NOTICE OF PUBLIC MEETING
SELECTBOARD
Monday, January 9, 2023 at 7:30 PM
Board Room, Municipal Building
41 South Main Street, Hanover, NH

AGENDA

1. Public Comment

2. Review and Consideration of CPCNH Cost Share Agreement

3. Recommendation to Set Public Hearing on Monday, January 23, 2023 to Accept Unanticipated Funds from InvestNH Municipal Planning and Zoning Grant Program in the amount of $75,000.00

4. Recommendation to Set Public Hearing on Monday, January 23, 2023 to Accept Unanticipated Funds from the State of New Hampshire in the amount of $81,384.71 representing FY 2022 employer contribution reimbursements for the New Hampshire Retirement System

5. Recommendation to Set Public Hearing on Monday, January 23, 2023 to Accept Unanticipated Funds from ReVision Energy, Inc. in the amount of $6,655.00 representing 1% of their receipts for the Solarize campaign

6. Recommendation to Set Public Hearing on Monday, January 23, 2023 to Amend the Rates and Fees Schedule Regarding City of Lebanon Landfill Punch Cards to increase to $20.00 per card

7. Donations – Etna Library

8. Approval of Minutes – December 19, 2022

9. Administrative Reports

10. Selectboard Reports

11. Other Business

12. Adjournment

Hearing enhancement equipment is available for use by the public.

There has been a request for a non-public session to discuss items pursuant to R.S.A. 91-A:3(a) (b) (c) and (l).
Below please find the summary of the agenda items.

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Item #6: Recommendation to Set Public Hearing on Monday, January 23, 2023 to Amend the Rates and Fees Schedule Regarding City of Lebanon Landfill Punch Cards increase to $20.00 per card | Action Requested

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Agenda Items

Item #2: Review and Consideration of CPCNH Costs Share Agreement | Action Requested

CPCNH will be launching Wave 1 of the Hanover Community Power as of April 1, 2023. Included in your packet are the following documents:

Cost Share Agreement which include Amendments to the Hanover Energy Aggregation Plan, CPCNH Data Security and Privacy Policy, Energy Portfolio Risk Management Policy, Retail Rates Policy and Financial Reserves Policy

The Selectboard must act on the above on January 9th for the Hanover Community Power to launch with Wave 1 in April of 2023. Pete Kulbacki, Public Works Director, will be available to speak and answer questions.

Action Requested: Authorize the Town Manager to enter into a Cost Sharing Agreement and Member Services Contract for the Complete Service Bundle with the Community Power Coalition of New Hampshire (CPCNH) with a delegation of an Authorized Officer and with the elections on Page 19 of the Agreement being “Yes”; and
The Selectboard 1) approve the CPCNH’s Data Security and Privacy, Energy Portfolio Risk Management, Rates, and Financial Reserves Policies, and 2) approve the amendments to the Electric Aggregation Plan for Hanover Community Power as presented in the Agenda packet.

Item #3: Recommendation to Set Public Hearing on Monday, January 23, 2023 to Accept Unanticipated Funds from InvestNH Municipal Planning and Zoning Grant Program in the amount of $75,000 | **Action Requested**

The Planning and Zoning Department has applied for a Housing Opportunity Planning Grant in the amount of $75,000 to implement a campaign of public outreach to educate the community on the need for additional affordable housing and show how affordable housing can be done in a way that doesn’t reduce property values or have adverse effects on the local neighborhood or the town as a whole.

**Action Requested:** Set Public Hearing on Monday, January 23, 2023 to accept these funds.

Item #4: Recommendation to Set Public Hearing on Monday, January 23, 2023 to Accept Unanticipated Funds from the State of New Hampshire in the amount of $81,384.71 representing FY2022 employer contribution reimbursements for the New Hampshire Retirement System | **Action Requested**

The State of New Hampshire has begun issuing employer contribution reimbursements to New Hampshire Retirement System participating employers. The Town of Hanover is expected to receive $81,384.71 in reimbursement. As these are unanticipated funds, a public hearing must be held.

**Action Requested:** Set a Public Hearing on Monday, January 23, 2023 to accept these funds.

Item #5: Recommendation to Set Public Hearing on Monday, January 23, 2023 to Accept Unanticipated Funds from ReVision Energy, Inc. in the amount of $6,655.00 representing 1% of their receipts for the Solarize Hanover campaign | **Action Requested**

ReVision Energy agreed to provide 1% of their solar installation sales to the Town of Hanover for their Solarize efforts for the 2022 season. These funds are to be held in a town reserve account designated for installing renewable energy systems at affordable housing units in Hanover.

**Action Requested:** Set a Public Hearing on Monday, January 23, 2023 to accept these funds.

Item #6: Recommendation to Set Public Hearing on Monday, January 23, 2023 to Amend the Rates and Fees Schedule Regarding City of Lebanon Landfill Punch Cards increase to $20.00 per card | **Action Requested**
The City of Lebanon has increased the price for their landfill punch cards from $15.00 per card to $20.00 per card. Town Staff requests a Public Hearing be scheduled on Monday, January 23, 2023 to amend our current Rates and Fees Schedule to reflect this increase.

**Action Requested:** Set a Public Hearing on Monday, January 23, 2023 to amend the Rates and Fees Schedule.

**Item #7: Donations | Action Requested**

The Etna Library has received three donations, one from Virginia Stillman-Kirschner in the amount of $500.00, one from Daniel and Deborah Jantzen in the amount of $100.00 and one from Victoria and Reid Drucker in the amount of $100.00.

**Action Requested:** Accept the donation to the Etna Library from Virginia Stillman-Kirschner in the amount of $500.00, the donation from Daniel and Deborah Jantzen in the amount of $100.00 and the donation from Victoria and Reid Drucker in the amount of $100.00.

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**Town Manager Administrative Updates**

*The sixth episode of the monthly Hanover Happenings newsletter and podcast is online and available at hanovernh.org or hanoverhappenings.com.*

**Welcome to the sixth installment of Hanover Happenings!** This is your Town Manager here with your December recap.

In this edition of Hanover Happenings, we get updates on:

- The December 5th and 19th Selectboard meetings, where we covered topics such as:
  - Some appointments and new hires
  - Our tax rate
  - Donations made to the town
  - Employee recognition
  - Rental housing ordinance
- The monthly Town Manager report, which covered topics such as:
  - Several HR/Hiring issues, including finance director and HR director hiring, staff survey and compensation plans, collective bargaining and more
  - 2023 - 2024 Budget process
  - Downtown Hanover updates
- **A community spotlight:** We talk with Peter Miliken of Friends of Oak Hill. As Peter and I walk around Storrs Pond, we talk about the history of Oak Hill, the significant local and regional winter sports/kiing needs, the scope of the upgrades being worked on for Oak Hill, and [how you can get involved](#) in the major upgrades planned for this key community facility.
- **Employee/Volunteer Spotlight:** A thank you to all of our staff. I spend a few minutes sharing some personal reflections after our staff holiday party, and why I believe our community is so lucky to have the staff that we do.

Departments Heads came in early to prepare breakfast for all the staff at this year's annual holiday breakfast party, held December 15th. Pictured: Rob Housman, Director of Planning; Rubi Simon, Howe Library Director; Pete Kulbacki, Public Works Director; and Captain Jim Martin of the Hanover Police Department.

Staff gathered at the RWB Community Center for an annual holiday breakfast that had not been held for the last several years due to Covid concerns.

Head over to hanoverhappenings.com or search for "Hanover Happenings" in your favorite podcast player, such as Spotify, Apple, Google, Amazon, etc. Subscribe to stay updated and please share with one friend who you want to help get more informed in town. You can find all the agendas, minutes, videos, and more at hanovernh.org.

Thanks for reading!

*Town of Hanover*
CPCNH is targeting a launch of community power aggregation on or around April of 2023. For Hanover Community Power to launch in the first wave of communities launching several actions by the Select Board are required. They include recommend modifications to the **Hanover EAP**, (attached):

- Amend the **Hanover Electric Aggregation Plan** to address New Hampshire Electrical Coop (NHEC) customers who would be “opt-in” verses “opt-out”. NHEC uses a similar portfolio energy procurement system as CPCNH is proposing and would likely have lower rates than CPCNH at times. This represents approximately 60 customers centered on or around Goose Pond.

- Sign the **Cost Share Agreement** and the **Complete Service Bundle** as well as designate an **Authorized Officer** who on behalf of Hanover Community Power can be authorized to act on behalf of the Select Board for the following actions:
  a) Pursuant to Article VI, Section 3, the Authorized Officer may elect to delay commencing procurement: ___;
  b) Pursuant the Retail Rates Policy, the Authorized Officer may specify default and optional products: ___; and
  c) Pursuant the Retail Rates Policy, the Authorized Officer may set Discretionary Reserve adders: ___.

The Board would authorize all, some or none of these actions. The **Authorized Officer** consult with the **Hanover Electrical Aggregation Committee** as to how to pursue each of these actions. “a” to delay of launch if CPCNH power meets or beats the default power supply (required by the Hanover EAP), “b” what to offer as the default supply and what to offer as opt up customer options. “c” set an adder to enable Hanover Community Power to pursue community projects (not likely to occur in the first several years or until adequate reserves are available to cover CPCNH cash flow reserves).

- Approve the following CPCNH policies:
  - **Data Security and Privacy Policy** – provides for the requirements, and controls necessary to safeguard the confidentiality, integrity, and availability of confidential individual customer information.
- **Energy Portfolio Risk Management Policy** – the EPRM Policy governs how CPCNH will procure energy and what risk management strategies will be employed.

- **Retail Rate Policy** - meeting or beating the utility default service rates for residential customers at launch, strive to maintain default service rates that are lower than or competitive with utility default service rates. Other rates plans will also be made available for customers to opt-up to if desired. Rates set based on CPCNH financial data, energy positions, Member objectives & market consideration necessary to cover operating/capital costs, financial reserve targets, other requirements set by the Board. CPCNH will support income eligible customers enrolled in Electric Assistance Program to receive their discount.

- **Financial Reserve Policy** - Establishes minimum, target, and maximum levels of Joint Reserves that will be accrued, used, maintained, and monitored by CPCNH; and provides for accrual and use of Discretionary Reserves by individual members.

Future actions required by Hanover Community Power necessary to launch in Wave 1:

1. At the first CPCNH Risk Management Committee (RMC) there will be a “go/no-go” meeting. At this RMC meeting, Ascend will provide the latest forecast on the market and rates. All Wave 1 Members who have signed the Cost Share Agreement Complete Service Bundle, and approved their Energy Portfolio Risk Management Policy, Retail Rate Policy and Financial Reserve Policy will have the opportunity to say go or no-go.

2. At the subsequent CPCNH Board Meeting to set final rates, each Member’s Authorized Officer or Governing Body can select the default and optional products for their Community Power Authority (CPA or Hanover Community Power). Hanover will be able to choose which of the rates will be offered as their offering to customers. This can be delegated to the Authorized Officer who will confer with the Hanover Electrical Aggregation Committee prior to the meeting to select rates.

3. In early March, customer mailer notifications sent (30 days before launch). The Select Board holds Public Hearing (within 15 days after mailers sent) clarifying customer questions.

**ACTION**

MOVED, that the Hanover Selectboard hereby authorizes the Town Manager to enter into the Cost Sharing Agreement and Member Services Contract for the Complete Service Bundle with the Community Power Coalition of New Hampshire (CPCNH) with ____________ as the Authorized Officer and with elections on p. 19 of the Agreement being “Yes”; and

BE IT FURTHER MOVED, that the Hanover Selectboard hereby 1) approves the CPCNH’s Data Security and Privacy, Energy Portfolio Risk Management, Rates, and Financial Reserves Policies; and 2) approves the amendments to the Electric Aggregation Plan for Hanover Community Power as presented in the agenda packet.

Included in this packet:


3. CPCNH Cost Sharing Agreement (includes Complete Service Bundle), adopted by CPCNH Board on December 27, 2022

Policy Title | Data Security and Privacy  
---|---
Policy Number | CPCNH-2022-04  
Effective Date | Original: December 15, 2022  

**PURPOSE**

To define the specific goals, requirements, and controls necessary to safeguard the confidentiality, integrity, and availability of confidential individual customer information.

**POLICY**

**WHEREAS,** the General Court adopted RSA 359-C (the *New Hampshire Right to Privacy Act*), RSA 91-A (Access to Governmental Records and Meetings), RSA 363:37-38 (Privacy Policies for Individual Customer Data), RSA 53-A:3 (Agreements Between Government Units), and RSA 53-E (Aggregation of Electric Customers by Municipalities and Counties), as amended from time to time;

**WHEREAS,** RSA 53-E:4 (*Regulation*) provides that Community Power Aggregators ("CPAs") may use Individual Customer Data ("ICD") for specific purposes, exempts ICD from public disclosure under RSA 91-A, requires CPAs to maintain the confidentiality of ICD in compliance with their obligations as service providers under RSA 363:37 (*Definitions*) and RSA 363:38 (*Duties and Responsibilities of Service Providers*), and provides CPAs with access to Electric Distribution Utility ("EDU") Electronic Data Interchange ("EDI") system;

**WHEREAS,** RSA 359-C:19, V (*Notice of Security Breach*) requires reporting of data security breaches, as defined in RSA 359-C:20 (*Definitions*);

**WHEREAS,** RSA 53-E:7 (*Aggregation Program*) required the Public Utilities Commission ("PUC") to adopt Administrative Rules governing "access to customer data for planning and operation of aggregations" and other matters;

**WHEREAS,** the PUC has recently adopted Administrative Rules for CPAs, including Puc 2204.03 (*Request for Names, Addresses, and Account Numbers of Customers*), Puc 2204.04 (*Notification of CPA Commencement of Service*), Puc 2204.05 (*Notification of CPA Service Rates and Customer Enrollment*), Puc 2204.06 (*Use of Electronic Data Interchange*), Puc 2205.13 (*Individual Customer Billing Information*), Puc 2205.05 (*New Utility Service Customers*) and Puc 2205.14 (*Enabling Meter Reading Authority and Access to Interval Meter Data*), and had previously adopted Administrative Rules for Competitive Electric Power Suppliers ("CEPS") and brokers, including Puc 2004.19 (*Protection of Confidential Customer Information*), and
WHEREAS, CPCNH is a Joint Powers Agency and governmental instrumentality authorized under RSA 53-A:3 (Joint Exercise of Powers) and RSA 53-E:3 (Municipal and County Authorities), pursuant to Article III of the Joint Powers Agreement of Community Power Coalition of New Hampshire, effective as of October 1, 2021, that expressly authorizes CPCNH through its CEO and Board to:

1. "Comply with orders, tariffs, and agreements for the establishment and implementation of community power aggregations and other energy related programs" (Section 2.3.11 of the CPCNH By-Laws);

2. "Make and enter into contracts" (Section 2.3.6 of the CPCNH By-Laws);

3. "Make and enter into service agreements relating to the provision of services necessary to plan, implement, operate, and administer CPCNH's affairs" (Section 2.3.9 of the CPCNH By-Laws); and

4. "Do all acts permitted... as well as any act necessary, consistent with New Hampshire law to fulfill the purposes" (Section 2.3 of the CPCNH By-Laws) set forth under the Joint Powers Agreement, which include assisting "member municipalities and counties in complying with the provisions of NH RSA 53-E in developing and implementing ... Community Power Aggregations" (Section 2.1 of the CPCNH By-Laws);

WHEREAS, CPCNH and third parties under contract with CPCNH, acting on behalf of CPAs in the capacity as a service provider to CPAs, will need to access and use ICD for operational needs including for the research, development, and implementation of CPAs, new rate structures and tariffs, demand response, customer assistance, energy management, or energy efficiency programs;

WHEREAS, third parties under contract to CPCNH that may require access to ICD on behalf of CPAs may include CEPS functioning as Load Serving Entities ("LSEs") for the supply of all requirements energy, or other third-parties under contract with CPCNH to provide LSE services, as well as portfolio management, Electronic Data Interchange (EDI), Customer Information System (CIS), billing, accounting, and related services, and other contractors and academic institutions under contract with CPCNH to support the research and development of potential new energy services to offer to CPA customers;

WHEREAS, specific types of ICD that CPCNH and third parties contracted through CPCNH are expected to receive and possess on behalf of CPAs include:

1. Name, address, account number, and other information about electric customers for purposes of sending required notification of CPA Commencement of Service and performing other tasks required prior to or shortly after the enrollment of customers in CPA service, consistent with Puc 2204.03, Puc 2204.04, and Puc 2204.05, or equivalent rule provisions as may be adopted by the PUC from time to time, and the requirements of RSA 53-E, as may be amended by the General Court from time to time;
2. Individual customer information used for operation of CPAs received after the enrollment of customers in CPA service, such as that in Puc 2205.13, most of which may be accessed through the Electric Distribution Utility (EDU) Electronic Data Interchange (EDI) system pursuant to Puc 2204.06, and received from EDUs to enable new customer notifications thereafter, pursuant to Puc 2205.05, and for directly reading certain customer meters or otherwise accessing customer meter data held by the EDU more directly, pursuant to Puc 2205.14 and subject to the PUC's approval in future; and

3. Other confidential customer information that may be received or collected directly by CPAs, CPCNH and/or third parties under contract with CPCNH, from sources other than the EDU due to customer participation in particular related programs or services, billing operations, other customer services, or that may be volunteered by customers and/or Members, which shall likewise only be used for statutorily authorized purposes as ICD or pursuant to the express consent of the customer and are also referred to as ICD herein.

WHEREAS, ongoing collection and use of ICD will be used for both:

1. General planning and operational needs for CPA retail power supply and related energy services requirements, such as load and supply forecasting, portfolio management, billing, revenue collection, and audit processes, and for research and development of potential new energy services to offer to customer participants; and

2. Programmatic and customer-specific services and offerings, such as responding to customer account queries, opt-in rates or demand side management for customers with flexible demand, distributed generation or storage, and interval meters; and other energy services that may be offered including programs for Low to Moderate Income (LMI) participants that are qualified in the Electric Assistance Program (EAP).

NOW THEREFORE, in consideration of the above, it is CPCNH's policy to define the specific goals, requirements, and controls necessary to safeguard the confidentiality, integrity, and availability of Individual Customer Data, as follows:

1. In compliance with RSA 53-E:4 (Regulation) and RSA 53-E:7 (Aggregation Program); RSA 363:38 (Duties and Responsibilities of Service Providers) and RSA 363.37 (Definitions); and RSA 359-C:20 (Privacy Policies for Individual Customer Data) and RSA 359-C:19 (Definitions), as amended by the General Court from time to time:

   a. CPCNH and third parties contracted through CPCNH that will receive or access ICD on behalf of CPAs are required to:

      i. Comply with all Administrative Rules related to the access and use of ICD under Puc 2200 (Municipal and County Aggregation Rules),
as may be amended from time to time, and any other applicable PUC rules or orders;

b. Use ICD solely as authorized with the express consent of the customer or for legitimate primary purposes, specifically to comply with the provisions of RSA 53-E and RSA 368:38, such as for: providing or billing for electrical service; meeting system, grid, or operational needs; researching, developing, and implementing new CPA programs, rate structures and tariffs, demand response, customer assistance, energy management, or energy efficiency programs; and for research and development of potential new energy services to offer to customer participants (Primary Purposes);

i. Implement and maintain reasonable security procedures and practices appropriate to the nature of the ICD to ensure that only authorized individuals have access to ICD for Primary Purposes or as provided by the express consent of the customer;

ii. Protect ICD from unauthorized access, use, destruction, modification, or disclosure, and report any data security breach as required by RSA 359-C:20 and any other applicable laws, rules, regulations, or utility tariffs;

iii. Collect, store, use, and disclose only as much ICD as is necessary to accomplish the Primary Purposes or as provided by the express consent of the customer;

iv. Not use ICD for a secondary commercial purpose unrelated to the Primary Purposes without the express consent of the customer; and

v. Return or permanently delete all ICD after contract termination and deliver a certificate, signed by an authorized representative, stating that all ICD has been returned or permanently deleted and that all materials based on ICD has been destroyed, as appropriate, i.e., except for copies necessary for tax, billing, other required legal compliance or financial purposes, or as may be created residually due to system backups, provided that the confidentiality of data is maintained in accordance with applicable laws.

c. Further, if CPCNH contracts with one or more CEPS to provide LSE services to participating customers, or brokers to support operations in a capacity that would require access to ICD, then the CEPS and/or brokers shall additionally be required to comply with the requirements of Puc 2004.19 (Protection of Confidential Customer Information), pursuant to Puc 2205.02 (Application of Puc 2000 to CEPS When Providing Electricity Supply to CPA Customers), as may be amended by the PUC from time to time.
2. The Chief Executive Officer (CEO) as provided under Article VIII of the CPCNH By-Laws, or in the absence of the CEO, the Chair of the Board of Directors, as provided under Section 5.1 of the CPCNH By-Laws, shall (i) ensure that contracts CPCNH enters into with third parties that will receive or access ICD on behalf of CPAs have (a) incorporated the above requirements, as appropriate, and as amended, and (b), additionally provide for independent security assessments, documentation, and reporting to safeguard these requirements, as deemed necessary or prudent, and (ii) will deliver a signed attestation, upon request, to this effect to the General Counsel and Secretary to be maintained with the records of the Corporation.

3. The Regulatory and Legislative Affairs Committee shall advise on and recommend changes to this policy to the Board of Directors as necessary to maintain compliance with applicable laws, rules, and regulations that supersede the considerations and requirements established herein.

4. Use of Legal Counsel. CPCNH’s CEO or Board will seek the advice of legal counsel in matters relating to data security and privacy, including but not limited to the policies adopted hereunder, when appropriate, and specifically, counsel will be employed to review:

   a. Enacted Changes to RSA 359-C (the New Hampshire Right to Privacy Act), RSA 91-A (Access to Governmental Records and Meetings), RSA 363:37-38 (Privacy Policies for Individual Customer Data), RSA 53-A:3 (Agreements Between Government Units, and RSA 53-E (Aggregation of Electric Customers by Municipalities and Counties) or other related statutes that modify, alter, or negate the stated policies herein; and

   b. Amendments to contracts with any third parties that contract with CPCNH that may require access to ICD on behalf of CPCNH that modify, alter, or negate terms and conditions of said contracts related to data security and privacy.
Energy Portfolio Risk Management, Retail Rates, and Financial Reserves Policies

For Communities, By Communities

COMMUNITY POWER COALITION OF NEW HAMPSHIRE

ADOPTED DATE: December 19, 2022
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ENERGY PORTFOLIO RISK MANAGEMENT POLICY

Philosophy, Objectives & Scope

This Energy Portfolio Risk Management Policy (EPRM Policy) outlines the philosophies and objectives of the Community Power Coalition (CPCNH) Board of Directors (Board) in governing and making decisions necessary to provide the credit support, portfolio analytics, hedging, and daily operating activities required to implement and operate Community Power Aggregation (CPA) power supply services.

The Risk Management Committee (RMC) is responsible for ensuring the development and maintenance of CPCNH's Energy Portfolio Risk Management Regulations (EPRM Regulations) to expand on the roles, strategies, controls, and authorities authorized in this policy to form a comprehensive energy risk management program.

Risk Philosophy

As a Joint Powers Agency, CPCNH is in the business of procuring and generating energy for the benefit of its participating Member CPAs. The goal of this policy is to:

- Serve Member CPA needs subject to Board approved risk tolerance limits.
- Provide as much energy supply cost certainty for CPA customers as reasonably possible while maintaining a least cost portfolio.
- Develop and enhance the value of CPCNH and Member CPA assets to meet the financial and local policy goals of the participating Members.

CPCNH recognizes that novel technologies, market dynamics, and regulatory shifts are combining to create new levels and dimensions of risk, and opportunities, that must be integrated into CPCNH's portfolio risk management program.

CPCNH's objective is to develop the least cost, greatest value portfolio to meet load requirements of CPA customers, while maximizing revenues from sales of surplus energy from wholesale and local project resources, and creating new sources of revenue through the intelligent design and integration of price-responsive customer rates, market-enabling products, and local programs (e.g., portfolio optimization).

Unlike a private-sector supplier, CPCNH's primary business purpose is to serve its Members. CPCNH's goal is to be a cost hedger for its Member CPAs load and is therefore precluded by this policy from engaging in purely speculative activities typical to many organizations oriented toward profit maximization.

CPCNH also recognizes that there are additional risks beyond those related to normal power supply operations and hedging activities. CPCNH's goal is to limit, to the extent practicable, exposure to those risks. This document serves as a vehicle to describe and define the limits for activities considered as appropriate for CPCNH in a normal course of business of serving loads and procuring power.
**Business Activities**

CPCNH's primary business is to procure or produce electricity supply to meet CPA customer load requirements. The resource supply portfolio may consist of fixed and variable priced supply contracts of varying lengths, physical assets (such as power plants and distributed energy resources), and agreements for other related supplies and services needed to ensure reliable delivery of electricity to CPA customers.

The objective of the EPRM Policy is to provide a framework for conducting procurement activities that maximize the probability of CPCNH meeting its goals. The policy documents the framework by which CPCNH will:

- Identify risks associated with the procurement of power supply.
- Identify those responsible for administering the various elements of the risk management policy from procurement operations to oversight activities.
- Set parameters and methodologies for managing risk associated with procuring and hedging the power supply portfolio including the specification of authorized products, terms, and transaction limits.
- Provide for the accrual of reserve funds for the purpose of satisfying all financial obligations and objectives associated with management of the portfolio.

The EPRM Policy applies to all power procurement and related business activities that may impact the risk profile of CPCNH and its Member CPAs.

**Transacting Objectives**

CPCNH's objectives when transacting on behalf of Member CPAs for the procurement of energy and energy related supplies and services are as follows:

1. Meet customer all-requirements electricity requirements, inclusive of all of the electrical energy, capacity, reserves, ancillary services, transmission and distribution losses, congestion management, and other such services or products necessary to provide firm power supply to participants and meet the requirements of New Hampshire's Renewable Portfolio Standard.

2. Provide competitive rates for the participating Member CPAs, and stability and choice for participating customers.

3. Obtain the best available price for power supply while complying with the requirements of this policy and other objectives established by the Board.

4. Develop local renewable, battery storage, and distributed energy projects and customer programs.

5. Manage CPCNH's assets to optimize value.

6. Act to limit exposure to extreme market system changes.

7. Follow effective wholesale counterparty credit management procedures.

8. Develop and maintain financial reserves.
9. Develop and maintain CPCNH's investment grade credit rating.

CPCNH's overall transacting objective is to meet the load requirements of Member CPA customers with an optimized portfolio.

Scope of Policy

This EPRM Policy prescribes the management organization, authority, and processes to monitor, measure and control the risks to which CPCNH is exposed in the normal course of business arising primarily from CPCNH's participation in the wholesale energy markets. CPCNH is exposed to three quantifiable risks:

3. Counterparty Credit and Collateral Call risk: potential default by a counterparty or requirement to post collateral

This policy applies to all energy and energy related transactions made by CPCNH, and the term “risk management” is herein understood to refer solely to risks related to participation in wholesale energy markets as herein defined.

Specific methodologies used to measure, monitor, and control these risks shall be established by the Risk Management Committee, in accordance with sound utility practices and included in the EPRM Regulations.

