

City of Laconia

Community Choice Aggregation Program



Laconia Electric Aggregation Plan

Prepared by:

Laconia Electric Aggregation Committee

In consultation with:

Freedom Energy Logistics
and
Colonial Power Group, Inc.

** DRAFT PLAN **

[*date*], 2024

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Introduction

The City of Laconia, New Hampshire (the “City”) has developed a Community Choice Aggregation Program (“Program”). The Program is designed to offer competitive choices to eligible consumers as an alternative to the default energy service provided by the City’s two electric distribution companies, Eversource and NH Electric Coop (each the “Utility”).

The City has engaged with Freedom Energy Logistics who, in coordination with Colonial Power Group, Inc., and each a provider of electric aggregation service registered with the New Hampshire Department of Energy (the “Consultant”), will serve as professional, technical, and legal consultant to manage the Program.

On [Date], Laconia’s City Council voted to establish a Municipal Aggregation Committee (“Committee”) to create an electric aggregation plan (the “Plan”) so that the City may pursue municipal aggregation to potentially benefit the community.¹ The Plan was written to comply with New Hampshire RSA 53-E regarding the aggregation of electric customers by municipalities and counties. It contains required information on the structure, operations, rate setting, and policies and procedures of the City’s Program.

The purpose of this Plan is to promote consumer interests in competitive markets for electricity. It seeks to increase the buying power of the consumers in City by aggregating such consumers to negotiate rates for power supply. Further, the City seeks to take greater control of its energy options, including enhancing the ability to pursue price stability, savings opportunities, and to increase the amount of renewable energy procured.

The City does not buy and resell power to Program participants but rather promotes consumer interests in setting the terms for service. In consultation with the City, the Consultant will develop a standard form contract and, through a competitive bid or negotiation process, select a supplier to provide firm, all-requirements supply service and to advance renewable energy or other Program goals for the benefit of consumers. Each contract will run for a fixed term. Eligible Consumers, as defined in Section 1 of this Plan, may opt-out of the Program and select Utility default energy service or power supply from another competitive supplier both before and

¹ RSA 53-E:6(I).

following enrollment in the City’s Program. Consumer participation in the Program is entirely voluntary.

Goals and Components

Consumer Protections: The Consultant will develop contract terms that provide consumer protection for the Program’s participating consumers. Final contracts with suppliers will be negotiated and then monitored for compliance by the Consultant in consultation with the City. Participants will be able to rely on price security, clearly defined terms of service, no exit penalties, and multiple options to handle customer service-related issues or queries.

Product Optionality: The Program will seek to provide the City’s consumers with more than one product option. The Program is likely to always offer a product that is comparable to Utility default energy service. However, the City may also procure renewable energy or Renewable Energy Certificates (“RECs”) and execute such other agreements as may be necessary to support optional renewable products or services. The City may seek RECs from a variety of renewable sources and will choose the proposal that offers the best combination of environmental benefit, price, local sourcing, and local benefits. The City may also offer market-based rates for certain consumer groups if and when such an offering may be advantageous for such consumers.

Strength of Supplier: Only suppliers that demonstrate market experience, managerial performance, and creditworthiness will be invited to bid on the Program portfolio. The Consultant will vet all potential suppliers, drawing on its decades of experience managing electricity procurement activities in New England.

Cost Savings to Participating Consumers: The City seeks to take greater control of energy options available to its consumers, to include improved price stability and setting Program prices that, over time, are below rates consumers would otherwise have paid under the Utility default energy service.² While savings cannot be guaranteed under the Program, the Program has inherent pricing advantages not

² The Consultant and the City recognize that the comparison of Program prices to utility default energy service rates is an imperfect comparison given the differences in procurement procedures and (potentially) in product definition. Nonetheless, such comparisons are widely sought and used by consumers and governmental agencies. As such, the City uses this definition of savings in its Plan.

enjoyed by the Utility that the City hopes will result in lower electricity prices for participating consumers.

