



FINANCE, ORGANIZATION AND PERSONNEL COMMITTEE  
Council Chambers B, Keene City Hall  
October 27, 2022  
6:00 PM

**A. AGENDA ITEMS**

1. Spectrum Service Update
2. Highway Safety Agency Grant - Police Captain Todd Lawrence
3. LWCF Grant Round 33 Notice of Intent - Parks, Recreation and Facilities Director
4. Acceptance of Donations - Holiday Sponsorship Program - Human Services Manager
5. Authorization to accept Invest NH Housing Opportunity Planning Grant for Regulatory Development - Senior Planner
6. Amended Keene Community Power Plan - Senior Planner
7. EnviroTrac Environmental Services Water Monitoring at Closed Municipal Landfill - Change Order #2 - Assistant Public Works Director
8. Imprinted Crosswalks Downtown - Change Order - Transportation and Storm Water Operations Manager
9. Relating to FY23 Fiscal Policies  
Resolution R-2022-33

**B. MORE TIME ITEMS**

1. Councilor Filiault - Charter Amendment Related to Municipal Primary

**NON PUBLIC SESSION**

**ADJOURNMENT**



## CITY OF KEENE NEW HAMPSHIRE

**Meeting Date:** October 27, 2022  
**To:** Finance, Organization and Personnel Committee  
**From:** Todd Lawrence, Police Captain  
**Through:** Elizabeth Dragon, City Manager  
**Subject:** Highway Safety Agency Grant - Police Captain

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**Recommendation:**

Move that the Finance, Organization, and Personnel Committee recommend that the City Manager be authorized to do all things necessary to accept the grant from the New Hampshire Highway Safety Agency to fund Highway Safety Grant- Keene.

**Attachments:**

None

**Background:**

This program is a statewide initiative sponsored by the NH Highway Safety Agency on an annual basis. In years past, this grant was divided and applied to through different sub-projects, such as DWI Patrols, Sustained Traffic Enforcement Patrols AND Bicycle and Pedestrian Patrols. The NH Highway Safety Agency has now combined all these different programs into one complete grant.

The purpose of this grant is to reduce the number of persons driving while intoxicated and related accidents. To combat all of the more prevalent motor vehicle safety infractions and to reduce the number of persons who are violating pedestrian and bicycle laws in the downtown area.

The campaign runs from October 1, 2022 to September 30, 2023. Below is the allocation of the grant money:

Sustained Traffic Enforcement Patrols: \$ 8,003.66

Bicycle and Pedestrian Patrols: \$3,000.00

DWI Patrols: \$3,512.74

The total cost of this operation, \$14,516.40, will be reimbursed by the New Hampshire Highway Safety Agency; the reimbursement includes payroll-related deduction.



## CITY OF KEENE NEW HAMPSHIRE

**Meeting Date:** October 27, 2022  
**To:** Finance, Organization and Personnel Committee  
**From:** Andrew Bohannon, Parks, Recreation and Facilities Director  
**Through:** Elizabeth Dragon, City Manager  
**Subject:** **LWCF Grant Round 33 Notice of Intent - Parks, Recreation and Facilities Director**

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**Recommendation:**

Move that the Finance, Organization and Personnel Committee recommend that the City Manager be authorized to execute the submission of the application for Land and Water Conservation Fund Grant Round 33 for the Russell Park Renovation Project and the Skate Park Project.

**Attachments:**

None

**Background:**

The State of NH is offering Grant Round 33 through the Land and Water Conservation Fund (LWCF) which is a federally funded program through the National Park Service. The program provides 50/50 matching grants to state and local governments for the purpose of acquiring and/or developing public recreational areas and facilities.

This application will be to support the City submitting a full grant proposal on December 14, 2022 for two projects total amount of \$625,000.

**Patricia T Russell Park – REQUEST \$400,000**

The City received \$400,000 in grant round 31 for the construction of the park. As a result of rising construction costs and materials, the City needed additional funding to start the project this past spring. The project budget allows for an additional grant application without having additional funding raised to match the LWCF program. The additional \$400,000 in grant funding would be utilized to reduce the additional funding requested and build the bocce court that was left out of the original project design.

**SKATE PARK – REQUEST \$225,000**

The City received \$200,000 in donations from fundraising efforts from advocates to build a new park. In addition, the City added \$25,000 through the Capital Improvement Program. These funds will be utilized as the 50/50 match towards the LWCF Grant Round 33 application. The additional funds will help build the park with necessary infrastructure and potentially new design elements. The park is

currently in the design phase and will be close to design completion by the time of application submission.



## CITY OF KEENE NEW HAMPSHIRE

**Meeting Date:** October 27, 2022

**To:** Finance, Organization and Personnel Committee

**From:** Natalie Darcy, Human Services Manager

**Through:** Merri Howe, Finance Director/Treasurer  
Elizabeth Dragon, City Manager

**Subject:** **Acceptance of Donations - Holiday Sponsorship Program - Human Services Manager**

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**Recommendation:**

Move to recommend that the City Manager be authorized to do all things necessary to accept donations associated with the City's 2022 Holiday Sponsorship Program.

**Attachments:**

None

**Background:**

Annually, the Division of Human Services contacts sponsors who will provide gifts and holiday items for families or older adults. The sponsored families and older adults are clients who have received assistance from Human Services during the past year. Families who have children with special needs and persons who have been struggling to make ends meet are considered for sponsorship. The goal of the program is to provide holiday gifts, gift cards, and food for those in need, who will then use their own resources to maintain housing, utilities and essentials of daily living.

Human Services appreciates the support of the council for this annual project that provides happy holidays for those we serve. Families are so appreciative and humbled by the generosity of the community.



## CITY OF KEENE NEW HAMPSHIRE

**Meeting Date:** October 27, 2022

**To:** Finance, Organization and Personnel Committee

**From:** Mari Brunner, Senior Planner

**Through:** Jesse Rounds, Community Development Director  
Elizabeth Dragon, City Manager

**Subject:** **Authorization to accept Invest NH Housing Opportunity Planning Grant for Regulatory Development - Senior Planner**

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**Recommendation:**

Move to recommend that the City Manager be authorized to do all things necessary to accept and to expend grant funds in the amount of \$91,150 from the Invest NH Municipal Planning & Zoning Grant Program for the purpose of hiring a consultant to develop regulations with the goal of increasing the supply of housing in the community.

**Attachments:**

1. Notice of Award

**Background:**

The Invest NH Municipal Planning and Zoning Grant program, funded by the NH Department of Business and Economic Affairs as part of the \$100 million Invest NH Initiative with ARPA State Fiscal Recovery Funds, provides competitive grants for cities and towns to create local regulations that will help increase housing supply. Housing Opportunity Planning (HOP) Grants are available for three phases of regulatory change: Needs Analysis and Planning (Phase I), Regulatory Audits (Phase II), and Regulatory Development (Phase III). The City previously received and accepted a grant for Phase I in the amount of \$15,500 to help cover the cost of a local housing needs analysis.

The Municipal Planning and Zoning Grant Program has awarded an additional \$91,150 to the City of Keene for a Phase III grant for the purposes of developing new regulations and/or revising existing regulations that will help expand and/or improve our housing stock. The specific regulation(s) to be revised or created will be determined after reviewing the results of the regional and local housing needs assessments and conducting community engagement work, but may include tax incentive programs, a transfer of development rights program, and/or revisions to the zoning code. The goal of this effort is to increase the available supply of housing by reducing regulatory barriers and offering innovative programs for housing development throughout the City. In addition, this project aims to build community understanding of and support for housing of all types, in particular those that are identified in the gap analyses from the pending Regional Housing Needs Assessment and the City's local housing needs assessment.

The consultant hired through this grant would enable the City to do extensive public outreach and conduct the research and drafting necessary to fully explore options and propose specific regulations or policies for inclusion in our regulatory scheme. A consultant has not yet been selected, but will be selected with City Council approval after the completion of the local housing needs assessment and in accordance with the City's normal competitive bid process.

This grant funding also comes with funding to support the attendance of two community members at the UNH Cooperative Extension's Housing Academy. The Housing Academy teaches community engagement techniques and tools in a hybrid format with webinars, online materials, in-person gatherings, and place-based training.



September 27, 2022

City of Keene  
3 Washington Street  
Keene, NH 03431

c/o Mari Brunner, Senior Planner  
603-352-5440 | [mbrunner@keenenh.gov](mailto:mbrunner@keenenh.gov)

Dear Ms. Brunner,

The Steering Committee for the InvestNH Municipal Planning & Zoning Grant Program reviewed your submission for the Housing Opportunity Planning (HOP) Grant. The purpose of this grant is to assist those municipalities looking to increase housing opportunities through community engagement and regulatory change.

**I am pleased to inform you that the Steering Committee has approved your request of \$91,150 for the City of Keene to pursue *HOP Phase 3: Regulatory Development*.**

In addition to the monetary award, participation in Housing Academy is a key benefit of this program and is designed to help build or further develop local capacity as it relates to housing matters. To that end, and if you have not already done so, we encourage all awardees to recruit up to three volunteer community members to participate alongside designated staff. More information on Housing Academy, including the schedule, will be forthcoming.

At your earliest convenience, please email your acknowledgment and acceptance of this award to [info@NHHOPgrants.org](mailto:info@NHHOPgrants.org). Once we have received your acknowledgement, as well as a commitment letter from the consultant you plan to work with, we will follow up with a formal Grant Agreement. Note that all consultants must be on the [List of Qualified Consultants](#) found on [NHHOPgrants.org](http://NHHOPgrants.org). If you would like to work with a consultant who is not currently on this list, or if your community requires a competitive process, please contact us to discuss further.

Finally, in all public acknowledgments, we ask that you note this award as being received from the InvestNH Municipal Planning & Zoning Grant Program, funded by the NH Department of Business and Economic Affairs as part of the \$100 million InvestNH Initiative with ARPA State Fiscal Recovery funds. This award will be administered jointly by NH Housing, Plan NH, and UNH Cooperative Extension.

On behalf of the Steering Committee, congratulations!

