STATE OF NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

DE 21-141

TOWN OF HARRISVILLE Office of the Select Board 705 Chesham Road Harrisville, NH 03450

Request for Approval of Harrisville Community Power Electric Aggregation Plan

Memorandum of Decision re: Request for Plan Approval

ORDER NO. 26,572

January 26, 2022

In this decision, the Commission determines, without prejudice, that the Harrisville Community Power Electric Aggregation Plan fails to meet certain applicable statutory requirements, invites the Town of Harrisville to participate in the upcoming rulemaking proceeding opened on January 10, 2022 in Docket No. DRM 21-142 regarding electric power supply aggregation, and encourages the Town to re-submit an amended plan when the rulemaking process is closer to completion or has concluded. The Commission observes that the Town's Plan is the result of a thoughtful and rigorous process at the municipal level and commends the parties on the resulting Plan. The Commission wishes to encourage such community power aggregation because it will result in a more competitive market and greater customer choice.

I. BACKGROUND

On November 30, 2021, the Town of Harrisville (Harrisville) submitted a request for approval of a community power aggregation plan to provide electric power supply and services for residents, businesses, and other entities in the Town of Harrisville pursuant to RSA chapter 53-E. Accompanying its request, Harrisville submitted the

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text of its Harrisville Community Power Electric Aggregation Plan (Plan) with attachments.

On January 3, 2022, the Office of the Consumer Advocate filed a letter of participation in this matter. No comments or other filings were received in this matter.

Harrisville's request, along with all subsequent docket filings, other than any information for which confidential treatment is requested of or granted by the Commission, will be posted to:

www.puc.nh.gov/Regulatory/Docketbk/2021/21-141.html.

II. COMMISSION ANALYSIS

The Commission has reviewed Harrisville's Plan pursuant to RSA 53-E:7, II, as amended, which states that "[t]he commission shall approve any plan submitted to it unless it finds that it does not meet the requirements of this chapter and other applicable rules and shall detail in writing addressed to the governing bodies of the municipalities or counties concerned, the specific respects in which the proposed plan substantially fails to meet the requirements of this chapter and applicable rules." RSA 53-E:7, II also provides specific direction on the process to be used for the submission of such plans, including the following requirements: 1) on the same day the plan is submitted to the Commission, copies shall be provided to the Office of the Consumer Advocate and any electric distribution utility providing service within the jurisdiction of the municipality; 2) the Commission shall accept public comments for 21 days thereafter; and 3) the Commission's review of the plan and comments shall not require a contested case.

As noted above, no comments have been received in this matter to date.

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1) Security for Individual Customer Data

RSA 368:38, IV requires that service providers, including Community Power Aggregators, use reasonable security procedures and practices to protect individual customer data from unauthorized access, use, destruction, modification, or disclosure. On page 7 of the Plan, Harrisville acknowledges this requirement, but states only that the Plan will not be subject to public disclosure under RSA 91-A and that suppliers and vendors will be contractually required to maintain the confidentiality of individual customer data pursuant to RSA 368:38, IV. The Plan, as filed, substantially fails to meet the applicable statutory standards in this regard. The Commission requires additional detail on the scope and nature of the customer data that will be in the possession, custody, and control of Harrisville or its suppliers and vendors, and the protective measures that will be utilized to protect that data from unauthorized access, use, destruction, modification, or disclosure.

2) Incorporation of Future Rules

RSA 53-E:7, X provides that the "commission shall adopt rules, under RSA 541-A, to implement this chapter... Such rules shall include but not be limited to rules governing the relationship between municipal and county aggregators and distribution utilities, metering, billing, access to customer data for planning and operation of aggregations, notice of the commencement or termination of aggregation services and products, and the reestablishment of a municipal or county aggregation that has substantially ceased to provide services." The applicable rulemaking process was initiated on January 5, 2022 in Docket No. DRM 21-142, and may result in additional requirements that could have substantive impacts on the Commission's evaluation of the Town of Harrisville's Plan. The Plan makes reference at page 4 to such yet to-be

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adopted rules, stating that "[t]he implementation of [authorities pertaining to meter ownership, meter reading, billing, and other related services] is expected to take some time, as it requires action by the Public Utilities Commission to adopt enabling rules and coordination with Eversource to adapt existing meter and billing system processes." The Commission believes that the establishment of statewide rules applicable to community power aggregations are needed, and that RSA chapter 53-E requires such rules to ensure that the statutory provisions for such plans are satisfied with consistency and uniformity.

Moreover, we note that the Plan lacks sufficient detail on Harrisville's interactions with utilities and their customers. We also note that this topic is addressed in detail in the initial rulemaking process in Docket No. DRM 21-142, and that the rulemaking process is likely to address our concerns relating to balancing the interests of electric distribution utilities and their customers with those of municipalities such as Harrisville.

Therefore, to the extent that the Plan relies on future rules, we conclude that the proposed Plan fails to meet applicable statutory requirements. As the rulemaking proceeding to develop these rules has just commenced, the Town is not at fault for this deficiency. However, we cannot find the Plan sufficient at this time. The Commission intends to work expeditiously with stakeholders to develop and implement rules to enable community power aggregations under RSA chapter 53-E.

(3) Operation, Funding, and the Methods of Entering into and Terminating Agreements

Lastly, with respect to the "operation and funding" and "methods of entering into and terminating agreements" criteria of evaluation under RSA 53-E:6, III(b) and (d), it is unclear how the Town of Harrisville intends to establish the requirements for

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> a designated Load Serving Entity (LSE) under its Plan, as noted on page 4, or, if that function is contracted out, by what entity and pursuant to what requirements. We conclude that more detail describing the structure of the LSE and how the LSE services will be implemented, is necessary and should be addressed within subsequently filed versions of the Plan.

(4) Conclusion

Therefore, we conclude that the Plan as filed substantially fails to meet statutory requirements in RSA chapter 53-E. We encourage the Town to participate in the Docket No. DRM 21-142 rulemaking process and to re-submit a more refined plan when the rulemaking process is closer to completion or has concluded. The Commission intends to work promptly and efficiently with stakeholders to enable community power aggregations through the rulemaking.

Based upon the foregoing, it is hereby determined that the Town of Harrisville's Request for Plan Approval is DENIED without prejudice.

By order of the Public Utilities Commission of New Hampshire this twenty-sixth day of January, 2022.

Chairman

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Service List - Docket Related

Docket#: 21-141

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