Targeting Benefits for Residential and Small Commercial Consumers: Consumer choice for electricity supply has been a major success for larger commercial and industrial consumers in the state but less so for other consumer groups. Consequently, the Program will place a strategic emphasis on providing choice, offering beneficial options, and delivering benefits most attractive for residential and small commercial consumers.³

Statutory Requirements

RSA 53-E:6 requires that an aggregation plan include the following details:

- Universal access
- Reliability
- Equitable treatment across customer classes
- Organizational structure of the program
- Operating and funding
- Rate setting and any costs to participants
- Whether supply services are offered on an opt in or opt out basis
- Methods for entering and leaving agreements with other entities
- Rights and responsibilities of program participants
- How the Program will compensate and account for net metered electricity exported to the distribution grid by program participants
- How the Program will ensure that Program participants enrolled in the electric assistance program will continue to receive their discount
- Termination of the program

1. Universal Access

“Universal access” is a term derived from the traditional regulated utility environment in which all consumers desiring service receive that service. This Plan shall meet the statutory requirement of universal access by giving all consumers within the boundaries of the City the opportunity to participate in the Program, whether such consumers are currently on Utility default energy service or the supply service of a competitive supplier. For the purposes of the City’s Program this means that all consumers within the borders of the City taking default energy

³ Consistent with RSA 53-E:1.

service from the Utility, including existing consumers and any new consumers in the future, that are not enrolled with an alternative competitive supplier (“Eligible Consumers”) will be eligible to receive service from a supplier selected by the City to serve the Program (“Program Supplier”). At the onset of the Program, all existing Eligible Consumers will be enrolled into the Program unless they contract with a competitive supplier or affirmatively opt-out of the Program. Similarly, all new Eligible Consumers that come into the City after Program launch will be enrolled in the Program unless they first contract with a competitive supplier or affirmatively opt-out of the Program. All participating consumers will retain the right to opt-out, without penalty, even after their commencement of Program service. Service under the Program shall include Program rate classifications in adherence with universal service principles and requirements, and the traditional non-discriminatory practices of local government. Contracts with all Program Suppliers shall contain provisions to maintain these principles and equitable treatment of all rate classifications.

2. Reliability

For an electric aggregation program, “Reliability” means the City securing, and Program participants receiving, the energy services as fully defined by Program electric service agreements, for the duration of such agreements. When vetting potential suppliers for the Program, the City, based on a thorough review by the Consultant, will evaluate the suppliers’ demonstrated ability and expertise to fulfill all material obligations under the Program contract and without exposing Program participants or the City to any unanticipated risks or costs.

3. Equitable Treatment Across Customer Classes

All consumers participating in the Program will be treated equitably. They will be guaranteed the right to raise and resolve disputes with the Program Supplier, they will be provided with all required notices and information, and always retain the right to opt-out of the Program or to enroll with an alternative supplier. Equitable treatment of all consumers does not, however, require that the Program offer all consumers the same pricing or terms and conditions. To impose such a self-restriction on the Program would, in effect, result in inequitable treatment, as attempting to apply identical prices, terms, and conditions to consumers with widely disparate characteristics would have the inevitable effect of giving some consumers more favorable service than others. The implementation of the Program will recognize this reality through appropriate distinctions in pricing and, where applicable, terms and conditions among consumers.

4. Organizational Structure

There are five operational levels to the City's Program as follows:

A. Level One: Consumers

The Legislative Body is made up of the consumers of the City, who hold the ultimate authority over the Program and its functions. They can participate in meetings and hearings regarding issues related to the Program.

B. Level Two: Governing Body

The City's government is led by a seven-member City Council that serves as both the Legislative Body and the Governing Body for the City. Daily operations are overseen by a City Manager. The City Council is responsible for the general welfare of the community. Specific powers and responsibilities of the City Council are set forth in the City Charter and New Hampshire state law. The final Program Plan will be submitted to the City Council for its adoption pursuant to RSA 53-E:7(I).

C. Level Three: Electric Aggregation Committee

The City Council formed an Electric Aggregation Committee pursuant to RSA 53-E:6 to develop and approve this Plan for the consumers of the City. The Committee developed the Plan using a transparent and public process that sought and encouraged public input.

D. Level Four: Program Administrator

The City Manager is the Liaison between the City Council, City departments, and the community. Reporting directly to the City Council, the City Manager is responsible for the day-to-day activities of the City departments and for its buildings. All department heads report directly to the City Manager. As designee of the City Council, the City Manager will serve as program administrator and will be responsible for making decisions and overseeing the administration of the Program in close coordination with the Consultant. Prior to the receipt of executable bids from approved suppliers, the City Manager will be authorized to execute an electric service agreement under the parameters set forth by the City Council.