A handwritten signature in blue ink, appearing to read "Tiffany McNamara".

Tiffany Tononi McNamara  
Steering Committee Chair

Executive Director | Plan New Hampshire  
603-452-7526 | [tiffany@plannh.org](mailto:tiffany@plannh.org)





## CITY OF KEENE NEW HAMPSHIRE

**Meeting Date:** October 27, 2022

**To:** Finance, Organization and Personnel Committee

**From:** Mari Brunner, Senior Planner

**Through:** Jesse Rounds, Community Development Director  
Elizabeth Dragon, City Manager

**Subject:** **Amended Keene Community Power Plan - Senior Planner**

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**Recommendation:**

Approve the Keene Community Power Plan as amended on July 31, 2022.

**Attachments:**

1. Community Power Plan Amended July 31, 2022

**Background:**

The Keene Community Power Plan was approved unanimously by City Council on May 6, 2021. At the time the plan was initially approved, the New Hampshire Public Utilities Commission (PUC) had not yet approved rules for Community Power programs in New Hampshire. In addition, due to changes in state law, PUC approval of the Community Power Plan became a requirement prior to program launch.

In March of 2022, the City amended the Keene Community Power Plan to better address questions of data security based on feedback provided by the PUC in orders on other Community Power plans. The City submitted its Plan to the PUC in April 2022, and it received an order in June 2022. The order complemented the City on a very thoughtful plan, but noted that it could not yet approve the Plan because the Commission rules for Community Power were still in development.

On July 27, 2022, the PUC voted to approve the Community Power rules. Based on those final rules, the City made further amendments to its Plan, which are summarized below. On August 3, 2022 the City then submitted the amended Plan to the PUC, as allowed by statute, for review and approval. The Plan was approved by the New Hampshire Public Utilities Commission on October 2, 2022. For reference, the Plan was filed as DE 22-022 and the Plan, along with the PUC's record and ruling, are available at <https://www.puc.nh.gov/Regulatory/Docketbk/2022/22-022.html>.

Summary of Changes from Plan Approved on May 6, 2021

- Addition of a Data Security Plan (as Exhibit III to the Plan) which outlines how the City, its consultant and the competitive electricity supplier will protect customer data obtained as a necessary course of implementing the Community Power Program
- Clarifying that the City will not be a Load Serving Entity (the competitive electricity supplier will be)
- Clarify that Keene's program will use consolidated billing (so that customers continue to receive a single electricity bill from Eversource)
- Stipulating that the City will provide notice of Program commencement and termination pursuant to the deadlines in the Community Power rules
- Referencing when the City will obtain certain types of data according to the Community Power rules
- Stating that all electric customers will get a notification of program launch, but that the notification will differ based on whether they are eligible for automatic enrollment or not
- State that the program will comply with Community Power rules requiring program prices be posted on the Department of Energy's comparison shopping website
- Made minor edits regarding the Language Access Document and Education and Outreach Plan

With PUC approval of the amended Plan, the final regulatory step is for the Keene City Council to approve the amended Plan. Once that has occurred, the City may begin the process of seeking bids for a competitive electricity supplier to serve the Community Power program.

The City's Community Power consultants estimate that the earliest likely launch date for Keene Community Power is April 2023. This includes the time necessary for the Program to execute all tasks for launch, as well as the time to comply with the notification requirements of the Community Power rules. Tasks for launch include receiving data necessary for bidding from Eversource; running a competitive bid and selecting a supplier; conducting the notification and outreach process including the 37-day opt-out period; and for the utility to process enrollments for those customers that do not opt out of the Program. This process can begin once the Council has approved the amended Community Power Plan, and it typically takes around 90 days.

**CITY OF KEENE  
COMMUNITY POWER PLAN**



**May 10, 2021 (Edited July 31, 2022)**

Formally adopted by City Council on  
May 6, 2021

Amended July 31, 2022

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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 electric distribution 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:

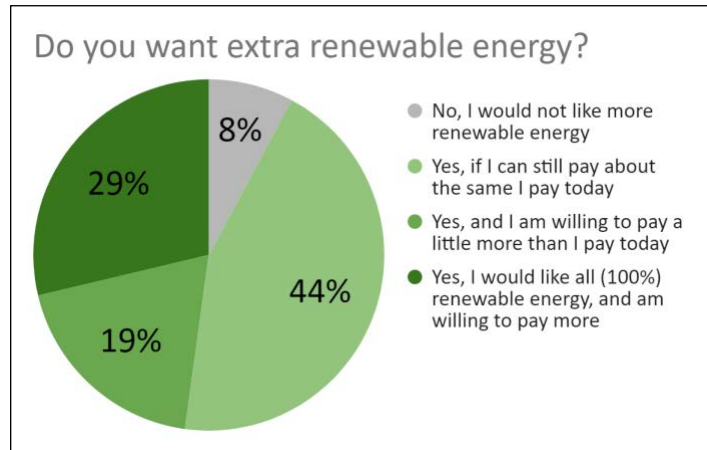
*“It is the goal of the City of Keene that all electricity consumed in the City will come from renewable energy sources by the year 2030 and that 100% of all thermal energy and energy used for transportation come from renewable energy sources by the year 2050. This goal will apply to the entire Keene 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.

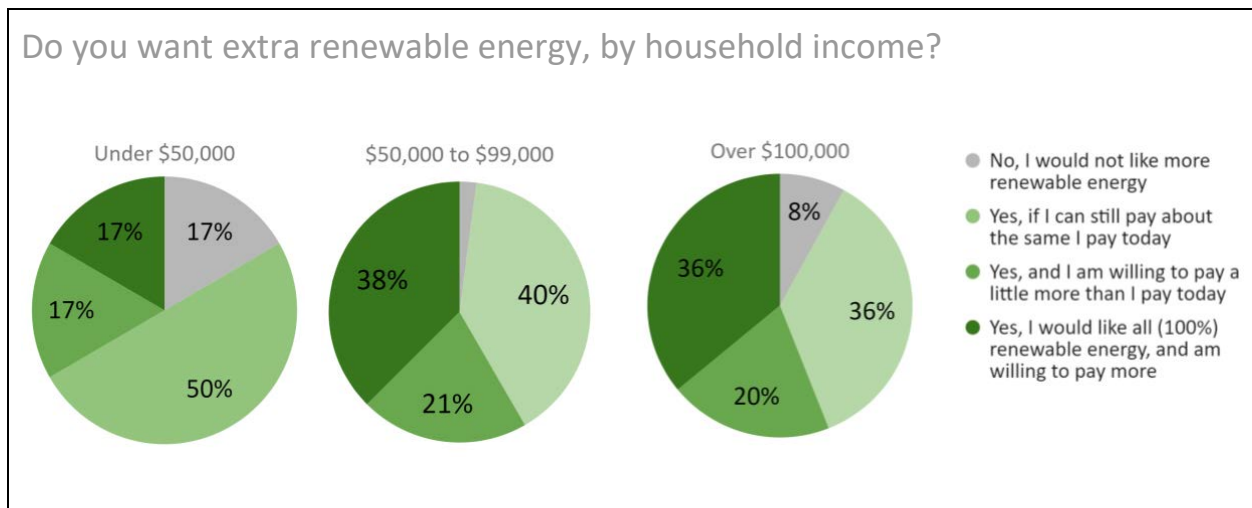
To establish specific goals and a vision for the Program, the City held information sessions and surveyed community members to ask about their priorities and preferences. While individual opinions differed, there was strong support from the majority of survey respondents from all income classes and age 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 retail electric customers receiving Default Service supply from the electric distribution utility will be eligible for automatic enrollment in the Program (“Eligible Customers”), 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. Such distinction will determine whether the customer receives the price specified for their rate class and product set in the Electricity Supply Agreement (“Program pricing”) or a price based on market prices at the time the customer joins the Program.

- Customers that join through an automatic enrollment process include a) the initial Eligible Customers at the start of the Program and b) new Eligible Customers that move into the City after the Program start-date. All initial Eligible Customers will receive the Program pricing for their rate class. Among new Eligible Customers, the Program will distinguish between new residential and small commercial customers, who will receive the 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 were being served by a Competitive Supplier at the start of the Program 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 Eligible Customers – residential and small commercial customers will receive the 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 Program 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 Electric Power Supplier (“Competitive Supplier”), which shall be the Load Serving Entity. 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**

### **IV.a Roles**

*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.

#### **IV.b. Data Security**

Pursuant to RSA 363:38 and PUC 2004.19, the Program, as an aggregator, is required to protect individual customer data that it may receive as part of Program implementation. See Exhibit III for the data protection plan to be used by the Program.

## 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.

	<b>Default Product (Automatic enrollment)</b>	<b>Optional Products</b>		
<b>Product Name</b>	<b>Keene Local Green</b>	<b>Keene Basic</b>	<b>Keene 50% Local Green</b>	<b>Keene 100% Local Green</b>
<b>Product Goals</b>	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 once 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](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, select a Competitive Supplier and provide notice
- b. Implement a public information program, including a Customer Notification Letters
- 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, select a competitive supplier and provide notice**

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.
- Demonstrated ability to use Electronic Data Interchange (“EDI”) for enrollment of customers with the electric distribution utility or a plan to successfully complete testing required to use the electric distribution utility’s EDI prior to the mailing of the Customer Notification Letters

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 on their next regular meter read with no charge
- Agree to specified customer service standards
- Comply with all requirements of the NHPUC and the electric distribution utility

The RFP will include data on Eligible Customer load and other characteristics provided to the City by the electric distribution utility pursuant to Puc 2204.02.

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.

The City will provide written notice of its acceptance of a bid and the Program's date of commencement of service to the NHPUC, the Office of Consumer Advocate, the Department of Energy as required by Puc 2204.04.

The Program will utilize consolidated billing such that the participating customers receive a single bill from the electric distribution utility that includes the charges for the Program's electricity supply and all other charges from the electric distribution utility. The Program will confirm this choice of billing service by notifying the electric distribution utility of prior to the enrollment of customers, including providing any applicable Product details required pursuant to Puc 2205.16.

