

THE COMMONWEALTH OF MASSACHUSETTS

DEPARTMENT OF PUBLIC UTILITIES

_____))
CAPE LIGHT COMPACT) D.P.U. 09-119
_____))

**PETITION OF THE CAPE LIGHT COMPACT
FOR APPROVAL OF ENERGY EFFICIENCY PROGRAMS
AND RECOVERY OF ENERGY EFFICIENCY RELATED COSTS
FOR THE PERIOD JANUARY 1, 2010 THROUGH DECEMBER 31, 2012**

I. INTRODUCTION

1. Petitioner the Cape Light Compact (the “Compact”) is a governmental aggregator pursuant to G.L. c. 164, §134 and consists of the twenty-one towns in Barnstable and Dukes Counties, as well as the two counties themselves. It is organized through a formal Intergovernmental Agreement under G.L. c. 40, §4A. The Compact’s Aggregation Plan was approved by the Department in D.T.E. 00-47 (August 10, 2000). The Compact maintains a business office within the Barnstable County offices located at the Superior Courthouse at 3195 Main Street in Barnstable, MA 02630.

2. The design, implementation, and cost recovery of the Compact’s energy efficiency (also referred to as demand-side management (“DSM”)) programs are subject to the jurisdiction of the Department of Public Utilities (the “Department”) under the provisions of M.G.L. c. 164 and Chapter 169 of the Acts of July 2, 2008, an Act Relative to Green Communities (the “Act”).

3. This petition (the “Petition”) is submitted in accordance with the procedures and schedules stated in Section 21 of the Act and recognized by the Department in the Proposed Model Procedural Schedule and Procedures for Review of Three-Year Energy Efficiency Plans, dated September 8, 2009 (“Memorandum”) in the Investigation by the Department of Public

Utilities on its own motion into Updating its Energy Efficiency Guidelines Consistent with An Act relative to Green Communities, D.P.U. 08-50.

4. The Compact submits this Petition in support of its Three-Year Plan for energy efficiency programs (and recovery of costs related thereto), for effect during the three-year period commencing January 1, 2010 and ending December 31, 2012. The Compact is filing this Petition in reference to the Memorandum and in accordance with its understanding of the preferences of the Department and the Office of the Attorney General.

5. This Petition and the attached materials contain the Compact's proposed expanded program budgets and savings goals that will allow for the implementation of all available cost-effective energy efficiency during the three-year period, subject to factors and concerns including, but not limited to, bill impacts, environmental benefits, and the need for a reasonable ramp-up schedule.

II. THE COMPACT AND ITS ENERGY EFFICIENCY PROGRAM

A. The Structure and Purpose of the Compact

6. By way of background, the Compact is a governmental aggregator under G.L. c. 164, §134 and consists of the twenty-one towns in Barnstable and Dukes Counties, as well as the two counties themselves.¹ It is organized through a formal Intergovernmental Agreement under G.L. c. 40, §4A. The Compact's Aggregation Plan was approved by the Department in D.T.E. 00-47 (August 10, 2000). The Compact maintains a business office within the Barnstable County offices located at the Superior Courthouse at 3195 Main Street in Barnstable, Massachusetts 02630.

7. The purposes of the Compact include, among other things, (1) to provide the basis

¹ The Compact consists of the towns of Aquinnah, Barnstable, Bourne, Brewster, Chatham, Chilmark, Dennis, Edgartown, Eastham, Falmouth, Harwich, Mashpee, Oak Bluffs, Orleans, Provincetown, Sandwich, Tisbury Truro, Footnote continued on next page.

for aggregation of all consumers on a non-discriminatory basis; (2) to acquire the best market rate for electricity supply and transparent pricing; (3) to provide sharing of economic savings to consumers based on current electric rates and/or cost-of service ratemaking approved by the Department; (4) to provide full public accountability to consumers; and (5) to utilize and encourage demand side management and other forms of energy efficiency and to advance consumer awareness and adoption of a wide variety of energy efficiency measures through the implementation of an energy efficiency plan.²

8. The Compact presently offers a competitive power supply option on an opt-out basis to over 200,000 customers, across all customer classes, who are located within the Compact's service territory. The Department approved the Compact's current form of universal service competitive electric supply agreement in D.T.E. 04-32 (May 4, 2004), pursuant to which the Compact has entered into supply agreements with Consolidated Edison Solutions, Inc. The Compact also operates and administers its own energy efficiency plan ("EEP").

9. The Compact is unique in that it is the only publicly-funded, non-utility energy efficiency program administrator ("PA") in Massachusetts. Unlike every other Department-approved energy efficiency PA, the Compact has no stockholders, has no rate of return and is controlled by a governing board consisting of representatives from its municipal (and two county) members. Its purpose is to represent and protect consumer interests; as such, its energy efficiency plans are subject to a highly transparent review process. Through a series of public hearings, scheduled throughout October 2009, the Compact received public comment and direct input on its proposed three year plan from its customers on Cape Cod and Martha's Vineyard.

West Tisbury, Wellfleet, and Yarmouth, and the counties of Barnstable and Dukes County.

² Upon request, the Compact will provide the Department a copy of the Intergovernmental Agreement, which is the Compact's governing document.

B. History of the Compact's Energy Efficiency Plan

10. On April 6, 2001, in its final order, the Department approved the Compact's original Energy Efficiency Plan. D.T.E. 00-47C (April 6, 2001) ("Final Order"). In its Final Order, the Department found that the Compact was establishing a load aggregation program for purposes of Section 134(b), and that its EEP was consistent with state energy conservation goals. See *id.*

11. On October 23, 2003, the Department approved the Compact's Energy Efficiency Plan, Phase II, 2003-2007 ("Phase II EEP"). See D.T.E. 03-39 (October 23, 2003). In certifying the Phase II Plan, the Department found that the Compact was establishing a load aggregation program for purposes of Section 134(b), and that its revised Phase II EEP was consistent with state energy conservation goals. See *id.*

12. The Department stamp-approved the Compact's EEP, Phase III, 2005-2007, on November 8, 2005 ("Phase III EEP"). See D.T.E. 05-34 (November 8, 2005).

13. Subsequently, on December 27, 2007, the Department stamp-approved an amendment to the Compact's Phase III EEP. See D.P.U. 07-47 (December 27, 2007). This amended Phase III Plan represented an outgrowth of the Compact's previous energy efficiency programs which the Department had already approved.³

14. On October 1, 2008, the Department approved yet another amendment to the Compact's EEP that permitted an increase in funding for residential energy efficiency programs for winter 2008. See D.P.U. 07-47-A (October 1, 2008). The amendment was filed pursuant to a request from the Department to PAs to submit proposals for such increased funding. Letter from Paul J. Hibbard, Chairman of the Department, and Tim Woolf and W. Robert Keating,

³ The Compact's original Energy Efficiency Plan was filed with the Department in 00-47C, the Phase II Plan was filed with the Department in 03-39 and the Phase III Plan was filed with the Department in 05-34. The Compact's Energy Efficiency Plan: 2007-2012 was filed with the Department in 07-47. Upon request, the Compact will provide the prior and existing plans to the Department or any other interested person.

Commissioners of the Department, to Energy Efficiency Service Lists Regarding DOER Request to Increase Funding for Residential Energy Efficiency Programs, dated July 25, 2008.

15. On November 26, 2008, pursuant to the Department's directive to PAs to file 2009 Energy Efficiency Plans, the Compact filed its 2009 EEP. See Letter from Paul J. Hibbard, Chairman of the Department, and Tim Woolf and W. Robert Keating, Commissioners of the Department, to Energy Efficiency Service Lists Regarding 2009 Energy Efficiency Plans, dated August 7, 2008. The Compact filed its 2009 Energy Efficiency Plan consistent with the requirements of G.L. c.25, § 19, G.L. c.25A, § 11G and *Order Promulgating Final Guidelines to Evaluate and Approved Energy Efficiency Programs*, D.T.E. 98-100 (February 7, 2000). See D.P.U. 08-113 (May 29, 2009). In addition, the Compact filed its 2009 EEP consistent with the Department's directive that all PAs use energy efficiency program implementation in 2009, as a transition year leading to the implementation of expanded energy efficiency programs under the Act. See Letter Order, dated August 7, 2009. On May 29, 2009, the Department issued an Order approving the Compact's 2009 EEP as filed. See D.P.U. 08-113 (May 29, 2009).

III. SUMMARY OF THE COMPACT'S THREE-YEAR PLAN

16. In the instant filing, the Compact is requesting a three-year approval for a bold new initiative in response to the Act, which is fully supported by the Energy Efficiency Advisory Council, an advisory body established by the Act (the "Council") following multiple months of rigorous discussions with the Council, its consultants (the "Consultants"), and other interested stakeholders. See EEAC Resolution, dated October 27, 2009, annexed hereto as Exhibit B (approving the statewide energy efficiency plans, finding the plans consistent with the goals and requirements of the Act, and supporting the filing of the plans with the

Department).⁴ This unprecedented consensus-building approach has yielded state-of-the-art programs and ambitious goals for energy efficiency in the Commonwealth. This filing follows the template established in the D.P.U. 08-50 Working Group, including the table of contents and the tables filed herewith, which was developed in accordance with the Act and following many months of discussions. The Compact appreciates the contributions of the D.P.U. 08-50 Working Group in preparing this template as a means to apply the directives of the Act and establish consistency among PAs in the Commonwealth.

17. In accordance with the template, this filing includes Compact-specific data, while at the same time incorporating the collaboratively-prepared, Massachusetts Joint Statewide Three-Year Electric Energy Efficiency Plan (the “Statewide Plan”) that was unanimously approved by all gas and electric distribution companies. Annexed hereto as Exhibit A is a copy of the Statewide Plan.⁵ As detailed in the Statewide Plan, the annual budgets for these program expansion efforts during the three-year period represent a significant increase as compared to the budget levels set forth in the D.T.E. 07-47 (December 24, 2007 Stamp Approval of Compact’s 2007-2012 Plan) and in D.P.U. 08-113 (May 29, 2009 Approval of 2009 Amendment to EEP), and are consistent with the enhanced energy efficiency goals of the Act.

18. The three-year total budget proposed by the Compact is \$76,204,609, with a ramp up from 2010 to 2012, as detailed in the Statewide Plan and the Compact-specific tables set forth in Exhibits A and E of this filing.⁶ The Compact proposes aggressive savings goals

⁴ The Compact recognizes, as stipulated in the Act, Section 21, Part 2, at lines 415-416, that not more than one percent of energy efficiency funds shall be expended on pilot programs without authorization from the EEAC. At its October 27, 2009 meeting the EEAC acknowledged the likelihood that this threshold may be surpassed, and in order to facilitate the authorization process has asked for relevant and supporting information to be provided by November 10, 2009.

⁵ A copy of the “Avoided Energy Supply Costs in New England: 2009 Report” prepared by Synapse Energy Economics, Inc., and referred to in the Statewide Plan, is also provided in Exhibit A.

⁶ Consistent with the Act, the Compact has budgeted, over the three-year period, \$8,695,756, representing 11.4% of
Footnote continued on next page.

that seek to acquire all cost-effective measures while remaining sensitive to rate impacts. The savings goals proposed for the three-year period take into account alternate sources of funding, including the addition of an on-bill financing component. The energy savings generated with this budget are estimated to be 1,250,954 MWh, as detailed in the Statewide Plan and the Compact-specific tables set forth in Exhibit E of this filing.⁷ This savings goal does not assume any additional outside capital not already relied upon for 2010, but does include assumed amounts for 2011 and 2012. The Compact, along with the other Program Administrators, proposes that in the event that outside capital programs are not finalized by September 30, 2010, it will re-file 2011 and 2012 goals and budgets with consideration of the bill impacts resulting from failure to obtain anticipated outside capital. The Compact proposes to calculate bill impacts based on the methodology established in D.P.U. 08-50 (June 15, 2009). See Statewide Plan at Section II.E, annexed to this filing as Exhibit A.

19. Where appropriate, and as detailed in the accompanying overview of the Compact's witness in this proceeding, Kevin F. Galligan, as well as in the Statewide Plan, the Compact is proposing programs, based on current market conditions and other factors, that are responsive to the Act's mandate to develop energy efficiency plans that will "provide for the acquisition of all available energy efficiency and demand reduction resources that are cost effective or less expensive than supply." G.L. c. 25, § 21(b)(1). See Overview of Kevin F. Galligan, annexed hereto as Exhibit C; see also Statewide Plan, annexed hereto as Exhibit A; Compact Program Descriptions, annexed hereto as Exhibit D; and Compact-specific tables, annexed hereto as Exhibit E.

its budget for comprehensive low-income residential DSM and education programs. G.L. c. 25, § 19.

⁷ The Compact has provided its 08-50 Tables and supporting data to the Department via email attachment. Due to the nature of the tables data relevant to the Compact EEP is embedded in related data. If the Department or any interested party requires further information or assistance with the tables, please contact the Compact's Energy Efficiency Program Manager, Kevin Galligan, at kgalligan@capelightcompact.org.

20. The Compact, consistent with the precedent in the D.T.E. 04-38 Settlement (October 21, 2008) and the D.T.E. 01-29 Settlement (April 26, 2001), seeks to retain the discretionary flexibility, during the three-year period, to make modifications without Department approval. The Compact seeks the flexibility to make ongoing revisions and enhancements after the adoption of the Statewide Plan in order to reflect in-the-field conditions, technological advances, financing opportunities, and state-of-the-art new technologies. In general, each Program Administrator seeks to retain the flexibility to adjust spending and add or subtract program measures, subject to the limitation that Program Administrators will not add a new program or terminate an existing program or change a program budget by more than 20% without prior approval by the Department, and with the opportunity for full participation by the Council.

21. Detailed budgets and, where applicable, cost-effectiveness analysis for the Compact's proposed programs, are included with the Compact-specific tables described in the supporting overview of the Compact's witness, Kevin F. Galligan, and in the Statewide Plan accompanying this Petition. See Statewide Plan, annexed hereto as Exhibit A; see also Compact-specific tables, annexed hereto as Exhibit E. Preceding the Compact-specific tables, there is a narrative discussion that describes the content and key assumptions utilized in each. See Compact-specific tables, annexed hereto as Exhibit E.

IV. COMPACT PROGRAM ENHANCEMENTS

22. For the most part, the Compact's program descriptions and offerings are identical to those that are proposed in the Statewide Plan. The Compact does enhance the Statewide Plan in several plan areas. See Compact-specific program descriptions, annexed hereto as Exhibit D. Most of these additions appear in innovative pilot projects and some are in actual program offerings. *Id.* The Compact has enhanced its program offerings in order to better serve its

unique customer base. Highlights of the Compact's specific programs are as follows:

The Compact Program Enhancements

(a) Residential Programs

- (i) Energy Star Appliances & Products - *Adding to the Statewide Energy Star Appliances & Products program, the Compact offers rebates, on a promotional basis, to customers who purchase energy efficient dehumidifiers. The Compact's decision to include dehumidifiers is based upon the Massachusetts RASS Study that demonstrated that, within the Compact territory, there where significant energy savings resulting from such an incentive. A copy of the RASS Study is available at <http://www.capelightcompact.org/documents/CLC2008AnnualReport2009-08-27.pdf> (noting higher hours of operation for dehumidifiers in the Compact service territory).*
- (ii) Green Affordable Homes - *In 2006, the Compact received a \$1.5 million grant from the Massachusetts Technology Collaborative Renewable Energy Trust's Green Affordable Housing Initiative, to be used for the development of affordable housing utilizing green design. With this grant money, the Compact assisted builders in the development of 55 units of affordable housing on Cape Cod and Martha's Vineyard to be built to LEED-H® standards and to include the installation of renewable energy systems. The 16 completed units on Cape Cod and Martha's Vineyard were the first in the country to achieve LEED-H Platinum standards in the multi-family and single detached housing categories. Construction of all of the 55 homes will continue into the 2010 plan year. It is anticipated that upon completion, all of the grant money will have*

been exhausted in 2010. Accordingly, at that time, the Green Affordable Homes Program, unique to the Compact, will be phased out, unless additional new funding is secured.

(b) Commercial and Industrial Programs

(i) Large Commercial and Industrial Financial Assessment Option - In 2010, the Compact will introduce a customized financial assessment program for its ten largest commercial and industrial customers. The Compact will retain financial experts to work closely with each of its ten largest commercial and industrial customers to evaluate their current financial position and to determine their future funding needs. The goal of the program is to encourage these customers to implement deep energy savings measures by providing them with a detailed savings estimate and customized financial plan that includes a variety of funding mechanisms to offset the installation costs of the proposed energy measures.

(ii) All-Fuels Comprehensive Retrofit Program - In 2010, the Compact will expand its small commercial and industrial retrofit program to include cost-effective thermal measures designed to save oil, propane and other unregulated fuels. These cost-effective measures will mirror those technologies identified as gas measures including, but not limited to: programmable thermostats, pre rinse spray valves, pipe insulation, insulation, air sealing, EMS, hood controls and other custom measures as deemed appropriate.

(c) Pilot Projects

(i) Residential New Construction/Major Renovation Pilot – Consistent with

the Statewide Plan, along with all PAs, the Compact will be offering higher incentives for those customers installing thermal upgrades under this targeted pilot initiative. Major renovation of existing homes may provide significant energy savings benefits and fill an unserved market need for those customers who may not meet the ENERGY STAR® Homes criteria and also go beyond the scope of the MassSAVE program.

(ii) Residential Home Automation Pilot - Unique to the Compact for 2010 is the Compact's Residential Home Automation Pilot, which is designed to promote energy savings through the use of automation tools that will give homeowners the ability to remotely control their homes' energy usage during extended absences from their homes. This pilot program was developed in response to the specific Compact market including the needs of seasonal and second home owners.

(iii) Heat Pump Water Heater Pilot - The Compact, along with National Grid and NSTAR,⁸ will be working to evaluate the usage and efficiency of heat pump water heaters in homes located in cold weather climates.

(iv) Power Monitor Pilot - This pilot is designed to investigate the effectiveness of providing customers with a simple power cost monitor that provides real-time information about their home or business electricity use. In 2010, the Compact will be looking to expand this pilot to include commercial applications, where applicable.

23. The addition of two new multi-family residential programs to the Compact's energy efficiency plan is of special note. While these programs mirror the Statewide Plan, they

⁸ To the best of our knowledge, National Grid and NSTAR are the only other PAs participating in this pilot.

are new to the Compact and will improve upon and streamline the Compact's current delivery of services to this particular subset of residential consumers. Specifically, in 2010 the Compact, in collaboration with other PAs, will offer a multi-family retrofit program. The multi-family retrofit program, through its design, attempts to overcome some of the barriers that historically have made penetration into this "hard to reach" sector difficult. The program aims to broaden participation and achieve deeper savings per participant through an incentive structure that encourages such action.

24. Similarly, like the Statewide Plan, the Compact is also including in its program offerings the Multi-Family New Construction Program. This program will be administered under the Compact's residential new construction program. At this time, due to the nature of the housing stock located in the Compact's territory,⁹ no funds have been allocated to this program. See Compact-specific tables, annexed hereto as Exhibit E.

V. INCREASED COMMUNITY OUTREACH AND EDUCATION

25. The Compact prides itself on its dedication to community outreach and the delivery of award winning educational programs. As explained in more detail in the statement of Kevin Galligan, the Compact's three year energy efficiency plan proposes a substantial budget allocation for its energy education programs, including an \$80,000 allocation for workforce training and development. See Overview, annexed hereto as Exhibit C at ¶¶ 19-26; see also Compact-specific program descriptions, annexed hereto as Exhibit D. This important program brings an energy efficiency curriculum and awareness into classrooms. The Compact has helped over 60 schools adopt and implement lessons on energy efficiency and conservation.

⁹ The target market for this program is multi-family new construction projects that are between 4-8 stories in height. See Statewide Plan at Section II(f)(8), annexed hereto as Exhibit A. The housing stock in the Compact's territory generally does not include homes greater than 3 stories in height. If development of homes (over 4 units or over 3 stories), however, should be presented in any of the Compact's territory, the Compact will offer the same program as
Footnote continued on next page.

Id.

26. Similarly, the Compact proposes increased budget allocations to fund expanded community outreach programs to increase the Compact customer's understanding and utilization of the many energy efficiency programs available. *Id.*

VI. COMPACT'S PROPOSED FUNDING AND BILL IMPACTS

A. Proposed Funding Sources

27. During the three-year period, the Compact has proposed budgets based on its estimates of proceeds from the system benefits charge ("SBC"), the forward capacity market ("FCM"), regional greenhouse gas initiative ("RGGI") and other funding to be approved by the Department, including funds collected through an Energy Efficiency Reconciliation Factor ("EERF").¹⁰ See Compact-specific tables, annexed hereto as Exhibit E. The Compact believes that its proposed budgets are necessary to meet the ever-increasing need and demand for its programs, as well as to meet the requirements of the Act.

28. The SBC funding is calculated consistent with G.L. c. 25, § 19(a) which states:

The department shall require a mandatory charge of 2.5 mills per kilowatt-hour for all consumers, except those served by a municipal lighting plant, to fund energy efficiency programs, including, but not limited to, demand side management programs.

The Compact estimates its SBC funding to be \$4,976,904, \$4,977,299 and \$4,954,923 for the plan years 2010, 2011, and 2012, respectively. The three year aggregate totals \$14,909,126. See Compact-specific tables, annexed hereto as Exhibit E.

29. The Compact estimates that expected funding from RGGI for 2010 will be approximately \$2,200,671. See Compact-specific tables, annexed hereto as Exhibit E. For

offered through the Statewide Plan.

¹⁰ Previously, the EERF was collected by NSTAR and apportioned to the Compact. In D.P.U. 08-113, the Department approved an approach to allow NSTAR to collect a Compact specific EERF based upon the Compact's
Footnote continued on next page.

years 2011 and 2012, the Compact estimates that expected funding from RGGI will be approximately \$2,238,158 and \$1,674,627, respectively. *Id.* The three year aggregate totals \$6,113,456. *Id.* In calculating these RGGI funding estimates, the Compact applied the same assumptions as utilized in the Statewide Plan. See Statewide Plan, annexed hereto as Exhibit A.

30. The Compact estimates that expected funding from FCM proceeds will be approximately \$481,529 for the calendar year 2010. The Compact's estimate of expected funding from FCM proceeds is based on the Compact's continued participation in the ISO New England Other Demand Resources Transition Program with monthly Installed Capacity Market Transition Payments estimated to average \$4.10 per month. Similarly, the Compact estimates that expected funding from FCM proceeds will be approximately \$630,769 and \$729,115 for the plan years 2011 and 2012, respectively. The three year aggregate totals \$1,841,414. See Compact-specific tables, annexed hereto as Exhibit E.

B. Compact's Sources of Other Funding

31. The Compact's increased program budgets for 2010 also include "other funding" as allowed under the Act. Section 11 of the Act allows energy efficiency programs to be funded from, among other sources:

other funding as approved by the [D]epartment after consideration of: (i) the effect of any rate increases on residential and commercial consumers; (ii) the availability of other private or public funds, utility administered or otherwise, that may be available for energy efficiency or demand resources; and (iii) whether past programs have lowered the cost of electricity to residential and commercial consumers.

G.L. c. 25, §19.¹¹

32. The three year aggregate assumption for "Other Funding" totals \$8,378,700. For plan year 2010, the Compact assumes other funding in the amount of \$836,700. The majority of

customer sectors and administration of its energy efficiency programs. See D.P.U. 08-113 at 27-28.

¹¹ See D.P.U. 08-113 at pp. 29-30, for the Department's explanation on how it will employ these statutory factors
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the 2010 other funding will come from Barnstable County's award of Energy Efficiency and Conservation Block Grant ("EECBG") funds. See Compact-specific tables, annexed hereto as Exhibit E. Barnstable County, a member of the Compact and the Compact's Administrator, was awarded funds through the EECBG program, which is a federal program that provides funds to units of local and state government to develop and implement projects to improve energy efficiency and reduce energy use and fossil fuel emissions in their communities. The EECBG program is administered by the Office of Weatherization and Intergovernmental Programs in the Office of Energy Efficiency and Renewable Energy of the U.S. Department of Energy ("DOE"). The DOE allocated \$736,700 EECBG program funds to Barnstable County. See EECBG Award Letter, dated September 1, 2009 and related EECBG filings, annexed hereto as Exhibit F. Barnstable County intends to allocate the EECBG program funds to the Compact for use in its energy efficiency programs. The use of EECBG funds to fund certain Compact programs will help reduce the overall electric bill impact to Compact customers.

33. In addition to EECBG, the Compact, working collaboratively with Barnstable County, will pursue additional federal funds for energy efficiency from the U.S. Department of Commerce Economic Development Administration under the CEDS program. Any possible funds from the CEDS program would become first available in plan year 2011.

34. In 2010, an additional \$100,000 of funding is expected through a United States Department of Agriculture ("USDA") grant through the USDA's Rural Energy for America Program Grants. See USDA Letter, dated October 13, 2009, annexed hereto as Exhibit G. These funds will be used to provide energy audits and renewable energy development assistance to agriculture producers and rural small businesses so they can become more energy efficient and utilize renewable technologies.

when evaluating other funding sources.

35. The Compact has budgeted “other funding” for plan years 2011 and 2012 at \$2,514,000 and \$5,028,000, respectively. See Compact-specific tables, annexed hereto as Exhibit E. The Compact anticipates continued receipt of funds through various government energy related grant programs, as well as through the development of an “on-bill financing” program for Compact customers.¹²

36. The Compact proposes to collect additional funds through the proposed EERF, a fully reconciling mechanism between NSTAR Electric Company and the Compact which will be reviewed by the Department in a separate filing by NSTAR. *See e.g.*, D.P.U. 08-10-A at 19-21 (October 1, 2008). As approved by the Department in D.P.U. 08-113, NSTAR will be collecting, on behalf of the Compact, a unique EERF specifically calculated based upon the Compact’s customer sectors and administration of its energy efficiency programs. See D.P.U. 08-113 at 27-28 (detailing the calculation of Compact specific EERF); see also Order D.P.U. 08-117, dated October 26, 2009. Over the three years, the Compact proposes to collect an additional \$44,961,914 through the EERF mechanism. See Compact-specific tables, annexed hereto as Exhibit E.

VII. SAVINGS AND BENEFITS

37. The Compact anticipates significant energy savings, substantial direct and indirect economic benefits, and meaningful environmental benefits as a result of the implementation of its energy efficiency programs. During years 2010-2012 Compact energy efficiency programs are expected to save 25,747 MWh, 39,139 MWh, and 48,597 MWh, respectively. Over their lives, the program measures are estimated to save 1,250,954 MWh. See Compact-specific tables, annexed hereto as Exhibit E.

¹² In addition to the funding opportunities discussed, the Compact is also exploring opportunities, in coordination with other PAs, for additional funding for its appliance program, heat pump water heater pilot, as well as grant funds
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38. During that same time frame the Compact's energy efficiency programs will deliver to Cape Cod and Martha's Vineyard more than \$310 million of direct net economic benefits, as determined by the total resource cost ("TRC") test required by the Department in D.T.E. 98-100. See Compact-specific tables, annexed hereto as Exhibit E. These benefits include reduced energy costs and the impact of energy and capacity demand reduction induced price effects. From 2010-2012 yearly TRC costs will increase from \$21,091,591 to \$28,863,676 to \$36,581,142, while TRC benefits will swell from \$70,398,874 to \$104,541,276 to \$135,819,292. *Id.* Accordingly, the Compact's energy efficiency programs are estimated to have a combined benefit-cost ratio ("BCR") of approximately 3.6 through 2012. *Id.*

39. The Compact also highlights the fact that these TRC calculations do not account for the indirect economic and employment benefits or environmental benefits that accompany the savings and benefits mentioned above. As a consequence of lower electric bills and resultant additional disposable income, businesses and industries may see improved productivity and growth. Finally, by helping to avoid the construction and operation of power plants within New England, these energy efficiency programs can help mitigate some of the gravest environmental threats facing our society today, including climate change, ground-level ozone, acid rain, and damages from fine particulate matter, mercury and other toxics.

40. Indeed, the Statewide Plan projects CO₂ emissions to be reduced over the three-year period by 9,759,374 short tons. See Statewide Plan, annexed hereto as Exhibit A. This achievement is comparable to the environmental benefits achieved by taking approximately 1,622,000 cars off the road, by annually sequestering carbon in a pine forest roughly the size of 38 percent of the entire state, or by recycling 3.0 million tons of waste instead of sending it to the landfill. *Id.*

for high performance building.

41. Through the Compact's energy efficiency activities, it is responsible for the reduction of approximately 436,473 short tons of CO₂ emissions, representing 4.47% of the statewide values. This achievement is comparable to the environmental benefits achieved by taking approximately 70,138 cars off the road, or by recycling 129,665 tons of trash.

42. The Compact understands the importance of the evaluation, measurement and verification ("EM&V") of its programs, and thus proposes a framework whereby both the Department and the Council, through their Consultants, provide oversight of the Compact's programs. The Compact proposes to work collaboratively with the Council in a transparent process, as detailed in the Statewide Plan, to ensure that its savings reported to the Department enjoy the full confidence and support of the wide range of affected stakeholders.

WHEREFORE, Petitioner, the CAPE LIGHT COMPACT hereby respectfully requests as follows:

- a) That the Department adopt its procedural schedule and promptly issue its order of notice and publication with respect to the Compact's Petition and the applicable public hearing on such date or dates as may be necessary or appropriate;
- b) That the Department approve the Compact's energy efficiency programs and budgets proposed for effectiveness during the three-year period commencing January 1, 2010 and ending December 31, 2012;
- c) That the Department approve the Compact's recovery of the costs of such energy efficiency programs;

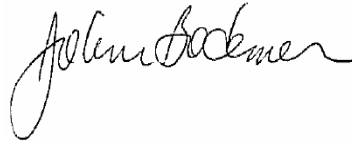
d) That the Department provide such other and further relief as may be necessary or appropriate.

Respectfully submitted by,

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Dated: October 30, 2009

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COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF PUBLIC UTILITIES

<u>Petition of the Cape Light Compact to the</u>)	
<u>Department of Public Utilities for</u>)	
<u>Approval of its Energy Efficiency Plan for the period</u>)	D.P.U. 09-119
<u>January 1, 2010 through December 31, 2012</u>)	

AFFIDAVIT OF KEVIN F. GALLIGAN

Kevin F. Galligan does hereby depose and say as follows:

I, Kevin F. Galligan, certify that the attached Exhibits, filed on this date on behalf of the Cape Light Compact, are true and accurate to the best of my knowledge and belief.

Signed under the pains and penalties of perjury.



Kevin F. Galligan

Dated: October 30, 2009

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF PUBLIC UTILITIES

CAPE LIGHT COMPACT

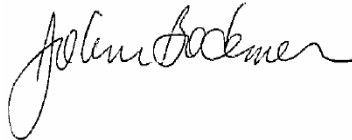
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D.P.U. 09-119

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all parties of record in this proceeding in accordance with the requirements of 220 CMR 1.05(1) (Department's Rules of Practice and Procedure).

Dated at Newton, Massachusetts this 30th day of October, 2009.



Jo Ann Bodemer, Esq.
BCK LAW, P.C.
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Of Counsel for

CAPE LIGHT COMPACT

THE COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF PUBLIC UTILITIES

CAPE LIGHT COMPACT)	D.P.U. 09-119
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**PRE-HEARING STATEMENT ON BEHALF OF
THE CAPE LIGHT COMPACT**

In accordance with the directives of the Department of Public Utilities’ (the “Department”) Hearing Officer Memorandum at 4-5 (September 9, 2009) (the “Memorandum”), the Cape Light Compact (the “Compact”) hereby submits its pre-hearing statement setting forth the relevant information for the Compact’s proposed budget and allocation of program operating costs for its energy efficiency programs for the period January 1, 2010 through December 31, 2012 (the “Three-Year Plan”). As its pre-hearing statement, the Compact states the following:

1. One or more of the following Compact personnel may be called upon to testify on behalf of the Compact’s Three-Year Plan:

- (a) Kevin F. Galligan, Energy Efficiency Program Manager, with respect to Sections I, II, III, and IV of the jointly filed Statewide Three-Year Electric Energy Efficiency Plan, as well as in support of the Compact-specific program descriptions and Compact-specific tables and exhibits pertaining to each of these areas that accompany the Compact’s filing as Petition Exhibits Compact A through E;
- (b) Margaret Downey, Compact Administrator, with respect to Barnstable County’s activities relating to the Energy Efficiency Conservation Block Grant program, as well as the County’s administration of the Compact, and

- the accompanying Petition Exhibit Compact F;
- (c) Margaret Song, Senior Residential and Marketing Program Coordinator, and Briana Kane, Residential Energy Efficiency Program Coordinator, with respect to the Compact's residential programs, and the accompanying Petition Exhibit Compact D; and
 - (d) John Burns, Commercial and Industrial Program Planner, with respect to the Compact's commercial and industrial programs, as well as the United States Department of Agriculture Grant funds, and the accompanying Petition Exhibits Compact D and G.

Annexed hereto as Exhibit 1 is the resume of Kevin F. Galligan; Exhibit 2 is the resume of Margaret Downey; Exhibit 3 is the resumes of Margaret Song and Briana Kane and; Exhibit 4 is the resume of John Burns.

2. In addition, the Compact has retained Synapse Energy Economics, Inc. ("Synapse") to develop the quantitative components of its Three-Year Plan. It is anticipated that the Compact will present the following Synapse personnel as expert witnesses:

- (a) Associate Maximilian Chang. Mr. Chang was responsible for the Compact's quantitative analysis included in the 08-50 Tables and the coordination between PAs of consistent program assumptions for all applicable calculations;
- (b) Associate Doug Hurley. Mr. Hurley contributed his expertise in the areas of FCM, ISO-NE and RGGI calculations; and
- (c) Senior Consultant Rick Hornby. Mr. Hornby contributed his expertise in preparing the Avoided Energy Supply Costs New England - 2009 Study, as

referred to and relied upon in the Statewide Plan.

Annexed hereto as Exhibit 5, 6 and 7 are the resumes of Maximilian Chang, Doug Hurley and Rick Hornby, respectively.

3. Accompanying the Compact's Petition filed with the Department in D.P.U. 09-119 are the following exhibits:

- (a) Exhibit Compact A - the jointly filed Statewide Three-Year Electric Energy Efficiency Plan (as well as a copy of the "Avoided Energy Supply Costs New England- 2009" prepared by Synapse Energy Economics, Inc., and referred to in the Statewide Plan), which represents the core of the Compact's Three-Year Plan;
- (b) Exhibit Compact B - the Resolution of the Energy Efficiency Advisory Council, dated October 27, 2009, approving the statewide energy efficiency plans, finding the plans consistent with the goals and requirements of the Act, and supporting the filing of the plans with the Department;
- (c) Exhibit Compact C - Overview of Kevin F. Galligan in support of the Compact's Three-Year Energy Efficiency Plan;
- (d) Exhibit Compact D - Compact Specific Program Descriptions- providing Compact specific enhancements to the Statewide Plan;
- (e) Exhibit Compact E - Compact Specific 08-50 Tables providing Compact specific budgets, costs and other quantitative analysis;
- (f) Exhibit Compact F - Energy Efficiency Conservation Block Grant Award documentation;
- (g) Exhibit Compact G - United States Department of Agriculture Grant Award

documentation;

(h) Exhibit Compact H - Compact's Bill Impact Analysis; and

(i) Exhibit Compact I - Compact's Analysis of 20% Cost Deviation from Statewide Budget Categories (the Compact expects to develop the appropriate analysis and supporting information and provide it to the D.P.U. by mid-November).