From the perspective of risk mitigation, CPCNH's primary objective is to cover load and optimize the value of assets. Taking risks unrelated to CPCNH's normal power supply business activities, is not permitted.

CPCNH is also exposed to regulatory, operational and reputation risks. These risk categories and exposures are managed pursuant to CPCNH's Enterprise Risk Management Policy (ERM Policy).

Policy Administration, Review and Amendments

Energy Portfolio Risk Management will be a regular reporting standing agenda item at meetings of the Risk Management Committee and Board.

The Board, in consultation with the Risk Management Committee, is responsible for adopting this policy and reviewing it as needed at least every two calendar years.

The Board must approve amendments to the EPRM Policy. Advance written notice of Board meetings at which changes to this Policy are proposed shall be sent to the principal executive officers of each Member by the CEO or Board Chair. Subsequently, any such amendment shall be sent to the principal executive officers of each Member by the CEO or Board Chair.
Approval and Amendment of Regulations
After the EPRM Regulations are initially approved by the Board, the regulations may be amended with approval of the CEO, in consultation with the RMC, provided that the CEO sends prompt written notice to the Board of any such amendments.

Applicability
This EPRM Policy is effective immediately upon its adoption by the Board. It applies to CPCNH’s wholesale supply operations, long-term contracting for energy/capacity and services, acquisition of generation resources, credit risk management and other related ancillary activities undertaken by CPCNH.

CPCNH Officers, Directors, staff, and contractors engaged in portfolio risk management will adhere to and be governed by this EPRM Policy.

Risk Exposures
CPCNH must procure electric power supplies and operate in the wholesale energy market which exposes CPCNH, and ultimately the customers of participating Members, to various risks. The risks listed relate to CPCNH participation in wholesale and retail markets as a Load Serving Entity (LSE). These categories are defined and explained as follows.

Market Risk
Market risk is the uncertainty of CPCNH’s financial performance due to variable commodity market prices (market price risk) and uncertain price relationships (basis risk). Variability in market prices creates uncertainty in CPCNH’s procurement costs, which has a direct impact on customer rates.

Volumetric Risk
Volumetric risk reflects the potential adverse financial outcomes due to the uncertainty in the quantity of different power supply products required to meet the needs of CPCNH and its members. Customer load is subject to fluctuation due to customer opt-outs or departures, temperature deviation from normal, unforeseen changes in the growth of behind the meter generation by CPCNH customers, unanticipated energy efficiency gains, new or improved technologies, as well as local, state, and national economic conditions.

Opt-Out Risk (Customer Attrition Risk)
Opt-out or attrition risk occurs when customers opt-out of the program by choosing a different supplier. Opt-out risk may be realized by any condition or event that creates uncertainty within, or a diminution of, CPCNH’s customer base. Opt-out risk is manifested in two separate ways:

1. First, the ability of customers to return to bundled service from NH utilities creates uncertainty in CPCNH’s revenue stream, which is critical for funding EPRM goals
2. Second, customer opt-out risk can potentially challenge the ability of CPCNH to prudently plan for, and cost effectively implement, long-term resource commitments made on behalf of its member communities and the customers it serves.

**Counterparty Credit Risk**

Performance and credit risk refers to the inability or unwillingness of a counterparty to perform according to its contractual obligations or to extend credit. Failure to perform may arise if an energy supplier fails to deliver energy as agreed. There are different general performance and credit risk scenarios:

- Counterparties and wholesale suppliers may fail to deliver energy or environmental attributes, requiring CPCNH to purchase replacement products elsewhere, possibly at a higher cost.
- Counterparties may fail to take delivery of energy or environmental attributes sold to them, necessitating a quick resale of the product elsewhere, possibly at a lower price.
- Counterparties and suppliers may refuse to extend credit to CPCNH, possibly resulting in higher collateral posting costs impacting CPCNH's cash and bank lines of credit.

During the normal course of business CPCNH is exposed to counterparty risk from energy suppliers. In this context, an important subcategory of credit risk is concentration risk. When a portfolio of positions and resources is concentrated in one or a very few counterparties, sources, or locations, it becomes more likely that major losses will be sustained in the event of non-performance by a counterparty or supplier or as a result of price fluctuations at one location.

**Liquidity and Collateral Risk**

During the normal course of business CPCNH is exposed to liquidity risk to fund operations, meet ISO-NE collateral requirements and potential collateral obligations from bilateral power purchases.

Liquidity Risk is the risk that CPCNH will be unable to meet its financial obligations. This can be caused by unexpected financial events and/or inaccurate pro forma calculations, rate analysis, and debt analysis. Some unexpected financial events impacting liquidity could include:

- Breach of CPCNH credit covenants or thresholds. Any breaches of existing and future credit covenants on CPCNH agreements could result in the withdrawal of CPCNH's line of credit or trigger the requirement to post collateral.
- Calls for collateral from the ISO-NE or CPCNH's counterparties based on terms of transacting agreements.
CPCNH may be the subject of legal or other claims arising from the normal course of business. Payment of a claim by CPCNH could reduce CPCNH’s liquidity if the cause of loss is not covered by CPCNH’s insurance policies.

CPCNH will use industry best practices to manage potentially collateral posting and liquidity risk to the energy suppliers (i.e., requirement to post collateral per contractual terms).

**Regulatory and Legislative Risk**

CPCNH is subject to an evolving legal and regulatory landscape. Regulatory risk encompasses risks associated with shifting state and federal regulatory policies, rules, and regulations that could negatively impact CPCNH. Legislative risk is associated with actions by federal and state legislative bodies, such as any adverse changes or requirements that may infringe on CPCNH’s autonomy, increase its costs, impact its customer base, or otherwise negatively impact CPCNH’s ability to fulfill its mission.

**Operational Risk**

Operational risk is the uncertainty of CPCNH’s financial performance due to weaknesses in the quality, scope, content, or execution of human resources, technical resources, and/or operating procedures within CPCNH. Operational risk includes the potential for:

- Organizational structure that is ineffective in addressing risk (i.e., the lack of sufficient authority to make and execute decisions, inadequate supervision, ineffective internal checks and balances, incomplete, inaccurate, and untimely forecasts or reporting, etc.).
- Absence, shortage or loss of key personnel or lack of cross functional training.
- Lack or failure of facilities, equipment, systems, and tools such as computers, software, communications links and data services.
- Exposure to litigation or sanctions resulting from violating laws and regulations, not meeting contractual obligations, failure to address legal issues and/or receive competent legal advice, not drafting and analyzing contracts effectively, etc.
- Errors or omissions in the conduct of business, including failure to execute transactions, violation of guidelines and directives, etc.
- Model risk that results in an inaccurate or incomplete representation of CPCNH’s actual or forecast financial performance due to deficiencies in models and/or information systems used to capture all transactions.

**Reputation Risk**

Reputation risk is the potential that CPCNH’s reputation is harmed, causing members or customers to opt-out of CPCNH service and migrate back to NH utilities. It includes the potential for energy market participants to view CPCNH as an
untrustworthy business partner, thus reducing the pool of potential counterparties and/or having counterparties apply a CPCNH-specific risk premium to pricing.

Risk Strategy & Parameters

An important aspect of implementing an overall energy risk management policy is the development of related strategies to mitigate all of the related risks associated with energy transacting activities. The key strategies of CPCNH are outlined below.

Portfolio Strategy & Cost Allocation

The portfolio management process involves (1) continuous monitoring and modeling of market developments, customer load commitments, rates, attrition, and any offsetting hedge positions, (2) entering into and out of transactions with counterparties to minimize the cost and risk of providing all-requirements electricity, and (3) scheduling load and resources into the ISO-NE wholesale market, and subsequently settling financial obligations with the market operator and counterparties after the conclusion of each trading day.

To minimize the administrative and transaction costs associated with portfolio management, CPCNH will manage one whole portfolio to meet the combined electricity requirements of its Member CPAs. Probabilistic “at-risk” metrics will be used to inform portfolio hedging decisions to manage risk in the context of NH and ISO-NE markets, within the limits set in this policy and the EPRM Regulations. Structures will be put in place to address the accounting of cost to serve by CPA, timing of launch, and customer class.

Portfolio Diversification

CPCNH will strive to develop and maintain a diversified portfolio of physical and financial energy contracts to manage wholesale market risk exposures in an optimal fashion by incorporating a variety of fuel types, contract and pricing terms, counterparties, geographic locations, and types of products and preferred sources (e.g., renewables and battery storage assets, local generators, customer-generators, demand response programs, etc.).

Counterparty Diversification & Credit Exposure

To the extent practical, CPCNH will strive to create a diversified portfolio with multiple counterparties to diversify counterparty exposure.

Pursuant to master enabling agreements approved by the Board, the RMC may authorize entering into transactions with counterparties that possess at least a BBB- (or equivalent investment grade rating) by a nationally recognized statistical rating organization (NRSRO), and with counterparties rated below BBB- pending collateral, parental guarantees, or mutual concessions in credit requirement negotiations.

Effective counterparty management and credit analysis is essential to mitigate counterparty risks from wholesale market transactions. The market value, credit exposure and potential collateral requirements will be monitored using Mark-to-
Market (MtM), Potential Future Exposure, and Collateral Call risk metrics. Methodologies for these metrics and objectives are set forth in the EPRM Regulations.

**Default Rate Benchmarking**

CPCNH’s active portfolio management strategy involves taking certain risks relative to benchmark procurement practices from NH utilities. As of December 2022:

- Eversource, Unitil, and Liberty Utilities set default supply rates every six months after entering into all-requirements contracts with suppliers, with fixed prices that include a premium to cover the volumetric risk that suppliers are assuming by agreeing to serve customers.

- The New Hampshire Electric Cooperative actively manages its portfolio, and therefore retains and manages the associated risk of supplying customers itself.

CPCNH will monitor competitor procurement practices and modify its procurement strategy as warranted. Certain key risks for CPCNH in this context are that:

- Any net open positions that CPCNH has relative to the benchmark procurement practice of the utility in question represents an active risk position for CPCNH.

- CPCNH will also be exposed to volumetric risk from higher/lower loads than expected volumes and covariance with market prices.

**Reporting Requirements**

A vital element of this Policy is the regular identification, measurement, and communication of risk. To effectively communicate risk, all risk management activities must be monitored on a frequent basis using risk measurement methodologies that quantify the risks associated with CPCNH’s procurement-related business activities and performance relative to goals.

CPCNH measures and updates its risks using a variety of tools that model programmatic financial projections, market exposure and risk metrics, as well as through short term budget updates.

CPCNH seeks to manage financial exposure to higher-volatility spot market wholesale electricity using hedges. Hedge execution and/or adjustments decisions are supported through timely and automated reporting that presents essential factors behind CPCNH success such as headroom and attrition potential.

The following items are measured, monitored, and reported on at least a weekly basis, or as warranted given daily monitoring of market conditions, with monthly delivery of a reporting packet to RMC:

1. **Open Position (MWh):** net open positions for all energy, capacity, and environmental products.

2. **Open Position ($):** the notional dollar and/or probabilistic-based risk exposure of open portfolio positions at current market prices.
3. **Expected Gross Margins:** expected GM based on current market prices

4. **Expected Cost of Supply:** marking to market is the process of determining the current value of contracted supply

5. **Expected Reserve Levels:** to ensure reserves meet the targeted thresholds as outlined in CPCNH’s Financial Reserve Policy.

Risk measurement methodologies shall be re-evaluated on a periodic basis to ensure CPCNH adjusts its methods to reflect the evolving competitive landscape.

**Risk Metrics**

Portfolio management decisions are supported by risk metrics derived from simulations of future market conditions, loads, and other material risk drivers for the portfolio. The following probabilistic risk metrics are regularly calculated and reported:

1. **Gross Margin at Risk:** Potential adverse changes in net revenues for a given time period and confidence level.

2. **Rates at Risk:** Potential adverse changes to CPCNH’s rate competitiveness, relative to the four default utility supply rates, for a given time period and confidence level.

3. **Reserve Levels at Risk:** Potential adverse change in reserves for a given time period and confidence level.

4. **Potential Future Exposure for counterparty credit risk:** Maximum Mark-to-market counterparty exposures for a given time period and confidence level.

5. **Potential Collateral Exposure:** Maximum of collateral that CPCNH may have to post for a given time period and time horizon with a given counterparty.

Stress tests will also be used to understand the potential variability in CPCNH’s projected procurement costs, and resulting retail rate impacts and competitive positioning, associated with adverse scenarios of material risk drivers.

**Position Limits (Hedge Ratios)**

While relying on risk metrics to guide procurement decisions over time, CPCNH will purchase energy on a forward basis to hedge against the risk of open load positions within the minimum and maximum hedge ratios defined herein.

- Hedge ratios are fixed price purchases and supply resources divided by forecasted load (i.e., covered positions expressed as a percentage of load), as measured over time.

- Maintaining minimum and maximum hedge ratios is intended as a framework to manage market risk, by limiting CPCNH’s net open exposure while allowing flexibility in procurement sufficient to maintain competitive rates.
The objective in allowing such flexibility is to develop a procurement strategy focused on hedging against the risk of open load positions, so as to mitigate exposure to market price volatility and other pricing risk.

CPCNH’s hedge ratios shall be a function of the rate setting method, as follows:

1. If rate setting is based upon a discount to utility tariff model, the following table of hedge ratios shall apply:

<table>
<thead>
<tr>
<th>Months to Delivery</th>
<th>0+</th>
<th>3</th>
<th>60%</th>
<th>125%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3+</td>
<td>6</td>
<td>50%</td>
<td>110%</td>
</tr>
<tr>
<td></td>
<td>6+</td>
<td>9</td>
<td>0%</td>
<td>70%</td>
</tr>
<tr>
<td></td>
<td>9+</td>
<td>12</td>
<td>0%</td>
<td>70%</td>
</tr>
<tr>
<td></td>
<td>12+</td>
<td>24</td>
<td>0%</td>
<td>50%</td>
</tr>
<tr>
<td></td>
<td>24+*</td>
<td>36</td>
<td>0%</td>
<td>50%</td>
</tr>
</tbody>
</table>

*Hedging shall not extend beyond 36 months from the date that CPCNH first begins providing electricity service to CPA customers, until one year from that date.

2. If rate setting is based upon a cost of service or fixed price model, the following table of hedge ratios shall apply:

<table>
<thead>
<tr>
<th>Months to Delivery</th>
<th>0+</th>
<th>3</th>
<th>80%</th>
<th>125%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3+</td>
<td>6</td>
<td>50%</td>
<td>110%</td>
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<tr>
<td></td>
<td>6+</td>
<td>9</td>
<td>40%</td>
<td>90%</td>
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<td></td>
<td>9+</td>
<td>12</td>
<td>40%</td>
<td>90%</td>
</tr>
<tr>
<td></td>
<td>12+</td>
<td>18</td>
<td>30%</td>
<td>90%</td>
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<td></td>
<td>18+</td>
<td>24</td>
<td>20%</td>
<td>90%</td>
</tr>
<tr>
<td></td>
<td>24+*</td>
<td>36</td>
<td>20%</td>
<td>90%</td>
</tr>
</tbody>
</table>

* Hedging shall not extend beyond 36 months from the date that CPCNH first begins providing electricity service to CPA customers, until one year from that date.
Risk Control Principles

Control Principles
CPCNH will strive to conduct its energy risk management activities following best practices of the wholesale electric industry. A balance between costs and benefits will determine most effective controls, which are generally expected to meet the requirements of generally accepted auditing standards (GAAS), financial institutions and credit rating agencies. The processes to identify, monitor, control and track risk exposure will follow these principles:

1. Delegation of authority that is commensurate with responsibility and capability, and relevant training to ensure adequate knowledge to operate in and comply with rules associated with the markets in which they transact (e.g., ISO-NE).

2. Contract origination, commercial approval, legal review, invoice validation, and transaction auditing shall be performed by separate staff or contractor for any single transaction. No single staff member shall perform all these functions on any transaction.

3. Defining authorized products and transactions.

4. Defining proper trade capture process for executing power supply contracts.

5. Complete and precise capture of transaction data.

6. Meaningful summarization and accurate reporting of transactions and other activity at regular intervals.

7. Consultation with legal counsel on all legal issues related to this Policy.

8. Timely and accurate risk and performance measurement at regular intervals.

9. Compliance reviews to ensure that this Policy and the EPRM Regulations are adhered to, with specific guidelines for resolving instances of noncompliance.

10. Active participation by senior management in risk management processes.

11. CPCNH and service providers relied upon to provide for operations will be appropriately subject to regular audits.

The RMC is responsible for ensuring that the EPRM Regulations provide for the controls required to implement this Policy. The required controls shall include all customary and usual business practices designed to (1) prevent errors and improprieties, (2) ensure accurate and timely reporting of results of operations and other information pertinent to management, and (3) facilitate attainment of business objectives.

Transaction Structures and Authorization
CPCNH will transact in certain types of physical and financial products to mitigate various risks outlined in this policy. CPCNH shall have authorization to transact the following products under the limits set by this Policy and the EPRM Regulations:
Physical power (e.g., Internal Bilateral Transactions (IBTs), physical tolls, etc.).
Financial power or gas swap or futures (e.g., fixed-for-floating swaps, basis swaps, exchange-traded futures contract).
Financial power or gas options.
Financial Transmission Rights (FTR) obligations.
Financial Transmission Rights (FTR) options.
Environmental products to meet the Renewable Portfolio Standard (RPS).
Products to hedge ISO-NE non-energy costs (Capacity, Ancillaries, etc.).

The RMC is responsible for ensuring that the EPRM Regulations authorize transaction types in accordance with this policy.

Segregation of Duties
CPCNH will ensure that integrated but separate responsibilities are in place to control risks with clearly defined roles and responsibilities for the Front Office, Middle Office, and Back Office. Those responsibilities will be delegated to third parties until CPCNH assumes some or all of those functions. CPCNH will maintain oversight functions of these defined roles and ensure they are performed in compliance with this policy.

Conflicts of Interest
CPCNH Directors, Officers, Alternates, Employees, Volunteers, consultants, and any other person acting for or on behalf of CPCNH — except for employees of Members who are not Directors or Alternates, acting in a ministerial (i.e., non-decisional) capacity as part of their public employment — are bound by the terms of CPCNH’s Conflict of Interest Policy, unless otherwise noted in contractual agreements between CPCNH and said parties.

CPCNH employees engaged in energy supply resource transactions, counterparty credit evaluation or oversight of the foregoing, are barred from directly investing in or otherwise having a direct financial interest in any company with whom CPCNH has consummated energy or related purchases or sales within the last two years.

Roles, Responsibilities & Organization
This section defines the overall roles and responsibilities for implementation of this EPRM Policy. The coordinated efforts of personnel across several divisions are required to successfully implement CPCNH’s risk management program. The basic roles and responsibilities of each organizational function are outlined below.

CPCNH Board of Directors
The Board has the ultimate oversight over CPCNH operations and is responsible for establishing an organizational-wide framework for risk management and ensuring
that risk management results are achieved as planned. The Board shall approve and establish organizational policies for risk management and delegate to the CEO the responsibility for implementing the EPRM Policy. With responsibility for the ultimate oversight over CPCNH operations, the Board shall be responsible to ensure that risk management results are achieved in accordance with this policy.

**Chief Executive Officer or Board Chair**

The CEO (or alternatively hereafter, in the absence of the CEO, the Board Chair) has specific and overall responsibilities for implementing the EPRM Policy and for communicating risk management issues to the Board. The CEO shall be responsible for delegating specific duties for carrying out the policy and ensuring compliance with it by all affected CPCNH employees or contractors. The Board acknowledges that the CEO may delegate certain functions to the RMC, where delegation is ratified by this policy.

**Risk Management Committee (RMC)**

The RMC is responsible for maintaining and overseeing compliance to this policy. The primary responsibility of the RMC is to ensure that the procurement activities carried out on behalf of CPCNH are executed within the guidelines of this Policy and are consistent with the Member’s goals. RMC is responsible for:

* Evaluating and voting on all proposed hedging recommendations.
* Determining if changes in the hedging strategy, or changes to this policy, are warranted.
* Understanding the financial and risk models relied upon to support hedging decisions.
* Understanding and reviewing the risk reports used to monitor for compliance with this policy.
* Reviewing the effectiveness of all hedging and procurement activities.
* Reviewing any reported violations to this policy.

**Front Office**

CPCNH’s Front Office role has the responsibility for managing CPCNH’s market price risk associated with Member CPA load serving requirements. The Front Office is responsible for:

1. Analyzing fundamental factors affecting load and supply, and net position.
2. Analyzing CPCNH’s net position’s exposure to market price risk.
3. Communicating results to the RMC and proposing transactions within the limits of this policy to balance those positions.
4. Recommending additional transaction types for approval by RMC, pursuant to the EPRM Regulations.
5. Negotiating the price and structure of hedging transactions with counterparties.

6. Transacting with counterparties only after approval from the RMC or within delegated limits approved by the RMC, and subject to those transactions:
   - Being for an approved product and executed with a counterparty with an approved credit limit.
   - Being duly authorized, within risk limits, and not causing either aggregate or individual counterparty credit limits to be exceeded.
   - Utilizing contract terms intended to minimize the risk of loss if a counterparty fails to deliver, take delivery, or pay for transactions provided.
   - Being executed and documented following standardized procedures.
   - Complying with applicable laws, regulations, and court orders.

CPCNH’s Front Office will maintain a list of authorized personnel approved to transact by the RMC. Any requested changes to the list of authorized personnel will be subject to RMC approval.

**Middle Office**

CPCNH Middle Office will provide independent oversight of the Front Office functions and adherence to this policy. The Middle Office is responsible for:

- Providing independent oversight of load, supply, hedge positions, and net position.
- Maintaining the list of approved products.
- Ensuring accurate market curves used in valuation and risk management.
- Overseeing and validating the risk management models including prices, price volatilities and price correlations used in price simulations.
- Ensuring accurate load forecasts and load simulations.
- Calculating Counterparty Credit Exposure.
- Preparing position and risk reports for and providing feedback to the RMC.

**Back Office**

CPCNH Back Office Functions will provide the administrative activities to support the execution of Front Office transactions. The Back Office will provide a wide range of supporting activities necessary to settle transactions with counterparties and support Middle Office risk control responsibilities consistent with this policy.

The Back Office has the responsibility for ensuring that transactions with counterparties meet all the terms intended by the Front Office. Primary responsibilities are:

- Confirmation of all transactions and reconciliation of differences with the counterparty.
For exchange traded products through a clearing broker, the Back Office should balance daily with the broker statement.

- Reviewing transactions adherence to approved limits.
- Ensuring all trades have been entered into the system of record.
- Monitoring Counterparty Credit Exposure and report mark-to-market exposures relative to contractual contract requirements.

**Authorities, Delegations, Limits, and Prohibitions**

All executed transactions shall conform to the policies set forth herein. It shall be the responsibility of the RMC, with approval of the CEO, to establish appropriate individual transacting authority limits for the various personnel and contractors involved in the Front Office function in the EPRM Regulations.

All staff and contractors with designated responsibility for Middle Office or Back Office functions are strictly prohibited from executing any wholesale transactions. The Middle Office shall be responsible for informing counterparties of such approved authorizations, including transacting authority and restrictions, along with product types and/or term and dollar limits.

**Policy Compliance**

**Compliance Exceptions**

Compliance exceptions are actions which violate the authority limits or directives set forth herein or in the EPRM Regulations as developed and adopted pursuant hereto by the RMC.

**Reporting of Exceptions**

Exceptions to mandated policies, procedures and regulations shall be reported to the RMC within two business days after they are identified, and the Front Office shall prepare a full report for review and discussion at the next RMC meeting.

**Independent Performance Evaluations**

Compliance with this EPRM Policy, and with the specific requirements of the EPRM Regulations instituted pursuant to this policy, shall be subject to examination by CPCNH’s independent auditors or by such other reviewers that CPCNH may appoint to evaluate the effectiveness of mandated controls. Pursuant to CPCNH’s Joint Powers Agreement:

1. The RMC shall commission an independent agent to conduct and deliver to the Board and to the Members at the Annual Meeting an evaluation of the operational performance of CPCNH relative to the Enterprise Risk Management Policy (including this EPRM Policy) and as otherwise requested by the Board.
2. CPCNH shall budget an amount necessary for the evaluation as determined by the RMC, which shall cause to be hired a firm or individual that has no other direct or indirect business relationship with CPCNH.

3. The evaluation shall be conducted at least once every two years, starting within three years of the initial provision of electricity supply to a Member CPA.

4. No individual or firm may be hired to conduct more than two consecutive evaluations.

Reserves
Reserve levels shall be reviewed monthly by the Finance Committee.

Internal Systems, Tools, and Staff Training
CPCNH employees who are authorized to perform energy risk management functions on behalf of CPCNH shall be provided with the necessary systems and tools to support all risk management processes.

Commensurate to the level of portfolio risk management functions performed by CPCNH staff:

✓ Provision shall be made in the budget for the acquisition and maintenance of computer systems, software, communications equipment, data services and other analytical, measurement and reporting tools.

✓ Provision shall also be made in the budget for managers and staff to attend seminars and courses in risk management on a regular basis.
RETAIL RATES POLICY

Purpose

This Retail Rates Policy outlines the requirements, objectives, rate setting authorities, rate setting processes, Member rate product and Discretionary Reserve adder election procedures, and different types of rate structures, products, and content of the Community Power Coalition of New Hampshire (CPCNH).

Requirements and Objectives

Member Electric Aggregation Plans typically require the CPA to offer default rates to one or more customer groups that are lower than or competitive with utility default rates at the time of launch. CPCNH shall only launch new Member CPAs subject to meeting any such requirements.

Thereafter, CPCNH will strive to maintain default service rates that are lower than or competitive with utility default service rates on average and over time — acknowledging that utility rates may dip below CPCNH rates on occasion, for short periods of time, due to market volatility and other factors.

Rates will be set at a level such that revenues from CPA customers are projected to meet or exceed CPCNH’s ongoing operating and capital costs, inclusive of financial reserve targets, and other requirements set by the Board.

- Rate setting will be performed in concert with hedge decision making, as different rate structures may impact the appropriate hedging approach, in accordance with the procedures and methodologies summarized in the Energy Portfolio Risk Management Regulations (EPRM Regulations).
- CPCNH shall strive to provide innovative rate structures and offers that maximize choice and create value for CPA customers and for the Members, while aligning to the extent beneficial, allowable, and practical within and across CPA service territories.
- Changes to CPCNH default service rates shall be set and publicly noticed at least 30 days in advance of any rate change.
- Pursuant to RSA 53-E, CPCNH rate setting shall ensure the equitable treatment of all classes of customers, subject to any differences arising from varying opportunities, tariffs, and arrangements between different electric distribution utilities in their respective franchise territories when setting default service rates.
- Pursuant to Puc 2204.05, CPCNH shall provide for the proper advance notice of rates to new customers, and update customer rate information whenever it changes, but no less frequently than once per month, on the New Hampshire Department of Energy’s Shopping Comparison website.

CPCNH shall comply with all other applicable statutory and rule requirements.
Electric Assistance Program Discounts

Income eligible households can qualify for discounts on their electric bills under the Electric Assistance Program. CPCNH will support income eligible customers who enroll in the Electric Assistance Program to receive their discount. Discounts are funded by all ratepayers as part of the System Benefits Charge, which is charged to all customers and collected by the distribution utilities. At present, the Public Utilities Commission and utilities only support provision of the discount to individual customers when the customer's electricity supply charges are billed through the distribution utility. CPCNH will therefore elect utility consolidated billing to bill all customer accounts known to be enrolled in the Electric Assistance Program.

