



CAPE LIGHT COMPACT RESPONSE TO

*Report to the Barnstable County Assembly of Delegates dated
May 2, 2012 prepared by the Special Committee on Inquiry into
Cape Light Compact and Cape & Vineyard Electric Cooperative*

May 31, 2012





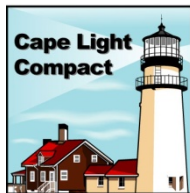
Forward

This presentation contains the response of the Cape Light Compact to the ***Report to the Barnstable County Assembly of Delegates from the Special Committee on Inquiry into Cape Light Compact (CLC) and Cape & Vineyard Electric Cooperative (CVEC) dated May 2, 2012*** (Report). CLC has endeavored to provide this presentation quickly and taken care to assure the accuracy of all information contained herein however revisions and updates may be made in the future.



Topics

- ❑ Introduction
- ❑ CLC (and CVEC) Key Milestones
- ❑ Relationship between CLC, CVEC & Barnstable County
- ❑ Transparency, Open Meeting Law and Public Records
- ❑ Budgets and Oversight
- ❑ Purpose of Regional Government
- ❑ Recommendations
- ❑ Appendix



Introduction

- On August 3, 2011 Resolution 11-02 was adopted by the Barnstable County Assembly of Delegates by a roll call vote of 50.44% in favor of:

“The Speaker to create a sub-committee to address the concerns stated above in order to facilitate the understanding of the relationship between the Cape Light Compact, Cape and Vineyard Electric Cooperative and Barnstable County Administration. The sub-committee shall make such public record request as it may deem necessary and ask these Boards (CLC and CVEC) to educate the Assembly and the public as to their appointing authorities, structure, policies and procedures if they feel it is necessary. The sub-committee shall conclude with a report to the full Assembly as to their findings and suggested actions to be taken, if any.”
- The sub-committee issued Report dated May 2, 2012
 - CLC rejects the findings and recommendations in the Report
 - CLC has been harmed by inaccurate and false allegations contained in the Report
 - CLC recommends the Assembly of Delegates rejects the Report as currently written, work closely with County legal counsel to reproduce a document that is fact based and free of specious allegations and incendiary comments



Key Milestones

1995 Barnstable County Energy Management Plan – County Commissioners establish Barnstable County Energy Management Committee – focus on importance of locally administering energy efficiency funds.

1997 MA Electric Industry Restructuring Act - with Town Meeting/Town Council approval formed CLC through inter-governmental agreement. CLC authorized to aggregate electric customers in an opt-out power supply contract and administer energy efficiency programs in conjunction with power supply.

2000 Cape Light Compact Municipal Aggregation Plan Filed with DTE. CLC consulted with DOER on the preparation of and public hearings held to develop the Aggregation Plan. CLC enters into an administrative services agreement with Barnstable County to provide administrative and fiscal functions for CLC.

July, 2001 CLC's first Energy Efficiency Plan approved by DTE – Implementation Begins.

March, 2005 Customer Choice Opt-out Competitive Power Supply Offering – CLC began serving all electric customer classes. RFP was issued in 2004 to select vendor to provide retail electric supply to all customers classes.



Key Milestones, continued

2006 La Capra Associates Study reviewed options and provided recommendations for CLC to form CVEC to make investments in wholesale energy contracts and renewable energy generation to stabilize CLC rates over the long-term.

September, 2007 CVEC organized as legally distinct entity under Electric Cooperative Statute with three initial members: CLC, Barnstable County and Town of Barnstable. CVEC enters into administrative services agreement with Barnstable County (similar to CLC) to perform certain administrative and fiscal functions for CVEC.

July, 2008 MA Green Communities Act approves expanded energy efficiency mandate/funding and “net metering” provisions to increase renewable generation statewide.

January, 2010 MA DPU Issues CLC Order (D.P.U. 09-119) approving first 3-year statewide energy efficiency plan (2010-2012).



CLC & CVEC

Barnstable County Relationship

CLC

- Municipal aggregator formed through inter-governmental agreement to: purchase power on behalf of all customers, administer energy efficiency programs and consumer advocacy.
- Members include Barnstable County, Dukes County and all twenty-one municipalities located within the two Counties on Cape Cod and Martha's Vineyard.