4. In accordance with its filing, the Compact requests approval for a bold new energy efficiency initiative developed in response to Chapter 169 of the Acts of 2009 (the "Act" or the "Green Communities Act"). The Massachusetts Joint Statewide Three-Year Electric Energy Efficiency Plan (the "Statewide Plan") is fully supported by the Energy Efficiency Advisory Council (the "Council"), an advisory body established by the Act, its consultants (the "Consultants"), and other interested stakeholders. See Council Resolution, Exhibit B to the Compact's Petition, dated October 30, 2009 (D.P.U. 09-119). The Compact, in consultation with these interested parties and in collaboration with all other gas and electric distribution companies, has developed its Three-Year Plan, which fully incorporates the Statewide Plan, which provides for state-of-the-art programs and ambitious goals for energy efficiency within the Compact's service territory.

5. The Compact's filing follows the template established in the D.P.U. 08-50 Working Group, including the table of contents and both the statewide and Compact-specific tables filed herewith, which were developed in accordance with the Act and following many months of discussions and collaboration. In accordance with the template, the Compact's filing includes Compact-specific data, while at the same time incorporating the collaboratively-prepared Statewide Plan that was unanimously approved by the Council on October 27, 2009.

Id.

6. As detailed in the Three-Year Plan, the annual budgets for these program expansion efforts during the term January 1, 2010 through December 31, 2012 represent a significant increase as compared to the budget levels set forth in D.P.U. 07-47 and D.P.U. 08-113, and are consistent with the enhanced energy efficiency goals of the Act. The three-year total budget and the Compact's proposed savings goals are robust while remaining mindful of bill impacts. The savings goals proposed for the three-year period take into account alternate sources of funding, including expanded on-bill financing. Where appropriate, the Compact has proposed programs that are based on current market conditions and are responsive to the Act's mandate to develop energy efficiency plans that will "provide for the acquisition of all available energy efficiency and demand reduction resources that are cost effective or less expensive than supply." G.L. c. 25, § 21(b)(1).

7. The Compact maintains that its filing is consistent with the goals of the Act, G.L. c. 25, §§ 19 and 21, and the Department's previous review and approval of energy efficiency plan programs, as seen in D.P.U. 08-113. The Compact's filing is also consistent with the Department's Orders in D.P.U. 08-50-A and 08-50-B, as the Compact will serve to deliver its energy efficiency program offerings in a cost-effective manner that capture all available efficiency opportunities, that minimize administrative costs to the fullest extent possible and that utilize competitive procurement to the fullest extent possible.

8. The Compact is not aware of any issues requiring stipulation.

9. The Compact notes that accompanying this filing, it has separately filed its Motion for Interim Continuation of its Existing Energy Efficiency Programs (the "Motion") with the Department for approval to continue the Compact's energy efficiency program offerings

during the period January 1, 2010 through January 29, 2010, or until the Department approves the Three-Year Plan as submitted with its filing. By its Motion, the Compact seeks Department approval to continue those energy efficiency program offerings, as reviewed and approved as cost effective by the Department and as offered by the Compact during the course of the 2009 program year period, for the interim period from January 1, 2010 through January 29, 2010, or until the Department approves the Three-Year Plan submitted by the Compact on October 30, 2009 in accordance with the Act.

10. As of this date, the Compact has not filed any motions seeking confidentiality with respect to the Compact's Three-Year Plan.

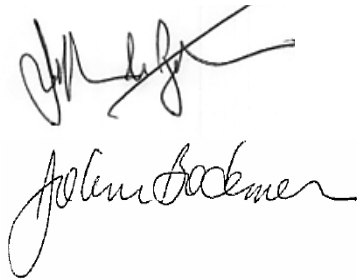
11. As of this date, the Compact is unaware of the extent to which other parties may present witnesses in this proceeding and the qualifications of such potential witnesses; as a result, the Compact does not have any specific objections witness qualifications at this time. However, the Compact reserves the right to object should such a witness be offered at a later time, in accordance with the procedural schedule in this proceeding.

Respectfully submitted by,

CAPE LIGHT COMPACT

By its attorneys,

BCK LAW, P.C.

Two handwritten signatures in black ink. The top signature is more stylized and cursive, while the bottom signature is written in a more legible, cursive script.

Jeffrey M. Bernstein, Esq.

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Jo Ann Bodemer, Esq.

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Telephone: (617) 244-9500

Facsimile: (617) 244-9550

Dated: October 30, 2009

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COMMONWEALTH OF MASSACHUSETTS

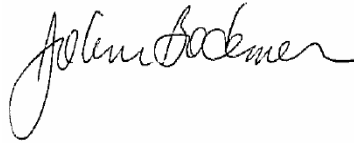
DEPARTMENT OF PUBLIC UTILITIES

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I hereby certify that I have this day served the foregoing document upon all parties of record in this proceeding in accordance with the requirements of 220 CMR 1.05(1) (Department's Rules of Practice and Procedure).

Dated at Newton, Massachusetts this 30th day of October, 2009.



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Of Counsel for

CAPE LIGHT COMPACT

Resolution of the Energy Efficiency Advisory Council

Adopted October 27, 2009

BE IT RESOLVED THAT

The Voting Members of the Energy Efficiency Advisory Council (EEAC) present the following conclusions and comments on the Three-Year Energy Efficiency Investment Plans prepared by the Program Administrators (PAs) for submission to the Department of Public Utilities (DPU) as required by the Green Communities Act of 2008 (GCA). These conclusions and comments are to accompany the plans filed by PAs and represent the current thinking of the EEAC.

- Based on our review of the plans at the Council to date and the information available to us on October 27th, we approve the statewide energy efficiency plans, find them consistent with the goals and requirements of the Green Communities Act, and support their filing at the DPU, unless unexpected and contrary data or details should appear in later PA submissions.
- We recognize and appreciate the hard work of program administrator staff, EEAC consultants, and all Councilors in preparing these groundbreaking energy efficiency plans. The EEAC has met more than twenty times in public session to set direction for and oversee the development of these plans. To this point, we have seen unprecedented collaboration across PAs and among stakeholders as we strive to achieve the goals of the Green Communities Act. We have seen unparalleled commitment from all parties towards achieving our shared vision to make the Commonwealth as energy efficient as possible.
- We note with appreciation and excitement the many areas where PAs have developed significantly improved energy efficiency programs. We anticipate that, if executed faithfully, the 2010 – 2012 efficiency plans will: be more focused on meeting customer needs; be more responsive to customer requirements and circumstances; contribute to climate and air quality benefits; enable deeper energy savings in each building touched; reach more customers, in all corners of the Commonwealth including eligible low-income people in both low-income and non-low-income communities, as specified by the GCA, and people in environmental justice communities; integrate electric and gas programs to streamline customer access to programs; establish dedicated and robust support for Combined Heat and Power (CHP) installations; address long-standing challenges like multi-family housing; pilot both new technologies and new approaches to reaching energy users including for example deep energy retrofits, enhanced on-bill and internet-based communication, and community mobilization; establish long-term relationships with customers, in order to put them and the whole Commonwealth on a path to deep energy savings over the longer term, and, through faithful implementation of the Council's resolution on EM&V administration, be able to provide independent evaluation, measurement, and verification of the various aspects of the PAs' programs and savings.
- We expect to work with the PAs during 2010 on the strategies for outreach, education and marketing of these new programs to help insure robust participation in and successful implementation of the plans. We believe this is vital in having any chance of achieving the desired savings in the first year of the three year plans. We expect to work with PAs to assess outreach, education, and marketing strategies and to integrate any best practices into 2011 and 2012 plans.
- We restate our earlier agreement that the statewide plans and each PA's plan ought to achieve the savings targets adopted by the EEAC on October 6th and October 13th, as set forth in the attached resolutions. These savings targets ramp up each year in order to get on the path to achieving all available, cost-effective energy efficiency, as required by the Green Communities Act.
- We reaffirm our judgment that PAs should be eligible to earn a performance incentive as laid out in the attached resolutions adopted on October 6th and October 13th, and as described in the statewide plans, subject to DPU review and approval.
- Pursuant to EEAC's resolutions of October 6th and October 13th, acknowledging that flexibility is important for individual PAs that face particular and documented challenges in achieving energy

efficiency savings, we approve, for the purposes of our current review, the adjustments to the savings targets for these PAs (Berkshire Gas Company, Fitchburg Gas and Electric Company, New England Gas Company, and Western Mass. Electric Company), as presented in their respective proposals to the EEAC, provided that the statewide savings targets remain the same.

- Our assessment is that costs to operate the programs should be kept as low as possible while achieving the objectives and requirements of GCA. It appears based on the evidence available to us that the overall costs to operate the electric programs are generally appropriate, but there may be particular program costs or variations across PAs that merit more careful review than is afforded the EEAC at this time given the timeline established in the GCA. It appears based on the evidence available to us that the overall costs to operate the gas programs are generally appropriate, but there are particular program costs and variations across PAs which may be understandable and explicable but which merit more careful review than is afforded the EEAC at this time given the timeline established in the GCA. As such, the EEAC requests and directs its consultants to continue to work with gas PAs to refine and improve gas program cost numbers for amendment, if necessary, in the midcourse adjustment filings or sooner if possible.
- We recognize that minimizing bill impacts on customers is an essential consideration and that it is important to minimize upfront financing barriers to implementation for non-low-income customers. For these reasons, it will be crucial for PAs, the EEAC, and all stakeholders to work together to identify and bring in outside funding for the programs; to continue to work together to ensure that savings are being delivered efficiently and cost-effectively; as well as to keep a close eye on program costs. We reaffirm our judgment that the electric PAs should set outside funding targets of at least \$100M for the 2011 program year and \$200M for the 2012 program year and the gas PAs should set outside funding targets of at least \$20M for the 2011 program year and \$40M for the 2012 program year.
- We expect, in line with consistent discussion at the Council, that the company-specific plans will be in full agreement with the statewide plans.
- We expect that PAs will continue to strive to make more open and clear the process for hiring and training workers and contractors in this industry, as well as the training and other requirements to be eligible to do the work; and to support training and career development to create a sufficient, skilled, and more diversified workforce. The PAs should make reasonable efforts to encourage their lead energy efficiency contractors to provide workers with a livable wage and fair benefits and with the opportunity to move along a career path. In addition, the PAs shall make reasonable efforts to contractually require their lead energy efficiency contractors to comply with all applicable federal, state, and local laws including, but not limited to those governing independent contractor classifications.
- We understand that there will be additional information presented to the EEAC on the plans relating to performance incentives that could not be completed and agreed upon in time for submission but we expect all parties to continue to work together to develop a shared proposal for submission in November.
- We expect that the EEAC and PAs will continue to work collaboratively throughout the three-year plan horizon, as directed by the Green Communities Act. It is our expectation that, especially given all the new elements of these three year plans, PAs will learn a great deal about what improvements or adjustments should be made in the programs early in 2010. We anticipate that there are likely to be a number of mid-course adjustments to program designs as well as program-level savings and costs for 2011 and 2012, and we expect the PAs to work collaboratively with EEAC to analyze lessons learned, develop adjustments, and put them into practice. This will include a detailed PA report to the Council, developed in coordination with EEAC consultants, on programs, savings, benefits and costs by July 31st; Council review and recommendations to PAs on programs, savings, benefits and costs by August 31st; a reply from the PAs incorporating any Council comments by September 30th; and an update filing with the Department of Public Utilities by October 30th.

Accordingly, the Voting Members of the Energy Efficiency Council in recognition of the aforementioned reasons, approve the Statewide gas and electric Energy Efficiency Investment Plans. The Council further expects that each individual plan of the electric and natural gas companies and municipal aggregators will comport to the statewide plan and applicable resolutions of the Council. Pursuant to subsection (d)(1) of section 21 of Chapter 25 of the General Laws, the Council directs the electric and natural gas companies and municipal aggregators to submit this resolution to the Department of Public Utilities as part of their respective plans. We request that the Department consider the comments and conclusions that we articulate above.

THE COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF PUBLIC UTILITIES

CAPE LIGHT COMPACT)	D.P.U. 09-119
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OVERVIEW OF KEVIN F. GALLIGAN
SUBMITTED IN SUPPORT OF THE CAPE LIGHT
COMPACT'S ENERGY EFFICIENCY PROGRAMS
FOR THE PERIOD JANUARY 1, 2010 through DECEMBER 31, 2012

I. INTRODUCTION

1. On behalf of the petitioner, the Cape Light Compact (the "Compact"), I submit this overview ("Overview") in support of the Compact's Energy Efficiency Programs for the period January 1, 2010 through December 31, 2012 ("Compact's EEP" or "EEP"). I submit this Overview in my capacity as the Energy Efficiency Program Manager for the Compact. See Resume of Kevin F. Galligan, annexed as Exhibit 1 to the Compact's Pre-Hearing Statement, dated October 30, 2009 ("Pre-Hearing Statement").

2. The purpose of this Overview is to provide a roadmap for the Department's review of the Compact's EEP by summarizing significant Compact-specific enhancements to the collaboratively and jointly prepared Massachusetts Statewide Three-Year Electric Energy Efficiency Plan (the "Statewide Plan"). See Petition of the Cape Light Compact, dated October 30, 2009 (the "Petition"). In addition, this Overview will introduce the witnesses the Compact intends to present before the Department at the hearings to be scheduled in the above-captioned matter.

3. Consistent with the Green Communities Act (the "GCA"), the Compact's EEP and the attached materials contain the Compact's proposed expanded program budgets and savings goals that will allow for the implementation of all available cost-effective energy

efficiency for the three year plan period from January 1, 2010 through December 31, 2012, subject to factors and concerns including, but not limited to, bill impacts, environmental benefits, and the need for a reasonable ramp-up schedule.

II. REACHING CONSENSUS - THE STATEWIDE PLAN

4. Pursuant to the GCA, electric and gas Program Administrators (“PAs”) were directed to develop the first joint statewide electric and statewide gas energy efficiency plan for review and approval by the Energy Efficiency Advisory Committee (the “EEAC”). The Department of Public Utilities (“Department”) convened a proceeding (D.P.U. 08-50), on its own motion, to among other things, determine the form and required contents of the individual PA energy efficiency plans. To accomplish this task, a working group, consisting of representatives from PAs, the Department, the Attorney General, other interested parties and chaired by the Department of Energy Resources (“DOER”), was formed to develop an energy efficiency template for the individual plan filings. The EEAC joined in the template process to insure compliance with the requirements of the GCA with regard to the development of the joint statewide plans.

5. On behalf of the Compact, I had the opportunity to participate and contribute in the D.P.U. 08-50 working group, as well as be involved in the EEAC’s oversight of the development of the Statewide Plan. Needless to say, the Compact has benefited tremendously from the guidance of the Department during the numerous and very productive D.P.U. 08-50 working group sessions convened by the Department, as well as from its participation in the EEAC’s review procedures. The final outcome of the working group and EEAC process is the development of the first ever joint statewide energy efficiency plan. The resulting plan is a

testament to the cooperation, collaboration and spirit of all who worked tirelessly through the iterative drafting process.

6. On October 27, 2009, the EEAC approved the Statewide Plan and supported its filing with the Department. See EEAC Resolution, dated October 27, 2009, annexed as Exhibit B to the Compact Petition.¹ The Compact's filing fully adopts and incorporates into its EEP, the program descriptions in the collaboratively prepared Statewide Plan. See Statewide Plan, annexed to the Compact's Petition as Exhibit A.

III. THE GOALS OF THE COMPACT

7. The Compact is the only publicly-funded, municipal aggregator (as defined by G.L. c. 164, § 134) energy efficiency program administrator in Massachusetts. Unlike every other Department approved energy efficiency PA, the Compact has no stockholders, has no rate of return and is controlled by a governing board consisting of representatives from its municipal members. Each Compact member appoints a representative to the Compact Governing Board, which is responsible for setting policy and overseeing the Compact's energy efficiency programs.

8. The purposes of the Compact include, among other things, (1) to provide the basis for aggregation of all consumers on a non-discriminatory basis; (2) to acquire the best market rate for electricity supply and transparent pricing; (3) to provide sharing of economic savings to consumers based on current electric rates and/or cost-of service ratemaking approved by the

¹ By this resolution, the EEAC approved the Statewide Plan, found it consistent with the goals and requirements of the GCA and supported its filing with the Department. The Compact recognizes, as stipulated in the GCA of 2008, Section 21, Part 2, at lines 415-416, that not more than 1 percent of energy efficiency funds shall be expended on pilot programs without authorization from the EEAC. At its October 27, 2009 meeting the EEAC acknowledged the likelihood that this threshold may be surpassed, and in order to facilitate the authorization process has asked for relevant and supporting information to be provided by November 10, 2009.

Department; (4) to provide full public accountability to consumers; and (5) to utilize and encourage demand side management and other forms of energy efficiency and to advance consumer awareness and adoption of a wide variety of energy efficiency measures through the implementation of an energy efficiency plan.

9. The Compact Governing Board also appoints member representatives to an Energy Efficiency Committee comprised of representatives from the member municipalities and counties. This unique governing structure permits the Compact to maintain its community roots and to be responsive to consumer needs and concerns, as well as devote itself to the advancement of energy efficiency. The Energy Efficiency Committee was involved in the development, review and voted in support of the Compact EEP on September 23, 2009.

10. Indeed, representatives of the Compact Governing Board are a vital link to the Compact consumers. Board members, through various speaking engagements, as well as through televised updates to town Boards of Selectmen and Councilors, provide educational information to our consumers about our programs, the value of energy efficiency and its long term benefits to our community and environment.

11. Since one of the Compact's basic tenets is to represent and protect consumer interests, the Compact's energy efficiency plans are subject to a highly transparent review process. In the months leading up to the October 30, 2009 filing date, the Compact held a series of twenty-two information sessions with public and private organizations, as well as holding several community meetings open to the public, to review the proposed EEP and request comments, suggestions and feedback. The public responded to elements of the EEP through in-person remarks at the community meetings, written letters sent directly to the Compact, direct messaging through the Compact's toll-free call center and participation in a dedicated on-line

survey to determine the EEP programs viewed as the most valuable and beneficial by the Compact customers.²

12. Facilitating and encouraging these opportunities for dialogues with its community members is a natural outgrowth of the Compact's structure and the basis for its formation - the collaboration of communities for the purpose of achieving energy savings for their constituents.

13. In addition, the Compact conducted an extensive advertising campaign in local newspapers to encourage its customers to learn more about the proposed EEP. Similarly, the Compact's Governing Board spoke directly to town governments and constituents (through editorial outreach to the media or direct meetings with their constituents). The Compact also spoke extensively to all of the town and regional Chamber of Commerce offices, who then in turn shared fundamentals of the EEP with their membership. Lastly, a benefits summary of the EEP was sent to over 750 Compact mailing list subscribers as part of its monthly newsletter.

14. The Compact prides itself on its energy efficiency accomplishments and on being a respected leader in energy efficiency program design, development and delivery. Some noteworthy achievements include (1) Municipal Energy Efficiency Incentive Structure, which eliminated the co-pay barrier for public entities and reached a historically under served customer base; (2) Cutting Edge Pilot Projects, such as retrofitting traffic signals to LED lighting for all three colors throughout all of Cape Cod, and the Smart Energy Monitoring Pilot; and (3) Community-wide Turn-In Events, targeting inefficient room air conditioners and dehumidifiers. In addition, as more fully discussed below, the Compact is an award winning leader in community education and outreach in the area of energy efficiency and conservation.

² The Compact provided the proposed plan summary, links to specific program descriptions and the dedicated *Footnote continued on next page.*

IV. COMPACT SPECIFIC INFORMATION

15. For the most part, the Compact's program descriptions and offerings are identical to those that are proposed in the Statewide Plan. The Compact does enhance the Statewide Plan in several plan areas. Most of these additions appear in innovative pilot projects and some are in actual program offerings. Some of the program benefits result from the Compact's desire to continue existing programs that are both successful and responsive to the Compact's customers. Eliminating these programs would result in a customer being eligible for less energy efficiency measures in 2010 than is the case under current Compact programs. As such, the Compact has tailored the Statewide program offerings, where necessary, to better meet its customers' unique profiles and needs.

16. The Compact views these enhancements as necessary for it to continue to best serve the needs and meet the demands of its unique customer base. For example, Cape Cod's industry mix is heavily focused on tourism and retirement services. As such, the Compact's customer base is very different from that of the other PAs in the Commonwealth, as more than one-third of the Cape Cod workforce is employed in the management or professional occupations within these industries. Cape Cod's 12.5% share of workers who are self-employed is twice that found in the Commonwealth as a whole, and 96% of commercial accounts are considered either small business or general seasonal.³

17. Further, 87% of all Compact electric accounts are residential customers, including a large number of seasonal homes. Significantly, 11% of these residential accounts use electric heat, and 10 of the 21 Compact member towns do not have access to natural gas (primarily in the outer Cape towns from North Eastham to Provincetown and the six towns on Martha's

survey on its website, www.capelightcompact.org.

Vineyard).

A. The Compact Program Enhancements

1. Residential Programs

a. ***Energy Star Appliances & Products*** - Adding to the *Statewide Energy Star Appliances & Products* program, the Compact offers rebates, on a promotional basis, to customers who purchase energy efficient dehumidifiers. The Compact's decision to include dehumidifiers is based upon the Massachusetts RASS Study that demonstrated that, within the Compact territory, there where significant energy savings resulting from such an incentive. A copy of the RASS Study is available at <http://www.capelightcompact.org/documents/CLC2008AnnualReport2009-08-27.pdf> (noting higher hours of operation for dehumidifiers in the Compact service territory).

b. ***Green Affordable Homes*** - In 2006, the Compact received a \$1.5 million grant from the Massachusetts Technology Collaborative Renewable Energy Trust's Green Affordable Housing Initiative, to be used for the development of affordable housing utilizing green design. With this grant money, the Compact assisted builders in the development of 55 units of affordable housing on Cape Cod and Martha's Vineyard to be built to LEED-H® standards and to include the installation of renewable energy systems. The 16 completed units on

³ Sources: Compact sales-and-customer internal analysis and <http://www.capecodcommission.org/data/CAPETRENDSslideShow.pdf>.

Cape Cod and Martha's Vineyard were the first in the country to achieve LEED-H Platinum standards in the multi-family and single detached housing categories. Construction of all of the 55 homes will continue into the 2010 plan year. It is anticipated that upon completion, all of the grant money will have been exhausted in 2010. Accordingly, at that time, the Green Affordable Homes Program, unique to the Compact, will be phased out, unless additional new funding is secured.

2. Commercial and Industrial Programs

a. Large Commercial and Industrial Financial Assessment

***Option** - In 2010, the Compact will introduce a customized financial assessment program for its ten largest commercial and industrial customers. The Compact will retain financial experts to work closely with each of its ten largest commercial and industrial customers to evaluate their current financial position and to determine their future funding needs. The goal of the program is to encourage these customers to implement deep energy savings measures by providing them with a detailed savings estimate and customized financial plan that includes a variety of funding mechanisms to offset the installation costs of the proposed energy measures.*

b. All-Fuels Comprehensive Retrofit Program

- In 2010, the Compact will expand its small commercial and industrial retrofit program to include cost-effective thermal measures designed to save oil, propane and other unregulated fuels. These cost-effective measures will

mirror those technologies identified as gas measures including, but not limited to: programmable thermostats, pre-rinse spray valves, pipe insulation, insulation, air sealing, EMS, hood controls and other custom measures as deemed appropriate.

3. Pilot Projects

a. Residential New Construction/Major Renovation Pilot -

Consistent with the Statewide Plan, along with all PAs, the Compact will be offering higher incentives for those customers installing thermal upgrades under this targeted pilot initiative. Major renovation of existing homes may provide significant energy savings benefits and fill an unserved market need for those customers who may not meet the ENERGY STAR® Homes criteria and also go beyond the scope of the MassSAVE program.

b. Residential Home Automation Pilot - Unique to the

Compact for 2010 is the Compact's Residential Home Automation Pilot, which is designed to promote energy savings through the use of automation tools that will give homeowners the ability to remotely control their homes' energy usage during extended absences from their homes. This pilot program was developed in response to the specific Compact market including the needs of seasonal and second home owners.

c. Heat Pump Water Heater Pilot - The Compact, along

with National Grid and NSTAR,⁴ will be working to evaluate the usage and efficiency of heat pump water heaters in homes located in cold weather climates through this innovative pilot offering.

d. ***Power Monitor Pilot*** - *This pilot is designed to investigate the effectiveness of providing customers with a simple power cost monitor that provides real-time information about their home or business electricity use. In 2010, the Compact will be looking to expand this pilot to include commercial applications, where applicable.*

18. Of special note is the addition of two new multi-family residential programs to the Compact's Plan. While these programs are identical to the Statewide Plan, they are new to the Compact and will improve upon and streamline the Compact's current delivery of services to this particular subset of residential consumers. Specifically, in 2010 the Compact, in collaboration with other PAs, will offer a multi-family retrofit program. The multi-family retrofit program, through its design, attempts to overcome some of the barriers that historically have made penetration into this "hard to reach" sector difficult. The program aims to broaden participation and achieve deeper savings per participant through an incentive structure that encourages such action.

19. Similarly, the Compact is also including in its program offerings the Statewide Multi-Family New Construction Program. This program will be administered under the Compact's residential new construction program. At this time, however, due to the lack of multi-family construction in the Compact's territory,⁵ no funds or energy savings have been

⁴ To the best of our knowledge, National Grid and NSTAR are the only other PAs participating in this pilot.

⁵ The target market for this program is multi-family new construction projects that are between 4-8 stories in height. See Statewide Plan at Section II(f)(8), annexed as Exhibit A to the Compact's Petition. The housing stock in the Compact's territory generally does not include homes greater than 3 stories in height. If development of homes
Footnote continued on next page.

allocated to this program.

V. THE COMPACT'S CONTINUED COMMITMENT TO PUBLIC EDUCATION AND COMMUNITY AWARENESS

A. Education Outreach

20. The Compact has always paid special attention to the importance of energy education and continues to be a nationally recognized leader in the design and implementation of energy education programs. As a wholly unique, energy efficiency program administrator, the Compact strives to address the continuing need for greater consumer awareness and to encourage the development of deeper and broader community knowledge of energy efficiency technology and practices.

21. Recognizing that education is the key to effecting change in our society, the Compact remains committed to the education of its residents and has applied its outreach and marketing efforts accordingly. The Compact continues to work with a Teacher Advisory Board consisting of teachers, school administrators, Compact board members and staff. This group assists with direction, implementation and evaluation of the Compact's energy education programs.

22. The showpiece of the Compact's education initiatives is its collaboration with the National Energy Education Development Project ("NEED"), a 501(c)3 non-profit educational organization affiliated with the Department of Energy's Energy Information Services, in the development of an energy education program for elementary through secondary level teachers and students on the Cape and Vineyard. Using a curriculum with a foundation of science-based facts, the Compact and NEED have created curriculum materials which are

(over 4 units or over 3 stories), however, should be presented in any of the Compact's territory, the Compact will
Footnote continued on next page.

aligned with the Massachusetts State Frameworks for Science and Technology, allowing teachers to introduce lessons on energy efficiency and conservation.

23. The Compact was honored with NEED's Region of the Year Award in 2004 for ongoing efforts in energy education. For six consecutive years, the schools in the Compact's region have received national and state awards for their energy education outreach efforts in their communities. In addition, the Compact's energy education program was awarded the 2007 Innovation Award by the Interstate Renewable Energy Council for the Compact's "Solarize our Schools" program and was recognized in the spring of 2009 by the state with a 15th Annual Secretary's Award for Excellence in Energy and Environmental Education.

24. Since its inception in 2003, the Compact through its partnership with NEED has helped over 60 schools adopt and implement lessons on energy efficiency and conservation. The Compact's EEP proposes a substantial budget allocation for its Energy Education program, including an \$80,000 allocation for workforce training and development.

25. Similarly, the Compact proposes increased budget allocations to fund expanded community outreach programs to increase Compact customers' understanding and utilization of the many energy efficiency programs available.

B. Local Events

26. The Compact has held fourteen successful Energy Fairs. The Energy Fairs were designed to feature Compact efficiency programs and community "turn-in" events that focus on efficient lighting and home appliances such as air conditioners and dehumidifiers. The Compact was recognized by the Association for Energy Service Professionals for innovation in marketing through its Energy Fairs.

offer the same program as offered through the Statewide Plan.

27. In addition to Energy Fairs, the Compact will continue to participate and sponsor community events that provide demonstrations of existing and emerging technologies and services in energy efficiency. Similarly, the Compact will continue to participate in energy service provider and utility initiatives that market energy efficiency services to targeted customer groups. In the past, the Compact has worked successfully with energy efficiency service providers and the regional utilities to design, implement and market commercial and industrial programs, as well as the products and services programs for the residential and commercial sector.

VI. COMPACT-SPECIFIC 08-50 TABLES

28. Detailed budgets and, where applicable, cost-effectiveness analysis for the Compact's proposed programs are included with the Compact-specific tables and in the Statewide Plan included with the Compact's Petition as Exhibit A, D and E. In addition, the Compact-specific tables (Exhibit E of the Compact's filing) include a narrative discussion that describes the content and key assumptions in each of the Compact-specific tables. See Compact-specific tables, annexed as Exhibit E to the Compact's Petition.

VII. THE COMPACT'S EFFORTS TO RAISE ADDITIONAL PROGRAM FUNDS

29. The Compact remains diligent in its efforts to seek out and secure alternative sources of funding for its energy efficiency plan.⁶ Sensitive to lessening customer bill impacts, the Compact views its efforts to secure alternative sources of funding as a top priority. As a result of its efforts, as more fully discussed below, for plan year 2010, the Compact has

⁶ In addition to the funding opportunities discussed, the Compact is also exploring opportunities, in coordination with other PAs, for additional funding for its appliance program, heat pump water heater pilot, as well as grant funds for high performance building.

successfully secured other funding in the amount of \$836,700. The Compact has budgeted “other funding” for plan years 2011 and 2010 at \$2,514,000 and \$5,028,000, respectively.⁷

30. In 2010, the Compact expects to receive \$100,000 through a United States Department of Agriculture grant through the USDA’s Rural Energy for America Program Grants. These funds will be used to provide energy audits and renewable energy development assistance to agriculture producers and rural small businesses so they can become more energy efficient and utilize renewable technologies. See USDA Award Letter, annexed as Exhibit G to the Compact’s Petition.

31. Similarly, the Compact has budgeted the receipt of significant additional funds as a result of the successful application by Barnstable County, a member of the Compact and the Compact’s Administrator, for funds through the Energy Efficiency and Conservation Block Grant program (“EECBG”), which is a federal program that provides funds to units of local and state government to develop and implement projects to improve energy efficiency and reduce energy use and fossil fuel emissions in their communities. The EECBG program is administered by the Office of Weatherization and Intergovernmental Programs in the Office of Energy Efficiency and Renewable Energy of the U.S. Department of Energy (“DOE”). The DOE allocated \$736,700 in EECBG program funds to Barnstable County. See EECBG Award Letter, annexed as Exhibit F to the Compact’s Petition, dated October 30, 2009 (D.P.U. 09-119). Barnstable County intends to allocate the EECBG program funds to the Compact for use in its energy efficiency programs. The use of EECBG funds to fund certain Compact programs will help reduce the overall electric bill impact on Compact customers.

32. The Compact will continue to seek out additional sources of funds to support its

⁷ It is the Compact’s understanding, at this time, that other funding for plan years 2011 and 2012 includes proceeds
Footnote continued on next page.

energy efficiency plan. The Compact anticipates continued receipt of funds through various government energy related grant programs, as well as through the development of an “on-bill financing” program for Compact customers.

VIII. THE COMPACT’S ENERGY EFFICIENCY TEAM

A. The Compact Staff

33. None of the Compact’s achievements could have occurred without the tremendous dedication and effort of its staff. Each of the Compact’s energy efficiency coordinators and analysts are vital to the continued success of the Compact’s energy efficiency programs. At this time, in addition to me, it is anticipated that one or more of the following staff members will be presented as witnesses in support of the Compact’s EEP before the Department at the hearings to be scheduled in this matter.

34. The Compact’s commercial and industrial program plans and designs are under the responsibility of John Burns, Commercial and Industrial Program Planner and Vicki Marchant, Commercial and Industrial Program Analyst. See Exhibit 4, annexed to the Pre-Hearing Statement, for the resume of John Burns. John and Vicki work closely together and are responsible for the Compact’s Commercial and Industrial Energy Efficiency Programs.

35. The Compact’s residential programs are under the responsibility of Margaret Song, Senior Residential Programs and Marketing Coordinator and Briana Kane, Residential Program Coordinator. See Exhibit 3, annexed to the Pre-Hearing Statement, for the resumes of Margaret Song and Briana Kane, respectively. This team is responsible for the Compact’s Residential and Low Income Energy Efficiency Programs.

available to all PAs from a statewide pool of \$100 million in 2011 and \$200 million in 2012.

36. Finally, Debbie Fitton, Energy Education/NEED Project, is responsible for the Compact's education and community outreach initiatives. Debbie interfaces with community education professionals and NEED personnel, to insure the Compact's energy education and community outreach programs continue to respond to and serve our community.

B. The Compact Consultants

37. The Compact has retained Synapse Energy Economics, Inc. ("Synapse") to develop the quantitative components of its EEP. Synapse has proven to be an invaluable and competent consultant since the Compact's inception as an energy efficiency provider in 2001. In addition to Synapse's integral involvement in the development of the Compact's EEP, it also was a valuable contributor to the 08-50 working group and the development of the Statewide Plan. Lastly, on an ongoing, as needed basis, Synapse provides technical support services to the Compact. It is anticipated that the Compact will present a team from Synapse before the Department at the hearings to be scheduled in this matter.

38. Associate Maximilian Chang (M. A. in Environmental Science and Engineering, Harvard University; B. A., Cornell University) was responsible for the Compact's quantitative analysis included in the 08-50 Tables and the coordination between PAs of consistent program assumptions for all applicable calculations. See Exhibit 5, annexed to the Pre-Hearing Statement, for a copy of the resume of Maximilian Chang.

39. Associate Doug Hurley (B. S. in Electrical Engineering, Cornell University) contributed his expertise in the areas of FCM, ISO-NE and RGGI calculations. See Exhibit 6, annexed to the Pre-Hearing Statement, for a copy of the resume of Doug Hurley.

40. Associate Jennifer Kallay (M. A. Energy and Environmental Analysis, Boston

University) also factored significantly in the preparation of the Compact's figures.⁸

IX. CONCLUSION

41. For the reasons set forth herein, as well as in those contained in the Compact's Petition, and accompanying Energy Efficiency Plan, it is respectfully requested that the Department approve the Compact's proposed Energy Efficiency Plan for the period January 1, 2010 through December 31, 2012.

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⁸ Jennifer Kallay worked diligently on the Compact's proposal, and was the Compact's expert witness presented before the Department in D.P.U. 08-113. However, she will not be available to testify in this matter because she is presently, and will be through the month of December 2009, on maternity leave. Maximilian Chang will instead be available to offer testimony on all parts of Synapse's work.

COMMONWEALTH OF MASSACHUSETTS

DEPARTMENT OF PUBLIC UTILITIES

Petition of the Cape Light Compact to the)
Department of Public Utilities for)
Approval of its Energy Efficiency Plan for the period) D.P.U. 09-119
January 1, 2010 through December 31, 2012)

AFFIDAVIT OF KEVIN F. GALLIGAN

Kevin F. Galligan does hereby depose and say as follows:

I, Kevin F. Galligan, certify that this Overview filed on this date on behalf of the Cape Light Compact that bears my name, was prepared by me or under my supervision and is true and accurate to the best of my knowledge and belief.

