 <p><b>COMMUNITY POWER COALITION OF NEW HAMPSHIRE</b></p>	<b>RISK MANAGEMENT COMMITTEE – DRAFT MINUTES</b>	
	Meeting Type:	<b>Risk Management Committee</b>
	Meeting Location:	<b>1st floor Conference Room - City Hall, 288 Central Ave., Dover, NH 03820</b>
	Meeting Date:	<b>Monday August 14, 2023</b>
	Meeting Time:	<b>Noticed for 9AM</b>

**Committee Members in Attendance:**

- Risk Management Committee Chair Matt Miller, Town of Pembroke Director
- Clifton Below, City of Lebanon Director
- Jackson Kaspari, City of Dover Director
- Kevin Charette, City of Portsmouth Director (virtual)
- Michael Prange, Town of Shelburne Representative
- Nick Devonshire, Town of Exeter Director
- Joseph Lamattina, Town of Newmarket Director
- Doria Brown, City of Nashua Director

**Committee Members in Absence:**

- Peter Kulbacki, Town of Hanover Alternate

**Other CPCNH attendees:**

- Brian Callnan, CPCNH CEO
- Terry Clark, Cheshire County Director
- Henry Herndon, CPCNH

**Authorized Officers:**

- Terry Clark, Cheshire County Director
- Jackson Kaspari, City of Dover Director


**Guests:**

- Ascend Analytics: Carlos Blanco, Dev Maganty, Scott Wrigglesworth, Orlando Vilar

**Notes**

**Agenda**

1. Roll call attendance (9:00, Chair Miller)
2. Review and approve previous meeting minutes (9:05, Chair Miller)
  - a. July 10, 2023:  
[https://docs.google.com/document/d/14MCE4EPUnjOIJ\\_W20vQnSi\\_iFZCUle0eaKVfU1VYZPw/edit](https://docs.google.com/document/d/14MCE4EPUnjOIJ_W20vQnSi_iFZCUle0eaKVfU1VYZPw/edit)
3. Discussion of accelerating CPA launch process (9:10, CEO Callnan, Ascend)
4. RMC procurement authorization for Dover and Cheshire County (9:30, Ascend)
5. ERP Dashboard discussion–risk updates (summary of July 10, 2023 action item)(10:00, Director’s Brown and Kaspari)
6. Other Business (10:30, Chair Miller)
  - a. pre-startup at-risk payment schedule and tracking

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- b. financial reserve contribution tracking
  - c. RMC reports review (Table 5: EPRM Regulations pg. 45)
7. Adjourn

### 1. Open meeting and Attendance.

Committee Chair Matt Miller called the meeting to order at 9:02pm, affirmed committee attendance and quorum, and the purpose of the meeting: Conduct ordinary RMC business.


### 2. Review and approve minutes from previous meetings.

- a. Jackson Kaspari made a motion to accept the meeting minutes for the July 10, 2023 meeting as written plus CEO Brian Callnan’s comments incorporated. Kevin Charette seconded the motion. The motion was approved by unanimous consent.


### 3. Discussion of accelerated CPA launch process:

- a. Brian Callnan introduced the topic and Orlando Vilar (Ascend) presented a slideset supporting the case. The purpose of accelerating CPA launches is to spread the benefit of CPCNH to member communities more quickly than originally planned. Original plan was to launch the next wave of CPAs in April. The proposed plan is to enroll Dover and Cheshire County in November 2023, and the Wave 2 communities around February 2024.
- b. On average, Dover and Cheshire County will increase CPCNH load by approximately 17 MW around the clock, not including Dover municipal and school accounts.
- c. ACTION ITEM: Jackson Kaspari to facilitate Ascend and Calpine access to Dover municipal and school load data for inclusion in the November 2023 launch. Orlando Vilar will reach out to Calpine on this topic.
- d. There was some discussion around the impact of Gross Margin at risk resulting from accelerating the CPA enrolment.
  - i. approximately \$1.1million temporary reduction of financial reserves will occur by CPCNH hedging to cover Dover and Cheshire County starting in November 2023. The \$1.1million reduction will be recovered around January 2024 when the customer accounts enrolled begin paying their monthly invoices to CPCNH for supplied electricity.
- e. Wave 2 will add another 25 to 30 MW around the clock. That load is expected to be supplied in an enrollments steps approximately 25% in February, 75% in March and 100% in April of 2024.
- f. The RMC asked that the CPA launch acceleration evaluation be supported with a comparison of various risk metrics for the different scenarios (such as gross margin at risk, financial reserve levels, etc).
  - i. ACTION ITEM: Ascend will compute the risk metrics for all the different scenarios considered and provide the comparison metrics to the RMC.


