



# TOWN COUNCIL – AGENDA REQUEST FORM

THIS FORM WILL BECOME PART OF THE BACKGROUND INFORMATION USED BY THE COUNCIL AND PUBLIC

Please submit Agenda Request Form, **including back up information**, 8 days prior to the requested meeting date. **Public Hearing requests must be submitted 20 days prior to requested meeting date to meet publication deadlines** (exceptions may be authorized by the Town Manager, Chairman/Vice Chair).

## MEETING INFORMATION

Date Submitted: November 18, 2022

Date of Meeting: December 1, 2022

Submitted by: Freedom Energy Logistics CEO Bart

From: Frommuth

Department:

Time Required: 15 minutes

Speakers: Bart Frommuth

Background Info. Supplied: Yes:  No:

## CATEGORY OF BUSINESS (PLEASE PLACE AN "X" IN THE APPROPRIATE BOX)

Appointment:	<input checked="" type="checkbox"/>	Recognition/Resignation/Retirement:	<input type="checkbox"/>
<b>Public Hearing:</b>	<input type="checkbox"/>	Old Business:	<input type="checkbox"/>
New Business:	<input type="checkbox"/>	Consent Agenda:	<input type="checkbox"/>
Nonpublic:	<input type="checkbox"/>	Other:	<input type="checkbox"/>

## TITLE OF ITEM

Community Choice Aggregation Program Follow-up Discussion

## DESCRIPTION OF ITEM

The Town Council to receive an update and discuss the details of the Community Choice Aggregation Program, an optional buying group organized by a municipality or group of municipalities to benefit electric customers, as presented at the November 4, 2021 Town Council meeting.

## REFERENCE (IF KNOWN)

RSA:	Warrant Article:	_____
Charter Article:	Town Meeting:	_____
Other:	N/A	

## EQUIPMENT REQUIRED (PLEASE PLACE AN "X" IN THE APPROPRIATE BOX)

Projector:	<input type="checkbox"/>	Grant Requirements:	<input type="checkbox"/>
Easel:	<input type="checkbox"/>	Joint Meeting:	<input type="checkbox"/>
Special Seating:	<input type="checkbox"/>	Other:	<input type="checkbox"/>
Laptop:	<input type="checkbox"/>	None:	<input type="checkbox"/>

## CONTACT INFORMATION

Name: Bart Frommuth Address: 5 Dartmouth Dr. Suite 301  
 Phone Number: \_\_\_\_\_ Email Address: Auburn, NH

## APPROVAL

Chairman Koenig moved **Item #1 under New Business** to be heard next.

**1. Committee Appointments**

*Submitted by Town Council Chair Tom Koenig and Vice Chair Finlay Rothhaus*

The Town Council to consider appointing the following individual to Town committees, pursuant to Charter Article 4-8:

➤ **Brian Dano** – Planning Board (*Full member*)

**MOTION made by Councilor Healey and seconded by Councilor Woods to appoint Brian Dano to the Planning Board as a full member.**

**MOTION CARRIES 6-0-0**

After the motion passed, Mr. Dano was sworn into his new position.

**4. Community Choice Aggregation Program Presentation**

*Submitted by Town Manager Paul T. Micali*

The Town Council to be presented with the details of the Community Choice Aggregation Program, an optional buying group organized by a municipality or group of municipalities to benefit electric customers.

Mr. Micali began by stating that there is a lot of legislation relating to energy and energy consumption, and with trying to keep energy costs down, one of the RSAs leads into this Aggregation Program, where there are certain steps a community can follow if they want to pursue lower energy costs. Bart Fromuth, from Freedom Energy, has worked extensively with Mr. Micali regarding energy rates and contract bidding and renewals. Mr. Fromuth is here tonight to talk with the Council about the Aggregation Program and how this can benefit the community. Mr. Fromuth is in attendance with Colonial Power Group President Mark Cappadona and Vice President Stuart Ormsbee, and provided the Council with an informational packet. Mr. Fromuth began the presentation by stating that this program was developed by the legislature in 2019, and essentially is an alternative default supply service that's managed and run by the community itself. Unlike EverSource, which is the primary energy source for Merrimack, this Aggregation Program allows the Council to make decisions for all rate payers in the community for a program that you can offer, and residents can be opted out of if they do not want to participate. He then shared that Freedom Energy has partnered with Colonial Power Group because they administer over 80 communities in Massachusetts, including Boston, and are the best in the business. He stated that he has been working to bring this to be a reality for New Hampshire for the past three years and worked very hard to get SB 286, which was the enabling legislation that passed in 2019. He, along with Mr. Cappadona and Mr. Ormsbee, want to walk the Council through the program to offer information and explain why this is a benefit for the community.

