

# Rye Energy Committee Meeting Minutes

Tuesday, January 5, 2021  
3:00-4:30 PM, Via Zoom

Meeting ID: 836 1292 1713 Password: 741258 Call-in Number: 646-558-8656

Join Zoom Meeting:

<https://us02web.zoom.us/j/83612921713?pwd=TEJYTERGMXgxVIRvQnVVeWNQbUdVQT09>

## **1) Attestation and Roll Call:**

Attestation read by: Howard Kalet

Howard Kalet: Present and alone in room

Tom Pfau: Present and alone in room

Lisa Sweet: Present and in the car with Ella Sweet

Carl Nicolino: Present alone in room

Joan Zofnass was in attendance as a visitor.

## **2) December Meeting Minutes Approval**

The group approved the December meeting minutes.

Howard Kalet: Approved

Tom Pfau: Approved

Lisa Sweet: Approved

Carl Nicolino: Approved

## **3) School Solar PPA Update**

The solar power purchase agreement (PPA) for the schools has not been finalized yet due a backlog in the legal department at Revision. It is expected that the agreement will be finalized. However, the December 31 deadline for the 26% federal investment tax credit has been extended by recently passed legislation. The 26% investment tax credit will be in effect through 2022. It will decline to 22% in 2023 and then to 10% for large scale projects in 2024.

The School Board will need to finalize a warrant article in time for the deliberative session which is usually in February. (The dates for deliberative session and ballot voting and may change due to Covid. The state Senate voted unanimously on 1/6/21 to allow town officials to postpone town meetings and pre-process ballots.) A Revision representative can be available to help present the PPA at the deliberative session and the Energy Committee is happy to assist as well.

It was pointed out again that the solar panels and the PPA can be a great learning tool for Rye students as energy production and carbon reduction can be measured and tracked easily.

#### **What is a Solar PPA?**

A **Solar Power Purchase Agreement** (PPA) is a financial agreement where a **developer** arranges for the design, permitting, financing and installation of a solar energy system on a **customer's (host's)** property at little to no cost. The developer (Revision) sells the power generated to the host (Rye schools) at a fixed rate that is typically lower than the local utility's rate. The lower electricity price helps to offset the host's purchase from the grid while the developer receives income from the sales of electricity as well as any tax credits and other incentives generated by the system. The agreements usually range from 10-25 years and the developer remains responsible for the operation and maintenance of the system for the term of the agreement. At the end of the PPA term, a host may be able to extend the PPA, have the system removed or choose to buy the solar system from the developer. *(from SEIA - Solar Energy Industries Association)*

**Developer** - receives electricity payments for term of PPA and tax incentives

**Host** - pays reduced electricity costs (costs that are fixed for the term of the PPA which is helpful for budgeting) The electricity savings over time should be (more than) enough to purchase the panels at the end of the term at which time the host will own the system and continue to generate "free" electricity.

#### **4) School Energy Review Report**

GDF Associates did a walkthrough of the school buildings, reported on the efficiency of the buildings and systems and made recommendations for improvement. This was paid for by Eversource. The Rye Energy Committee set this up hoping to find ways to reduce demand charges which are about 30% of the energy bills. GDF took a look at things like HVAC systems, boilers, lighting, pumps and insulation. They found that the buildings are about as efficient as they can be considering their age. It would not be cost effective to replace current equipment with more efficient technology at this time. However, there is equipment that will need to be replaced and at that time, more efficient technology can be invested in. The one area that may be worth looking at is upgrading building monitoring systems that monitor and schedule energy use. Rye Energy Committee will re-search the costs of this and whether there are rebates available to help offset costs.

#### **5) Review Municipal Electric Suppliers**

As of February 1, the rates for electricity supply from Eversource will go from 7.068 cents/kWh to 6.6627 cents/kWh. This is quite a low rate for electricity supply and it is good for 6 months. There are several municipal contracts that are currently not using Eversource and they have been advised to switch the supply portion back to Eversource.