E. Level Five: Consultant

The Consultant will have primary responsibility to manage specific aggregation activities called for under the Plan and as described under any consultant agreement with the City. Those duties will include, but are not limited to:

- Managing the procurement process
- Selecting the approved suppliers eligible to bid
- Reviewing and negotiating supplier contracts
- Hosting, maintaining, and updating an informational website for the Program
- Monitoring supply contracts
- Acting as an initial point of contact for both Program Suppliers and the City Manager to address any operational or performance issues

The Consultant will also act as a Program-level customer service contact for participating consumers, providing general information about participants' rights, prices, terms, and obligations under the Program.

F. Level Six: Program Suppliers

Program Suppliers will contract with the City through the City Manager. Contracts will be negotiated, recommended, and monitored for compliance by the Consultant. No contract will be binding until it is first approved by the City Manager. Program Suppliers will provide all requirements power supply⁴ to the Program, be responsible to provide all necessary notifications to eligible and participating consumers, provide account level customer service to Program participants, and work in coordination with the Consultant to manage all opt-outs, opt-ins, and new consumer enrollments during the term of the contract.

5. Approval Process

On [date], 2024, Laconia's City Council voted to establish a Municipal Aggregation Committee to create an electric aggregation plan so that the City may pursue municipal aggregation to potentially benefit the community. The Committee worked with the Consultant to prepare an initial plan. The Committee approved an initial Plan, after first determining that the Plan creates a Program structure designed to serve the long-term interests of Program participants and the City.⁵ It held two public hearings on [date], 2024 and [date], 2024 to solicit input from the community.

⁴ 'All requirements power supply' is the service under which Program Suppliers provide all electrical energy, capacity, reserves, ancillary services, transmission and distribution losses, state-mandated renewable energy obligations, and any other services or products specified in any electric service agreement executed pursuant to this Plan.

⁵ The Committee approved the Plan as designee of the Governing Body, and pursuant to RSA 53-E:6(IV).

The Plan was reviewed and adopted by the City Council on [date], 2024 and the City Council directed the Consultant to file this final Plan with the New Hampshire Public Utilities Commission (“Commission”) for its approval.⁶

6. Program Launch

After receiving all necessary approvals, the City will make preliminary decisions regarding the timing of Program launch (e.g., a near-term target date or a deferred date to be determined later) and the methods that the City will use to communicate with consumers about the new Program. For example, the City may provide notice and host a public informational session for all consumers within the municipality before executing a contract with a Program Supplier. Such engagement would supplement consumer notification and engagement conducted after a contract is signed and prior to customer enrollment. Two possible sequences of events related to consumer engagement are as follows:⁷

Scenario 1 – Prompt Program Launch

- Request two information sets from the Utility: (1) billing addresses for all consumers within the City, and (2) anonymized information of Eligible Consumers including such information necessary for successful program launch.
- Issue Request for Proposal (“RFP”) for power supply and select a Program Supplier.
- Mail notification to all consumers including notice of public meeting to be held within 15 days of mailing. The form of notice sent to Eligible Consumers may be different than the form of notice sent to all other consumers but in any event all Eligible Consumers will be sent specific instructions on how to exercise the option to opt-out from being enrolled in the Program.
- Hold public information meeting within 15 days of notice.
- Enroll Eligible Consumers not selecting to opt out and commence service.

Scenario 2 –Deferred Program Launch

- Request billing addresses for all consumers within the City from the Utility.
- Mail notification to all such consumers including notice of public meeting to be held within 15 days of mailing.
- Hold public information session.

⁶ RSA 53-E:7(II).

⁷ Each in compliance with RSA 53-E:7(III).

At a later time:

- Request anonymized information of Eligible Consumers from the Utility including such information necessary for successful program launch.
- Issue RFP for power supply and select a Program Supplier.
- Mail notification to all consumers including notice of public meeting to be held within 15 calendar days of mailing. The form of notice sent to Eligible Consumers may be different than the form of notice sent to all other consumers but in any event all Eligible Consumers will be sent specific instructions on how to exercise the option to opt-out from being enrolled in the Program.
- Hold public information meeting within 15 calendar days of notice.
- Enroll Eligible Consumers not selecting to opt out and commence service.