### 4. Report Frequency and status

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- a. Reports will be made available to the CPCNH RMC on a monthly basis. Some reports will be generated and made available more frequently (weekly and even daily if appropriate) for CPCNH staff.
  - b. The following reports are currently available monthly for the RMC
    - i. Net Position
    - ii. Hedge Rate Limits
    - iii. Hedge Rate %
    - iv. Gross Margin at Risk
    - v. Optimal Hedge Rates
    - vi. Hedge Triggers
  - c. The following reports are in the process of being developed
    - i. Rates at risk
    - ii. financial reserves at risk
    - iii. potential future exposure
  - d. The following reports will be developed in the future
    - i. REC position
    - ii. Counterparty exposure
  - e. The RMC discussed that there is interest in some additional reports and information that can be used to assess CPCNH performance
    - i. Actual settlements
    - ii. short term forecast load (and comparison with actual load served)
    - iii. billed/invoiced electricity usage
5. RMC procurement authorization for Dover and Cheshire County (9:30, Ascend)
- a. The RMC Chair (should have) made the following comments regarding this RMC procurement plan meeting. This RMC meeting will not be recorded. The Ascend Analytics Hedge Recommendation memos are "**Confidential, commercial, or financial information exempt from public disclosure under RSA 91-A:5, IV**" and are held in an RMC restricted access folder. The Hedge Recommendation memos are not to be downloaded or distributed.
  - b. Review the Hedge Recommendation Memo.
    - i. Dev Maganty of Ascend Analytics presented the August 14, 2023 Hedge Recommendation Memo.
  - c. RMC deliberations.
    - i. The Committee first deliberated whether it was appropriate and sensible to accelerate the enrollment of Dover and Cheshire County CPAs in November 2023 instead of waiting to enroll with the rest of Wave 2 in early 2024. There were a considerable number of points raised, some of which are listed here.

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1. New information and new ideas of how to accelerate CPA launches enables Dover and Cheshire county to launch in November 2023 without an unfair cost impact to currently enrolled CPAs.
  2. A creative hedging proposal enables the current supply rates to be extended to Dover and Cheshire County CPAs. The hedge proposal will create less than 10% hedge position in the February through July 2024 rate period. That leaves untouched the vast majority of opportunity to secure additional low cost electricity contracts for that same period.
  3. Dover and Cheshire County face complicated electricity supply decisions if they are not able to switch to CPCNH supply in November. The most likely outcome of them failing to secure supply by CPCNH in November will be that they must turn to another Competitive Energy Supplier when their current contracts end around October 2023.
  4. There is a temporary financial reserve reduction of about \$1.1 million for a period of up to a few months to cover hedge contracts for estimated load for Dover and Cheshire County. That reserve reduction would be recovered once new customers in Dover and Cheshire County CPAs begin paying their monthly electricity supply bills.
- ii. The Committee asked questions and deliberated and refined parameters of the Hedge Memo's request for procurement authorization for the proposed Dover and Cheshire County load. The following parameters were included in the deliberations:
1. The start date for Ascend Analytics to begin transactions.
  2. The volume and hedge ratios for the months of November 2023 through July 2024 inclusive--modified by the Dover municipal and school loads.
  3. The \$/MWh price upper limit for transactions.
  4. the zone in which Ascend will transact the IBTs.--modified by expanding the transacting zone to include MassHub.
  5. Ascend's intentions to procure with one or more counterparties depending on pricing.
- d. Authorized Officials decisions
- i. Terry Clark, Cheshire County Authorized Official: YES, CPCNH proceed with procurement for Cheshire County CPA. Default rate plan is Granite Basic. Granite

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Plus, Clean 50 and Clean 100 will also be available options for Cheshire County CPA customers.

- ii. Jackson Kaspari, Dover Authorized Official: YES, CPCNH proceed with procurement for City of Dover CPA. Default rate plan is Granite Basic. Granite Plus, Clean 50 and Clean 100 will also be available options for City of Dover CPA customers.
- e. RMC motion on hedge recommendations
- i. Director Lamattina moved to approve the actions described in the August 14, 2023 hedge recommendation memo as presented, plus two modifications: 1) include Dover municipal and school loads, 2) expand the transaction zone to include MassHub as well as NH Zone. Kevin Charette seconded.

Motion carried unanimously on a roll call vote, 8-0, one absence.

#### 6. Other business

- a. The meeting ran overtime and ended before all agenda items were covered.
  - i. Add Directors Brown and Kaspari contributions to the ERP Dashboard to next month's agenda.
  - ii. Add update on clean/local power options to a future agenda.
- b. Next meeting was scheduled for Monday September 11, 2023 at 09:00 in Dover NH.

#### 7. Adjourn Meeting

Director Jackson moved to adjourn, Director Charette seconded.

Hearing no objection, Committee Chair Miller declared the meeting adjourned by unanimous consent at 11:28 AM.

#### Action Items:

- 1) Brian Callnan and Ascend analytics will perform full metric impacts on scenario analysis for future trade off recommendations.
- 2) Ascend will compute the risk metrics for all the different scenarios considered and provide the comparison metrics to the RMC.
- 3) Jackson Kaspari to facilitate Ascend and Calpine access to Dover municipal and school load data for inclusion in the November 2023 launch. Orlando Vilar will reach out to Calpine on this topic.