

**New Hampshire Electric Cooperative, Inc.  
Minutes of the Meeting of the  
Corporate Services Committee**

**Zoom Meeting  
June 16, 2023 8:30 a.m.**

**Present:** Corporate Services Committee members: Ed French (Chair), Sharon Davis, Leo Dwyer  
Other Board members: Jeff Morrill, Bill Darcy, Tom Mongeon, Alana Albee  
NHEC employees: Alyssa Clemens Roberts, Mike Jennings, Jeremy Clark, Kristen Taylor, Rob Howland, Kelley Achenbach, Britta Matthews, Autumn Doan, Colleen Dunion, Sonja Gonzalez, and Edee Murphy (Recording)  
Others Present: Paul Phillips-NHEC Counsel

**Meeting Called to Order**

Chair French called the meeting to order at 8:30 a.m. He pointed out that the reappointment of board committees will be presented at the June 27, 2023, NHEC board meeting.

**Agenda Review**

There were no suggested changes to the agenda.

**Physical Inventory Annual Adjustment**

Ms. Matthews reviewed results of the annual physical inventory noting the change from September to an April inventory timeframe as it is a slower time of year. The resulting shortage of \$29,112.38 for line hardware is .65% of its inventory. The complimentary products did not have an overage or a shortage for this year. The overage of \$1,349 for Garage material is 2.04% of its inventory. The overall inventory shortage is \$27,763.38 and is 0.61% of total inventory. Total line hardware inventory on hand at the time of inventory was \$4,488,767.21 and accounts for 22% of the capital construction budget of \$20,150,129.

There were no comments or questions.

Upon motion by Ms. Davis, seconded by Mr. Dwyer it was

**VOTED:** That committee recommends the Board of Directors authorize management to adjust the physical inventory as a result of the April 2023 inventory in the amount of \$27,763.38.

Vote was unanimous.

Ms. Matthews left the meeting at 8:35 a.m.

**August Co-op Power/Regional Access Rate Change**

Mr. Clark reviewed the proposed biannual adjustment to the Co-op Power Charge and the Regional Access Charge, and covered the following items:

- 2023 Rate Timeline
- Unbundled Components
- Co-op Power Costs (Forecast Load, Forecast Power Costs)

- Co-op Power Over/Under Recovery
- Co-op Power Proposed Rates for August 1 – for most members a 17% decrease, since energy costs have come down.
- Co-op Power Charge History

Discussion:

- ❖ Mr. Dwyer asked: What is the cost of the contracted/committed energy, and what is the estimated cost of the non-contracted energy? Mr. Howland shared a chart in response to the question which reflected the contracted resources cost of \$11.6M, or \$0.0639/kWh; the To-Be-Contracted will cost \$16.9M, or \$0.1092/kWh. He also shared an Average Calendar Year Forwards Price graph which he mentioned is presented at the PR&A Committee meetings, as well as a sample table NHEC receives daily from StoneX. He pointed out that more recent purchases have been a lot less expensive since prices have come down.
- ❖ Mr. Dwyer commented it would be helpful if the Braintree Electric Light Department (BELD) numbers and the PR&A operational costs were broken out.
- ❖ Mr. Darcy clarified with Mr. Howland that the expiration of the 5MW option contract will be beneficial to NHEC since buying from the market will be less expensive.
- ❖ In answer to a question, Mr. Clark clarified that Exported Energy is when members have surplus energy being generated by their system and they are exporting it back to the grid. He pointed out that the delivered energy, whether net metering or not, would still follow under the regular delivered categories for most net metering.
- ❖ Ms. Albee stated that with the proposed rates for TOD Net Meter Pilot, people with solar will be receiving less for the power they are producing. Ms. Clemens Roberts explained that is what happens when the cost of power goes down; it is also a decrease in what members are paying when they are using power.
- ❖ In answer to a question, Mr. Clark responded there are approximately seven (7) members enrolled in the TOD Net Meter Pilot program.

Ms. Gonzalez left the meeting at 9:00 a.m.