A. RFP and Selection of Program Supplier

The Consultant will solicit and the City will accept bids from competitive suppliers that meet the goals of this Plan and satisfy certain criteria, including:

- Documentation of requisite authorizations from governmental authorities to conduct business operations
- Good standing with regulatory agencies in New Hampshire and other states
- Positive assessment of creditworthiness
- Market experience in ISO New England
- Ability to manage large-scale customer service
- Strong reputational history

The Consultant will prepare a standard form electric service agreement to be signed by the selected supplier and the City (the “ESA”). The terms and conditions of such agreement will set out prices, supply term, Program products, and consumer protections. The terms and conditions shall meet any requirements of the General Court or Commission regulations.

The City Council shall authorize the City Manager to evaluate supplier responses to the RFP, consider support and advice from Consultant and select an offer that most closely meets the objectives of the Plan, and execute an ESA with the selected supplier on behalf of the Program. The City Manager may reject all bids and repeat the RFP process until such time as an acceptable offer is received.

B. Consumer Notice and Opt-Out Period

Once the City has executed a contract with a Program Supplier, the Consultant will prepare a notification that is reviewed and approved by the City and coordinate with the Program Supplier to prepare and mail such notification to each Eligible Consumer (the “Opt-Out Notice”).⁸ The Consultant or the Program Supplier shall issue the Opt-Out Notice on behalf of the City and mail the Opt-Out Notice using the billing addresses provided by the Utility. The Opt-Out-Notice shall include:

- A description of the Program
- A description of product offerings
- Program price(s)
- The supply term
- The Program Supplier’s name and contact information
- Disclosure of consumers’ rights to opt out with clear instructions how to do so
- Link to the Program website
- Toll-free phone number for customer service questions
- The current Utility default energy service prices
- Appropriate disclaimers that savings cannot be guaranteed under the Program

The Program, as administered by the Consultant, shall provide all Eligible Consumers with no less than 30 days to opt-out of being in enrolled in the Program. Specifically, the Program shall provide all Eligible Consumers at least 30 days from the date of the mailing of the Opt-Out Notice (the “Opt-Out Notice Period”) to opt out of being enrolled in the Program before the Consultant initiates account enrollments with the Program Supplier. Eligible Consumers will be given the ability to opt-out by return postcard, website, or such additional means as may be provided by the City.⁹ All Eligible Consumers who do not elect to opt-out will automatically be enrolled in the Program. Consumers who elect to opt-out will remain on Utility default energy service. A consumer taking energy service from a competitive electricity supplier shall not be considered an Eligible Consumer and will not automatically be enrolled in the Program, unless the consumer voluntarily opts-in.

⁸ RSA 53-E:7(III) and (V).

⁹ RSA 53-E:7(V).

Consumers who do not opt-out will be enrolled in the Program's 'standard product' (as such product is defined by the City). The City may also offer one or more optional products, and the details of such products (including price and product content) will be clearly described in the Opt-Out Notice. For example, an optional product might incorporate renewable power or renewable energy certificates beyond minimum requirements established by state law or regulation. The Opt-Out Notice will explain how consumers may elect to enroll in one of the optional products rather than accepting automatic enrollment in the Program's standard product. Eligible Consumers will only be enrolled in an optional product at the commencement of service if they affirmatively select the optional product within the Opt-Out Notice Period. However, any participating consumer may opt-in to any optional Program product or switch between Program products later. The timing of such product change shall only coincide with the consumer's meter reading date and only after first providing adequate advance notice to the Utility.

C. Public Information Session

The City will hold a public information session about the Program within 15 days of notifications being sent to all consumers. The session shall be hosted by representatives of the City and the Consultant. The informational session will be conducted to field any questions posed by the public regarding any aspect of the Program to assist consumers in making properly informed decisions regarding participation. Materials will be prepared and made available to the attending public, providing an overview of the Program and highlighting its material components.

D. Consumer Enrollment

At the end of the Opt-Out Notice Period and after sufficient time has been allotted to properly record all consumer opt-out requests, the Program Supplier shall commence enrollments of all program participants with the Utility. The Program Supplier will enroll all such consumers coincident with each consumer's meter read date after first providing the Utility with sufficient advance notice. The Program Supplier will enroll participating consumers over a one-month period with service beginning in the first month of the supply term as defined in the applicable ESA.