Mr. Cappadona then spoke, sharing that this program essentially allows them to go out on behalf of the residents and small businesses and participate in the electricity markets, which has not been done in NH but has been successful in MA. He stated that nothing will change on electric bills other than a line item. Basically, the suppliers will have to comply with the community's terms and conditions, such as no fees to opt out, no penalties, etc. as this will be a consumer loaded contract that allows the consumers to benefit from the electricity market. He then stated that this program is an opt-out municipal aggregation that brings choice to the community for who their energy supplier is. This competition will drive down costs as residents will not be tied to EverSource. He then again stressed that the customers will not have to do anything to participate in this program and will be able to opt-out at any point without any fees or penalties.

Mr. Micali asked what the Council would have to do if they choose to move forward with this program and if they would have to get an energy commission together, in which Mr. Cappadona shared that his company

**Approved: December 2, 2021**

**Posted: December 3, 2021**

would develop a program on behalf of the town that would have to go in front of the aggregation committee, which would also be formed by the town for the sole purpose of reviewing and helping to develop the plan.

Vice Chair Rothhaus asked what type of savings a resident could expect, as he previously has not thought switching providers was worth the effort and if there were truly going to be long-term savings. Mr. Fromuth shared that in terms of savings, it's difficult to throw a specific number out, but that over time there has been a proven significant advantage versus the utility, primarily because this program allows you the freedom to move on to other opportunities as they present themselves, whereas the utilities are locked in with their rates. Vice Chair Rothhaus then asked if he should expect the residents to have the same pricing that the town does (taxes aside), in which Mr. Cappadona replied that he would expect it to be slightly higher than on town buildings, which is typical for these programs. He then shared that the national grid to supply pricing across all of the aggregations over the last 4 years has resulted in average savings of about 8%-10%.

Councilor Healey asked if the town would still be using EverSource for distribution and if the charge for using them would be added to the billing, in which Mr. Fromuth replied that the charges would be handled on their end so that the relationship with EverSource would stay the same for every one of the ratepayers in the program. She then asked if the Council is allowed to set performance guarantees for the service on customer support lines and the website that Freedom Energy would create if the program got approved. Mr. Cappadona replied that the Council absolutely can, as the goal of the program is that the Council will set the direction for this program, and the company will take care of all of the details.

Councilor Woods asked to have clarification on what the municipal aggregation committee means, in which Mr. Fromuth stated that as part of the statute that was put in place under SB 286, one of the requirements of moving forward with community choice aggregation is that the town has to form a municipal aggregation committee that oversees development of the plan. There are no requirements in terms of who must be included in this committee, rather it is appointed by the Council. Councilor Woods then asked what the next steps would be for this committee, in which Mr. Fromuth stated that once the plan has been approved by the aggregation committee and then submitted to the Town Council for approval, at that point in time the statute require that it also gets submitted for a review process by the New Hampshire Public Utilities Commission (PUC), and they have 60 days to determine if the plan is approved or if there are any deficiencies in the plan.

Councilor Harrington wanted to clarify that if this is approved, if all Merrimack residents are enrolled in this unless they opt out, in which Mr. Fromuth stated that all residents that are on standard offer with EverSource will be enrolled in this and will receive a letter explaining what the program is and can be given information on how to opt out at any point, and they can re-enroll in the program as many times as they would like at any point depending on when the meters are read. She then asked for Mr. Micali's opinion, in which he shared that he's bringing this forward to the Council for them to hear about it to see if there is any interest in doing this for the town. He is not asking for a vote tonight on anything, he just wanted to bring the information forward and if the Council is interested, he will bring this idea back on another agenda. He also stated that he will get information on Londonderry to see how they set their plan up to use as a baseline to see what is needed for Merrimack.

Mr. Micali then wanted to ask what would happen if something similar to the Texas ice storm (that knocked out their power grid earlier this year) were to occur in Merrimack, or if something were to happen to another company who would be responsible for finding an alternate source of energy, in which Bart replied that in any type of situation you would automatically default back to EverSource and there would be no interruption in the ability to get electricity. Mr. Cappadona then clarified that transmission and distribution is all EverSource, they put the electricity on the wire and it travels, so any issues with power going out or bill concerns are still going to go through EverSource.

