweets and Facebook posts, timed to coincide with important milestones in order to keep ratepayers informed, particularly those that may not interact with traditional media on a regular basis. Draft content and graphics to accompany the posts, to be made by City staff.

- These accounts may include: City of Keene (Instagram, Facebook); City Manager (Twitter); Keene Community Development (Instagram, Facebook & Twitter) and Keene Public Library (Instagram, Facebook & Twitter).

Monitor various channels such as Facebook and Instagram for relevant conversations and questions about the Program. Draft responses to comments and questions and utilize social media as a critical tool in engaging with members of the community.

- These accounts may include: “Downtown Keene” Facebook page (@downtownkeene); the “Keene, NH” Facebook group (5.5k members); and “Keene NH Community Forum” Facebook group (1.5k members)

Identify key social media influencers in the City, including lawmakers, advocates and reporters. Develop a spreadsheet of the social media handles/accounts and reach out to them to keep them informed about the Program.

D. In Person Presentations

Timeframe: 30 days before to 30 days after the estimated date that the customer notification letter arrives. This will include, as required in RSA 53:E-7, a public information meeting within 15 days of the mailing of the customer notification letter.

Local Groups

Connect with local groups and associations to see if representatives of the City can participate in an upcoming meeting or offer to host a dedicated event. Seek their assistance in identifying how to best connect with customers with limited-English capabilities or disabilities that may prevent them from accessing Program information.

- Example groups include: Neighborhood associations, Social service agencies, Business Focus Group, Rotary, Kiwanis, Lions, Chamber, Clean Energy team, Keene Young Professionals, Downtown Group, Board of Realtors, Keene Senior Center, Keene Off-campus Housing (landlords and tenants), Keene State College English as a Second Language (ESL) classes, CALL Program (Cheshire Academy for Lifelong Learning).

Reaching the business community will be important. Presenting to the Chamber of Commerce can start this dialogue and lead to additional outreach to and connection with businesses.

Council Meetings

Present or provide materials for the Council meetings and any constituent meeting they may have.

E. Distribute marketing materials

Timeframe: 30 days before to 30 days after the estimated date that the customer Notification Letter arrives.

Many groups may have a natural interest in promoting awareness about the Program and can be provided with electronic and hard-copy materials with reference information for the Program.

Distribute to key locations such as Municipal Offices and Public Library.

F. Customer Help Line

Timeframe: 30 days before the estimated date that the customer notification letter arrives and ongoing thereafter.

Establish customer helplines with the Competitive Supplier and Community Power Consultant to answer customer inquiries.

G. Mail Postcard to all eligible accounts

Timeframe: 15 days before the estimated date that the customer notification letter arrives.

Post Card

Send out prior to customer notification letter. Establishes that there is a community-sponsored Program and increases the likelihood that recipient engages with the more detailed opt-out letter.

H. Customer Notification Letter arrives

Sent to all retail electricity customers on Default Service. Customers will have at least 30 days from the date of mailing to elect not to participate in the Program (i.e opt out) before the Program starts. The customer notification letter will provide all Program rates, terms and conditions, identify the deadline to opt out, and will provide instructions for how to opt out via web, phone or mail. It will also remind customers that once the Program starts, they may still opt out at any time, without penalty.

5. Ongoing Outreach and Education

The City intends to continue outreach and education for customers after enrollment in the Program. The costs and implementation will be handled by the Community Power Consultant, under the direction of the City. These efforts will include:

- **Program impact:** Key metrics relating to cost performance, renewable energy purchases and program enrollment. Particularly as the program accomplishments relate to progress towards the City's ambitious short- and long- term goals for renewable energy and greenhouse gas emission reduction. This will also include the Energy Source Disclosure labels for the electricity supply;
- **Opt up campaigns:** On-going campaigns to recruit participation into its optional product(s) that contain more renewable energy than required by law ("Opt up campaigns"). Increasing participation in these products will serve the City's goals to expand new renewable energy and reduce greenhouse gas emissions;
- **Customer awareness:** Rights and procedures for Program participants; contact information for customer inquiries, responses to frequently asked questions, and details regarding the Program's electric supply and renewable attributes.
- **Public input:** As the program considers changes to further its progress toward a 100% renewable future and other goals, City will manage outreach to solicit input and feedback from the community.
- **Program changes and evolution:** Any changes in offerings and prices, which will be posted on the Program website that is linked to the website of the City.

The program will utilize similar mediums for on-going education and outreach as for the initial launch education and outreach, including but not limited to: social media, traditional media, in-person meetings and presentations, outreach to local groups, video, and mail.