7. Operations

A. Program Management

The Consultant will have responsibility for the operational aspects of the Program. Such responsibilities will include:

- Technical and market analysis
- Competitive procurement services
- Regulatory approvals and compliance
- Accounting and fiscal management
- Monitoring Program Suppliers' compliance with all contract terms and conditions
- Resolution of contract issues
- Program communications
- Preparation and implementation of consumer Opt-Out processes
- Facilitating administrative matters with the Utility
- Providing routine updates to, and attending meetings with, the City Council and its designee(s)

Once launched and throughout the life of the Program, the Consultant will coordinate with Program Suppliers and otherwise oversee the provision of effective customer service, maintenance of a Program website, and the processing of new enrollments. The Consultant will produce and help conduct additional public information sessions, as necessary. Prior to the expiration of each ESA, the Consultant will coordinate with the City Manager to solicit a new ESA to commence concurrently with the final meter reads of the prior agreement.

B. Consumer Awareness and Education

The Consultant will maintain and actively manage a website that provides clear and up-to-date information including:

- A description of the Program
- Description of product offerings
- Program price(s), contract supply term, the Program Supplier's name and contact information
- An explanation of a consumer's rights to opt out with clear instructions how to do so
- A toll-free phone number for customer service questions

- Appropriate disclaimers that savings cannot be guaranteed under the Program

The Program will notify participating consumers of any changes in Program prices or product offerings. The Program may also conduct general and periodic outreach to all consumers in the City. Any such notifications and engagements may be accomplished by using public meetings, live or virtual information sessions, the Program website, the City's website, press releases, and/or mail.

C. Treatment of Individual Customer Data

The Program will have access to certain individual customer data as a necessary element for managing the program. Specifically, the Consultant and Program Suppliers (collectively, the "Service Providers" to the Program) will gain access through the Utility to customer names, mailing addresses, service addresses, account numbers and the quantity and time of each customer's kWh electricity consumption. All such information is included in the definition of "Individual Customer Data" in RSA 363:87 and "Confidential Customer Information" in Commission rule Puc 2000. The Program may also have access to customer phone numbers and email addresses. Other than a customer's participation in a Utility's energy assistance program, the Program shall not request from the Utility nor seek access to personal financial information of individual customers, including but not limited to, financial records, payment history, records of income or wealth, or social security numbers.

All individuals working on behalf of the Service Providers that have access to Individual Customer Data received by or created by the Program shall treat such information as confidential private information in accordance with RSA 363:88 and Puc 2004.19. Further, the Service Providers shall not permit public disclosure of such information under RSA 91-A. Service Providers shall comply with all applicable privacy and security laws to which they are subject.

All ESAs that the City signs with Program Suppliers shall include Individual Customer Data in the definition of confidential information and shall obligate both parties, the City (and, by extension, the Consultant as its representative) and the Program Supplier, to prevent disclosure or sharing of such information to any third-party, except for third-party representatives who have a legitimate need to know or use such Individual Customer Data for the

sole and limited purposes of providing services to the Program (“Third Party Partners”).

Through service agreements with Program Suppliers and the Consultant, the City shall prohibit the use of Individual Customer Data for a secondary commercial purpose not directly related to service provided under the Program. Further, the City shall require that its Service Providers:

- Use at least the same degree of care to avoid publication or dissemination of Individual Customer Data as the Service Provider employs with respect to its own confidential information.
- Store and maintain all Individual Customer Data utilizing secure, password protected applications and data systems.
- Properly maintain and update all data systems to include security patches on an at-least monthly basis. Apply patches as soon as practicable if a critical, time-sensitive alert is raised.
- Maintain up-to-date antivirus software on all servers, workstations, and mobile devices capable of accessing Individual Customer Data.
- Secure and maintain continuous network monitoring for anomalous cyber activity.
- Limit reproduction of Individual Customer Data.
- Encrypt all Individual Customer Data when making data transfers between parties utilizing industry best practice encryption methods.
- Only store Individual Customer Data in the United States, including cloud storage environments and data management services.
- Use role-based access controls to restrict system access to authorized users and limited on a need-to-know basis.
- Provide security awareness training to all personnel, including Third-Party Partners, with access to Individual Customer Data.
- Prohibit replication of Individual Customer Data to non-company assets, systems, devices, or locations.
- Revoke access to Individual Customer Data when no longer required, or if an employee separates from the Service Provider.
- Require any Third-Party Partners, by contract, to maintain reasonable security procedures and practices consistent with this section to protect

Individual Customer Data from unauthorized access, use, destruction, modification or disclosure.