CVEC

- Electric Cooperative legally distinct by statute to make investments in wholesale energy contracts and renewable energy generation to stabilize CLC rates over the long-term.
- Members include Barnstable County; Dukes County; CLC; Towns of Barnstable, Harwich, Brewster, Dennis, Bourne, Eastham, Tisbury, Oak Bluffs, Mashpee, Orleans, Provincetown, Sandwich, Yarmouth, Falmouth, Chatham & West Tisbury.

Barnstable County Administrative Services
Agreements with CLC and CVEC



Transparency, Open Meeting Law & Public Records

- CLC (and CVEC) comply with the Open Meeting Law and Public Records Law
- Energy related activities are specifically enumerated in the executive session portion of the Open Meeting Law
 - It is not a Special Committee's place to administer or enforce the Open Meeting Law
- The Public Records law also provides an exemption on energy related activities
 - It is not a Special Committee's place to administer or enforce the Public Records Law



Budgets & Oversight

- Numerous Massachusetts state agencies have oversight of and involvement in CLC (and CVEC) activities
- CLC energy efficiency plans and annual reports are reviewed by the MA Energy Efficiency Advisory Council (EEAC) and the MA Department of Public Utilities
 - These filings contain detailed budget information, contrary to the allegations in the Report
 - These materials have been provided to the Special Committee, are publicly available in the DPU Fileroom and CLC website (Summary Tables included in the Appendix to this presentation)
 - The MA AG is a voting member of the EEAC who reviews and comments on CLC's plans and reports



Purpose of Regional Government

- Chapter 801 of the 1985 Acts and Resolves of Massachusetts authorized the voters of Barnstable County to adopt a charter (the “Act”) that grants broad powers to make the most effective and efficient use of resources to provide regional services
 - CLC (and CVEC) clearly are government agencies which perform highly successful local service functions
 - The Act addresses staffing and personnel issues including the ability of employees to serve in multiple offices, including offices at different levels of government (both county and municipal) [Section 16. County Powers of the Act]
 - Personal attacks and qualification questions in the Report on CLC Board Members, Staff and Counsel are completely baseless



Recommendations

- CLC recommends the Assembly of Delegates:
 - Reject the Report as currently written
 - Work closely with County legal counsel to rewrite the entire document
 - The Revised Report must be fact based and free of specious allegations and incendiary comments
 - Immediately remove the Report from the Assembly of Delegates website, all other public circulation of the Report recalled and all officials and public should be notified that the Report is under revision and reconsideration.



Appendix

Budget Tab of CLC website

Budgets » Cape Light Compact - Windows Internet Explorer

http://www.capecompact.org/budgets/

File Edit View Favorites Tools Help

My Dashboard - ISO Express Yahoo! Maps and Driving Dir... Honeywell Web Portal CLIPr Dashboard-CRM Green Button - Home

Budgets » Cape Light Compact

Home
About
Budgets
Power Supply
Energy Efficiency Programs
Rebates & Applications
Case Studies
Reports
Resources
Media

Budgets

The Cape Light Compact's 2012 Budgets are shown below as links:

[Cape Light Compact FY12 Operating Fund](#) - The budget is reviewed and approved by the Cape Light Compact Governing Board. Funding is through a sur-charge on the supplier portion of the Compact's competitive electric supplier page.

[Cape Light Compact 2012 Energy Efficiency Program Budget](#) - For additional information and supporting documents, please see the 2012 Mid-Term Modification to the Cape Light Compact's 2010-2012 Energy Efficiency Plan (Docket D.P.U. 11-116) filed with the MA DPU. Also, the MA DPU-filed Annual Reports can be found in the Reports section of our website.

Audit - The operations of the Cape Light Compact are accounted for in the County of Barnstable's financial records and, since the inception of the Compact, have been audited annually as part of the audit of the County of Barnstable's financial statements. The annual audits are public documents.

Prior Years Operating Fund and Energy Efficiency Program Budgets

[FY11 CLC Operating Fund](#)

[FY10 CLC Operating Fund](#)

[Cape Light Compact 2011 Energy Efficiency Program Budget](#)

[Cape Light Compact 2010 Energy Efficiency Program Budget](#)

News + Updates

- Press Release: Lowest electricity prices...
- Consumer Advisory Concerning Competitive Power Supply Offers

More News...