### **VI.b. Implement public information program including Customer Notification Letters**

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. To facilitate the Education and Outreach Plan, the City will utilize contact information for retail electric customers provided to the City by the electric distribution utility pursuant to Puc 2004.03.

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. This effort will also include posting of the Program's product information for residential and small commercial customers on the Department of Energy's shopping comparison website. Such information will be posted on the website in advance of mailing the Customer Notification Letters.

**ii. Customer Notification Letters:** In addition to the initial outreach and education initiatives, a notice (“Customer Notification Letter”) will be mailed to every retail electric customer. The Program will have two versions of this letter, one for Eligible Customers and one for other customers.

The Customer Notification Letter for Eligible Customers will contain a description of the aggregation program; the implications to the City; the rights and responsibilities that the participants will have under the Program; all details, including all rates, on the products offered by the Program; explain that the customer will be automatically enrolled in the default product unless they choose otherwise and identify the deadline to make such a choice; have instructions for how to not participate (opt out) via web, phone or a pre-addressed envelope and opt-out reply card included with the letter; and instruction for how to enroll in an optional Program product. The opt-out period will last a minimum of 30 days from the date of mailing of the Customer Notification Letters.

The Customer Notification Letter for other customers will, at a minimum, contain a description of the aggregation program, the implications to the City, and instructions for how to enroll in any of the Program products if desired.

Prior to the mailing of the Customer Notification Letters, the Program will confirm with the Competitive Supplier and the electric distribution utility that the Competitive Supplier is able to use EDI for enrollment of Default Service customers into the Program.

**iii. Opt-Out Period Education & Outreach:** After the Customer Notification Letters have 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 Customer Notification Letters, which includes 3 days for mailing, 30 days for customer consideration, and an additional 3 days for return of the replay card), 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 and any other retail electric customers that have affirmatively requested in writing or through email to be enrolled into the Program. 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.

After enrollment of each customer, the Program may receive billing information for each enrolled customer from the electric distribution utility pursuant to Puc 2205.13.

**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 website, 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.**

Retail electric customers that apply for new service with the electric distribution utility (e.g., new customers move into the City or move within the City), they will initially be enrolled in Default Service supply provided by the electric distribution utility. The Program will mail such customers a Customer Notification Letter for Eligible Customers per section IV.b.ii 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, per section IV.c.i. New customers also may proactively enroll by contacting the Program directly.

The City will update the information on the Program's products on the Department of Energy's comparison shopping website whenever such information changes.

**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.

Participants in the Program will be able to opt-out of the Program and transfer to Default Service with the electric distribution utility or to another competitive supplier. Such requests submitted to the Program will be submitted by the Competitive Supplier to the electric distribution utility for processing on the customer's next available regular meter read date. There shall be no penalty or exit fee for such transfer. Customers requesting transfer of supply service upon dates other than on the next available regular meter reading date may be charged an off-cycle meter reading and billing charge if such a service is available from the electric distribution utility.

## **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 more 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 rules 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**

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 writing. 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 ESA. The City will also provide written 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. The City will also provide written notice 90 days prior to a planned termination to the Office of the Consumer Advocate and the Department of Energy.

In the event of unplanned termination of the Program because that the Program can no longer provide service to its customers, the Program shall provide immediate written notice to the NHPUC describing the market suspension or other event that caused the Program to no longer be able to provide service, the effective time of the inability to provide service, and the notice provided to customers of the timing and consequences of the cessation of the Program's service. The Program shall file a copy of such notice at the same time to the office of the Office of the Consumer Advocate, the Department of Energy, and the electric distribution utility.

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 and will ensure compliance with the all required notification timelines prior to Program commencement.

Day	Action or Event
1	Issue RFP for Competitive Supplier
31	ESA executed between City and Competitive Supplier. Program provides required notifications to NHPUC, Department of Energy, Office of Consumer Advocate, and electric distribution utility.
32	Competitive Supplier receives retail electric customer mailing data and data needed for Eligible Customer enrollment in Program
48	Competitive Supplier, at its expense, mails Customer Notification Letters to all retail electric customers, including identifying the return date by which the reply card envelopes for Eligible Customers must be mailed and postmarked
51	Retail electric customers receive Customer Notification Letter in the mail
81	Return date by which Eligible Customers deciding to opt-out must mail a reply card in pre-paid envelope to Competitive Supplier.
85	Competitive Supplier removes all Eligible Customers who opt out from the Eligible Customer list
85	Competitive Supplier sends "supplier enrolls customer" EDI for all Eligible

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	Customers that did not opt-out and any other customers that affirmatively elected to opt-in to the Program.
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.

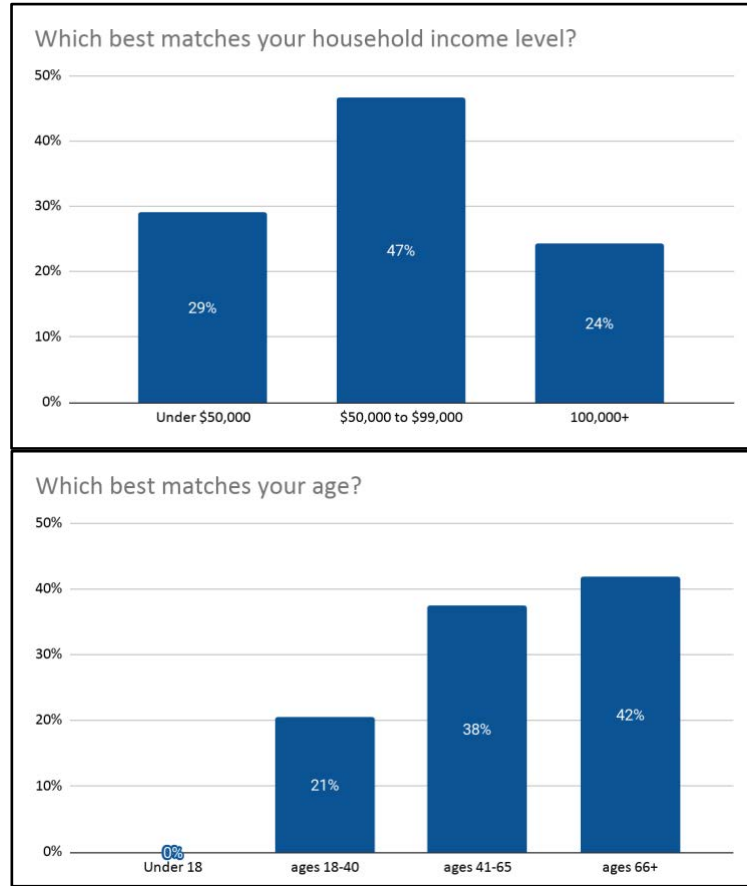
### **2. Creation of a Draft Plan with public hearings**

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.

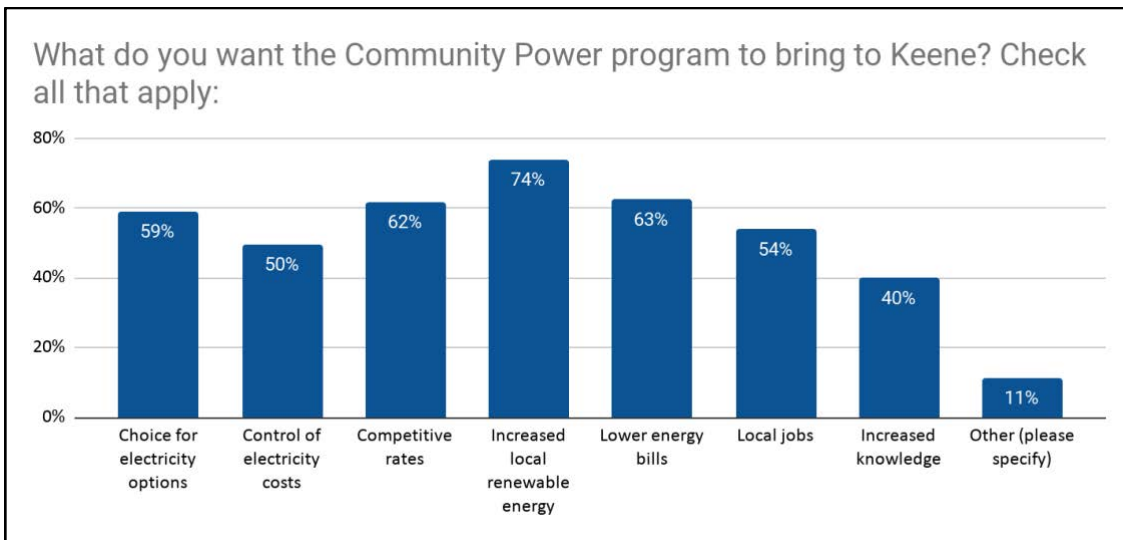
The survey received 126 responses, 97 online and 29 in paper via the Monadnock Shopper News. Key survey findings:

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

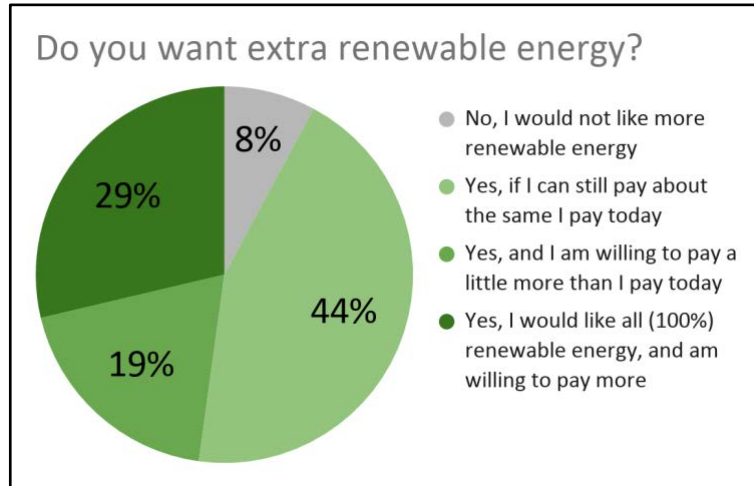
- The survey had a well-distributed diversity of household income groups and age, as shown below:



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

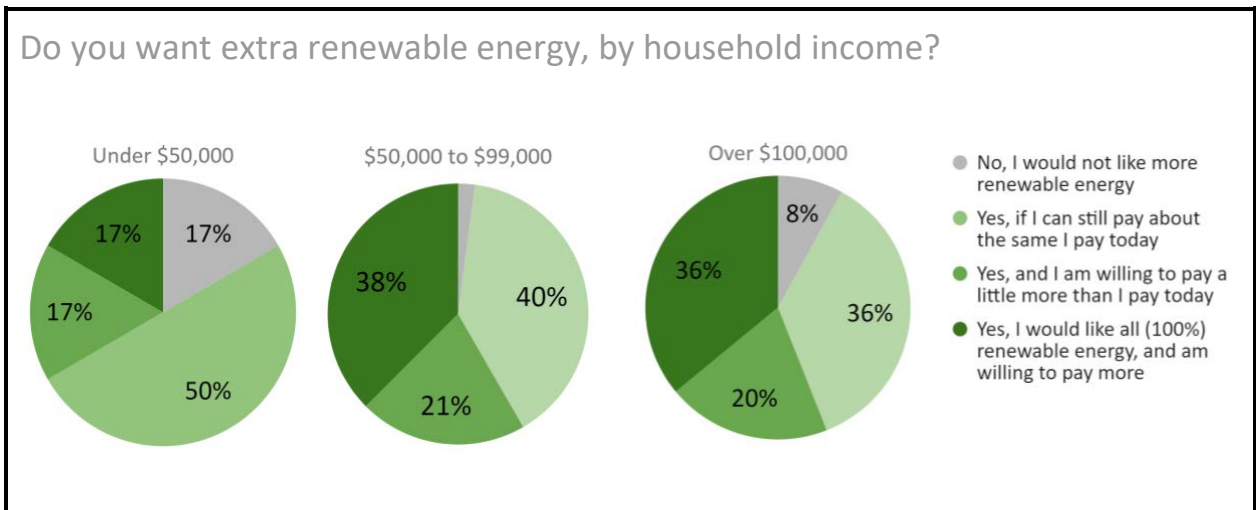


- 92% of respondents were interested in including more renewable energy in their electricity. Of those interested, roughly half (45%) sought extra renewable energy if they could pay about the same they pay today. The other half (55%) was willing to pay a little or a lot more for extra renewable energy.

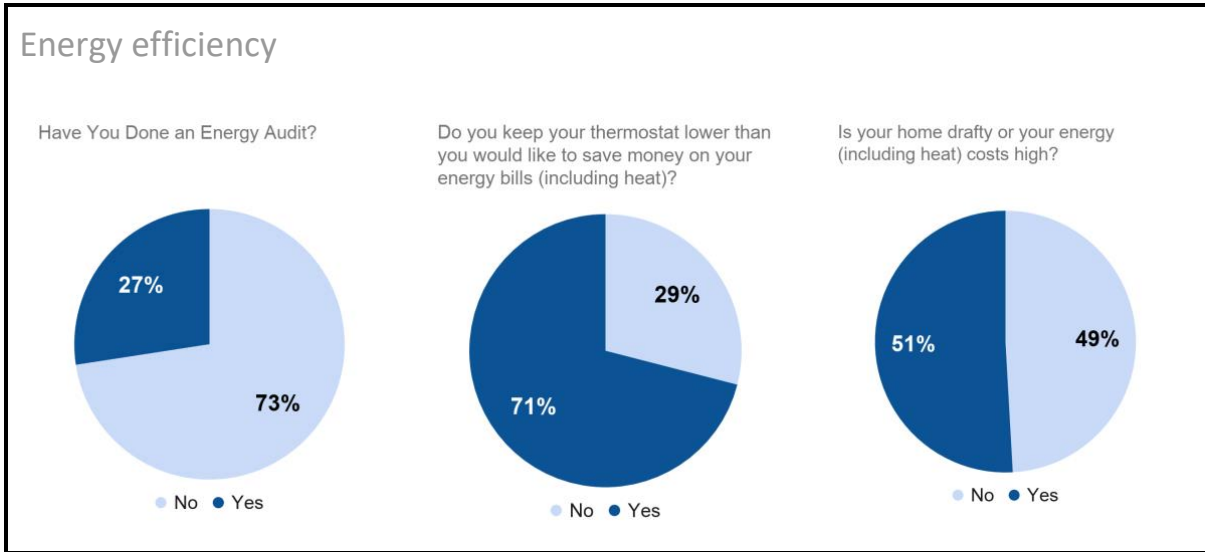


- When analyzing preferences for renewable energy and cost by household income, a similar pattern remains for each income group.

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**

At the City Council meeting on April 15, 2021 the Community Power Committee’s report, which unanimously approved the City of Keene Community Power Plan and recommended adoption to the City Council, was read. The report was referred to the Finance, Organization & Personnel Committee (FOP). The FOP Committee met on April 22, 2021 to review the Plan. Representatives from City staff, the Community Power Committee and the Community Power Consultant presented to the FOP Committee, and following questions and discussion, the FOP Committee unanimously voted to recommend adoption of the Plan. At the City Council meeting on May 6, 2021, the FOP Committee’s recommendation was reported to the City Council, and the Council voted unanimously to adopt the Plan.

Subsequent to the meeting, on May 10, 2021, summary detail of the City Council review and adoption process was added to the Historical Overview.

#### **5. Revision of Plan**

The City amended the Plan in mid-March 2022 to better address questions of data security based on feedback provided by the Public Utilities Commission in orders on other Community Power plans. The City submitted its Plan to the Commission in April 2022 (DE 22-022), and it received an order in June 2022 which encouraged the City to re-submit the Plan closer to or after the completion of the rulemaking process for Community Power.

On July 27, 2022, the Commission voted to approve Community Power rules. The City further amended the Plan to appropriately reference those rules.

**6. Submission of Final Plan to Public Utilities Commission**

[insert detail]

**7. Adoption of Final Plan by City Council**

[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 retail electric customers and will be conducted via traditional print and TV channels, social media, a dedicated website, public presentations and personal communications to inform retail electric 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 retail electric customers' questions regarding the Program, deregulation, the opt-out process, price information and other issues such customers may raise.

## **1.4 Website**

All information regarding the Program will be posted on the Program website, which is linked to the website of the City: <https://keenecommunitypower.com/>. The Program website will have links to the website of the electric distribution utility, the New Hampshire Public Utilities Commission (NHPUC), Department of Energy, 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**

The Program plans to make printed materials available in English. To accommodate limited English-speaking residents, the City will provide a translation option on its Program website (which contains all details on the Program including a description of the Program and its products, the implications to the City, and the rights and responsibilities that the participants will have under the Program) that will translate any written materials on the website into over 100 different languages. The website also 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 Letters will be sent via standard mail to the billing address of each retail electric customer per section IV.b.II of the Plan. The Program will have two versions of this letter, one for Eligible Customers and one for other customers. The Competitive Supplier shall bear all expenses regarding the Customer Notification Letters.

### **2.1 Customer Notification Letter for Eligible Customers**

Per section III.b of the Plan, all retail electric customers receiving Default Service supply from the electric distribution utility will be eligible for automatic enrollment in the Program (“Eligible Customers”). 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 letter will inform Eligible Customers:

- a) about the Program, implications to the City and provide information regarding participation and participants' responsibilities 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 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.

## **2.2. Customer Notification Letter for Other Customers**

The Customer Notification Letter for other customers will, at a minimum, contain a description of the aggregation program, the implications to the City, and instructions for how to enroll in any of the Program products if desired.

## **3. Opt-Out Period Education & Outreach**

After the Customer Notification Letters have 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 dates may be adjusted to ensure compliance with the minimum written notification timelines for the date of commencement of service to the NHPUC, the Office of Consumer Advocate, the Department of Energy Puc 2205.16.

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. Update Program & Shopping Comparison Websites	15	Ongoing
B. Work with local media resources	15	30
C. Active social media outreach	15	30
D. Initial person presentations	15	30
E. Distribute marketing materials	15	30
F. Customer help line	15	Ongoing
G. Mail postcard to all Eligible Customers	5	-
H. Customer Notification Letters arrives	0	0

**A. Program & Shopping Comparison Website Update:**

Timeframe: 15 days before the estimated date that the customer notification letter arrives in customer mailboxes, then maintained on an ongoing basis.

The Program’s website is <https://keenecommunitypower.com/>. After executing an ESA, the Program will update this website with a description of the Program and its

products, the implications to the City, and the rights and responsibilities that the participants will have under the Program.

The shopping comparison website is maintained by the Department of Energy to enable consumers to shop for electricity supply products. The Program will post its product information for residential and small commercial customers on the shopping comparison website. Such information will be posted on the website in advance of mailing the Customer Notification Letters.

**B. Work with local media resources:**

Timeframe: 15 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: 15 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: 15 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: 15 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: 15 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 Customers**

Timeframe: 5 days before the estimated date that the customer notification letter arrives.

*Post Card*

Send out to Eligible Customers prior to Customer Notification Letter. Establishes that there is a community-sponsored Program and increases the likelihood that recipient engages with the more detailed Customer Notification Letter.

**H. Customer Notification Letters arrive**

Sent to all retail electric customers. See section 2 above for details.

**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.

## **Exhibit III - Data Protection Plan**

### **I. Introduction**

The City of Keene (the “Municipality”) is developing a Community Power program (the “Program”), pursuant to RSA 53-E. A municipality that implements such a program is known as an aggregator (“Aggregator”). RSA 363:38 and PUC 2004.19 require that service providers, including Aggregators, protect individual and confidential customer data (“Individual Customer Data”). Individual Customer Data, as defined in RSA 363:38 and expanded in PUC 2004.19, means information that is collected as part of providing electric services to a customer that can identify, singly or in combination, that specific customer, and includes the customer name, address, and account number and the quantity, characteristics, or time of consumption by the customer, and also includes specific customer payment, financial, banking, and credit information. Further, Aggregators must only use Individual Customer Data for the Program’s primary purpose, which may include 1) providing or billing for electric service, 2) meeting electric system, electric grid, or other operational needs, and 3) researching, developing and implementing new rate structures or demand response, customer assistance, energy management or energy efficiency programs. The Municipality’s aggregation consultants, Good Energy and Standard Power, have developed this Data Protection Plan to ensure that Individual Customer Data obtained as part of operation of the Program will be protected from disclosure and/or inappropriate use.