Signed under the pains and penalties of perjury.



Kevin F. Galligan

Dated: October 30, 2009

COMMONWEALTH OF MASSACHUSETTS

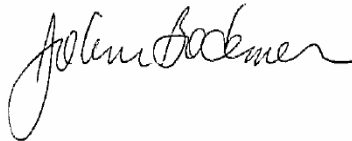
DEPARTMENT OF PUBLIC UTILITIES

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Approval of its Energy Efficiency Plan for the period) D.P.U. 09-119
January 1, 2010 through December 31, 2012)

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all parties of record in this proceeding in accordance with the requirements of 220 CMR 1.05(1) (Department's Rules of Practice and Procedure).

Dated at Newton, Massachusetts this 30th day of October, 2009.



Jo Ann Bodemer, Esq.
BCK LAW, P.C.
One Gateway Center, Suite 851
Boston, Massachusetts 02458
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Facsimile: (617) 244-9550

Of Counsel for

CAPE LIGHT COMPACT

Residential and Low-Income Program Descriptions¹

Residential New Construction

2010-2012 Program Description	See Statewide Plan for full description.
2010-2012 Program Goals	The Compact expects lifetime energy savings of 6,840 MWh and lifetime capacity savings of 2,284 kW.
2010-2012 Program Budget	\$867,625
2010-2012 Compact Enhancements	In 2009, the Compact received a \$1.5 million grant from the Massachusetts Technology Collaborative Renewable Energy Trust's Green Affordable Housing Initiative, to be used for the development of affordable housing utilizing green design. With this grant money, the Compact assisted builders in the development of 55 units of affordable housing on Cape Code and Martha's Vineyard to be built to LEED-H® standards and to include the installation of renewable energy systems. The 16 completed units on Cape Cod and Martha's Vineyard were the first in the country to achieve LEED-H Platinum standards in the multi-family and single detached housing categories. Construction of all of the 55 homes will continue into the 2010 plan year. It is anticipated that upon completion, all of the grant money will have been exhausted in 2010. Accordingly, at that time, the Green Affordable Homes Program, unique to the Compact, will be phased out, unless additional new funding is secured.

Residential Major Renovation Pilot

2010-2012 Program Description	See Statewide Plan for full description.
2010-2012 Program Goals	The Compact expects to assess customer acceptance based on the pilot, adjust as necessary, and develop it into a cost effective program. Lessons learned may also help adjust existing programs. No savings have been assumed in the 2010-2012 timeframe.
2010-2012 Program Budget	\$844,751
2010-2012 Compact Enhancements	None.

¹ Program titles and ordering correspond to Section II(f)(8) of the Statewide Plan, annexed as Exhibit A to the Compact's Petition. Programs unique to the Compact are subsequently listed.

Residential Conservation Services / MassSAVE

2010-2012 Program Description	See Statewide Plan for full description.
2010-2012 Program Goals	The Compact expects lifetime energy savings of 183,183 MWh and lifetime capacity savings of 127,841 kW.
2010-2012 Program Budget	\$22,318,254
2010-2012 Compact Enhancements	None.

Deep Retrofit Single and Multi-Family Pilot

2010-2012 Program Description	See Statewide Plan for full description.
2010-2012 Program Goals	The Compact expects to assess customer acceptance based on the pilot, adjust as necessary, and develop it into a cost effective program. Lessons learned may also help adjust existing programs. No savings have been assumed in the 2010-2012 timeframe.
2010-2012 Program Budget	\$641,667
2010-2012 Compact Enhancements	None.

ENERGY STAR® Lighting

2010-2012 Program Description	See Statewide Plan for full description.
2010-2012 Program Goals	The Compact expects lifetime energy savings of 219,352 MWh and lifetime capacity savings of 22,636 kW.
2010-2012 Program Budget	\$5,431,050
2010-2012 Compact Enhancements	The Compact has taken an aggressive approach toward hard-to-reach and specialty lamps and is awaiting ENERGY STAR® certification of LED lamps.

ENERGY STAR® Appliances & Products

2010-2012 Program Description	See Statewide Plan for full description.
2010-2012 Program Goals	The Compact expects lifetime energy savings of 28,427 MWh and lifetime capacity savings of 5,388 kW.
2010-2012 Program Budget	\$1,180,963
2010-2012 Compact Enhancements	Adding to the Statewide Energy Star Appliances & Products program, the Compact offers rebates through special promotions to customers that purchase energy efficient dehumidifiers. The Compact's decision to include dehumidifiers is based upon the Massachusetts RASS Study that demonstrated that, within the Compact territory, there were significant energy savings resulting from such an incentive. A copy of the RASS Study is available at http://www.capelightcompact.org/documents/CLC2008AnnualReport2009-08-27.pdf (noting higher hours of operation for dehumidifiers in Compact service territory).

Multi-Family Retrofit Program

2010-2012 Program Description	See Statewide Plan for full description.
2010-2012 Program Goals	The Compact expects lifetime energy savings of 17,491 MWh and lifetime capacity savings of 2,728 kW.
2010-2012 Program Budget	\$1,655,959
2010-2012 Compact Enhancements	None.

Multi-Family 4-8 Story New Construction Program

2010-2012 Program Description	See Statewide Plan for full description.
2010-2012 Program Goals	The Compact expects no participation and therefore no savings from this program.
2010-2012 Program Budget	\$0
2010-2012 Compact Enhancements	The target market for this program is multi-family new construction projects that are between 4-8 stories in height. See Statewide Plan at Section II(f)(8), annexed as Exhibit A to the Compact's Petition. The housing stock in the Compact's territory generally does not include homes greater than 3 stories in height. If development of homes (over 4 units or over 3 stories), however, should be presented in any of the Compact's territory, the Compact will offer the same program as offered through the Statewide Plan.

Residential ENERGY STAR® HVAC

2010-2012 Program Description	See Statewide Plan for full description.
2010-2012 Program Goals	The Compact expects lifetime energy savings of 28,046 MWh and lifetime capacity savings of 19,696 kW.
2010-2012 Program Budget	\$2,721,442
2010-2012 Compact Enhancements	None.

Residential HEAT Loan Pilot

2010-2012 Program Description	See Statewide Plan for full description.
2010-2012 Program Goals	The Compact expects to assess customer acceptance based on the pilot, adjust as necessary, and develop it into a cost effective program. Lessons learned may also help adjust existing programs. No savings have been assumed in the 2010-2012 timeframe.
2010-2012 Program Budget	\$135,000
2010-2012 Compact Enhancements	None.

Residential New Construction Lighting Design Pilot

2010-2012 Program Description	See Statewide Plan for full description.
2010-2012 Program Goals	The Compact expects to assess customer acceptance based on the pilot, adjust as necessary, and develop it into a cost effective program. Lessons learned may also help adjust existing programs. No savings have been assumed in the 2010-2012 timeframe.
2010-2012 Program Budget	\$66,667
2010-2012 Compact Enhancements	None.

Residential New Construction V3 Energy Star Homes Pilot

2010-2012 Program Description	See Statewide Plan for full description.
2010-2012 Program Goals	The Compact expects to assess customer acceptance based on the pilot, adjust as necessary, and develop it into a cost effective program. Lessons learned may also help adjust existing programs. No savings have been assumed in the 2010-2012 timeframe.
2010-2012 Program Budget	\$33,333
2010-2012 Compact Enhancements	None.

Residential Heat Pump Water Heater Pilot

2010-2012 Program Description	<p>The objective of the Heat Pump Water Heater (“HPWH”) pilot is to investigate the effectiveness of HPWH systems in Cape Cod and Martha’s Vineyard for residential applications. This developing technology uses electricity to move heat from one place to another instead of generating heat directly. Therefore, HPWH systems can be two to three times more energy efficient than conventional electric resistance water heaters. <i>U. S. Department of Energy – Energy Efficiency and Renewable Energy, Energy Savers Webpage, “Heat Pump Water Heaters.”</i></p> <p>HPWH systems have been studied for more than two decades in the colder regions of North America by various electric utilities. This research included detailed measurement of both technical performance and consumer acceptance. The experience gained from these programs yielded definitive direction about key consumer needs as well as important technical criteria for application of this technology in colder climates. <i>DRAFT 2.0, October 5, 2009, Northern Climate Specification for Residential Heat Pump Water Heaters, Northwest Energy Efficiency Alliance.</i></p> <p>In 2009 ENERGY STAR® released its first ever specifications for HPWH systems and the Compact’s pilot will support the installation and continued evaluation of these certified systems.</p>
2010-2012 Program Goals	<p>The Compact expects to assess customer acceptance based on the pilot, adjust as necessary, and develop it into a cost effective program. Lessons learned may also help adjust existing programs. No savings have been assumed in the 2010-2012 timeframe.</p>
2010-2012 Program Budget	\$33,333
2010-2012 Compact Enhancements	<p>The Compact, along with National Grid and NSTAR, will be offering this pilot.</p>

Home Automation Pilot

2010-2012 Program Description	<p>The Residential Home Automation Pilot is designed to promote energy savings through the use of automation tools including software, sensors and controls that will allow homeowners in households on Cape Cod and Martha's Vineyard the ability to remotely control their homes' energy usage.</p> <p>The Compact plans to test energy savings on a whole-house level. There have been many companies developing high-tech and low-tech solutions to monitoring and controlling energy usage and this pilot will test a variety of home automation tools to evaluate the most effective means of achieving energy and cost savings. The Compact anticipates deploying these technologies in both new and existing homes recognizing that some technologies are better suited than others for certain installations.</p> <p>It is the opinion of the Compact that customers with multiple homes will constitute an important market for this pilot.</p>
2010-2012 Program Goals	<p>The Compact expects to assess customer acceptance based on the pilot, adjust as necessary, and develop it into a cost effective program. Lessons learned may also help adjust existing programs. No savings have been assumed in the 2010-2012 timeframe.</p>
2010-2012 Program Budget	\$50,400
2010-2012 Compact Enhancements	The Compact is currently the only PA offering this pilot.

Residential Power Monitor Pilot

2010-2012 Program Description	<p>The objective of the Power Monitor Pilot is to investigate the effectiveness of providing customers with a simple power cost monitor that offers real-time information about their home or business electricity use. The monitors also connect with an interactive website that allows participants to compare their electricity use to that of others in their community.</p> <p>The Power Monitor Pilot will assess the costs and benefits of smart energy monitoring and demand reduction management technology in households in Cape Cod and Martha's Vineyard. In 2010, the Compact will be looking to expand this pilot to include commercial applications. The pilot design includes a plan to install power monitors and gather information on customer satisfaction and behavior modification, and a plan for testing various marketing methods.</p> <p>Marketing methods will include free installation through Residential Conservation Services (RCS) and Commercial & Industrial programs, direct-mail offers to consumers, and other methods.</p> <p>Various technologies are currently under review for potential inclusion in the program.</p> <p>The Power Monitor Pilot will test various financial incentives, including free installation and at least two price offerings.</p> <p>The Compact will work with its vendors to install the systems through a special visit.</p>
2010-2012 Program Goals	<p>The Compact expects to assess customer acceptance based on the pilot, adjust as necessary, and develop it into a cost effective program. Lessons learned may also help adjust existing programs. No savings have been assumed in the 2010-2012 timeframe.</p>
2010-2012 Program Budget	\$125,000
2010-2012 Compact Enhancements	The Compact is currently the only PA offering this pilot using this type of technology.

Low-Income Residential New Construction

2010-2012 Program Description	See Statewide Plan for full description.
2010-2012 Program Goals	The Compact expects lifetime energy savings of 353 MWh and lifetime capacity savings of 87 kW.
2010-2012 Program Budget	\$95,728
2010-2012 Compact Enhancements	None.

Residential Low-Income Electric 1-4 Family Retrofit Program

2010-2012 Program Description	See Statewide Plan for full description.
2010-2012 Program Goals	The Compact expects lifetime energy savings of 51,214 MWh and lifetime capacity savings of 6,298 kW.
2010-2012 Program Budget	\$6,192,531
2010-2012 Compact Enhancements	None.

Low-Income Residential Multi-Family Retrofit Program

2010-2012 Program Description	See Statewide Plan for full description.
2010-2012 Program Goals	The Compact expects lifetime energy savings of 18,176 MWh and lifetime capacity savings of 1,157 kW.
2010-2012 Program Budget	\$2,320,176
2010-2012 Compact Enhancements	None.

Commercial & Industrial (“C&I”) Program Descriptions²

C & I Lost Opportunity New Construction and Major Renovation

2010-2012 Program Description	See Statewide Plan for full description.
2010-2012 Program Goals	The Compact expects lifetime energy savings of 92,142 MWh and lifetime capacity savings of 24,193 kW.
2010-2012 Program Budget	\$1,825,197
2010-2012 Compact Enhancements	None.

C & I Lost Opportunity New Construction and Major Renovation - Government

2010-2012 Program Description	See Statewide Plan for full description.
2010-2012 Program Goals	The Compact expects lifetime energy savings of 89,749 MWh and lifetime capacity savings of 22,866 kW.
2010-2012 Program Budget	\$2,224,421
2010-2012 Compact Enhancements	None.

C & I Direct Install Large Retrofit Program for Existing Buildings

2010-2012 Program Description	See Statewide Plan for full description.
2010-2012 Program Goals	The Compact expects lifetime energy savings of 27,610 MWh and lifetime capacity savings of 8,588 kW.
2010-2012 Program Budget	\$879,655
2010-2012 Compact Enhancements	In 2010, the Compact will introduce a customized financial assessment program for its ten largest commercial and industrial customers. The Compact will retain financial experts to work closely with each of its ten largest commercial and industrial customers to evaluate their current financial position and to determine their future funding needs. The goal of the program is to encourage these customers to implement deep energy savings measures by providing them with a detailed savings estimate and customized financial plan that includes a variety of funding mechanisms to offset the installation costs of the proposed energy measures.

² Program titles and ordering correspond to Section II(f)(9) of the Statewide Plan.

C & I Direct Install Large Retrofit Program for Existing Buildings - Government

2010-2012 Program Description	See Statewide Plan for full description.
2010-2012 Program Goals	The Compact expects lifetime energy savings of 52,173 MWh and lifetime capacity savings of 14,952 kW.
2010-2012 Program Budget	\$2,102,493
2010-2012 Compact Enhancements	None.

C & I Direct Install Small Retrofit Program for Existing Buildings

2010-2012 Program Description	See Statewide Plan for full description.
2010-2012 Program Goals	The Compact expects lifetime energy savings of 277,050 MWh and lifetime capacity savings of 69,078 kW.
2010-2012 Program Budget	\$13,131,243
2010-2012 Compact Enhancements	In 2010, the Compact proposes to enhance its small commercial and industrial retrofit program to include cost-effective thermal measures designed to save oil, propane and other unregulated fuels. These measures will mirror those technologies identified as gas measures including: Programmable thermostats, pre rinse spray valves, pipe insulation, insulation, air sealing, EMS, hood controls and other custom measures as deemed appropriate, and will provide greater non-electric benefits.

C & I Direct Install Small Retrofit for Existing Buildings - Government

2010-2012 Program Description	See Statewide Plan for full description.
2010-2012 Program Goals	The Compact expects lifetime energy savings of 159,158 MWh and lifetime capacity savings of 38,160 kW.
2010-2012 Program Budget	\$9,499,604
2010-2012 Compact Enhancements	None.

Special Marketing and Education Activities

Energy Education

2010-2012 Program Description	See Statewide Plan for full description.
2010-2012 Program Goals	The Compact has always paid special attention to the importance of energy education and continues to be a nationally-recognized leader in the design and implementation of energy education programs. As a wholly unique energy efficiency program administrator, the Compact strives to address the continuing need for greater consumer awareness and to encourage the development of deeper and broader community knowledge of energy efficiency technology and practices.
2010-2012 Program Budget	\$781,000 ³
2010-2012 Compact Enhancements	<p>Recognizing that education is the key to affecting change in our society, the Compact remains committed to the education of its residents and has applied its outreach and marketing efforts accordingly. The Compact continues to work with a Teacher Advisory Board consisting of teachers, school administrators, Compact board members and staff. This group assists with direction, implementation and evaluation of the Compact's energy education programs.</p> <p>The showpiece of the Compact's education initiatives is its collaboration with the National Energy Education Development Project ("NEED"), a 501(C)3 non-profit educational organization affiliated with the Department of Energy's Energy Information Services, in the development of an energy education program for elementary through secondary level teachers and students on the Cape and Vineyard. Using a curriculum with a foundation of science-based facts, the Compact and NEED have created curriculum materials which are aligned with the Massachusetts State Frameworks for Science and Technology, allowing teachers to introduce lessons on energy efficiency and conservation.</p>

³ The Compact's 2010-2012 Energy Education budget is the sum of the budgets for Residential Education, Workforce Development and Statewide Marketing and Education, as listed in Exhibit E, Part IV.C.1, Electric PA Budget Summary Table.

	<p>The Compact was honored with NEED’s Region of the Year Award in 2004 for ongoing efforts in energy education. For six consecutive years, the schools in the Compact’s region have received national and state awards for their energy education outreach efforts in their communities. In addition, the Compact’s energy education program was awarded the 2007 Innovation Award by the Interstate Renewable Energy Council for the Compact’s “Solarize our Schools” program and was recognized in the spring of 2009 by the state with a 15th Annual Secretary’s Award for Excellence in Energy and Environmental Education.</p> <p>Since its inception in 2003, the Compact through its partnership with NEED has helped over 60 schools adopt and implement lessons on energy efficiency and conservation. The Compact’s EEP proposes a substantial budget allocation for its Energy Education program, including an \$80,000 allocation for workforce training and development.</p> <p>Similarly, the Compact proposes increased budget allocations to fund expanded community outreach programs to increase Compact customers’ understanding and utilization of the many energy efficiency programs available.</p>
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CAPE LIGHT COMPACT 08-50 TABLES OVERVIEW

This section provides a brief narrative overview of the tables submitted by the Compact in this Plan. The content and format of the tables were collaboratively developed through the course of many productive sessions convened by the 08-50 Working Group. These tables are intended to serve as a quantitative anchor for review of the ambitious programs set forth in the Compact's Plan.

IV.B. Funding Sources

The Compact's Plan includes eight tables relating to Funding Sources, including a summary table that specifies the allocation of funding sources, by year and by sector, for each of the three years of the Plan as well as for the overall term of the Plan. The section on Funding Sources includes a statewide comparison table,¹ which essentially aggregates the summary tables from each of the individual Program Administrators into a single table, to reflect the relative allocations across Program Administrators. The remaining tables on Funding Sources provide more granular, PA-specific data concerning the particular sources of funding including: System Benefit Charge (SBC) funds; Forward Capacity Market (FCM) revenue; Regional Greenhouse Gas Initiative (RGGI) proceeds; Energy Efficiency Reconciliation Factor (EERF) funds; (year-to-year) carryover funds; and "other" funds, including sources of outside financing.

Table IV.B.1, Funding Sources Summary, includes Other Funding sources and Carryover in the derivation of the total Electric Funding as described under Table IV.B.5. These two funding sources are comprised of specific grants awarded to the Compact and carryover funding from existing programs from 2009 applied in 2010.

Table IV.B.3.2, FCM Proceeds, details the Compact's anticipated revenue from Forward Capacity Market (FCM) auction proceeds. The FCM auction prices reflect capacity values bid by

¹ The statewide comparison table will be included in an update to be provided after the October 30, 2009 submittal to reflect the most accurate information available.

the Compact in applicable forward capacity auctions (FCA). The FCM clearing prices are the Compact specific clearing price from each respective auction as reported by and to ISO-NE.

Table IV.B.3.4, Other Funding Sources, includes funding awards from two grants specific to the Compact. These two grants include: 1) Energy Efficiency Block Grant of \$736,700 for 2010 and 2) USDA Grant of \$100,000 specific to small C&I customers.

In addition, the Other Funding Sources table includes proceeds from an Outside Funding source available to all electric PAs of: a) \$100 million in 2011 and b) \$200 million in 2012. The Compact understands that 60% of the total Outside Funding for each year would be available to the PAs to be allocated following the RGGI allocation formula.

Table IV.B.3.5, Carryover, includes an estimated \$100,000 carried over from 2009 to 2010 from FCM revenues and EM&V unexpended evaluation funding. This amount would be allocated based on the collection percentage from the 2009 plan. In addition, the Compact's carryover in 2010 includes: an estimated \$50,000 specific to the residential sector from existing program funding and an estimated \$300,000 specific to the C&I sector from existing program funding.

With respect to Table IV.B.3.6, EERF, the Compact does not have Lost Base Revenue ("LBR").

IV.C Program Budgets

The Compact's Plan includes three tables relating to the magnitude and composition of budgets for the energy efficiency programs. The Summary Table provides a detailed break-down of the budgeted costs, by program, for each of the three years of the Plan, and for the entire 2010-2012 term. In addition to reflecting the total costs attributable to each sector and each individual program, the table identifies the costs associated with the following categories of budgeted expenditures: Program Planning and Administration; Marketing and Advertising; Sales, Technical Assistance and Training; and Evaluation and Market Research. The final column for "Total Budget" reflects the sum of the total program costs, plus the performance incentive and LBR associated with the sector. Costs listed on this table are those that are

incorporated in the Total Resource Costs (TRC) Test, used by the Program Administrators for determining cost-effectiveness.

Pursuant to the Program Administrator Guidelines (3.2.1.7, 3.2.2.3, 3.3.3, 3.3.5, 3.3.7 and 3.4.4.3) set forth in D.P.U. 08-50-B, at 37, (October 26, 2009), calling for detailed descriptions in the event that Program Administrator budgets, funding sources, or benefits in a given category, expressed as a percentage of total budget, differ by more than 20 percent from the statewide percentages of the respective category, the Compact expects to develop the appropriate analysis and supporting information and to provide it to the D.P.U. by mid-November in Compact Exhibit I.

With respect to Table IV.C.1, Budget Summary, the Compact has no performance incentive.

In Table IV.C.2.2, PA Cost Comparison, the values for 2007 and 2008 are actual costs reported from annual reports. The values for 2009 are taken from the Compact's 2009 Plan. The values from 2010-2012 are net present value of costs, consistent with Benefit/Cost Ratio ("BCR") calculations. In addition, the Compact has no performance incentive.

IV.D. Cost Effectiveness

The Summary Table calculates the cost-effectiveness of the programs, by sector and, more specifically, by individual program. Cost-effectiveness, as reflected in the BCR, is determined by reference to the Total Resource Cost Test.

The Cost Summary Table breaks down the Total Resource Costs associated with each particular program, which is the sum of program costs as well as any participant costs. The relative breakdown of PA costs, customer costs, and other costs is represented by percentage in the Costs Comparison table.

The Benefits Summary Table represents the total benefits of each individual program, by year, and also provides an opportunity to reflect any associated benefits flowing from the programs derived from non-electric resources, as well as non-resource benefits. The benefits on

the table are reflected in terms of dollar savings. Comparison tables are also provided to show benefits across electric Program Administrators, as well as to show historical versus proposed benefits.

The Savings Summary Table analyzes the annual savings associated with each program, both in terms of electric savings and non-electric resources (measured in kW, MWh, MMBTU, or gallons, depending on the specific resource). A comparison table follows, showing the historical savings on the Compact's programs as well as the projected savings for the 2010-2012 period of this Plan.

Finally, Avoided Costs tables are provided. The data relating to capacity, energy and non-electric avoided costs factors were developed in the "Avoided Energy Supply Costs in New England: 2009 Report" August 21, 2009 and revised October 23, 2009, prepared by Synapse Energy Economics, Inc. for the New England Avoided-Energy-Supply-Component Study Group. Distribution and Transmission numbers were calculated by the Compact.

In Table IV.D.1, Cost Effectiveness Summary, it must be noted that "O Power" is not a Compact program. The Statewide 4-8 Multifamily Pilot reflects no Compact fund allocation, and the Statewide Marketing and Education costs have been allocated to the Compact's residential sector and not its Low-Income or Commercial and Industrial sectors. The New Construction V3 Energy Star Homes Pilot is budgeted to be a single year program in 2011.

In Table IV.D.2.1, TRC Costs Summary, the Compact's TRC costs are net present value calculations, not budget costs for all three years. In addition, the Compact has no performance incentive.

With respect to Table IV.D.2.3, TRC Costs Historical Comparison, it should be noted that values for 2007 and 2008 are based on actual observed costs, values for 2009 are taken from the Compact's 2009 Plan, and that values for 2010-2012 are based on net present value of estimated costs.

In Table IV.D.3.1.i, Benefits Summary, C & I benefits include oil and propane savings from the small C & I retrofit program. In addition, the allocation of non-electric benefits are

based on a combination of oil and propane based on historical evidence (66% oil; 33% propane). All other assumptions are taken from screening model.

In Table IV.D.3.1.iii, Benefits Historical Comparison I, the Compact's actual data is applied for 2007 and 2008, 2009 Plan data for 2009, and values from 2010-2012 Plan are used for 2010-2012 figures.

With respect to Table IV.D.3.1.iii, Benefits Historical Comparison II, the Compact did not calculate Demand Reduction Induced Price Effects ("DRIPE") in 2007 and 2008. However, the Compact did calculate DRIPE in 2009 and actual values are reported.

In Table IV.D.3.2.ii, Savings Historical Comparison, the Compact based its participant estimates on several assumptions. Residential participation estimates are based on historical experience. Low-Income participation estimates are based on experience of other Program Administrators. C & I participation estimates are based on site incentive estimates. Figures for 2007 and 2008 are based on reported savings while figures for 2009 are based on expected savings.

In Table IV.D.3.2.i, Savings Summary, values are taken from 2010-2012 Plan.

In Table IV.D.3.3.iii, Avoided Cost Factors Comparison, values are based on historic and planned avoided distribution and transmission costs.

IV.H. Performance Incentives

This Table is not applicable to the Compact.

IV.I. Cost Recovery

The tables in this section address the cost recovery mechanisms developed in accordance with the Green Community Act's directive that all Program Administrators include in their Plans "a fully reconciling funding mechanism which may include, but which shall not be limited to, the charge authorized" by the Department. *See* G.L. c. 25, § 21. Tables are included showing the

calculation of LBR that Program Administrators expect to collect in each year of the Plan. The LBR tables are not applicable to the Compact, and are noted as such. A table reflecting the calculation of the EERF is also included. The EERF calculations are consistent with the directives set forth in the Department's recent order on the Compact's 2009 energy efficiency programs (*see, e.g., Cape Light Compact*, D.P.U. 08-113).

In Table IV.I.2, EERF, the Compact's calculations are based on savings and sales since the Compact does not have LBR.

V.B. Low-Income Minimum

Pursuant to the Green Communities Act, "energy efficiency program funds shall be allocated to customer classes, including the low-income residential subclass, in proportion to their contributions to those funds; provided, however, that at least 10 per cent of the amount expended for electric energy efficiency programs and at least 20 per cent of the amount expended for gas energy efficiency programs shall be spent on comprehensive low-income residential demand side management and education programs." G.L. c. 25, § 19(c). This table shows the program costs that will be dedicated to low-income programs, both in dollar terms and as a percentage of total program costs.

V.D Competitive Procurement

The Compact adheres to the requisites of state law applicable to public procurements, e.g. G.L. c. 30B, in issuing Requests for Proposals for Energy Efficiency Services and is committed to utilizing competitive procurement practices to the fullest extent throughout the implementation of this Plan, and these tables reflect the extent to which activities have been historically, and will be prospectively, outsourced.

In Table V.D.1, Outsourced/Competitive Procured Summary, figures are based on the Compact's planned allocation of in-house and outsourced activities.

With respect to Table V.D.3, Outsourced/Competitive Procured Historical Comparison, the Compact has not conducted a retrospective study of outsource allocations, and therefore does not have such information.

VII Appendix

These tables will aggregate data from all of the electric Program Administrators on certain key factors—including costs, benefits, savings, and greenhouse gas emission reductions – after all data filed on October 30, 2009 is compiled by the Program Administrators. Please note that the Program Administrators intend to work with DOER to provide these tables on or before November 13, 2009 as contemplated in the development of these comparison tables in the DPU 08-50 Working Group and as noted in the Department’s recent Order in DPU 08-50-B.

IV.B. Electric PA Funding Sources

1. Summary Table

Allocation of Funding Sources, 2010							
Sector	SBC (1)	FCM (2)	RGGI (3)	Other (4)	Carryover (5)	EERF (6)	TOTAL
Residential	\$2,371,596	\$255,895	\$1,169,485	\$391,498	\$96,477	\$5,898,337	\$10,183,288
% of Residential	23%	3%	11%	4%	1%	58%	100%
Low Income	\$617,136	\$11,110	\$50,776	\$16,998	\$12,400	\$31,849	\$740,270
% of Low Income	83%	2%	7%	2%	2%	4%	100%
Commercial & Industrial	\$1,988,171	\$214,524	\$980,410	\$428,203	\$341,123	\$3,761,253	\$7,713,685
% of Commercial & Industrial	26%	3%	13%	6%	4%	49%	100%
TOTAL	\$4,976,904	\$481,529	\$2,200,671	\$836,700	\$450,000	\$9,691,438	\$18,637,242
% of Total	27%	3%	12%	4%	2%	52%	100%

Allocation of Funding Sources, 2011							
Sector	SBC (1)	FCM (2)	RGGI (3)	Other (4)	Carryover (5)	EERF (6)	TOTAL
Residential	\$2,378,063	\$336,236	\$1,193,064	\$1,340,539	n/a	\$8,538,066	\$13,785,967
% of Residential	17%	2%	9%	10%	n/a	62%	100%
Low Income	\$617,185	\$14,290	\$50,706	\$56,974	n/a	\$47,855	\$787,012
% of Low Income	78%	2%	6%	7%	n/a	6%	100%
Commercial & Industrial	\$1,982,051	\$280,243	\$994,387	\$1,117,303	n/a	\$6,323,187	\$10,697,172
% of Commercial & Industrial	19%	3%	9%	10%	n/a	59%	100%
TOTAL	\$4,977,299	\$630,769	\$2,238,158	\$2,514,817	n/a	\$14,909,108	\$25,270,151
% of Total	20%	2%	9%	10%	n/a	59%	100%

Allocation of Funding Sources, 2012							
Sector	SBC (1)	FCM (2)	RGGI (3)	Other (4)	Carryover (5)	EERF (6)	TOTAL
Residential	\$2,374,075	\$389,986	\$896,008	\$2,690,227	n/a	\$10,601,891	\$16,952,186
% of Residential	14%	2%	5%	16%	n/a	63%	100%
Low Income	\$614,410	\$16,106	\$37,003	\$111,101	n/a	\$65,758	\$844,378
% of Low Income	73%	2%	4%	13%	n/a	8%	100%
Commercial & Industrial	\$1,966,438	\$323,024	\$742,160	\$2,228,305	n/a	\$9,240,725	\$14,500,652
% of Commercial & Industrial	14%	2%	5%	15%	n/a	64%	100%
TOTAL	\$4,954,923	\$729,115	\$1,675,171	\$5,029,633	n/a	\$19,908,374	\$32,297,216
% of Total	15%	2%	5%	16%	n/a	62%	100%

Allocation of Funding Sources, 2010-2012							
Sector	SBC (1)	FCM (2)	RGGI (3)	Other (4)	Carryover (5)	EERF (6)	TOTAL
Residential	\$7,123,734	\$982,117	\$3,258,557	\$4,422,264	\$96,477	\$25,038,293	\$40,921,441
% of Residential	17%	2%	8%	11%	0%	61%	100%
Low Income	\$1,848,732	\$41,506	\$138,486	\$185,073	\$12,400	\$145,462	\$2,371,659
% of Low Income	78%	2%	6%	8%	1%	6%	100%
Commercial & Industrial	\$5,936,660	\$817,791	\$2,716,957	\$3,773,812	\$341,123	\$19,325,165	\$32,911,509
% of Commercial & Industrial	18%	2%	8%	11%	1%	59%	100%
TOTAL	\$14,909,126	\$1,841,414	\$6,114,000	\$8,381,150	\$450,000	\$44,508,920	\$76,204,609
% of Total	20%	2%	8%	11%	1%	58%	100%

Notes:

- (1) Data from Table IV.B.3.1
- (2) Data from Table IV.B.3.2
- (3) Data from Table IV.B.3.3
- (4) Data from Table IV.B.3.4
- (5) Data from Table IV.B.3.5
- (6) Data from Table IV.B.3.6



Department of Energy
Washington, DC 20585

September 1, 2009

The Honorable Sheila Lyons
Chair, Board of County Commissioners of Barnstable County
195 Main Street
P.O. Box 427
Barnstable, MA 02630

Dear Ms. Lyons,

This is in reference to the Decision and Order issued on August 27, 2009 by the Office of Hearings and Appeals (OHA), U.S. Department of Energy, granting the appeal filed by Barnstable County, MA, OHA Case No. TGA-00025. In the Decision and Order, Barnstable County was determined by OHA to be eligible to apply for funding under the Energy Efficiency and Conservation Block Grant (EECBG) Program. You are hereby informed that the Department has determined Barnstable County's allocation to be \$736,700.00.

As ordered in the Decision, Barnstable County has thirty (30) days from the date of issuance of the Decision to submit an application under the EECBG Program. Application procedures including important updates can be found on the Program website at <http://www.eecbg.energy.gov/> and in the Funding Opportunity Announcement number DE-FOA-0000013 which can be downloaded from the website.

If you have any questions, please call 1-877-EERE-INF (1-877-337-3463).

The Department looks forward to partnering with you to implement this vital Program under the American Recovery and Reinvestment Act of 2009.

Sincerely,

A handwritten signature in black ink, appearing to read "G. P. Sperling".

Gilbert P. Sperling
Program Manager
Weatherization and Intergovernmental Program
Office of Energy Efficiency and Renewable Energy
US Department of Energy





Department of Energy
Washington, DC 20585

AUG 27 2009

DECISION AND ORDER
OFFICE OF HEARINGS AND APPEALS

EECBG Appeal

Case Name: Barnstable County, Massachusetts

Date of Filing: July 24, 2009

Case Number: TGA-0025

This decision considers an Appeal filed by Barnstable County, Massachusetts (Barnstable County) relating to the Energy Efficiency and Conservation Block Grant Program (EECBG Program) being administered by the U.S. Department of Energy (DOE). In its Appeal, Barnstable County seeks a determination by the DOE Office of Hearings and Appeals (OHA) that it is an "eligible unit of local government" to receive block grant funding under the EECBG Program. If the present Appeal were granted, Barnstable County would have thirty (30) days from the date of this decision to submit an application for the appropriate EECBG Program allocation funding.

I. Background

A. Energy Efficiency and Conservation Block Grant Program

The Energy Independence and Security Act of 2007 (EISA) established the Energy Efficiency and Conservation Block Grant (EECBG) Program, which provides, in part, for a direct formula grant program for States, eligible units of local government, and Indian Tribes, to implement a broad range of programs designed to reduce fossil fuel emissions, reduce total energy use and improve energy efficiency. 42 U.S.C. 17151-17158.¹ For the purpose of the EECBG program, an "eligible unit of local government" was defined by the EISA to be a city or county that met population thresholds specified in statute. 42 U.S.C. 17151. In summary, the EISA defines an "eligible unit of local government" to be: (1) a city with a population of at least 35,000 or which causes the city to be one of the ten highest populated cities of the State, or (2) a county with a population of at least 200,000 or which causes the county to be one of the ten highest populated counties of the State.