Policy Amendments

The Board must approve amendments to this Policy. Advance written notice of Board meetings at which changes to this Policy are proposed shall be sent to the principal executive officers of each Member by the CEO. Subsequently, prompt written notice of the effective date of such amendment shall be sent to the principal executive officers of each Member by the CEO.

Default Rate Setting Process

The CEO, in consultation with the Risk Management Committee and the Finance Committee — or in the absence of the CEO, the Risk Management Committee, in consultation with the Finance Committee — shall recommend default rates to the Board for approval with sufficient notice to be implemented commensurate with regulated default utility rate changes, or otherwise as deemed necessary to support the requirements and objectives of this Policy.

The Risk Management Committee and Finance Committee shall each convene at least one public meeting to provide for deliberation and public input regarding changes to default rates.

Advance written notice of Board meetings at which changes to default rates are proposed shall be sent to the principal executive officers of each Member by the CEO. Subsequently, prompt written notice of approved default rate changes shall be sent to the principal executive officers of each Member by the CEO.

Member Elections of Rate Products and Discretionary Reserve Adders

Pursuant to this policy, individual Members will be provided the opportunity to elect to offer different rate products on a default and opt-in basis and to elect to adjust their CPA's default and opt-in rates to include an adder for the accrual and use of Discretionary Reserves, as provided for under the Financial Reserves Policy.

Any such elections of rate products and/or Discretionary Reserve adders must be approved by both the CEO and the Member's governing body, or the Member's Representative or other individual authorized pursuant to a delegation of such
authority by the Member’s governing body or approved Electric Aggregation Plan, in advance of or during the meeting at which changes to default rates are approved by the Board.

**Emergency Default Rate Adjustment Authority**

This Policy acknowledges that, while rate structures or levels may be expected to persist for an expressed and/or intended period of time, unexpected events may warrant an immediate indefinite or temporary rate adjustment. Sound portfolio risk management will in most cases prevent the necessity of such action. However, risk factors such as market price risk may lead to a situation for such action to mitigate cash reserve constraints.

The Board must approve emergency rate adjustments as necessary to maintain the financial integrity of CPCNH. Prompt written notice of emergency rate adjustments shall be sent to the principal executive officers of each Member by the CEO.

**Rate Structure Types**

CPCNH may offer CPA customers the following rate structures:

**Discount to Utility Tariff Rates**

A rate structure that is discounted relative to utility rates ensures customer savings. This rate structure mitigates attrition risk. It will be based upon an expressed percentage discount to the rates offered by a customer’s incumbent utility.

**Fixed Price Cost of Service Based Rates**

A rate structure that is based upon a budget build-up of cost of service, and/or another method whereby CPCNH offers a defined fixed price rate, is different than a discount to a utility rate. While it may be lower than a utility rate at inception and/or intent, a fixed rate could move above the utility rate due to wholesale market price movements, non-energy cost changes and/or regulatory changes impacting prices.

**Time of Use (TOU) Rates**

Time of use rates are rates that employ different pricing based on periods of time during a given day (e.g., daytime, nighttime) and/or weekday (e.g., weekday, weekend). Time of use rates incent customers to consume electricity at times that are lower cost and/or more environmentally friendly.

**Net Metering Rates**

Net metering rates allow a customer to benefit from behind-the-meter generation and possibly electricity storage capabilities through periodic meter reads where, at the end of the billing period the customer is charged for their net positive load (consumption) or if they have net exports to the grid at the end of the billing period they are either: 1) credited for those net exports to the grid on a kWh basis, such that they can carry forward a negative kWh balance to offset future consumption, or 2) get paid a rate for the surplus kWh exported to the grid and zero out their net kWh
usage. This rate construct is typically indifferent to the time of behind-the-meter generation, production, or customer consumption, but may be provided with TOU rates.

Generation in excess of a customer’s usage each month is accounted for as a reduction to the CPA’s wholesale load obligations by the utility, net of any applicable line loss adjustments, as approved by the Public Utilities Commission.

Customer-generators will continue to receive any non-supply related components (e.g., transmission and distribution credits) directly from their utility, as specified under the terms of their applicable net energy metering (NEM) tariff.

**Index Plus Adder Rates (Pass-Through)**

Index rates take hourly (or, as contemplative of technology that may allow, subhourly) consumption and multiply a loss adjustment factor and an ISO-NE New Hampshire Zone power price, plus a CPCNH administrative adder, to arrive at an effective monthly cost based predominantly on market-based prices. Index rates should typically not be hedged, and the customer should bear all price risk under such arrangement, provided, however, that a collar or sleeve product that sets an upper and lower limit to such index prices for some period of time may be available for a price that covers the cost and risk of such a hedge. Demand flexibility options may be priced and included in the product.

**Fixed & Index Blend and/or Variable Term Rates**

Likely of particular interest to non-residential customers, a Fixed & Index blended rate would be a combination of a fixed price rate as expressed above and an index rate as expressed above. The offering could be fixed to 50/50 or some other risk sharing split of the fixed and index portion. CPCNH should only hedge the fixed portion. Non-residential customers may also be interested in such rate for varying term lengths, such as for 12- or 24-month periods, which may be subject to meeting certain contractual, creditworthiness, and/or collateral posting requirements. Demand flexibility options may be priced and included in the product.

**Other Rate Structures**

This policy precludes CPCNH from offering rate structures not expressly authorized herein, such as tiered rate structures (progressive or regressive), total dollar “all-you-can-consume” fixed cost offers, and rate structures that utilize a demand charge. Board approval is required to authorize additional rate structures.

**Rate Product Types and Approval Authorities**

CPCNH is authorized to provide or offer CPA customers the following rate products:

**Default Service**

Default Service shall be the default rates selected to offer CPA customers in each utility territory, priced relative to the prevailing utility default rate, and, if practical,
based upon the same or a comparable structure as the prevailing utility rate structure, as approved by the Board.

**Member Default Service Election**

The Member Default Service Election is an exception to the Default Service Offer that would extend a default rate to the residents and/or businesses of a Member CPA different than other communities or CPCNH customers at large. Community offers may be rates that are higher or lower than the Default Service Offer, to reflect a different product content (e.g., higher or lower renewable and/or carbon-free content).

CPCNH shall provide Members with a schedule by which to request Community Default Service Offer Elections, which are subject to Board approval in consultation with the Risk Management Committee.

**Local Power Offer**

The Local Power Offer acknowledges and integrates the rate impact of local generation projects (e.g., a local community solar project), community investment programs (e.g., investment in EV charging stations), or other programs or projects benefiting a targeted community.

Subject to the terms of a Project Contract, or Board approval in the absence of governing terms in a Project Contract, the Local Power offer may extend a default or custom rate to the residents and/or businesses of a Member CPA different than other communities and customers.

**Alternate Customer Rate Options (Opt-Up or Opt-Down)**

Customers may select an optional rate extended by CPCNH through expressed choice of an alternative rate offer instead of Default Service. The option is held by the customer and CPCNH shall not move customers to an alternative rate without customer consent.

Alternative Customer Rate Options will be subject to Board approval at the same time as Default Service rates. Alternative Customer Rate Options shall be offered under the same rate structure as Default Service and may additionally be offered as a time-of-use rate.

**Net Energy Metering Offer**

CPCNH will provide new rates and terms that compensate or credit participating customer-generators for the electricity supply component of their net metered surplus generation.

For group net metering, to the extent CPA default rates are lower than utility default rates, it may be most advantageous for the host customer-generator to remain a utility default service customer, while the other group members may enroll in CPA supply and continue to receive on-bill credits for their participation in the group.
Additionally, CPCNH will pursue additional development of NEM rates and programmatic enhancements that benefit and encourage customers to adopt distributed generation.

Net Metering terms, conditions, and rates for compensating and crediting different types of NEM customer generators will be set by the Board and fully disclosed to all prospective NEM customers through the program's enrollment notification process and thereafter.

**Non-Residential Additional and Custom Offers (Opt-In)**

CPCNH may offer non-residential customers Index Plus Adder (Pass-Through) Rates, Fixed & Index Blend Rates, and/or Variable Term Rates thereof. Demand flexibility options may be priced and included in the product, to encourage and incentivize customers to shape their electricity usage patterns, including for the objective of lowering peak charges.

**Rate Product Content and Member Elections**

CPCNH shall offer the following rate products and contents:

<table>
<thead>
<tr>
<th>PRODUCT</th>
<th>CONTENT *</th>
<th>MEMBER ELECTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Granite Basic</td>
<td>Minimum RPS Content (23.4%)</td>
<td>Default, opt-down/in, or N/A**</td>
</tr>
<tr>
<td>Granite Plus</td>
<td>33% Renewable or Carbon Free</td>
<td>Default, opt-up/in, or N/A**</td>
</tr>
<tr>
<td>Clean 50</td>
<td>50% Renewable or Carbon Free</td>
<td>Opt-up/in or N/A</td>
</tr>
<tr>
<td>Clean 100</td>
<td>100% Renewable or Carbon Free</td>
<td>Opt-up/in or N/A</td>
</tr>
</tbody>
</table>

* Specified percentages are minimums (floors).
** One of these two products must be offered as Default Service

**Member Elections**

Each Member shall be provided the opportunity to elect whether to offer “Granite Basic” or “Granite Plus” as a default product, by customer class or as otherwise determined by the Board and will be advised on the cost implications of such elections by the CEO. Absent any election, “Granite Basic” shall be the default product.

Each Member that elects “Granite Plus” as their default product may also elect to offer “Granite Basic” as an opt-down choice for customers seeking the most affordable rate product. Absent any election, “Granite Basic” shall be offered as an opt-down/in product.

Each Member shall be provided the opportunity to elect whether to offer “Clean 50” and/or “Clean 100” as opt-up/in products. Absent any election, “Clean 50” and “Clean 100” shall be offered as opt-up/in products.
**Product Content**

Carbon-free content is power that is reported as carbon-free on an Environmental Disclosure label pursuant to Puc rule 2205.11.

Renewable content that is in addition to the minimum requirements of the New Hampshire Renewable Portfolio Standard shall be provided by Renewable Energy Credits pursuant to RSA 362-F, with a preference for sourcing Renewable Energy Credits from in-state generation.
FINANCIAL RESERVES POLICY

Purpose

This Financial Reserves Policy establishes minimum, target, and maximum levels of cash reserves that will be jointly accrued, used, maintained, and monitored by CPCNH, on behalf of all Members (“Joint Reserves”), and provides for the collection of Joint Reserves in excess of the maximum target joint reserve level to be applied at the discretion of individual Members (“Excess Reserves”). Separately, the policy allows for the collection and use of additional reserves at the sole discretion of each individual Member (“Discretionary Reserves”).

Joint Reserves, Excess Reserves, and Discretionary Reserves are collectively referred to herein as “reserves”.

Objectives

Reserves are accrued and maintained by CPCNH on behalf of and for the benefit of Member CPAs. The establishment of Joint Reserves, pursuant to this policy, is intended to secure the following objectives:

1. **Protect against emergency default rate adjustments.** Reserves can help minimize the risk that rates, after being set for a given period, would need to be quickly adjusted upwards due to market volatility (power supply shocks), weather impacts on demands, economic downturns, emergencies (such as natural disasters), and regulatory changes.

2. **Strive to adjust rates gradually over time.** In a rising price environment, reserves may be used to spread out the impact of price increases on customers over multiple rate setting periods. For example, if market prices are expected to increase over the medium-term, deciding to collect additional reserves over the near-term (when prices are lower) would later allow more funds to be used to offset rate increases in later periods, thereby adjusting rates more gradually and predictably for customers over time.

3. **Ensure cash availability when net revenues are unavailable.** To bridge seasonal times of the year that normally see temporary low or negative net revenues, which would otherwise require CPCNH to have sufficient credit to maintain liquidity.

4. **Lower and avoid interest expenses.** To avoid interest expense to cover short-term cash shortfalls, first by accruing reserves sufficient to execute a credit facility for CPCNH, and subsequently by having sufficient reserves to use in place of credit or debt instruments. CPCNH intends to negotiate and directly execute a credit facility on behalf of Member CPAs within the first year of operations.

5. **Enable the development of local energy projects.** Project developers typically seek to contract with entities that are willing and able to commit to paying for electricity over a 10 year or longer period. The accrual of financial reserves
hereunder is intended to provide CPCNH with the financial stability required to be a creditworthy counterparty for the purposes of soliciting and entering into long-term contracts to develop local energy projects on behalf of participating Members.

6. **Achieve a credit rating and maintain good standing with rating agencies.** After accruing sufficient reserves, CPCNH can apply for a credit rating, which would allow power to be secured at lower costs, that is, without posting credit enhancements, for the benefit of all Member CPAs. CPCNH intends to achieve and maintain strong financial performance metrics sufficient to receive an investment-grade credit rating within three-to-five years after launch.

7. **Manage risks identified in the Energy Portfolio Risk Management Policy,** such as those associated with market prices, counterparty credit and performance, load volumes and net revenues, gross margin levels, liquidity and collateral requirements, regulatory and legislative policy changes, and gross margin levels.

8. **Establish clear expectations between the Board of Directors, staff, contractors, and suppliers of electricity to CPCNH.** A formal reserve policy creates a shared understanding of the proper level and use of reserves.

**Rights of Members to Reserve Contributions**

**Member Reserve & Cost Allocation Accounting**

Reserve contributions shall be tracked and accounted for on behalf of each Member CPA. For each Member, reserves accrued shall be adjusted to reflect the equitable allocation of costs between Members pursuant to Cost Sharing Agreements.

To the extent that provisions in this policy are inconsistent with the Cost Sharing Agreements entered into by Members, the Cost Sharing Agreements shall control.

**Member Accrual and Usage of Discretionary & Excess Reserves**

Individual Members that request to adjust their CPA’s default and opt-in rates to include an adder for the accrual of Discretionary Reserves, pursuant to the Rates Policy, will accrue reserves that are separate from Joint Reserves. Such reserves shall be tracked, accounted for, and transferred to the individual Member or otherwise applied or held by CPCNH as directed by the individual Member’s governing body.

Joint Reserves that accrue in excess of the Maximum Operating Reserve Level hereunder are Excess Reserves, which shall be allocated back to Members for use as Discretionary Reserves.

Members may use such Excess and Discretionary Reserves to invest in developing new local energy projects, or to fund programs benefiting their customers specifically, or for other uses as determined solely by each individual Member.
**Member Reserve Settlements Upon Withdrawal or Termination**

If a Member withdraws from CPCNH or is involuntarily terminated, the balance of any reserves accrued by the Member will be distributed or applied as directed by the Member’s governing body, after satisfaction of the Member’s contractual obligations with CPCNH and in accordance with any applicable law and regulation.

**Joint Reserve Target Levels Established**

Joint reserves will be used to honor financial commitments and will be used to cover the operations of CPCNH over a number of days in the event of emergencies or other significant unforeseen events, amongst other goals outlined in this policy.

For purposes of this policy, Joint Reserve levels are defined as a projected or estimated amount accrued at the conclusion of a forecasted period.

Three target levels of Joint Reserves are defined below, which shall be in addition to any financial covenants entered into by CPCNH, relative to the forecasted expense of operations as reflected in CPCNH’s budget:

1. **Minimum Operating Reserve**: reserves sufficient to cover 60 days of operations.
2. **Target Operating Reserve**: reserves sufficient to cover 120 days of operations.
3. **Maximum Operating Reserve**: reserves sufficient to cover 180 days of operations.

Rates shall be set to accrue Joint Reserves sufficient to meet the target levels on a forecasted basis, as follows:

1. To reach the Minimum Operating Reserve level within 3 years.
2. To reach the Target Operating Reserve within 5 years.
3. The Maximum Reserve level would provide strong protections against any significant adverse events and represents a longer-term goal.

**Joint Reserve Target Levels Maintained**

**Replenishment of Minimum Reserves**

Once Minimum Reserves levels are initially achieved, should CPCNH drawdown reserves below the Minimum Operating Reserve level, CPCNH will implement plans to return reserves to their minimum targets within two (2) years on a rolling forecast basis. The CEO shall oversee the preparation and submittal of such plans in subsequent budget and rate discussions with the Board.

**Reserves between Minimum and Maximum**

To the extent that reserves are above the Minimum and below the Target Operating Reserve level, continued consideration should be given to the rate that reserves are accumulating toward the Target Operating Reserve.
To the extent that reserves are above the Target Operating Reserve and below the Maximum Operating Reserve level, no action by CPCNH would be required.

**Joint Reserve Forecasting, Reporting, and Evaluation**

**Regular Forecasting of Reserve Levels**

The conditions for use of reserves, being expressed as a percentage of the reserve level at the conclusion of a rolling 12-month forecast basis, require the reserve level to be regularly updated on a projected basis.

The reserve level forecast methodology shall be approved by Risk Management Committee, reviewed by the Finance Committee, and periodically assessed and updated as required to ensure appropriate reserve levels are maintained and funded.

The Risk Management Committee, supported by staff and contractors, shall ensure that the reserve level forecast is updated and reported to the Finance Committee and Board of Directors at each regular meeting.

The Treasurer shall report the reserve level in quarterly and annual financial reports.

**Periodic Review of Reserve Target Levels**

Reserve target levels shall be periodically reviewed for consistency with industry standards by the Risk Management Committee. If significant risk factors are eliminated or significant new risks emerge as a result of changes in the industry, legislation, or economic conditions, the basis of the reserve policy shall be reviewed, and the funding level shall be adjusted accordingly. Unless the Reserves are lower than 120% of the minimum levels, formal Reserve funding discussions with the Board may be deferred until the next budget process.

**Annual Consideration of Forecasted Reserve Levels and Targets**

An analysis of over or under forecasting of reserve levels during the fiscal year shall be made in conjunction with year-end financial results. These results will be reported to the Board of Directors as part of the year-end financial report presentation.

The Board shall review and consider the target reserve levels defined in this Policy, in the context of CPCNH’s overall financial condition and taking under consideration changes to the industry and/or CPCNH’s exposure to the risk factors defined in the Enterprise Risk Management Policy.

**Conditions for Use of Joint Reserves**

A temporary reduction in cash consistent with the expected peaks or dips in revenues and expenditures are normal cyclical occurrences to be expected over the course of any 12-month period, and do not constitute an expenditure of Joint Reserves.
The use of Joint Reserves is defined as an expenditure that is forecasted to result in a more than 10% reduction of the reserve level, relative to its then-prior forecasted level at the conclusion of the fiscal year, or $10 million, whichever is greater.

The use of Joint Reserves is subject to approval by the Board. However, the CEO has the authority to use reserves for operating liquidity in emergency situations in consultation with the Board Chair and either the Vice Chair or Treasurer, and such actions must be noticed to the Board in the next meeting.

**Board and Membership Authority to Amend**

The Board may, by resolution, modify or suspend any provision of this Policy for any duration at any time, except that the provisions under this section, "Board and Membership Authority to Amend," and under "Rights of Members to Reserve Contributions" may only be modified or suspended by a written amendment unanimously approved by the votes cast at a meeting of the Membership at which a quorum is present.

The CEO or Board Chair shall send written notice of any proposed amendments to or suspension of the provisions under this section and under Rights of Members to Reserve Contributions to the Member Representatives and principal executive officers of each Member at least fourteen (14) days prior to such meeting at which it is to be acted upon. Subsequently, prompt written notice of the effective date of such amendment or suspension shall be sent to the Member Representatives and principal executive officers of each Member by the CEO or Board Chair.
Definitions

“Board” means the Board of Directors of CPCNH.

“CEO” means the Chief Executive Officer of CPCNH, or, in the absence of a CEO, the Board Chair (unless where otherwise provided for in the policies).

“Cost Sharing Agreements” means the agreements entered into by CPCNH and individual Members pursuant to Article V, Section 3 of the CPCNH Joint Powers Agreement.

“CPA” means Community Power Aggregation.

“CPCNH” means the Community Power Coalition of New Hampshire.


“EPRM Regulations” means the Energy Portfolio Risk Management Regulations.

“ERM Policy” means the Enterprise Risk Management Policy.

“GAAS” means generally accepted auditing standards.

“ISO-NE” means ISO New England, Inc., the entity serving as the regional transmission operator and which oversees the operation of New England's bulk electric power generation and transmission system and administers the regional wholesale markets for electric energy and other electricity products, or its successors.

Financial power or gas swap or futures. Includes fixed-for-floating swaps, basis swaps, exchange-traded futures contracts. Swaps and futures are financial settled instruments based on the difference between a fixed and floating reference price times a contracted volume. CPNCH could be the fixed side or float side of the settlement depending upon whether is buying or selling financial power.

Financial power or gas option. The buyer of an option pays a premium to have the right, but not obligation, to exercise the option prior to expiry and receive a financial settlement.

“Financial Transmission Rights (FTRs) obligations”: An FTR provides the FTR holder a revenue stream that equals the quantity of the FTR multiplied by the hourly price difference (day-ahead) between the source and sink locations specified in the FTR. An FTR can be used by CPCNH as a Load Serving entity to hedge congestion risk between a load zone and a supply location such as a generator or hub. The payoff of a FTR can be positive or negative,

“Financial Transmission Rights (FTRs) options”: FTR option buyers pay a premium to have the right, but not the obligation to exercise the payoff of an FTR settlement.
“Gross Margin at Risk” is a measure of the potential adverse changes in net revenues for a given time period and confidence level.

“IBT” or “Internal Bilateral Transaction” is a contract tool that transfers the ISO load obligation between the buyer and the seller. Participants with load or generators often sign bilateral contracts with each other to obtain price certainty rather than risking the uncertain energy market price. A Buyer’s load obligation decreases and therefore pay less to the ISO while a Seller’s load obligation increase and pay more to the ISO.

“Load Serving Entity (LSE)” means an entity that is registered with ISO-NE as a market participant and secures and sells electric energy and related services, which may include transmission service if not provided by the distribution utility, to serve the demand of end-use customers at the distribution level.

“MTM” or Mark-to-Market is a measure of the current replacement value of physical or financial contracts based on prevailing market forward curves, rather than the book value.

“NRSRO” means nationally recognized statistical rating organization.

“Physical Power Purchases and Sales”: see IBT.

“Potential Future Exposure for counterparty credit risk” means the maximum MTM counterparty exposures for a given time period and confidence level.

“Potential Collateral Exposure” means the maximum of collateral that CPCNH may have to post for a given period and time horizon with a given counterparty.

“Rates at Risk” is a measure of the potential adverse changes to CPCNH’s rate competitiveness, relative to the four default utility supply rates, for a given time period and confidence level.

“RMC” means the CPCNH Risk Management Committee.

“Financial Reserve Uncertainty” is a measure of the potential adverse change in reserves for a given time period and confidence level.

“Stress tests” refer to analysis of portfolio performance under stress scenarios of material risk drivers. Used to understand the potential variability in CPCNH’s projected procurement costs and resulting retail rate impacts and competitive positioning.
Proposed Amendments to HCP EAP 12-29-22 to address NH Electric Cooperative customers, protect net metering customers, and conform with CPCNH policies and Cost Sharing Agreement

Hanover Community Power
Electric Aggregation Plan

May 2021

As approved by the Hanover voters at Town Meeting on July 13, 2021.
And as amended by the Hanover Selectboard on October 27, 22.
Hanover Community Power is well aligned with our community’s policy objectives of achieving 100% renewable electricity by 2030 and thermal and transportation energy by 2050, as voted on and approved at Town Meeting in May 2017 with the adoption of the community’s Ready for 100 resolution. Hanover’s program goals are:

- **Competitive Rates & Choices** that must meet or beat those offered by Liberty or Eversource at launch, and must offer choices in terms of the percentage supply of renewable power offered in each supply mix as well as pricing options.
- **Fiscal Stability & Financial Reserves** to ensure the program is able to maintain competitive rates over time and advance the Town’s policy goals over the long-term (e.g., development of local energy resources and programs);
- **Enhanced Customer Focus** to enable customers to adopt new clean energy technologies that reduce energy expenditures and carbon emissions.
- **Consumer Protections** to ensure contracts entered into are fair, and to represent the Town of Hanover’s interests on energy issues at the NH Legislature and the NHPUC.
- **Cleaner, Local Power** to supply an affordable energy portfolio that prioritizes the use of cost-effective renewable energy, local energy projects and customer programs.
- **Community Resiliency** programs to reduce energy consumption, lower bills, create jobs, and pursue longer-term projects such as building local back-up power supplies.
- **Regional Development** in support of clean infrastructure developed in collaboration with municipalities, Community Power programs and other government agencies.
- **Grid Modernization** by supporting informed advocacy for policies, regulations, and infrastructure investments to ensure a decarbonized, affordable and resilient energy system.

The Town of Hanover’s Electric Aggregation Committee began researching Community Power best practices in December 2019, in collaboration with the other founding members of the Coalition and advisors throughout the state. The Town did so after determining that the best approach to procuring renewably generated electricity for Hanover electricity customers was by combining the community’s demand with that of other NH communities. See Attachment 7 for a summary of the many actions the Town has taken since 2017 that led us to a determination to pursue formal municipal aggregation of electricity.

This plan reflects industry best practices and was developed by the Electric Aggregation Committee with input from CPCNH and from our residents, local businesses and the other prospective customers of Hanover Community Power.

**Purpose of this Electric Aggregation Plan**

This Electric Aggregation Plan sets forth the Town’s policy goals for its Community Power program, summarizes Hanover Community Power’s governance and implementation processes, and commits Hanover Community Power to comply with applicable statutes and regulations in terms of:

- Providing universal access, reliability, and equitable treatment of all classes of customers subject to any differences arising from varying opportunities, tariffs, and arrangements in the incumbent utilities’ distribution franchise territories.
- Meeting, at a minimum, the basic environmental and service standards established by the
to deliver electricity to customers.

- Hanover’s Selectboard, in coordination with advisory support from the Town Manager and the Hanover Electric Aggregation Committee, will be authorized 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 over the program thereafter.

All customers in Hanover will be notified and may choose to opt-out of, or request to opt-in to, participating in the program as described below:

- Customers currently on default service provided by Liberty, Eversource or NHEC will be notified, provided the opportunity to decline participation, and thereafter transferred to Hanover Community Power if they do not opt-out, by a specified date outlined in the notification.
  - Customers served by NH Electric Cooperative will be offered service on an “opt-in” basis;
  - Customer notifications will include the initial fixed rate for the program’s default service compared with the Liberty, Eversource and NHEC rates, be mailed to customers at least 30 days in advance of program launch and provide instructions for customers to decline participation (for example, by return postcard, calling a phone number or using a web portal).

- Customers already served by Competitive Electric Power Suppliers will be notified and may request to opt-in to the program; and
- New customers will thereafter be notified and transferred onto Hanover Community Power’s default service unless they choose to take service from Liberty, Eversource, NHEC or a Competitive Electric Power Supplier.

All customers on Hanover Community Power default service will remain free to switch back to the Liberty, Eversource, NHEC or to take service from a Competitive Electric Power Supplier.