### **II. Elements of the Plan**

#### **1. Access to Customer Data**

As part of the Program, Good Energy, Standard Power, local designees of the Municipality, and competitive electricity suppliers (“Suppliers”) selected to provide electricity for the Program (collectively, “Data Administrators”) will receive access to certain information on file with a customer’s local distribution company (“LDC” or “electric distribution utility”), including, among other things, the customer’s name, mailing address, and energy usage history (“Customer Data”). In particular, depending on the status of implementation of the Program, LDC’s may provide four types of Customer Data to Data Administrators: a) aggregated customer data, b) eligible customer data, c) retail electric customer contact information, and d) enrolled customer information. Each type of Customer Data is described more fully below.

a. Aggregated Customer Data – contains certain information for all electric customers within a municipality, aggregated by rate class or other grouping. This may include data such as the number of customers by rate class, counts of customers participating in net energy metering by rate class, counts of customers participating in electric assistance program by rate class, the aggregated energy (kWh) for electricity consumption by month for the past 12 months or more by rate class, and revenue, receipts and past-due accounts receivable.

b. Eligible Customer Data – contains certain information for each electricity customer currently receiving utility-provided default service within a municipality. This may include data such as capacity tags for current, prior and next power years, energy (kWh) for electricity consumption for the past 12 months or more, meter reading cycle, whether customer net meters and under which terms, and group net metering data including whether customer is a group net metering host or member of a net metering group, whether a group net metering customer-generator operates as a low-moderate income community solar project, the size of any such net metered generation and the year and month it was placed into service.

c. Retail Electric Customer Contact Information – comprises certain customer contact information for the provision of Program communications, such as Customer Notification Letters to retail electric customers. This may include such data as the customer of record's name, mailing address, account number, meter number, rate class, and email address.

d. Enrolled Customer Data – contains certain information for all individual customers who elected not to opt-out of the Program during the opt-out period. This may include such data as Name of customer and customer contact, Mailing address, Service address, Account number and related meter numbers, Name key, Contact information such as phone numbers, email address, Billing account number, Preferred billing and communication method, Billing cycle, Meter read date or cycle, Form or type of meter reading, Capacity tag information for past two years, current power year and forecasted next power year, Most recent 24 months of usage data, Current and historic status of net metering, distributed generation, Preferred billing and communication method, payment plans and electric assistance program participation, and Rate class.

## 2. Data Security

All Customer Data that is not anonymized (i.e. presented or aggregated in such a way that removes information that can be used to identify the individual customer that it

pertains to, such that it does not constitute individual customer data as defined by RSA 363:37, I or PUC 2002.09) shall be considered Individual Customer Data.

Data Administrators will utilize industry standard physical, technical, and administrative controls and procedures to safeguard Individual Customer Data collected as part of the Program and to prevent unauthorized or accidental access, destruction, loss, alteration, or disclosure of, to protect against anticipated threats or hazards to the security, confidentiality, or integrity of, and to permit only the appropriate use of, such customer information.

To protect the confidentiality, integrity, and availability of Individual Customer Data, Data Administrators will utilize a variety of industry standard physical and logical access controls, firewalls, password protections, intrusion detection/prevention systems, network and database monitoring, and backup systems. These systems will be designed to cover all networks, servers, computers, notebooks, laptops, PDAs, mobile phones, or other devices that contain Individual Customer Data, or through which Individual Customer Data is made available.

Data Administrators will limit access to Individual Customer Data to those persons and entities having a specific business purpose for maintaining and processing such information. Those granted access to Individual Customer Data will be trained on their responsibilities to protect the confidentiality, integrity, and availability of such information.

Data Administrators will work cooperatively with the LDC(s), as necessary, to implement this Data Protection Plan, and will at a minimum, implement the following actions:

- a. Conduct a risk assessment to identify and assess reasonably foreseeable internal and external risks to the security, confidentiality, and integrity of electronic, paper, and other records containing Individual Customer Data and evaluate and improve, where necessary, the effectiveness of their safeguards for limiting those internal and external risks;
- b. Timely notify the LDC(s) of any important modifications of this Data Protection Plan within a reasonable amount of time;
- c. Review and, as appropriate, revise this Data Protection Plan: (i) at least annually or whenever there is a material change in their business practices that may reasonably affect the security or integrity of Customer Data; (ii) in accordance with prevailing industry practices and applicable law; and (iii) as reasonably requested by the LDC(s). If the Data Administrators modify this Data Protection Plan following such a review, the Data Administrators will promptly notify the LDC(s) of such modifications and will provide the

modifications to the LDC(s) in writing upon a LDC's request. The Data Administrators will at no time alter or modify this Data Protection Plan in such a way that will weaken or compromise the confidentiality, security, or integrity of Individual Customer Data;

- d. Maintain and enforce this Data Protection Plan in all locations where Individual Customer Data is processed by the Data Administrators;
- e. Conduct security testing using a third party to provide monitoring penetration and intrusion testing with respect to Data Administrators systems and promptly provide a copy of the results to the LDC(s), provided that the third party may redact IP addresses and other client names and information;
- f. Provide annual security awareness training to all individuals having access to Individual Customer Data and maintain a record of such training; and
- g. Implement a standard process for identifying, assessing, and mitigating security risks.

### 3. Confidentiality

Data Administrators will not sell Individual Customer Data to others unless such sale is specifically authorized by the customer, or is required by law or court order. Data Administrators will not share, disclose, or provide Individual Customer Data to others, including their affiliates, unless such disclosure, or provision is required to operate the Program (i.e., the Program's "primary purpose", per RSA 363:38), is specifically authorized by the customer, or is required by law or court order. If Data Administrators request customer authorization to disclose Individual Customer Data, Data Administrators will first describe to the customer the information they intend to release and provide details concerning the recipient of such information.

Data Administrators will hold all Customer Data in strict confidence and except as otherwise needed for provision of the Program, required by law, or permitted as below, (a) not disclose Individual Customer Data to any other person or entity (including but not limited to Suppliers, subcontractors, and affiliates or members of Good Energy and Standard Power); (b) not process Individual Customer Data outside of the United States; (c) not process Individual Customer Data other than in connection with the Program; (d) not process Individual Customer Data for any marketing purposes other than in connection with the Program; (e) limit reproduction of Individual Customer Data to the extent required for the Program; (f) store Individual Customer Data in a secure fashion at a secure location in the United States that is not accessible to any person or entity not authorized to receive the Individual Customer Data; and (g) otherwise use at least the same degree of care to avoid publication or dissemination of the Individual Customer Data as Data Administrators employ (or would employ) with respect to their own confidential information that they do not (or would not) desire to have published or disseminated, but in no event less than reasonable care.



#### 4. Disclosure of Individual Customer Data

Notwithstanding the provisions of Section 3 above, the Data Administrators may disclose Individual Customer Data to their representatives who have a legitimate need to know or use such Individual Customer Data for the sole and limited purposes of administering and/or conducting the Program. Such representatives will first be advised of the sensitive and confidential nature of such Individual Customer Data and agree to comply with the provisions of this Data Protection Plan. Pursuant to PUC 200.19, Data Administrators may also provide Individual Customer Data to third parties for the purposes of 1) billing for electric service, 2) meeting electric system, electric grid, or other operational needs, and 3) implementing demand response, customer assistance, energy management or energy efficiency programs. Any such third parties will be required by contract to comply with the provisions of this Data Protection Plan.

In the event that Data Administrators or any of their representatives receive notice that they have, will, or may become compelled, pursuant to applicable law or regulation or legal process, to disclose any Individual Customer Data (whether by receipt of oral questions, interrogatories, requests for information or documents in legal proceedings, subpoenas, civil investigative demands, other similar processes or otherwise), Data Administrators will, except to the extent prohibited by law, immediately notify the LDC(s), orally and in writing, of the pending or threatened compulsion. To the extent lawfully allowable, the LDC(s) will have the right to consult with the Data Administrators and the parties will cooperate, in advance of any disclosure, to undertake any lawfully permissible steps to reduce and/or minimize the extent of Individual Customer Data that must be disclosed. The LDC(s) will also have the right to seek an appropriate protective order or other remedy reducing and/or minimizing the extent of Individual Customer Data that must be disclosed.

Data Administrators and their representatives will disclose only such Individual Customer Data which they are advised by legal counsel that they are legally required to disclose in order to comply with such applicable law or regulation or legal process (as such may be affected by any protective order or other remedy obtained by LDC) and Data Administrators and their representatives will use all reasonable efforts to ensure that all Individual Customer Data that is so disclosed will be accorded confidential treatment.

#### 5. Return/Destruction of Individual Customer Data

Upon the expiration of the Program, or as otherwise required by law or Commission order, the Data Administrators will destroy all copies of any Individual Customer Data (including any and all extracts, compilations, studies or other documents based upon, derived from or containing Individual Customer Data) within their or their

representatives' possession (including destroying Individual Customer Data from all systems, records, archives and backups), and all subsequent use and processing of the Individual Customer Data by the Data Administrators and their representatives will cease.

Notwithstanding the foregoing, the Data Administrators and their representatives will not erase Individual Customer Data contained in an archived computer system backup maintained in accordance with their respective security or disaster recovery procedures. The Data Administrators will not provide access to or recovery of Individual Customer Data from such computer backup system and will keep all such Individual Customer Data confidential in accordance with this Data Protection Plan.

