

FINAL

**JOINT LEBANON LEAC/CITY COUNCIL
MINUTES**

SPECIAL SESSION

Wednesday, August 18, 2021 6:00 p.m.

Remote Via Microsoft Teams: LebanonNH.gov/Live

MEMBERS PRESENT: Mayor Tim McNamara Assistant Mayor Clifton Below, Erling Heistad, Karen Liot Hill, George Sykes, Douglas Whittlesey, Devin Wilkie, Jim Winny and Karen Zook

MEMBERS ABSENT:

STAFF PRESENT: City Manager Shaun Mulholland, Deputy City Clerk Paula Maville, City Clerk Kristin Kenniston, GIS Coordinator Mark Goodwin, and LEAC Representatives Joan Monroe, Jonathan Chaffee, Woody Rothe, and Meghan Butts

7:00 PM: JOINT LEAC/CITY COUNCIL SPECIAL SESSION

1. CALL TO ORDER: Mayor McNamara called the Regular Session meeting to order at 6:00 p.m.

2. PUBLIC HEARING:

- A. A public hearing for the purpose of receiving public input on its draft Electric Aggregation Plan for Lebanon Community Power, which, if adopted by the City Council, would allow the City to become the alternative default energy service supplier for electricity customers within Lebanon on an opt-out basis. The presentation at 6:00 pm preceded the public comment period.**

Included in agenda packet: Detailed draft Electric Aggregation Plan for Lebanon Community Power presentation (pages 2-84).

The DRAFT Electric Aggregation Plan and Frequently Asked Questions (FAQs) can be viewed at: <https://lebanonnh.gov/1513/Lebanon-Community-Power>

Assistant Mayor Below and LEAC Chair presented the background behind Lebanon's Community Power Electric Aggregation Plan, noting that in October 2017, in accordance with RSA 53-E, LEAC was designated as Lebanon's Aggregation Committee. Their intent is to help the City achieve its sustainability goals, lower costs for residents and businesses, and enable accelerated cost-effective integration of renewable energy, reduction of fossil fuel use, and decarbonization.

Ms. Meghan Butts gave a brief overview of what Lebanon's Community Power is, what it means for Lebanon's residents, and why it is a good thing for our community, noting the benefit of the Community Power method is that the City can procure electricity at affordable rates on its own, which can make it cheaper for residents and increase energy savings at the city level. It can open us up to more options such as access to more green power options; the options to source more locally; consider time of use rates; and would also include support for solar, storage and electric vehicle charges. Liberty Utilities will still maintain and deliver the power grid, and is still responsible to provide reliable electric service and remain the City's main electric power supplier. She also presented an overview of the Electric Aggregation

Plan's goals and objectives, noting that Lebanon Community Power will only launch if it can offer a rate lower than the default energy service rate offered by Liberty Utilities. They are not proposing to start Lebanon Community Power if it is not going to be more affordable for the city's residents.

How Lebanon Community Power will work

Lebanon Community Power (LCP) will:

- Serve as the default electricity supplier on an “opt-out” basis;
- Offer innovative service and rate options to customers on an "opt-in" basis (such as time-varying rates and Net Energy Metering generation credits);
- Operate on a competitive basis – customers will be able to switch back to Liberty energy service or other supplier with no penalty; and
- Be self-funded in rates paid by participating customers – the City will not use taxes to cover program operating expenses or capitalized costs.
- The City Council, with advisory support from the Lebanon Energy Advisory Committee (LEAC), will authorize the City Manager to contract for the necessary services and power supplies to implement and operate the program, set customer rates prior to program launch, and continue to provide oversight thereafter

Customer Notification and Enrollment Process

- At least 30 days before program launch, all Lebanon electric customers will be mailed notifications that will include the initial fixed rate for LCP service compared with Liberty.
- Customers currently on default energy service provided by Liberty Utilities will be able to decline participation or “opt-out” of LCP such as by return postcard, online, or by calling a number.
- If a customer is already getting their power from a competitive supplier, nothing will change unless they choose to switch and “opt-in”.
- New utility customers will get similar opt-out notices.
- All Lebanon Community Power default service customers will always be able to know the fixed rate at least 30 days in advance and be able to switch supplier at next meter read upon request with no penalty or exit fee.

Assistant Mayor Below noted the key feature of this program is being able to provide the opportunities to take advantage of competitive supply options for residential and small commercial customers. The majority of very large customers already use a competitive supplier because they can find better deals.

Assistant Mayor Below reviewed Net Metering for Lebanon Community Power, how LCP plans to serve Net Energy Metered (NEM) customers, and the 3 types of NEM which are:

1. On-site (behind the meter or BTM) NEM customer-generators grandfathered into traditional or standard NEM 1.0 (< 9/1/17) will continue to receive kWh credits for exports to the grid to offset future electricity load.
2. On-site BTM customer-generators on newer NEM 2.0 (since 9/1/17) may switch to traditional NEM kWh credit for generation supply from LCP but will continue to receive monetary credit for net monthly exports for distribution and transmission rates from Liberty.
3. For Group NEM the group host (generator) should stay on Liberty default service while group members may switch to LCP, get LCP rate for supply, and continue to receive on-bill credits for their share of group host output.

Assistant Mayor Below also reviewed Lebanon's Policy Goals, Program Objectives & Requirements, Program Design Requirements, and the Start-Up and Launch Process as detailed in the agenda packet (pages 23-28). He also explained the financial aspects of LCP, market timing, and locking into contracts to Councilor Whittlesey.

Mayor McNamara opened the Public Hearing, and the following people came forth to speak:

Ms. Pat Button: She asked about the timeframe this process would take place. Assistant Mayor Below said they plan to come before the Council at their second meeting in September with LEAC's Aggregation Plan for the Council to approve. Ideally, they would like to launch in the spring of 2022.

Ms. Renee Dunn: She spoke about the NH Electric Co-Op and was wondering if this program differs or is a continuation of this work. Assistant Mayor Below said he was using the NH Electric Co-Op as an example of a utility that uses a portfolio management approach to energy supply procurement in NH. While they own distribution facilities, LCP will not own distribution facilities.

After hearing no further comments from the public, Mayor McNamara closed the Public Hearing.

ACTION: No action required by the Council. For information purposes only.

The meeting was adjourned at 6:51 PM.

Respectfully submitted,
Dona E. Gibson, Recording Secretary