

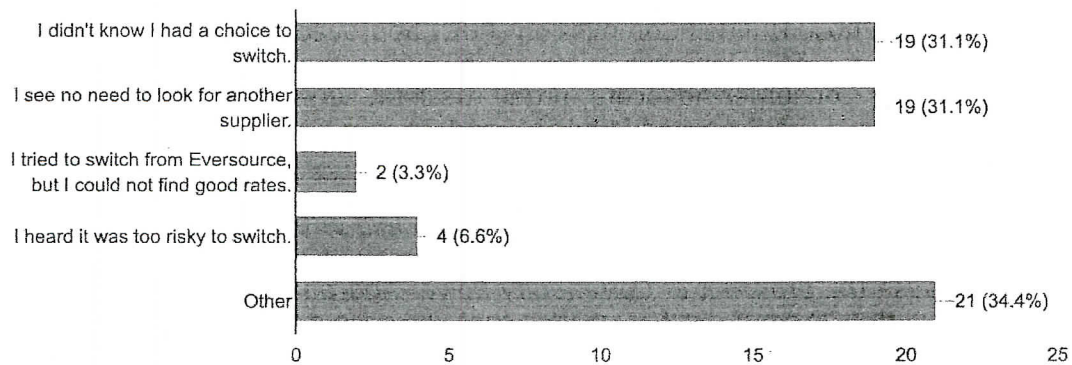
Recommendation to Nelson Selectboard Regarding Default Electric Service

Background

Results from the Nelson Community Power Survey found that 83% of respondents have Eversource as their electric supplier.

3. If you chose "a." above (Eversource), why did you stay with Eversource? (Select all that apply, and skip question 4.) If you did not chose "a." go to question 4.

61 responses



Responses of the 21 people who chose "Other":

- Not aware of reasonable options or the mechanics of changing
- Too lazy. Too skeptical.
- Never thought about it.
- Switched once - it was a scam
- I switched years ago. After the first year, Eversource rates dropped and the other supplier rates [sic] went up. The worst part was since each supplier's monthly calendars were different, so I had no choice but to buy 1 month at non-contract rates. The other supplier raised my rate nearly 4 times ~~the~~ contracted and my years' savings were wiped out.
- I use Eversource as the grid-tie for my solar electric system.
- Went with someone who sources 50% renewable.
- Was not satisfied with the alternatives.
- Not sure, but believe I have been with Resident Power.com for many years.
- I have pv pannelli and produce a surplus
- Inertia
- Have not wanted to pay more even for Green juice.
- I have installed solar panels and was using Eversource before.
- We have solar and a grid-tie agreement with Eversource
- I have chosen NORTH AMERICAN POWER&GAS
- I'm nervous if I get locked into a new supplier that they will raise their rates too and "pull the rug out from under me."
- The people who installed solar panels for me said it would be easier if I stayed with Eversource.
- We have been satisfied with the company
- Reliable and speedy outage response
- Light use translates to insignificant savings from competitors
- My past experience with changing suppliers was not pleasant. My bill for service escalated slowly over 18 months to more than I would pay to Eversource. This despite their assuring me that I could opt out at any time with no penalties. Not true! They even tried to bill me for a "disconnect" charge of \$100.as not a pleasant experience. Within a year, my bill slowly crept up to as not a pleasant.

OVERVIEW OF CHESHIRE COMMUNITY POWER (The following is an excerpt from County of Cheshire Community Power Electric Aggregation Plan. [To read the entire draft plan click here.](#))

Cheshire Community Power is a public program under RSA 53-E that will supply electricity to the County's facilities at launch and to other participating retail electric customers within the County that join the program over time. If the County Delegation approves this Electric Aggregation Plan [meeting scheduled for December 2022]:

- Cheshire Community Power, once operational, will be required to be self-funded through revenues received by participating customers;
- The Commissioners will be authorized to contract for the necessary services and power supplies to implement and operate the program and will set rates on behalf of any participating customers; and
- Eversource, Liberty Utilities, and the New Hampshire Electric Cooperative will continue to own and operate their respective local distribution systems in the County and deliver electricity to all customers supplied by Cheshire Community Power.

The County's facilities include the Maplewood Nursing Home, County Corrections, County Hall, NH Court Building, and Administrative Building (Registry of Deeds) and use approximately 4.5 million kilowatt-hours (KWh) of electricity annually.

Option to Provide Opt-In Electric Supply Service

At the Commissioners' direction, Cheshire Community Power may also offer competitive service to any residents, businesses, and other entities within the County who voluntarily request to participate in the program on an "opt-in" customer choice basis.

Option to Administer Default Electricity Service for Municipalities

RSA 53-E alternatively allows municipalities and counties to provide default electricity service on an "opt-out" basis. This type of program transfers all customers currently on utility default service to Community Power default service. Customers are mailed notifications before enrollment, may decline to participate, and may choose to switch back to the utility or to take service from a Competitive Electric Power Supplier at any point after that.

The County intends to encourage and support municipalities in forming Community Power programs that operate on an opt-out basis. Cheshire Community Power also may offer service on an opt-out basis directly for municipalities that do not establish their own Community Power program and that request, by majority vote of their respective governing bodies, to participate in Cheshire Community Power.