Translation of all materials will be provided as necessary to reach communities with limited English proficiency.



April 8, 2021

TO: Mayor and Keene City Council
FROM: Finance, Organization and Personnel Committee
ITEM: 7.

SUBJECT: Continued Discussion: Water and Sewer Methodology and Rates

COUNCIL ACTION:

In City Council April 15, 2021.
The Chair referred this back to the Committee.

RECOMMENDATION:

On a vote of 4-1, the Finance, Organization and Personnel Committee recommends that the City Council adopted the proposed sewer and water rate and charge structure for the users of the City's sewer and water systems and directs the City Manager to do all things necessary to implement them. Councilor Ormerod voted opposed.

BACKGROUND:

Public Works Director Kurt Blomquist stated this is a follow up from the presentation the council had last week regarding the work completed in early 2020 on water and sewer rates. Mr. Blomquist thanked everyone who participated in this work; Chair Powers, Finance staff and the City's consultant. This evening the proposed rate structure will be discussed again and the potential impacts on several of the customer types described in further details. The new rate structure will go into effect in July, 2021.

The City Manager noted this was a two-step process for the City. Tonight, staff is looking for the Committee's recommendation for the adoption of the actual rate structure. However, the Committee is not setting the rates for water and sewer, this will happen later when the budget is discussed, and when the Council makes decisions based on revenues and expenditures.

Mr. David Fox, Consultant was the next speaker. Mr. Fox stated this study started at the end of 2019. He indicated there was a lot of participation from City staff on this study. Mr. Fox reiterated what had been presented last week; this is a multi-stage process of developing revenue requirements understanding how much revenue needs to be generated on an annual basis for both the water and sewer funds, for things like operating expenses, existing debt service, capital infrastructure, new debt service and then determining how much money needs to be generated.

Mr. Fox stated what was discovered is that water costs are increasing significantly in the short term to deal with critical necessary capital improvements, things like well field upgrades, storage tank repairs, and distribution improvements. Mr. Fox noted Keene is not alone in such a process, any municipality in the northeast with aging infrastructure has similar issues. Sewer costs are also increasing, albeit not in the rapid pace as seen on the water side, but there is obviously some capital infrastructure necessary on the sewer side as well.

He noted the City has some negative financial pressures working against it; the vast majority of the City's revenue comes from user charges and the vast majority of those users charges come from the amount of water consumption that customers use. Similar to the rest of the industry, the City has seen a declining consumption over the past number of years that translates directly into declining revenues. Mr. Fox noted these additional cost pressures are due to increase regulations and compliance costs that the City does not have much control over.

In order to establish a financial plan, the consultants have developed a comprehensive financial plan, the correct model for the City's use which has been delivered to finance staff (10 year window) focusing on the first five years. Making sure the City is mitigating any sharp fluctuations and changes to its customers.

The most important thing is to establish a financial plan that ensures there is sufficient revenue for both the water and sewer funds in order to make sure bills are paid and make sure the City is doing what it needs to do in terms of capital reinvestment. In addition, the financial plan needs to make certain the both the water and sewer funds remain financially viable by maintaining appropriate cash reserves. However, as the City sees a decline in consumption whether it be due to the pandemic or whether it is because of a cool, wet spring and summer or whether people curve their consumption, the City revenues will decline and it is prudent to have a reserve fund to be able to mitigate such volatility. In doing so it is important to maintain the idea of supporting affordability for customers and make sure not to overburden customers. Mr. Fox stated their focus right now is the impact for fiscal year 2022 for implementation this July 1.

What the City is looking at for fiscal year 2022 is approximately a 20% increase in the water fund and about 6% more revenue on the sewer fund. He referred to a chart which explained that in 2021 the revenues were below cost and the revenue needs to be increased. On the sewer side, the City is at a better cash position in terms of how much cash it has on hand in reserve fund and hence the recommendation for a 6% increase on sewer. In terms of what this means for rates and then ultimately what does that mean for customers; Mr. Fox continued at the present time, customers are assessed on their water and sewer bills on a quarterly basis. The vast majority of customers use 5/8th inch meters and they are assessed a quarterly fixed charge of \$7.29. Those charges increase based on the size of the meter for the customers which is in line with industry best practices. This also coincides with cost of service and there's a strong rationale for doing that. There is then the volumetric piece and this completely depends on the amount of water consumption a customer uses – which is \$4.78 cents per CCF, which stands for 100 cubic feet. 100 cubic feet is approximately 748 gallons so for every 748 gallons a customer uses they pay \$4.78. This price is regardless of whether they are smallest customer in the system or the largest customer in the system.