**Approved: December 2, 2021**

**Posted: December 3, 2021**

Councilor Murphy asked that if residents were to choose to participate in this program if EverSource could create additional charges or fees if a resident decides to return to them at any point, in which Mr. Cappadona stated that there is no fee to switch back and forth to the utility as utility doesn't make anything on supply, it's supposed to be a break-even proposition for the utilities so there is no charge to go back and forth to a customer as long as it's on their meter read.

Councilor Woods asked who pays Freedom Energy and Colonial Power Group, in which Mr. Fromuth shared that they charge a nominal fee that is embedded inside the supply rate, so it's one tenth of a cent per kilowatt hour. Councilor Woods then asked if the aggregate committee members have a say in the nominal rate that is being charged, in which Mr. Fromuth said this is something that gets negotiated by the Town Council, so they would be involved in the aggregation contract that would be forward to the Council. Mr. Cappadona wanted to clarify that this fee is only for those that are enrolled in the program, and residents that opt out are not charged this fee. Chairman Koenig shared that he personally had previously tried to find an electrical provider outside of EverSource and found it difficult to keep up with renewing the contract in time, but he finds it interesting that there will be a committee formed to help ensure that residents are getting the best available rates possible at all times. Vice Chair Rothhaus asked if the committee or Freedom Energy/Colonial Power Group will be responsible for searching for the best rates, in which Mr. Cappadona stated that they will bring rates to the Council, who will be in charge of making the final decision on the rates.

Chairman Koenig thanked Mr. Fromuth, Mr. Cappadona and Mr. Ormsbee for the information and stated that they will take this under advisement and see where they can go from here.

### **Public Hearing**

None.

### **Legislative Updates from State Representatives**

#### **Legislative Update on November 4, 2021 from Rep. Maureen Mooney:**

Greetings, Town Councilors:

- 1.) The **filing period** for House and Senate bills for next year has closed. After bills are finalized by sponsors and co-sponsors, they will be published soon. To peruse the list of "Legislative Service Requests" for next year by title, subject matter, and sponsor only, go to: [http://40.71.6.248/lsr\\_search/](http://40.71.6.248/lsr_search/)
- 2.) The **House Special Committee on Redistricting** is meeting and reviewing proposed district maps. This process is done every ten years based on census numbers. Here is the Committee's website: [http://40.71.6.248/house/committees/committee\\_websites/Redistricting\\_2021/default.aspx](http://40.71.6.248/house/committees/committee_websites/Redistricting_2021/default.aspx). All proposals (so far) keep Merrimack with 8 State House seats and within Congressional District #1. Proposals for State Senate districts have not been introduced yet. Public Hearings on redistricting maps will be held at the State House on Tuesday, November 9, 2021 at 10AM and Wednesday, November 10, 2021 at 5PM.

Thank you for all you do.

Respectfully submitted,  
Rep. Maureen Mooney (R-Merrimack)

### **Town Manager's Report**

None.



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## MEETING INFORMATION

Date Submitted: October 27, 2021  
Submitted by: Paul T. Micali  
Department: General Government  
Speakers: Bart Fromuth

Date of Meeting: November 4, 2021

Time Required: 20 minutes  
Background Info. Supplied: Yes:  No:

## CATEGORY OF BUSINESS (PLEASE PLACE AN "X" IN THE APPROPRIATE BOX)

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<b>Public Hearing:</b>	<input type="checkbox"/>	Old Business:	<input type="checkbox"/>
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## TITLE OF ITEM

Community Choice Aggregation Program Presentation

## DESCRIPTION OF ITEM

The Town Council to be presented with the details of the Community Choice Aggregation Program, an optional buying group organized by a municipality or group of municipalities to benefit electric customers.

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Special Seating:	<input type="checkbox"/>	Other:	<input type="checkbox"/>
Laptop:	<input type="checkbox"/>	None:	<input type="checkbox"/>

## CONTACT INFORMATION

Name:	<b>Bart Fromuth</b>	Address:	<b>5 Dartmouth Drive, Suite 301 Auburn, NH 03032</b>
Phone Number:	<b>603-625-2244</b>	Email Address:	<b>bart.fromuth@felpower.com</b>

## APPROVAL

Town Manager: Yes  No:  Chair/Vice Chair: Yes  No:





## **Town of Merrimack, NH Town Council**

### **Community Choice Aggregation Program**

**November 4, 2021**

**Presented by:**



**Mark Cappadona**  
President

**Stuart Ormsbee**  
VP Power Supply Strategies



**Bart Fromuth**  
Chief Executive Officer



## Agenda

- > Introductions
  - > Town of Merrimack, NH
  - > Colonial Power Group
  - > Freedom Energy Logistics
- > What is Community Choice Aggregation?
- > What are the Benefits?
- > How does it Work?
- > Next Steps



