

BY-LAWS
Energy Committee
SALEM, NEW HAMPSHIRE

A. BACKGROUND AND PURPOSE:

On September 9, 2024, the Town Council voted to begin taking the steps necessary pursuant to New Hampshire RSA 53-E to create a Community Choice Aggregation (“CCA”) program for the Town of Salem. The Town Council also voted to create an Electric Aggregation Committee, referred to hereafter as the Energy Committee (“Committee”). The Committee’s background and future steps in the process related to the CCA program, Electric Aggregation Plan, and Program Launch are included in this section.

Community Choice Aggregation

A Community Choice Aggregation (CCA) Program is an optional buying group organized by a municipality to benefit the residential and small commercial electricity consumers located in the Town. The Program will enter electricity supply contracts for all residential and business consumers currently receiving default service from Liberty Utilities (“Liberty”). Consumers are automatically enrolled in the Program unless they opt out. Consumer participation in the Program is entirely voluntary. The goal of CCA Programs is to offer participants an attractive alternative to electric supply from the default service in terms of price stability, cost savings, and product offerings (for example, product options that contain a higher percentage of renewable energy).

CCA Programs only change the sources of electricity used to supply the community, and do NOT change how electricity is delivered over the distribution wires. Liberty will remain the utility that is responsible for maintaining the distribution grid and delivering electricity purchased by the program to participating customers.

Electric Aggregation Plan

As required by New Hampshire statute, the Town must seat a Committee who will prepare an Electric Aggregation Plan (the “Plan”) which outlines how Salem’s CCA Program will work. In September 2024, the Town partnered with Freedom Energy Logistics and Colonial Power Group, Inc. (“FEL/CPG”), each a provider of electric aggregation service registered with the New Hampshire Department of Energy, who will serve as professional and technical consultants to help prepare the Plan and manage Salem’s Program. FEL/CPG will prepare a draft Plan for Salem. The draft will comply with all aspects of New Hampshire RSA 53-E and include required information with respect to structure, operations, rate setting, and policies and procedures.

Program Launch

The Committee will work with FEL/CPG to finalize the draft plan, including adding any goals and objectives specific to Salem. The Committee will coordinate with FEL/CPG to conduct two public hearings in late 2024, as required under RSA 53-E, where FEL/CPG will present the Plan and respond to public questions. The Town Council intends for the final Program Plan to be included on the warrant at Town Meeting in March 2025. The Committee will oversee FEL/CPG’s efforts to obtain regulatory approval of the Town’s plan from the New Hampshire Public Utilities Commission (“PUC”). After PUC approval the Committee will oversee FEL/CPG’s work to obtain usage information from Liberty, issue an RFP for power supply, disseminate consumer notices, and hold at least one more public information session prior to program launch (targeted for late 2025 or early 2026). After the initial program launch, the Energy Committee shall disband, unless re-authorized by the Town Council at a future date.

B. ORGANIZATION:**1. Membership:**

The Energy Committee shall consist of five members with the following credentials:

- Two representatives from the Town Council; and,
- Two resident representatives, preferably with experience in the energy sector, electric utilities sector, or marketing; and,
- One Town staff member representative from the Town Manager's Office or Community Development Department

Members must be residents of the Town of Salem or a Town staff member. The Town Council representatives shall serve through the end of their elected term and may be reappointed at any time by a majority vote of the Town Council. Resident members shall be appointed by a majority of the Town Council for three-year terms, or until the initial community power program launches and the Committee disbands. The Town Manager shall appoint a Town staff member to serve in that role.

Following the resignation of any member from the Committee prior to the expiration of their term, the new Committee member, upon approval of a majority of the Town Council, shall complete the unexpired term of the resigning member.

2. Membership Expectations:

All members shall make every effort to attend each scheduled meeting. Members of the Energy Committee have authority only when acting as the Committee legally in session. The Committee shall not be bound by any action or statement of any individual Committee member except when such statement or action is pursuant to instructions from the Committee.

3. Officers:

At the inaugural Energy Committee meeting, a Chair, Vice-Chair, and Secretary shall be elected. The election shall be by a majority vote of those present.

The Chair shall preside at all meetings of the Energy Committee and perform all duties required as cited herein. In the absence of the Chair, the Vice-Chair shall preside and assume all duties and responsibilities of the Chair. The Secretary shall preside in the absence of the Chair and Vice-Chair. The Secretary is the custodian of the official minutes and shall forward a draft copy of the meeting minutes to the Committee within five (5) business days per RSA 91-A:4. The Town staff member representative shall not hold any office.

The Town staff member representative shall coordinate with FEL/CPG for any necessary coordination between the Committee and FEL/CPG in the development of the EAP and through launch of the eventual program.

C. OPERATION:**1. Meeting Schedule:**

At the inaugural meeting, the Energy Committee shall establish a schedule for meetings to expedite the meeting process, the development of the EAP, and coordinate necessary public hearings / outreach meetings. This schedule shall align with the necessary due dates for warrant article consideration for Town Council, public hearing / outreach requirements outlined in RSA 53-E, and other necessary due dates that may arise. The meeting schedule established at the inaugural meeting may be amended, as

necessary, by a majority vote of the Energy Committee.

2. General Meeting Expectations:

The Energy Committee members shall review all meeting materials ahead of the meeting to ensure efficient, effective, and timely meetings.

All meetings are subject to the requirements of RSA 91-A.

A quorum shall consist of three (3) members of the Energy Committee.

3. Presentation to Town Council and Public Outreach Meetings:

Upon finalizing a draft of the EAP, the Energy Committee shall conduct at least two public hearings / outreach meetings, as required by RSA 53-E.

The Energy Committee shall also present the EAP draft plan to the Town Council in a timely manner after a vote of adoption by the Energy Committee to recommend the EAP to the Town Council. The presentation to the Town Council may satisfy one of the two required public hearings / outreach meetings, provided it follows necessary public hearing noticing requirements.

Prior to the Town Meeting election, in coordination with the Town Council, the Energy Committee may have additional public outreach opportunities, as needed. If the proposed EAP is successfully adopted at a Town Meeting, then the Energy Committee and the Town Council may continue to have additional public outreach opportunities as the Town continues in its necessary PUC approval and initial program launch.

D. ANTICIPATED PLAN DEVELOPMENT AND APPROVAL PROCESS TIMELINE:

The following is an anticipated timeline of the Electric Aggregation Plan (EAP) development and process approvals:

- Town Council votes to form Energy Committee (i.e. Electric Aggregation Committee) *(Sep 2024)*
- FEL/CPG prepare CCA Program Plan in coordination with the Energy Committee and pursuant to NH RSA 53-E and rules of the Public Utilities Commission ("PUC") *(Sep-Nov 2024)*
- Committee holds two public hearings to receive comments on the Plan *(Nov/Dec 2024)*
- Town Council approves Plan and warrant article *(Dec 2024 / Jan 2025)*
- Voters adopt Plan at Town Meeting *(March 2025)*
- FEL/CPG files Plan with PUC for review and approval *(March 2025)*
- PUC approves Plan *(May 2025)*
- Program launch *(Q3 2025, or later if market conditions warrant)*

E. AMENDMENT PROCEDURE:

An amendment to these bylaws may be moved and voted upon at a regularly scheduled Energy Committee meeting and the bylaws shall be considered amended. Upon successful adoption of an amendment, the Town Manager's Office and Town Council shall be notified of the amendment.

The Energy Committee shall be considered an advisory committee to the Town Council. These bylaws do not limit the actions of the Town Council in exercising their authority over the Energy Committee.

Energy Committee Bylaws Adopted September 9, 2024