

NELSON COMMUNITY POWER

May 3, 2022

Attendees

- In-person
 - Patsy Beffa-Negrini
 - Lisa Sieverts
 - Jonathan Pfister
 - Mare-Ann Jarvela
- Zoom
 - Bill Waterston
 - Greg Rothman
 - Rick Weyerhaeuser
- Absent
 - Sandy Mackenzie
 - Gary Robinson
 - Betsy Street
- Guests
 - Mark Cappadona, Colonial Power Group
 - Joseph Cappadona, Colonial Power Group
 - Stuart Ormsbee, Colonial Power Group
 - Gilbert Brown, Freedom Energy Logistics

Action Items

- Lisa
 - Find out when town committees are meeting
- Patsy
 - Contact Andrea about her broker comparison document

MINUTES

- Meeting called to order at 2:30 PM
- Motion to approve the minutes of April 19 2022, as sent by email on April 20, 2022, by Mare-Anne and Patsy seconds, all in favor
- Presentation by representatives of Freedom Energy Logistics and Colonial Power Group

- CPG is the consultant, and they are also licensed as the broker
 - They work closely with Freedom Energy Logistics
- Turn-key operation
 - No staff is needed and there are no costs to the town
- Firm believers in the opt-out model, and in their ability to manage price spikes
 - It's all about having choices
- Lots of towns in MA using CPG. Not in NH yet because there are no towns with power flow yet.
 - Since 2006 in MA
- Freedom Energy Logistics
 - Gilbert presents this part
 - Working with towns and cities
 - Partnered with CPG because of CPG experience in MA with power aggregation.
 - FEL started in 2006 in Auburn NH, working with large end-users of energy, electricity, and natural gas, in towns.
 - Now partnering with CPG to bring this to smaller energy users
- The town itself will work with CPG. CPG then partners with Freedom for procurement behind the scenes.
- Example: Lincoln NH
 - So partnership has been signed, but still waiting on PUC to get things going in the state.
 - Patsy had trouble connecting with them.
- Lebanon/Hanover
 - They have signed with the Coalition, but they are listed as Freedom customers.
 - Freedom helped Cliff Below in Lebanon with costs on direct-to-grid model, going wholesale directly to the source. Cliff has been doing this for several years, but now using the Coalition for community Power and staying with Freedom for city municipal purchases.
- Slide 6 is all about Municipal relationships, not community power
- Benefits
 - Lots of options
 - savings
 - Reserve funds
 - renewables
 - Maybe low income
 - It's a Christmas tree and you hang options off off it
 - Maximize power of community buying power
 - Nelson IS big enough
 - Example: of Wendell MA
 - 400 power customers (we are 500)
 - They have the best rate in MA! Can't go by size alone. Boston pays a much higher rate.
 - Choice
 - Green
 - Longer or shorter term contracts
 - Right now you have no choice, it's Eversource's price or nothing
 - And you'll still have the Eversource option whenever you want to switch back

- Price Stability
 - You can do 24 month contracts if you want
- Self-funded
 - No tax dollars used in Nelson
 - CPC funds all the start up
 - .001 (1mil) if the rate were 9 cents per KWH, total cost would be 9.1 cents
- Public Oversight
- Professional expertise
 - 80 years of experience in CPG
- Local Control
 - Giving power to the individual residents and towns
- How CPG changes the game
 - In MA, 3rd party marketers start calling the towns to try to get contracts, predatory business practices
 - No sub-par contacts
 - CPG knows how to vet the suppliers
 - Limited purchasing power: in the past, only big buyers could get preferential rates. Now you can with aggregation.
 - Depends on what our load profile is
 - ICAP installed Capacity
 - The amount of power you draw, on a house by house basis. Load profile of houses in Nelson in general. Can't do it perfectly because we don't have smart meters. It's very rough today, and not always fair.
 - They pick the day with the highest use in a year and they "snap the ICAP tag" then
- Product Options
 - Renewable
 - 100%
 - 25%
 - 0%
 - We have to decide where our standard product will be, and note that MOST of our customers will probably take the standard product.
 - So important to think about what the standard product is
 - Patsy: Are renewables more or less expensive?
 - Right now, we are shielded from price fluctuations
 - Soon, very soon, because of war, etc., Renewables will be cheaper.
 - Two years ago, we were at a historic low for natural gas. Now we are heading for historic highs in natural gas. In New England, we have a natural gas shortage in the winter. We buy LNG in the winter. Going forward, we will be competing with Europe who also wants LNG. From \$8 per therm to \$33 per therm! Equivalent of \$300 per barrel of oil! So we'll see more burning of oil because LNG is so expensive. But Oil is so dirty compared to LNG.
 - One side point is that right now, all our terminals are already shipping all the LNG they can. There actually isn't a way to get the LNG to Europe until terminals are increased here and there. Could be a big problem next winter in Europe.
 - Off-shore wind coming online in a couple of years will help