## 6. Data Security Incidents

The Data Administrators are responsible for any and all security incidents involving Individual Customer Data that is processed as part of the Program. The Data Administrators will notify the LDC(s) in writing immediately (and in any event within twenty-four (24) hours) whenever the Data Administrators reasonably believe that there has been a data security incident involving Individual Customer Data. After providing such notice, the Data Administrators will investigate the incident, and immediately take all necessary steps to eliminate or contain any exposure of Individual Customer Data. The Data Administrators will provide the LDC(s) with reasonable assistance and cooperation in the furtherance of any correction, remediation, or investigation of any such data security incidents and/or the mitigation of any damage, including any notification required by law or that LDC(s) may determine appropriate to send to individuals impacted or potentially impacted by such data security incident(s), and/or the provision of any credit reporting service required by law or that LDC(s) deems appropriate to provide to such individuals.

Unless required by law, the Data Administrators will not notify any individual or any third party other than law enforcement of any potential data security incidents involving Individual Customer Data without first consulting with, and obtaining the permission of, the LDC(s). Within 30 days of identifying or being informed of a data security incident, the Data Administrators will develop and execute a plan, with the cooperation of the LDC(s), which reduces the likelihood of a recurrence of such data security incident(s).

## 7. Additional Protections

The Data Administrators will comply with all applicable privacy and security laws to which it is subject, including this Data Protection Plan.

The Data Administrators will safely secure and/or encrypt all Individual Customer Data during storage and transmission.

The Data Administrators will have in place appropriate and reasonable processes and systems, including this Data Protection Plan, to protect the security of Individual Customer Data and to prevent a data security incident, including, without limitation, a breach resulting from or arising out of the Data Administrators' internal use, processing, or other transmission of Individual Customer Data, whether between or among their representatives, subsidiaries and affiliates, or any other person or entity acting on behalf of the Data Administrators.

The Data Administrators will work cooperatively with the LDC(s) to implement this Data Protection Plan, including: establishing policies and procedures to provide reasonable and prompt assistance to LDC(s) in responding to any and all requests, complaints, or other communications received from any individual who is or may be the subject of a data security incident involving Customer Data to the extent such request, complaint or other communication relates to the Data Administrators' processing of such individual's Individual Customer Data; and establishing policies and procedures to provide all reasonable and prompt assistance to LDC(s) in responding to any and all requests, complaints, or other communications received from any individual, government, government agency, regulatory authority, or other entity that is or may have an interest in the Individual Customer Data, data theft or other unauthorized release of Individual Customer Data, disclosure of Individual Customer Data, or misuse of Individual Customer Data to the extent such request, complaint or other communication relates to Data Administrators' processing of such individual's Individual Customer Data.

#### 8. Use of Individual Customer Data

The Data Administrators will only use Individual Customer Data for the primary purposes, as defined in RSA 363:37, which may include 1) providing or billing for electric service, 2) meeting electric system, electric grid, or other operational needs, and 3) researching, developing and implementing new rate structures or demand response, customer assistance, energy management or energy efficiency programs.

## **II. Conclusion**

The Data Protection Plan meets all of the requirements of RSA 363:38, RSA 363:37 and PUC 2004.19.



# CITY OF KEENE NEW HAMPSHIRE

**Meeting Date:** October 27, 2022

**To:** Finance, Organization and Personnel Committee

**From:** Duncan Watson, Assistant Public Works Director

**Through:** Kurt Blomquist, ACM/Public Works Director  
Elizabeth Dragon, City Manager

**Subject:** **EnviroTrac Environmental Services Water Monitoring at Closed Municipal Landfill - Change Order #2 - Assistant Public Works Director**

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**Recommendation:**

That the Finance, Organization and Personnel Committee recommend the City Manager be authorized to do all things necessary to negotiate and execute Change Order #2 with Envirotrac Environmental Services for expanded landfill monitoring for an amount not to exceed \$29,200 for a revised contract total of \$68,152.

**Attachments:**

None

**Background:**

The Keene Municipal Landfill was closed and capped in 1999. Per Environmental Protection Agency (EPA) and New Hampshire Department of Environmental Services (NHDES) regulations, the City must monitor water quality (ground and surface water), within an established groundwater monitoring zone, under the provisions of Groundwater Permit issued by NHDES. Following the renewal of the Groundwater Management Permit (GMP), in August, 2022 (GMP-1999009001-K-005), additional activities have been required per New Hampshire Department of Environmental Services (NHDES). The City is currently under contract with EnviroTrac Environmental Services to provide required post landfill closure water monitoring.

The majority of the new required activities involve per- and polyfluoroalkyl substances (PFAS) compounds. PFAS are a group of man-made chemicals that have been manufactured and used in a variety of industries around the globe since the 1940s, including stain repellents in fabrics, flame retardant carpets, nonstick coatings in cookware, foam used to fight fires at airports, and grease barriers in food packaging. As a class, PFAS includes thousands of compounds, many with useful properties, albeit with largely unknown environmental and or human health impacts.

The closed Keene Municipal Landfill parcel is an approximately 20-acre closed, unlined municipal solid waste landfill owned and operated by the City of Keene. The property (identified as Lot 10-009

on the City of Keene Assessor's Map 919) is situated on the west side of Route 12, just south of the Keene-Surry town line. The majority of the properties abutting the landfill are undeveloped and heavily wooded. Old Summit Road is located to the north of the landfill. The Cheshire Rail Trail abuts the landfill along the east and northeast, and beyond that is Summit Road (NH Route 12).

In January 2019, the City, through its consultant, EnviroTrac Environmental Services, submitted a required biennial report on the November 2018 water quality monitoring, and PFAS was detected in both groundwater and surface water samples. NHDES issued a letter in May 2019 outlining the next steps of PFAS characterization, which includes testing any domestic wells within 500 feet of the boundary of the groundwater management zone (GMZ). The August 2022 renewal of GMP now requires PFAS testing in the majority of established groundwater wells within the GMZ as well as additional sampling beyond the GMZ. This expanded monitoring is a requirement of the GMP and will involve greater monitoring expenses, particularly those associated with laboratory analysis.

The recent heightened focus on PFAS compounds will require the City of Keene to continue to monitor and test for these compounds in addition to the other required regulated chemical compound monitoring. The City of Keene Public Works Department will continue to work closely with its consultant, EnviroTrac Environmental Services, as well as the NHDES to monitor the situation and report results as they become available.

Lastly, because PFAS is a nationwide issue, programs to assist in detection and remediation are coming online. The Solid Waste Division will work with EnviroTrac Environmental Services to identify funding opportunities that may assist in the financial burden of PFAS issues.



## CITY OF KEENE NEW HAMPSHIRE

**Meeting Date:** October 27, 2022

**To:** Finance, Organization and Personnel Committee

**From:** Harry McKelvey, Transportation and Storm Water Operations Manager

**Through:** Kurt Blomquist, ACM/Public Works Director  
Yves Gakunde, Purchasing and Contract Services Manager  
Elizabeth Dragon, City Manager

**Subject:** **Imprinted Crosswalks Downtown - Change Order - Transportation and Storm Water Operations Manager**

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**Recommendation:**

Move that the Finance, Organization, and Personnel Committee recommend the City Manager be authorized to do all things necessary to negotiate and execute a change order with BDM for the repair the downtown imprinted crosswalks in the amount of \$9,957 for a revised contract amount of \$56,779.

**Attachments:**

None

**Background:**

In the Spring of 2022, the Highway Division commenced a repair project involving the downtown imprinted crosswalks. Vehicular traffic creates an uneven wearing of the imprinted crosswalk surface and necessitates repair every 5-7 years to properly delineate the crosswalks. Repair of the damaged areas requires a specialized technique to replace the worn thermoplastic that forms the base of the imprinted crosswalk.

Due to the specialized nature of the work, a sole source contractor was engaged to initiate the repair and supplies were ordered. The time delay between ordering and receiving the necessary repair product, due to supply chain issues, resulted in an expansion of the scope that exceeded the original budget due to additional wear of the crosswalks. To complete the larger scope of this project, funds are required in excess of the City Manager's authority to internally process a change order. To complete the repair of the downtown imprinted crosswalks, an additional \$9,957 is necessary, bringing the revised contract amount to \$56,779.



# CITY OF KEENE NEW HAMPSHIRE

ITEM #A.9.

**Meeting Date:** October 27, 2022  
**To:** Mayor and Keene City Council  
**From:** Merri Howe, Finance Director/Treasurer  
**Through:** Elizabeth Dragon, City Manager  
**Subject:** **Relating to FY23 Fiscal Policies  
Resolution R-2022-33**

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**Council Action:**

**In City Council October 20, 2022.**

**Referred to the Finance, Organization and Personnel Committee.**

**Recommendation:**

That Resolution R-2022-33 relating to FY23 Fiscal Policies have a first reading and that it be referred to the Finance, Organization and Personnel Committee for its consideration.

**Attachments:**

1. Resolution R-2022-33\_referral

**Background:**

Shortly after the beginning of each new fiscal year the fiscal policies of the City are reviewed and updated to provide guidance for fiscal management and decision making. This is also the time of year when the City Manager and staff start planning for the next fiscal year.

The update to the fiscal policies is the first step in the budget process. This document sets the boundaries for which both the Capital Improvements Program and City operating budget need to stay within while providing direction that incorporate City Council goals and objectives.

There are 2 housekeeping updates to the FY23 Fiscal Policies. On page four under Part 2 – Financial Polices, section B 1 c, Capital Funds, 2 new funds were added - Sewer Capital Projects Fund and Water Capital Projects Fund. As part of the setup and implementation of the new financial software, these 2 funds were created to account for sewer and water fund capital projects separately. In the City's legacy software, capital projects were accounted for within the sewer and water funds while all other governmental funds accounted for capital projects in the in the Capital Projects Fund. The remainder of the fiscal policies remain unchanged from FY22.





# CITY OF KEENE

R-2022-33

In the Year of Our Lord Two Thousand and .....Twenty-two.....

A RESOLUTION ..... Relating to FISCAL POLICIES .....

