How does Community Power comply with New Hampshire's Renewable Portfolio Standard? And what are customers buying when they choose to opt-up to Granite Plus, Clean 50, or Clean 100?

To meet state law, and to verify the increased renewable content for customers who "opt-up" the Coalition purchases Renewable Energy Certificates (RECs).

- New Hampshire's Renewable Portfolio Standard (RPS) requires all electricity providers to acquire specific percentages of RECs sourced from five different categories of renewable resources: Class I (new renewable resources), Class I thermal (useful thermal energy), Class II (new solar), Class III (existing biomass / methane), and Class IV (existing small hydroelectric).
- One REC represents the renewable attributes of one megawatt-hour (MWh) of electricity, or the equivalent amount of useful thermal energy generated, and each REC is issued and tracked through the New England Power Pool Generation Information System (NEPOOL GIS).
- Electricity providers are required to submit annual reports (by July 1st)
 demonstrating that they've secured the legally required number of RECs for the
 prior year reporting period and make alternative compliance payments for any
 RPS component for which RECs are not secured and retired. For 2023 the
 minimum renewable requirement will be equivalent to 23.4% of customer
 electricity consumption, as reported by the distribution utilities.
- Refer to the NH Department of Energy's website for additional information regarding RPS compliance requirements (<u>online here</u>), and to the Coalition's RPS overview page (<u>online here</u>).

Pursuant to the Coalition's Retail Rates Policy (<u>online here</u>, listed under our "Key Documents"), opt-up products offered by Community Power programs may provide either (1) additional NH RPS compliant RECs, with a preference for sourcing in-state generation, or (2) carbon-free generation, which is also tracked and reported by

NEPOOL GIS, to cover the following percentages of customer electricity usage: Granite Plus (33%), Clean 50 (50%), and Clean 100 (100%).

For example, when a customer elects Clean 100, the Coalition would need to purchase RECs for complying with NH's RPS standard, to cover 23.4% of the customer's total electricity consumption for the year, and then the remaining 76.6% would be covered either by sourcing carbon-free power from specific generators (such as large hydro that doesn't produce RECs) or by acquiring additional NH RPS compliant RECs, or a combination of the two.

During the initial period of operations starting in 2023 the Coalition procures NH RPS-compliant RECs for any customer that has elected Granite Plus, Clean 50, or Clean 100 products. In the future, we may procure carbon-free power by contracting directly with clean energy generators. These arrangements will be documented in our Environmental Disclosure Labels.

As the Coalition launches Community Power programs, and as customers make their product elections (for example, by selecting Clean 50 or Clean 100), the amount of renewable power that all customers are choosing to purchase will become known and the Coalition will purchase RECs through competitive solicitations — overseen by the Coalition's Risk Management Committee — to satisfy the combined RPS and voluntary purchase obligations elected by customers taking service from Community Power programs.

The Coalition's Retail Rates Policy and products offered to customers are subject to change, and evolution, over time. For example, our policy provides that Community Power programs that have begun developing new projects in New Hampshire may offer the electricity generated for sale to customers under a "Local Power" product — and we are engaging at the Legislature to advance legislation supportive of local project development:

- During the current legislative session, the Coalition has been supporting legislation that would enable Community Power programs to contract for new local projects, which we estimate would lower electricity supply costs by 30%, on average, in comparison to continuing to source and pay for the delivery of electricity from the regional wholesale market.
- If you would like to stay informed, and/or support our public advocacy efforts on behalf of your community, refer to "<u>How can I get involved with advancing policy</u> <u>reforms</u>?" below.