The distribution portion of the electricity bill will be increasing from 4.508 cents/kWh to 5.116 cents/kWh as of January 1. Eversource will increase its Stranded Cost Recovery Charge as of 2/1. It will go from 0.982 cents/kWh to 1.735 cents/kWh.

Consumers have a choice of which *supplier* they use, but the distribution portion and other charges of the bill are always with Eversource. Municipal departments may have chosen other suppliers because at the time, the rates were lower than Eversource and/or the supply may have been “greener”.

Attached at the end of the minutes is a notice that you should have received from Eversource with the rate changes.

## 6) Community Power Update

Rye Energy Committee was invited to attend an Exeter Energy Committee meeting (via Zoom) that featured Andrea Hodson of Harrisville, NH. Harrisville has worked toward implementation of a Community Power Aggregation Plan. Andrea explained the process they followed to research community power aggregation, develop a plan to send to the Public Utilities Commission and educate the Harrisville community about Community Power. Harrisville will be ready to vote on a warrant article this spring. <https://harrisvillenh.org/eac-community-power/>

Rye Energy Committee will continue to research the concept of Community Power for Rye and will use Harrisville’s process as a blueprint.

We will invite representative Jaci Grote to an upcoming meeting to discuss solar PPA, Community Power and state level energy initiatives.

## 7) Lighting Upgrade Update

All equipment has been ordered for the library and transfer station. The upgrades for the Public Safety building will be postponed to a later time. The upgrades are projected to save 20% on energy bills. This is another way Rye Energy Committee is working to reduce demand charges.

### What are Demand Charges?

**Demand Charges** are fees applied to the electric bills of commercial and industrial [and municipal] customers based on the highest amount of power drawn during any (typically

15-minute) interval during the billing period. Demand charges can comprise a significant portion of commercial customers' energy bills.

Utilities use demand charges to incentivize customers to spread their energy usage out over time. Utilities must maintain enough generation and distribution capacity to meet the needs of all customers during points in time when the most energy is drawn from the grid. The demand charges are used to help pay the cost of keeping power plants on standby for peak demand.

Solar can help provide more energy to the grid during peak demand. For example, peak demand frequently occurs on hot days when there is a large demand for air conditioning. Solar is helpful in alleviating these peaks. However because a demand charge is based on any 15 minute interval during a billing cycle, solar will not do much to reduce demand charges for an individual customer. *(from Renewable Energy World - Making Sense of Demand Charges: What Are They and How Do They Work?)*

## 8) 2021 Committee Activities

Rye Energy Committee will:

- continue to support the School Solar PPA project
- continue to research Community Power and work with Select Board to establish a committee to create a plan
- invite representative Jaci Grote to discuss energy initiatives and legislation
- invite Rye building inspector to understand building codes relating to efficiency
- provide short educational presentations to Rye residents on topics such as heat pumps, NHSaves incentives, LED lighting and solar

## 9) New Business

Tom recommended looking at the York EcoHomes website. The site is run by York Ready for 100%, a citizen's group dedicated to helping the town reduce its emissions and be more sustainable. People who sign up to participate will receive monthly information on Eco-friendly actions to reduce greenhouse gas emissions.

**Next virtual meeting is on Tuesday, February 2, 2021 from 3:00-4:30 PM.**

**Meeting adjourned at 4:23 PM**

**Attachments:**



New Hampshire regulators recently conducted an extensive review of our electric distribution

rates. It was the first review in more than 10 years, and considered costs associated with operating the electric system to provide you with reliable service, including costs associated with storm restoration, trimming trees, replacing aging equipment, and making system upgrades to connect clean energy resources, like solar.

As a result of this review— along with regular adjustments to other portions of the bill – the rates on your January and February bill are changing.