On April 15, 2009, DOE published in the Federal Register formulas for allocation of direct grants under the EECBG Program. 74 FR 17461. DOE also published a funding opportunity announcement that identified the "eligible units of local government," Funding Opportunity Number: DE-FOA-0000013, Amendment 00003 (available at: <http://www.eecbg.energy.gov/>). To determine eligibility, DOE applied four factors to the evaluation of whether a city or county qualifies

¹ The EECBG Program was funded in 2009 with appropriations from the American Recovery and Reinvestment Act of 2009, Public Law 111-5.



as "eligible unit of local government" for the purpose of the EECBG Program. A city or county is an "eligible unit of local government" under the EECBG Program if it:

1. Is listed in the 2007 Governments Integrated Directory (GID) as an incorporated entity;
2. Meets the required population threshold according to the 2007 Population Estimates (including successful challenges to these estimates) published by the U.S. Census Bureau;
3. Is identified by the 2007 Census of Governments as having a governance structure consisting of an elected official and governing body; and
4. Has a governing structure, as indicated by the 2007 Census of Governments publication, with the capabilities and jurisdiction necessary to carry out the broad range of EECBG programs.

As noted above, an "eligible unit of local government" was defined by the EISA to be a city or county that met population thresholds specified in statute. In determining population, DOE used the population estimates of the 2007 Census Population Estimates Program with updates to reflect successful challenges to the 2007 population estimates submitted to and accepted by the U.S. Census Bureau. DOE relied on the 2007 Census data and information in evaluating each factor, as it is the official government source for this type of data and information.

Additionally, the EISA distinguishes between cities that are eligible units of local government and counties that are eligible units of local government. Consistent with the EISA distinction, DOE distinguished the population of a city that met the requisite population threshold for an eligible unit of local government from the population of the county in which that city is situated. For the purpose of the EECBG Program, DOE removes the population of an eligible city in determining the population of a county. By removing the population of an eligible city in determining the population of a county, DOE reduced the instances in which a person would be double-counted, i.e., counted once for determination of a city's eligibility and again in determining a county's eligibility. This distinction between city and county populations yields a determination of eligibility that results in funds being distributed more on a per capita basis, which more equitably advances the objectives of the EISA and DOE believes is one way to provide greater equity in the allocation of funds between cities and counties under the direct formula grants.

Further, to be defined as an "eligible unit of local government," DOE determined that a geographical subdivision also must have a "functional government" with responsibilities and jurisdiction capable of implementing the broad range of programs identified by the EISA. In determining whether particular county governments have the types of functions and authority necessary to support the programs the EISA directs DOE to fund, DOE relied on the 2007 Census of Governments, published by the U.S. Census Bureau. A county that has the requisite population, but has an associated government that, as described by the 2007 Census of Governments, has "relatively few [governmental] responsibilities," or an equivalent evaluation, was understood to lack the government functions and authority necessary to discharge the energy efficiency and conservation programs and projects identified by the EISA. In effect, jurisdictions with limited responsibilities were not considered units of local "government" for the purpose of defining eligibility under the EECBG Program. A complete discussion of how DOE determined whether a city or county is an "eligible

unit of local government" is provided in the April 15, 2009, Federal Register notice. 74 FR 17461.

B. Appeal Procedures

As explained above, DOE relied on the characterization of city and county governing structures stated in the 2007 Census of Governments to determine whether cities and counties had sufficient administrative capability to carry out the activities set forth in the EISA. For instance, the Department deemed ineligible those counties characterized as having limited governmental function. However, DOE recognizes that the characterization of city and county governments in the 2007 Census of Governments was not in the context of functionality to administer activities sanctioned by the EISA, and therefore may not have been sufficiently informative or determinative for the purpose of eligibility under the EECBG Program.

Therefore, on June 24, 2009, DOE issued a Federal Register notice establishing an appeals process for eligibility determinations published in the funding opportunity announcement issued under the EECBG Program. 74 Fed. Reg. 30061. The issues that can be appealed, the process for filing an appeal, and the procedure applicable to review an application for appeal are set forth in the Federal Register notice. Those procedures state, in part, that:

A unit of local government may file an appeal under these procedures where it has been denied eligibility for the EECBG Program based: (1) upon a determination that it is incapable of carrying out activities set forth in Title V, Subtitle E of the Energy Independence and Security Act of 2007, Pub. L. 110-140 (EISA); (2) upon an adjustment to its population as the result of a determination that another entity that is located within its borders is capable of carrying out activities set forth in Title V, Subtitle E of EISA; or (3) upon 2007 Census data that was corrected by the U.S. Census Bureau, but the correction was not reflected in the Department's determination of eligibility.

Any such appeal must be filed with OHA within thirty (30) days of the Federal Register notice, by the close of business July 24, 2009.

C. The Present Appeal

In its Appeal, Barnstable County states that it believes it was denied eligibility to apply for EECBG Program funding based on a determination that it is incapable of carrying out activities prescribed by the EISA. Appeal at 4. Barnstable County asserts in its Appeal, however, that "the denial of eligibility is erroneous." *Id.* According to Barnstable County, it meets all of the requirements to be found eligible to receive direct funding under the EECBG Program, including having the jurisdiction, authority and functional capability to administer the types of programs and activities identified in the EISA.

II. Analysis

We have thoroughly evaluated the arguments and supporting documentation submitted by Barnstable County and have determined that its Appeal should be granted. For the reasons discussed below, we find that Barnstable County meets all of the criteria for eligibility to receive EISA funding under the EECBG Program.

(1) Incorporated Unit of Local Government

Barnstable County is one of five county governments in the State of Massachusetts listed in the 2007 Governments Integrated Directory. See http://harvester.census.gov/gid/gid_07/options.html. Barnstable County therefore meets this criterion.

(2) Population

As noted above, the EISA definition of "eligible unit of local government" includes a county with a population which causes the county to be one of the ten highest populated counties of the State. Because there are only five county governments in the State of Massachusetts, Barnstable County is one of the ten highest populated counties of the State. We, therefore, find that Barnstable County satisfies the population requirement of the EISA.

(3) Governance Structure

Barnstable County states in its Appeal that in accordance with its County Home Rule Charter, the executive powers of the county are exercised by a Board of Regional Commissioners consisting of three members. Appeal at 3; see Exhibit B at Article 3. These Regional Commissioners are elected by Barnstable County voters to four-year terms. *Id.* The Home Rule Charter vests the County's executive branch with powers to direct and supervise all county agencies. In addition, legislative powers of Barnstable County are exercised by an Assembly of Delegates consisting of fifteen members who are elected to two-year terms by the respective towns they represent within Barnstable County. *Id.*, at Article 2. Based upon this information, we find that Barnstable County has the requisite governance structure to receive EECBG funds.

(4) Functional Capability

In its Appeal, Barnstable County argues that the county was initially denied EECBG eligibility based upon DOE's supposition that it does not have the functional capability to administer one or more of the broad range of activities specified in the EISA. As stated in the implementing DOE Federal Register Notice: "As defined by the Census of Governments, county governments in Maine, Massachusetts, New Hampshire and Vermont perform only limited functions, and thus all counties in these States were determined to be ineligible for Program funds." 74 Fed. Reg. at 17462. However, we find that Barnstable County has presented sufficient supporting information and evidence in its Appeal to rebut that presumption.

Barnstable County states in its Appeal that, during fiscal year 2009, the county has been awarded more than \$3.5 million in federal grant money and approximately \$5 million in state grant funds that the county administers to conduct various programs on behalf of its citizens. Appeal at 5. Barnstable County notes, for example, that during the current year the county has expended approximately \$875,000 of federal grant money received from the U.S. Department of Housing and Urban Development through its HOME Investment Partnerships Program. *Id.*; see Exhibit E. The county was recently awarded \$750,000 by the state as part of a regional network program to end homelessness. *Id.* According to Barnstable County, it administers federal and state grant monies it receives through several county agencies directed by the county's executive branch: 1) Barnstable County Department of Health and Environment, 2) Barnstable County Department of Human Services, 3) Cape Cod and Islands Child Advocacy Center, 4) Barnstable County Resource Development Office, 5) Cape Cod Cooperative Extension, 6) Barnstable County Sheriff's Office, and 7) the Cape Light Compact. See Appeal at 5-7.

The Cape Light Compact (Compact), managed by Barnstable County, serves as a regional municipal power load aggregator as well as a energy efficiency program administrator that offers a variety of programs to help consumers with their energy needs.² According to Barnstable County, the Compact offers a competitive electric power supply option on an opt-out basis to over 200,000 customers, across all customer classes, located with the Compact's service territory. Appeal at 8. In addition, the Compact administers an Energy Efficiency Plan, with a 2009 annual budget of \$10 million. Some of the many energy efficiency and conservation initiatives being conducted under the 2009 Energy Efficiency Program include the: 1) Massachusetts New Homes with *ENERGY STAR* Program, 2) Residential Massachusetts Home Energy Services Program, 3) Residential High Efficiency Air Conditioning Program ("*COOL SMART*" with *ENERGY STAR*), 4) Low-Income Single Family Program, 5) Low-Income New Construction Program, and 6) Small Commercial and Industrial Retrofit Program. *Id.* at 8-9.

Based upon the foregoing, we are satisfied that Barnstable County has the functional capability to carry out one or more of the broad activities outlined in the EISA.³

² Barnstable County states that the Cape Light Compact was organized under a formal Intergovernmental Agreement and represents a unique partnering between Barnstable County and the Cape Cod municipalities, including the 21 towns located in Barnstable County and neighboring Dukes County. Appeal at 7. Barnstable County states that under the Intergovernmental Agreement and ancillary services agreement, Barnstable County "provides fiscal management and administrative support to the Compact, overseeing all fiscal and contracting concerns for the Compact." *Id.* citing Exhibits F and G.

³ The EISA authorizes a broad range of activities including, *inter alia*:

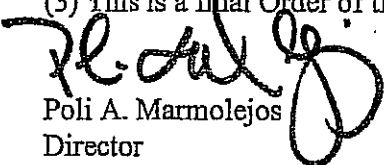
- 1) Development of an energy efficiency and conservation strategy;
- 2) Building energy audits and retrofits, including weatherization;
- 3) Financial incentive programs for energy efficiency, such as energy savings

It Is Therefore Ordered That:

(1) The Appeal filed by Barnstable County, Massachusetts, on July 24, 2009, is hereby granted.

(2) Barnstable County will have thirty (30) days from the date of issuance of this Decision and Order in which to file an application for funding under the direct formula grant provision of Energy Efficiency and Conservation Block Program. The application must be consistent with the application requirements provided in Funding Opportunity Number: DE-FOA-0000013, Amendment 00003. This Decision and Order is being served upon the Appellant and the DOE Office of Energy Efficiency and Renewable Energy by electronic mail on the date of issuance noted below.

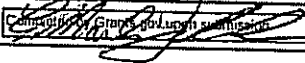
(3) This is a final Order of the U.S. Department of Energy.


Poli A. Marmolejos
Director
Office of Hearings and Appeals

Date: AUG 27 2009

-
- performance contracting, on-bill financing, and revolving loan funds;
- 4) Transportation programs to conserve energy;
 - 5) Building code development, implementation, and inspections;
 - 6) Installation of distributed energy technologies, including combined heat and power and district heating and cooling systems;
 - 7) Material conservation programs, including source reduction, recycling, and recycled content procurement programs;
 - 8) Reduction and capture of greenhouse gas emissions generated by landfills or similar waste-related sources;
 - 9) Installation of energy efficient traffic signals and street lighting;
 - 10) Installation of renewable energy technologies in or on government buildings;
 - 11) Any other appropriate activity that meets the purposes of the program and is approved by DOE.

See generally 42 U.S.C. 17154.

Application for Federal Assistance SF-424		Version 02
16. Congressional Districts Of:		
* a. Applicant	<input type="text" value="10th"/>	* b. Program/Project
		<input type="text" value="10th"/>
Attach an additional list of Program/Project Congressional Districts if needed.		
<input type="text"/>	<input type="button" value="Add Attachment"/>	<input type="button" value="Delete Attachment"/>
	<input type="button" value="View Attachment"/>	
17. Proposed Project:		
* a. Start Date:	<input type="text" value="11/01/2009"/>	* b. End Date:
		<input type="text" value="09/30/2010"/>
18. Estimated Funding (\$):		
* a. Federal	<input type="text" value="736,700.00"/>	
* b. Applicant	<input type="text" value="0.00"/>	
* c. State	<input type="text" value="0.00"/>	
* d. Local	<input type="text" value="10,067,634.00"/>	
* e. Other	<input type="text" value="0.00"/>	
* f. Program Income	<input type="text" value="0.00"/>	
* g. TOTAL	<input type="text" value="10,804,334.00"/>	
* 19. Is Application Subject to Review By State Under Executive Order 12372 Process?		
<input type="checkbox"/> a.	This application was made available to the State under the Executive Order 12372 Process for review on <input type="text"/>	
<input type="checkbox"/> b.	Program is subject to E.O. 12372 but has not been selected by the State for review.	
<input checked="" type="checkbox"/> c.	Program is not covered by E.O. 12372.	
* 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes", provide explanation.)		
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="text" value="Explanation"/>
21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)		
<input checked="" type="checkbox"/>	** I AGREE	
** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.		
Authorized Representative:		
Prefix:	<input type="text"/>	* First Name: <input type="text" value="Mark"/>
Middle Name:	<input type="text"/>	
* Last Name:	<input type="text" value="Zielinski"/>	
Suffix:	<input type="text"/>	
* Title:	<input type="text" value="County Administrator"/>	
* Telephone Number:	<input type="text" value="508-375-6643"/>	Fax Number: <input type="text"/>
* Email:	<input type="text" value="mzielinski@barnstablecounty.org"/>	
* Signature of Authorized Representative:		* Date Signed: <input type="text" value="Completed by: [Signature] on submission"/>

Attachment D

Energy Efficiency & Conservation Strategy for Units of Local Governments & Indian Tribes

As detailed in Part 1 of this announcement, all applicants must submit an Energy Efficiency and Conservation Strategy (EECS). Units of local government and Indian tribes have the option of submitting the EECS no later than 120 days after the effective date of the award or at the time of application. Units of local government and Indian tribes who chose to submit the EECS at the time of application shall use the format contained in Attachment D. This form should be saved in a file named "UIC-Strategy.pdf" and click on "Add Optional Other Attachment" to attach.

Grantee: Barnstable County Date: 09/22/2009 (mm/dd/yyyy)
DUNS #: 76612407 Program Contact Email: mdowney@barnstablecounty.org

1. Describe your government's proposed Energy Efficiency and Conservation Strategy. Provide a concise summary of your measureable goals and objectives, which should be aligned with the defined purposes and eligible activities of the EECBG Program. These goals and objectives should be comprehensive and maximize benefits community-wide. Provide a schedule or timetable for major milestones. If your government has an existing energy, climate, or other related strategy please describe how these strategies relate to each other.

The Massachusetts Electric Utility Restructuring Act of 1998 allows municipalities that aggregate electricity customers to: (1) formulate and Energy Efficiency Plan, (2) submit the plan to town meetings for approval, (3) submit the plan to the Massachusetts Department of Public Utilities for review and certification; and (4) recover the energy efficiency funds raised from consumers for use in implementing local energy efficiency programs.

Barnstable County formed the Cape Light Compact (Compact) in 1997 following two years of study and votes of town meeting, boards of selectmen, and town council. It is organized through a formal intergovernmental agreement signed by the towns and the County. The Compact has been administering energy efficiency programs since 2001, and offers a variety of programs to help consumers with their energy needs.

The Compact unanimously approved its 2009 Energy Efficiency Plan (Plan) on September 22, 2008. The programs included in the Plan are designed to advance consumer awareness and adoption of a wide variety of energy efficiency measures. Energy efficiency initiatives at the community level present opportunities for extensive local involvement, and help develop an energy efficiency ethic that can support market transformation beyond the implementation of individual technologies or practices, resulting in long-term, sustained energy efficiency savings.

The Compact's programs are designed to comply with the state's energy efficiency goals and policies. In general, the programs are structured according to customer types, as well as the types of electricity end-uses utilized by customers. In this way, the marketing and delivery of programs can address the unique interests and market barriers of each customer type, as well as the unique opportunities and challenges of each end-use type.

The programs are broadly divided into three areas: (a) residential customers, (b) low-income customers, and (c) commercial and industrial customers (including municipal and government customers). In addition, there is a core public education and marketing program that underlies the delivery of the Compact's programs. The goal of these three programs is to save roughly 20,600 MWh per year, leading to lifetime energy savings of roughly 208,100 MWh. The Compact's investment of \$10.1 million in energy efficiency activities is expected to result in a total of \$40.6 million in net benefits to electricity system and customers, accounting for energy and capacity demand reduction induced price effects.

The schedule of major milestones is attached.

2. Describe your government's proposed implementation plan for the use of EECBG Program funds to assist you in achieving the goals and objectives outlined in the strategy describe in question #1. Your description should include a summary of the activities submitted on your activity worksheets, and how each activity supports one or more of your strategy's goals/objectives.

Barnstable County intends to allocate the EECBG programs funds to the Cape Light Compact's Energy Efficiency programs. Since these programs are well established, the allocation of EECBG funds to the three program areas will be seamless. The allocation of EECBG funds to these programs will enable Barnstable County to reduce the amount of funds collected from electric customers, and will reduce the overall electric bill impact to customers. The EECBG funds will be used to implement the 12 programs outlined below. These programs will result in significant energy savings and reduce greenhouse gases.

Residential Energy Efficiency programs will save approximately 9,479 MWh per year and avoid 12,388,754 pounds of carbon dioxide production.

1. Massachusetts New Homes with ENERGY STAR® Program, which provides home buyers, home builders, and construction trade allies with technical assistance and financial incentives to increase the efficiency of homes that are newly built, as well as homes that are undergoing major renovation.
2. The Residential Massachusetts Home Energy Services Program ("MassSAVE"), which provides interested residential customers with a home energy audit and financial incentives for numerous electric and non-electric efficiency measures.
3. The Residential ENERGY STAR Products and Services Program, which seeks to increase the availability and use of efficient lighting and appliances. This program is used to Implement the Northeast Energy Efficiency Partnerships Appliance and Lighting initiative and other regional market transformation efforts.
4. Residential High Efficiency Central Air Conditioning Program ("COOL SMART" with ENERGY STAR), which provides rebates for high efficiency Heating, Ventilation and Air Conditioning (HVAC) equipment.

The Low Income Residential Energy Efficiency programs will save approximately 3,090 MWh per year and avoid 4,038,811 pounds of carbon dioxide production.

5. The Low-Income Single Family Program, which provides low-income customers in single family dwellings with assistance in purchasing and installing efficient lighting and appliances, and weatherization measures.
6. The Low-Income Multi-Family Program, which provides owners and managers of low-income multi-family dwellings with assistance in purchasing and installing efficient lighting, appliances and space heating measures.
7. The Low-Income New Construction Program, which provides low-income housing development agencies, weatherization assistance program providers and residential construction trade allies with incentives to increase the home energy efficiency of new low-income housing.

The Commercial, Industrial and Government Energy Efficiency program will save approximately 8,034 MWh per year and avoid 10,503,509 pounds of carbon dioxide production.

8. The Commercial and Industrial New Construction Program, which provides technical assistance and financial incentives to increase the efficiency in the construction, renovation, and/or remodeling of all commercial, industrial, government and multi-family housing facilities.
9. The Large Commercial and Industrial Retrofit Program, which provides technical and financial assistance to medium and large commercial and industrial customers seeking to replace existing operating equipment and processes in their facilities with high efficiency alternatives.
10. The Small Commercial and Industrial Retrofit Program, which provides technical assistance, financial incentives and direct installation to commercial and industrial customers whose peak demands have been defined at less than 100kw to replace existing operating equipment and systems with high efficiency equipment.
11. The Government Agencies Program, which provides technical and financial energy efficiency assistance to all government facilities, including municipal, state and federal facilities.
12. The Commercial and Industrial Products and Services Program, which seeks to increase the availability and use of more efficient motors, lighting designs, and HVAC systems.

3. Describe how your government is taking into account the proposed implementation plans and activities for use of funds by adjacent units of local government that are grant recipients under the Program (response not mandatory for Indian Tribes).

The County will coordinate with Towns (adjacent local government) that receive grant funds from the state or direct from the USDOE that are used for energy efficiency measures. Since the Compact administers the energy efficiency program and has an existing relationship with all of the Towns in the County, it is highly likely that the Compact will be involved in a Town's energy efficiency project from the start. This coordinated approach should ensure that EECBG funds and other funds are leveraged for each project.

4. Describe how your government will coordinate and share information with the state in which you are located regarding activities carried out with grant funds to maximize energy efficiency and conservation benefits (response not mandatory for Indian Tribes).

As required by state law, the Compact presently reports energy savings from its energy efficiency programs to the Massachusetts Division of Energy Resources resources on an annual basis. Since the EECBG funds will be used in the implementation of the Compact's energy efficiency plan, energy savings will be included in the Compact's annual report to the state.

5. Describe how this plan has been designed to ensure that it sustains benefits beyond the EECBG funding period.

The Compact's Energy Efficiency Plan, and its underlying programs, are funded by several sources (system benefit charge, proceeds from the Regional Greenhouse Gas Initiative, and Forward Capacity Market). As stated previously, the EECBG funds will reduce the electric bill impact to customers by allowing the County to apply these funds to the Plan. In the absence of EECBG funds, the Compact's Energy Efficiency Plan would rely on traditional funding options.

6. The President has made it clear that every taxpayer dollar spent on our economic recovery must be subject to unprecedented levels of transparency and accountability. Describe the auditing or monitoring procedures currently in place or that will be in place (by what date), to ensure funds are used for authorized purposes and every step is taken to prevent instances of fraud, waste, error, and abuse.

The Compact's energy efficiency programs will be participating in a statewide evaluation, monitoring and verification program. This is also known as EM&V. EM&V is the systematic collection and analysis of information to document the impacts of energy efficiency programs and improve the effectiveness of these programs. The Massachusetts Division of Energy Resources has a critical oversight role in the EM&V process. This oversight role will further ensure fiscal accountability and transparency. In addition to the state oversight role, a third-party auditor would be retained on a two or three-year (not yet determined) cycle to audit the EM&V process and render assessments on the integrity, efficiency and timeliness of the study and results-validation process.

FINANCIAL MANGEMENT ASSESSMENT

This assessment should be completed, signed and certified by the Applicant's Financial Officer.

- | | YES | NO |
|--|-------------------------------------|--------------------------|
| 1. Have you previously done business with DOE? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 2. Have you previously done business with any other Federal Agency?
If so, please identify: | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

PLEASE SEE ATTACHED LIST OF FEDERAL GRANTS

- | | | |
|--|-------------------------------------|--------------------------|
| 3. Can the Applicant's Financial Officer or Independent Auditor certify that the Applicant has a financial management system sufficient to meet the requirements of 10 CFR 600.220?
If yes, please skip to question #10 and sign/certify below. | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 4. Does your accounting system have the ability to track costs on a reimbursable basis? | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Does your system allow for accurate, current and complete financial reporting, and record keeping as well as the maintaining of adequate source documentation? | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Does your system allow for effective internal controls and accountability? | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. Does your system allow for effective and efficient cash management procedures? | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. Does your system prohibit subaward at any tier to any party which is debarred, suspended or otherwise excluded from or ineligible for participation in Federal assistance programs?
<input type="checkbox"/> | | <input type="checkbox"/> |
| 9. The expenditure of \$500,000 or more of Federal funds in a fiscal year requires an organization to have an audit performed in accordance with OMB Circular A-133. Has your organization had such an audit performed? | <input type="checkbox"/> | <input type="checkbox"/> |
| 10. If yes, please provide the most recent report or a copy of the SF-SAC forms filed with the Federal Audit Clearinghouse. If no, proceed to the next statement and certify by checking the YES block. | | |
| I understand the audit requirements and will comply with the provisions of OMB Circular A-133. | <input checked="" type="checkbox"/> | <input type="checkbox"/> |


E. Mark Zielinski, County Administrator, 508-375-6643

9/23/09

PRINTED NAME, TITLE AND PHONE NUMBER OF INDIVIDUAL COMPLETING FORM _____ DATE _____
By signing this form, the above individual certifies that the responses provided to this survey are accurate as of the date.

If "NO" has been selected for any of the statements above, please provide further explanation on page 2.

Barnstable County intends to allocate the EECBG programs funds to the Cape Light Compact's Energy Efficiency programs. Since these programs are well established, the allocation of EECBG funds to the three program areas will be seamless. The allocation of EECBG funds to these programs will enable Barnstable County to reduce the amount of funds collected from electric customers, and will reduce the overall electric bill impact to customers. These programs will result in significant energy savings and reduce greenhouse gases.

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10. The Small Commercial and Industrial Retrofit Program, which provides technical assistance, financial incentives and direct installation to commercial and industrial customers whose peak demands have been defined at less than 100kw to replace existing operating equipment and systems with high efficiency equipment.
11. The Government Agencies Program, which provides technical and financial energy efficiency assistance to all government facilities, including municipal, state and federal facilities.
12. The Commercial and Industrial Products and Services Program, which seeks to increase the availability and use of more efficient motors, lighting designs, and HVAC systems.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FISCAL YEAR ENDED JUNE 30, 2009

<u>Federal Grantor/ Pass-Through Grantor/ Program</u>	<u>Federal CFDA Number</u>	<u>State Pass- Through Number</u>
U.S. Department of Agriculture		
<u>Direct Program:</u>		
Cooperative Forestry Assistance (Wildfire) <u>Passed through the University of Massachusetts:</u>	10.664	N/A
Aquaculture	10.500	1247375
USDA Nutrition Education	10.561	132393
USDA Nutrition Education	10.561	129561
<u>Passed through State Department of Education:</u>		
Summer Food Service Program for Children	10.559	INTF7500200916900136
Summer Food Service Program for Children	10.559	SCDOE9758NF8IN109744
Total U.S. Department of Agriculture		
U.S. Department of Commerce		
<u>Passed through WHOI/Sea Grant Program:</u>		
Coastal Geologist	11.417	A100463 Modification No. 03
Coastal Geologist	11.417	A100463 Modification No. 04
Total U.S. Department of Commerce		
U. S. Department of Housing and Urban Development		
<u>Direct Program:</u>		
HOME Investment Partnerships Program	14.239	N/A
U.S. Department of Justice		
<u>Direct Programs:</u>		
State Criminal Alien Assistance Program	16.606	N/A
Bulletproof Vest Partnership Grant	16.607	N/A
Day Reporting	16.ukn	N/A
Housing of Federal Prisoners	16.ukn	N/A
Asset Forfeiture	16.ukn	N/A
<u>Passed through the State Office for Victim Assistance:</u>		
Crime Victim Assistance	16.575	VOCA2009BCSO00000001
<u>Passed through the State Department of Public Health:</u>		
Byrne Formula Grant Program	16.579	INTF2319MM3700615013
<u>Passed through the State Executive Office of Public Safety:</u>		
Residential Substance Abuse Treatment - Incarcerated Females	16.580	SCEPSBJAG109BARNISHER
Total U.S. Department of Justice		
U.S. Department of Transportation		
<u>Passed through the State Highway Department:</u>		
Highway Planning and Construction	20.205	CC-DPW-0806-0035002 and CT-INTF00002008H0051767
Highway Planning and Construction		CT TRP 77108000030320090000
<u>Passed through the Cape Cod Regional Transit Authority:</u>		
Local Transportation Center Site Selection and Design	20.500	MA-03-0283-00
<u>Passed through the Executive Office of Transportation and Construction:</u>		
Federal Transit Metropolitan Planning Grant	20.505	CT TRP 7710 800003 03 2009 0000 and CT TRP 7710 800002 03 2008 0000
Total U.S. Department of Transportation		
U.S. Environmental Protection Agency		
<u>Direct Programs:</u>		
Water Quality Cooperative Agreement	66.463	N/A
Nitrogen Control in Coastal Watersheds	66.643	N/A
<u>Passed through the State Department of Environmental Protection:</u>		
Massachusetts Alternative Septic System Test Center VII	66.605	CT EQE 5014 BARNSTABLE0000 06-10/319
Massachusetts Alternative Septic System Test Center VIII	66.605	CT EQE 5014 BARNSTABLE 07-02/319
Total U.S. Environmental Protection Agency		

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FISCAL YEAR ENDED JUNE 30, 2009

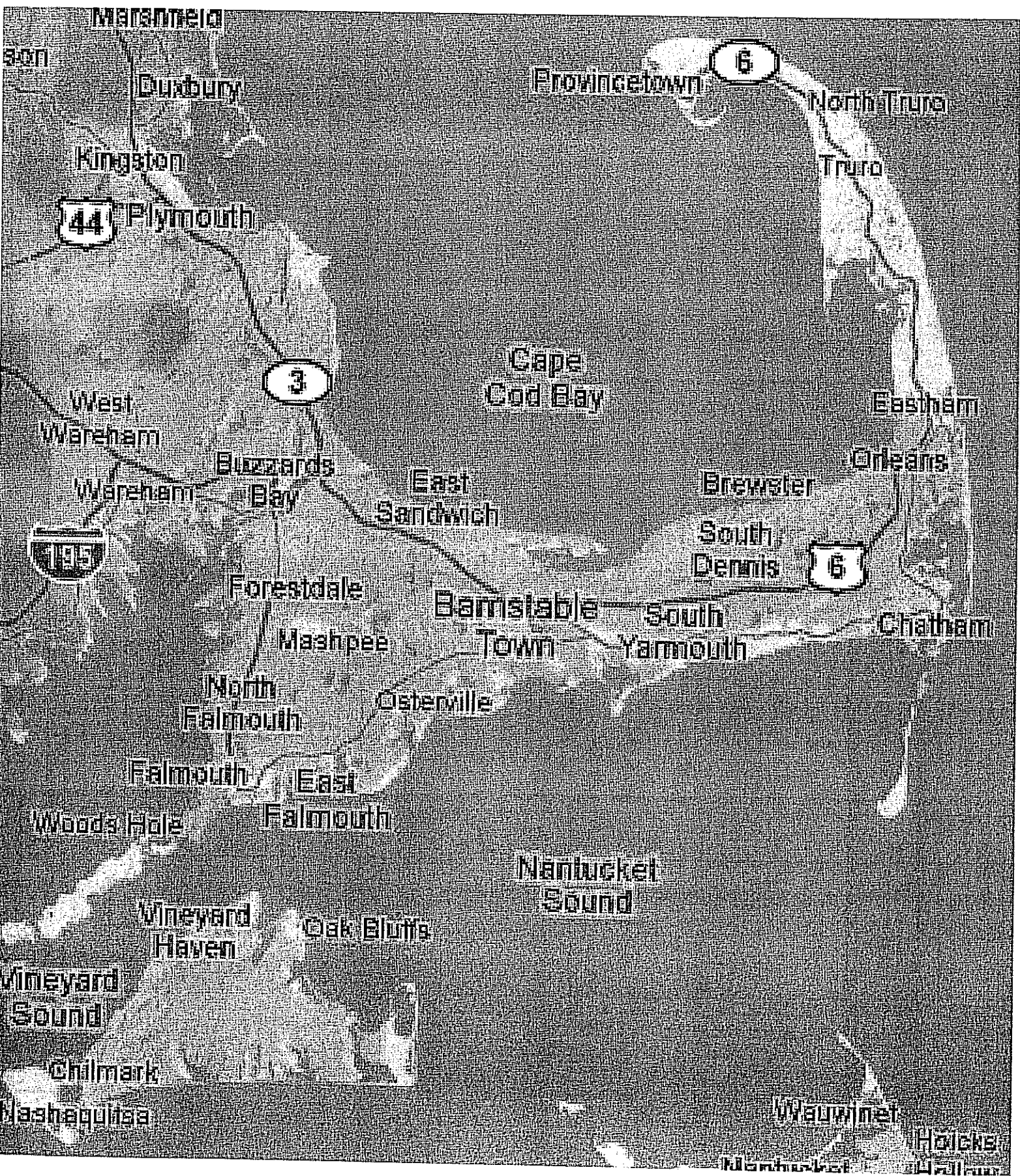
<u>Federal Grantor/ Pass-Through Grantor/ Program</u>	<u>Federal CFDA Number</u>	<u>State Pass- Through Number</u>
U.S. Department of Education		
<u>Passed through the State Department of Elementary & Secondary Education:</u>		
Adult Education	84.002	285-004-9-1405-J
Adult Education	84.002	285-006-8-1405-I
Title I	84.010	305-320-8-1405-I
Title I	84.010	305-035-9-1405-J
Vocational Education	84.048	CTDOC90099P01PERKINBARNST
Total U.S. Department of Education		
U.S. Department of Health and Human Services		
<u>Passed through the State Department of Public Health:</u>		
Centers for Disease Control & Prevention - Investigations & Technical Assistance	93.283	INTF 6208P01RFR459014
Centers for Disease Control & Prevention - Investigations & Technical Assistance	93.283	INTF6208P01902414046
National Bioterrorism Hospital Preparedness Program	93.889	INTF6207P01W97710859
HIV/AIDS County Jails	93.941	INTF4940M03800216002
<u>Passed through the State Department of Social Services:</u>		
Sexual Assault Intervention Network	93.667	INTF0000009920920152
Total U.S. Department of Health and Human Services		
U.S. Corporation for National and Community Service		
<u>Passed through the Massachusetts Service Alliance:</u>		
Americorps	94.006	A-07-C-04-6001419
Americorps	94.006	A-08-C-04-6001419
Total		

5

See notes to schedule of expenditures of federal awards

Projected Milestones

	<i>1st Quarter</i>	<i>2nd Quarter</i>	<i>3rd Quarter</i>	<i>4th Quarter</i>
<i>Residential</i>				
Annual MWh	2,369	2,369	2,369	2,372
Actual Expenditures	1,156,411	1,156,411	1,156,411	1,156,414
# of Participants	1,500	1,500	1,500	1,503
 <i>Low Income</i>				
Annual MWh	772	772	772	774
Actual Expenditures	383,044	383,044	383,044	383,044
# of Participants	331	331	331	332
 <i>Commercial and Industrial</i>				
Annual MWh	2,008	2,008	2,008	2,010
Actual Expenditures	977,452	977,452	977,452	977,455
# of Participants	87	87	87	90



NETL F 451.1-EECBG
(3/2009) OPI=320
(Previous Editions Obsolete)

U.S. DEPARTMENT OF ENERGY

ENVIRONMENTAL QUESTIONNAIRE

I. BACKGROUND

The Department of Energy (DOE) National Environmental Policy Act (NEPA) Implementing Procedures (10 CFR 1021) require careful consideration of the potential environmental consequences of all proposed actions during the early planning stages of a project or activity. DOE must determine at the earliest possible time whether such actions will require either an Environmental Assessment or an Environmental Impact Statement, or whether they qualify for a Categorical Exclusion. To comply with these requirements, an Environmental Questionnaire must be completed for each proposed action to provide DOE with the information necessary to determine the appropriate level of NEPA review.

II. INSTRUCTIONS

Separate copies of the Environmental Questionnaire should be completed by the principal proposer and appropriate proposer's subcontractor. In addition, if the proposed project includes activities at different locations, an independent questionnaire should be prepared for each location. Supporting information can be provided as attachments.

In completing this Questionnaire, the proposer is requested to provide specific information and quantities, when applicable, regarding air emissions, wastewater discharges, solid wastes, etc., to facilitate the necessary review. The proposer should identify the location of the project and specifically describe the activities that would occur at that location. In addition, the proposer will be required to submit an official copy of the project's statement of work (SOW) or statement of project objective (SOPO) that will be used in the contract/agreement between the proposer and DOE.