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

WHEREAS: the National Advisory Council on State and Local Budgeting (NACSLB) has developed a comprehensive set of recommended practices on budgeting; and

WHEREAS: one key component of those recommended practices calls for the adoption of fiscal policies by the local legislative body to help frame resource allocation decisions; and

WHEREAS: the Government Finance Officers' Association (GFOA) has endorsed the recommended practice developed by the NACSLB; and

WHEREAS: it is the intent of the City Council, by this resolution, to articulate this financial blueprint as clearly and completely as possible.

NOW, THEREFORE, BE IT RESOLVED that the fiscal policy should be reviewed and adopted by the City Council on an annual basis effective July 1, superseding any prior fiscal policies and

NOW, THEREFORE, BE IT FURTHER RESOLVED by the City Council of the City of Keene that its fiscal policies are as follows:

**PART 1 – Budgetary Policies**

Strategic Governance links both operational and capital budgets to long term goals established by the City’s Master Plan and prioritized through the City Council goal’s process. Departments prepare budgets with proposed strategies to advance the goals of the Master Plan along with three to five Council priorities which have been stated as outcome focused goals. Budget strategies may involve multiple years of investment above and beyond the City’s base budget. This budget strategy is a hybrid of the priority based and the more traditional base budgeting approach. Priority based budgeting helps the city work towards its high level goals and ensures budget dollars are tied to community and council priorities and desired outcomes. The base budgeting approach separates budget items which are supplemental requests from those that are included in the base budget. The base budget is the amount required to maintain the current level of services.

I. Budget

- A. The City shall annually adopt and appropriate budgets for the following funds
  - 1) General Fund
  - 2) Parking Fund
  - 3) PC Replacement Fund
  - 4) Solid Waste Fund
  - 5) Sewer Fund
  - 6) Water Fund
  - 7) Equipment Fund

PASSED

- B. All appropriated budgets shall be balanced.
- C. All appropriations for annual operating budgets (exclusive of capital projects) shall lapse at fiscal year-end unless encumbered by a City of Keene purchase order that is recorded in the financial system on or before June 30<sup>th</sup> of any year, or as authorized by the City Manager in writing, on a case-by-case basis. Those encumbrances shall be reported to the City Council in an informational memorandum by the first week of October each year.
- D. All departments are authorized to vary actual departmental spending from line item estimates provided the total departmental budget is not exceeded within each fund; provided, however, that any item specifically eliminated by the City Council during budget approval cannot be purchased from another line item without City Council approval.
- E. Outside Agencies seeking funding from the City shall complete an application substantiating their request, the necessity of the services provided, and financial impact on the City if services were not provided. All applicants shall meet eligibility criteria set by the City and eligible applications shall be reviewed by a committee consisting of at least 2 City Councilors, and representation from Human Services, Finance, Community Development, and Police Departments. The committee shall put forth a list of Outside Agencies to the City Manager with recommended funding to be included in the budget.
- F. Any unexpended funds in a personnel line related to a vacancy cannot be expended without prior approval from the City Manager and the City Council unless funds are being expended to fill a vacancy, recruiting, or to employ temporary help including professional and contract services.
- G. A periodic budget status report for each fund will be provided to the City Council.
- H. The budget document shall provide multi-year projections of revenues and expenditures/expenses including property taxes and utility (water and sewer) rates.
- I. The budget will take into consideration the City's Policies on unassigned Fund Balance projected at the end of June.
- J. The City of Keene will contain its General Fund debt service, on a five (5) year average, at or less than twelve percent (12%) of the General Fund operating budget.
- K. Upon completion of any project, any residual funds shall be returned to the fund that provided the original appropriation.
- L. Property Taxes.
  - 1) The City shall limit its property tax revenue increases to a rolling three (3) year average of the Boston-Cambridge-Newton, (MA-NH) CPI net of expenditures required by law, and excluding debt service payments and capital leases. The City chooses to utilize the CPI, not because it reflects inflation in the City's costs, but because it reflects the overall inflation in what citizens purchase. This manages City spending such that increases in a citizen's tax bill are in line with increases in all of their other expenses. The goal is to have the cost of City services as a percentage of a taxpayer's total expenses remain constant.

2) Property Tax Credits and Exemptions.

All exemptions and credits will be reviewed with the City Council at least every five (5) years in conjunction with the City revaluation unless there are legislative changes that cause a review to occur on a more frequent basis.

3) The State has chosen to solve its revenue problem by downshifting expenses to the local communities and tapping into the broad based property tax at the local level. Downshifting is an effective strategy for the State; however, it is unsustainable at the local level and would quickly lead to a significant reduction in City services. The City is sensitive to these added expenses to the taxpayers and will attempt to limit the impact; however, as a State expense, the City will pass through the State downshifting to the taxpayers.

II. Capital Improvement Program

- A. The City of Keene shall prepare a capital improvement program (CIP) with a span of seven (7) years.
- B. The CIP shall be prepared biannually with a review each year during the operating budget cycle.
- C. All capital projects or equipment purchases that have an estimated cost of at least \$35,000 and an estimated useful life of at least five years will be included in the capital improvement program (CIP) planning process. These projects may include capital asset preservation projects (designed to preserve the functionality and condition of major infrastructure systems and City facilities) with an estimated cost of at least \$35,000 and which increases the useful life of the asset by at least five years.
- D. The CIP shall include all expenditure and funding activity anticipated from any capital reserve fund, including those activities less than \$35,000.
- E. The CIP shall contain revenue projections and rate impacts that support estimated operating costs as well as the proposed capital program. Expenditures included in each year of the CIP (operations, debt service and capital) will be equal to estimated revenue available to finance proposed activity in each year of the CIP. Cost and revenue estimates in projected years will be presented for planning purposes, and are based upon the then current best available information.
- F. City departments will prepare project funding-requests for capital projects as instructed by the City Manager.
- G. CIP Funding Methodology
  - 1) Whenever possible, CIP projects will be funded with available resources, examples of which are current revenues, grants, donations, and reserves, but not debt.
  - 2) Appropriate uses of debt include projects such as:
    - a) One-time nonrecurring investments (e.g. the construction of a new asset, or the expansion or adaptation of an existing asset) to provide added service delivery capacity or to meet changing community needs.

- b) Projects necessary due to regulatory requirements (e.g. water treatment plant expansion due to EPA permit changes) when resources other than debt are not available.
  - c) Projects necessary due to asset or system operational failure or obsolescence when resources other than debt are not available.
- H. The CIP shall be reviewed by the Finance, Organization and Personnel Committee and the Planning Board.
- I. The CIP will be the subject of a public hearing before adoption.
- J. The funding requests in the first year of the adopted CIP will be included in the next annual budget document. The City Manager after review will include the second year funding request in the subsequent budget document.
- K. Upon project completion, any residual funds shall be returned to the fund that provided the original appropriation unless otherwise directed by the City Council.
- L. Project transfer requests:
  - 1) Memorandums shall be presented to City Council for transfer request approval by majority vote for projects:
    - a) Within the same fund and
    - b) Not funded with bond proceeds/debt and/or
    - c) Have prior authorization to expend capital reserve funds and is within the purpose of the capital reserve.
  - 2) Resolutions shall be presented to City Council for transfer request adoption by 2/3 majority vote for projects:
    - a) Within the same fund and
    - b) Funded with bond/debt proceeds and/or
    - c) Funded with a new capital reserve appropriation.

**PART 2 - Financial Policies**

I. Fund Structure

- A. All funds are intended to be self-supporting, with no subsidies from one fund to another required for operations or capital outlay.
- B. The City will continue to conduct its financial activities through the use of the following funds:
  - 1) Governmental Funds.
    - a) General Fund – shall be used to account for those governmental activities that are not recorded in one of the other City Funds.
    - b) Special Revenue Funds.
      - i. Special Revenue Fund – shall be used for those activities that are funded in part or in whole by contributions from other entities.
      - ii. Parking Fund – shall be used to account for the operations, maintenance and capital outlay needs of the municipal parking areas.

- iii. Solid Waste Fund – shall be used to account for the activities of the transfer and recycling operations and for post-closure costs associated with the landfill.

c) Capital Funds.

- i. Capital Project Fund – shall be used to account for the capital projects funded by any of the governmental funds excluding the Sewer Fund and the Water Fund.
- ii. Sewer Capital Project Fund – shall be used to account for the capital projects funded by the Sewer Fund.
- iii. Water Capital Project Fund – shall be used to account for the capital projects funded by the Water Fund.

2) Proprietary Funds.

a) Enterprise Funds.

- i. Sewer Fund – shall be used to account for the operations, maintenance, and capital outlay needs of the sewer collection and treatment systems.
- ii. Water Fund – shall be used to account for the operations, maintenance, and capital outlay needs of the water treatment and distribution systems.

3) Internal Service Funds.

- a) PC Replacement Fund – shall be used to account for the on-going replacement of PC's, peripherals, and related software utilized by all City departments.
- b) Equipment Fund - shall be used to account for the operations, maintenance, and capital outlay needs of fleet services.

II. Revenues

A. One-Time Revenues.

One-time revenues will only be applied toward one-time expenditures; they will not be used to finance on-going programs or services. On-going revenues should be equal to, or greater than, on-going expenditures.

B. Diversity.

The City will diversify its revenues by maximizing the use of non- property tax revenues such as payments in lieu of taxes, and user fees and charges.

C. Designation of Revenues.

- 1) Each year, the City shall designate and set aside \$25,000 for conservation purposes, funded through the allocation of the Land Use Change Tax (LUCT). If the prior years' LUCT revenues are less than \$25,000, the General Fund will provide the difference from general revenues to ensure an annual contribution of \$25,000. Additionally, in the years when the LUCT revenues exceed \$25,000, fifty percent (50%) of the amount over \$25,000 will be designated for conservation purposes, with the total annual designation not to exceed \$100,000. Expenditure of funds to be made upon approval of the City Council. Balance of said sum not to exceed \$500,000.
- 2) Direct reimbursements from other entities shall be used to offset the appropriate City expense.

- 3) Except for the provisions stated above, or as provided otherwise by Federal, State law, or by local Code of Ordinances, no unanticipated revenues shall be designated for a specific purpose(s) unless directed by the City Council.