Liberty Utilities provides electric distribution service to almost all customers within the Town of Hanover. The table below shows the total number and electricity usage of customers served by Liberty, who would initially receive either “opt-in” or “opt-out” notifications:

<table>
<thead>
<tr>
<th>Liberty Utilities Customers</th>
<th>Eligible for Opt-In or Opt-Out Notifications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Count</td>
<td>Annual Usage (MWh)</td>
</tr>
<tr>
<td>Municipal</td>
<td>39</td>
</tr>
<tr>
<td>Residential</td>
<td>2,497</td>
</tr>
<tr>
<td>Commercial</td>
<td>561</td>
</tr>
<tr>
<td>Industrial</td>
<td>12</td>
</tr>
<tr>
<td>Total</td>
<td>3,109</td>
</tr>
</tbody>
</table>

Aggregated data shown was provided by Liberty Utilities.
The Selectboard retains the authority to contract for any-and-all required program services and electricity supplies, and to pursue projects independently of CPCNH.

Community Governance

Hanover has appointed a primary and alternate representative to the CPCNH Board of Directors. All founding members will be directly represented on the Board until more than twenty-one (21) members join, at which point directors will be elected by vote of the members at annual meetings (with a Board size of between 11 and 21 representatives, at the members’ direction).

As a founding member, Hanover’s representatives will directly oversee the initial startup and implementation activities of CPCNH, including: the adoption of Board policies and election of officers, the hiring of key staff to provide management and oversight, the solicitation and contracting of third-party service vendors to launch and operate Community Power programs, and the appointment of directors and other community representatives to committees.

CPCNH will have six standing committees: Executive, Finance, Audit, Regulatory and Legislative Affairs, Risk Management and Governance. Additionally, the Board may establish ad-hoc committees, and each direct project that members choose to pursue in the future will be overseen by a committee specific to that project.

All meetings of CPCNH will comply with New Hampshire’s Right-to-Know Law (RSA 91-A), the purpose of which is to “ensure both the greatest possible public access to the actions, discussions and records of all public bodies, and their accountability to the people”, based on the recognition that “openness in the conduct of public business is essential to a democratic society.”

Cost Sharing

CPCNH costs will be tracked in three distinct categories: direct project costs, member services, and general and administrative costs (which are overhead costs that are not incurred by any specific project or member service).

These costs will be allocated in accordance with Cost Sharing Agreements executed by each member, which will be the same in all material respects. General costs will be allocated based on each Community Power program’s share of total electricity usage each year, while members will choose and separately pay for the costs of specific services and projects. These expenses will be factored into the electricity rates set by each member and paid for out of the revenues received from participating customers in each Community Power program.

Additionally, the debts, liabilities and obligations of CPCNH, and of other participating Community Power programs, will be non-recourse to Hanover unless expressly agreed to by the Selectboard under Hanover’s Cost Sharing Agreement or a Project Contract.

To proceed with launching and operating Hanover Community Power through the Coalition:

- The Selectboard would review and approve execution of the Coalition’s Cost Sharing Agreement and Member Services Contract, along with the Data Security and Privacy Policy and the Energy Portfolio Risk Management, Retail Rates, and Financial Reserves policies approved by the Coalition’s Board of Directors.

- The Coalition would provide the services and credit support necessary to launch and operate Hanover Community Power (along with the programs of other municipalities across the state) and would provide all-requirements electricity to customers participating in the programs.
Confidential customer data would be handled in accordance with the Data Security and Privacy Policy.

Power procurement and energy portfolio risk management, rate setting, and the accrual of financial reserves for the program would be carried out in accordance with the Coalition's Energy Portfolio Risk Management, Retail Rates, and Financial Reserves policies.

The Coalition would collect revenues from program customers on the Town's behalf and would recover expenses incurred on behalf of Hanover Community Power in accordance with the Cost Sharing Agreement.

**Member Services**

CPCNH intends to contract with qualified vendors and credit-worthy suppliers to provide the services, credit support and electricity required to launch and operate Community Power programs.

These third parties are expected to fund the upfront cost of implementing Community Power programs, the expense of which would be amortized and recovered for a specified term, along with ongoing operating costs, in customer rates.

The CPCNH business model has been designed to provide Community Power programs with:

- **Innovative local programs and customer services**: new rates, technologies and services for customers that lower electricity supply costs and risk for Hanover Community Power in aggregate, along with the electricity bills of participating customers from a "full bill" perspective (i.e., inclusive of transmission and distribution charges).

- **Energy Risk Management & Financial Reserve Policies, Procedures and Practices**: expert guidance on energy risk management, procurement of a diversified portfolio of energy contracts, rate setting, and financial reserves — sufficient to ensure the stability and operational continuity of Hanover Community Power over the long-term (as technologies, market dynamics, risk factors, consumer preferences and energy policies continue to evolve).

- **Development of Renewable and Battery Storage Projects**: joint contracting opportunities for the construction of new renewable and battery storage projects financed under long-term contracts — to diversify our energy portfolio, provide a physical hedge against wholesale market price fluctuations, enhance the resiliency of our electrical grid, and stimulate local construction and economic development in Hanover and other participating communities.

The extent of services offered by CPCNH is expected to expand over time, in response to new market opportunities and ongoing regulatory rule reforms, and to meet the local objectives of participating Community Power programs.

CPCNH also plans to hire a small number of qualified staff to ensure effective oversight of operations, as well as enhanced transparency and expert management as the Coalition's business operations evolve.

The following sections explain how CPCNH member services are related in ways that are intended to ensure Hanover Community Power remains operationally stable, competitive and able to achieve the full range of our local policy goals over the long-term.
Innovative Local Programs & Customer Services

Cost-effective local programs provide new retail products and services that enable customers to:

- Intelligently moderate their use of electricity from the grid during times of high wholesale power prices and when the physical grid is constrained and at-risk of not being able to deliver enough power to meet all customers’ usage requirements during the hours of “peak demand”.
- Increase their use of electricity from the grid when wholesale prices are relatively lower and the physical grid is not constrained.

Examples of innovative retail products and services that enable customers to do so include time-based rate options, individual and group net metering, distributed generation and energy storage programs, electric vehicle charging rates, and other offerings that empower customers directly and support the services of third-party energy companies that are helping customers adopt and use new technologies.

Programs that enable the intelligent use of electricity will help Hanover Community Power:

- Lower electricity supply costs and risk for the program in aggregate.
- Strengthen customer relationships and local brand recognition; and
- Protect against customer attrition (the risk that customers opt-out of the program by choosing an alternative supplier) and potentially grow the program’s customer base over time.

Local programs, in order to be cost-effective, need to be designed in ways that relate to and actively help manage the various sources of cost and risk involved in operating a competitive power agency.

As explained in the section below, CPCNH will adopt a structured approach to monitoring, analyzing and actively managing energy cost and risk — both to enable the design of cost-effective local programs, and provide additional benefits such as long-term financial stability.

Energy Risk Management & Financial Reserve Policies

Hanover Community Power will not launch unless it can offer residential electricity rates that meet or beat Liberty or Eversource or NHCE default electricity prices. Maintaining competitive rates thereafter, as market prices and incumbent utility default rates change over time, will significantly reduce the risk that customers opt-out of Hanover Community Power and allow the program to achieve our medium- to long-term goals.

To that end, and working with the other members of CPCNH, Hanover Community Power will adopt Energy Risk Management and Financial Reserve policies. The purpose of these policies is to:

- Ensure that Hanover Community Power allocates customer revenues in ways that balance our community’s goals and objectives over the short-to-long term; and
- Define how CPCNH will conduct energy risk management, procure electricity and market operations on behalf of Hanover Community Power (so that the agency remains in compliance with our adopted policies).

These policies are intended to ensure that Hanover Community Power foresees and adequately plans for contingencies (such as power supply shocks, economic downturn and regulatory changes) and remains able to draw on capital reserves or credit support sufficient to maintain: (1) rate stability for our customers; and (2) adequate cash flow for CPCNH operations over the course of any adverse events and periods.
initial and subsequent draft rules for discussion, arranging bilateral meetings with utilities and other stakeholders, and leading significant portions of the subsequent stakeholder workshops at the request of NHPUC staff.

- Intervened in regulatory proceedings to represent the interests of customers and Community Power programs, such as by advocating for expanded data access in the Commission's Statewide Data Platform docket (DE 19-197), under which a settlement agreement with the utilities was negotiated and recently submitted to the Public Utilities Commission. (If adopted, the settlement would create a "Statewide Data Platform" to enables data access for customers and Community Power programs, which would be overseen by a Governance Council that includes Coalition representatives.)

- Testified in legislative hearings — and organized hundreds of people, elected officials and civic organizations to register in support of the Coalition's position on key legislation — in order to successfully negotiate critical amendments to two proposed bills to-date:
  - House Bill 315, which would clarify and expand key Community Power authorities; and
  - Senate Bill 91, which would expand the ability of Community Power programs to buy from in-state generators and battery storage projects (under 5 megawatts in size).

Hanover Community Power will continue and expand on these activities through CPCNH.

Hanover Community Power Goals and Objectives

Hanover Community Power affords the Selectboard the capacity and flexibility to realize and build on our policies pertaining to energy, economic development and infrastructure focused on community-wide use of 100% renewable electricity by 2030 and thermal and transportation energy by 2050.

Our policy goals will need to be pursued through a combination of direct program activities, regional initiatives with other Community Power programs and municipalities, and informed public advocacy at the Legislature and Public Utilities Commission. To that end, Hanover Community Power will be guided by the following objectives:

- **Competitive Rates & Expanded Choices:** launch with residential default rates that are lower than or competitive with those offered by the three-incumbent investor-owned utilities — Liberty serves the preponderance of Hanover customers, although Eversource serves several off Route 10 in northwestern Hanover and NHEC serves a small number in the Goose Pond Road area — and additionally offer optional products, such as supply options with higher and lower levels of renewable energy and time-varying rates that enable the intelligent use of customer energy technologies;

- **Fiscal Stability & Financial Reserves:** adopt an Energy Risk Management Policy and deposit a portion of revenues into a reserve fund to ensure that the program remains able to offer competitive rates as market prices fluctuate over time — and is therefore able to achieve Hanover's longer-term policy goals (such as the development of local energy resources and programs);

- **Consumer Protections:** ensure that the contracts entered in to on behalf of customers are fair and represent the interests of Hanover and the program's customers in the NH Legislature and NHPUC on matters pertaining to Community Power and ratepayer protection.
• **Enhanced Customer Focus:** enable customers to adopt new clean energy technologies that reduce energy expenditures and carbon emissions from the customer’s perspective, by reducing household and business fuel expenses through electrification of heating appliances and vehicles, offering time varying rate structures that incentivize self-generation of electricity via solar, dispatching onsite storage or shifting power consumption when electricity market prices are high, lowering customers’ utility transmission and distribution charges by reducing onsite demand in peak hours, and other strategies.

• **Cleaner, Local Power:** prioritize the development of cost-effective projects to supply an affordable energy portfolio that prioritizes the use of local renewable energy.

• **Community Resilience:** support local contractor training and education programs to lower barriers to the installation of new clean energy technologies, and support projects such as backup power supplies, electric vehicle charging networks and community microgrids on critical facilities.

• **Regional Collaborations:** collaborate with municipalities, other Community Power programs and government agencies to jointly develop cost-effective local renewable generation and storage projects, electric vehicle transit fleets and charging corridors, and other clean energy infrastructure developments.

• **Grid Modernization:** join with other Community Power programs to advocate for policies, regulations, and infrastructure investments necessary to enable innovative customer services and the intelligent use of new clean technologies, cost-effective integration of local and regional renewable generation and the reliable operation of customer and community owned microgrids and utility’s distribution grid.

Through strategies and initiatives like these, Hanover Community Power will achieve its goals of 100% renewable electricity by 2030 and thermal and transportation energy by 2050. Additional co-benefits include reducing fossil fuel consumption, enhancing the reliability of our electricity grid, creating savings and new value for customers, and attracting and supporting local businesses — areas that are essential to our continued success as a vital, sustainable community.

**Short-Term Objectives**

While many of the broader benefits Hanover Community Power could create for customers and the Selectboard will be developed over time, the program’s immediate objectives are to:

1. Launch offering competitive rates, including residential default supply rates that meet or beat incumbent investor-owned utility supply rates;
2. Begin accruing a reserve fund sufficient to ensure the program’s long-term financial stability;
3. Offer voluntary products that retail customers may opt-up to receive, as well as Net Energy Metering rates that allow customer generators to participate in the program.

The following sections provide additional context relevant to our immediate objectives.

**Performance Relative to Utility Default Service and Net Energy Metering Generation Rates**

Hanover Community Power will need to balance customer rate levels, renewable power content and the accrual of program reserves to meet these objectives.
Compensation to customer generators under Net Energy Metering rates, the timing of the program’s rate setting decisions and the procurement of electricity will need to consider incumbent utility tariffs, processes and timing in regard to these activities.

If the electric distribution utilities have not fully implemented Public Utilities Commission rules and procedures governing Community Power Aggregation service, certain groups of customers on default service provided by the utilities may need to be offered service on an opt-in basis, and/or offered service on an opt-out basis at a future date. For example, if the utilities are unable to reliably provide Hanover Community Power with the data on customer-generators necessary to offer Net Energy Metering (NEM) rates and terms, then Hanover Community Power may initially choose to not enroll customer-generators on an opt-out basis, as doing so could risk negatively impacting NEM customer billing and crediting procedures.

Refer to Attachment 3, Attachment 4, Attachment 5 and the section “Net Metering and Group Net Metering Policies” for additional documentation and discussion of these factors.

**Customer Rates and Products**

The table below provides an illustrative example of a default service product and optional rates that could be offered to customers:

<table>
<thead>
<tr>
<th>Attributes</th>
<th>DEFAULT SERVICE (automatic enrollment)</th>
<th>OPTIONAL PRODUCTS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Basic Service</td>
<td>Green Start</td>
</tr>
<tr>
<td>5-10% above RPS</td>
<td>Meets RPS</td>
<td>~50% Renewable</td>
</tr>
<tr>
<td>Price</td>
<td>Meet or beat default utility rate at launch</td>
<td>Below default utility rates</td>
</tr>
</tbody>
</table>

Note that the products which Hanover Community Power initially offers to customers, and the rates charged for each product, will be refined and finalized in advance of program launch.

**Renewable Portfolio Standard Requirements**

New Hampshire’s Renewable Portfolio Standard (RPS) requires all electricity suppliers to obtain RECs (Renewable Energy Credits) for four distinct “classes” of renewables, each distinguishing between different technologies and dependent upon the year that the renewable generators came online.

For 2021, the incumbent utilities are required to include 21.6% renewable energy in their energy supply. This minimum compliance requirement will increase incrementally to 25.2% by 2025 and remain fixed thereafter, absent a modification in the RPS by an act of the NH Legislature.

Hanover Community Power would seek to procure voluntary renewables well in-excess of the RPS minimum requirements from “Class I” resources (as defined in Attachment 3). Additionally, the program could seek to include as much renewable energy sourced from generating resources located in New Hampshire and New England as possible.
The chart below shows the different classes and quantities of renewable power required under the RPS between 2020 and 2025, along with, for the sake of illustration, Hanover Community Power’s additional voluntary purchases (assuming the default product in the above table, which exceeds RPS requirements by 5% to 10% each year):

Renewable Portfolio Standard Requirements + Voluntary Purchases

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**Energy Portfolio Risk Management, Retail Rates and Financial Reserve Policies Compliance**

Hanover Community Power’s power procurement, budgeting and rate-setting will be carried out in accordance with the Energy Portfolio Risk Management, Retail Rates Policy and Financial Reserve policies that will be adopted by the Selectboard.

This decision-making framework is intended to guide the program to allocate revenues in a manner that appropriately balances our competing priorities — to ensure that Hanover Community Power will remain stable, and able to work towards achieving all of our policy goals, over the long-term.
Electric Aggregation Plan Statutory Requirements

The following requirements for this Electric Aggregation Plan, which conform to the statutory compliance requirements outlined in RSA 53-E:6, are addressed below:

A. Organizational structure of the program.
B. Methods of entering into and terminating agreements.
C. Operation and funding.
D. Rate setting, costs, and customer enrollment process.
E. Rights and responsibilities of program participants.
F. Net metering and group net metering policies.
G. Ensuring discounts for Electric Assistance Program participants.
H. Termination of program.

Organizational Structure of the Program

Upon approval of this EAP, Hanover Community Power will be authorized to provide electricity and other related services to participating residents, businesses, and other customers in the Town of Hanover. The Selectboard will oversee the program and has overall governance authority. Decisions regarding Hanover Community Power, such as setting program goals, adoption of Energy Portfolio Risk Management, Retail Rates, and Final Reserve policies (to govern the program’s power procurement and rate-setting) and approval of customer rates, will be made at duly noticed public meetings.

The Selectboard will appoint a primary and alternate representative to the CPCNH Board of Directors, which will oversee the start-up and operation of the agency, provide input regarding the CPCNH public advocacy on matters of policy and regulation, provide direction to CPCNH’s vendors and/or staff as the agency’s operations and customer services evolve over time, and be responsible for advising and updating the Selectboard, for example by: assessing and reporting on program performance, evaluating how to evolve the services and products offered to customers, and otherwise elevating any matters that warrant attention to the Selectboard.

Additionally, the Selectboard may direct the Electric Aggregation Committee to continue to hold meetings for the purpose of providing community input and advisory support regarding the program.

Methods of Entering into and Terminating Agreements

This Electric Aggregation Plan authorizes the Selectboard to negotiate, enter into, modify, enforce, and terminate agreements as necessary for the implementation and operation of Hanover Community Power.

Operation and Funding

Hanover Community Power will contract with qualified vendors and credit-worthy suppliers to provide the services, credit support and electricity required to launch and operate the program.
This plan assumes, but does not require, Hanover to participate fully in CPCNH and thereby contract for operational services jointly with other participating Community Power programs.

CPCNH third-party contractors will be expected to fund the upfront cost of implementing Hanover Community Power, the expense of which will be amortized and recovered in the program’s rates and charges to participating customers. The program may also seek opportunities to apply for grant funding, either independently or through CPCNH.

Services provided by third-party entities required to launch and operate the program include portfolio risk management services, wholesale Load Serving Entity (LSE) services, financial services, electronic data interchange (EDI) with the utilities, customer data management and billing services, customer notification and relationship management services (e.g., call center, website, etc.). Additional information on how Hanover Community Power will implement Load Serving Entity (LSE) services is found in Attachment 8, How Load Serving Entity Services will be Implemented.

Additional support services such as management and planning, budgeting and rate setting, local project development support, regulatory compliance, and legislative and regulatory engagement services (on matters that could impact the program and participating customers) will be addressed through a combination of staff support and third-party services.

Hanover Community Power will provide “all-requirements” electricity supply for its customers, inclusive of all the electrical energy, capacity, reserves, ancillary services, transmission services, transmission and distribution losses, congestion management, and other such services or products necessary to provide firm power supply to participants and meet the requirements of New Hampshire’s Renewable Portfolio Standard. (Refer to Attachment 3 for details regarding the requirements of Renewable Portfolio Standard statute, RSA 362-F.)

Electricity supply contracts will be executed or guaranteed by investment-grade entities, and suppliers will be required to use proper standards of management and operations, maintain sufficient insurance and meet appropriate performance requirements.

If a single supplier is relied upon to provide all-requirements electricity on behalf of Hanover Community Power, then (1) the supply contract will be executed or guaranteed by entities that possess at least a BBB- or equivalent investment-grade rating issued by a nationally recognized statistical rating organization (NRSRO), and (2) the supplier will be required to use proper standards of management and operations, maintain sufficient insurance, and meet appropriate performance requirements for the duration of the supply contract. Alternatively, if a portfolio of contracts with multiple entities is structured to diversify counterparty credit risk exposure, and actively managed to provide for all-requirements electricity on behalf of Hanover Community Power, then counterparty credit requirements and monitoring, hedging transaction authorities, residual ISO-NE market exposure limits, and reporting requirements will be carried out in accordance with Energy Portfolio Risk Management, Rates, and Financial Reserves policies that would be established prior to commencing procurement and implementing the program.

Additionally, RSA 53-E provides Community Power programs with authorities pertaining to meter ownership, meter reading, billing, and other related services. These authorities provide Hanover Community Power with the practical ability to help customers adopt and use innovative technologies (for example, building management systems, smart thermostats, backup battery storage systems, controllable electric vehicle chargers, etc.) in ways that save money, enhance resiliency of the grid and decarbonize our power supply.
However, the implementation of these authorities is expected to take some time, as it requires action by the NHPUC to adopt enabling rules and coordination with the incumbent utilities to adapt existing meter and billing system processes.

**Rate Setting, Costs, Enrollment Process, and Options**

Customers who choose not to participate in Hanover Community Power shall not be responsible for any costs associated with the program, apart from any incidental costs incurred by the Town prior to the point at which the program starts producing revenue from participating customers. Incidental costs include, for example, staff time and attorney review of contracts, but do not include any operational or capitalized costs of the program.

**Rate Setting and Costs**

Hanover Community Power will only launch if it is able to offer residential default rates that are initially lower than or competitive with those offered by Liberty Utilities and Eversource and NHEC; thereafter, the program will strive to maintain competitive rates for all default service customers, as well as customers who opt-in or opt-up to receive optional retail products, while working to achieve the program’s goals as set forth in this Electric Aggregation Plan and modified from time to time at the direction of the Selectboard.

The Selectboard will adopt Energy Portfolio Risk Management, Retail Rates, and Financial Reserve policies to govern the program’s power procurement cost and rate-setting decisions. Rates will be set at a level such that revenues from participating customers are projected to meet or exceed the ongoing operating and capital costs of the program. To ensure the financial stability of Hanover Community Power, a portion of revenues will be deposited in a financial reserve account. In general, the fund will be restricted for uses such as:

- **In the near-term**, maintain competitive customer rates in the context of price fluctuations in the electricity market and other factors.
- **In the medium-term**, as collateral for power purchase agreements (including for the development of new renewable projects), and for additional credit enhancements and purposes that lower the program’s cost of service.
- **Over the long-term**, may also be used to directly fund other program financial requirements, or to augment the financing for development of new projects and programs in the later years of the program, subject to the Selectboard’s approval.

As required by law, the program will set rates that ensure the equitable treatment of all classes of customers, subject to any differences arising from varying opportunities, tariffs, and arrangements in the incumbent utilities’ distribution franchise territory. In other words, customers will be treated the same based on their circumstances. For example, any customers that opt-in after being offered the opportunity to participate during the initial enrollment period may be offered rates that reflect how market prices have changed in the intervening period.

Changes to the program’s default service rates shall be set and publicly noticed at least 30 days in advance of any rate change.
Enrollment Process and Options

Hanover Community Power intends to launch on an opt-out basis, providing an alternative default service to the utilities' default service rate. After approval of this Electric Aggregation Plan and before the launch of Hanover Community Power, all customers in the Town of Hanover will be sent notifications regarding the program and offered the opportunity to participate:

- **Customers currently on default service provided by Liberty Utilities or, Eversource or NHEC** will be sent "opt-out" notifications — describing the program, its implications for the Town of Hanover, the rights and responsibilities of customers, and program rates and charges — with instructions on how to decline participation, and thereafter transferred to Hanover Community Power if they do not opt-out of the program prior to launch.

- **Customers already served by Competitive Electric Power Suppliers and/or NHEC** will receive "opt-in" notifications describing the program and may request to opt-in to the program. Customers will be notified through a mailing, which will be posted not less than 30 days prior to the enrollment of any customers. All information will be repeated and posted at the Town’s Community Power website. A public information meeting will be held within 15 days of the notification to answer program questions or provide clarification.

Optional products, such as increased renewable power content beyond the Renewable Portfolio Standard (RPS) content of the program’s default product and other energy services, may be offered on an opt-in basis.

After launch and in accordance with any applicable rules and procedures established by the Public Utilities Commission, new customers will be provided with the default service rates of Liberty, Eversource, NHEC and Hanover Community Power. Eversource and Liberty default service customers and will then be transferred onto Hanover Community Power’s default service unless they choose to be served by the incumbent utilities or a Competitive Electric Power Supplier.

Residents, businesses, and other electricity customers may opt-out of participating in Hanover Community Power default service at any time, by submitting adequate notice in advance of the next regular meter reading by the incumbent utilities (in the same manner as if they were on utility provided default service or as approved by the NHPUC).

Customers that request to opt-in to the program may do so subject to the terms of Hanover Community Power. Customers that have opted-in to an optional product offered by Hanover Community Power may switch back to the incumbent utilities or may take service from a Competitive Electric Power Supplier subject to any terms and conditions of the optional product.

Rights and Responsibilities of Program Participants

All participants will have available to them the customer protection provisions of the law and regulations of New Hampshire, including the right to question billing and service quality practices. Customers will be able to ask questions of and register complaints with the Town of Hanover, Liberty, Eversource, NHEC and the NHPUC.

Hanover Community Power shall maintain the confidentiality of individual customer data in compliance with its obligations as a service provider under RSA 363:38 (privacy policies for individual customer data; duties and responsibilities of service providers) and other applicable statutes and NHPUC rules. Confidential data includes information that singly or in combination can
COMMUNITY POWER COALITION OF NEW HAMPSHIRE

COST SHARING AGREEMENT

This Cost Sharing Agreement ("Agreement") is made and entered into this ___ day of ________, ____, by and between the Town of Hanover, a subdivision of the State of New Hampshire, ("the Member") and the Community Power Coalition of New Hampshire ("CPCNH" or "Corporation"), pursuant to the provisions of the CPCNH Joint Powers Agreement ("JPA") (collectively, the "Parties").

RECITALS

WHEREAS, the Town of Hanover may choose to implement Community Power Aggregation ("CPA") service to provide all-requirements electricity for its residents and businesses pursuant to New Hampshire Revised Statutes Annotated ("RSA") 53-E, the Community Power Act, which found "it to be in the public interest to allow municipalities and counties to aggregate retail electric customers, as necessary, to provide such customers access to competitive markets for supplies of electricity and related energy services;"

WHEREAS, the Constitution of New Hampshire declares that "Free and fair competition in the trades and industries is an inherent and essential right of the people and should be protected against all monopolies and conspiracies which tend to hinder or destroy it;"

WHEREAS, CPCNH is a nonprofit all-requirements Joint Powers Agency and governmental instrumentality operating pursuant to the Joint Powers Agreement entered into by the Town of Hanover on the 13th day of September, 2021, for the purpose of jointly exercising the powers granted to municipal corporations pursuant to NH RSA 33-B, NH RSA 53-E, NH RSA 53-F, and NH RSA 374-D (including, by reference, NH RSA 33) in accordance with RSA 53-A, Agreements Between Governments;

WHEREAS, CPCNH is jointly controlled and governed by its Members, united as a single entity to operate for the mutual benefit of the Members collectively, to promote the common good, general welfare, economic vitality, and prosperity of local communities in New Hampshire, to use the powers and authority granted by the Members to gain economies of scale and scope to launch, operate, and evolve Community Power Aggregation ("CPA") programs, and to advance other energy and climate policies and actions on behalf of the Members; and

WHEREAS, CPCNH’s Joint Powers Agreement requires this Cost Sharing Agreement be entered into by all Members to ensure that the costs, expenses, debts, and liabilities directly or indirectly incurred by CPCNH on each Member’s behalf are recovered through said Member CPA’s revenues, or from grants or other third-party sources;

NOW, THEREFORE, in consideration of mutual benefits, covenants, and considerations hereinafter set forth, CPCNH and the Member hereby agree as follows:

{D0513985.DOCX / 1}
The purpose of this Cost Sharing Agreement is to ensure that (i) the expenses, debts, and liabilities ("costs") directly or indirectly incurred by CPCNH on behalf of the Member are allocated to them based upon cost causation principles, to the extent practical, and (ii) that such costs are recovered from their CPA program revenues, or revenues from grants or other third-party sources.