III. QUESTIONNAIRE

A. PROJECT SUMMARY

1. Solicitation/Project Number: DE-FOA-0000013
2. Proposer: Barnstable County
3. Principal Investigator: Margaret Downey
Telephone Number: 508-375-6636
4. Project Title: Energy Efficiency Implementation on Cape Cod
5. Duration: One year
6. Location(s) of Performance (City/Township, County, State): Barnstable, Bourne, Brewster, Chatham, Dennis, Eastham, Falmouth, Harwich, Mashpee, Orleans, Provincetown, Sandwich, Truro, Wellfleet, Yarmouth
7. Identify and select checkbox with the predominant project work activities under Group A-7b or A-7c.

Group A-7b

- Work or project activities does NOT involve new building/facilities construction and site preparation activities. This work typically involves routine operation, modification, and retrofit of existing utility and transportation infrastructure, laboratories, commercial buildings/properties, offices and homes, test facilities, factories/power plants, vehicles test stands and components, refueling facilities, greenspace infrastructure, or other existing facilities.

Group A-7c

- Work or project activities typically involves major building or facility construction, site preparation; the installation, replacement, or major modifications of energy system prototypes and infrastructure, access right-of-ways and roads; utility, greenspace, and transportation infrastructure, vehicle test facilities; commercial buildings/properties, fuel refinery/mixing facilities, factories/power plants; and other types of energy efficiency/conservation related systems, structures, and facilities. This work can require new or modified regulatory permits, environmental sampling and monitoring requirements, master planning, public involvement, and environmental impact review.
- Other types of work or project activities not listed. (please describe):
8. Summarize the objectives of the proposed work. List activities planned at the location as covered by this Environmental Questionnaire.
See Attached: Summary of Proposed Work
9. List all other locations where proposed work or project would be performed by project's proposer and subcontractors. Businesses, residences, low income residences
across Barnstable County
10. Identify major project operation related materials and waste that would be used, consumed, and produced by this project or activity.
Not Applicable
11. Provide a brief description of the project location (physical location, surrounding area, adjacent structures).
Project implementation will take place at various businesses and residences across a 15-town region in accordance with the Cape Light Compact's Energy Efficiency Plan
12. Attach a site plan or topographic map of the project work area.
See Attached: Map of Cape Cod

B. ENVIRONMENTAL IMPACTS

This section is designed to obtain information for objectively assessing the environmental impacts of a proposed project. NEPA procedures require evaluations of possible effects (including land use, energy resource use, natural, historic and cultural resources, and pollutants) from proposed projects on the environment.

1. **Land Use**
- a. Characterize present land use where the proposed project would be located.
- | | | | |
|--|--|---|--|
| <input checked="" type="checkbox"/> Urban | <input checked="" type="checkbox"/> Industrial | <input checked="" type="checkbox"/> Commercial | <input type="checkbox"/> Agricultural |
| <input checked="" type="checkbox"/> Suburban | <input checked="" type="checkbox"/> Rural | <input checked="" type="checkbox"/> Residential | <input type="checkbox"/> Research Facilities |
| <input type="checkbox"/> Forest | <input type="checkbox"/> University Campus | <input checked="" type="checkbox"/> Other | |
- b. Describe how land use would be affected by planned construction and project activities.
 No construction would be anticipated for this project.
- c. Describe any plans to reclaim/replant areas that would be affected by the proposed project.
 No land areas would be affected.
- d. Would the proposed project affect any unique or unusual landforms (e.g., cliffs, waterfalls, etc.)?
 No Yes (describe)
- e. Would the proposed project be located in or near a national park or wilderness area?
 No Yes (describe)

Some energy efficiency projects may be located at businesses or residents near the Cape Cod National Seashore

If project work activities falls under item A-7b; then proceed directly to question B.6 (Atmospheric Conditions/Air Quality) and continue to fill out questionnaire.

If project work falls under item A-7c; then proceed directly below to question B.2 (Construction Activities and/or Operations) and continue to fill out questionnaire.

2. Construction Activities and/or Operations

- a. Identify any roads, trails, or utility right of ways that traverse the proposed site or will be constructed and clearly mark them on project site maps.
 None
- b. Would the proposed project require the construction of settling ponds?
 No Yes (describe and identify location, and estimate surface area disturbed)
- c. Would the proposed project affect any existing body of water?
 No Yes (describe)
- d. Would the proposed project be located in or impact a floodplain or wetland?
 No Yes (describe)
- e. Would the proposed project be likely to cause runoff/sedimentation/erosion?
 No Yes (describe)

3. Vegetation and Wildlife Resources

- a. Identify any State- or Federal-listed endangered or threatened plant or animal species affected by the proposed project.
 None
- b. Would any foreign substances/materials be introduced into ground or surface waters, or other earth/geologic resource because of project activities? Would these foreign substances/materials affect the water, soil, and geologic resources?
 No Yes (describe)
- c. Would any migratory animal corridors be impacted or disrupted by the proposed project?
 No Yes (describe)

4. Socioeconomic and Infrastructure Conditions.

- a. Would local socio-economic changes result from the proposed project?
 No Yes (describe)
- b. Would the proposed project generate increased traffic use of roads through local neighborhoods, urban or rural areas?
 No Yes (describe)
- c. Would the proposed project require new transportation access (roads, rail, etc.)? Describe location, impacts, costs.
 No Yes (describe)
- d. Would any new transmission lines and/or power line right-of-ways be required?
 No Yes (describe location, voltage, and length of line)

5. Historical/Cultural Resources

- a. Describe any historical, archeological, or cultural sites in the vicinity of the proposed project; note any sites included on the National Register of Historic Places.
 None

- b. Would construction or operational activities planned under the proposed project disturb any historical, archeological, or cultural sites?
 No planned construction No historic sites Yes (describe)
- c. Would the proposed project interfere with visual resources (e.g., eliminate scenic views) or alter the present landscape?
 No Yes (describe)

For all proposed project work activities identified under item A-7b, respond to item B6 directly below and continue filling out environmental questionnaire.

6. Atmospheric Conditions/Air Quality

- a. Identify air quality conditions in the immediate vicinity of the proposed project with regard to attainment of National Ambient Air Quality Standards (NAAQS). This information is available under the NAAQS tables from the U.S. EPA Air and Radiation Division.

	<u>Attainment</u>	<u>Non-Attainment</u>
O ₃	<input type="checkbox"/>	<input type="checkbox"/>
SO _x	<input type="checkbox"/>	<input type="checkbox"/>
PM ₁₀	<input type="checkbox"/>	<input type="checkbox"/>
CO	<input type="checkbox"/>	<input type="checkbox"/>
NO ₂	<input type="checkbox"/>	<input type="checkbox"/>
Lead	<input type="checkbox"/>	<input type="checkbox"/>

- b. Would proposed project require issuance of new or modified major source air quality permits?
 No Yes (describe)
- c. Would the proposed project be in compliance with the National Emissions Standards for Hazardous Air Pollutants?
 No (explain) Yes
- d. Would the proposed project be classified as either a New Source or a major modification to an existing source?
 No Yes (describe)
- e. Would the proposed project be in compliance with the New Source Performance Standards?
 Not Applicable No (explain) Yes
- f. Would the proposed project be subject to prevention of significant deterioration air quality review?
 Not applicable No (explain) Yes (describe)
- g. What types of air emissions, including fugitive emissions, would be anticipated from the proposed project?
 Not Applicable
- h. Would any types of emission control or particulate collection devices be used?
 No Yes (describe, including collection efficiencies)
- i. If no control devices are used, how would emissions be vented?
 Not Applicable
- ## 7. Hydrologic Conditions/Water Quality
- a. What is the closest body of water to the proposed project area and what is its distance from the project site?
 Projects will take place across Cape Cod. Numerous bodies of water, including Cape Cod Bay, Buzzards Bay, Nantucket Sound and the Atlantic Ocean, surround this region.
- b. What sources would supply potable and process water for the proposed project?
 Not Applicable

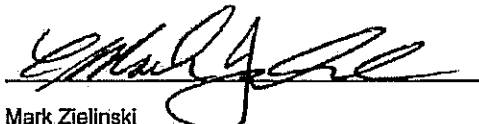
- c. Quantify the daily or annual amount of wastewater that would be generated by the proposed project.
- d. Identify the local treatment facility that would receive wastewater from the proposed project.
 No discharges to local treatment facility
- e. Describe how wastewater would be collected and treated.
 Not Applicable
- f. Would any run-off or leachates be produced from storage piles or waste disposal sites?
 No Yes (describe source)
- g. Would project require issuance of new or modified water permits to perform project work or site development?
 No Yes (describe)
- h. Where would wastewater effluents from the proposed project be discharged?
 No wastewater produced
- i. Would the proposed project be permitted to discharge effluents into an existing body of water?
 No Yes (describe water use and effluent impact)
- j. Would a new or modified National Pollutant Discharge Elimination System (NPDES) permit be required?
 No Yes (describe)
- k. Would the proposed project adversely affect the quality or movement of groundwater?
 No Yes (describe)
- 8. Solid and Hazardous Wastes**
- a. Describe and estimate major nonhazardous solid wastes that would be generated from the project. Solid wastes are defined as any solid, liquid, semi-solid, or contained gaseous material that is discarded or has served its intended purpose, or is a manufacturing or mining by-product (40 CFR 260, Appendix I).
 Not Applicable
- b. Would project require issuance of new or modified solid waste and/or hazardous waste related permits to perform project work activities?
 No Yes (explain)
- c. How and where would solid waste disposal be accomplished?
 On-site (identify and describe location)
 Off-site (identify location and describe facility and treatment)
 Not Applicable
- d. How would wastes for disposal be transported?
 Not Applicable
- e. Describe and estimate the quantity of hazardous wastes (40 CFR 261.31) that would be generated, used, or stored under this project.
 None
- f. How would hazardous or toxic waste be collected and stored?
 None used or produced
- g. If hazardous wastes would require off-site disposal, have arrangements been made with a certified TSD (Treatment, Storage, and Disposal) facility?

- Not required Arrangements not yet made Arrangements made with a certified TSD facility
(identify):

C. **DESCRIBE ANY ISSUES THAT WOULD GENERATE PUBLIC CONTROVERSY REGARDING THE PROPOSED PROJECT.**
 None

IV. CERTIFICATION BY PROPOSER

I hereby certify that the information provided herein is current, accurate, and complete as of the date shown immediately below.

SIGNATURE:  DATE: 09 / 23 / 09
month day year

TYPED NAME: Mark Ziellinski

TITLE: Barnstable County Administrator

ORGANIZATION: Barnstable County

V. REVIEW AND APPROVAL BY DOE

I hereby certify that I have reviewed the information provided in this questionnaire, have determined that all questions have been appropriately answered, and judge the responses to be consistent with the efforts proposed.

PROJECT MANAGER:

SIGNATURE: _____ DATE: _____ / _____ / _____
month day year

TYPED NAME: _____

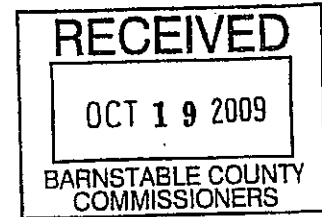


Committed to the future of rural communities

RURAL DEVELOPMENT
WWW.RURDEV.USDA.GOV/MA

451 West Street, Suite 2
Amherst MA 01002-2999
Voice (413) 253-4300
Fax (413) 253-4347

October 13, 2009



Barnstable County
Attn: Sheila Lyons
3195 Main St.
P.O. Box 427
Barnstable, MA 02630

Dear Ms. Lyons:

We are pleased to inform you that we have approved a \$100,000.00 Rural Business & Cooperative Service 9007 Energy Audit & Renewable Energy Assistance grant. Form RD 1940-1, "Request for Obligation of Funds", is your official notice that funds have been reserved for Barnstable County.

If you have any questions or comments, please feel free to contact my Community and Business Programs staff at 413-253-4340.

Sincerely,

A handwritten signature in black ink, appearing to read "Jonathan L. Healy". The signature is written in a cursive style.

Jonathan L. Healy
State Director
Rural Development

Attachment

REQUEST FOR OBLIGATION OF FUNDS

INSTRUCTIONS-TYPE IN CAPITALIZED ELITE TYPE IN SPACES MARKED () Complete Items 1 through 29 and applicable Items 30 through 34. See FMI.			
1. CASE NUMBER ST CO BORROWER ID 25-001-046001419		LOAN NUMBER 00	FISCAL YEAR 2009
2. BORROWER NAME BARNSTABLE COUNTY P.O. BOX 427 BARNSTABLE, MA 02630		3. NUMBER NAME FIELDS (1, 2, or 3 from Item 2)	
		4. STATE NAME MASSACHUSETTS	
		5. COUNTY NAME BARNSTABLE	
GENERAL BORROWER/LOAN INFORMATION			
6. RACE/ETHNIC CLASSIFICATION 1 - WHITE 2 - BLACK 3 - ASIAN 4 - HISPANIC 5 - API	7. TYPE OF APPLICANT 1 - INDIVIDUAL 2 - PARTNERSHIP 3 - CORPORATION 4 - PUBLIC BODY 5 - ASSOC. OF FARMERS 6 - ORG. OF FARMERS 7 - NON-PROFIT-SECULAR 8 - NON-PROFIT-FAITH BASED 9 - OTHER	8. COLLATERAL CODE 1 - REAL ESTATE SECURED 2 - REAL ESTATE AND CHATTEL 3 - NOTE ONLY OR CHATTEL ONLY 4 - MACHINERY ONLY 5 - LIVESTOCK ONLY 6 - CROPS ONLY 7 - SECURED BY BONDS	9. EMPLOYEE RELATIONSHIP CODE 1 - EMPLOYEE 2 - MEMBER OF FAMILY 3 - CLOSE RELATIVE 4 - ASSOC.
10. SEX CODE 1 - MALE 2 - FEMALE 3 - FAMILY UNIT 4 - ORGAN. MALE OWNED 5 - ORGAN. FEMALE OWNED 6 - PUBLIC BODY	11. MARITAL STATUS 1 - MARRIED 2 - SEPARATED 3 - UNMARRIED (INCLUDES WIDOWED/DIVORCED)	12. VETERAN CODE 1 - YES 2 - NO	13. CREDIT REPORT 1 - YES 2 - NO
14. DIRECT PAYMENT (See FMI)	15. TYPE OF PAYMENT 1 - MONTHLY 2 - ANNUALLY 3 - SEMI-ANNUALLY 4 - QUARTERLY	16. FEE INSPECTION 1 - YES 2 - NO	
17. COMMUNITY SIZE 1 - 10,000 OR LESS (FOR SFH AND HPG ONLY) 2 - OVER 10,000		18. USE OF FUNDS CODE (See FMI)	
COMPLETE FOR OBLIGATION OF FUNDS			
19. TYPE OF ASSISTANCE 506 (See FMI)	20. PURPOSE CODE	21. SOURCE OF FUNDS 0	22. TYPE OF ACTION 1 - OBLIGATION ONLY 2 - OBLIGATION CHECK REQUEST 3 - CORRECTION OF OBLIGATION
23. TYPE OF SUBMISSION 0 1 - INITIAL 2 - SUBSEQUENT	24. AMOUNT OF LOAN		25. AMOUNT OF GRANT \$100,000.00
26. AMOUNT OF IMMEDIATE ADVANCE	27. DATE OF APPROVAL MO DAY YR 09-24-09	28. INTEREST RATE 0 %	29. REPAYMENT TERMS 0
COMPLETE FOR COMMUNITY PROGRAM AND CERTAIN MULTIPLE-FAMILY HOUSING LOANS			
30. PROFIT TYPE 1 - FULL PROFIT 2 - LIMITED PROFIT 3 - NONPROFIT			
COMPLETE FOR EM LOANS ONLY		COMPLETE FOR CREDIT SALE-ASSUMPTION	
31. DISASTER DESIGNATION NUMBER (See FMI)		32. TYPE OF SALE 1 - CREDIT SALE ONLY 2 - ASSUMPTION ONLY 3 - CREDIT SALE WITH SUBSEQUENT LOAN 4 - ASSUMPTION WITH SUBSEQUENT LOAN	
FINANCE OFFICE USE ONLY		COMPLETE FOR FP LOANS ONLY	
33. OBLIGATION DATE MO DA YR		34. BEGINNING FARMER/RANCHER (See FMI)	

If the decision contained above in this form results in denial, reduction or cancellation of USDA assistance, you may appeal this decision and have a hearing or you may request a review in lieu of a hearing. Please use the form we have included for this purpose.

Position 2

CERTIFICATION APPROVAL

For All Farmers Programs

EM, OL, FO, and SW Loans

This loan is approved subject to the availability of funds. If this loan does not close for any reason within 90 days from the date of approval on this document, the approval official will request updated eligibility information. The undersigned loan applicant agrees that the approval official will have 14 working days to review any updated information prior to submitting this document for obligation of funds. If there have been significant changes that may affect eligibility, a decision as to eligibility and feasibility will be made within 30 days from the time the applicant provides the necessary information.

If this is a loan approval for which a lien and/or title search is necessary, the undersigned applicant agrees that the 15-working-day loan closing requirement may be exceeded for the purposes of the applicant's legal representative completing title work and completing loan closing.

35. COMMENTS AND REQUIREMENTS OF CERTIFYING OFFICIAL


See attachment to 1940-1
Subject to Letter of Conditions dated 9/23/2009

36. I HEREBY CERTIFY that I am unable to obtain sufficient credit elsewhere to finance my actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near my community for loans for similar purposes and periods of time. I agree to use the sum specified herein, subject to and in accordance with regulations applicable to the type of assistance indicated above, and request payment of such sum. I agree to report to USDA any material adverse changes, financial or otherwise, that occur prior to loan closing. I certify that no part of the sum specified herein has been received. I have reviewed the loan approval requirements and comments associated with this loan request and agree to comply with these provisions.

(For FP loans at eligible terms only) If this loan is approved, I elect the interest rate to be charged on my loan to be the lower of the interest rate in effect at the time of loan approval or loan closing. If I check "NO", the interest rate charged on my loan will be the rate specified in Item 28 of this form. YES NO

WARNING: Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both."

Date _____, 20 ____



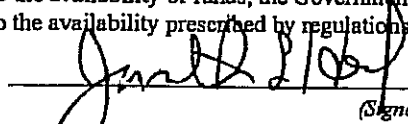
(Signature of Applicant)

Date September 23, 20 09



Sheila Lyons, Chair (Signature of Co-Applicant)

37. I HEREBY CERTIFY that all of the committee and administrative determinations and certifications required by regulations prerequisite to providing assistance of the type indicated above have been made and that evidence thereof is in the docket, and that all requirements of pertinent regulations have been complied with. I hereby approve the above-described assistance in the amount set forth above, and by this document, subject to the availability of funds, the Government agrees to advance such amount to the applicant for the purpose of and subject to the availability prescribed by regulations applicable to this type of assistance.



(Signature of Approving Official)

Typed or Printed Name: Jonathan L. Healy

Date Approved: 9/24/2009

Title: State Director

38. TO THE APPLICANT: As of this date 9-30-09, this is notice that your application for financial assistance from the USDA has been approved, as indicated above, subject to the availability of funds and other conditions required by the USDA. If you have any questions contact the appropriate USDA Servicing Office.



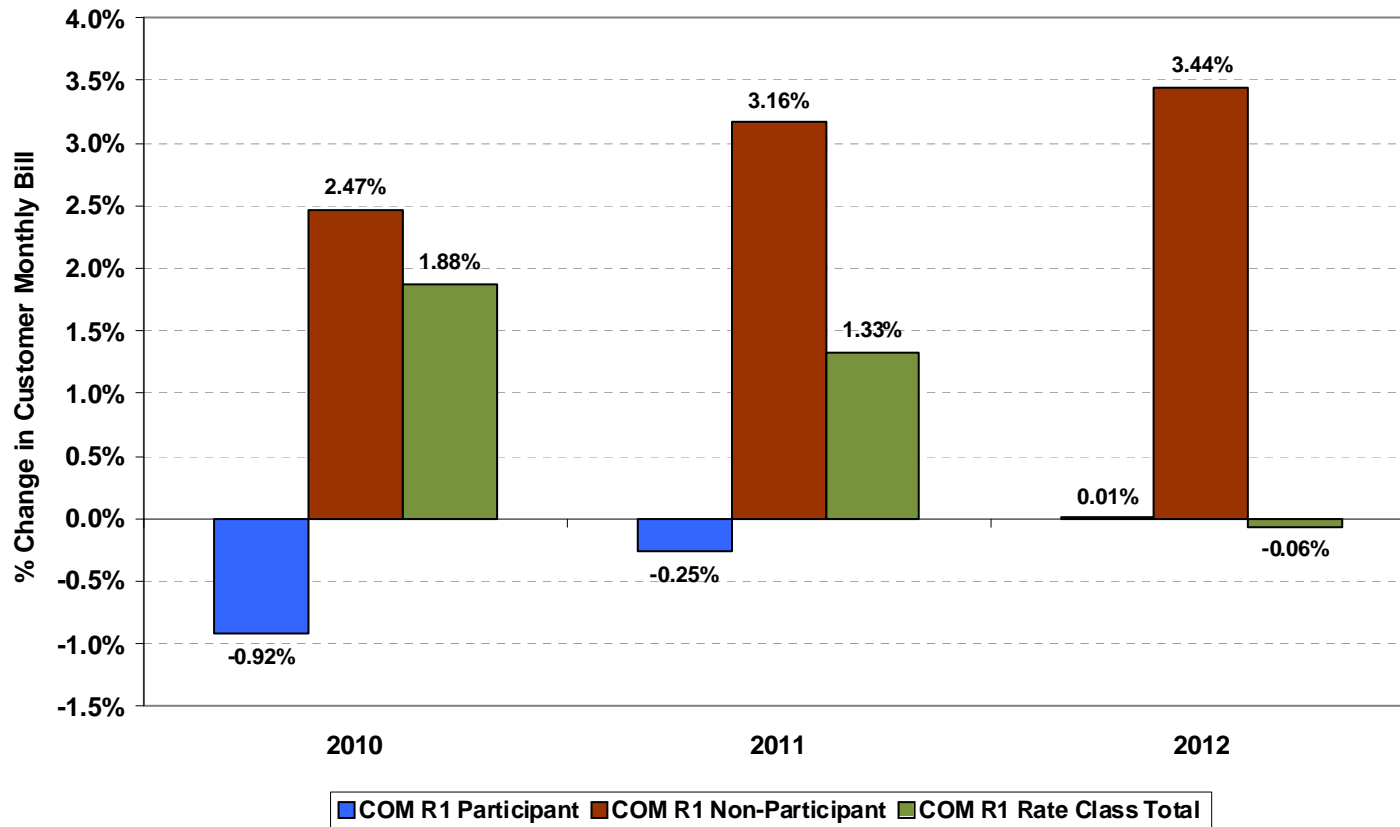
ATTACHMENT TO 1940-1
Item 35
Barnstable County Inc..

The grantee understands the requirements for receipt of funds under the Renewable Energy System Grant Program. The grantee assures and certifies that it is in compliance with all applicable laws, regulations, Executive Orders, and other generally applicable requirements, including those set out in Part 4280, subpart B, 7 CFR, Parts 3015, 3016, and 3017 including revisions through 09/23/09 and the Letter of Conditions dated 09/23/2009.



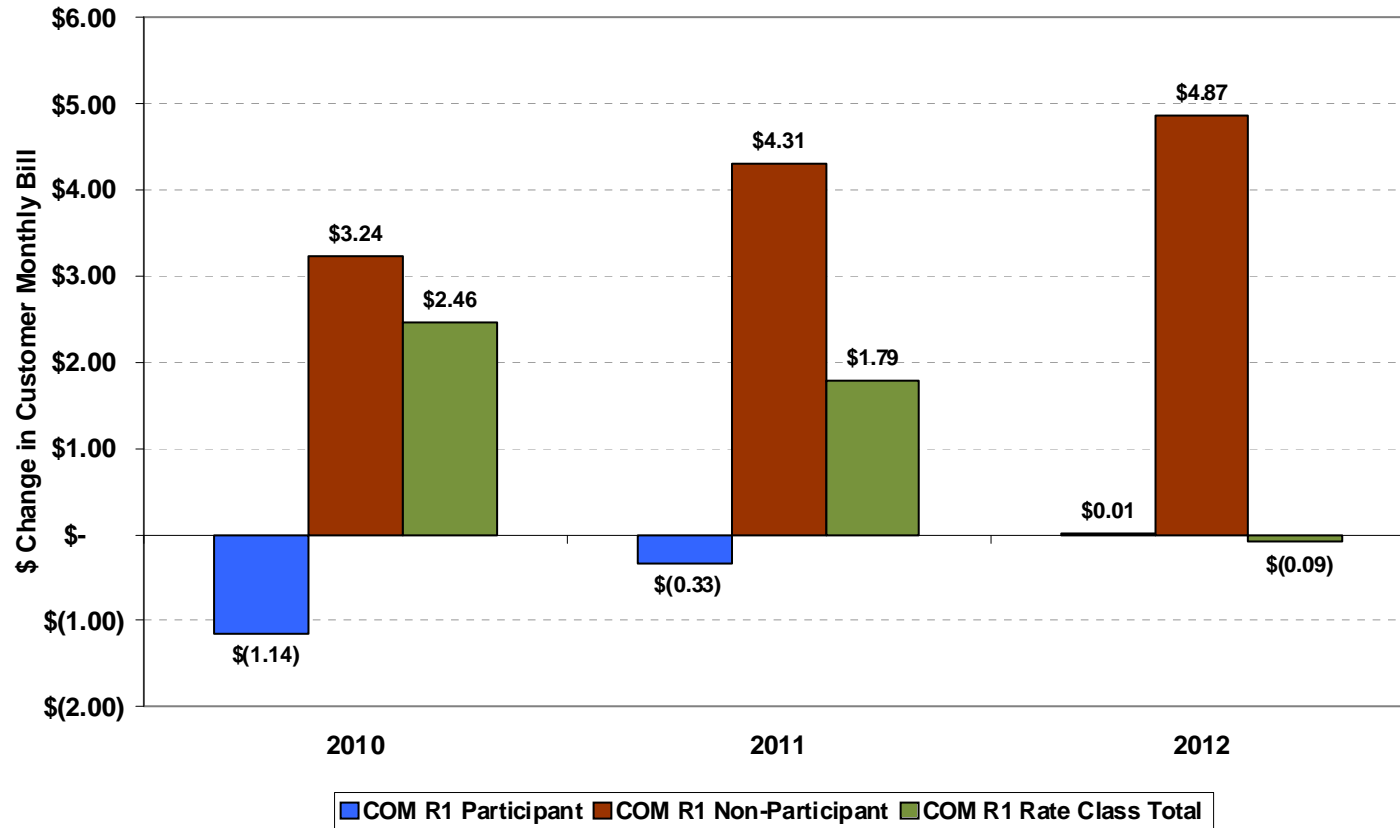
Base Case Bill Impacts Residential (R1 Class): Percent Change in Customer Monthly Bill

CLC Residential Customer Bill Impacts Incremental vs Current Case



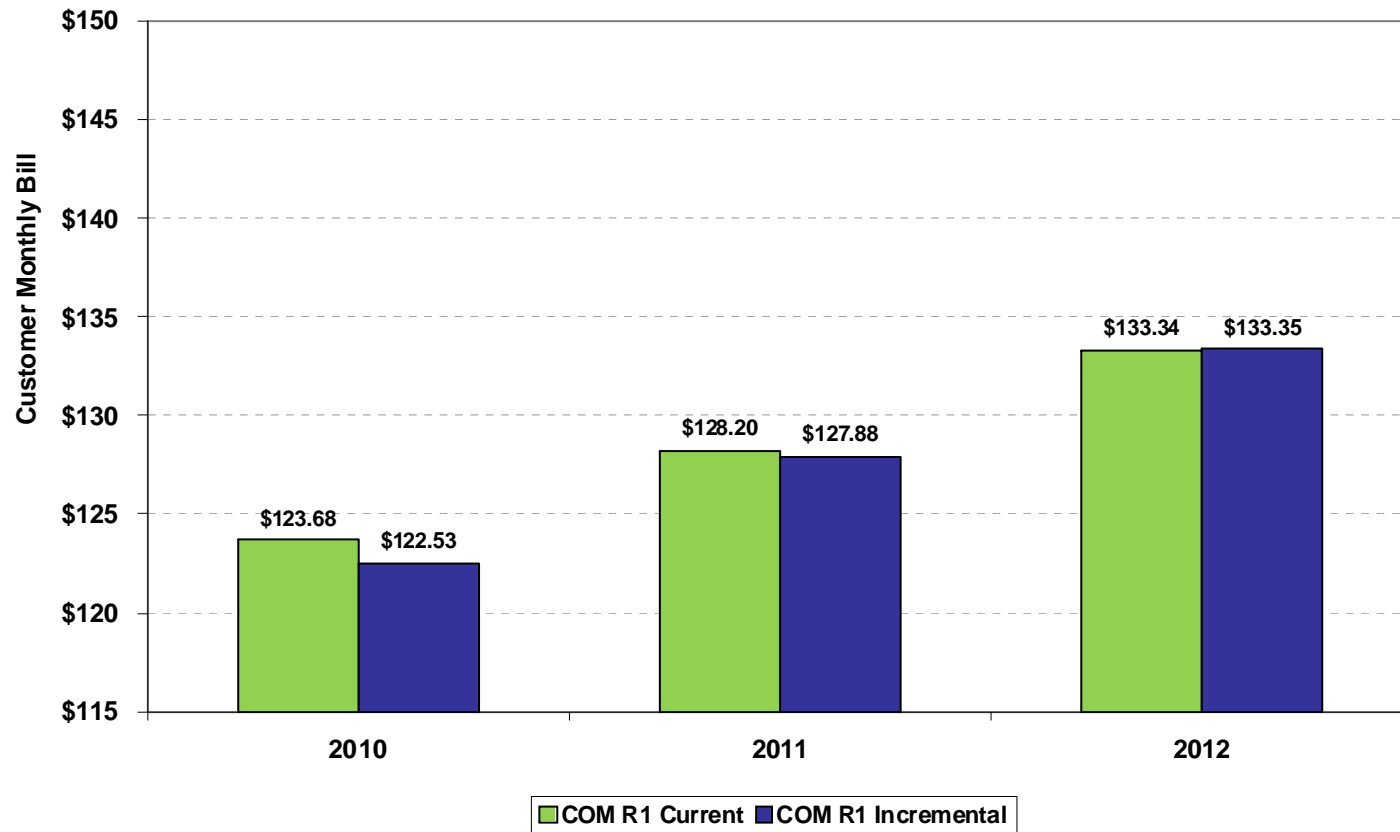
Residential (R1 Class): Dollar Change in Customer Monthly Bill

CLC Residential Customer Bill Impacts Incremental vs Current Case



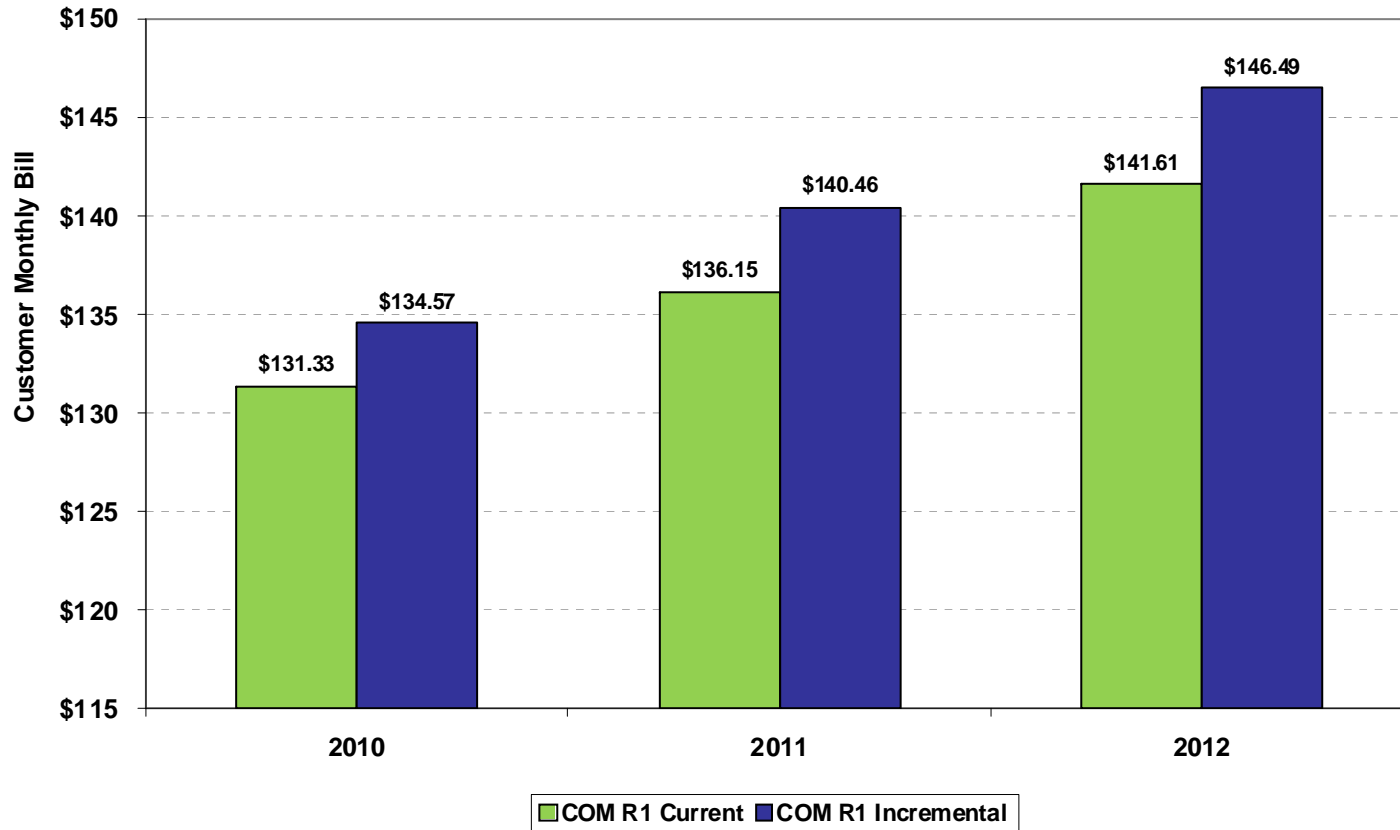
Residential (R1 Class): Participant Average Monthly Bill