The City also has fire protection charges which are there to recover the necessary infrastructure in the unfortunate case of a fire event. These are handled on a fixed quarterly basis as well.

The sewer rates are essentially set up exactly like the water rates - quarterly fixed charge with the volumetric charge based on water consumption. The vast majority of the source of revenue for water and sewer come from user charges. There are some miscellaneous revenue sources on the water side for things like fire fees, which are incredibly important as well as on the sewer side.

Mr. Fox stated the biggest deviation they are recommending from the existing rate structure is a “lifeline” rate for residential customers; providing all residential customers an essential level of water consumption on a quarterly basis, at a lower rate. As mentioned before, 100 cubic feet is about 748 gallons. What is being proposed is to allow for the first 4,500 or so 6 CCF - 600 cubic feet at a lower price per gallon, and once a residential customer gets above that threshold then they pay a little bit more. This helps with affordability, and it helps drive conservation while ensuring the City that its customers are using its resources efficiently. It also helps provide affordability for all residential customers, giving them the essential level of consumption at a lower volumetric rate.

Mr. Fox cautioned the Committee that these are no actual numbers, these are draft and preliminary fiscal year 2022 budget numbers. He noted the final rates may differ slightly from this, even though it might not be too much of a deviation.

He went on to say what is being recommended is that the water fixed charge be increased to \$23 per quarter for the 5/8 inch residential customer, which is the vast majority of the customers.

The biggest deviation is for residential usage. Customers currently are paying \$4.78 per 100 cubic feet. What is being assumed is for the lifeline rate for the first 600 cubic feet, residential customers would be assessed \$3.38 and for 100 cubic feet above that 600 cubic feet customers would then be assessed \$5.07. This applies to only residential customers. Non-residential customers are going to maintain a uniform rate. He noted it is difficult to establish what the lifeline rate or what that tier would look like for non-residential customers. Non-residential customers are such a non-homogenous group in terms of the types of customers and the amount of water consumption that they use across the board. It is industry best practice to have a uniform non-residential rate.

On the sewer side the recommendation is about a \$34 fixed charge for 5/8 inch customers.

All customers will be paying \$7.19 and will have no lifeline rate on the sewer side, it is just a uniform rate.

Mr. Fox then referred to residential customer impacts. For a median usage residential customer using about 9,000 gallons per quarter at the 50th percentile, this group represents 30% of customers. This customer is currently paying about \$182 per quarter for water and sewer service combined. If the structure was to be left alone and not make any structural changes and not implement the "lifeline" rate that is being recommended and rates are increased for financial sufficiency that median and customer's bill would go up by about \$20 to \$202 per quarter. However, if the City was to increase revenues for revenue sufficiency while at the same time, restructuring rates by having the "lifeline" rate, that customer's bill would only go up by a little over \$11 to \$194 or so.

These options are revenue neutral in both of these scenarios. The City is getting the exact same amount of revenue for both water and the sewer funds for financial sufficiency purposes and it is being done in a way that it is not impacting the residential customers by much. The "lifeline" provides the essential amount of usage at a lower volumetric rate. However the lower usage customer, the one who use about 4500 gallons per quarter which makes up about 20% of customers, they are currently paying about \$122 per quarter. If there was an across the board increase; no structural changes just for financial sufficiency their bill would increase by little over \$12 to \$134. But at the same time if the "lifeline" rate was implemented, this customer's bill would actually decline under this scenario by \$1.42. For the very high usage residential customers they would actually pay more under this scenario even with the "lifeline" rate but this is a minority group of customers.

Hence, for the median residential customer which is 30% of the customer base for water and sewer service, 24 hours a day 365 days a year, good clean safe service, will be about for \$775 per year, on a quarterly basis \$194 and on a monthly basis it will be \$65 a month for water and sewer service, or about \$2.15 cents per day.

Mr. Fox noted most customers receive water and sewer service for about two cents a gallon compared to what that would cost in a grocery store which would be over dollar for a gallon of water. Non-residential customers are the minority in terms of the total customer grouping. However, you still see the same kind of magnitude of impacts or directional shifts under these different scenarios.

In terms of an implementation plan, tonight's discussion with the Committee and educating the Committee on the rate process is an important part of the implementation plan. Another part of the plan is to provide outreach to customers. Customers are more likely to accept those changes if they can understand why they are occurring. He referred to a handout the consultant can help the City put together and circulate to customers. This concluded Mr. Fox's presentation.