This Cost Sharing Agreement (i) affirms that the resolutions and articles of the Joint Powers Agreement, as applicable herein, represent a mutual and collectively beneficial approach to cost allocation, whether Members are active or withdrawn from CPCNH, (ii) obligates CPCNH to carry out cost tracking and allocation for recovery from Member CPA revenues in accordance with the methodologies and procedures herein, which are intended to ensure fairness across all Members.

Execution of this Cost Sharing Agreement is a requirement for all Members. Upon execution of this Agreement, Members may subsequently elect to take certain CPA Member Services, which are provided in Exhibit C; each Member Service requires separate execution by the Member to authorize and obligate CPCNH to provide services on behalf of the Member’s CPA.

Electing the Complete Service Bundle of CPA Member Services thereunder authorizes and delegates authority to CPCNH to, pursuant to CPCNH’s Energy Portfolio Risk Management, Rates, and Reserves policies: (i) take all actions necessary and proper to finance, launch, and operate the Member’s CPA; (ii) set rates and provide all-requirements electricity to eligible retail customers taking service within the Member’s service territory; and (iii) collect customer revenues to accrue financial reserves on behalf of the Member and recover the costs allocated to the Member’s CPA pursuant to this Agreement.
ARTICLE II
AMENDMENT

CPCNH's Joint Powers Agreement requires that the Cost Sharing Agreements between the Corporation and each individual Member be uniform in all material respects, except with regard to the scope of Member services and Project Contracts that each Member selects to participate in and pay for.

This Agreement duly provides flexibility to update and evolve the scope of services offered to all Members, for individual Member election, by permitting CPCNH to update Exhibit C for all Members, and to incorporate any Project Contracts entered into by an individual Member in Exhibit F. Similarly, Exhibit B: Cost Allocation Reference Table, Exhibit D: Template Cost Allocation Report, Exhibit E: Template Report Glossary, and the list of current CPCNH Members presented under Article III, below, may all be updated by CPCNH. Excerpts from CPCNH's Joint Powers Agreement herein are also updated upon amendment to the Joint Powers Agreement. The Corporation shall promptly distribute any such updates to all Members in a uniform manner, except that Exhibit F of each Member's Cost Sharing Agreement shall only reflect the Project Contracts, if any, entered into by each Member. The Member agrees that all such updates provided by CPCNH to the Exhibits and Joint Powers Agreement language herein shall be incorporated into and do not constitute an amendment to this Agreement.

To ensure that all other aspects of this Agreement, including the cost allocation methodologies prescribed hereunder, are similarly capable of evolving over time, and in recognition that the changeable nature of energy markets, technologies, and cost-drivers may well warrant refinements to the cost allocation methodologies herein at some point in the future, this Agreement may be amended by a written amendment unanimously approved by the votes cast at a meeting of the Membership at which a quorum is present, provided that CPCNH's Chief Executive Officer or Chair of the Board shall send written notice of any proposed amendments to the Member Representatives and principal executive officers of each Member at least thirty (30) days prior to such meeting at which it is to be acted upon.

The Member recognizes that, absent this mechanism, it may become impractical to otherwise amend this Agreement as the number of Members grows over time, given the requirement that the Agreement be maintained as uniform in all material respects across the Membership, and that such an eventuality would be contrary to the interest of every Member.

ARTICLE III
MEMBERSHIP

CPCNH's current Membership, pursuant to CPCNH's Joint Powers Agreement, may individually execute this Agreement and thereby jointly rely on CPCNH to finance, launch, and operate their CPA programs. The Parties acknowledge that the actual sequencing of CPA implementation may vary from this table:

<table>
<thead>
<tr>
<th>Members currently intending to implement CPA program service in 2023:</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of Lebanon</td>
</tr>
<tr>
<td>Town of Hanover</td>
</tr>
<tr>
<td>City of Nashua</td>
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<tr>
<td>Cheshire County</td>
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<thead>
<tr>
<th>Members in the process of authorizing CPA programs:</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of Dover</td>
</tr>
<tr>
<td>Town of Warner</td>
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<tr>
<td>Town of Pembroke</td>
</tr>
<tr>
<td>Town of Webster</td>
</tr>
<tr>
<td>Town of New London</td>
</tr>
</tbody>
</table>
ARTICLE IV
ELECTION OF CPA MEMBER SERVICES & PROJECT CONTRACTS

The CPA Member Service Agreements currently authorized by the Board are provided in Exhibit C, inclusive of any additional terms of service thereof, for elective execution by the Member. Enrollment periods during which any Members may execute a given contract for CPA Member Services offered in Exhibit C may be for pre-defined periods or open-ended, and the Board may also close enrollment in any CPA Member Service contract that was previously open-ended. During the active enrollment period applicable to any given Member Service Agreement, all executed Agreements between CPCNH and each Member that has elected the same service must be uniform in all material respects.

All of the services required to undertake and provide CPA service are initially offered as a Complete Service Bundle. The Board may authorize additional CPA Member Services, including the disaggregated services comprising the Complete Service Bundle, for Members to elect and pay for on an a la carte, elective basis thereunder. The Member agrees that, from time to time, CPCNH may update Exhibit C to modify enrollment periods for specific CPA Member Services contracts, remove CPA Member Services contracts that are no longer offered and in use by any Member, and incorporate new CPA Member Services contracts offered to all Members.

Project Contracts that an individual Member has entered into, upon execution, shall be placed into Exhibit F of the Member’s Cost Sharing Agreement and incorporated by reference hereunder.

Exhibit B provides a reference table summarizing how costs shall be allocated, for all Members’ ease of reference, which shall be updated by CPCNH commensurate with the removal and/or addition of any CPA Member Services to Exhibit C, or as otherwise warranted at CPCNH’s discretion.

ARTICLE V
COST RECOVERY COMMITMENT; LIMITATION

Article V, Section 3 of the JPA requires that the Cost Sharing Agreement entered into by each Member “ensure that the costs, expenses, debts, and liabilities (“Costs”) ... directly or indirectly incurred by the Corporation on such Member’s behalf are recovered through said Member’s CPA revenues, or from revenues from grants or other third-party sources.”

The Member acknowledges and agrees that the costs directly or indirectly incurred by CPCNH on the Member’s behalf shall be recovered through the Member’s CPA revenues, or from revenues from grants or other third-party sources.

The debts, liabilities, and obligations of CPCNH shall not be debts, liabilities, and obligations of the Member unless and only to the extent agreed to under a Member Service contract entered into by the Member, pursuant to Exhibit C, or Project Contract separately entered into by the Member.

ARTICLE VI
COST REPORTING & RECORDS

This Cost Sharing Agreement puts in place a mandate for transparency regarding how costs are tracked, and allocations are computed. CPCNH will provide for the data collection, analysis, accounting, reconciliation of receipts and aging, and cost allocation between Member CPAs under the methodologies and processes set forth in this Cost Sharing Agreement. As provided for under Article IX hereunder, actual metered customer electricity consumption will be employed where consumption is the determinant of allocation, to the extent possible. However, the Member acknowledges that CPCNH’s reasonable estimations of usage may need to be employed, initially and/or
even permanently, depending upon the availability of actual data by Member CPA, but estimations should be subject to periodic reconciliation with actual loads when reasonably practicable.

CPCNH will deliver monthly reports to each Member CPA, after it closes its books, encompassing and presenting all costs and allocations by Member. Reports will be prepared at an appropriate level of line-item granularity and will be uniform in all material respects, except with regard to the scope of CPA Member Services and Project Contracts that each Member selects to participate in and pay for. Exhibit D shall present the current report template in use by CPCNH, accompanied by the glossary in Appendix E, which shall be kept current by CPCNH for the Member’s reference. Reports will be delivered and distributed to all Members by CPCNH.

Pursuant to CPCNH JPA Article XIII, “The books and records of the Corporation shall be open to inspection at all reasonable times to each Member and its representatives.” The Member may, at any time, request detail, clarification and/or revisions of monthly reports, which shall be distributed to all Members.

ARTICLE VII
CPCNH IMPLEMENTATION COSTS

The funding to implement CPCNH is derived from four sources. These sources will cover the initial cost of CPCNH during the Implementation Phase, which refers to the period from the incorporation of CPCNH, on October 1, 2021, through the Start-Up Date, which shall be deemed to be the first of the calendar month in which CPCNH begins receiving customer revenues for delivery of all-requirements electricity to serve the demand of the customers of Member CPAs:

1) Funds provided by Members, gifts, or grants received and recorded by CPCNH as cash contributions.

2) Credit extended by contract to, and received by, CPCNH from vendors or banks, whether extended with interest or deferred interest cost or charged on an alternate basis.

3) Interest-free cash advances, grants, or loans extended by contract to, and received by, CPCNH.

4) Deferred compensation by vendors and contractors under contract for future payment by CPCNH, contingent upon the delivery of all-requirements electricity to serve the demand of the customers of Member CPAs.

The Member acknowledges and affirms that the cost of implementing CPCNH should not be borne solely by the customers taking service from initial Member CPAs, as such costs are foundational to the benefit of all Members of CPCNH at any point. As such, the Agreement provides that:

1) Implementation Costs are defined as costs incurred or accrued by CPCNH during the Implementation Phase which are not directly allocatable to any one Member CPA, in that such costs would have been incurred or accrued by CPCNH irrespective of the participation of any one Member CPA, inclusive of interest or financing charges that continue to accrue on such costs subsequent to the Implementation Period, less funds received by CPCNH pursuant to (1) above.

2) Implementation Costs shall be equitably allocated, on an equal volumetric retail electricity usage basis, to the CPA of each Member that (i) executes this Cost Sharing Agreement and, (ii) supplies all-requirements electricity to retail customers through said Member’s CPA program within the five (5) year period commencing on the Start-Up Date (“Implementation Cost Recovery Period”).

3) CPCNH intends to pay off Implementation Costs during the initial three (3) years following the Start-Up Date. Consequently, over the course of the five (5) year Implementation Cost Recovery Period, each Member CPA will receive an allocation obligation, providing for the direct payment of Implementation Costs and/or reimbursements to the Member CPAs that have already paid for the Implementation Costs, such that, at the
conclusion of the five (5) year period, the sum of electricity used by retail customers taking service from each CPA over the course of the period divided into the Implementation Costs allocated to each CPA shall be equivalent on a dollar per megawatt-hour ($/MWh) basis.

4) CPCNH shall maintain an internal accounting of the amount of Implementation Costs, and the allocation obligations, payments, and reimbursements of such costs, which record shall be available for inspection by Members at any reasonable time.

ARTICLE VIII
CLASSIFICATION OF COSTS

The three primary categories of costs into which CPCNH must classify all costs, pursuant to Section 3 of Article V of the JPA, are described in further detail below. Refer to Exhibit A for excerpts from the JPA regarding cost sharing principles, which are incorporated herein.

1) CPA Member Services Costs are costs related to undertaking and providing CPA service on behalf of Members. Such costs will represent the bulk of the cost that CPCNH will incur, including for the provision of:

   a) CPA Power Supply Costs: costs incurred by CPCNH to secure and sell all-requirements electricity supply to serve the demand of the customers of each Member CPA, the definition and requirements of which are subject to changes in law and rules, and to engage in portfolio risk management, which includes:

      i) The cost of electrical energy, capacity, reserves, ancillary services, transmission services (to the extent allocated to Member CPA service), transmission and distribution losses, congestion management, and other such services or products necessary to provide firm power supply and meet the requirements of New Hampshire’s Renewable Portfolio Standard, and financial products.

      ii) The cost of financial products related to portfolio risk management, such as power or natural gas options, swaps, or futures contracts, Financial Transmission Rights (FTR) obligations and options, and products to hedge non-energy cost components of the power supply portfolio.

      iii) Additional attributable costs authorized by individual Member CPAs for any other power supply related products and services, such as for securing or purchasing Renewable Energy Credits in excess of the requirements of New Hampshire’s Renewable Portfolio Standard, or for resources that reduce the ISO-NE wholesale load obligations and/or reduce transmission cost allocations, if any, attributable to the Member CPAs, which may also generate credit for avoided transmission costs or avoided capacity costs attributable to customers and/or Member CPAs.

   b) CPA Operational Costs: costs related to undertaking and providing CPA service on behalf of Members that are not CPA Power Supply Costs, which include but are not limited to the following:

      i) Staff, overhead, legal, banking, technical, regulatory, and financial services costs attributable to the provision of CPA service.

      ii) Financing and credit charges incurred for the provision of all-requirements electricity supply, and for operating costs hereunder, excluding those associated with any Project.

      iii) Compliance costs attributable to the provision of CPA service.

      iv) Direct costs and/or costs incurred from third-party providers under contract with CPCNH to provide services, including:

         (1) Marketing, advertising, community engagement, and customer noticing pertaining to CPA service.
(2) ISO-NE Load Serving Entity (LSE) services.
(3) Portfolio and risk management services.
(4) Utility data interchange, data management, and customer billing services.
(5) Call center and customer engagement services.
(6) Local program design, administration, and/or financing.

v) Attributable Implementation Costs of the Corporation.

2) **General and Administrative Costs**: costs incurred for the common objectives of all CPCNH Members that are not incurred specifically in connection with a particular Project, Project Contract, or Member Service. Typical costs in this category, which may be fully or partially defined as General and Administrative Costs, include:

   a) Administrative offices.
   b) CPCNH-wide financial management.
   c) Business services.
   d) Budget and planning.
   e) Personnel management.
   f) Central management information systems and operations.
   g) General management of CPCNH, such as for strategic direction and Member affairs, Board functions, accounting, procurement, and legal services; operation and maintenance expense; depreciation and use allowances; and interest costs.
   h) Attributable Implementation Costs of the Corporation.

3) **Direct Project Costs** are costs incurred for a particular Project pursuant to a Project Contract for a specific Member and/or CPA, or subset thereof, that are not allocated to General and Administrative Costs, to the extent appropriately assigned to specific projects pursuant to Section 4 of Article V of the JPA. These projects can take on many forms but carry a distinct attribute that they are defined by a specific Project Contract entered into by Members participating in particular projects. As such, Direct Project Costs are identified by contract for recovery from the Members that are signatories to the Project Contract.

**ARTICLE IX
ALLOCATION OF COSTS**

Costs directly or indirectly incurred by CPCNH relating to (1) the CPA Member Services elected by the Member pursuant to Exhibit C, (2) General and Administrative Costs of the Corporation, and (3) the Project Contracts entered into by the Member, if any, will be allocated to the Member in accordance with this Article IX. Refer to Exhibit B for a reference table summarizing these costs and allocation methodologies.

1) **CPA Member Services Costs.** Services required to undertake and provide CPA Member Services are allocated to Member CPAs pursuant to cost causation principles, to the extent reasonably practical, as described herein.

   a) **CPA Power Supply Costs.** Each Member will be allocated all costs incurred by CPCNH attributed to the provision of all-requirements electricity supply to the retail customers of said Member’s CPA, inclusive of the cost of financial products related to portfolio risk management, as follows:

      i) For the net costs attributable to the provision of all-requirements electricity supply to retail customers for each Member CPA:
(1) Where retail customer usage on a temporal and/or geographically specific basis is the determinant of costs:

   (a) Actual metered customer electricity usage will be employed to the extent reasonably practical for each Member and to the extent such usage is used for load settlement purposes with ISO-NE ("actual usage").

   (b) Estimated or profiled electricity usage will be employed only to the extent that actual metered customer electricity usage is not reasonably available or is not used for load settlement purposes with ISO-NE for said Member.

(2) Where retail customer usage on a temporal and/or geographically specific basis is not the determinant of costs, Members will be allocated net costs on a pro rata volumetric usage basis.

   ii) For costs incurred pertaining to financial products related to portfolio risk management, net costs may be allocated either to all Members on a pro rata volumetric usage basis or to each Member based upon either their actual electricity usage, if reasonably available, or alternatively, estimated, or profiled electricity usage.

   iii) For costs incurred pertaining to any other power supply related products and services authorized by each Member CPA, net costs will be allocated to said Member CPAs based on a reasonable determination of the cost of providing that service.

b) CPA Operational Costs. Each Member will be allocated all costs incurred by CPCNH related to undertaking and providing CPA service on behalf of said Member that are not CPA Power Supply Costs, as follows:

   i) For costs attributable to staff, overhead, legal, banking, technical, regulatory, and financial services, costs will be allocated to all Members on a pro rata volumetric usage basis.

   ii) For costs incurred pertaining to compliance requirements:

      (1) Costs reasonably attributable to each Member will be allocated to said Member.

      (2) Costs that are not reasonably attributable to any one Member will be allocated to all Members on a pro rata volumetric usage basis.

   iii) For financing and credit charges incurred for the provision of all-requirements electricity supply, and operating costs hereunder, costs may be allocated either to all Members on a pro rata volumetric usage basis or to each Member based upon their actual usage, if reasonably available, or alternatively, estimated, or profiled electricity usage.

   iv) For costs incurred from third-party providers of services under contract with CPCNH:

      (1) Services charged based on a metric or fee structure that can be reasonably applied to an individual Member basis will be allocated to each Member on that basis.

      (2) Services charged based on a metric or fee structure that cannot be reasonably applied on an individual Member basis will be allocated to all Members on a pro rata volumetric usage basis.

2) General and Administrative Costs.

   a) Each Member will be allocated General and Administrative Costs on a pro rata basis in accordance with the following formula: Member CPA’s Annual Retail Electricity Load divided by all Member CPAs’ Annual Retail Electricity Load.

   i) “Annual Retail Electricity Load” means the annual amount of metered electricity delivered to retail consumers and supplied through the Member CPA during the most recent 12 whole months.
ii) If less than 12 whole months of load have been supplied through the Member CPA, the calculation of a Member's Annual Retail Electricity Load shall be as follows:

(1) Within a CPCNH Fiscal Year, the Member CPA's allocation of General and Administrative Costs shall initially be based on a reasonable forecast provided by CPCNH of the Member CPA's load for the duration of the Fiscal Year divided by all Member CPAs' forecast Annual Retail Electricity Load for that Fiscal Year.

(2) After the close of the CPCNH Fiscal Year, to the extent reasonably practical, such forecasts shall be reconciled to the Member CPA's actual load over the Fiscal Year divided by the total of actual loads for all Member CPAs for that Fiscal Year.

3) **Direct Project Costs.** Costs incurred for a particular Project pursuant to a Project Contract will be recovered pursuant to the Project Contract that governs Member cost responsibility for the Project. Nothing contained in a Project Contract shall obligate non-participating Members in any respect with the Project. If CPCNH incurs additional costs for a particular Project, then:

a) CPCNH shall provide notice to the Project Committee in question regarding the date upon which the Project Committee must vote upon the matter of how to fully allocate such additional costs amongst participating Members, which shall be considered a Project Matter for this purpose, and CPCNH shall allocate costs pursuant to an affirmative vote by the Project Committee thereof.

b) In the absence of an affirmative vote by the Project Committee thereof, CPCNH shall allocate such additional costs to each Member in proportion to their participation share allocation for the Project.

**ARTICLE X**

**GENERAL TERMS & CONDITIONS**

The Joint Powers Agreement carries with it several elements with which this Cost Sharing Agreement shall hold generally consistent but apply specifically to this Cost Sharing Agreement.

**Limitations of Liability**

As provided for in Article XII of the JPA, "No debt, liability, or obligation of the Corporation shall be a debt, liability, or obligation of any Member unless otherwise specified and agreed to by individual Members under a Cost Sharing Agreement or Project Contract under this Agreement."

**Indemnification**

This Cost Sharing Agreement is a continuation of the authority in the Joint Powers Agreement, and as such, its indemnification language applies (By-Laws, Article 13.1):

"Each Member (including its governing body), Member representative, Director, Officer, committee member, employee, assignee, or agent of CPCNH, (and the respective heirs, executors and administrators), shall be indemnified and held harmless by CPCNH against any and all claims, demands, losses, costs, penalties, expenses (including attorneys' fees), judgments, damages and liabilities reasonably incurred by, or imposed upon them in connection with any action, suit or proceeding to which they may make a party or with which they shall be threatened, by reason of their being, or having been, a Member, Member representative, Director, Officer, committee member, employee, assignee, or agent of CPCNH (whether or not they continue to be a Member, Member representative, Director, Officer, committee member, employee, assignee, or agent of CPCNH at the time such action, suit or proceeding is brought or threatened), arising in whole or in part, directly or indirectly from conduct in which such Member, Member representative, Director, Officer, committee member, employee, assignee, or agent has engaged in good faith. However, no such indemnification shall apply in relation to any matter involving (i) a breach of their
duty of loyalty to CPCNH; (ii) acts or omission which are not in good faith or which involved intentional misconduct or a knowing violation of law; or (iii) a transaction from which the Director, Officer, Member representative, committee member, employee, assignee, or agent derived an improper personal benefit. In the event of settlement of any such action, suit or proceeding brought or threatened, such indemnification shall be limited to matters covered by the settlement as to which CPCNH is advised by counsel that such Member, Member representative, Director, Officer, committee member, employee, assignee, or agent is not liable for misconduct as such. The foregoing right of indemnification shall be in addition to any rights to which any Member (including its governing body), Member representative, Director, Officer, committee member, employee, assignee, or agent may otherwise be entitled."

Further, CPCNH shall, “Defend, hold harmless, and indemnify, to the fullest extent permitted by law, each Member from any liability, claims, suits, or other actions.” Articles of Agreement of the Corporation, Article 7.21.

Dispute Resolution

This Cost Sharing Agreement affirms the dispute resolution approach defined in Article XVIII, Section 2 of the JPA, and the Member hereby agrees to extend this provision in support of the Cost Sharing Agreement:

“The Members and the Corporation shall make reasonable efforts to settle all disputes arising out of, or in connection with, this Agreement. Before exercising any remedy provided by law, a Member or Members and the Corporation shall engage in nonbinding dispute resolution or in a manner agreed upon by the Member or Members and the Corporation. The Members agree that each Member may specifically enforce this provision. Article XVI, Section 2, Dispute Resolution. In the event that dispute resolution is not initiated or does not result in a resolution within 60 days after a written request for dispute resolution, any disputed Member or the Corporation may pursue any remedies provided by law.”

Continuing Obligations: Participant Withdrawal and Obligations or Buyout Provisions

Continuing obligations shall be pursuant to the same terms for continuing obligations as provided for under Article IV, Section 6 of the JPA:

“Any withdrawn or terminated Member shall continue to be liable for its obligations under any Project Contract and Cost Sharing Agreement(s) for the remaining term of any such Project Contract or Cost Sharing Agreement. The Member’s equity or deficit position while a participant in any Project Contract will continue to be reflected in the records and reports of the Corporation. The Corporation may withhold funds otherwise owing to the Member or may require the Member to deposit sufficient funds with the Corporation, as reasonably determined by the Board, to cover the Member’s liability for the costs described herein. Any amount of the Member’s funds held on deposit with the Corporation above that required to pay any liability or obligation shall be returned to the Member.”

ARTICLE XI
TERM

This Agreement shall be deemed to have been in effect commencing upon the date the Member became a Member of CPCNH following execution of the CPCNH Joint Powers Agreement. This Agreement shall continue in full force and effect until terminated by the earlier of (1) dissolution and liquidation of the Corporation, and distribution of any net proceeds, as provided for in Article XI of the By-Laws or (2) the later of (a) withdrawal or involuntary termination of the Member from the Corporation, as provided for in Article 4 and 5 of the JPA, subject to any continuing obligations, as provided for in Article 6 of the JPA, or (b) as otherwise specified in this Agreement.
IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed and attested by their respective officers thereunto duly authorized:

MEMBER: ______________________________________

By: ______________________________

Title: ______________________________

Name: ______________________________

Date: ________________________________

ATTESTATION: __________________________

Clerk

COMMUNITY POWER COALITION OF NEW HAMPSHIRE

By: ________________________________

Chair of the Board of Directors

Name: ________________________________

Date: ________________________________

ATTESTATION: __________________________

Secretary of the Board

APPROVED AS TO FORM: ____________________

General Counsel to the Board
EXHIBIT A: COST SHARING PRINCIPLES

1) CPCNH’s Joint Powers Agreement, Article V, defines certain cost sharing principles, which are provided below for the Member’s reference, and Sections 3-7 thereunder are expressly incorporated herein:

ARTICLE V
COST SHARING PRINCIPLES

SECTION 1. Fiscal Year. The fiscal year shall be the calendar year, subject to the Board’s discretion to amend the Fiscal Year. Before changing the Fiscal Year, the Board shall confer with the Treasurer and may confer with the auditor.

SECTION 2. Budget. The budget will be established pursuant to the terms reflected in the By-Laws.

SECTION 3. Cost Sharing Agreements. An agreement shall be entered into between the Corporation and each respective Member, uniform in all material respects, except with regard to the scope of Member services and Project Contracts that each Member selects to participate in and pay for, to ensure that the costs, expenses, debts, and liabilities (“Costs”) directly or indirectly incurred by the Corporation on such Member’s behalf are recovered through said Member’s CPA revenues, or from revenues from grants or other third-party sources. Such Costs shall be classified as:

(a) CPA Member Services Costs: Costs incurred to provide the Complete Service Bundle, or such services that CPCNH offers, shall be recovered directly from Member(s) for the period they contract to receive such service(s). The Complete Service Bundle will include those services CPAs will require to undertake and provide Electric Aggregation Plans and Programs, such as: power supply procurement and management, data and billing, and customer service;

(b) General and Administrative Costs: Costs described in Article V, Section 4 are incurred for the common objectives of all Members of the Corporation, and are not incurred specifically in connection with a particular Project, Project Contract, or Member Service and shall be allocated to, and recovered from, each Member on a pro rata basis in accordance with the following formula: Member CPA’s Annual Retail Electricity Load divided by all Member CPAs’ Annual Retail Electricity Load; and

(c) Direct Project Costs: Costs incurred for a particular Project pursuant to a Project Contract shall be recovered directly from the Member(s) that participate in a particular Project or pursuant to the Project Contract that governs Member cost responsibility for the Project.

SECTION 4. General and Administrative Costs. General and Administrative Costs include those that have been incurred for the general operation and administration of the Corporation, and other expenses of a general character, including but not limited to Costs relating to: administrative offices that serve the Corporation; Corporation-wide financial management, business services, budget and planning, and personnel management; operations of the Corporation’s central management information systems; general management of the Corporation, such as strategic direction and member affairs, Board functions, accounting, procurement, and legal services; operation and maintenance expense; depreciation and use allowances; and interest costs.