**CLC Residential Participant Average Monthly Bill
Incremental vs Current Case**

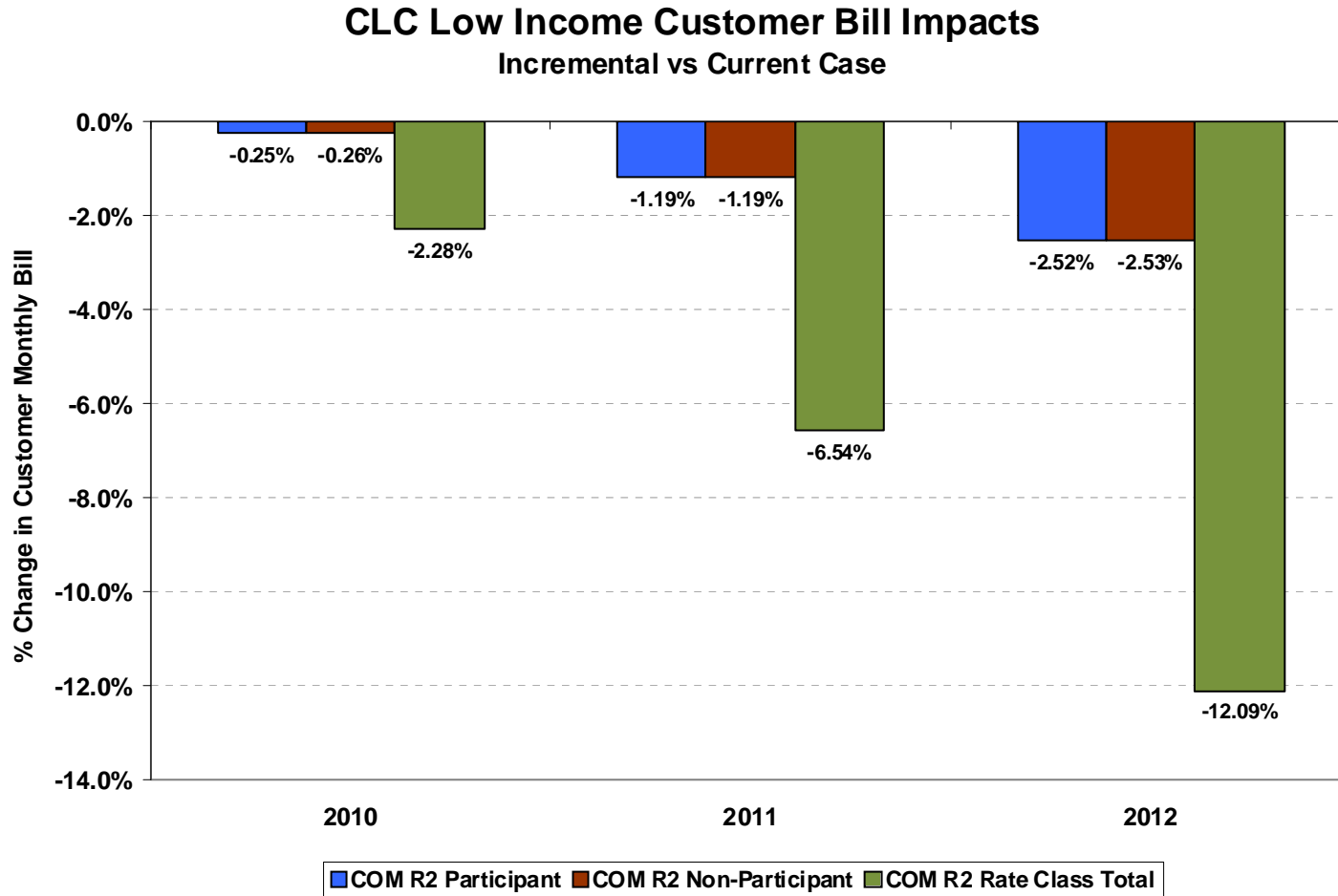


Residential (R1 Class): Non-participant Average Monthly Bill

CLC Residential Non-Participant Average Monthly Bill
Incremental vs Current Case

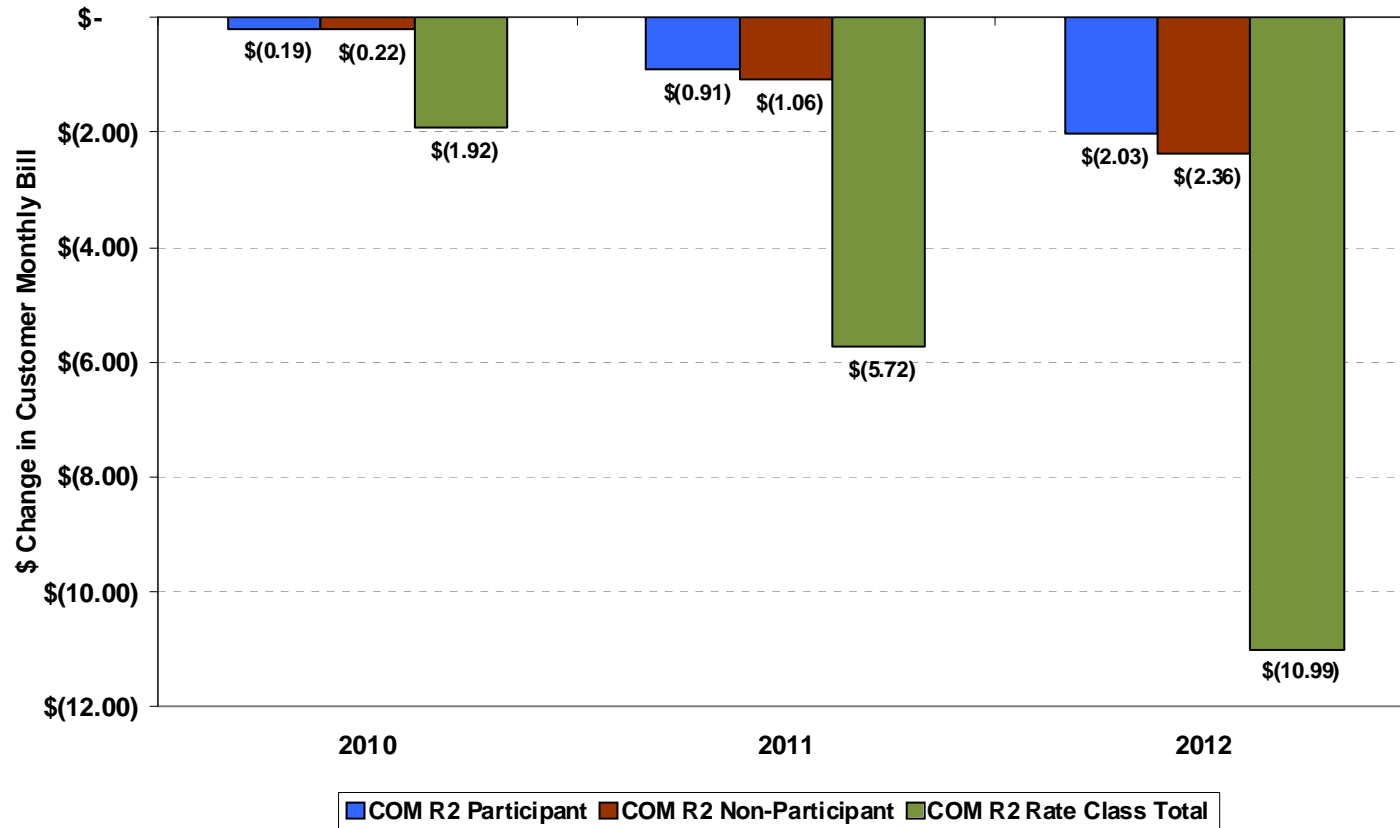


Low-Income (R2 Class): Percent Change in Customer Monthly Bill



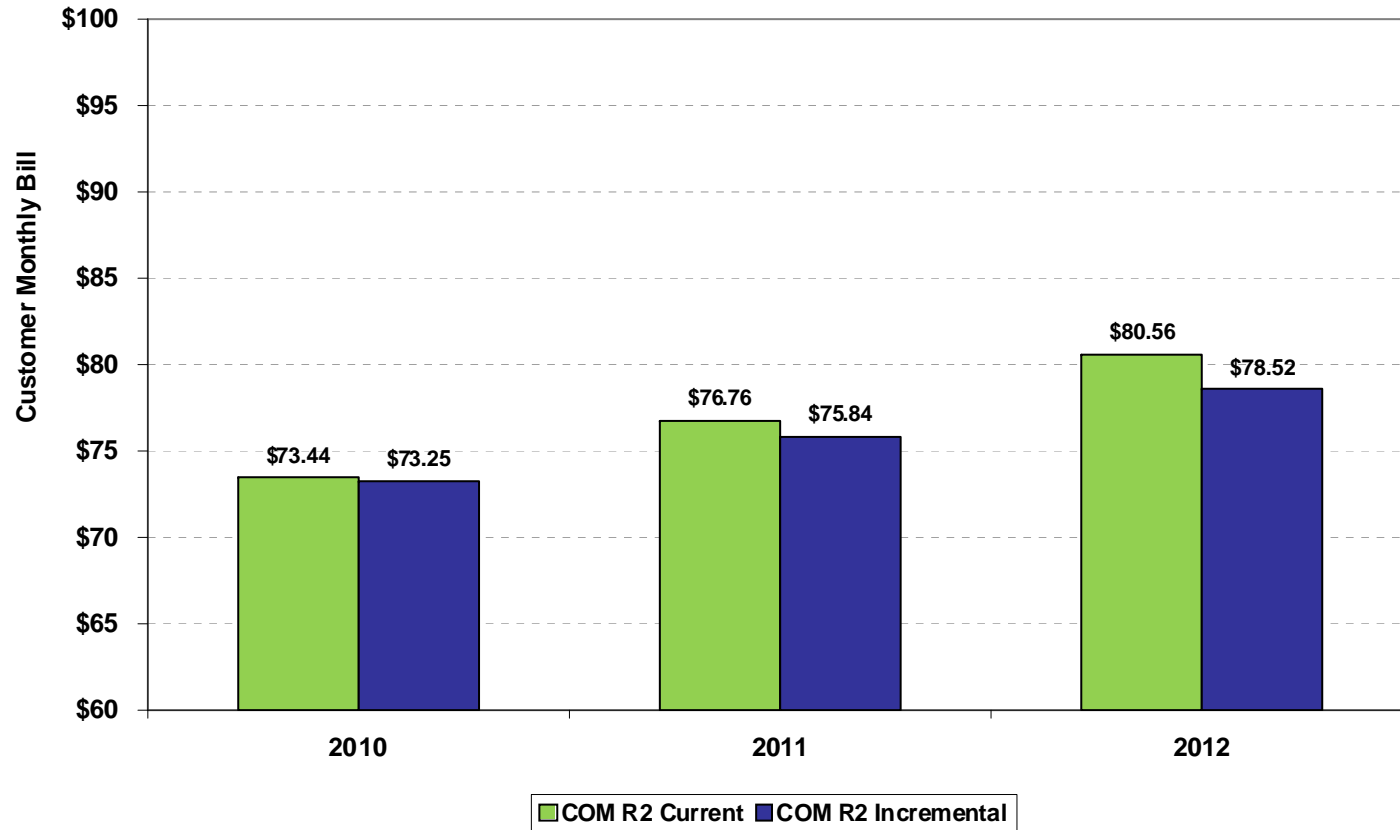
Low-Income (R2 Class): Dollar Change in Customer Monthly Bill

CLC Low Income Customer Bill Impacts Incremental vs Current Case



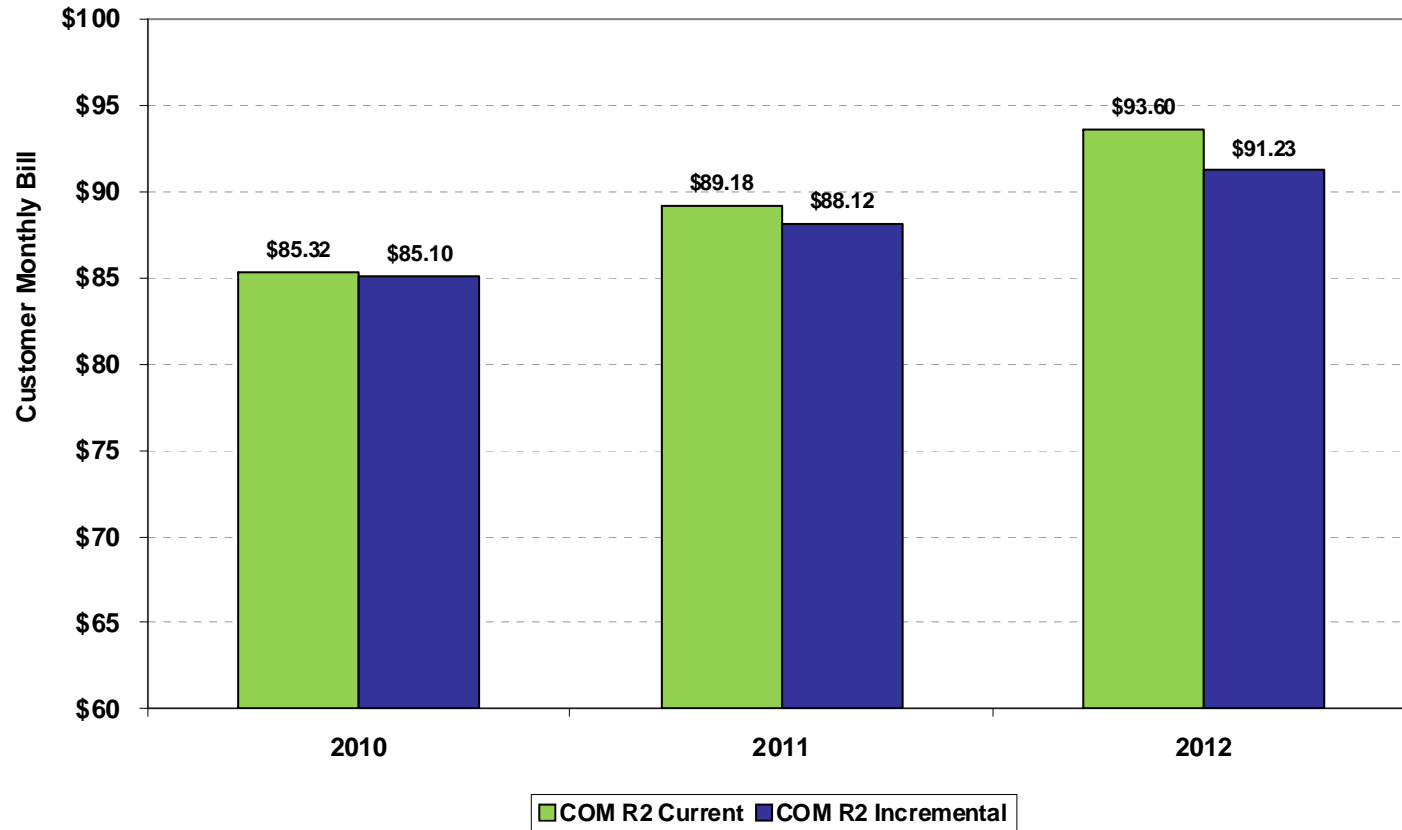
Low-Income (R2 Class): Participant Average Monthly Bill

**CLC Low Income Participant Average Monthly Bill
Incremental vs Current Case**

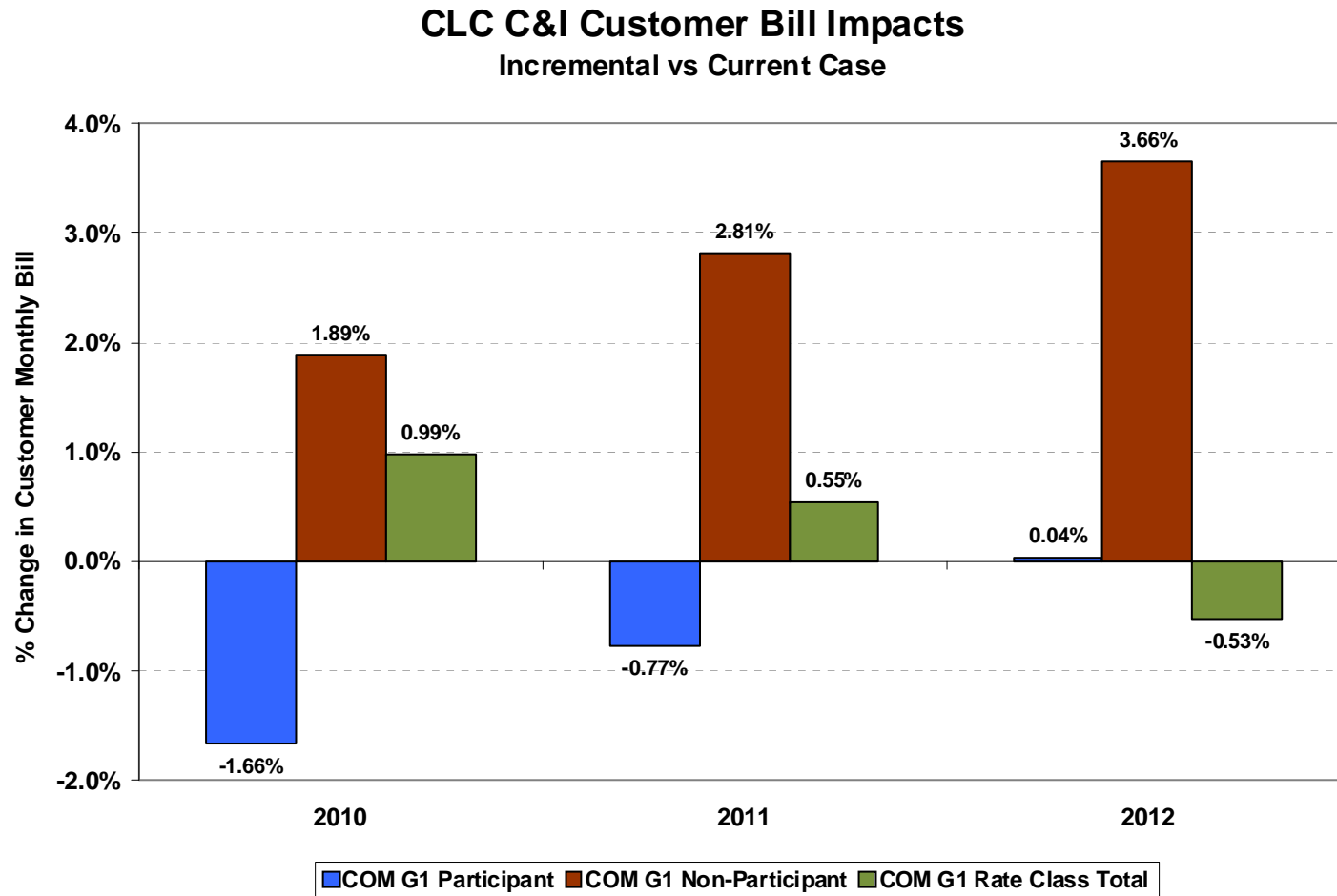


Low-Income (R2 Class): Non-participant Average Monthly Bill

CLC Low Income Non-Participant Average Monthly Bill
Incremental vs Current Case

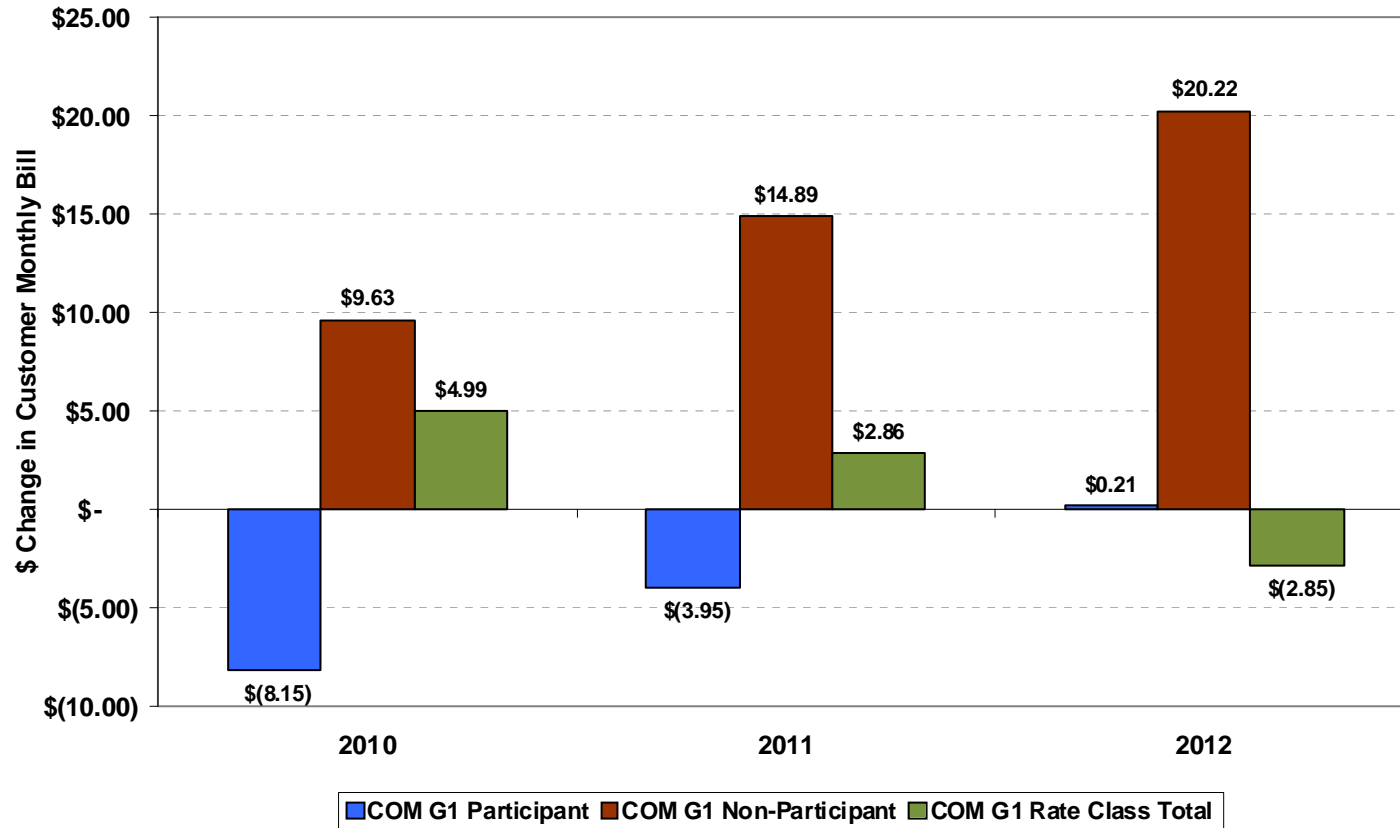


Commercial and Industrial (G1 Class): Percent Change in Customer Monthly Bill



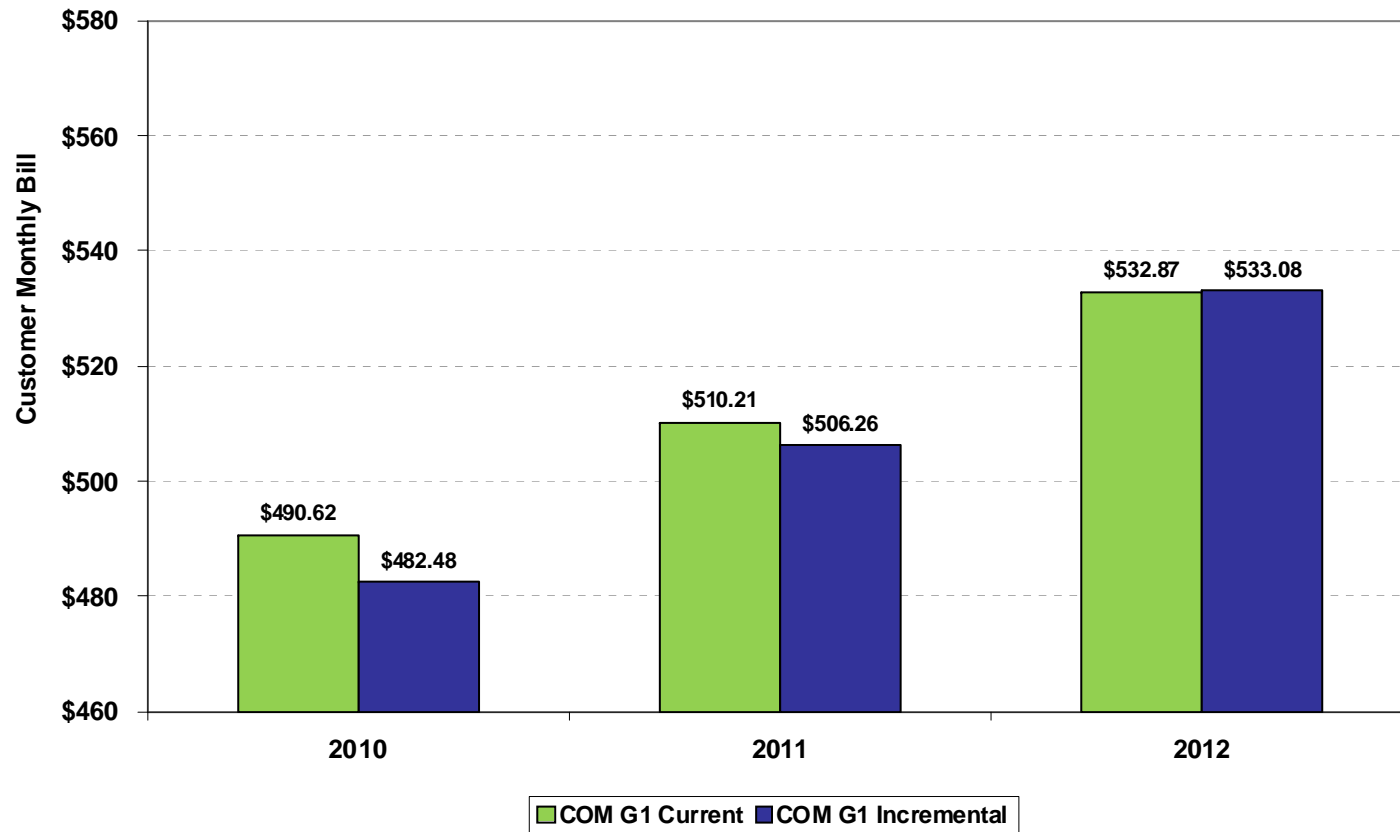
Commercial and Industrial (G1 Class): Dollar Change in Customer Monthly Bill

CLC C&I Customer Bill Impacts
Incremental vs Current Case



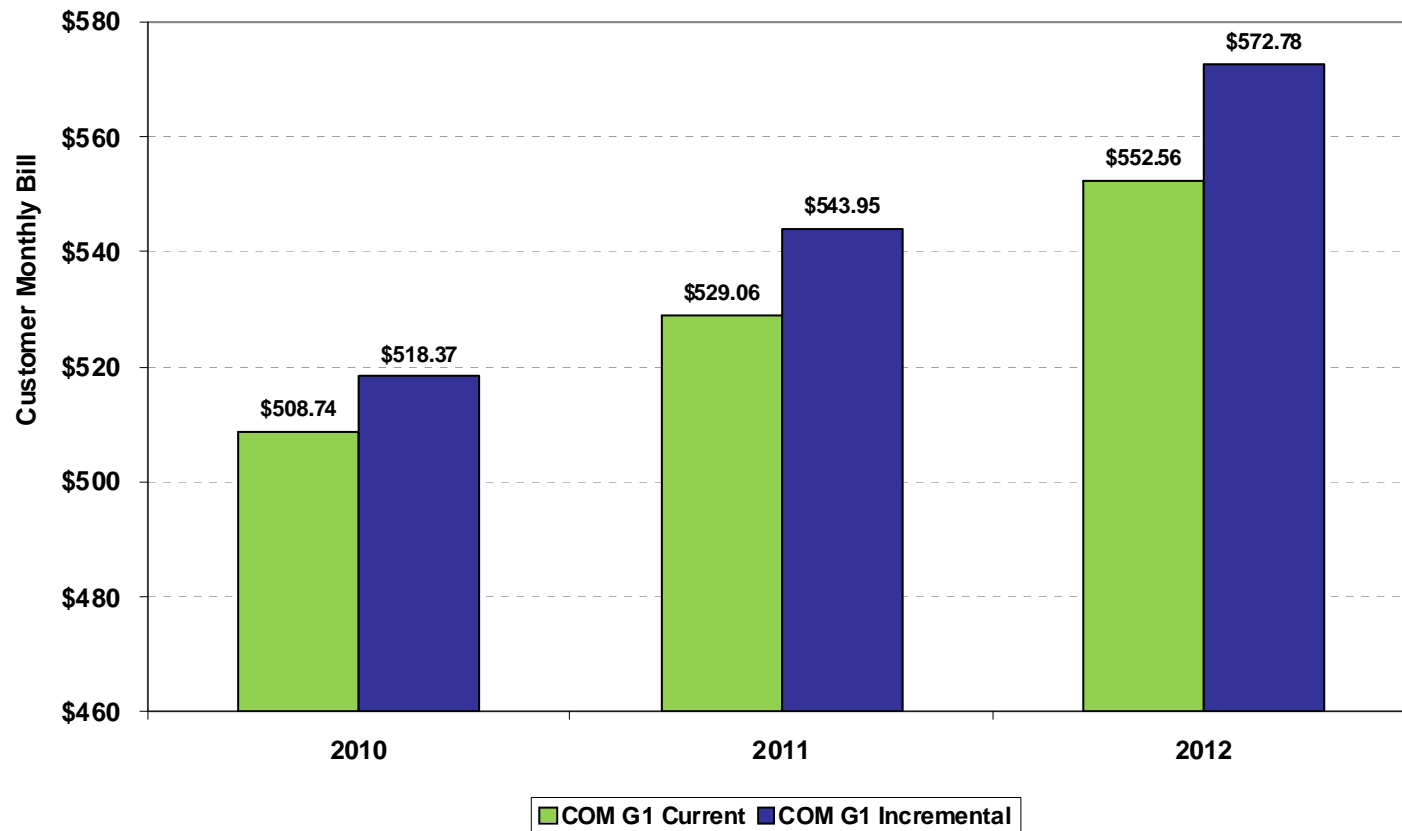
Commercial and Industrial (G1 Class): Participant Average Monthly Bill

