

Rindge Community Power Committee Report
“NOT to recommend to the Selectmen” (NO’S)

NO’s Report

Robert Hamilton for the NO’s of the Rindge Community Power Committee:

It is the view of the NO’s of the committee (i.e., those voting against recommending to the BOS that a community power plan be adopted by the Town of Rindge) that it would be strongly to the disadvantage of the Town of Rindge and its residents for the town to join the CPCNH or in any other way mandate (as in an “opt-out” option) the default electricity supplier for the residents of the Town. The official vote “for or against” recommendation was 3-3.

First of all, the residents already can freely choose among several different electricity suppliers if they choose to do so. Almost all of these alternative suppliers have options for choosing different percentages of renewable energy sources (including 0% renewables up to 100% renewables, in some cases). The primary selling point of forcing people to take this change of default electricity supplier is the claim that it will save people money. There was a 6-month period when the rate for CPNH was only 15/100th of a penny cheaper per kW-hr than Eversource. Calculating the yearly usage for one committee member, that would have been a savings of less than \$10 for the year. At that time a member of the committee was using a competing supplier and was saving almost 2 full cents compared to the Eversource price at that time. There are always many competitive suppliers to choose from, so saving money on electricity supply can easily be done by shopping competitors.

Furthermore, since Cheshire County itself has chosen to participate in the Community Power Coalition of NH, each citizen of the County, including Rindge residents can already individually choose to source their electricity directly from the CPCNH. Therefore, there will be no net advantage to Rindge residents if the Town decides to also join and impose a change of default electricity supplier on those residents. This view is further reinforced by the very small differences in electric rates between suppliers which exist at present.

An additional consideration is that by deciding to mandate the default electricity supplier for its residents, the Town would also be deciding which of 4 options (offered by each supplier) would be the default option for the percentage of renewable energy. The NO's are aware of more than one municipality that signed up for Community Power which later decided to increase its default "renewable energy" percentage (with increased cost) and then required residents to opt-out again. The NO's also believe that, in general, it isn't a proper role for government to choose the default suppliers of life's necessities such as oil companies, propane companies, gas stations, electric providers, grocery stores, or electricity.

We have already seen that Peterborough and Dublin have violated the principle of benefiting from competition as their select boards have chosen to change the plans for their residents and increase rates slightly to siphon money into funds without the voters' approval. Voters could vote to choose to have the town join the coalition, but then the select board determines how the town participates. The select board chooses which of the offered plans from CPCNH will be the default. They can create new plans or change which plans are the new default plans without having to get approval from the voters. This is what was done already in those two towns, so there is no guarantee that the Town choosing the default supplier plan will save the residents of Rindge significant money (or even any money at all) if the select board decides to make the default plan a plan that isn't the least expensive. Before Peterborough chose to create its own plan, it chose a plan that wasn't the least expensive, selecting instead one that had a higher amount of renewable energy and a price slightly higher than Eversource's rate at that time and which required residents to "opt-down" if they wanted a less expensive electric plan. The adoption of a plan by the town is a "bait and switch scam." Once the plan is in place, any 2 selectmen then can make all decisions for the citizens.

To join the coalition, the town must execute a "Cost Sharing Agreement" which is a 30-page contract explaining the variety of financial obligations to be covered by the town. To join and then leave the coalition in the future, the town would still be financially responsible for its costs.

The contract states that only one of the two currently offered plans must be offered as the default plan, so there is no guarantee that the currently least expensive plan will be a continued offering. This contract also clarifies that **after** the agreement is approved by the town voters, then the town selectboard or other “Authorized Officer” whom they designate can choose the available offerings, select the default, and choose to set up a discretionary fund by placing an additional fee on an existing plan, such as was done in Peterborough and Dublin, so far, without needing approval from the voters. The voters only vote to join the coalition, then the plans are decided afterwards. There is also nothing to prevent the removal or modification of the currently available plans by the coalition itself meeting to make any changes they collectively agree upon, which opens up a lot of unknown risk for the future.

We also know from the work with broadband in this town that if the town facilitates anything in any way then the town will be receiving the complaints regarding bills and service, as has been seen with the internet service. Every week we have a member of the Town’s Tech committee busy online assisting people with their questions and their complaints. Some complaints have had groups of citizens come to committee meetings to request the help of the committee to intervene on their behalf to get them the help they need when dealing with the internet service provider.

If the town is going to choose the default provider of any product or service, then the town will incur the overhead of this obligation to assist the citizens with their service and billing issues. This could require the equivalent of an additional full-time position at the town office.

Eversource isn’t anybody’s friend, but choosing to avoid this risk to the town is not an endorsement of them. The risks and operating overhead from entering into the Community Power Coalition at this time are too great. What may look too good to be true now, may not be so good in the future.

Throughout the time of this group meeting, there has never been a time when there weren’t better priced offerings available to the residents that were

below the rates offered not just from Eversource but also lower than the Community Power Coalition's best plan.

Therefore, the NO's of the Committee strenuously recommend against the Town of Rindge joining a Community Power arrangement.

The NO's do recommend that it would be appropriate and useful for the Town to be more proactive in helping to educate the residents regarding their electricity supplier options so that they would be able to take advantage of cost savings (when available), if they choose to do so. It's inappropriate for the town to make this decision on behalf of residents.