- > Energy consulting company with headquarters in Marlborough, MA
- > Retained by municipalities
- > Our mission is to continually provide the highest quality energy services that will stabilize your community's utility costs while protecting your community from the risks inherent in the volatile energy markets.
- > Specializes in Community Choice Aggregation (CCA) Programs
  - > Design: all phases of Program creation
  - > Implementation: get CCA Program up-and-running
  - > Management: day-to-day operations of CCA Program
- > CPG currently manages CCA Programs for 80 communities in MA
- > CPG believes that "opt-out" aggregation:
  - > Enhances the competitive market
  - > Encourages fixed rate pricing
  - > Preserves customer rights through transparent, locally-managed purchasing program





## Communities Working with Colonial Power Group

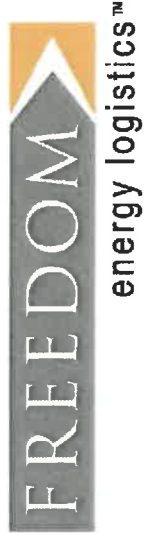
ABINGTON	DEERFIELD	LOWELL	SALISBURY
ADAMS	EASTON	LUNENBURG	SANDISFIELD
AMESBURY	EGREMONT	MARLBOROUGH	SHEFFIELD
ASHBY	FLORIDA	MEDWAY	SHELburnE
ASHLAND	FRANKLIN	MENDON	STOUGHTON
AUBURN	GARDNER	METHUEN	SUNDERLAND
BECKET	GILL	MILLVILLE	TEWKSBURY
BERLIN	GREAT BARRINGTON	MONTEREY	TYNGSBOROUGH
BILLERICA	HALIFAX	NEW MARLBOROUGH	UPTON
BOLTON	HARVARD	NEW SALEM	WARWICK
BOSTON	HATFIELD	NEWBURYPORT	WENDELL
BUCKLAND	HAVERHILL	NORTH ADAMS	WEST BRIDGEWATER
BURLINGTON	HEATH	NORTH ANDOVER	WEST BROOKFIELD
CARLISLE	HOLLISTON	NORTH BROOKFIELD	WEST SPRINGFIELD
CHARLEMONT	HUNTINGTON	NORTHFIELD	WEST STOCKBRIDGE
CHESHIRE	KINGSTON	ORANGE	WHATELY
CLARKSBURG	LANCASTER	PEMBROKE	WILLIAMSBURG
COLRAIN	LANESBOROUGH	PITTSFIELD	WILLIAMSTOWN
CONWAY	LENOX	PLYMOUTH	WINCHENDON
DALTON	LEVERETT	PLYMPTON	WINDSOR



energy logistics™

- > 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 municipalities throughout New England
- > As your Energy Advisor, our team:
  - > Takes the time to understand your energy goals and sustainability objectives
  - > Advocates for you and works to continually add value
  - > Offers comprehensive energy management solutions custom tailored to support your unique energy requirements, bottom-line objectives, risk tolerance, and sustainability requirements
  - > Focuses on delivering client service and excellence for your long-term satisfaction





# Municipalities Working with Freedom Energy Logistics

## Massachusetts

- NEWTON
- BEVERLY
- SALEM
- WRENTHAM
- BROOKLINE
- BURLINGTON
- WALPOLE
- SHARON
- FOXBOROUGH
- NEEDHAM
- SALEM WATER SUPPLY BOARD
- SOUTH ESSEX SEWAGE DISTRICT

## New Hampshire

- LEBANON
- HANOVER
- MERRIMACK
- LONDONDERRY

## Maine

- SCARBOROUGH

**RENEWABLE**

The City of Scarborough has set a goal to become 100% renewable energy by 2030. This goal is supported by the City's Climate Action Plan, which outlines a strategy to reduce greenhouse gas emissions and increase the use of renewable energy. The City is currently working on several projects to achieve this goal, including the installation of solar panels on City buildings and the development of a municipal energy storage system. The City is also exploring the possibility of purchasing renewable energy credits (RECs) to offset its carbon footprint. The City's goal is to be a leader in the use of renewable energy and to provide a clean and sustainable future for its residents.