Events Calendar

May 2012

Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		
«Apr						Jun»

Follow Cape Light Compact

About
Accessibility
Disclaimer

Budgets

Power Supply
Basic Electric Rates
Cape Light Compact

Energy Efficiency
Programs
Residential

Rebates &
Applications
New Construction

Case Studies
Residential
Commercial

Reports
Energy Efficiency Plan
Energy Efficiency

Internet 100%



Appendix

Budget Attachments

- FY12 Operating Fund
- FY11 Operating Fund
- FY10 Operating Fund
- 2012 Energy Efficiency Program Budget
- 2011 Energy Efficiency Program Budget
- 2010 Energy Efficiency Program Budget
- Audit Letter dated January 30, 2012

Cape Light Compact Operating Fund for FY 2012



FOR 2012 01

ACCOUNTS FOR:

8074 CAPE LIGHT COMPACT OPERTG FUND			ORIGINAL APPROP
8074	5100	CLC OPERTG FD-SALARIES	\$148,000.00
8074	5213	CLC OPERTG FD-TELEPHONES	\$0.00
8074	5235	CLC OPERTG FD-LEGAL SERVICES	\$278,500.00
8074	5239	CLC OPERTG FD-CONTRACTUAL	\$30,000.00
8074	5282	CLC OPERTG FD-TRAVEL	\$15,000.00
8074	5291	CLC OPERTG FD-ADVERTISING	\$15,900.00
8074	5295	CLC OPERTG FD-PRINTG/COPYG	\$0.00
8074	5361	CLC OPERTG FD-POSTAGE	\$1,000.00
8074	5421	CLC OPERTG FD-ASSOC DUES	\$6,000.00
8074	5463	CLC OPERTG FD-EQUIP RENTAL	\$5,000.00
8074	5490	CLC OPERTG FD-CVEC GRANT	\$408,000.00
8074	5981	CLC OPERTG FD-RETIREMENT	\$0.00
8074	5983	CLC OPERTG FD-GRP INSUR	\$0.00
8074	5984	CLC OPERTG FD-MEDICARE	\$0.00
TOTAL CAPE LIGHT COMPACT OPERTG FUND			\$907,400.00

The budget is reviewed and approved by the Cape Light Compact Governing Board. Funding is through a sur-charge on the supplier portion of the Compact's competitive electric supplier page.

Cape Light Compact Operating Fund for FY 2011



FOR 2011

ACCOUNTS FOR:

8074 CAPE LIGHT COMPACT OPERTG FUND			ORIGINAL APPROP
8074	5100	CLC OPERTG FD-SALARIES	\$120,650.00
8074	5213	CLC OPERTG FD-TELEPHONES	\$0.00
8074	5235	CLC OPERTG FD-LEGAL SERVICES	\$110,000.00
8074	5239	CLC OPERTG FD-CONTRACTUAL	\$25,000.00
8074	5282	CLC OPERTG FD-TRAVEL	\$16,400.00
8074	5291	CLC OPERTG FD-ADVERTISING	\$0.00
8074	5295	CLC OPERTG FD-PRINTG/COPYG	\$0.00
8074	5361	CLC OPERTG FD-POSTAGE	\$0.00
8074	5421	CLC OPERTG FD-ASSOC DUES	\$2,500.00
8074	5463	CLC OPERTG FD-EQUIP RENTAL	\$6,000.00
8074	5490	CLC OPERTG FD-CVEC GRANT	\$500,000.00
8074	5981	CLC OPERTG FD-RETIREMENT	\$0.00
8074	5983	CLC OPERTG FD-GRP INSUR	\$0.00
8074	5984	CLC OPERTG FD-MEDICARE	\$0.00
TOTAL CAPE LIGHT COMPACT OPERTG FUND			\$780,550.00

The budget is reviewed and approved by the Cape Light Compact Governing Board. Funding is through a sur-charge on the supplier portion of the Compact's competitive electric supplier page.

