



Town of Pelham

Community Choice Aggregation Program

Pelham Community Power Aggregation Committee
August 24, 2023

Presented by





- > Energy consulting company headquartered in Marlborough, MA
- > Specializing solely in Community Choice Aggregation (CCA) in New England
- > Currently manages ~80 CCA Programs in MA, with >500,000 participating consumers
- > Provides comprehensive, turnkey service, leading client communities through the entire CCA program process:
 - > Design: all phases of Program creation
 - > Communications: consumer information and outreach
 - > Regulatory: PUC approval and compliance
 - > Implementation: get CCA Program up-and-running
 - > Management: day-to-day operations of CCA Program



- > Energy Advisory founded in 2006 with headquarters in Auburn, NH
- > Our Mission is to be our clients' respected Energy Advisor providing the most effective energy supply management and renewable solutions in support of their unique business goals and sustainability objectives.
- > Specialized Energy & Sustainability Municipal Program Team
- > Freedom currently serves >50 municipals throughout New England

“CPG” and “FEL” are currently working with several NH communities to develop CCA plans (including Hampton, Londonderry, and Lincoln)



What is a Community Choice Aggregation Program?

- A CCA Program is an optional buying group organized by a municipality or group of municipalities to benefit electric consumers in the community.
- The Program enters into electricity supply contracts for all residential and business consumers currently receiving default service from their utility.
- Consumers are automatically enrolled, unless they opt-out.

Benefits of Community Choice Aggregation

- **Choice:** No longer “stuck” with electric utility default rates
- **Leverage:** Community buying power; larger buying group attracts robust participation from leading suppliers
- **Price Stability:** Ability to secure long-term rates and avoid market price volatility
- **Optionality:** Opt-out anytime without penalty and enroll with utility default service or another supplier directly
- **Consumer Protections:** Contract terms and conditions superior to those offered by suppliers in direct-to-consumer transactions
- **Local Control:** Define objectives based on community priorities, e.g., higher mix of renewable energy content
- **Product Options:** Town can define its own standard product plus offer other opt-in products, e.g., products containing greater renewable power content and those supporting sustainability goals
- **Public Oversight:** Electricity supplier and consultant accountable to town officials
- **Self-funded:** No burden on municipal staff or local budgets; no costs imposed on non-participating consumers; program administration outsourced to town consultant



CCA Overcomes Shortcomings of Electric Market Choice

- **Predatory Business Practices:** Specific targeting of vulnerable consumer segments and customer inattention.
- **Predatory Contract Terms:** Beneficial rate at start converts to a much higher 'market-based' rate after initial term expires.
- **Limited Purchasing Power:** Difficult to profitably serve individual residential consumers absent imposing outsized margins.

Important Elements

- **Choice** – Consumers are free to opt-out of the Program and continue receiving supply from Liberty. Consumers may leave subsequent to launch without penalty
- **Who keeps my lights on?** - Liberty will continue to be responsible for maintaining service to your home; if you lose power, you still contact Liberty
- **Billing** – You will continue to receive a single bill from Liberty; the only change is a separate line item for Program supply replacing Liberty’s default service
- **Customer Service – who do I contact?**
 - **Liberty:** power outage, metering, billing, payments, start/stop service
 - **CPG:** issues regarding opting in or opting out
- **Joining** – Consumers may opt into the Program after initial launch
- **Utility Services** – Liberty services unaffected (budget billing, electronic payment, payment arrangements, energy assistance, energy efficiency programs)
- **Net Metering** – Net metering consumers may join the Program on an opt-in basis, however for many such customers Liberty can provide greater net benefits
- **Are Savings Guaranteed?** - The goal is to deliver savings over the life of the Program compared to Liberty default service. However, such savings and future savings cannot be guaranteed

Sample Timeline and Approval Process

- Select Board votes to form an Electric Aggregation Committee (*completed*)
- Committee works with CPG to prepare a draft CCA Program Plan in accordance with state statute and rules of the Public Utilities Commission (“PUC”) (*Sep/Oct 2023*)
- Committee holds two public hearings to receive comments on Plan (*Oct/Nov 2023*)
- Select Board approves Plan and warrant article (*Dec 2023*)
- Voters adopt Plan at Town Meeting (*March 2024*)
- CPG files Plan with PUC for review and approval (*March 2024*)
- PUC approves Plan (*May 2024*)
- Program launch (*Q3 2024, or later if market conditions warrant*)

Program Launch and Implementation

- CPG issues request for price offers from electric suppliers when market conditions are advantageous (not necessarily immediately after Plan approval)
- Program will not commence unless and until it can offer initial rates below Liberty default service rates
- Town signs electric services agreement with supplier selected in competitive bid process
- Town/CPG mails opt-out notifications to all eligible consumers
- Town/CPG holds public information sessions
- CPG manages and coordinates any consumer opt-outs with supplier
- Accounts enrolled/Program launch
- CPG manages the transition, including customer service issues
- CPG manages all on-going Program administration (periodic sweeps, reporting, and contract renewals)



Consumer Outreach and Education

- Community meetings (live and virtual)
- Dedicated Program website, hosted and maintained by CPG
- Town website and social media
- Local print media
- Local cable TV
- CPG's customer service number

Thank You



Colonial Power Group, Inc.
5 Mount Royal Avenue, Suite 5-350
Marlborough, MA 01752
Colonialpowergroup.com

Stuart Ormsbee
VP Power Procurement Strategies
C: 508-769-0880
sormsbee@colonialpowergroup.com



Freedom Energy Logistics
5 Dartmouth Drive
Auburn, NH 03032
Felpower.com

Bart Fromuth
CEO
O: 603-625-2244
Bart.Fromuth@felpower.com