**RENEWABLE ENERGY GOALS**

Year	Renewable Energy %
2015	10
2020	25
2025	50
2030	100

At the City of Scarborough, we are committed to achieving 100% renewable energy by 2030. This goal is supported by the City's Climate Action Plan, which outlines a strategy to reduce greenhouse gas emissions and increase the use of renewable energy. The City is currently working on several projects to achieve this goal, including the installation of solar panels on City buildings and the development of a municipal energy storage system. The City is also exploring the possibility of purchasing renewable energy credits (RECs) to offset its carbon footprint. The City's goal is to be a leader in the use of renewable energy and to provide a clean and sustainable future for its residents.



## 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 customers.
- The Program enters into an electricity supply contract for all residential and business customers currently receiving utility default service within a given municipality.
- Customers are automatically enrolled, unless they opt-out.

**Linking the power of *choice*  
with the power of *community*!**



## Benefits of Community Choice Aggregation

- > **Maximize:** Your community buying power
- > **Choice:** No longer “stuck” with electric utility default rates
- > **Price Stability:** Ability to secure long-term rates and avoid market price volatility
- > **Self-funded:** No burden on municipal staff or local budgets, no costs imposed on non-participating consumers; program administration outsourced to CPG
- > **Optionality:** Opt-out anytime without penalty and enroll with utility default service or another supplier directly
- > **Leverage:** Larger buying group attracts robust participation from leading suppliers
- > **Consumer Protections:** Contract terms and conditions superior to those offered by suppliers in direct-to-consumer transactions
- > **Public Oversight:** Supplier and CPG accountable to town officials
- > **Professional Expertise:** Retaining CPG ensures smooth roll-out and ongoing administration of the program





## Benefits of Community Choice Aggregation (continued)

- **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 options, e.g., products containing greater renewable power content and those supporting sustainability initiatives and goals.
  - Purchasing additional renewable energy credits over state mandates
  - Investing in true 'additionality' by bringing new renewable projects on-line
  - Leveraging state incentive programs
  - Supporting local renewable projects



## CCA Helps Resolve Some Residential Issues Resulting from Deregulation

- > **Predatory Business Practices:** Specific targeting of the elderly, minorities, etc.
- > **Sub-par Suppliers/Contracts:** Many of the best suppliers only work through broker relationships, and only over certain usage thresholds. The B- or C- list suppliers serving Residential meters often only offer contracts that allow pass-through charges, that only protect the supplier and even hide key details.
- > **Limited Purchasing Power:** Small users are individually unappealing to many suppliers.
- > **Limited Aggregation Groups:** Opt-In aggregation groups reached maximums of 4,000 accounts, falling short of substantial buying power.



## **Steps in the Process**

- Town Council votes to form a municipal aggregation committee
- Committee solicits public input and works with CPG to develop CCA Program Plan in accordance with state statute and rules of the Public Utilities Commission
- Town Council reviews and approves Plan
- Plan included as Article on Town Meeting agenda for adoption by town residents
- CPG files Plan with Commission for review and approval (60 days)
- CPG issues RFP for price offers
- Town makes decision to proceed and when to proceed
- Town/CPG mails notifications to all eligible consumers
- Town/CPG holds public information session
- CPG manages and coordinates any consumer opt-outs with supplier
- Accounts enrolled/Program launch
- On-going Program administration (periodic sweeps, reporting, and contract renewals)



## **Education is Critical to Success**

- > We work collaboratively with community leaders to develop and execute an outreach plan
- > Local Print Media
- > Municipal and Community Websites
- > Local Cable TV
- > Community Meetings
- > Town Newsletters



## **The Future of Community Choice Aggregation**

- > Smart Metering
- > Dynamic | TOU Pricing
- > Demand-Side Management
- > Load Serving Entities
- > Transactive Energy | Prosumer/Consumer | Blockchain
- > Community Virtual Net Metering





## Next Steps

### Embrace a Turn-key Solution for CCA in your community.

- **CCA Plan:** Our template CCA Plan fully satisfies the requirements of NH RSA 53-E and is easily customized to your town's sustainability goals.
- **Customer Notifications, Opt-Out Cards:** Program templates will meet all statutory and regulatory specifications and ready for town-specific customization.
- **Town CCA Website and Local Customer Service Number:** We provide and maintain a web domain and local customer service number.
- **Advisory/Consultation:** In addition to creating and managing your CCA program, our expertise and comprehensive energy solutions (e.g., Fixed Rates, Realtime/Dynamic pricing, Direct-to-Grid self-supply, and Renewables) are also available for Municipal facilities and business clients.



## Thank You



**Colonial Power Group, Inc.**  
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