- Prohibit Third-Party Partners, by contract, from using Individual Customer Data for a secondary commercial purpose unrelated to providing services to the Program.
- Notify the City within 24 hours of knowledge of a potential incident when Individual Customer Data is potentially exposed, or of any other potential security breach.

D. New Eligible Consumers

Consumers may become new Eligible Consumers during the operation of the Program in cases where such consumers located in the City begin taking default supply service from the Utility. This can occur when (i) the consumer stops taking supply service from a competitive supplier, or (ii) when a consumer opens a new service account with the Utility. Consultant will periodically request from the Utility the names, account numbers, mailing addresses, and any other information necessary for successful enrollment of such new Eligible Consumers in the Program. The Consultant, in coordination with the City, will periodically mail a written notification, similar to the notification specified in Section 6B, to new Eligible Consumers that have not previously opted out of the Program and enroll any such consumers consistent with the opt-in or opt-out requirements of the Plan.

8. Funding

The Program shall be self-funded through the Program prices established by the City. As such, consumers located in the City who choose not to participate in the Program will not incur, nor be responsible for, any costs associated with the Program, through taxes or other assessments, apart from minimal costs, if any, related to the deliberations of the City and Plan development prior to the enrollment of any Program participants.¹⁰ Services provided to the Program by the Consultant will be funded by adding a per kilowatt hour consultancy fee agreed to by the City Council to the prices charged by the Program's Suppliers. The City will not be under any obligation to expend financial resources towards the administration, implementation and/or maintenance of this Program.

¹⁰ As per RSA 53-E:5.

At its option, the City may, from time to time, include a Program operational fee to the Program price(s). The Program Supplier will remit the amounts that it collects from the Program operational fee to the City, equal to the \$/kWh operational fee multiplied by the kWh usage of participating consumers. Any operational fee, if established, will be used solely to reimburse the City for costs incurred specifically and solely in support of the Program. Such costs, for example, could include expenses for consumer awareness initiatives, or for personnel costs expended to support Program operations.

9. Rate Setting and Costs to Participants

The City Council or its designee will have sole authority to set the prices and term length for each of the Products offered under the Program. Program prices will be set through a competitive bidding process and will include any Program operational fee and consultancy fee, each as applicable. Product prices may vary by customer class. Program prices shall be fixed and not change over the designated term, unless the terms of the agreement between the City and the Program Supplier allow for price changes under certain conditions (for example, new service costs resulting from an unanticipated change in law or regulation). All participating consumers will be given advance notice of any price changes, and the Consultant will update information on the Program website as necessary.

This Program only impacts the electric supply charges of program participants. Transmission and distribution charges will be unchanged and unaffected by participation in this Program. Power outages, meter issues, maintenance or other matters related to the delivery of electric service shall remain the responsibility of the Utility.

10. Form of Service Offering (Opt-in/Opt-out)

All Eligible Consumers within the City will automatically be enrolled in the Program unless they affirmatively opt out during the Opt-Out Notice Period. Consumers within the City not on Utility default energy service but who wish to join the program must affirmatively opt-in. Reasonable care will be taken to caution such consumers to confirm that any contract they may have with a competitive supplier accommodates switching to the Program without penalty.

The City may offer one or more optional products. As an example, an optional product might incorporate renewable power or renewable energy certificates beyond minimum requirements established by state law or regulation. Eligible Consumers or new Eligible Consumers will only be enrolled in an optional product at the commencement of service if they affirmatively select the optional product within the Opt-Out Notice Period. However, any participating consumer may opt-in to any optional Program product or switch between Program products. Consumers will be able to make such switches on-line through the Program website, or by calling the Consultant. The timing of such product change shall only coincide with the consumer's meter reading date and only after first providing adequate advance notice.

11. Methods for Entering and Leaving Agreements with Other Entities

The City shall comply with any applicable provisions of its municipal charter and state law when issuing requests for proposals, evaluating and selecting bidders, and executing ESAs in support of this Plan. Any modifications, enforcement activities, or grounds for contract termination with respect to the agreements shall be conducted in accordance with their terms and conditions. The City's process for entering into new contracts, including issuing requests for proposals, selecting qualified Program Suppliers, administering the consumer opt-out process, and raising consumer awareness will be maintained throughout the life of the Program and will be conducted in a similar manner as described herein.