The Electric Aggregation Committee recommends that this option be considered in the future if a sufficient number of municipalities express interest in having the County facilitate the development and administration of an opt-out program on their behalf. Twelve of the twenty-three municipalities in the County are towns with less than 2,000 residents. For these municipalities, in particular, this option could lower energy costs and avoid the staff time and expenditures required to initiate programs individually.

To view this document online and access the links go to

https://docs.google.com/document/d/1GWHIefaggYmNL2LfGqPUVTWMnx_IdSS0bhJmEb3ymbs/edit?usp=sharing

Current State of Affairs

1. Confusion, inertia, skepticism, unaware; solar clients getting good rates.

It appears that many Nelson residents are either uninformed about alternatives to Eversource as their electricity supplier or have heard negative outcomes from switching. Those who have solar are getting a good financial deal from Eversource and continue to use them. Of those who did choose an alternative supplier, 47% (n=7) did so to purchase more renewable energy and 73% (n=11) to get a better rate.

2. Electricity prices are high and community power can help peoples' budgets.

In June of this year, the NH Public Utilities Commission (PUC) approved a rate hike to 22 cents per kilowatt hour—about a 50% increase in electric bills for a typical household. In August, Donald M. Kreis, our Consumer Advocate, urged the Joint Legislative Committee on Administrative Rules to approve the Proposed Municipal and County Aggregation Rules of the Public Utilities Commission stating,

These rules have been three long years in the making, the product of a laborious stakeholder engagement process. They could not come before you at a more urgent and fortuitous juncture, because the prospect of Community Power Aggregation offers a lifeline to people as they suffer with bills from electric utilities that will pose a real affordability challenge to thousands of Granite Staters.

3. Something new - aggregation by county.

The JLCAR approved the PUC Community Power Rules in September. The rules included the option of community power aggregation not only by town, but now also by county following Gov. Sununu signing [SB265](#) this year.

This means that Nelson can have a community power aggregation of its own or it can consider becoming a part of Cheshire Community Power. In August, the legislature cleared the way for towns to adopt County plans. Cheshire County is currently the only county that is pursuing Community Power. The delegates will vote on their plan on December 5th.

Recommendation of the Nelson Community Power Committee

Based on the evidence we have that people in Nelson are either reluctant, skeptical, or do not know about or how to change electric service providers — along with the opportunity to have lower risks and higher benefits by choosing Cheshire Community Power over forming Nelson Community Power (see page 4) — the Nelson Community Power Committee recommends waiting until December to see if the County Commissioners approve the *County of Cheshire Community Power Electric Aggregation Plan*. If so approved, we advise the Selectboard to allow said Cheshire County EPA to be the default electric service for Nelson in place of Eversource.

Risks and Benefits

| Options | Risks | Benefits |
|--|--|--|
| <ul style="list-style-type: none"> Do nothing | <p>Nelson residents</p> <ul style="list-style-type: none"> Continue to pay high electric prices. See their neighboring towns benefiting financially from CPA. Have limited options for choosing more renewable energy. | <p>No added burden to the Town Administrator's duties.</p> |
| <ul style="list-style-type: none"> Individual Nelson residents are educated about community power aggregation and choose Cheshire Community Power (CCP) on their own by opting-in to the program. | <p>Opt-in programs generally have a very small adoption rate (less than 10%), which means that most Nelson residents will needlessly be paying more for electricity.</p> <p>Many Nelson residents are skeptical about changing from Eversource or perhaps won't make the effort to do so, so many may not choose CCP resulting in similar risks as #1 above.</p> | <p>No added burden to the Town Administrator's duties.</p> <p>The Selectboard is not involved in any way.</p> |
| <ul style="list-style-type: none"> Ratepayers automatically have Cheshire Community Power provide their default electric service following a majority vote of the Selectboard. | <p>Some Nelson residents may not appreciate a "governing body" making electricity decisions for them. (But these people can easily "opt-out.")</p> <p>The Cheshire plan does not promise that there will be an option for ratepayers to choose a 100% renewables option, but we have been told they plan to do so.</p> <p>The town will still want to do a good job of educating residents and getting input, so it will require some time on the part of the town and the Nelson Community Power Committee.</p> | <p>Lower energy costs.</p> <p>Avoid staff time and expenditures that would be required to initiate the Nelson EAP.</p> <p>Residents will not need to opt-in.</p> <p>More options for choosing renewables because of the local energy projects that the County hopes to support through community power aggregation.</p> <p>The County already purchases ~2x the amount of electricity than all Nelson ratepayers combined (data from Eversource). By joining the County we can leverage more buying power.</p> |
| <ul style="list-style-type: none"> Nelson residents vote on warrant article for Electric Power Aggregation. | <p>It will take public hearings and education to help the town ratepayers understand CPA and even then it may be confusing.</p> <p>Someone in Nelson has to "administer" the EAP. Although we have been told this is not an issue, we cannot be sure how much staff time and effort will be needed.</p> | <p>Lower energy costs.</p> <p>Residents will not need to opt-in.</p> <p>Nelson can specify choices for renewables including a 100% renewable option.</p> <p>It will take longer to start/join local renewable energy projects.</p> |