Based on expected rate changes, the approximate increase in the January and February bills for a residential customer using 600 kilowatt-hours (kWh) of electricity will be about \$5.52 or 4.9%. Rate impacts may be lower or higher for some customer categories.

## About your January bill

Rate adjustments on your January bill include:

**Distribution Charge** — this charge recovers costs related to the maintenance and operation of the electric distribution system — the lines, poles and equipment located along the road near your property — power restoration and service operations. The Distribution Charge increased from 4.508 cents per kWh to 5.116 cents per kWh.

## About your February bill

Looking ahead, your February bill rate adjustments will include:

**Energy Charge** — this is the cost of electricity you use. These rates are based on the current market price of electricity you purchase from Eversource or an energy supplier. The Energy Charge for customers who purchase energy from Eversource will decrease from 7.068 cents per kWh to 6.627 cents per kWh.

**Stranded Cost Recovery Charge** — this charge funds the recovery of past investments, including expenses incurred through mandated power contracts and other long-term obligations. Subject to NH Public Utilities Commission approval, the Stranded Cost Recovery Charge is expected to increase from .982 cents per kWh to 1.735 cents per kWh.

These changes are reviewed and approved by the NH Public Utilities Commission and are adjusted every six months (February 1 and August 1).

We understand any bill increase is difficult — especially when people are using more energy working and studying from home. If you need help paying your bill, please take advantage of our payment plans and assistance programs. To learn more, visit [Eversource.com](https://www.eversource.com) or call us at 844-273-7760. Customer Care Representatives are available Monday through Friday 8 am to 6 pm EDT.

## A Checklist To Ensure Meetings Are Compliant With The Right-to-Know Law During The State Of Emergency

As Co-Chair of the Energy Committee, I find that due to the State of Emergency declared by the Governor as a result of the COVID-19 pandemic and in accordance with the Governor's Emergency Order #12 pursuant to Executive Order 2020-04, this public body is authorized to meet electronically.

Please note that there is no physical location to observe and listen contemporaneously to this meeting, which was authorized pursuant to the Governor's Emergency Order. However, in accordance with the Emergency Order, I am confirming that we are:

*a) Providing public access to the meeting by telephone, with additional access possibilities by video or other electronic means:*

We are utilizing Zoom for this electronic meeting.<sup>1</sup> All members of the Energy Committee have the ability to communicate contemporaneously during this meeting through this platform, and the public has access to contemporaneously listen and, if necessary, participate in this meeting through dialing the following phone # 646-558-8656, with meeting ID # 869-6680-9930 and password 321456, or by participating via Zoom with meeting ID # 869-6680-9930 and password 321456.

*b) Providing public notice of the necessary information for accessing the meeting:*

We previously gave notice to the public of the necessary information for accessing the meeting, including how to access the meeting using Zoom or telephonically. Instructions have also been provided on the Town of Rye website at [www.town.rye.nh.us](http://www.town.rye.nh.us)

*c) Providing a mechanism for the public to alert the public body during the meeting if there are problems with access:*

If anybody has a problem, please call 603-964-5523 or email Janice Ireland at: [jireland2@ryenh.us](mailto:jireland2@ryenh.us)

*d) Adjourning the meeting if the public is unable to access the meeting:*

In the event the public is unable to access the meeting, the meeting will be adjourned and rescheduled.

Please note that **all votes** that are taken during this meeting shall be done by **roll call vote**.

Let's start the meeting by taking a roll call attendance. When each member states their presence, please also state whether there is anyone in the room with you during this meeting, which is required under the Right-to-Know law.

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<sup>1</sup> Many public bodies are utilizing video teleconferencing technology, such as Zoom, to ensure the electronic meeting comply with the Right-to-Know law and any applicable due process requirements. In certain circumstances, a regular business meeting of a public body may be conducted utilizing audio-only technology. If you have any questions about the appropriateness of the technology utilized to conduct your meeting, please consult your agency counsel or the Attorney General's Office.