Mr. Clark continued with his presentation covering the following topics:

- Regional Access Costs
- Regional Access Over/Under Recovery
- Regional Access Proposed Rates for August 1
- Regional Access Charge History
- Residential Bill Impact
  - When compared to rates in effect since February 1, 2023, the proposed Co-op Power Charge and Regional Access Charge result in a 7% total bill decrease for a member on a Basic rate with 500 kWh delivered. The decrease for a member on a Basic rate with 1,000 kWh delivered is 8%.
  - Assuming current Distribution and System Benefit charges, based on current forecasts, the February 1, 2024 Co-op Power and Regional Access rate change is expected to decrease the total bill by 7% for a 500 kWh Basic member and by 8% for a 1,000 kWh Basic member.

Discussion:

- ❖ Mr. Dwyer commented it may be useful to use a couple of years of historical information when calculating the RAC rates for On Peak/Off Peak, etc.; Mr. Clark mentioned NHEC currently uses a one-year trailing model utilizing actual readings from AMI.
- ❖ Mr. Mongeon made reference to a previous Cost of Service Study (COSS) relating to ski area rates and inquired about the status of those rates; Mr. Clark mentioned this would be a discussion for another venue since that COSS was only related to the Distribution charge for ski areas.
- ❖ Ms. Albee suggested that the message NHEC would like to convey to members considering installing

solar should be discussed in upcoming strategic planning meetings; members may not be expecting their rates to mirror the general trends of rate changes. Ms. Clemens Roberts responded that what NHEC should be conveying today is that rates are subject to change during various rate periods based on the cost of power.

Upon motion by Ms. Davis, seconded by Mr. Dwyer it was

**VOTED:** That the committee recommends the Board of Directors authorize staff to set the Co-op Power and Regional Access Charges on a bills-rendered basis effective August 1, 2023 as recommended in the August 1, 2023 Co-op Power and Regional Access Rate Change Proposal.

Vote was unanimous.

### **Interconnection Site Visit Fee Proposal**

Mr. Clark reviewed information provided in today's meeting packet including the following:

- NHEC's approach to developing its current fee structure for various services is based on aligning cost causation with each service, minimizing the impact on Distribution rates, and maintaining cooperative principles in balance with revenue generation.
- Staff proposes to create an Interconnection Site Visit Fee, which would apply to each subsequent visit NHEC has to make to a prospective net metering location. Locations that pass inspection on the initial visit would not be assessed this fee. The fee would reflect the estimated cost of labor and transportation for a typical site visit and would be initially set at \$320. Staff believes this fee would reduce cost shifting and discourage contractors from deviating from NHEC's interconnection requirements.
- In addition to including language for the Interconnection Site Visit Fee, staff also proposes a minor change to Terms & Conditions Section X – Net Metering, increasing NHEC's Interconnection Application Completeness Review period from 10 business days to 20 business days to provide NHEC adequate time to process the applications.

#### Discussion:

- ❖ In answer to a question, Mr. Jennings confirmed that NHEC charges for system impact studies.

Upon motion by Ms. Davis, seconded by Mr. Dwyer it was

**VOTED:** That committee recommends the Board of Directors authorize management to update the Schedule of Fees and Terms and Conditions Section X effective July 1, 2023 as recommended in the Interconnection Site Visit Fee Proposal as presented.

Vote was unanimous.

### **Authorized Signatory Review**

- Ms. Taylor reviewed the proposed changes to the NHEC Signatory Authority list commenting that most changes are due to change in personnel. She presented one additional change: On item 14 – the words "Homestead Funds" are replaced with "Post Retirement Benefit Funds"; a couple of years ago this transitioned to Edward Jones from NRECA's homestead funds and we are updating that now.
- Ms. Taylor suggested reformatting the Signatory Authority, moving towards a cleaner/current version, while keeping a historical tracking mechanism. The committee members were in agreement.

Upon motion by Ms. Davis, seconded by Mr. Dwyer it was

**VOTED:** That committee recommends the Board of Directors approve NHEC Signatory Authority List with recommended changes as presented.

Vote was unanimous.

**OTHER:**

In response to a comment, Ms. Davis relayed that committee meeting materials related to Board of Director resolutions will be included in the Board meeting packets going forward.

**Adjournment**

Upon motion by Ms. Davis, seconded by Mr. Dwyer, Chair French adjourned the meeting at 9:26 a.m.