### III. Fees and Charges

- A. Certain services provided by the City of Keene will be assigned a fee or charge for the users of the service, dependent upon how the community benefits from the provision of those services.
  - 1) In the case of general governmental services (such as fire protection, law enforcement, or general street maintenance) there will be no user fee or charge assessed.
  - 2) In the event that the service benefits a finite and definable sector of the community then that group will be assessed a fee or charge for provision of the service.
- B. Cost Recovery Standard for Fees and Charges.

Cost recovery should be based on the total cost of delivering the service, including direct costs, departmental administration costs, and when permitted organization-wide support costs (e.g. accounting, human resources, data processing, insurance, vehicle maintenance, and regulatory and enforcement costs).
- C. Exceptions to Cost Recovery Standard for Fees and Charges:
  - 1) Fees and Charges may be set at something less than full cost recovery when:
    - a) A high level of cost recovery will negatively impact the delivery of service to low-income groups.
    - b) Collecting the fees and charges is not cost effective.
    - c) There is no intended relationship between the amount paid and the benefit received (e.g. social service programs).
    - d) There is no intent to limit the use of the service (e.g. access to parks and playgrounds).
    - e) Collecting the fees would discourage compliance with regulatory requirements and adherence to said requirements is self-identified, and as such, failure to comply would not be readily detected by the City of Keene.
  - 2) Fees and Charges will be set at, or above, full cost recovery when:
    - a) The service is also provided, or could be provided, by the private sector.
    - b) The use of the service is discouraged (e.g. fire or police responses to false alarms).
    - c) The service is regulatory in nature and voluntary compliance is not expected (e.g. building permits, plans review, subdivisions).
    - d) When the fee or charge for the use of City property or resources is incurred by a commercial entity.
  - 3) Ambulance:
    - a) Service fees shall be set at two hundred fifty percent (250%) above the Medicare-determined usual and customary charge.

- b) A fee will be implemented for those instances when responses that involve the use of drugs or specialized services are provided but there is no transport.
- c) There will be no charge for responses determined by the Fire Department to be “public assists.”
- D. The method of assessing and collecting fees should be made as simple as possible in order to reduce the administrative and support costs of collection.
- E. The City will periodically utilize the services of a collection agency when all other reasonable efforts to collect fees and fines have been exhausted; fees for such services to be paid from amounts collected.
- F. Rate structures should be sensitive to the market price for comparable services in the private sector or other public sector entities.
- G. Fees and charges shall be adopted by the City Council when required.
- H. Fees and charges shall be reviewed in accordance with a schedule developed by the City Manager that has each fee reviewed biannually. Recommended changes will be reviewed and approved by the City Council when required.

#### IV. Bonded Debt

- A. The City of Keene will periodically incur debt to finance capital projects. All issuances of debt are subject to State of New Hampshire Statutes, RSA 34 and 162-K.
- B. Debt may be issued to fund projects with a public purpose of a lasting nature or as otherwise allowed by State law.
- C. Debt will not be issued to provide for the payment of expenses for current maintenance and operation except as otherwise provided by law.
- D. The City of Keene shall not incur debt that exceeds any limits set by State law.
- E. All bonds shall be authorized by resolution of the City Council and require a two-thirds (2/3) vote.
- F. The City of Keene may use the services of bond counsel and a financial advisor, if required, to assist in preparing for and executing the sale of bonds.
- G. The City of Keene issues bonds including but not limited to:
  - 1) General Obligation Bonds – repayment is backed by the full taxing power of the City of Keene.
  - 2) Tax Increment Financing Bonds – repayment is first backed by the revenue stream generated by increased revenues created within an established Tax Increment Financing District. To the extent that the increased revenues created within the district are not adequate, the repayment of the bonds would then be backed by the full taxing power of the City of Keene.
  - 3) Refunding Bonds – these bonds are issued to refinance outstanding bonds before their term in order to either remove restrictions on the original bonds and/or to take advantage of lower interest rates. Repayment is backed by the full taxing power of the City of Keene.



- H. Competitive sale is the preferred method of sale; however, negotiated sales may occur for a current or advance refunding, or for other appropriate reasons.
  - I. Term.
    - 1) Debt will be incurred only for projects with a useful life of at least seven (7) years.
    - 2) The term of any debt incurred by the City shall be limited to no greater than the expected useful life of the improvement.
- V. Other Sources
- A. To the extent they are available, the City of Keene will consider on a case-by-case basis, the use of other financing mechanisms including but not limited to:
    - 1) Capital leases.
    - 2) State programs (e.g. State Revolving Fund Loan programs).
  - B. To the extent they are available, the City of Keene will actively pursue other funding sources including but not limited to:
    - 1) Grants that reduce the City's initial investment in project/improvement.
    - 2) Grants that contribute to the on-going debt service for city project(s).
    - 3) Other financing tools such as tax credits that leverage the City's initial investment in a project.
    - 4) Public-private partnerships.
    - 5) Unanticipated revenues. These sources will be evaluated for placement and designated as committed fund balance for advancing budgetary policies related to bonded debt, capital outlay or property taxes.
- VI. Asset-Management Programs
- A. The City may develop, implement, and refine asset management programs (defined as an integrated business approach involving planning, engineering, finance, facilities management, utilities, technology and operations to effectively manage existing and new facilities and infrastructure to maximize benefits, manage cost, reduce risk, and provide satisfactory levels of service to community users in a socially, environmentally, and economically sustainable manner). The asset management should contain at least the following elements:
    - 1) Periodic inventories and assessment of the physical condition of City capital assets and infrastructure.
    - 2) Establishment of condition and functional standards for various types of asset.
    - 3) Criteria to evaluate infrastructure and facility assets and set priorities.
    - 4) Financing policies to maintain a condition assessment system(s) and promote sufficient funding for capital asset preservation, repair, and maintenance.
    - 5) Monitoring and development of periodic plain language status reports on the various components of the City's capital assets and infrastructure.

VII. Fund Balance Classification Policies and Procedures

A. Fund Balance.

Fund balance represents the difference between current assets and liabilities and shall be comprised of non-spendable, restricted, committed, assigned, and unassigned amounts defined as follows:

- 1) Non-spendable fund balance - includes amounts that are not in spendable form such as inventory or prepaid expenses or are required to be maintained intact such as perpetual care or the principal of an endowment fund.
- 2) Restricted fund balance - includes amounts that can only be spent for specific purposes stipulated by external resource providers such as grantors or, as in the case of special revenue funds, as established through enabling legislation.
- 3) Committed fund balance - includes amounts that can be reported and expended as a result of motions passed by the highest decision making authority - the City Council.
- 4) Assigned fund balance - includes amounts to be used for specific purposes including encumbrances and authorized carry forwards or fund balance to be used in the subsequent fiscal year.
- 5) Unassigned fund balance - includes amounts that are not obligated or specifically designated, and is available in future periods.

B. Spending Prioritization.

When an expenditure is incurred that would qualify for payment from multiple fund balance types, the City uses the following order to liquidate liabilities: restricted, committed, assigned, and unassigned.

C. Net Assets.

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, laws or regulations, or other governments. All other net assets are reported as unrestricted.

VIII. Stabilization Funds

A. Unassigned Fund Balance.

That portion of available funds within each fund that can be used to offset emergency expenditures, a downturn in collection of significant revenues, or other unforeseen events.

- 1) Unassigned fund balance for the General Fund will be maintained at an amount between seven percent (7%) and ten percent (10%) of the sum of the total of the General Fund annual operating budget and the property tax commitment for the school (both local and State) and the county.

- 2) Unrestricted fund balance, excluding capital reserves, for the enterprise funds should be maintained at an amount between the equivalent of 180 days to 365 days of the annual operating budget for that fund.
- 3) Unassigned/unrestricted fund balance for all remaining budgeted funds should be maintained at an amount between five percent (5%) and fifteen percent (15%) of the annual operating budget for that fund.

B. Self-Funded Health Insurance.

The City shall retain funds for its self-funded health insurance program. The intended purposes for these funds are to provide a measure to smooth rate fluctuations, to accommodate an unforeseen increase in claims, and to provide financial protection from run-out costs in the event the City moves toward a fully insured plan. The amount retained shall not exceed three (3) months of estimated claim costs.

C. Capital Reserves.

The City utilizes capital reserves, classified as committed funds, established under State of New Hampshire law, and invested by the Trustees of Trust Funds, for several purposes that include the construction, reconstruction, or acquisition of a specific capital improvement, or the acquisition of a specific item or of specific items of equipment, or other purposes identified in NH RSA 34, relating to Capital Reserve Funds for Cities.

D. Expendable Trust Funds.

The City Council may create and fund through annual operating budget appropriations, various expendable trust funds as it deems necessary for the maintenance and operation of the City; and any other public purpose that is not foreign to the City's institution or incompatible with the objects of its organization. The trust funds will be administered by the Trustees of the Trust Funds.

E. Revolving Funds.

The City Council may authorize the establishment and use of revolving funds as it deems necessary. The purpose of the funds and source of revenues will be determined at the time of creation. Monies in the revolving fund shall be allowed to accumulate from year to year, and shall not be considered a part of the City's general surplus.

IX. Deposits of Funds in Custody of City Treasurer

A. Objectives (in priority order):

- 1) Safety – the safety of principal is the foremost objective.
- 2) Liquidity – investments shall remain sufficiently liquid to meet the operational cash needs of the City of Keene.
- 3) Yield – taking into account the priority objectives of safety of principal and liquidity, a market rate of return.

- B. Authorized Investments:
- 1) US Treasury obligations.
  - 2) US government agency and instrumentality obligations.
  - 3) Repurchase agreements with New Hampshire Banks acting as principal or agent, collateralized by US Treasury/Agency obligations.
  - 4) Certificates of Deposits in New Hampshire Banks (collateralized).
  - 5) New Hampshire Public Deposit Investment Pool.
  - 6) Certificate of Deposit Account Registry Service (CDARS).

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George S. Hansel, Mayor

In City Council October 20, 2022.  
Referred to the Finance, Organization and  
Personnel Committee.



City Clerk