Mr. Blomquist thanked the consultant's on their outstanding work. Mr. Blomquist reiterated the value of water

and sewer - .02 cents a gallon as was stated and compared that to what that would cost in a grocery store.

Councilor Hooper asked if water conservation would still be the big picture. Mr. Blomquist stated for the “lifeline” customers the less water they use certainly the more they will save.

The customers that would see from a conservation standpoint are going to be those that are in that higher tier; the ones who have pools and are watering their lawns. Over the long term, conserving resources is a positive thing and this rate structure does provide an incentive for conservation but it is not an aggressive conservation rate. For example, if they install a rain barrel and utilize rain water on their gardens, they will see a drop in their average water and sewer bill compared to when they used a sprinkler system.

Councilor Remy asked for the percentage of revenue for residential versus commercial.

Mr. Blomquist stated it was about what 80%. Councilor Remy clarified across the board, everyone was paying less under this plan than they would under a meet the minimum requirements plan. Mr. Fox stated there are some customers that are in that high usage category and are going to be paying more under the system as well. As for fire protection, this cost is going to be increased to coincide with cost of service. There is additional revenue and a significant amount more from fire protection to coincide with that cost of service which directly impacts all customers.

Councilor Remy inquired whether there is a way to encourage people to drink City water - as people continue to conserve the more we're going to charge. Mr. Blomquist stated they are going to be looking at what it would take for the City to potentially have a bottle water operation to potentially get in on that market. Water consumption is about 106 gallons per day per person; most of that is not in consumption - most of that is in flushing toilets, doing dishes, watering etc. We want people to start thinking about how they are using water for non-drinking purposes.

Mr. Aaron Costa added consumption is a very small piece of what people use water for and things like showering dishwashing are what people are using water for.

Councilor Ormerod noted he heard mention many time about the cost of two cents per gallon versus going into the store to buy water - he noted that was drinking water. He felt this is never a valid comparison. He indicated he liked Councilor Remy’s suggestion about selling this drinking water. He stated he was also concerned about how we look at the number of households. For instance, half the town is renting, there are many multifamily dwellings and in many cases there is a single meter going into these households. This is not a town of single family town and multi families are going to automatically be higher consumption. Mr. Blomquist stated with multi families - they start getting into the larger meter sizes. The way the City’s data is maintained is based on meter size.

Councilor Ormerod stated multi-tiered rate is good intention, but he did not feel it would work well in our community. He stated he likes the fact that the City is going to balance the budget and water rates need to go up, but he did not feel it would hold unless analysis on the multi families have been done.

Councilor Chadbourne stated in the last several years, particularly during the summer months, citizens have been advised by City officials to reduce the amount of water we use for extra activities such as gardening because there was a drought and asked if it was accurate why there has been less consumption. She stated she agrees with Councilor Ormerod regarding using the drinking water analogy and felt this was a loaded issue because Keene is focused very much on recycling and there has been discussions amongst Councilors in the past about even bringing water bottles with us and she did not feel that issues helps the presentation.

The Councilor asked how much water an average person uses for a shower. Mr. Costa stated the latest data he found was 17 gallons for an eight minute shower.

Mr. Blomquist stated the drop in consumptions has been going on for over eight years. These declines are also

related to low flow fixtures that have now become part of the industry. Consumption has been going down and a lot of that is related to appliances getting more efficient or for instance Markem used to flood their roof for cooling - they don't do that anymore. The City has not seen any kind of large user come in from the commercial side. Hence, the majority of consumers are residential.

Councilor Chadbourne asked shower versus a bath how the usage compares. Mr. Costa stated a bath could use close to 40 gallons.

The City Manager addressed the “lifeline” rate and noted she understands the question related to a multi-family and having one meter and many families living in that house, such a household might not potentially benefit as much from a “lifetime” rate, but they still benefit because the first tier of water is at that lower rate. However, a single family home, a single individual or an elderly person trying to conserve water will benefit the most because they can work to only use what is absolutely necessary. She felt this strikes a good balance between affordability, and making sure the City was providing for the future of the system.

The numbers being used for this analysis are actually the City Manager’s budget numbers. So this is a real analysis of what the rate would look like without the change and then with the change in structure. She indicated she looked at each of those categories to see what would happen with the increases in the sewer and water budget under the structure and then comparing it to the current system. What she saw was a very small increase and then those users who are not using much water at all, a slight decrease in the quarterly cost for water and sewer. The Manager stated she was pleased with this analysis and felt this was a good way for the City to be able to shift to this new rate structure and still be able to afford the costs that are in the budget.