General and Administrative Costs do not include Costs that relate solely to, or are incurred by, the Corporation for CPA Member Services or as a result of any specific Project or Project Contract. The intent of the Members is to ensure that all Costs incurred by the Corporation that are directly related to CPA Member Services will only be paid by the Members receiving such services or for any specific Project will be paid only by the Project Participants of that specific Project. As such, when an activity or cost generally
included within the General and Administrative Cost category benefits CPA Member Services, a specific Project or Project Contract, or is performed or budgeted for a specific Project or Project Contract, an appropriate adjustment shall be made to assure that the proper portion of the Cost of such activity is categorized and allocated as CPA Member Services costs to a Member receiving such service, or as a Direct Project Cost to the Project Participants, subject to Cost allocation under the applicable Project Contract. The Members intend that all Costs of the Corporation that are not directly assigned for recovery to CPA Member Services, a specific Project or Project Contract will be recovered as General and Administrative Costs.

SECTION 5. Member Advances, Contributions and Repayment. Upon the request or approval of the Board, any Member may make payments, advances, or contributions to the Corporation for any and all purposes set forth herein, and may contribute personnel, equipment or property, in lieu of other contributions or advances, to assist in the accomplishment of one or more of such purposes. All such payments, advances or contributions, whether in cash or in kind, shall be made to, and may be disbursed or used by, the Corporation. Except as otherwise specified in contracts with Members by the Board, the approved advances will be treated as indebtedness of the Corporation and shall be payable and repaid as such.

SECTION 6. Refunds. No Member that withdraws or is terminated shall be entitled to a refund of any payments made in connection with General and Administrative Costs.

SECTION 7. Funding of Initial Costs. Any Members that have funded activities necessary to implement the Corporation may request that the Board consider reimbursing said Members for said costs over a reasonable time period and shall provide such documentation of costs paid as the Board may request.

2) CPCNH’s Articles of Agreement, under the Joint Powers Agreement, provide for the powers of the Corporation that are expressly incorporated herein, including, as follows:

7.13 Incur debts, liabilities, and obligations, provided that all debts, liabilities and obligations shall be non-recourse to any and all of the Members unless expressly agreed to by such Members through a Member’s Cost Sharing Agreement or Project Contract as those terms are defined in the JPA;

7.14 Issue revenue bonds and incur other forms of indebtedness including but not limited to loans from private lending sources, pursuant to NH RSA 33-B, RSA 53-E, RSA 53-F, and RSA 374-D, provided that any such bond or debt issuance is approved by participating Members’ governing and legislative bodies as required by statute.
## EXHIBIT B: COSTS ALLOCATION REFERENCE TABLE

<table>
<thead>
<tr>
<th>Classification</th>
<th>Cost Factor</th>
<th>Allocation Method</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>General &amp; Administrative</strong></td>
<td>All Costs</td>
<td>$/MWh forecasts and annual true-up to pro rata share of actual “Annual Retail Electricity Load” (JPA defined term)</td>
</tr>
<tr>
<td><strong>Direct Project</strong></td>
<td>Costs identified in Project Contracts</td>
<td>As specified in Project Contracts</td>
</tr>
<tr>
<td></td>
<td>Unanticipated Costs</td>
<td>As directed by Project Committee vote; alternatively, Member Project Contract participation share %</td>
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<tr>
<td><strong>CPA Member Services</strong></td>
<td>All Requirements Electricity</td>
<td>Member CPA actual cost</td>
</tr>
<tr>
<td><strong>Power Supply</strong></td>
<td>Net Hedging</td>
<td>$/MWh (across all CPAs) or actual cost (for each CPA)</td>
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<tr>
<td></td>
<td>Optional / Opt-Up Products</td>
<td>Member CPA actual cost</td>
</tr>
<tr>
<td><strong>CPA Member Services</strong></td>
<td>Allocated Staff, Overhead &amp; Misc. Svc</td>
<td>$/MWh</td>
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<tr>
<td><strong>Operations</strong></td>
<td>Member CPA Compliance Costs</td>
<td>Member CPA actual cost</td>
</tr>
<tr>
<td></td>
<td>General Compliance Costs</td>
<td>$/MWh</td>
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<tr>
<td></td>
<td>Financing and Credit Support</td>
<td>$/MWh (across all CPAs) or actual cost (for each CPA)</td>
</tr>
<tr>
<td></td>
<td>Portfolio &amp; Risk Management Services</td>
<td>$/MWh</td>
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<tr>
<td></td>
<td>ISO-NE Load Serving Entity (LSE) Services</td>
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<td>Marketing &amp; Community Services</td>
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<td>Customer Notifications</td>
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<td>Data Management &amp; Billing Services</td>
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<td></td>
<td>Call Center &amp; Customer Services</td>
<td>$/Meter</td>
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<tr>
<td></td>
<td>Local Program Design, Admin &amp; Finance</td>
<td>$/MWh (across all CPAs) or actual cost (for each CPA)</td>
</tr>
<tr>
<td><strong>CPA Member Services</strong></td>
<td>Additional services as authorized by the Board</td>
<td></td>
</tr>
<tr>
<td><strong>Elective Services</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
EXHIBIT C: CPA MEMBER SERVICES FOR ELECTION BY MEMBER

I: COMPLETE SERVICE BUNDLE

AS AUTHORIZED BY THE BOARD OF DIRECTORS ON DECEMBER 27, 2022

MEMBER ENROLLMENT PERIOD: OPEN
COMMUNITY POWER COALITION OF NEW HAMPSHIRE
CPA MEMBER SERVICES CONTRACT: COMPLETE SERVICE BUNDLE

This CPA Member Services Contract ("Contract") is made and entered into this _ day of ________, ___, ("Effective Date") by and between the Town of Hanover, a subdivision of the State of New Hampshire, ("the Member") and the Community Power Coalition of New Hampshire ("CPCNH" or "Corporation"), pursuant to the provisions of the CPCNH Joint Powers Agreement ("JPA") (collectively, "Parties").

RECITALS

WHEREAS, the Town of Hanover desires to implement Community Power Aggregation ("CPA") service to provide all-requirements electricity for its residents and businesses pursuant to New Hampshire Revised Statutes Annotated ("RSA") 53-E, the Community Power Act, which found "it to be in the public interest to allow municipalities and counties to aggregate retail electric customers, as necessary, to provide such customers access to competitive markets for supplies of electricity and related energy services";

WHEREAS, CPCNH is a nonprofit all-requirements Joint Powers Agency and governmental instrumentality operating pursuant to the Joint Powers Agreement entered into by the Town of Hanover on the 13th day of September, 2021, for the purpose of jointly exercising the powers granted to municipal corporations pursuant to NH RSA 33-B, NH RSA 53-E, NH RSA 53-F, and NH RSA 374-D (including, by reference, NH RSA 33) in accordance with RSA 53-A, Agreements Between Governments;

WHEREAS, CPCNH is jointly controlled and governed by its Members, united as a single entity to operate for the mutual benefit of the Members collectively, to promote the common good, general welfare, economic vitality, and prosperity of local communities in New Hampshire, to use the powers and authority granted by the Members to gain economies of scale and scope to launch, operate, and evolve CPA programs, and to advance other energy and climate policies and actions on behalf of the Members;

WHEREAS, the Cost Sharing Agreement between the Town of Hanover and CPCNH permits the Town of Hanover to enter into agreements for CPCNH to provide certain CPA Member Services, and ensures that the costs, expenses, debts, and liabilities directly or indirectly incurred by CPCNH on the Town of Hanover’s behalf are recovered through Hanover Community Power’s CPA program revenues, or from grants or other third-party sources;

WHEREAS, the Town of Hanover adopted an Electric Aggregation Plan on the 10th day of May, 2022, and desires CPCNH to finance, launch, and operate a CPA on its behalf;

WHEREAS, this Contract for the Complete Service Bundle shall be inclusive of all services, expertise, and financial support that Hanover Community Power requires to "undertake and provide Electric Aggregation Plans and Programs, such as: power supply procurement and management, data and billing, and customer service" in accordance with to Section 3(a) of Article V of the JPA; and

WHEREAS, the Town of Hanover hereby endorses and adopts CPCNH’s Data Security and Privacy Policy, Energy Portfolio Risk Management Policy, Retail Rates Policy, and Financial Reserves Policy, as may be amended from time to time by CPCNH’s Board of Directors, to provide for the security of individual customer information, procurement of all-requirements electricity supply, price risk management, prudent budgeting and rate setting, and the collection of financial reserves by CPCNH on the Town of Hanover’s behalf for the term of this Contract.
NOW, THEREFORE, in consideration of mutual benefits, covenants, and considerations hereinafter set forth, CPCNH and the Member hereby agree as follows:

ARTICLE I
Purpose

1. Definition. The Complete Service Bundle, pursuant to Section 3(a) of Article V of the Joint Powers Agreement (“JPA”), is inclusive of all services, expertise, and financial support that Member CPAs require to “undertake and provide Electric Aggregation Plans and Programs, such as: power supply procurement and management, data and billing, and customer service” (hereafter, the “Services”).

2. Purpose. The Board of Director’s (“Board”) overarching purpose, in offering the Complete Service Bundle, shall be to achieve a greater financial benefit for every Member collectively than any one Member would be able to achieve individually, by creating and sustaining: (i) public oversight, transparency, and unbiased expert advice to decision-makers regarding operations and planning; (ii) administrative cost efficiencies and business model innovations; (iii) a sustainable balance, and equitable consideration, between short-term cost-savings and long-term fiscal stability; (iv) powerful representation at the New Hampshire legislature and Public Utilities Commission, including on matters regarding market-enabling reforms and infrastructure investments that impact the Membership’s energy future; and (v) the acceleration and development of cost-effective local programs, advanced rate structures, new customer services, and local energy project developments that create new financial value and resiliency for participating Members, at the community-level, and for customers, in terms of their total energy costs, including by lowering transmission and generation capacity charges in addition to wholesale energy purchases.

3. Endorsement. By executing this Contract, the Member endorses this collective purpose for the Services.

ARTICLE II
Decision-Making Framework

1. Acknowledgement. The Member acknowledges that (i) efficient administration imposes limitations to individual Member choice, (ii) procurement and rate setting will present inherent trade-off decisions, (iii) collective decision-making must therefore be relied upon to satisfy and balance the divergence of the Members’ prioritization of competing objectives over the short- to long-term, and (iv) achieving the above-stated purpose therefore requires a decision-making framework to define which decisions must be made collectively versus left up to each Member.

2. Establishment of Decision-Making Framework. The Member hereby endorses and adopts CPCNH’s Data Security and Privacy Policy, Energy Portfolio Risk Management Policy, Retail Rates Policy, and Financial Reserves Policy (“Policies”), which, in conjunction with and pursuant to the Joint Powers Agreement, establishes an appropriate framework that balances the Member’s individual versus collective decision-making considerations regarding CPCNH’s provision of services under this Contract.

Appendix A summarizes how the framework is intended to function during initial implementation of the Member’s CPA, specifically identifying which decisions will be made collectively, and where the Member may make or delegate certain key decisions, including regarding: (i) choice of whether to procure power initially on the Member’s behalf, (ii) choice of rate products offered to the Member’s customers, (iii) choice of collecting additional financial reserves for the Member’s sole use, and (iv) choice of termination of this Contract, before and after enrollment of the Member’s customers.

3. Amendment of Decision-Making Framework. The Member agrees that the Policies are integral to CPCNH’s provisions of Services under this Contract, to provide for the security of individual customer information, procurement of all-requirements electricity supply, price risk management, prudent budgeting and rate setting, and the collection of financial reserves on behalf of participating Members. The Member acknowledges that the Board
or the Membership of CPCNH may amend the Policies from time to time, and that the Member, pursuant to the Joint Powers Agreement, may observe, inform, and/or participate directly on the Board and in committee decision-making processes relevant to the provision of the Services. The Member agrees that CPCNH shall update this Contract to reflect any amendments to CPCNH policies, which shall be incorporated herein and not constitute an amendment to this Contract.

Appendix B summarizes the Policies and amendment procedures and is provided for the Member’s reference. Current Policies are available to the Member upon request and publicly available on CPCNH’s website.

**ARTICLE III**

**Limitation of Member Liability**

The Member is not liable for the debts, liabilities, or obligations incurred by CPCNH to provide the Services under this Contract.

**ARTICLE IV**

**Delegation of Authority & Commitment to Act**

1. **Delegation of Authority.** The Member hereby expressly authorizes and delegates authority to CPCNH, with immediate effect, to act as an agent of the Member in all circumstances and capacities required to provide the Services as contemplated under this Contract.

2. **CPCNH Commitment to Act.** CPCNH shall take all actions required to provide for the timely delivery of the Services, including by: ensuring effective community engagement and customer noticing, completion of registration requirements with utilities, and compliance with statutory and rule requirements to the provision of CPA service; negotiating and executing contracts for credit support and all-requirements electricity to satisfy the Member’s load obligations and manage price risk; setting rates to satisfy the Member’s revenue requirements and obligations under this Contract; arranging for revenues received from utilities and CPA customers to be deposited into CPCNH’s secured revenue account and pledged to CPCNH’s financiers and supplier counterparties; providing for general administration and oversight of the Services; and accruing and tracking financial reserves on behalf of the Member.

2. **Member Commitment to Act.** The Member agrees to take and perform all acts required to effectuate the delegation of authority to CPCNH as contemplated herein, including by promptly making all necessary filings with any Governmental Authority or Electric Distribution Utility upon CPCNH’s request. If requested by CPCNH, the Member shall assist CPCNH in obtaining information regarding the Member’s customers from the Electric Distribution Utility. The Member agrees to provide to CPCNH all data, including reports, records, and other information, in the Member’s possession, or cause to be provided data not in the Member’s possession, which may reasonably facilitate the timely performance of the Services described hereunder.

**ARTICLE V**

**Professional Ability & Service Contracts**

CPCNH relies upon qualified service providers, consultants, and personnel to provide the Services jointly, at a beneficial economy of scale, across all Member CPAs. Services will be performed by qualified staff, contractors, consultants, Member Representatives and/or volunteers, as determined by the CPCNH Board of Directors or its designee, and carried out in a competent, professional, and satisfactory manner, in accordance with the standards prevalent in the industry and any applicable policies adopted by the Board.

The Member acknowledges and accepts that the extent of CPCNH’s services under this Contract, as a start-up power agency, are predicated on (i) contracts CPCNH has executed with service providers hired through competitive solicitations, (ii) CPCNH’s internal capacity, including staff capacity commencing with an anticipated hire of a
CEO in March 2023, and (iii) the timeline by which distribution utilities implement Puc 2200 rules, which have not been fully implemented as of December 2022.

CPCNH’s current contacts with service providers and consultants are available through CPCNH’s website and listed in Appendix C.

ARTICLE VI
Electric Aggregation Plan

1. Acknowledgement. The Member acknowledges that the terms and requirements of the Member’s Electric Aggregation Plan may prevent CPCNH from being able to commence provision of some or all the Services.

2. Mutual Commitments. CPCNH commits to promptly review the Member’s Electric Aggregation Plan to assess any impact on CPCNH’s provision of Services, and to identify and recommend any amendments prudent or necessary thereof. Member commits to promptly consider adoption of any such amendments. During the term of this Contract, the Parties will coordinate on, and the Member may seek CPCNH’s advice regarding, any amendments to their Electric Aggregation Plan and shall strive to align any amendments thereto with the common interest and intent of this Contract, the underlying Services, and consistent with applicable statutes or regulations or with CPCNH’s provision of the Services.

ARTICLE VII
Term; Procurement and Termination Elections; Financial Reserves

1. Term. The term of this Contract shall commence on the Effective Date and expire upon the termination of the Services as set forth herein.

2. Termination Prior to Commencement of Procurement. The Member may elect to terminate this Contract with immediate effect by submitting written notice to CPCNH, provided that CPCNH has not authorized entering into transactions for power on behalf of the Member’s CPA.

3. Election to Delay Initial Procurement.

The Member’s Authorized Officer, if authorized hereunder, may elect to delay commencing procurement on behalf of the Member’s CPA during the Risk Management Committee meeting convened to authorize the first transactions entered into by CPCNH on the Member’s behalf, provided that such election is made prior to the vote authorizing such procurement.

The Committee shall call for any such elections by the Member to be made verbally, after review and discussion of current market conditions and corresponding rate forecasts, and prior to the Committee’s vote on whether to authorize procurement. Verbal elections made at the meeting by the Authorized Officer shall be immediately considered effective by CPCNH and promptly followed by written confirmation from the Authorized Officer to CPCNH and the Member’s Principal Representatives.

4. Notice of Termination before and after First-Year Operations.

CPCNH’s Energy Portfolio Risk Management Policy provides that “hedging shall not extend beyond 36 months from the date that CPCNH first begins providing electricity service to CPA customers, until one year from that date.” After the first year of operations, CPCNH may authorize entering into forward hedging transactions extending up to 36 months out, on a rolling basis, to serve the collective load of all Member CPAs taking Service.

At any time during the 12-month period after the initial launch of CPCNH’s power supply service, commencing on the date when CPCNH first supplies electricity to the retail customers of any Member CPA, the Member may submit
written notice to terminate the Services on the first day of the month thirty-six (36) months following the date when CPCNH first supplied electricity to the retail customers of any Member CPA.

At any time after the 12-month period after the initial launch of CPCNH’s power supply service, the Member may terminate this Contract by submitting written notice at least thirty-six (36) months in advance of the termination date.

5. Early Termination after Commencement of Service.

The Member may also submit notice that it wishes to terminate this Contract at an earlier date than as provided for above. Upon receipt of such notice, CPCNH shall promptly assess and inform the Member of the minimum waiting period under which the Member would have no costs for withdrawal. Costs of withdrawal at an earlier date include, but are not limited to, losses from the resale of power contracted for by CPCNH to serve the Member CPA’s load. The waiting period will be set to the minimum duration such that there would be no costs transferred to the remaining Members that have elected the Services.

Alternatively, the Member may elect to terminate this Contract during the waiting period, provided that the Member first deposits sufficient funds with CPCNH, as reasonably determined by CPCNH and approved by a vote of the Board of Directors, to cover the Member’s liability for the costs described above. The Member may elect to use its allocated share of Joint Reserves or its Discretionary Reserves, collected on Member’s behalf and held by CPCNH, for this purpose.

6. Return of Allocated Joint Reserves. After the effective date of the Member’s termination of this Contract, any amount of the Member’s allocated share of Joint Reserves above that which is required to pay any costs incurred by CPCNH through the date of termination on behalf of the Member shall be allocated back to the Member for use as Discretionary Reserves, pursuant to CPCNH’s Financial Reserves Policy.

ARTICLE VIII
Authorized Officer for Member Service Decisions

1. Authorized Officer. The Member may designate an Authorized Officer to take specific actions, as defined in Section 2: Authorizations below, on behalf of the Member pursuant to this Agreement and the Policies. The Member’s Authorized Officer, as specified in the Member’s Electric Aggregation Plan, or otherwise delegated authority by the governing body hereunder, is:

<table>
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<tr>
<th>Title</th>
<th>Name</th>
<th>Phone</th>
<th>Email</th>
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The Member’s Principal Executive Officer may specify a new Authorized Officer by submitting written notice by electronic mail to CPCNH’s Principal Representative, which shall be promptly acknowledged and effective thereof, and such updates to this Contract shall not be considered an amendment.

2. Authorizations. The Authorized Officer may act on behalf of the Member to instruct and authorize CPCNH only on the matters and to the extent explicitly authorized by the Member hereunder. The Member hereby delegates the following authorities to the Authorized Officer to act on the Member’s behalf (specify “yes” or “no”):

a) Pursuant to Article VI, Section 3, the Authorized Officer may elect to delay commencing procurement: ___;
b) Pursuant the Retail Rates Policy, the Authorized Officer may specify default and optional products: ___; and
c) Pursuant the Retail Rates Policy, the Authorized Officer may set Discretionary Reserve adders: ___.

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3. **Disclaimer.** CPCNH shall have no liability to the Member for actions taken in reliance on authorizations or instructions received by the Authorized Officer as contemplated hereunder or in compliance with the Policies. Until such time as the Member instructs CPCNH in writing that the individual above, if any, is no longer an “Authorized Officer” hereunder, CPCNH shall have no duty to inquire as to the authority of such Authorized Officer to provide the authorizations or instructions in connection with the Services.

4. **Alternatives.** If an Authorized Officer is not identified hereunder, or if CPCNH is at any time unsure as to the identity of the Authorized Officer hereunder, or regarding a decision on any matter for which the Member has not delegated authority to the Authorized Officer under Section 2: Authorization, CPCNH may request written instructions from the Member’s Principal Executive Officer, or the Member’s governing body, pursuant to any applicable Policy, as to the course of action to be adopted by CPCNH. CPCNH shall be entitled to conclusively rely upon such written instructions thereof.

**ARTICLE IX**

**Principal Representatives**

The Member’s Principal Representatives, for purposes of communicating with CPCNH on any matter associated with the performance of the Services set forth hereunder, in addition to the Authorized Officer, shall be:

<table>
<thead>
<tr>
<th>Title</th>
<th>Name</th>
<th>Phone</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Member Representative</td>
<td>April Salas</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alternate Representative</td>
<td>Peter Kulbacki</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Principal Executive Officer</td>
<td>Alex Torpey</td>
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</table>

CPCNH’s Principal Representative, for purposes of communicating with the Member on any matter associated with the performance of the Services set forth hereunder, shall be CPCNH’s Chief Executive Officer, or in the absence thereof, the Chair of the Board of Directors.

<table>
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<tr>
<th>Title</th>
<th>Name</th>
<th>Phone</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Executive Officer</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Board Chair</td>
<td></td>
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</table>

The Parties shall update the Principal Representatives identified in this section by submitting written notice by electronic mail to the other Party, which shall be promptly acknowledged, and such updates shall not be considered an amendment to this Agreement.

**ARTICLE X**

**Amendments**

Article IV of the Cost Sharing Contract requires that “all executed [Member Services] Agreements between CPCNH and each Member that has elected the same service must be uniform in all material respects”; any material amendments to this Contract are subject to approval and incorporation by all Members that have executed Member Services Contracts for this Complete Service Bundle. CPCNH may update Appendices, and this Contract to incorporate any amendments to the Policies hereafter, neither of which constitute an amendment to this Contract.
ARTICLE XI
Attestation of Signing Authority; Execution

The Member has taken and performed all acts necessary and has received all necessary authorizations and approvals required to enter into this Contract and to bind the Member to the terms herein. The Member has attached a resolution of its governing body authorizing the execution of this Contract by the authorized signatory below, and any other authorization documents thereof. The authorized signatory represents that (i) this is a true, complete, and accurate list of all such necessary authorizations, approvals, actions and filings, (ii) the Member has provided true, complete, and accurate copies of the authorization documents to CPCNH as of the Effective Date, and (iii) other than the authorization documents, there are no other authorizations, approvals, filings or other actions required for Member to enter into this Contract, perform its obligations hereunder, and delegate authority to CPCNH to perform the Services.
IN WITNESS WHEREOF, the Parties hereto have caused this Contract to be executed and attested by their respective officers thereunto duly authorized:

MEMBER: ____________________________________________

By: __________________________

Title: _________________________

Name: _________________________

Date: _________________________

ATTESTATION: __________________

Clerk

COMMUNITY POWER COALITION OF NEW HAMPSHIRE

By: _________________________________________

Chair of the Board

Name: _________________________

Date: _________________________

ATTESTATION: __________________

Secretary of the Board

APPROVED AS TO FORM: _______________________

General Counsel to the Board

Authorization Documents:

1. Resolution of the Member’s governing body authorizing the signatory’s execution of this Member Service Contract, inclusive of all individuals named and duly empowered hereunder.

2. The Member’s Approved Electric Aggregation Plan.
Appendix A
Decision-Making Framework: Member CPA Implementation

This Appendix summarizes how the decision-making framework for the Complete Service Bundle is intended to function during initial implementation of the Member’s CPA. It identifies which decisions will be made collectively, and where the Member may make or delegate certain key decisions, including regarding: (i) choice of whether to procure power initially on the Member’s behalf, (ii) choice of rate products offered to the Member’s customers, (iii) choice of collecting additional financial reserves for the Member’s sole use, and (iv) choice of termination of this Contract, before and after enrollment of the Member’s customers.

Activities and decision-making are presented with reference to applicable Policy, in approximate sequential order:

Pursuant to this Contract:

1. CPCNH will assist or provide for the Member’s public engagement efforts to market the program in advance of customer enrollment, and work with the Member to finalize marketing materials. The Member will receive a program logo, a content-populated website hosted on a Dot Gov address as follows: [Member].CommunityPowerNH.gov, and template marketing materials including FAQs, flyers, two-pagers, and public presentation decks.

2. The Member’s committees, staff, and other individuals involved in the Member’s public engagement will be provided with a Public Engagement Campaign handbook, offered training in media and public engagement, and provided direct support to carry out an effective campaign in advance of launch, including for the purpose of carrying out the public meeting required after customer notifications are sent.

3. CPCNH will complete all required utility testing and registration requirements, meet other statutory and rule requirement obligations, implement customer service functions, such as Interactive Voice Recording and live-agent call center services, and design, print, mail, and process customer opt-in and opt-out notices sent on behalf of the Member.

Pursuant to the Energy Portfolio Risk Management Policy, or, as noted, pursuant to this Contract:

4. The decision of whether or not to procure power, by commencing the execution of hedges in advance of the target launch date for any new Member CPAs, is a collective decision made by the Risk Management Committee. The decision is informed by then-current market conditions and the forward-looking analysis and advice of CPCNH’s service provider for procurement, price risk forecasting and analysis, and portfolio management.

5. Under this Contract, the Member (1) may terminate this Contract, at any time, before CPCNH has first authorized procurement on behalf of the Member, and (2) may choose to designate an Authorized Officer to elect to delay commencing procurement on behalf of the Member’s CPA. The Authorized Officer’s election must be made during the Risk Management Committee meeting convened to consider authorizing the first transactions entered into by CPCNH on behalf of the Member, after review and discussion of current market conditions, transaction offers, and corresponding rate forecasts, and prior to the Committee vote.

6. Depending upon market conditions and transaction offers, CPCNH may procure sufficient power on the same day, or the Risk Management Committee may decide to authorize transactions for multiple transaction types, terms, and volumes, on a rolling basis for a period of time, in order to seek price advantages. Regardless, CPCNH will procure and cover its open positions to comply with the Hedge Ratios defined in the Energy Portfolio Risk Management Policy. (Hedge ratios are covered positions expressed as a percentage of load, calculated as fixed price purchases and supply resources divided by forecasted load; maintaining CPCNH’s minimum and maximum hedge ratios provides a framework to manage market risk, by limiting CPCNH’s net open exposure while allowing flexibility in procurement to maintain competitive rates over time.)

7. After procurement has concluded, rates will be calculated and set at a level that ensures the revenues from Member CPA customers are projected to meet or exceed CPCNH’s ongoing operating and capital costs, inclusive of financial reserve targets pursuant to the Financial Reserves Policy.

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Pursuant to the Retail Rates Policy, or, as noted, pursuant to this Contract:

8. The Risk Management Committee and Finance Committee shall each convene at least one public meeting to provide for deliberation and public input regarding changes to default rates, prior to rate setting. The CEO (or in the absence of the CEO, the Risk Management Committee, in consultation with the Finance Committee), will then recommend rates to the Board for approval. Advance written notice of Board meetings at which default rates are proposed shall be sent by the CEO or Board Chair to the Member’s Principal Executive Officer.