- Freedom
 - We partnered with large hydro this year, providing virtual net-metering credits to towns. Win/win for hydro and for towns.
 - If Nelson buys into this hydro, too, we'd also get the discount (1.5 cents). Different from buy Tier 1 Tier 2
 - Tier 1 are credits that come from renewables in state or in region generating green energy
 - Typically more expensive
 - Tier 2/3 is outside the region, like wind from Texas
 - Note that our Nelson Municipal use could be its own line-item, for example 100% renewable for all municipal use even if the residence option doesn't include 100% renewable.
 - Bringing new renewables online
 - Large off-shore wind projects, for example
 - Leveraging state incentives
 - Support local renewables project
 - Like Nelson builds a 1M array, and you get the credit for that.
- Town
 - Enters in relationship with supplier, but takes on no risk
 - Contract
 - Allows town to set their terms and conditions
 - Then suppliers decide whether to serve the load
 - Opt-out
 - Default is opt-in
 - Every homeowner has the option to opt-out
 - Lots of education so people know what to do
 - Steps in the process
 - See slide
 - We wouldn't start the program unless we could get a rate lower than Eversource
 - But no guarantees
 - These are VOLATILE markets
 - Remember that Eversource is buying the same market
 - And they buy more reactively than proactively, 6 months at a time
 - They say they can "time the market"
 - CPG is 83-0 on PUC approvals
 - Next May, deciding on buying the power
 - Education
 - CPG does a mailing to everyone on "Standard Offer" (not people who are already on 3rd party)
 - They have been doing this for 15 years
 - Don't get too far out in front of aggregation. Once the town signs the contract and power is going to flow in 60 days, then is when we want to inundate the townspeople with information. Especially the nervous: the elderly, etc.
 - CPG does have support numbers at utilities if something does go wrong with billing
 - They have a template Aggregation plan

- His advice
 - Don't get too specific in your plan. Otherwise you have to change your plan and refile! Keep the product selection general. Say "renewable" rather than "solar."
- We can look at the web site
 - Lots of information for each town is available online. Rates, rate history, opt-in and out
- Q and A with FEL and CPG
 - Any big differences between MA and NH?
 - CPG believes the market will be more robust in NH. Aggregation will flourish in NH. NH and CA may have the best aggregation laws in the country, per Patsy. But Carl says smart meters are needed before we can do really cool stuff.
 - Smart Meters
 - Eversource has to be the ones to give them out
 - In the end, it comes down to what the utilities will allow to happen
 - Stuart will send the written response to the questions to Patsy
 - Mark will get us a contact in Wendell
 - We want to work with you on an individual basis, on your own objectives. If you join a larger collaborative, you may lose out on your own objectives. You can do very well as a small town, you don't have to combine with other towns.

Next Meetings

- Tuesday, May 17 2:30
 - Try to make the broker decision
 - Think about the pros and cons
 - At least get to the point where we know what else we need to know
 - Summary of their websites and Lisa's Q&A documents:
sites.google.com/view/nelsoncommunitypower/minutes/broker-information
 - Start to assign action items for our summer work
- Tuesday, June 7 2:30

Useful Links

- Zoom
 - Zoom link if needed: Join Zoom Meeting
<https://keene.zoom.us/j/98427113827?pwd=MXpPdVJxaENlVnRodW45NWt0YUtXdz09>
Meeting ID: 984 2711 3827
Passcode: 290361
- Google Group Email
 - nelsoncommunitypower@googlegroups.com
 - Using this email address will automatically send your message to everyone on the committee
- Nelson Community Power Web Page

- sites.google.com/view/nelsoncommunitypower/home
 - Consultants' Web Pages
 - goodenergy.com/
 - cpcnh.org/
 - felpower.com/
 - Colonial Power Group website: <https://colonialpowergroup.com>
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