Cape Light Compact Operating Fund for FY 2010



FOR 2010

ACCOUNTS FOR:

8074 CAPE LIGHT COMPACT OPERTG FUND			ORIGINAL APPROP
8074	5100	CLC OPERTG FD-SALARIES	\$144,948.00
8074	5213	CLC OPERTG FD-TELEPHONES	\$0.00
8074	5235	CLC OPERTG FD-LEGAL SERVICES	\$151,500.00
8074	5239	CLC OPERTG FD-CONTRACTUAL	\$50,000.00
8074	5282	CLC OPERTG FD-TRAVEL	\$0.00
8074	5291	CLC OPERTG FD-ADVERTISING	\$0.00
8074	5295	CLC OPERTG FD-PRINTG/COPYG	\$0.00
8074	5361	CLC OPERTG FD-POSTAGE	\$0.00
8074	5421	CLC OPERTG FD-ASSOC DUES	\$2,500.00
8074	5463	CLC OPERTG FD-EQUIP RENTAL	\$6,000.00
8074	5490	CLC OPERTG FD-CVEC GRANT	\$500,000.00
8074	5981	CLC OPERTG FD-RETIREMENT	\$0.00
8074	5983	CLC OPERTG FD-GRP INSUR	\$0.00
8074	5984	CLC OPERTG FD-MEDICARE	\$0.00
TOTAL CAPE LIGHT COMPACT OPERTG FUND			\$854,948.00

The budget is reviewed and approved by the Cape Light Compact Governing Board. Funding is through a sur-charge on the supplier portion of the Compact's competitive electric supplier page.

Cape Light Compact 2012 Energy Efficiency Program Budget

For additional information and supporting documents, please see the 2012 Mid-Term Modification to the Cape Light Compact's 2010-2012 Energy Efficiency Plan with the MA DPU at http://documents.capecompact.org/plans/CLC_Docket%2011-116_2012%20MTM%20Petition%20w%20Exhibits.pdf and filed Annual Reports, which can be found in the Reports section of our website.

Program Administrator Budget, 2012 (1) (8)									
Program	PA Costs (1)						Lost Base Revenue (2)	Performance Incentive (3)	TOTAL PA Budget (4)
	Program Planning and Administration	Marketing and Advertising	Participant Incentive	Sales, Technical Assistance & Training	Evaluation and Market Research	Total PA Costs			
Residential (total)	\$538,044	\$453,724	\$8,914,735	\$807,067	\$449,970	\$11,163,540	\$0	\$0	\$11,163,540
Residential New Construction & Major Renovation	13,715	17,173	260,500	89,695	8,972	390,055			390,055
Residential Cooling & Heating Equipment	29,569	18,886	561,650	86,198	18,237	714,541			714,541
Multi-Family Retrofit	0	0	0	0	0	0			0
MassSAVE	327,685	110,029	6,697,373	314,776	366,162	7,816,026			7,816,026
Behavior/Feedback Program	n/a	n/a	n/a	n/a	n/a	0			0
ENERGY STAR Lighting	48,383	70,637	919,000	141,129	32,133	1,211,282			1,211,282
ENERGY STAR Appliances	14,866	41,999	282,375	50,269	6,816	396,326			396,326
Residential Education Program	0	105,000	0	0	0	105,000			105,000
Workforce Development	0	0	0	15,000	0	15,000			15,000
HEAT Loan Program	0	0	0	110,000	0	110,000			110,000
R&D Demonstration	n/a	n/a	n/a	n/a	n/a	0			0
Deep Energy Retrofit	0	0	0	0	0	0			0
Behavior/Feedback Pilot	0	0	158,837	0	17,649	176,486			176,486
Residential New Construction & Major Renovation - Maj	0	0	0	0	0	0			0
Residential New Construction Multi Family (4-8 story) st	0	0	0	0	0	0			0
Residential New Construction Lighting Design statewide	0	0	0	0	0	0			0
Residential New Construction V3 Energy Star Homes st	0	0	0	0	0	0			0
Heat Pump Water Heater Pilot	0	0	0	0	0	0			0
Residential Technical Development	0	0	20,000	0	0	20,000			20,000
Hot Roofs	0	0	15,000	0	0	15,000			15,000
Home Automation	0	0	0	0	0	0			0
Community Based Pilot	n/a	n/a	n/a	n/a	n/a	0			0
Statewide Marketing & Education	0	90,000	0	0	0	90,000			90,000
EEAC Consultants	0	0	0	0	0	0			0
DOER Assessment	89,134	0	0	0	0	89,134			89,134
Sponsorships & Subscriptions	14,691	0	0	0	0	14,691			14,691
Low Income (total)	\$133,313	\$48,720	\$2,302,348	\$534,287	\$126,784	\$3,145,453	\$0	\$0	\$3,145,453
Low-Income Residential New Construction	0	0	0	0	0	0			0
Low-Income Retrofit	110,125	3,720	2,302,348	484,287	126,784	3,027,265			3,027,265
Statewide Marketing & Education	0	15,000	0	0	0	15,000			15,000
Low-Income Energy Affordability Network Funding	0	30,000	0	50,000	0	80,000			80,000
DOER Assessment	23,188	0	0	0	0	23,188			23,188
Commercial & Industrial (total)	\$441,651	\$57,980	\$2,818,372	\$525,496	\$161,427	\$4,004,926	\$0	\$0	\$4,004,926
C&I New Construction and Major Renovation	125,887	4,252	1,000,372	267,003	59,610	1,457,124			1,457,124
C&I New Construction and Major Renovation - Governm	n/a	n/a	n/a	n/a	n/a	0			0
C&I Large Retrofit	218,962	7,396	1,740,000	241,165	99,565	2,307,088			2,307,088
Large C&I Retrofit - Government	n/a	n/a	n/a	n/a	n/a	0			0
C&I Small Retrofit	9,816	332	78,000	17,328	2,252	107,728			107,728
C&I Small Retrofit - Government	n/a	n/a	n/a	n/a	n/a	0			0
Community Based Pilot	n/a	n/a	n/a	n/a	n/a	0			0
Statewide Marketing & Education	0	46,000	0	0	0	46,000			46,000
EEAC Consultants	0	0	0	0	0	0			0
DOER Assessment	74,678	0	0	0	0	74,678			74,678
Sponsorships & Subscriptions	12,309	0	0	0	0	12,309			12,309
GRAND TOTAL	\$1,113,009	\$560,424	\$14,035,455	\$1,866,850	\$738,181	\$18,313,920	\$0	\$0	\$18,313,920