9. The Member may then, in advance of or during the meeting at which rates are approved by the Board, elect to offer different rate products to its customers on a default and opt-in basis, per the framework summarized below:

a) CPCNH shall offer the following rate products and contents to all Members:

<table>
<thead>
<tr>
<th>PRODUCT</th>
<th>CONTENT *</th>
<th>MEMBER ELECTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Granite Basic</td>
<td>Minimum RPS Content (23.4%)</td>
<td>Default, opt-down/in, or N/A**</td>
</tr>
<tr>
<td>Granite Plus</td>
<td>33% Renewable or Carbon Free</td>
<td>Default, opt-up/in, or N/A**</td>
</tr>
<tr>
<td>Clean 50</td>
<td>50% Renewable or Carbon Free</td>
<td>Opt-up/in or N/A</td>
</tr>
<tr>
<td>Clean 100</td>
<td>100% Renewable or Carbon Free</td>
<td>Opt-up/in or N/A</td>
</tr>
</tbody>
</table>

* Specified percentages are minimums (floors).
** One of these two products must be offered as Default Service.

b) The Member’s governing body, or if designated hereunder, the Member’s Representative or an alternative Authorized Officer acting on the Member’s behalf, may elect:

i) Whether to offer “Granite Basic” or “Granite Plus” as a default product, by customer class or as otherwise determined by the Board and will be advised on the cost implications of such elections by CPCNH’s CEO (or Board Chair). Absent any election, “Granite Basic” shall be set the Member’s default product. If the Member elects “Granite Plus” as their default product, they may also elect to offer “Granite Basic” as an opt-down choice for customers seeking the most affordable rate product. Absent any election, “Granite Basic” shall be offered as an opt-down/in product.

ii) Whether to offer “Clean 50” and/or “Clean 100” as opt-up/in products. Absent any election, “Clean 50” and “Clean 100” shall be offered as opt-up/in products.

iii) Whether to increase their CPA’s rates to include an adder for the accrual and use of Discretionary Reserves, which are financial reserves accrued and allocated for the Member’s sole use pursuant to the Financial Reserves Policy.

c) The Member acknowledges that (i) CPCNH may be unable to offer the ability to collect Discretionary Reserves during the initial months of operations following the launch of CPCNH’s first Member CPAs, due to system implementation timeline constraints, (ii) the Member’s elections are subject to approval by CPCNH’s CEO, or in the absence of the CEO, the Board Chair, in advance of or during the meeting at which changes to default rates are approved by the Board.

10. Thereafter, CPCNH’s Board and Committees will undertake a variety of activities pursuant to Energy Portfolio Risk Management Policy, Retail Rates Policy, and Financial Reserves Policy designed to ensure continuously monitoring and effective management of CPCNH’s power portfolio and rate setting process. The Member may observe, inform, and/or participate directly in these decision-making processes on Board and committees pursuant to the Joint Powers Agreement. The Member will also regularly be afforded the option to decide upon rates in the manner provided for above, in all subsequent rate setting periods, pursuant to the Retail Rates Policy.

11. The Member may elect to terminate this Contract subject to advance notice and satisfaction of obligations thereof, as provided for under this Contract.
CPCNH’s Data Security and Privacy Policy, Energy Portfolio Risk Management Policy, Retail Rates Policy, and Financial Reserves Policy are summarized below, along with amendment procedures, for reference.

Current Policies are available to the Member upon request and publicly available on CPCNH’s website.

1. **Data Security and Privacy Policy.**

CPCNH’s Data Security and Privacy Policy defines the specific goals, requirements, and controls necessary to safeguard the confidentiality, integrity, and availability of confidential individual customer information, in compliance with RSA 53-E:4 (Regulation) and RSA 53-E:7 (Aggregation Program); RSA 363:38 (Duties and Responsibilities of Service Providers) and RSA 363.37 (Definitions); and RSA 359-C:20 (Privacy Policies for Individual Customer Data) and RSA 359-C:19 (Definitions); inclusive of procedures that require counsel review of any enacted changes to RSA 359-C (the New Hampshire Right to Privacy Act), RSA 91-A (Access to Governmental Records and Meetings), RSA 363:37-38 (Privacy Policies for Individual Customer Data), RSA 53-A:3 (Agreements Between Government Units, and RSA 53-E (Aggregation of Electric Customers by Municipalities and Counties) or other related statutes that may necessitate, in future, modifying or altering, or otherwise risk negating, the policy.

*Note that Members must necessarily comply with applicable statutory and rule requirements prior to accessing individual customer information held in confidence by CPCNH on their behalf.*

The Board of Directors may amend the policy by resolution at any time.

2. **Energy Portfolio Risk Management Policy.**

CPCNH’s Energy Portfolio Risk Management Policy outlines the philosophies and objectives of the CPCNH Board of Directors in governing and making decisions necessary to provide the credit support, portfolio analytics, hedging, and daily operating activities required to implement and operate Member CPA power supply services. The Board must approve amendments to the EPRM Policy.

Advance written notice of Board meetings at which changes to the policy are proposed shall be sent to the principal executive officers of each Member by the CEO or Board Chair. Subsequently, any such amendment shall be sent to the principal executive officers of each Member by the CEO or Board Chair.

Pursuant to the policy, CPCNH’s Risk Management Committee is responsible for ensuring the development and maintenance of CPCNH’s Energy Portfolio Risk Management Regulations (EPRM Regulations) to expand on the roles, strategies, controls, and authorities authorized in the policy to form a comprehensive energy risk management program. After the EPRM Regulations are initially approved by the Board, the regulations may be amended with approval of the CEO, in consultation with the RMC, provided that the CEO sends prompt written notice to the Board of any such amendments.

The Member may directly participate on CPCNH’s Board of Directors and Risk Management Committee pursuant to the Joint Powers Agreement.

3. **Financial Reserves Policy.**

CPCNH’s Financial Reserves Policy establishes minimum, target, and maximum levels of cash reserves that will be jointly accrued, used, maintained, and monitored by CPCNH, on behalf of all Members (“Joint Reserves”), and provides for the collection of Joint Reserves in excess of the maximum target joint reserve level to be applied at the discretion of individual Members (“Excess Reserves”). Separately, the policy allows for the collection and use of additional reserves at the sole discretion of each individual Member (“Discretionary Reserves”).
The Board of Directors may, by resolution, modify or suspend any provision of the policy for any duration at any time, except that the provisions under the section governing amendments and the section “Rights of Members to Reserve Contributions” may only be modified or suspended by a written amendment unanimously approved by the votes cast at a meeting of the Membership at which a quorum is present. In the event such an amendment is proposed, CPCNH’s CEO or Board Chair shall send written notice to the Member Representatives and principal executive officers of each Member at least fourteen (14) days prior to such meeting at which it is to be acted upon. Subsequently, prompt written notice of the effective date of such amendment or suspension shall be sent to the Member Representatives and principal executive officers of each Member by the CEO or Board Chair.

4. Retail Rates Policy.

CPCNH’s Retail Rates Policy outlines the requirements, objectives, rate setting authorities, rate setting processes, Member rate product and Discretionary Reserve adder election procedures, and different types of rate structures, products, and product content offered to the Member hereunder.

The CEO, in consultation with the Risk Management Committee and the Finance Committee, or in the absence of the CEO, the Risk Management Committee, in consultation with the Finance Committee, shall recommend default rates to the Board for approval with sufficient notice to be implemented commensurate with regulated default utility rate changes, or otherwise as deemed necessary to support the requirements and objectives of the policy. The Risk Management Committee and Finance Committee shall each convene at least one public meeting to provide for deliberation and public input regarding changes to default rates. The Member acknowledges that CPCNH’s Board is required to approve, when necessary to maintain the financial integrity of CPCNH, emergency rate adjustments. Prompt written notice of emergency rate adjustments shall be sent to the principal executive officers of each Member by the CEO, or in the absence of the CEO, the Board Chair.

The Member may directly participate on CPCNH’s Board of Directors, Finance Committee, and Risk Management Committee pursuant to the Joint Powers Agreement.

The Board of Directors must approve amendments to the Retail Rates Policy. Advance written notice of Board meetings at which changes to the policy are proposed shall be sent to the principal executive officers of each Member by the CEO. Subsequently, prompt written notice of the effective date of such amendment shall be sent to the principal executive officers of each Member by the CEO.
Appendix C
CPCNH Service Contracts

CPCNH’s current contracts with all service providers and consultants are accessible online, under “Key Documents” at:

https://www.cpcnh.org/about
EXHIBIT D: TEMPLATE COST ALLOCATION REPORT

[Insert upon commencement of CPA service]
EXHIBIT E: TEMPLATE REPORT GLOSSARY

[Insert upon commencement of CPA service]
EXHIBIT F: PROJECT CONTRACTS EXECUTED BY MEMBER
Overview for CPCNH
Wave 1 Governing Bodies

December 28, 2022

Table of Contents

1 | Roadmap
   Actions to Date
   Actions to Launch
   Overview of Cost Sharing Agreement + Services Contract & Key Policies

2 | Technical Assessment & Business Plan
   Customer Savings + Reserve Accrual
   Wave 1 Member Benefits
   Members, Customers & Growth Forecasts
   Staffing Plan
   Local Projects
   Comparison and Analysis: Broker vs. Coalition value proposition

3 | Coalition Governance & Professional Services
   Risk, Rates, Reserves Policies
   Data Security and Privacy Policy
1 | Roadmap

Actions to Date
Acts for Launch
Cost Sharing Agreement, Member
Services Contract & Key Policies

COMMUNITY POWER COALITION OF NEW HAMPSHIRE
For communities, by communities.

Actions to Date

✓ Appointed Electric Aggregation Committee
✓ Adopted Joint Powers Agreement
✓ Appointed CPCNH Director & Alternate to serve on Member Board
✓ Developed & adopted Electric Aggregation Plan (EAP) w/ public input
✓ Received Public Utilities Commission approval of EAP
Action Plan for Launch!

- CPCNH-supported public engagement campaigns throughout process
- Member requests/shares data: 1) aggregate; 2) anonymized; 3) names, addresses, account #s
- Governing Body
  - Approves final Electric Aggregation Plan updates required for launch
  - Adopts Data Security, Risk Mgmt., Rates, & Reserves policies
  - Adopts (and signatory executed) Cost Sharing Agreement and “Complete Service Bundle” contract
  - Designates “Authorized Officer” for “go/no-go” 2/1/23 decision and default product selection
- 2/1/23 CPCNH Risk Management Committee (RMC) meeting on market/rate forecast
  - Wave 1 Members verbal “Go / No-Go” decision to participate in launch and initial power procurement
  - Committee votes to authorize power procurement (Yes or No)
- CPCNH procures power (all at once, or, over a period of time, depending on market)
  - RMC and Finance Committee deliberate rates w/ public input resulting in recommendation to Board
  - Member Governing Body or “Authorized Officer” selects default and optional rate products
- 2/16/23 CPCNH Board reviews and approves rates
  - CPCNH notifies utilities, mails customer notifications, prepares enrollment and opt-ins/outs
  - Member holds public hearing within 15 days of mailers being sent (CPCNH supports)
- **Target launch:** April/May 2023

Cost Sharing Agreement, Services Contact & Policies

**Cost Sharing Agreement**
Ensures costs are fairly tracked, allocated and reported.
Provides operational clarity to all parties.

**Member Services Contract**
Delegates authority to CPCNH to provide CPA services
Services carried out in accordance with policies

**Energy Portfolio Risk Management Policy**
Outlines mechanisms, financial safeguards, reporting, and transaction/approval processes required to procure electricity for Members.

**Financial Reserves Policy**
1. Outlines how Financial Reserve will be established & maintained
2. Provides mechanisms use of reserves
3. Describes how excess reserves are allocated and made available to Members

**Retail Rates Policy**
Describes how retail rates will be set and what types of rates will be offered.

**Data Security & Privacy Policy** to protect individual customer data
Technical Assessment: Base Case Findings

Median expected outcome by 2028:
✓ ~$60MM in customer savings +
✓ ~$60MM+ in financial reserves
✓ Av. Net benefit = 10%+ lower costs relative to utility default service
  (Max / min = ~5% to ~17%)

100+ simulations run to generate probability forecasts:

Stochastic Probability Distribution of Year-End 2028 Cumulative Member Benefit %

Stochastic Base Case Total Cash Reserves
Blue = Stochastic Mean / Blue Dotted = Stochastic P95
P90 = P5 / Green = P95
Stress-Tests & Scenario Results

**Scenarios tested:**
- Wave 1 Member load?
- Nashua launch date?
- Nashua opts-out?
- New Member forecasts?
- Higher default RE?
- Lower utility rates?
- Local Projects?

**Key takeaways:**
1. Financially stable
2. Viable w/o Nashua
3. Prioritize new Members
4. Prioritize local projects

![Graph](image)

Millions of Dollars Generated for CPA Members by Scenario (cumulative rate savings + reserve funds)

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Dollars Generated (in Millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nashua launch April 2023</td>
<td>$180M</td>
</tr>
<tr>
<td>Nashua cancels April 2023</td>
<td>$160M</td>
</tr>
<tr>
<td>Nashua cancels April 2024</td>
<td>$140M</td>
</tr>
<tr>
<td>Nashua cancels April 2025</td>
<td>$120M</td>
</tr>
<tr>
<td>Nashua cancels April 2026</td>
<td>$100M</td>
</tr>
<tr>
<td>Nashua cancels April 2027</td>
<td>$80M</td>
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<tr>
<td>Nashua cancels April 2028</td>
<td>$60M</td>
</tr>
<tr>
<td>Nashua cancels April 2029</td>
<td>$40M</td>
</tr>
<tr>
<td>Nashua cancels April 2030</td>
<td>$20M</td>
</tr>
<tr>
<td>Nashua cancels April 2031</td>
<td>$10M</td>
</tr>
</tbody>
</table>

Breakout: Wave 1 Member Benefits

**Member Services Contract term:**
- Wave 1 commits for 36 months
- CPCN NH provides full services

**Forecasted benefits:**
- $10M in customer savings
- $25-30M in financial reserves
- Net benefit = 19% lower costs relative to utility default service

**Key takeaways:**
- Utility auction premiums are at a historic high for Wave 1
- There has never been a better time to launch than in April 2023
- Delaying launch foregoes significant benefits

![Graph](image)

P30 Wave 1 Cumulative First Three Year Benefit

- Wave 1 Cumulative Customer Savings
- Wave 1 Cumulative Net Income
- Wave 1 Reserve Allocation
- Wave 1 Cumulative Community Benefit %

![Bar Chart](image)
### Headroom & Revenue Allocation Forecast

**Revenue Allocation**

(2023-2028 average)

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Savings</td>
<td>11%</td>
</tr>
<tr>
<td>Net Income</td>
<td>11%</td>
</tr>
<tr>
<td>Operating Costs</td>
<td>11%</td>
</tr>
<tr>
<td>Energy Cost (net of hedging &amp; local projects)</td>
<td>25%</td>
</tr>
<tr>
<td>Capacity</td>
<td>11%</td>
</tr>
<tr>
<td>RPS $/MWh</td>
<td>1%</td>
</tr>
<tr>
<td>Loss, GO-NF Changes</td>
<td>1%</td>
</tr>
<tr>
<td>Not Included (Reserved)</td>
<td>11%</td>
</tr>
<tr>
<td>Uncollectibles</td>
<td>11%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue Allocation (2023-2028 average)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2023</td>
<td>$0</td>
</tr>
<tr>
<td>2024</td>
<td>$80</td>
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<td>2025</td>
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<td>2026</td>
<td>$240</td>
</tr>
<tr>
<td>2027</td>
<td>$320</td>
</tr>
<tr>
<td>2028</td>
<td>$400</td>
</tr>
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</table>

### Membership: Customers, load & growth Scenarios

**Community**

<table>
<thead>
<tr>
<th>Launch April 2023</th>
<th>Revenue</th>
<th>Environ</th>
<th>Liberty</th>
<th>MRECC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chesterfield</td>
<td>0.30</td>
<td>0.10</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Durham</td>
<td>0.15</td>
<td>0.05</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Edinburgh</td>
<td>0.25</td>
<td>0.10</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Harrogate</td>
<td>0.30</td>
<td>0.15</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Newham</td>
<td>0.20</td>
<td>0.10</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Norwich</td>
<td>0.25</td>
<td>0.12</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Peterborough</td>
<td>0.25</td>
<td>0.10</td>
<td>0.00</td>
<td>0.00</td>
</tr>
</tbody>
</table>

**Total Revenue: 45,042 MWh**

### Additional Perspectives

<table>
<thead>
<tr>
<th>Launch April 2024</th>
<th>Revenue</th>
<th>Environ</th>
<th>Liberty</th>
<th>MRECC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Winchester</td>
<td>0.40</td>
<td>0.20</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Oxford</td>
<td>0.50</td>
<td>0.25</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Cambridge</td>
<td>0.60</td>
<td>0.30</td>
<td>0.00</td>
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</tr>
<tr>
<td>Bournemouth</td>
<td>0.70</td>
<td>0.35</td>
<td>0.00</td>
<td>0.00</td>
</tr>
</tbody>
</table>

**Total Revenue: 45,042 MWh**
CPCNH Growth Forecast vs. Utilities

CPCNH Draft Staffing Plan

- CEO search and interview process underway (TrueSearch); anticipating March 2023 start date.
- Hiring plan subject to change once CEO finalizes staffing priorities
- Cost model assumes salaries / start dates shown (+-30% adder for benefits, etc.)
- Assumed core team of 7 staff (2023) → 11 staff (2025)
- Economics support more staff if necessary
Local Project Forecast

- Projects developed under SB 321 market-based framework (compensates CPCNH for full project value: energy, capacity & transmission reductions)
- Base Case assumes 2 MW
- Results: local projects increase net revenues by $350,000 to $515,000 / yr
- Further development of projects will result in millions of dollars in annual savings
- CPCNH will empower Members / Legislative to lift 8 MW cap & develop local energy markets!

Coalition Model vs. Broker Model

**Coalition Model**

- Transparent, locally accountable governance
- Non-profit, Member-controlled reserve fund accrual + investment opportunities
- Active portfolio management to manage costs
- Ability to adjust rates to maintain discount / stability
- Proven model to develop local projects
- Economics + political scale = lower costs & leadership on policy reform
- Demystifies power sector for informed decision-making & innovation over time

**Broker Model**

- Simplifies approach
- Outsources program to broker/supplier team
- Governance + oversight largely limited to broker/supplier selection & contract approval
- Foregoes diversified portfolio (added risk of single supplier contract for fixed term & price)
- No ability to adjust rates
- No demonstrated success in developing new generation + storage projects

---

Recent trade press articles on the risks and large-scale failures of Broker Model CPAs:

2. Retail Supplier Files Bankruptcy, Customers Returned To Default Service: Supplier Serves Over 100 Muni Aggregations (March 2022) [https://bit.ly/3tH0PID]
Coalition Model vs. Broker Model

Results of 100 model runs of future Utility Default Rates over 3 years and associated savings/benefits of Broker vs. CPCNH

- Estimated Broker savings range: ~6-14%
- CPCNH Community Benefits (customer discount + reserve accrual) range: ~10-24%
- Each point on blue & yellow lines shows the probability of that level of savings occurring (e.g., 20% probability of 11% broker savings; 20% probability of 15% CPCNH benefit)

While the distributions appear to overlap, financial benefits of CPCNH were larger than broker savings in all 100 model runs.

- High utility default rate scenarios result in both higher broker savings and higher CPCNH benefits
Community Power Coalition of New Hampshire

- Community-governed not-for-profit Joint Power Agency formed on 10/1/21
- 27 Members representing:
  - 21% of NH population
  - ~125,000 customers
  - ~1,124,000 MWh/year
  - ~$138 million/year revenues (controlled by communities)
- Target windows for program launch:
  - Spring 2023 for 12 Members
  - Spring 2024 for 15 Members

Governed “for Communities, by Communities”

**BOARD OF DIRECTORS**
1. Chair Clifton Below, City of Lebanon (alt. Greg Ames)
2. Vice Chair Kevin Charrette, City of Portsmouth (alt. Peter Rice)
3. Treasurer Kimberly Quirk, Town of Webster
4. Director Mark Bender, Town of Webster
5. Director Marty Bennett, Town of Webster
6. Director Martina Cote, Town of Webster
7. Director Steve Fournier, Town of Webster
8. Director Toni Weinstein, Town of Newmarket
9. Director Jamie Hess, Town of New London
10. Director Rick Labrecque, Town of Brentwood
11. Director Doria Brown, City of Nashua
12. Director Matt Miller, Town of Pembroke
13. Director Andrea Hinson, Town of Hampton
14. Director Clyde Carson, Town of Warner
15. Director Nick Deveshrie, Town of Exeter
16. Director Craig Putnam, City of Manchester
17. Director Matt Miller, Town of Pembroke (alt. Jackie Wengrenroth)
18. Director Michael Prange, Town of Rye (alt. Howard Kole)
19. Director Jordan Applewhite, Town of Pembroke (alt. Margo Connors)
20. Director Paul Looney, Town of Walpole (alt. Dennis Marcom)
21. Director Dave Harmon, Town of Webster (alt. David Harmon)
22. Director Mark Terry, Town of Westmoreland (alt. John Snowdon)
23. Director William Chaisson, Town of Wilmot (alt. John Snowdon)

**OFFICERS & COMMITTEE CHAIRS**
- **Chair** Clifton Below
- **Treasurer** Kimberly Quirk
- **Vice Chair** Marty Bennett
- **Secretary** Doria Brown

**COMMITTEES**
1. Executive
2. Finance
3. Risk Management
4. Member Operations & Engagement
5. Regulatory & Legislative Affairs
6. CEO & Staff Search
CPCNH Professional Services Team

The Coalition has assembled a team of industry leading firms and professional service providers to operate member Community Power programs.

Energy Portfolio Risk Management
- Ascend Analytics

Retail Customer Services
- CALPINE ENERGY SOLUTIONS

Member Services & Public Engagement
- CLEAN ENERGY NH

General Counsel
- DWG&; DUNCAN WEINBERG GENZER PEMBROKE

Start-up Consultants
- COMMUNITY CHOICE PARTNERS

Financial & Accounting Services
- HERNDON ENTERPRISES

(CPCNH is in process of enlisting accounting services)

Executive Search Services: to support identifying and onboarding CPCNH's CEO

Legal Services + Startup Consulting Team

Michael Postar, Esq.
President of DWGP

General Counsel
Decades of national, state and local experience counselling public power clients

Samuel Golding
Lead Technical Consultant with 10+ years power agency design/operations experience
Drafted Joint Powers Agreement, Business Plan / cash flow analysis, Electric Aggregation Plan template & RFP solicitations and is advising on contract negotiations, critical path, regulations, org development, etc.

Elijah Emerson, Esq.
New Hampshire Counsel

PRIMMER PIPER EGGLESTON & CRAMER PC

Henry Herndon
HERNDON ENTERPRISES

Member Services Consultant and project lead on organizing group formation and agency incorporation
Community Power program development & approval
Administrative & communications services
Energy Risk Management Team

Dr. Gary Dorris
President of Ascend Analytics

Dr. Carlos Blanco
Managing Director of Analytic Solutions

Dr. Allison Weis
VP Optimization

Scott Wringleworth
Managing Director of Operations and Strategy

Dr. Brandon Mauch
Manager of Resource Planning Analytics

Dr. Brent Nelson
Director of Market Intelligence

Michael Ballow
Director of Strategy and Analytics

Rishi Sahay, CFA
Director of Portfolio Analytics

Robert LaFaso
ISO Monitoring & Compliance Analyst

Anthony Boukarim
Senior Energy Analyst

Ascend’s team for CPCNH includes an additional ~30 analysts to support procurement and portfolio risk management.

Energy Portfolio Risk Management

Ascend Analytics is a national industry leader in power portfolio risk management, resource planning, and software solutions.

Clients include many of North America’s more advanced community power agencies, electric utility companies, and energy generation and storage project developers.

Services include:

- Technical assessment of regional and state markets and CPCNH’s business model, including cashflow analysis
- Support development of Key Agreements;
- Model electric demand, price and risk;
- Scenario analysis and stochastic modeling to minimize risk;
- Technical guidance for rate setting;
- Contract for Load Serving Entity (LSE) services; and
- Provide up to $8.5 million in credit support and liquidity to purchase electricity.
**Retail Customer Services Team**

Calpine’s team includes significant call center agent capacity and an additional ~20 support staff to manage CPCNH data and billing operations.

**Retail Customer Services:**

*Calpine Energy Solutions is one of the largest electric service providers in the U.S.*

- Has industry-leading expertise in data management, CPA customer service, software development and customization, big data solutions, and energy policy
- Has helped successfully launch and operate more than 20 community power agencies
- Is providing $750,000 in startup funding to support CPCNH’s launch and development as a public power agency

**Services include:**

- Utility data interchange; customer data management; billing; and customer engagement, enrollment mailers & processing, and call center services;
- Providing data tools to ensure Members have access to their data and that CPCNH has the ability to independently stand up a data warehouse and draw in the data held by Calpine.
Member Services & Public Engagement

NH-based nonprofit and trusted advocate for communities with clean energy ambitions

- Extensive statewide connections
- Understands local politics, culture, and energy discourse

Services include:

- Statewide media strategy development & execution
- Policy monitoring and reporting
- Support Member development, adoption and approval of Electric Aggregation Plans
- Support community engagement and informational forums for member candidates
- Development of member webpages and educational resources/materials

Banking & Financial Services

- Extensive experience in multi-party lock-box services for Community Power Agencies to lower collateral and financing costs
- First bank to provide credit and banking services to CPAs in CA

Services include:

- Administration of a secured revenue account (lockbox) for CPCNH:
  - Customer revenues will be deposited by the utilities into lockbox
  - CPCNH's ISO-NE and power supply costs will be paid first
  - Net revenues are transferred to CPCNH to pay operating costs
  - Remaining revenues transferred to Member Financial Reserves account
- May provide debt financing for CPCNH & renewable energy projects

*CPCNH is in the process of selecting a firm to provide accounting services.
InvestNH Municipal Planning & Zoning Grant Program
Housing Opportunity Planning Grant

GRANT AGREEMENT

This agreement ("Agreement") is by and between New Hampshire Housing Finance Authority, 32 Constitution Drive, Bedford, NH 03110, ("NHHFA") and the Town of Hanover, New Hampshire ("Grantee").

NHHFA is administering the InvestNH Municipal Planning & Zoning Grant Program ("the Program") under contract with the NH Department of Business and Economic Affairs ("BEA"). BEA has established the Program using funds awarded for these purposes under Section 9901 of the American Rescue Plan Act (Pub. L. No. 117-2 (March 11, 2021)).

Pursuant to a competitive application process NHHFA will provide a grant to Grantee for a project consistent with the Program objectives and Grantee's approved application ("the Project").

Grantee will undertake and complete the Project pursuant to the terms and conditions of this Agreement.

TERMS AND CONDITIONS

1. GRANT AMOUNT: ____ $75,000 ________.

2. EFFECTIVE DATE: ____ November 29, 2022 ________.

3. COMPLETION DATE: ____ July 31, 2024 ________.

4. PROGRAM ADMINISTRATOR. This Program is administered by Plan NH on behalf of NHHFA. Project communications with Grantee will generally be by and with the Program Administrator, but NHHFA may communicate directly with Grantee on some matters as stated in this Agreement.

