What is Community Power?

In 2019, Senate Bill 286-FN-LOCAL was enacted into law. The law grants local governments the authority to establish “Community Power” programs, which can procure and provide electricity to their residents and businesses on a competitive basis. By bypassing outdated regulations and legacy technologies, Community Power programs can harness private-sector innovation to lower costs for their customers and provide other energy services. Electric distribution utilities (e.g., Eversource, Liberty Utilities, NH Electric Cooperative, and Unitil) continue to deliver the electricity over their poles and wires. Community Power is sometimes referred to as “municipal aggregation” or “community choice aggregation.”

Do residents and businesses have to participate in Community Power programs?

After town meeting approval of a Community Power plan, all customers not already on competitive supply are automatically enrolled, but can choose to switch back to the regulated utility or to another supplier.

Who can implement a Community Power program?

Municipal and county governments may implement Community Power programs. Multiple local governments can join together under one Community Power program.

How does a local government form a Community Power program?

The first step for a local government to implement a Community Power program is for the local governing body – whether it be a select board, town council, city council, or county commission – to form an electric aggregation committee to develop a Community Power Plan. Multiple towns, cities, or counties may group together to form committees to develop these plans.

Once the Community Power plan has been finalized it must be approved for implementation by the local government’s legislative body (i.e., town meeting vote, city council vote).

What are some of the benefits of Community Power?

By aggregating purchasing power across a community, and by having greater flexibility in energy contracting than regulated utilities, Community Power programs can harness private sector innovation to lower costs for their customers. Community Power programs can also choose to broker for power based on other attributes such as renewable sources.

Beyond bulk energy purchasing, Community Power programs can be a vehicle to facilitate the construction of local renewable energy projects that provide electricity directly to residents and businesses within a Community Power program.