**CLC C&I Participant Average Monthly Bill
Incremental vs Current Case**

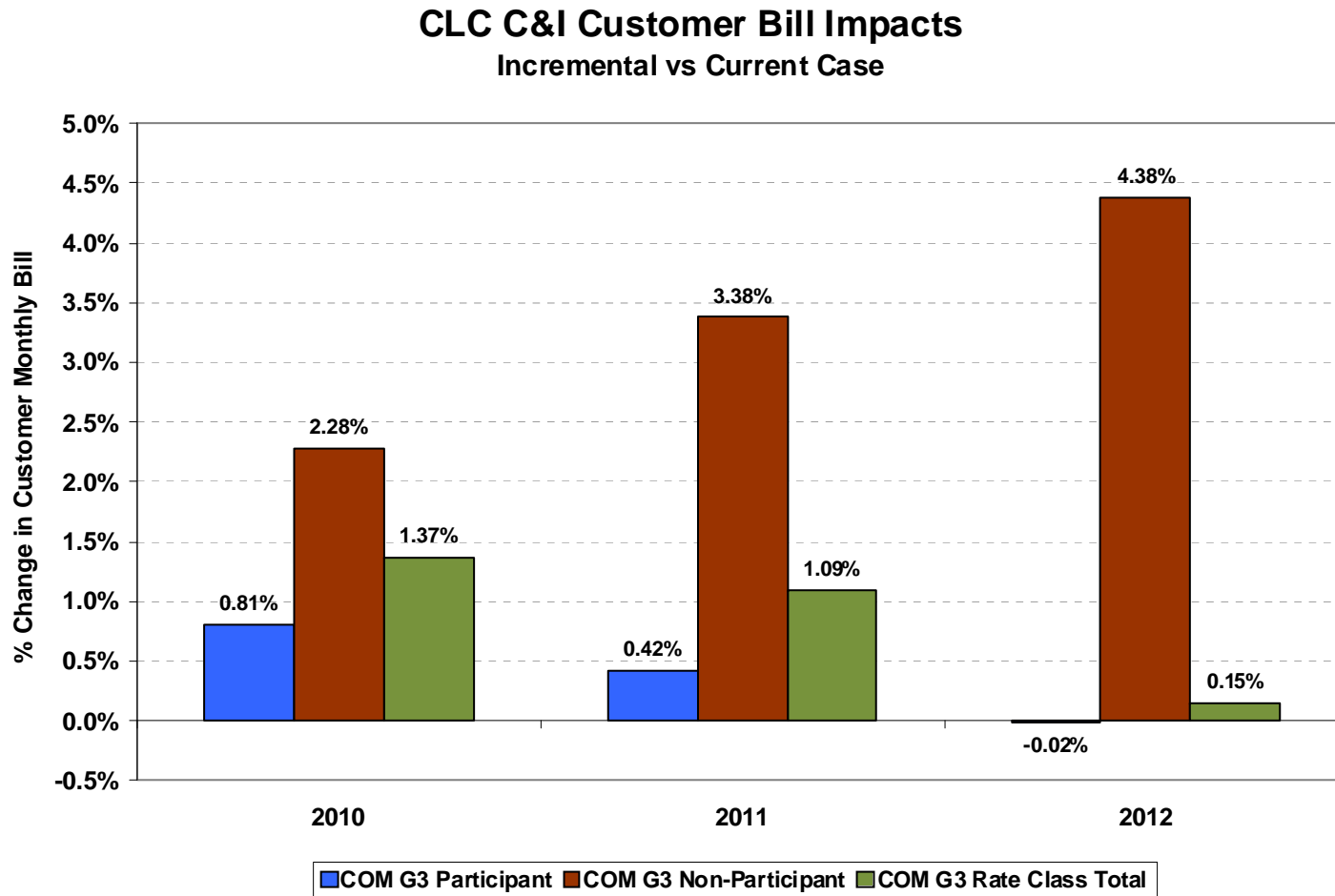


Commercial and Industrial (G1 Class): Non-participant Average Monthly Bill

CLC C&I Non-Participant Average Monthly Bill
Incremental vs Current Case

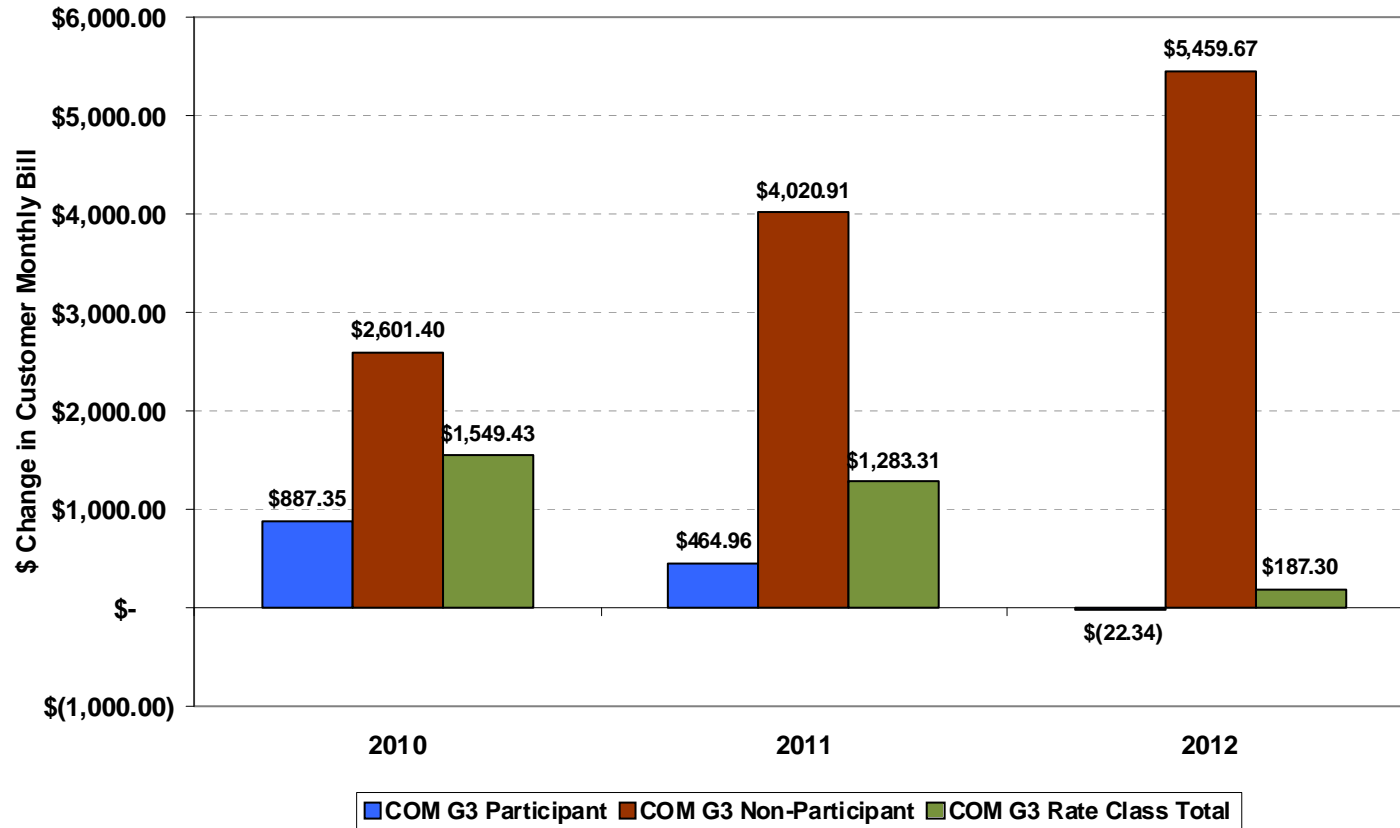


Commercial and Industrial (G3 Class): Percent Change in Customer Monthly Bill



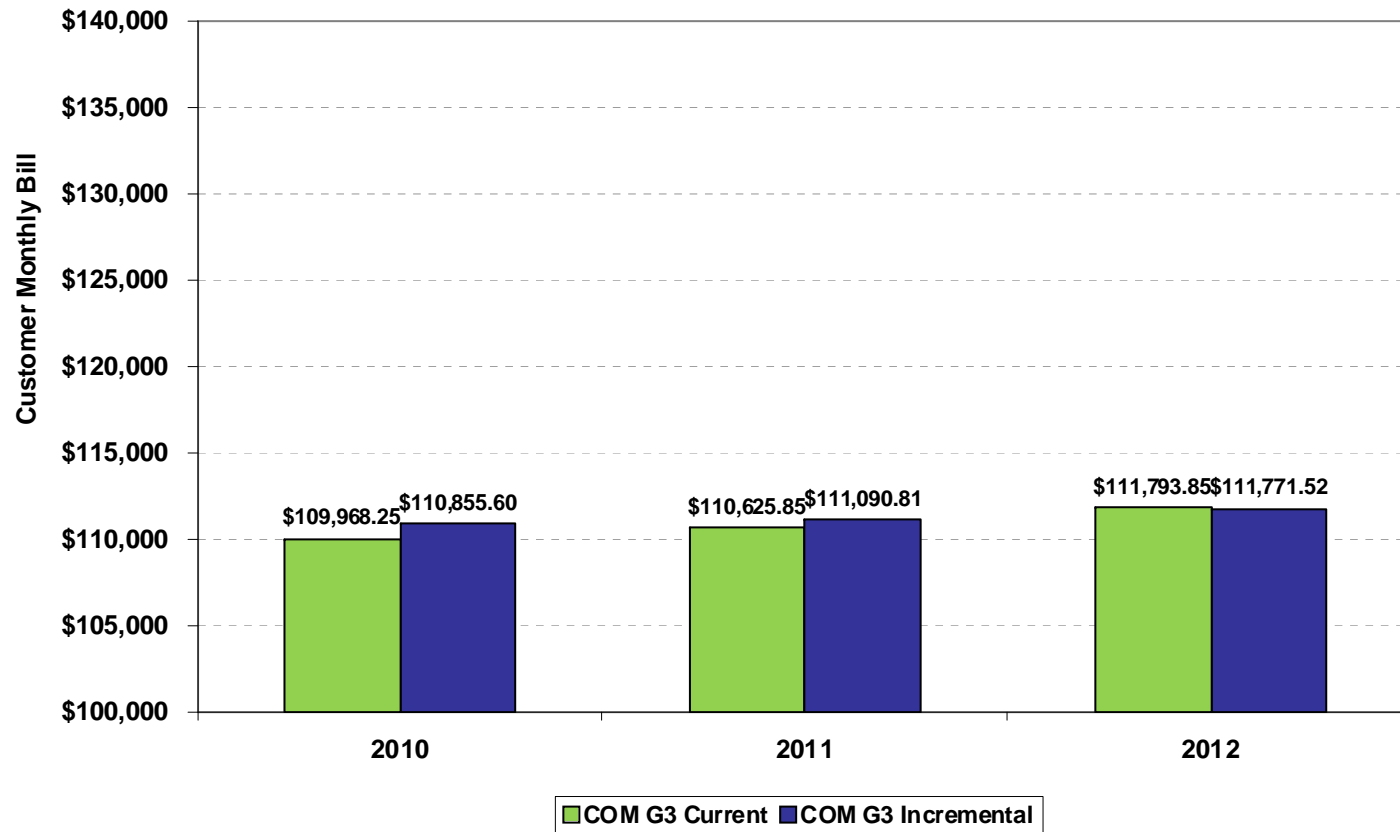
Commercial and Industrial (G3 Class): Dollar Change in Customer Monthly Bill

CLC C&I Customer Bill Impacts
Incremental vs Current Case



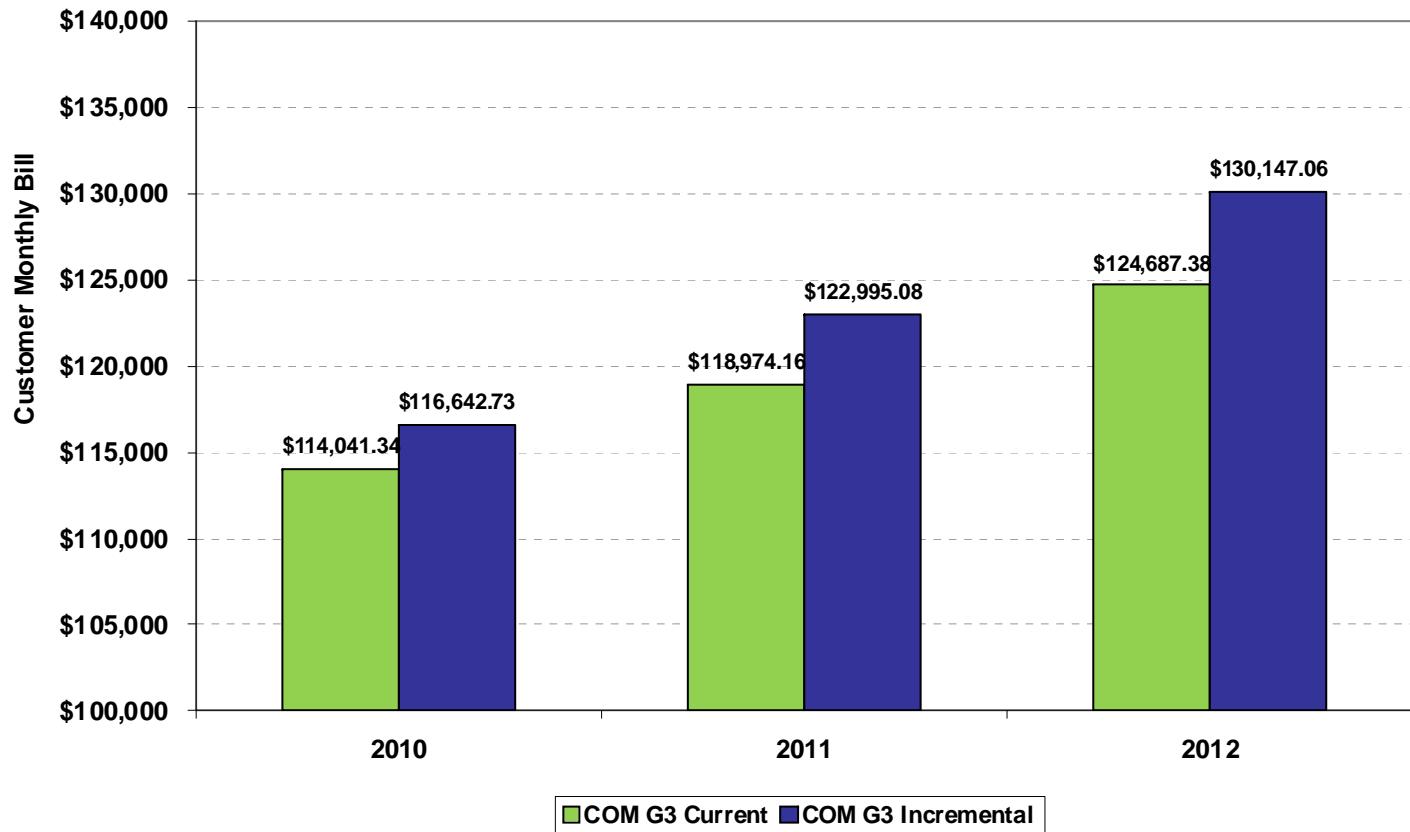
Commercial and Industrial (G3 Class): Participant Average Monthly Bill

**CLC C&I Participant Average Monthly Bill
Incremental vs Current Case**



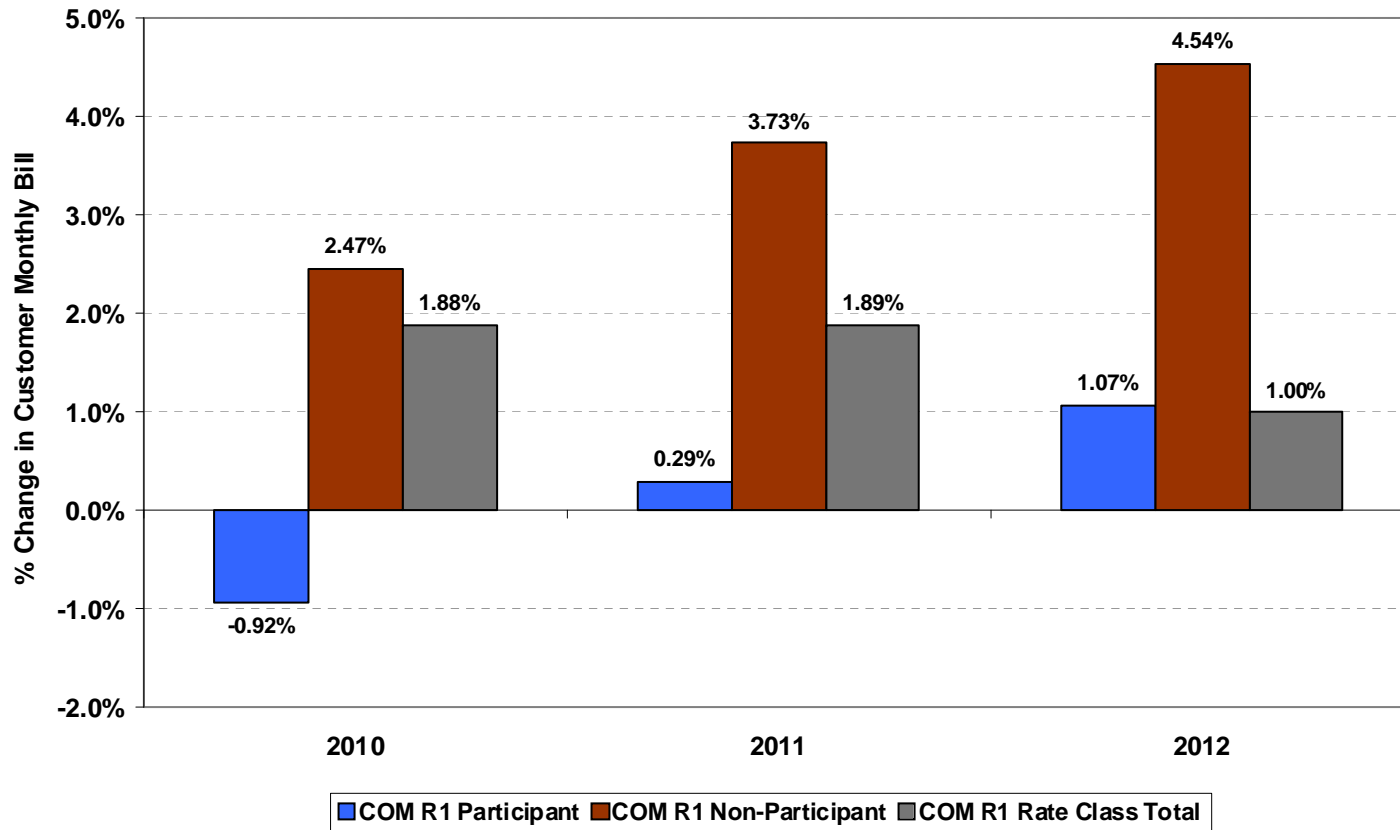
Commercial and Industrial (G3 Class): Non-participant Average Monthly Bill

CLC C&I Non-Participant Average Monthly Bill
Incremental vs Current Case



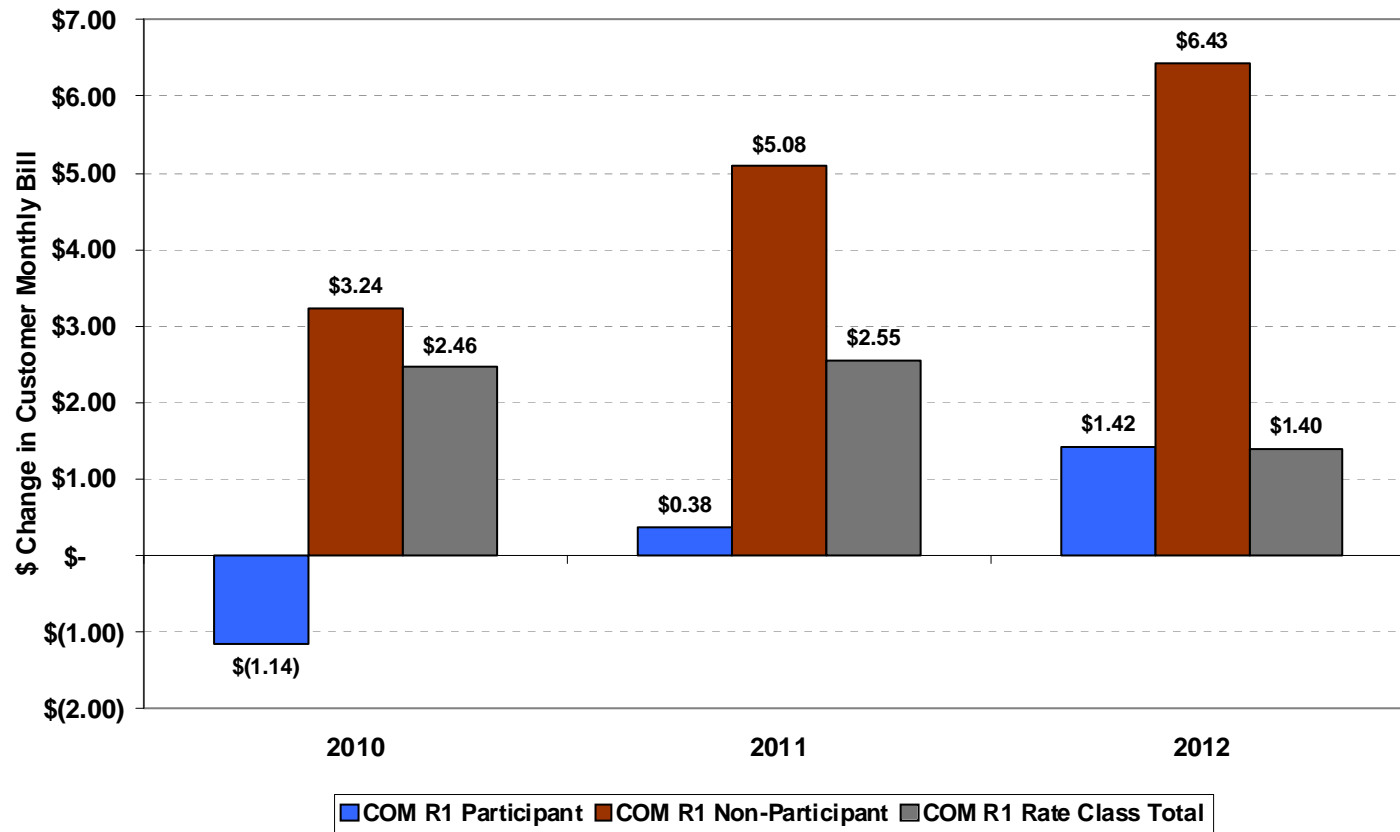
Exclusion of Outside Funding: Bill Impacts
Residential (R1 Class): Percent Change in Customer Monthly Bill

CLC Residential Customer Bill Impacts
Incremental vs Current Case



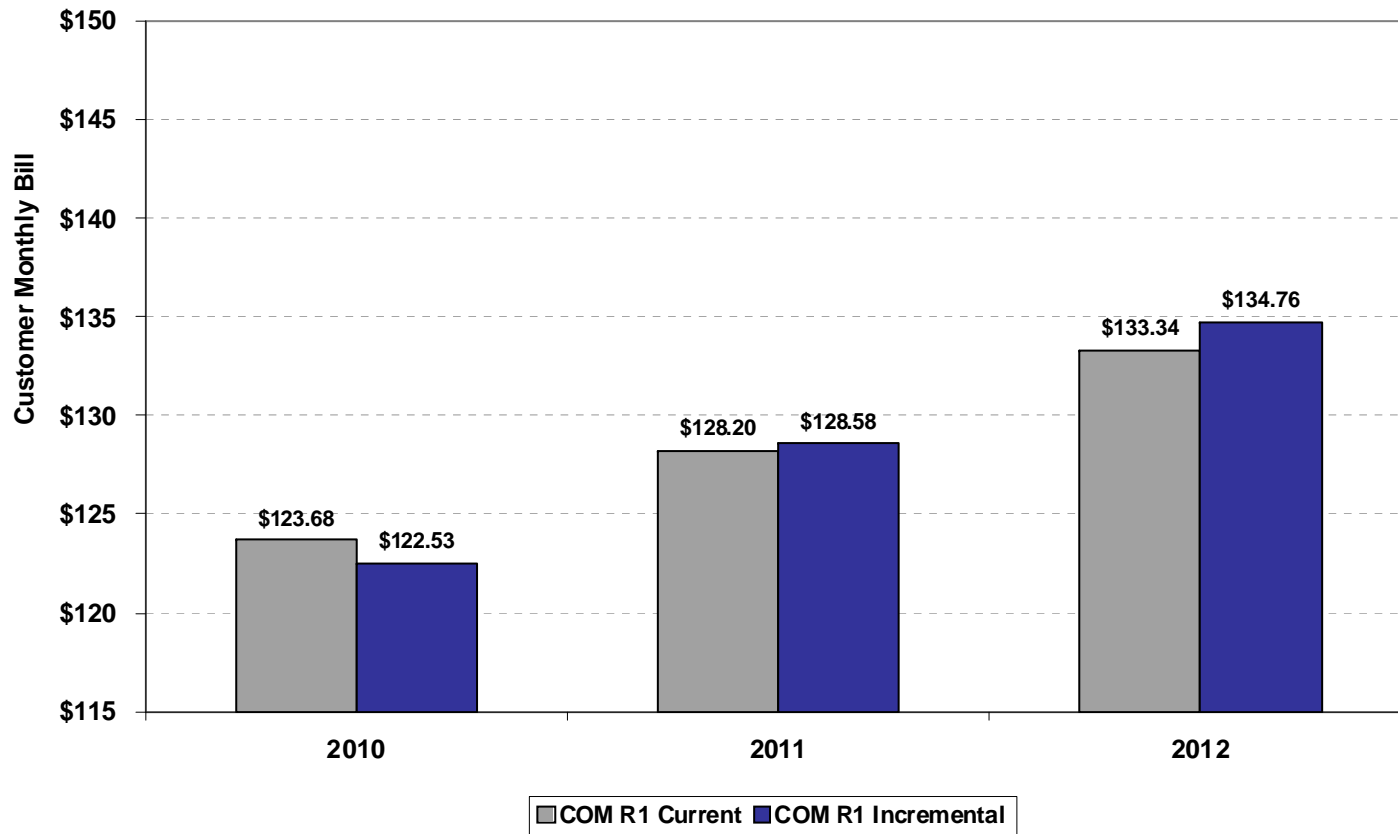
Residential (R1 Class): Dollar Change in Customer Monthly Bill

CLC Residential Customer Bill Impacts
Incremental vs Current Case



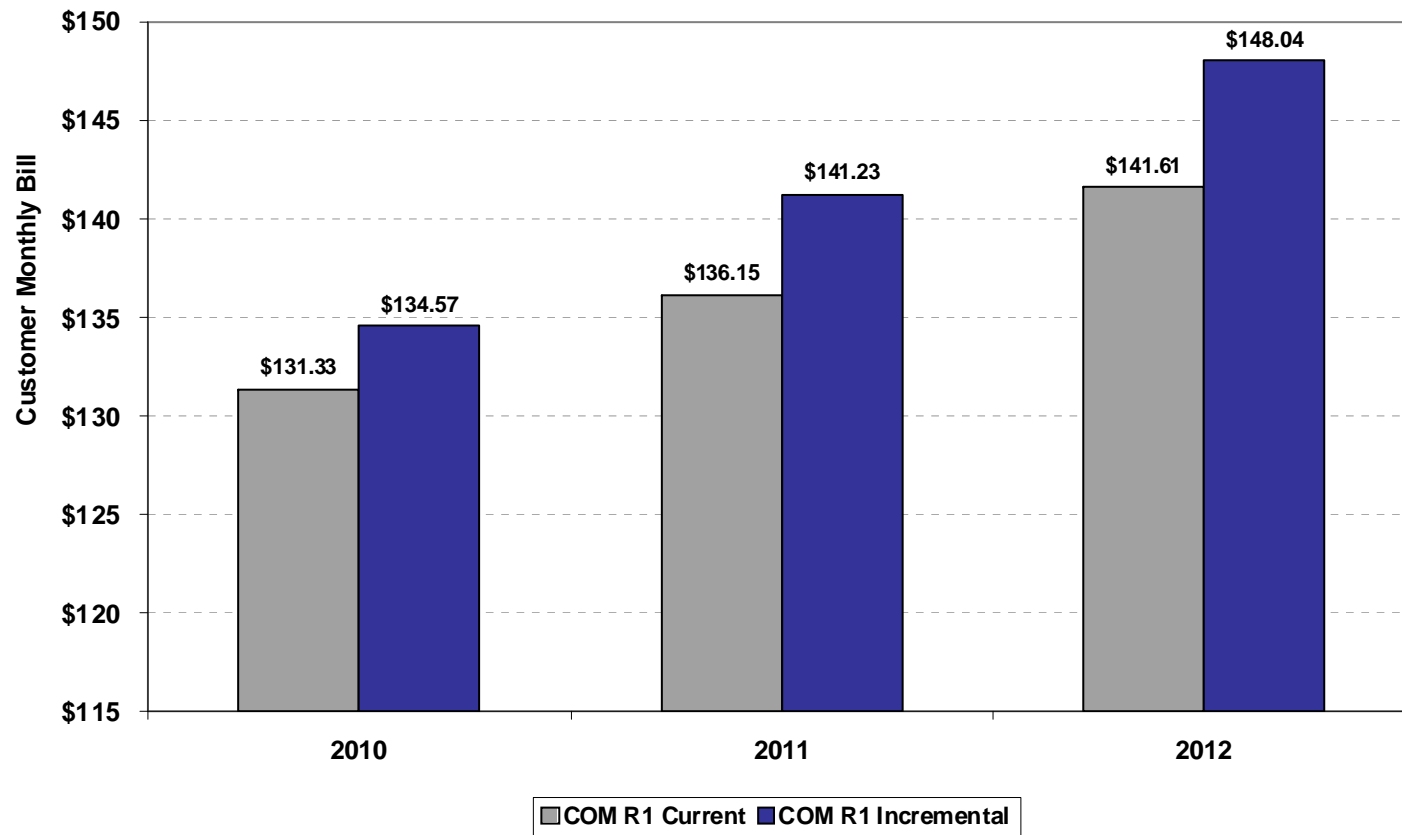
Residential (R1 Class): Participant Average Monthly Bill

**CLC Residential Participant Average Monthly Bill
Incremental vs Current Case**

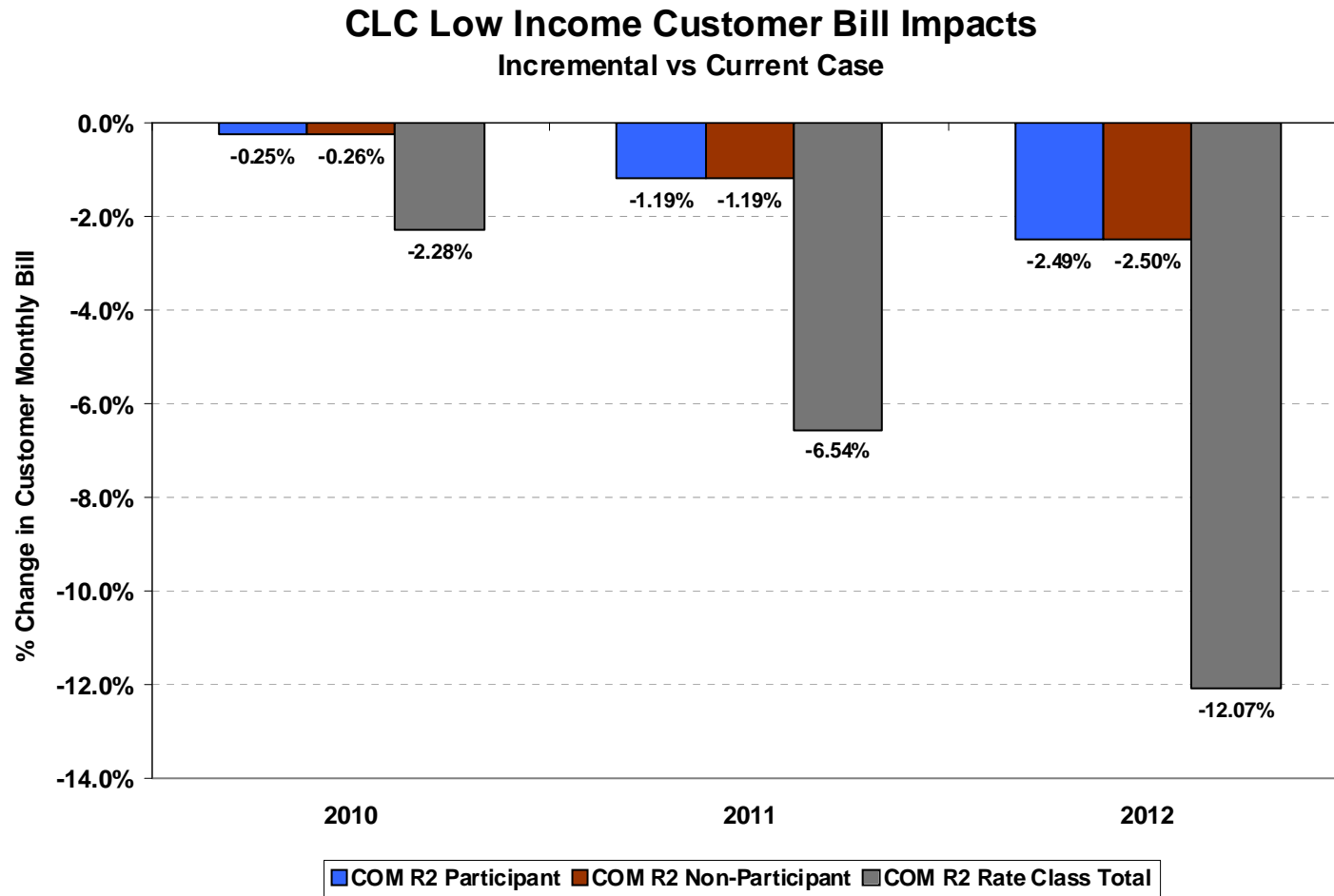


Residential (R1 Class): Non-participant Average Monthly Bill

**CLC Residential Non-Participant Average Monthly Bill
Incremental vs Current Case**

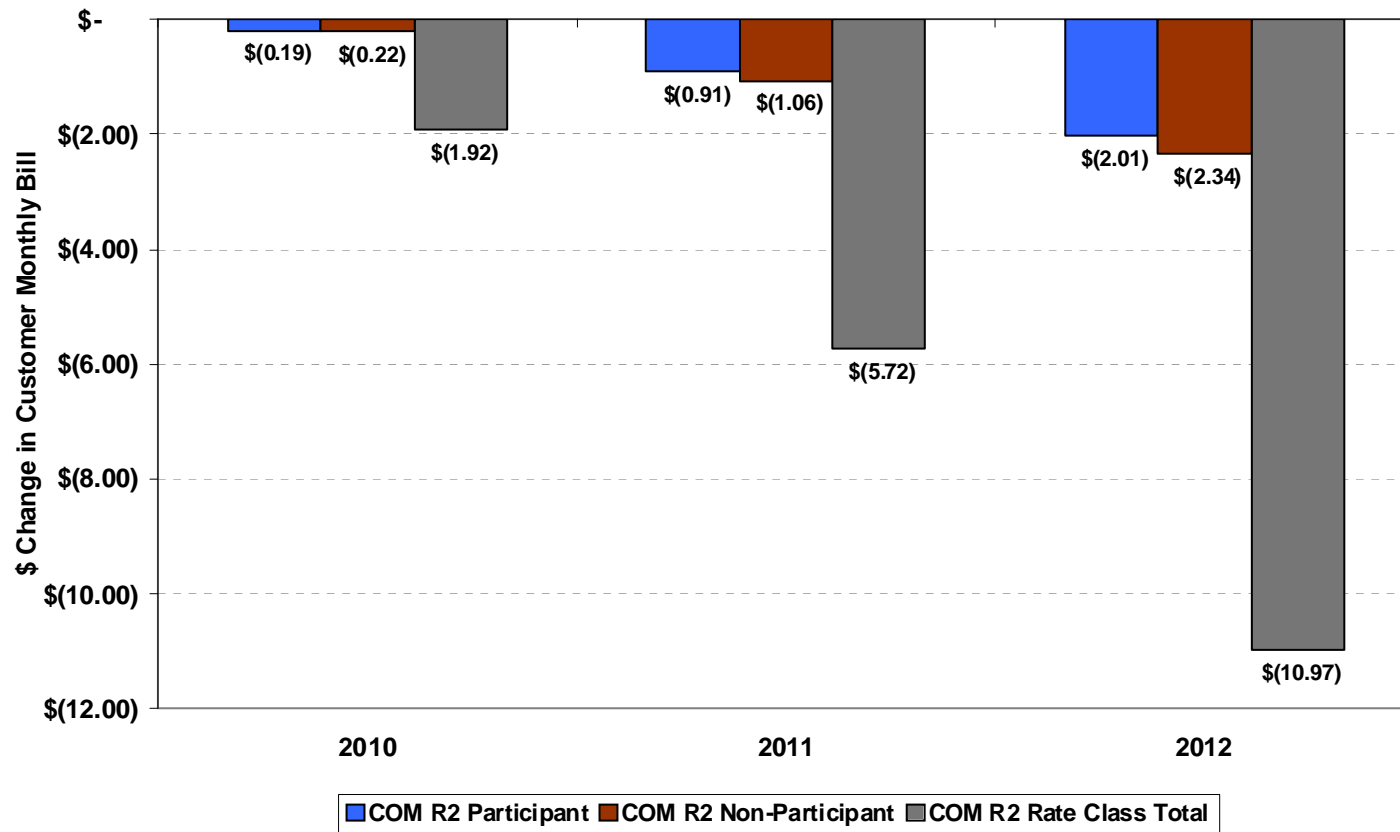


Low-Income (R2 Class): Percent Change in Customer Monthly Bill



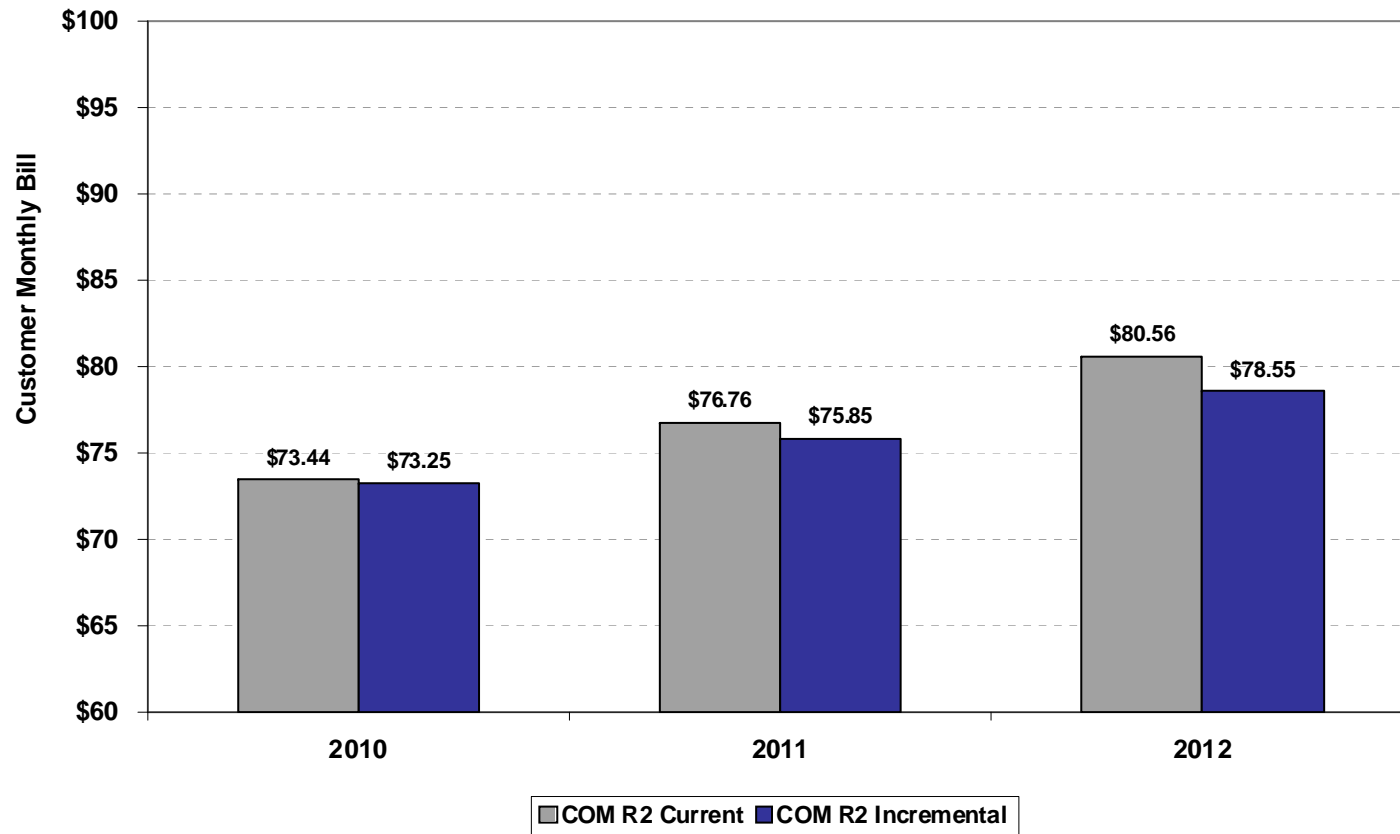
Low-Income (R2 Class): Dollar Change in Customer Monthly Bill