The other aspect with the new rate study is to have the ability to forecast into the future; to look at the future costs and mitigate for increases in the sewer and water rates in the future.

Councilor Ormerod stated he agreed this is particularly important for fixed income, elderly and single family and those with empty nesters and agreed he rather raise revenue through services than through taxes. However, he would like to see some education and incentives for these people to get the lower rates. He wasn’t sure how the City could handle multi-family dwellings but perhaps to make it clear to the landlords regarding water usage. He added he would like to get more commercial customers into town. If this is the first time the City has done this in 17 years, he felt it was a pretty good first step, but would like to see more data.

In response to Councilor Ormerod’s comment, Mr. Costa stated the analogy for the price of water what staff is trying to show here is the value of the service. Every drop of water that the City produces and delivers to your house has to be fit for drinking, but only a small part of that is actually consumed but what is delivered is drinking water quality. What staff is trying to highlight is the value of the City’s service.

Councilor Hooper made the following motion, which was seconded by Councilor Chadbourne.

That the Finance, Organization and Personnel Committee recommends that the City Council adopted the proposed sewer and water rate and charge structure for the users of the City’s sewer and water systems and directs the City Manager to do all things necessary to implement them.

Councilor Ormerod stated he was not ready to support this item as he does not have sufficient information and stated he would like to have some added information.

The motion made by Councilor Hooper carried on a 4-1 vote with Councilor Ormerod voting in opposition.



City of Keene
Transmittal Form

April 16, 2021

TO: Finance, Organization and Personnel Committee

FROM: Kürt D. Blomquist, PE, Public Works Director/Emergency Management Director

THROUGH: Elizabeth A. Dragon, City Manager

ITEM: 8.

SUBJECT: Relating to Northern Boarder Regional Commission Grant Programs

RECOMMENDATION:

Move that the Finance, Organization and Personnel Committee recommend the adoption of Resolution R-2021-23, Relating to Northern Boarder Regional Commission Grant Programs.

ATTACHMENTS:

Description

Resolution R-2021-23

BACKGROUND:

The Norther Boarder Regional Commission (NBRC) is a Federal-State partnership for economic and community development within the most distressed counties of Maine, New Hampshire, Vermont, and New York. The NBRC was formed by Congress in 2008 in order to help fund promising economic and community development projects in Maine, New Hampshire, Vermont, and New York. Cheshire County has been identified as an eligible county to receive support from NBRC programs.

NBRC offers a State Economic & Infrastructure Development Investment Program that provides up to seventy-five percent (75%) grants for eligible projects. These projects would be those that support a community business.

Eligible projects include:

- Transportation Infrastructure
- Basic Public Infrastructure (Services that support business opportunities – water, wastewater, power, waste management, heating)
- Telecommunication Infrastructure
- Business and Workforce Development
- Basic Health Care Facilities
- Resource Conservation, Tourism, Recreation.

Applying for and executing these grants would meet the City Council's Goals to minimize the burden to property taxpayer and infrastructure.

Eligibility to apply for, and execute these grants, the community's Chief Executive Officer, City Manager, needs a resolution authorizing these actions. City staff, through the City Manager, are working to implement identified projects. The NBRC State Economic & Infrastructure Development Investment Program provides an opportunity to access other sources of funding. It is recommended that the City Manager be authorized to apply for and executive grants for eligible projects.



CITY OF KEENE

R-2021-23

Twenty-one

In the Year of Our Lord Two Thousand and
Relating to Northern Boarder Regional Commission Grant Programs

A RESOLUTION

Resolved by the City Council of the City of Keene, as follows:

WHEREAS: The Northern Border Regional Commission is a Federal-State partnership for economic and community development within the most distressed counties of Maine, New Hampshire, Vermont, and New York, and

WHEREAS: Northern Border Regional Commission has established State Economic and Infrastructure Development Investment Programs to reimburse communities up to seventy-five (75%) percent of eligible projects, and

WHEREAS: It is the intent of the City of Keene to apply for all eligible projects, and

NOW, THEREFORE, BE IT RESOLVED by the Keene City Council that the City Manager is hereby authorized to do all things necessary to apply for, sign, and execute Northern Border Regional Commission State Economic and Infrastructure Development Investment Program applications and grants for all eligible projects.

George S. Hansel, Mayor