Participating consumers will be free to exit the Program without penalty, whether to take supply service from their Utility or an alternative competitive supplier. Neither the City, the Consultant, nor the Program Suppliers shall obstruct the right of participating consumers to opt out of the Program. To opt-out, a Program participant may contact the Program Supplier, their Utility, or enroll with another supplier. All such switches from one provider to another will occur coincident with the consumer's meter reading date after providing sufficient advance notice to the Utility.

12. Rights and Responsibilities of Program Participants

Every Eligible Consumer in the City may participate in the Program. All consumers of the City will have the right to decline participation in the Program and choose any other power supply option, including default energy service from their Utility.

All participating consumers may opt out of the Program without penalty. The date of any consumer's entry into or exit from the Program shall commence upon the consumer's next meter reading date following receipt of the consumer's request, provided that the Utility receives adequate advance notice.

Program participants will maintain all rights and protections of New Hampshire law and regulation. Consumers who are dissatisfied with services provided under the Program may communicate directly with the Program Supplier, the Consultant, or bring issues to the City Manager or the City Council. They have the right to question billing and services and register complaints with the City or the Commission.

All participating consumers shall meet all standards and responsibilities required by their Utility and the Commission, including timely payment of billings, and allowing Utility access to essential metering and other equipment to carry out utility operations.

13. Treatment of Participants Enrolled in Net Metering

An Eligible Consumer that is enrolled in a net metering program through their Utility may participate in the Program on an opt-in basis. There are unique considerations that net metering consumers should be informed of and given time to evaluate before they become enrolled in the Program.

An Eligible Consumer with generation on its premises located behind the Utility's meter likely fits into one of two general categories:

- a) If the consumer's kWh consumption is consistently higher than its on-site kWh generation, then the net metering consumer can participate in the Program without issue.
- b) If the consumer's kWh consumption is sometimes lower than on-site generation, then the net metering customer can still participate in the Program by allowing any 'excess' generation to apply against future months when net consumption large enough to absorb such excess generation. However, if the consumer wishes to receive the cash value of net excess generation, which is an option under Commission regulations, the Program Supplier will not be able to provide such a payout. Consequently, such a consumer would be better served to remain on default energy service from their Utility.

Net metering consumers who have installed a separate REC meter socket to measure system production for the purpose of generating and monetizing RECs can continue

to do so if enrolled in the Program. An Eligible Consumer participating in group net metering would not be able to participate in the Program because Commission rules do not permit competitive suppliers to deliver credits accruing from group net metering. Only the Utility can deliver such credits.

Pursuant to Commission rules, the Utility may not provide the City with information to allow it to separately identify all Eligible Consumers that are enrolled in net metering. Consequently, some net metering consumers could get automatically enrolled through the opt-out process. The City, assisted by the Consultant, may seek to contact these consumers separately to describe the program, explain the consumer's options in context with net metering, and invite the consumer to remain in the Program or opt-out at their sole discretion. Before enrolling a net metering consumer in the Program on an opt-in basis, the City may require such consumer to sign a written consent or waiver acknowledging that it was made aware of the risk that it may lose a portion of their net metering benefits by purchasing electricity supply from an entity other than the Utility.

14. Treatment of Participants Enrolled in the Electric Assistance Program

Unless otherwise conditioned by the Commission, any consumer of the City enrolled in the Electric Assistance Program administered by their Utility may participate in the Program. The City's ability to identify such consumers depends on the Utility making identifying consumer information available to the City. Consumers who wish to avail themselves of their Utility's Electric Assistance Program, as new or continuing enrollees, may do so by contacting one of the Community Action Programs located throughout the state and by meeting any requirements established by their Utility or the Commission.

15. Termination of the Program

The City may terminate the Program at the end of the delivery term of any ESA without a renewal or term extension in place. The Program may also be terminated by the decision of the City Council, also effective with the term end date of any ESA.

In the event of Program termination, the Program Supplier will transfer all program participants to Utility default energy service. The City shall notify all consumers participating in the Program by mail and through postings on the Program webpage. The City may also seek to inform all consumers of a planned termination through

media releases, social media, and other means. The City will notify the Utility and the Commission of a planned termination at least ninety (90) days prior to the end of the anticipated term of the Program's ESA.

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