5. PROJECT PERFORMANCE AND CONSULTANT SELECTION. Grantee agrees to perform work to complete the Project pursuant to the terms and conditions of the Scope of Work (Exhibit A). Grantee's application to the Program is considered part of this Agreement and any commitments included within the application will be binding on Grantee. Program application instructions, forms, and associated materials are also conditions to this Agreement.

Grantee acknowledges that it is responsible to complete all Project work and that it will deliver to the Program Administrator (a) all required work under the Scope of Work; (b) all required documentation under the Scope of Work; and (c) all other requirements, duties, obligations and responsibilities of Grantee under the Scope of Work. Grantee
acknowledges and agrees that NHHFA, acting at times through the Program Administrator, will have the sole authority and discretion to determine whether Grantee has met the requirements set forth in this Agreement.

Grantee shall subcontract with a consultant to perform the work of the Project. Grantee may select its consultant from the list of qualified contractors published as part of the Program without engaging in a competitive process. Grantee may otherwise engage in a competitive process to choose its consultant, but the consultant chosen by the Grantee will be subject to approval by the Program Administrator. Acting through the Program Administrator, NHHFA reserves the right to assess the qualifications of such consultants and to reject those it deems to be unqualified to perform the proposed work. Grantee’s contractor may subcontract Project work only upon review and written approval of subcontractor’s qualifications by the Program Administrator. Grantee will at all times be responsible for Project performance under this Agreement.

6. MONTHLY PROGRESS REPORTS. Grantee will report to Program Administrator on monthly progress toward implementing its proposed Scope of Work, completed tasks, and metrics of success including documentation on public meetings, workshops and hearings, public participation levels, and additional outreach efforts. Grantee will submit a progress report to the Program Administrator that includes a draft of any proposed regulations for the purpose of allowing NHHFA to comment on the draft prior to notice of public hearings held by the Grantee’s planning board or other cognizant body.

7. CLOSE OUT OF CONTRACT. No later than 30 days following Project Completion Date, Grantee will submit its final invoice. Regardless of the Completion Date, any invoice submitted after July 31, 2024 will not be eligible for reimbursement. At the same time, Grantee will submit a final report to the Program Administrator. If Grantee cannot demonstrate that the funds have been expended for allowable costs, the excess funds shall be returned with the final report to Program Administrator, by check payable to New Hampshire Housing Finance Authority.

8. POST-COMPLETION PROJECT REPORTS. If Grantee adopts ordinances or regulations paid in whole or part with these grant funds, Grantee will report on permitting and development activity under the regulations for a period of three (3) years after Completion Date in a form determined by NHHFA.

9. PROJECT TERM EXTENSION. Grantee will ensure that the Project work is performed in a manner that is consistent with the time periods set forth in the Scope of Work and with the Completion Date. Grantee may request additional time to perform the Project work beyond the Completion Date, but in no circumstance will the Project term extend beyond July 31, 2024.

10. COMPLIANCE WITH APPLICABLE LOCAL, STATE AND FEDERAL LAWS, REGULATIONS, AND RULES. By signing this Agreement, Grantee certifies its understanding and acceptance of the terms and conditions of Exhibits C through F.
Grantee covenants and agrees that it will fully comply with all applicable provisions of these documents as well as all other applicable local, state and federal laws, regulations and rules that may be applicable to the conduct of this Project.

11. CONFLICT OF INTEREST. Grantee agrees that it will maintain in effect a conflict of interest policy consistent with 2 C.F.R. § 200.318(c) covering each activity funded under this Agreement. Grantee will disclose in writing to Program Administrator any potential conflict of interest affecting the awarded funds in accordance with 2 C.F.R. § 200.112.

12. RESTRICTION ON ADDITIONAL FUNDING. Grantee acknowledges and agrees that no portion of the funds under this Agreement may be used for the purpose of obtaining additional Federal funds under any other law of the United States, except if authorized under that law.

13. UNIQUE ENTITY IDENTIFIER. Grantee must (i) be registered in SAM.gov; (ii) provide a valid unique entity identifier; and (iii) continue to maintain an active SAM.gov registration with current information at all times during the term of the Project. Registration instructions are here: https://sam.gov/content/home.

14. PUBLICATIONS. With the exception of ordinances, regulations, and rules proposed or adopted by Grantee, any publications produced with funds from this award must display the following language: “This project [is being] [was] supported, in whole or in part by, federal award number SLFRP0145 awarded to the State of New Hampshire by the U.S. Department of the Treasury.”

15. LIABILITY AND INDEMNIFICATION. NHHFA will not be liable for the action or inaction of Grantee in the performance of its duties under this Agreement. Further, Grantee will indemnify NHHFA and its employees, members, officers, counsel, and other representatives from all claims, causes of action, liability, loss, damage, or expense arising or resulting from Grantee’s actions, including, but not limited to negligence and willful or intentional conduct in performing the work contemplated under this Agreement or arising in any way under this Agreement.

16. NHHFA’S RIGHT TO TERMINATE AGREEMENT. In the event of a violation of any term or condition of this Agreement by Grantee, NHHFA will have the right to terminate this Agreement by giving Grantee ten (10) days written notice of such termination. NHHFA will reimburse Grantee for its Project expenses incurred prior to the effective termination date indicated in its written notice.

17. GRANTEE’S ADMINISTRATIVE AND FINANCIAL REPORTS AND INFORMATION. Grantee will maintain full and accurate accounts and records, including personnel, property and financial records, adequate to identify and account for all costs and expenses pertaining to the work performed by Grantee pursuant to this Agreement and such other records and information as may be deemed necessary by NHHFA to assure proper accounting and use for all Program funds. Between the
Effective Date and the date five (5) years after the Completion Date, Grantee will keep, or require to be kept by subcontractors, detailed records of all services performed in connection with the Grant. At any time during Grantee’s normal business hours, and as often as NHHFA, the State, the U.S. Department of Treasury or OMB may demand, Grantee will make available to the NHHFA, State, the U.S. Department of Treasury or OMB all records pertaining to matters covered by this Agreement. Grantee will permit NHHFA, the State, the U.S. Department of Treasury or OMB to audit, examine, and reproduce such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, data, and other information relating to all matters covered by this Agreement.

18. NO INTELLECTUAL PROPERTY RIGHTS. Grantee acknowledges and agrees that any and all reports, plans, drawings or other documents produced or generated in whole or in part under this Agreement will not be the subject to copyright or other intellectual property right by Grantee or Grantee’s contractors and subcontractors. All such documents will be in the public domain.

19. NO AGENCY. Grantee acknowledges and agrees that it has no authority to act on behalf of NHHFA as its agent, representative or in any other capacity whatsoever and that it will not hold itself out as an agent or representative of NHHFA. Further, Grantee acknowledges and agrees that it does not and shall not claim or assert to have the right to act for, bind or take any action whatsoever in any capacity whatsoever on behalf of NHHFA.

20. WAIVER. The waiver of a breach of any provision of this Agreement by either party or the failure of either party otherwise to insist upon strict performance of any provision hereof shall not constitute a waiver of any subsequent breach or of any subsequent failure to perform.

21. NOTICE. Any notice required under this Agreement shall be given as follows:

Notice to Program Administrator:

Tiffany Tononi McNamara
Plan NH
info@nhhopgrants.org

Notice to NHHFA:

George Reagan
New Hampshire Housing
32 Constitution Drive
Bedford, NH 03110
greagan@nhhfa.org
Notice to Grantee:

Name: Bruce Simpson

City/Town: Town of Hanover

Address: 41 South Main Street, P.O. Box 483

Hanover, NH 03755

Email: bruce.simpson@hanovernh.org

22. APPLICABLE LAW AND VENUE. This Agreement is governed by and construed in accordance with the laws of the State of New Hampshire. Any legal proceeding relating to this Agreement will be brought in the proper state or federal court in the State of New Hampshire.

23. SEVERABILITY. If any provision of this Agreement is for any reason held illegal, void or invalid, such illegality or invalidity will not affect the remaining provisions hereof, and this Agreement will be construed and enforced as if such illegal, void or invalid provisions(s) were not a part hereof.

24. ENTIRE AGREEMENT. This writing along with the exhibits and attachments constitutes the entire agreement of the parties and all other writings, statements, agreements, or representations whether oral or written are superseded and replaced hereby. No alteration, change or modification of this agreement may be made except in writing signed by all parties.

25. BINDING EFFECT. This Agreement is binding upon the parties hereto and upon their successors, heirs, personal representatives and assigns.

Signature page follows.
AGREED:

New Hampshire Housing Finance Authority

By: ___________________________ Date: ___________________________
    Benjamin D. Frost
    Deputy Executive Director

Town of Hanover, New Hampshire

By: ___________________________ Date: ___________________________
    Signature (Duly Authorized)

Name and Title Printed
EXHIBIT A

Scope of Work

1. Grantee acknowledges and agrees that the funds awarded under this Agreement will be used solely for purposes identified in this Agreement. Funds are awarded for these purposes under Section 9901 of the American Rescue Plan Act (Pub. L. No. 117-2 (March 11, 2021)), for which Grantee has not received payment or reimbursement from any other source and the State has determined is an allowable purpose as defined in Section 9901.

2. Services to be Provided:

The following is as presented in Hanover’s awarded application packet:

Outcomes, Deliverables, Scope of Work and Budget:

Outcomes & Deliverables

1. With the assistance of UNH Cooperative Extension, create and implement a campaign of public outreach to educate the community on the need for additional affordable housing and show how affordable housing can be done in a way that doesn't reduce property values or have adverse effects on the local neighborhood or the town as a whole.

2. Draft and implement Zoning and Site Plan Review changes, possibly including:
   • Allowance of a wider variety of housing (including multi-family) in districts that now prioritize single-family homes
   • Increases in allowed density in select areas of town are served by public water and sanitation.
   • Reduction of the 10-acre minimum lot size for major subdivisions.
   • Move to soil-based lot sizing for portions of the Rural Residential District that are adjacent to the SR and GR districts.
   • Density bonuses for affordable housing.
   • Simplification and/or streamlining of approval procedures, such as programs that make it easier for residents without professional backgrounds to turn single-families into duplex or triplexes.
   • Separate, streamlined workflow for workforce or affordable housing.
   • Modification of setbacks, height allowances, and lot sizes for affordable housing.
   • Make it easier for people to move properties into adaptive re-use pathways.
   • Facilitate Accessory Dwelling Units by eliminating parking, design, and setback standards.
   • Create a permit by right for affordable housing projects.
   • Limits on short-term rentals that remove housing stock (especially rental housing) from the market and/or implementation of a requirement that all short-term rentals be owner occupied.
   • Explore programs to create cluster developments in more rural areas that help preserve open space, reduce environmental impact, and generate more housing units.
• Expand the use of informal working groups that include developers so that interactive conversations can happen about project ideas before costly application processes begin.
• Work with key regional stakeholders in identifying mechanisms for facilitating more thoughtful and nuanced local policy discussions about land use and housing that mediate the "NIMBY" response bias that data shows exists in virtually every community.
• Identify programs that attempt to reshape cultural and social viewpoints about different types of development, affordable housing, alternative transportation, and related issues.
• Leverage the credibility of key local stakeholders such as local businesses to help ensure that the public understands the impact of the housing shortages on treasured local assets, such as long-standing restaurants that cannot hire new employees due to local housing costs.

3. Other tasks:
   • Consider possibility of tax incentives to increase housing stock.
   • Develop a plan to improve and expand existing public transportations system that will reduce need for private vehicle ownership, thus minimizing the limitations on housing created by the need for parking spaces.
   • Work with Dartmouth College to increase student/employee housing so as to help alleviate housing shortage in the community, especially on vacant land owned by the college, and look at zoning changes could facilitate such increases.
   • Partner with non-profits such as Twin Pines Housing to increase workforce housing supply.
   • Consider expansion of town water and sewer to more areas of town to facilitate affordable housing.

Timeline of Tasks

Task #1: Needs Analysis and Planning
Develop a working knowledge of the Regional Housing Needs Assessment for the Upper Valley Region currently being prepared by the UVLSRPC to better understand housing needs in a regional context, as well as identify gaps at the municipal level for Hanover. The Consultant will undertake an analysis of local housing market trends, and coordinate with UVLSRPC staff and other local and regional resources to access and analyze available data. This task will also support the development of housing-related sections in the Master Plan Update that is already in progress.
Estimated Timeline: December 2022 - March 2023

Task #2: Regulatory Audit
The Consultant will be tasked with initiating the process of conducting an audit of local land use regulations to more clearly identify regulatory barriers to housing development and restrictions. Regulations to be reviewed will include the Zoning Ordinance, Subdivision Regulations, and Site Plan Review Regulations. This task will include: a review of local land use regulations; presentation of initial findings to community representatives and staff to identify potential priorities; an examination of the Hanover's permitting processes, and identification of ways to improve efficiency and clarity for private landowners and developers.
Estimated Timeline: March - July 2023
Task #3: Community Engagement
Community engagement is a cornerstone of this proposal and will be ongoing from the time of award and throughout the project. To best ensure that the proposed planning and regulatory changes promote new housing development that reflects the desired character of the community, the consultant will work with local staff, boards and volunteers, as well as major stakeholders such as Dartmouth College and Dartmouth-Hitchcock Hospital to gather meaningful input while also educating residents where opposition to new housing may be grounded in stigma, misconceptions and NIMBY sentiments that challenge the ultimate aims of this project. Proposed community engagement sub-tasks are likely to include visualization exercises to show a variety of housing types and character. It is important to acknowledge that this project provides a unique opportunity to educate residents about the range of housing options that are available and may suit the community’s desires.
Estimated Timeline: December 2022 - May 2024

Task #4: Housing Academy Participation
We will identify up to eight individuals to participate in the Housing Academy developed by UNH Cooperative Extension and help bring these lessons and insights back to Hanover. While Academy sessions will extend for approximately eight months beginning in Fall 2022 with site visits planned later in the program, we anticipate using the Academy as a valuable resource throughout the project period, building relationships and sharing best practices with other program participants.
Estimated Timeline: January 2023 - January 2024 (or per availability)

Task #5: Project Administration
The Project Administrator will manage the grant over the 18-month performance period.
Estimated Timeline: December 2022 - July 2023

Scope of Work & Budget

<table>
<thead>
<tr>
<th>Task Name</th>
<th>Summary of task</th>
<th>Who performs?</th>
<th>Timing</th>
<th>Estimated Cost</th>
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</thead>
<tbody>
<tr>
<td>Needs Analysis and Planning</td>
<td>Analyze demographic data and housing information and trends</td>
<td>Consultant, planning staff</td>
<td>Initial phase, beginning late fall 2022.</td>
<td>$20,000</td>
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<tr>
<td>Community Engagement</td>
<td>Develop and implement outreach program, seek partnership w/ local stakeholders</td>
<td>Consultant, planning staff, volunteers, community stakeholders, Planning Board</td>
<td>Surveys, forums, hearings, workshops, etc. to be conducted throughout the process, beginning in Winter 2022</td>
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<tr>
<td>Housing Academy Stipend</td>
<td>Attendance at Academy</td>
<td>Volunteers, Planning Board Members</td>
<td>Per UNH schedule</td>
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<tr>
<td>Regulatory Review</td>
<td>Review Master Plan, Ordinance, Regulations &amp; procedures</td>
<td>Consultant &amp; planning staff</td>
<td>Winter 2022–Summer 2023</td>
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<td>Planning Staff</td>
<td>Throughout process</td>
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<tr>
<td>TOTAL</td>
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<td></td>
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<td>$75,000</td>
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</tbody>
</table>
EXHIBIT B

Methods and Conditions of Payment

Grantee acknowledges and agrees that funding under this Agreement may be withheld, in whole or in part, in the event of Grantee’s non-compliance with any Federal or State law, rule or regulation applicable to the Project, or if the Project has not been satisfactorily completed in accordance with the terms and conditions of this Agreement.

FEDERAL STANDARDS. Grantee acknowledges and agrees that it is a “subrecipient” as that term is defined in 2 CFR 200 as amended (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards), and that 2 CFR 200, other than such provisions as Treasury may determine are inapplicable to the State Fiscal Recovery Fund and subject to such exceptions as may be otherwise provided by Treasury, are considered legally binding and enforceable documents under this Agreement. The State reserves the right to use any legal remedy at its disposal including, but not limited to, disallowance of costs or withholding of funds. The direct costs charged under this Agreement are determined to be allowable under ARPA Section 9901 and the cost principles detailed in 2 CFR 200 Subpart E – Cost Principles.

REIMBURSEMENT OF GRANTEE’S COSTS. Grant funds will be paid as reimbursement by NHHFA to Grantee for its costs within 30 days of presentation of an invoice to the Program Administrator by Grantee. NHHFA reserves the right to request further information in support of Grantee’s invoice; such requests will toll the reimbursement period until requested information is provided by Grantee.

ELIGIBLE COSTS. In addition to the cost of consulting services as required in this Agreement for conduct of the Project, Grantee may expend grant funds for the purpose of acquiring materials and other services necessary to perform tasks identified in the Scope of Work, including but not limited to costs of public notices for meetings.

Food and beverage costs will qualify for reimbursement provided its primary purpose is for the Project and for the purpose of engaging with the public or groups of stakeholders, such as public meetings or focus groups, or is for the dissemination of information about the Project and gathering of public input regarding the Project. Prior to any such expenditure, Grantee must secure the approval of the Program Administrator. Grantee can secure approval for a recurring series of expenditures in a single request. The cumulative amount of funds used to purchase food and beverages will not exceed one percent of Grantee’s total project budget or $2,500, whichever is greater, without prior approval by the Program Administrator. Grant funds cannot be used for the purchase of alcoholic beverages.

Grantee may use up to 7.5% of grant funds for its administrative costs.

Grant funds may not be used for the acquisition of property, to pay for equipment, or to pay for consultant services rendered prior to the Effective Date.
Regardless of the Completion Date, any invoice submitted for reimbursement after July 31, 2024 will not be eligible for reimbursement.
EXHIBIT C

Drug-Free Workplace

Grantee agrees to comply with the provisions of Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.), and further agrees that by executing this Agreement it certifies as follows:

Certification Regarding Drug Free Workplace

This certification is required by the regulations implementing Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.). The January 31, 1989, regulations were amended and published as Part II of the May 25, 1990, Federal Register (pages 21681-21691), and require certification by grantees, prior to award, that they will maintain a drug-free workplace. The certificate set out below is a material representation of fact upon which reliance is placed when NHHFA awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment.

(A) Grantee certifies that it will or will continue to provide a drug-free workplace by:

(a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in Grantee’s workplace and specifying the actions that will be taken against employees for violation of such prohibition;

(b) Establishing an ongoing drug-free awareness program to inform employees about—

(1) The dangers of drug abuse in the workplace;
(2) Grantee’s policy of maintaining a drug-free workplace;
(3) Any available drug counseling, rehabilitation, and employee assistance programs; and
(4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

(c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);

(d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will—

(1) Abide by the terms of the statement; and
(2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

(e) Notifying NHHFA in writing, within ten calendar days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices;

(f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted—

(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, state, or local health, law enforcement, or other appropriate agency;

(g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).
EXHIBIT D

Lobbying

Grantee agrees to comply with the provisions of Section 319 of Public Law 101-121, Government wide Guidance for New Restrictions on Lobbying, and 31 U.S.C. 1352, and further agrees that by executing this Agreement it certifies as follows:

CERTIFICATION REGARDING LOBBYING

Grantee certifies, to the best of its knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-Grantee).

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-Grantee), Grantee shall notify NHHFA.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.
EXHIBIT E

Debarment

The Grantee agrees to comply with the provisions of Executive Office of the President, Executive Order 12529 and 45 CFR Part 76 regarding Debarment, Suspension, and Other Responsibility Matters, and further agrees that by executing this Agreement it certifies as follows:

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS - PRIMARY COVERED TRANSACTIONS

Instructions for Certification
(1) By signing and submitting this Agreement, the Grantee is providing the certification set out below.

(2) The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the Grantee shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the State determination whether to enter into this transaction. However, failure of the Grantee to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

(3) The certification in this clause is a material representation of fact upon which reliance was placed when the State determined to enter into this transaction. If it is later determined that the Grantee knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, State may terminate this transaction for cause or default.

(4) The Grantee shall provide immediate written notice to NHHFA, to whom this Agreement is submitted if at any time the Grantee learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.


(6) The Grantee agrees by submitting this Agreement that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by NHHFA.

(7) The Grantee further agrees by submitting this Agreement that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by State, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
(8) A Grantee in a covered transaction may rely upon a certification of Grantee in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A Grantee may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Non-procurement List (of excluded parties).

(9) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a Grantee is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

(10) Except for transactions authorized under paragraph 6 of these instructions, if a Grantee in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, NHHFA may terminate this transaction for cause or default.
CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS - PRIMARY COVERED TRANSACTIONS, cont’d

Certification Regarding Debarment, Suspension, and Other Responsibility Matters - Primary Covered Transactions

(1) The Grantee certifies to the best of its knowledge and belief, that it and its principals:

(a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;

(b) have not within a three-year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or a contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1) (b) of this certification; and

(d) have not, within a three-year period preceding this Contract, had one or more public transactions (Federal, State or local) terminated for cause or default.

(2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this Agreement.
By signing this Agreement, Grantee agrees to comply with Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352); Title IX of the Education Amendments of 1972, as amended, (Pub. L. 92-318, Pub. L. 93-568, and Pub. L. 94-482); Section 504 of the Rehabilitation Act of 1973 (Pub. L. 93-112); the Age Discrimination Act of 1975 (Pub. L. 94-135); the Fair Housing Act, Title VIII-IX of the Civil Rights Act of 1968 (42 U.S.C. § 3601 et seq.), which prohibits discrimination in housing on the basis of race, color, national origin, sex, familial status, or disability; The Americans with Disabilities Act of 1990, as amended (42 U.S.C. §§ 12101 et seq.), which prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto.

In accordance with the above laws and regulations issued pursuant thereto, Grantee agrees to assure that no person in the United States shall, on the ground of race, color, national origin, sex, age, or disability, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity in which Grantee receives Federal assistance.

Applicability and Period of Obligation
In the case of any service, financial aid, covered employment, equipment, property, or structure provided, leased, or improved with Federal assistance extended to Grantee by the State or NHHFA with federal ARPA funds, this assurance obligates Grantee for the period during which Federal assistance is extended. In the case of any transfer of such service, financial aid, equipment, property, or structure, this assurance obligates the transferee for the period during which Federal assistance is extended. If any personal property is so provided, this assurance obligates Grantee for the period during which it retains ownership or possession of the property.

Employment Practices
Where a primary objective of the Federal assistance is to provide employment or where Grantee's employment practices affect the delivery of services in programs or activities resulting from Federal assistance extended by the State or NHHFA, Grantee agrees not to discriminate on the ground of race, color, national origin, sex, age, or disability, in its employment practices. Such employment practices may include, but are not limited to, recruitment, advertising, hiring, layoff or termination, promotion, demotion, transfer, rates of pay, training and participation in upward mobility programs; or other forms of compensation and use of facilities.

Subrecipient Assurance
Grantee shall require any individual, organization, or other entity with whom it subcontracts, subgrants, or subleases for the purpose of providing any service, financial aid, equipment, property, or structure to comply with laws and regulations
cited above. To this end, the subrecipient shall be required to sign a written assurance form; however, the obligation of both recipient and subrecipient to ensure compliance is not relieved by the collection or submission of written assurance forms.

Data Collection and Access to Records
Grantee agrees to compile and maintain information pertaining to programs or activities developed as a result of Grantee's receipt of Federal assistance from the State. Such information shall include, but is not limited to the following: (1) the manner in which services are or will be provided and related data necessary for determining whether any persons are or will be denied such services on the basis of prohibited discrimination; (2) the population eligible to be served by race, color, national origin, sex, age and disability; (3) data regarding covered employment including use or planned use of bilingual public contact employees serving beneficiaries of the program where necessary to permit effective participation by beneficiaries unable to speak or understand English; (4) the location of existing or proposed facilities connected with the program and related information adequate for determining whether the location has or will have the effect of unnecessarily denying access to any person on the basis of prohibited discrimination; and (5) the present or proposed membership by race, color, national origin, sex, age and disability in any planning or advisory body which is an integral part of the program.
For immediate release from NHRS: December 16, 2022

CONCORD, NH – The State of New Hampshire will begin issuing FY 2022 employer contribution reimbursements to many NHRS-participating employers next week.

Legislation enacted in 2022 (HB 1221) requires the State to reimburse 7.5 percent of local employer contributions to the New Hampshire Retirement System made in fiscal year 2022 for Group I teachers and Group II police and fire members.

NHRS provided the state with employer-by-employer contribution data for the majority of local, county and school employers in October. Approximately 60 employers had unreconciled contributions at that time and will not be receiving the reimbursement until early 2023. NHRS expects to complete the reconciliation process for all employers and provide reimbursement information to the state in early January.

These payments are being issued by the state, not NHRS. Because the retirement system is not issuing the payments, we cannot answer employer questions regarding accounting or financial reporting related to this legislation.

Respectfully,

Katherine

Katherine Heck
Government Finance Advisor
NH Municipal Association
25 Triangle Park Drive
Concord, NH 03301
Tel: (603) 224-7447
Email: kheck@nhmunicipal.org
Federal Funding and Resources
STATE OF NEW HAM AP PAYMENT ACH ENTRY MEMO POSTED TODAY
Pending - 12/19/2022

+$81,384.71

Attach to a conversation

Mascoma Bank - Operating Account
STATE OF NEW HAM AP PAYMENT ACH ENTRY MEMO POSTED TODAY
### Statement of Remittance

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<tr>
<th>VOUCHER NUMBER</th>
<th>INVOICE NUMBER</th>
<th>DESCRIPTION</th>
<th>CONTACT INFORMATION</th>
<th>DATE</th>
<th>AMOUNT</th>
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<td>HB1221-Reimb NHRS Contrib</td>
<td>(603) 271-2636 <a href="mailto:Crystal.Buckman@treasury.nh.gov">Crystal.Buckman@treasury.nh.gov</a></td>
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If you have further payment questions, reference the contact information provided next to the line item in question.

**TOTALS:** $81,384.71

**INFORMATION MESSAGE**

Questions On Your Payment?
Please use the contact information provided above in the fourth column from the left.

---

**Direct Deposit Advice**

PAY EXACTLY VOID VOID VOID VOID VOID VOID VOID VOID VOID

PAY TO THE ORDER OF TOWN OF HANOVER Treasurer PO Box 483 Hanover NH 03755

NON-NEGOTIABLE
December 20, 2022

Landfill Customer -

The City of Lebanon has completed its 2023 budget process. A public hearing was set for Lebanon’s Budget on December 7, 2022. During that budget meeting the Lebanon landfill tip was set at a 3% increase to $78.80 ton. This proposed new rate will go into effect on January 1, 2023. Punch Cards will also be going from $15 to $20 a card.

If you have any questions, please let me know.

Thank you,
Erica

Erica, Solid Waste Manager
City of Lebanon, NH
603.442.6147
www.lebanonnh.gov/solidwaste