



The Town of Salem Advances its Community Choice Aggregation Program

The Town of Salem continues to make progress in the development of its Community Choice Electric Aggregation Program. In September 2024, the Town Council voted to establish an Electric Aggregation Committee to create an aggregation program plan pursuant to NH RSA 53-E. The Committee prepared a CCA Program Plan in coordination with consultants Freedom Energy and Colonial Power Group. The Committee held two public hearings, one in November and one in December. The Town Council adopted the final plan on December 2, 2024, and submitted the plan to the town Warrant for its adoption at Town Meeting on March 11, 2025. If voters approve the plan at Town Meeting, then the town expects to request and receive state approval for its plan in early summer 2025 and will then start looking for opportunities to launch Salem's program later in the summer.

What is Community Choice Aggregation?

Community Choice Aggregation (CCA) allows municipalities to combine the purchasing power of its residents and businesses to provide them with an alternative electricity supply option. CCA has proven to be a valuable replacement for the utility default service option by delivering choice and price stability.

TOWN MEETING

**TOWN APPROVAL OF
SALEM'S CCA PROGRAM PLAN
IS INCLUDED AS A WARRANT ARTICLE
FOR THE TOWN ELECTION**

TUESDAY, MARCH 11, 2025

For over two decades, individual consumers in New Hampshire have had the ability to purchase electric supply directly from a competitive electric supplier rather than from their local utility. While consumer choice has been a success for most commercial consumers, results have been mixed for residential and small business consumers, and most Salem residents continue to purchase their electricity supply from Liberty Utilities.

The challenge for many competitive electric suppliers is profitably serving individual residential or small business consumers at rates that are consistently lower than utility default service. CCA overcomes this fundamental challenge because large buying groups attract robust participation from leading electric suppliers. As a result, CCA programs can help bring the benefits of the competitive market to consumers who have been previously left out.

How will Salem's CCA Program Work?

Salem's CCA program will enter into electricity supply contracts for residential and business consumers currently receiving default service from Liberty Utilities. Consumers will be automatically enrolled in the program unless they elect to opt-out. Consumers under contract with third-party competitive electric suppliers will not be automatically enrolled in the program, though they may opt in after their individual contract ends. Participation in the program is entirely optional. Consumers can opt-out at any time without penalty or opt-in later with no entry fee. Further, the program is entirely self-funded with no costs imposed on the town or on non-participating consumers.

Under Salem's CCA program, Liberty Utilities will continue to deliver the electricity, maintain poles and wires, read electric meters, and issue monthly bills. The CCA program will only affect the electricity supply charge on the utility bill.



The CCA Program Provides Benefits for Salem Residents

The opportunity for the CCA program to offer more attractive rates compared to utility default service arises from differences in electricity procurement methods. A CCA program can purchase electricity at strategic times, seeking to lock-in contracts at low points in the market. By comparison, the utilities follow a routine schedule, purchasing default service supply every six months regardless of market conditions.

Local decision making and control is a valuable attribute of Salem's Program. Salem will be able to set its own energy-related goals based on the priorities and preferences of its residents. Salem expects to offer optional products that consumers can opt into, typically products that include higher renewable energy content at modestly higher rates. CCA programs can provide the necessary foundation for municipalities to pursue local energy development projects or unique energy services.

Find Out More

More details about Salem's program are posted on the town's website at <https://www.salemnh.gov/1041/Energy-Committee>.