CLC Low Income Customer Bill Impacts
Incremental vs Current Case



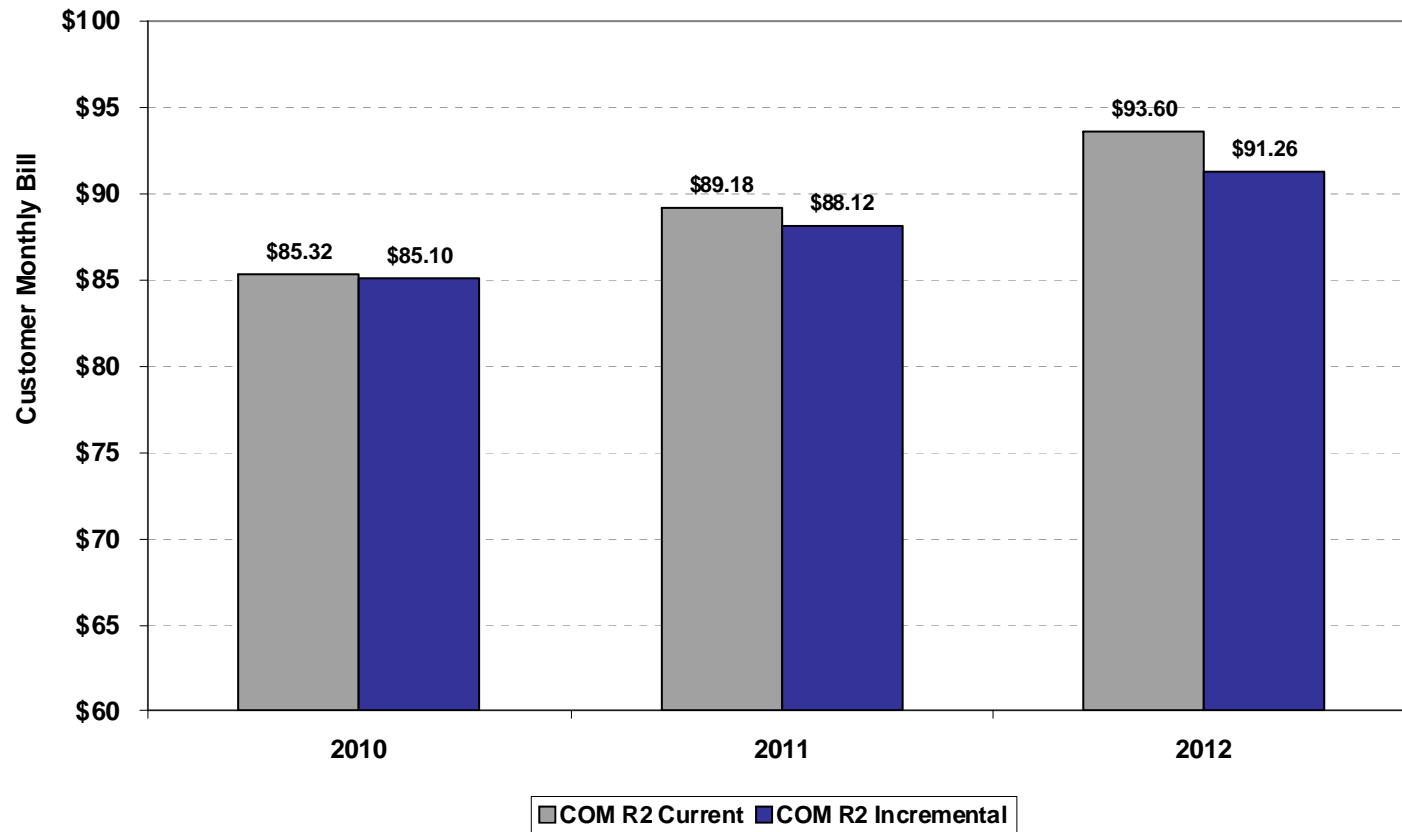
Low-Income (R2 Class): Participant Average Monthly Bill

**CLC Low Income Participant Average Monthly Bill
Incremental vs Current Case**



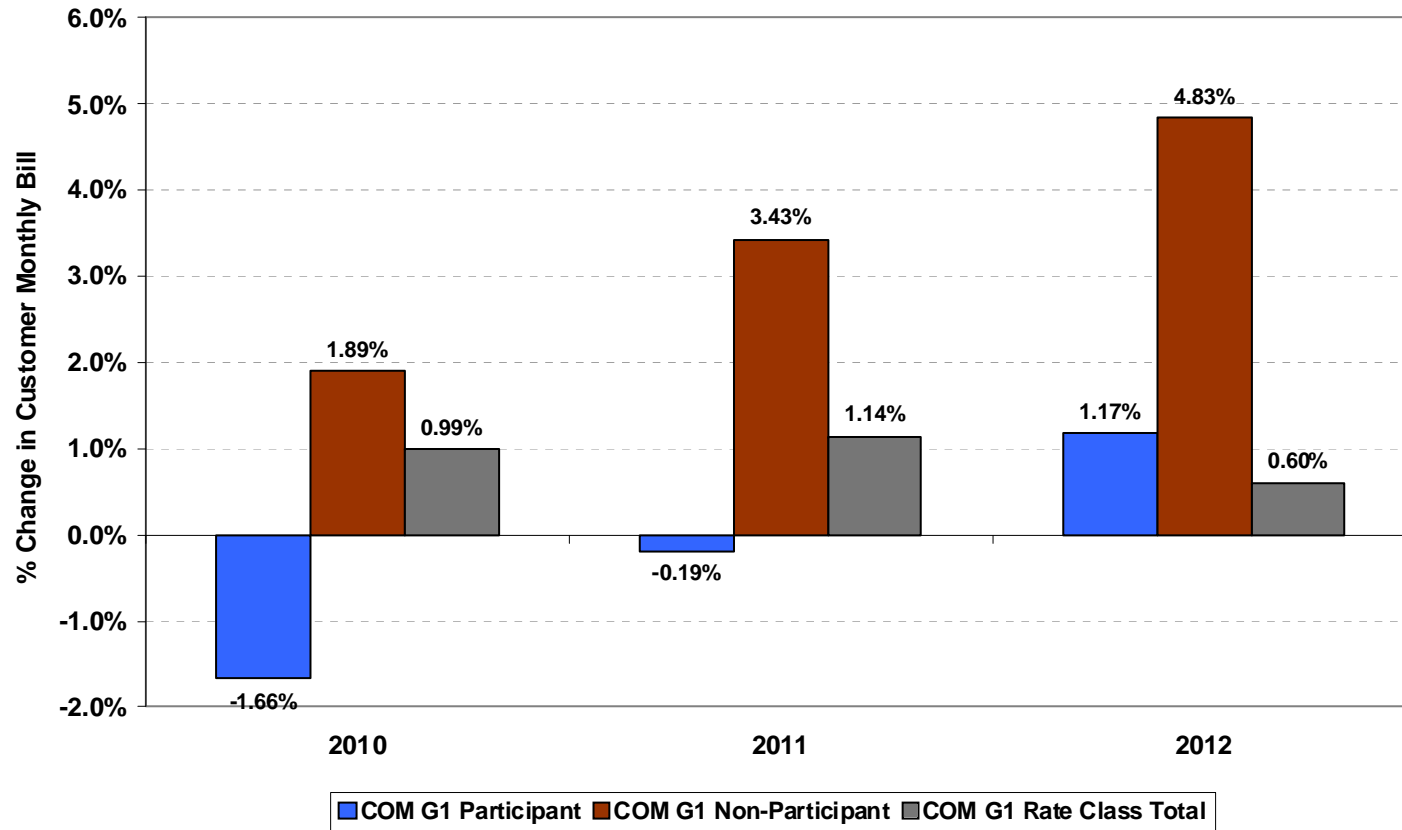
Low-Income (R2 Class): Non-participant Average Monthly Bill

CLC Low Income Non-Participant Average Monthly Bill
Incremental vs Current Case



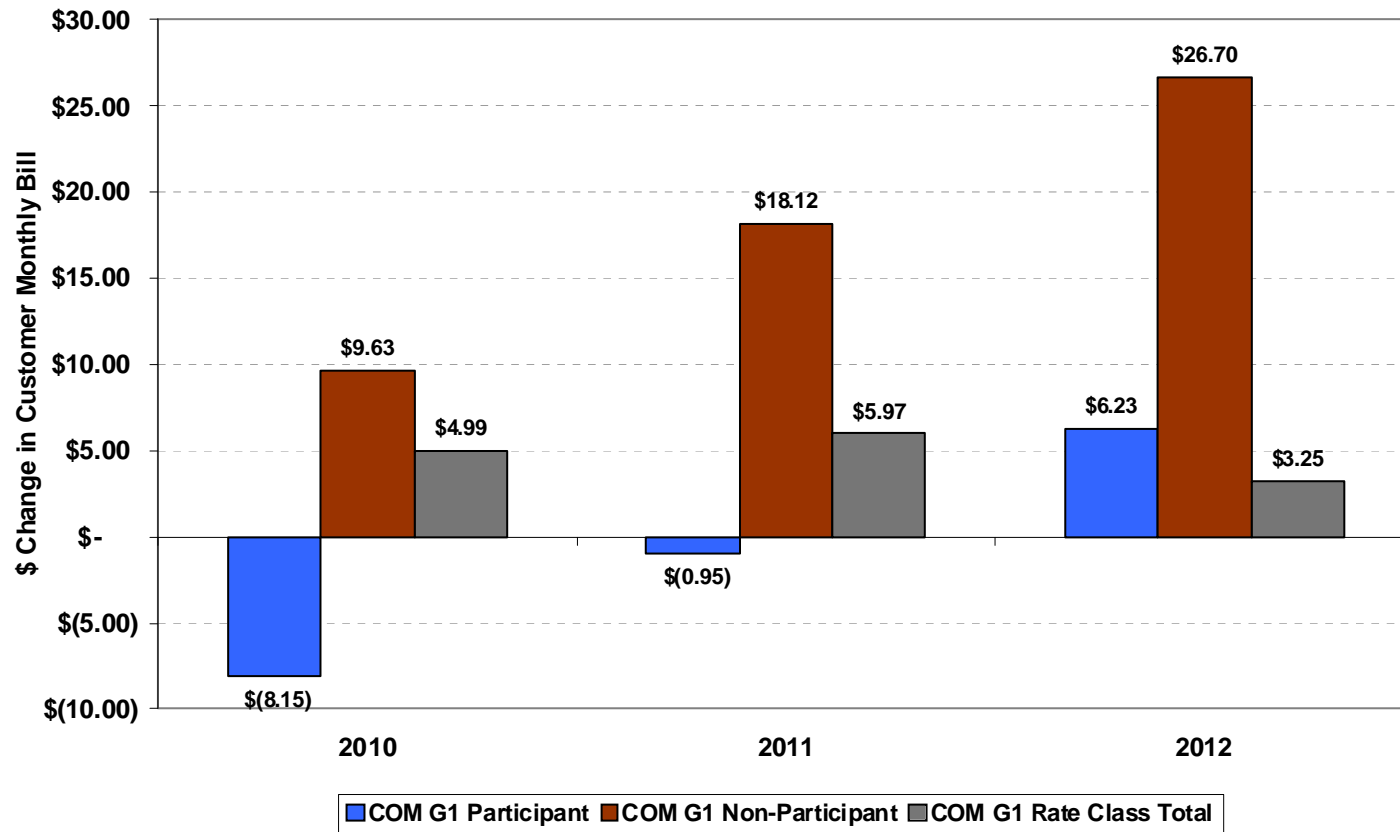
Commercial and Industrial (G1 Class): Percent Change in Customer Monthly Bill

CLC C&I Customer Bill Impacts
Incremental vs Current Case



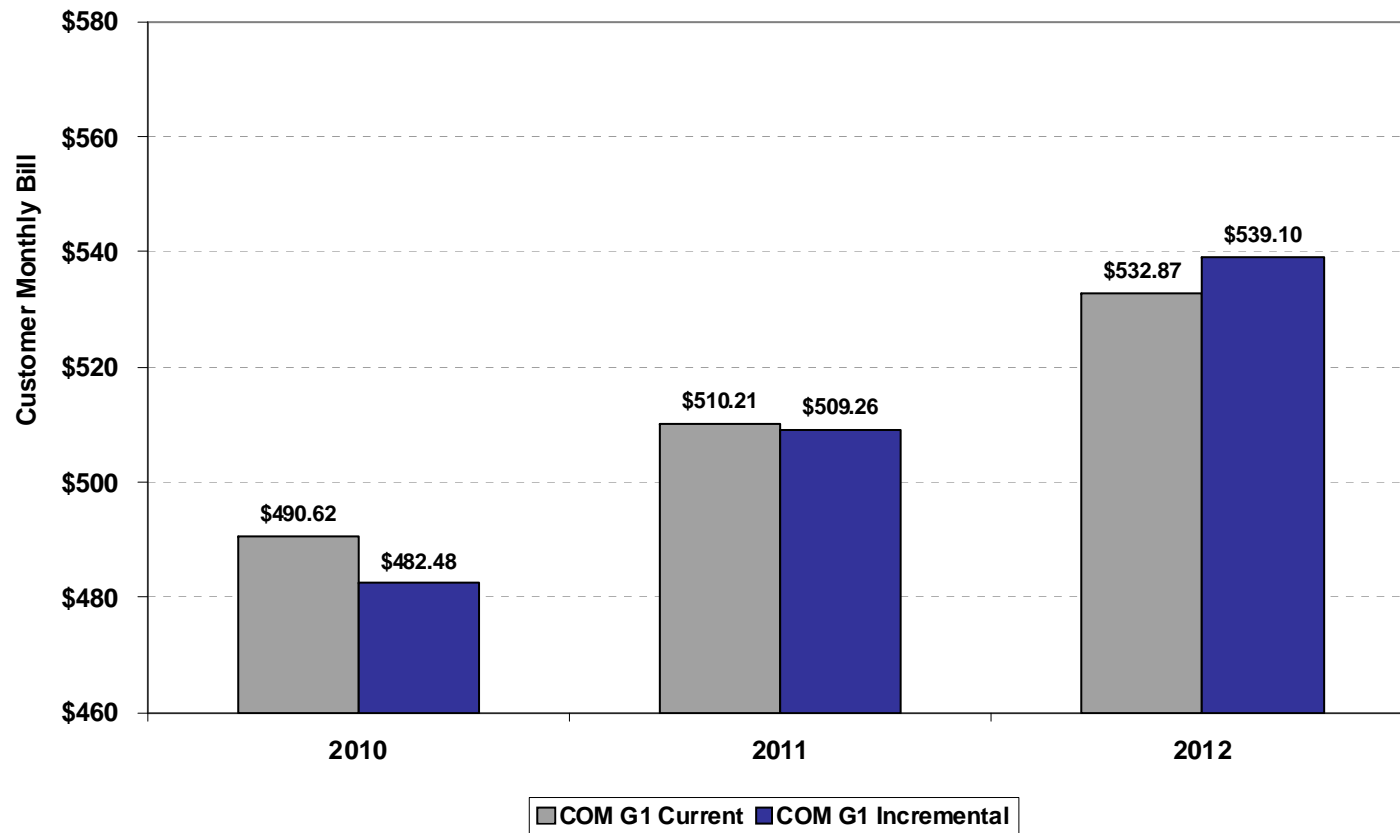
Commercial and Industrial (G1 Class): Dollar Change in Customer Monthly Bill

CLC C&I Customer Bill Impacts
Incremental vs Current Case



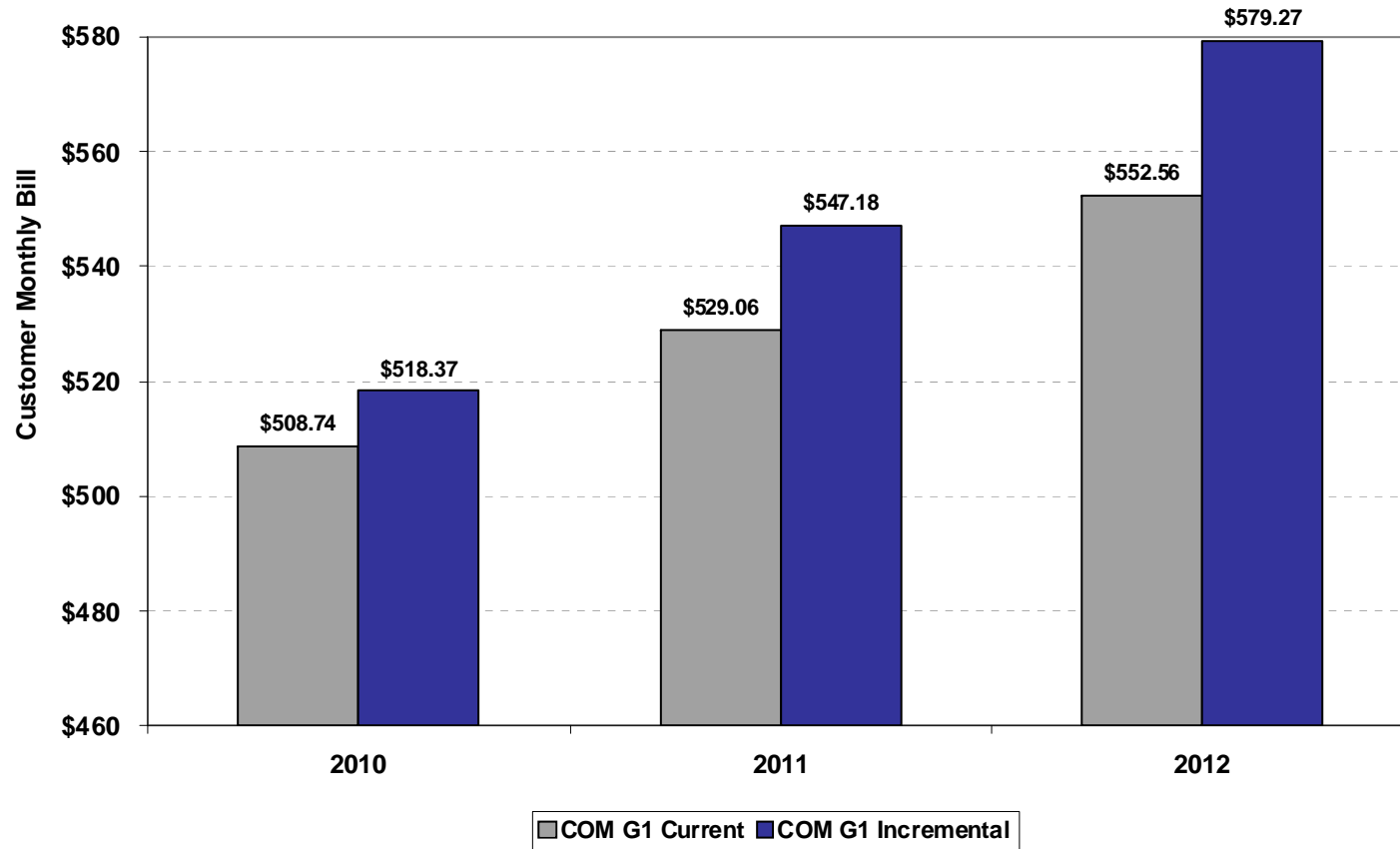
Commercial and Industrial (G1 Class): Participant Average Monthly Bill

**CLC C&I Participant Average Monthly Bill
Incremental vs Current Case**



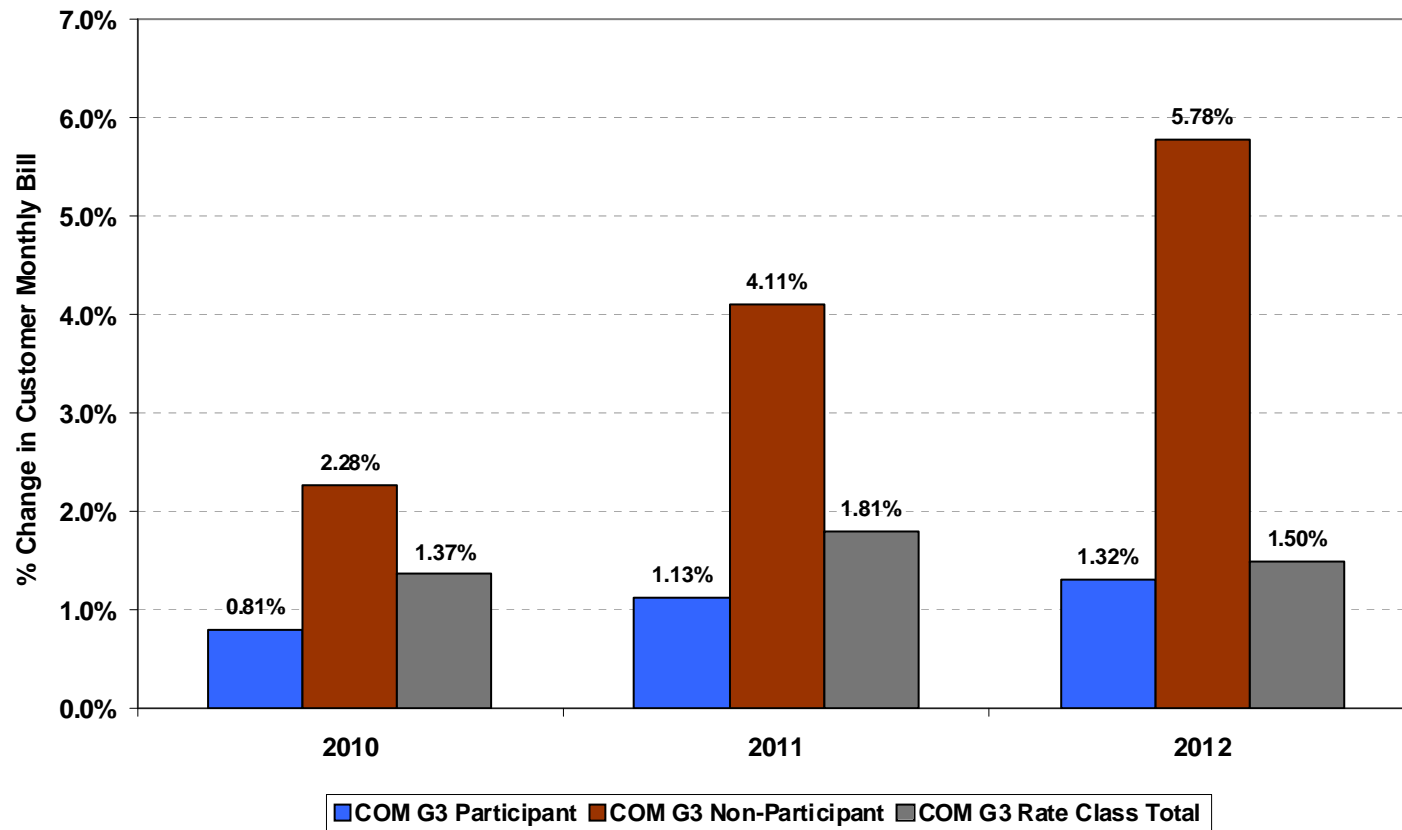
Commercial and Industrial (G1 Class): Non-participant Average Monthly Bill

**CLC C&I Non-Participant Average Monthly Bill
Incremental vs Current Case**



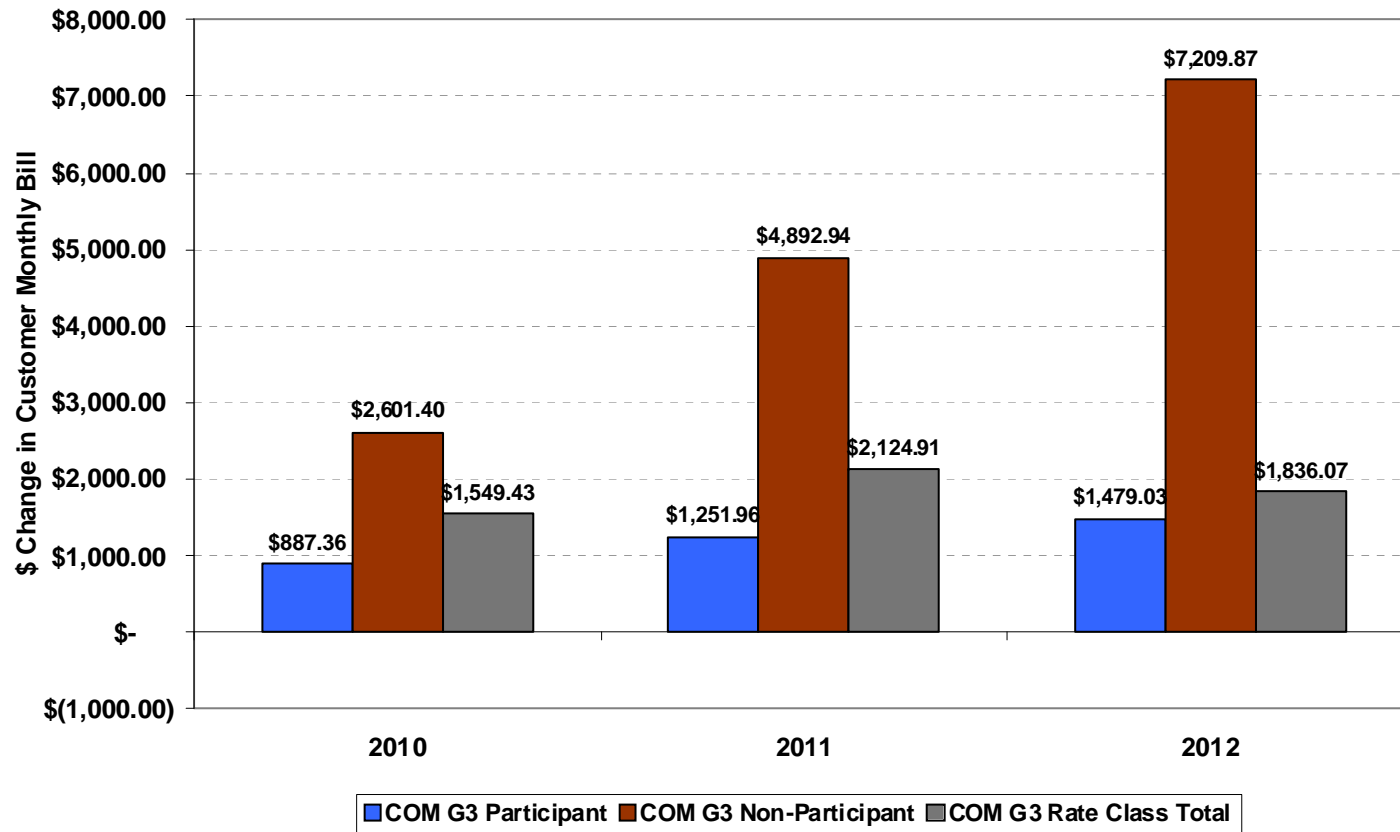
Commercial and Industrial (G3 Class): Percent Change in Customer Monthly Bill

CLC C&I Customer Bill Impacts
Incremental vs Current Case



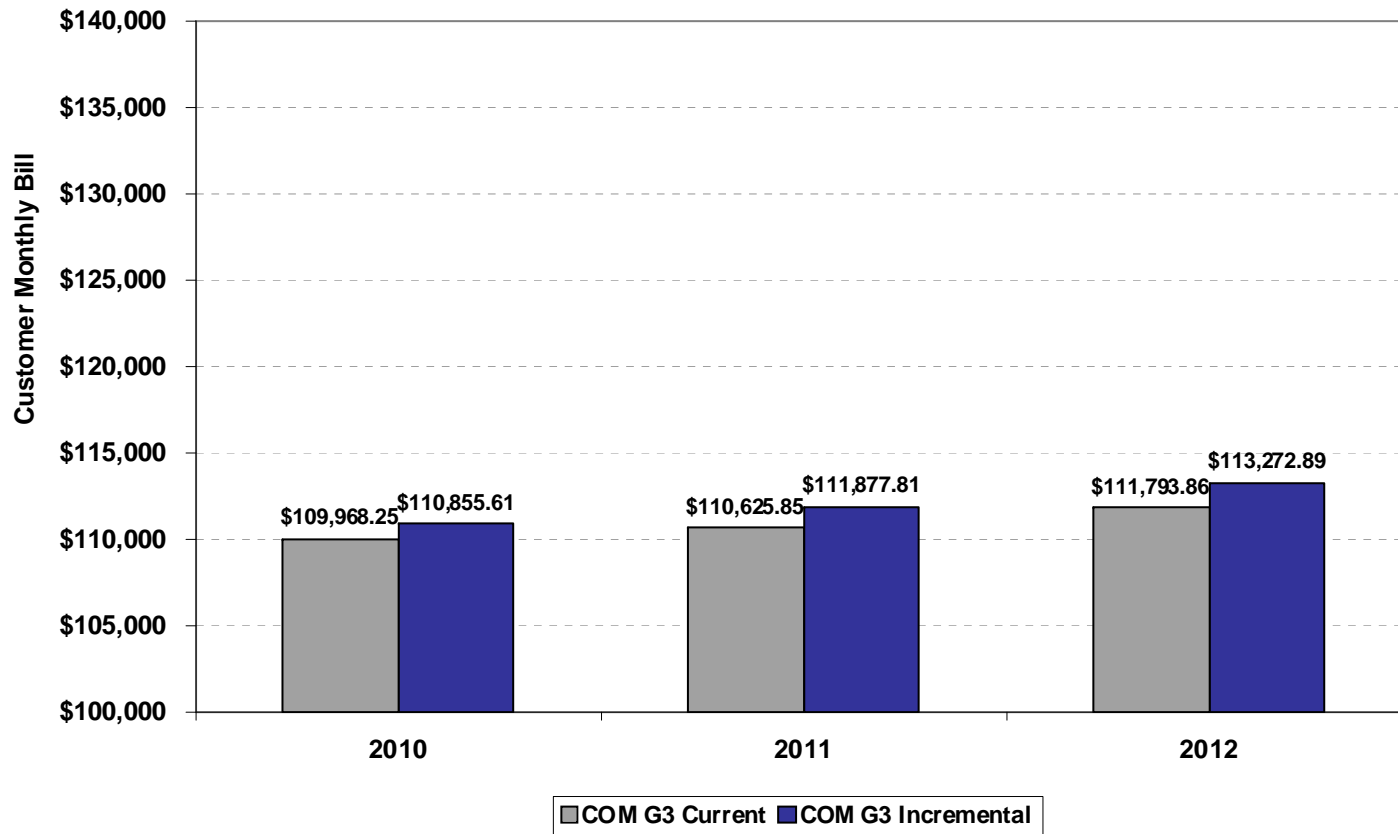
Commercial and Industrial (G3 Class): Dollar Change in Customer Monthly Bill

CLC C&I Customer Bill Impacts
Incremental vs Current Case



Commercial and Industrial (G3 Class): Participant Average Monthly Bill

**CLC C&I Participant Average Monthly Bill
Incremental vs Current Case**



Commercial and Industrial (G3 Class): Non-participant Average Monthly Bill

CLC C&I Non-Participant Average Monthly Bill
Incremental vs Current Case

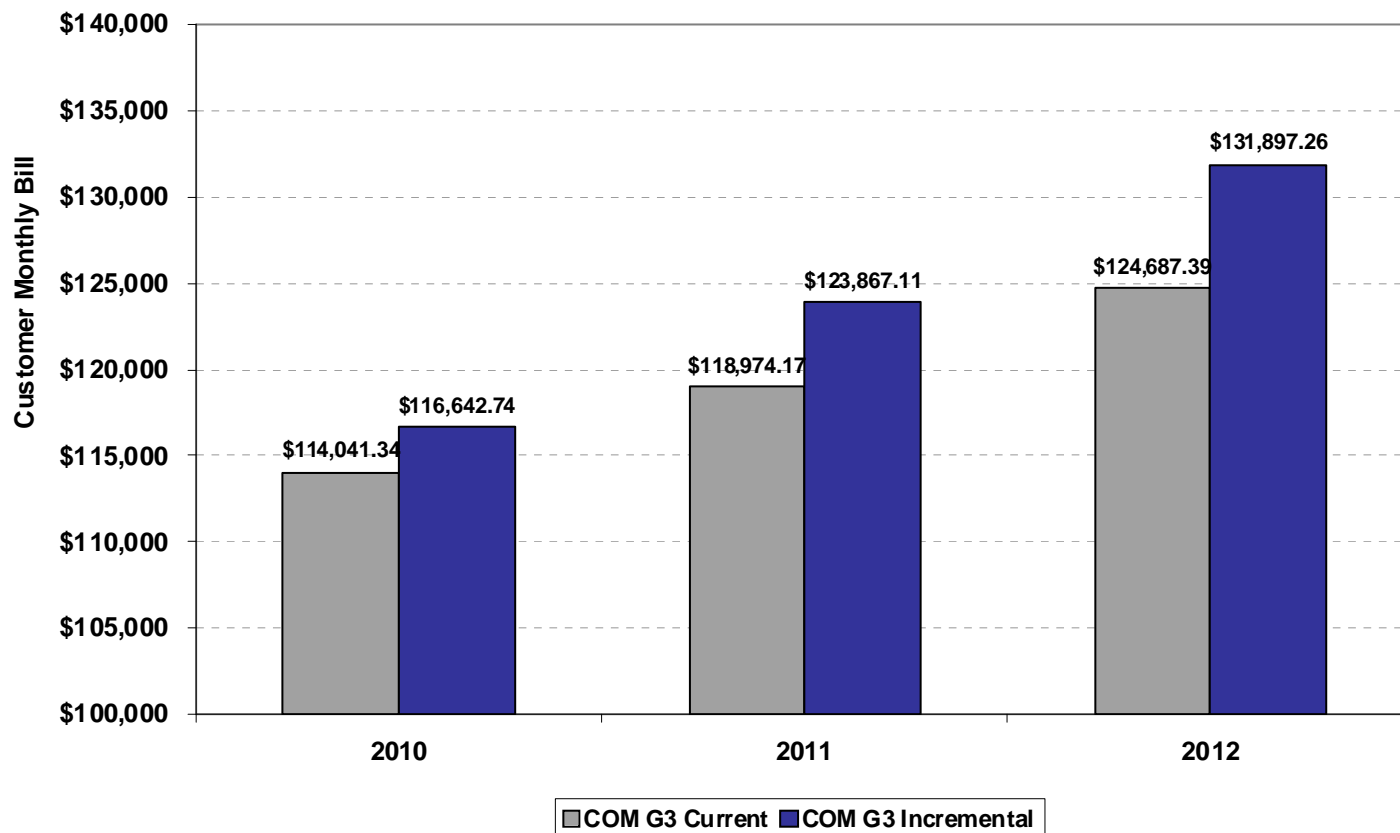


Exhibit I

Analysis and descriptions, pursuant to the Program Administrator Guidelines, set forth in D.P.U. 08-50-B, at 37 (October 26, 2009, (calling for detailed descriptions in the event that Program Administrator budgets, funding sources or benefits differ from the statewide percentages by more than 20 percent) to be provided by mid-November and inserted as Exhibit I.