Notes:

- (1) All parties would refer to common definitions (in Appendix I) for allocation of costs.
- (2) Lost Base Revenues are not applicable to The Cape Light Compact.
- (3) Shareholder Performance Incentives are not applicable to The Cape Light Compact.
- (4) The Total PA Budget is the sum of Total TRC Costs and LBR.
- (5) EEAC Consultant fees on the electric side do not get paid out of the PA's budgets, but are instead paid by the DOER out of the RGGI proceeds.
- (6) As filed in the Cape Light Compact's 2010 Mid-Year Revisions Filing, D.P.U. 10-106, in 2010\$
- (7) As this filing assumes approval of the 2011 Mid-Term Modifications, this data is as filed in the Cape Light Compact's 2011 Mid-Term Modifications Filing, D.P.U. 10-147, in 2011\$
- (8) Proposed 2012 changes presented in this filing, representing additional budget requirements for 2012, taking into account 2011 estimated carryover, in 2012\$

IV.C. Electric PA Budgets

1. Summary Table

Program Administrator Budget, 2011 (1)									
Program	PA Costs (1)						Lost Base Revenue (3)	Performance Incentive (2)	TOTAL PA Budget (4)
	Program Planning and Administration	Marketing and Advertising	Participant Incentive	Sales, Technical Assistance & Training	Evaluation and Market Research	Total PA Costs			
Residential (total)	\$413,619	\$462,052	\$9,343,005	\$1,533,376	\$634,156	\$12,386,208	\$0	\$0	\$12,386,208
Residential New Construction & Major Renovation	5,213	1,307	142,980	79,097	7,065	235,663			235,663
Residential Cooling & Heating Equipment	25,592	6,417	701,900	95,402	60,945	890,256			890,256
Multi-Family Retrofit	12,556	3,148	344,355	92,462	68,517	521,038			521,038
MassSAVE	261,273	52,975	5,794,440	956,206	343,215	7,408,109			7,408,109
Behavior/Feedback Program						0			0
ENERGY STAR Lighting	57,071	129,744	1,565,250	177,114	89,151	2,018,330			2,018,330
ENERGY STAR Appliances	10,320	23,461	283,040	32,027	9,917	358,766			358,766
Residential Education Program	0	195,000	0	0	0	195,000			195,000
Workforce Development	0	0	0	15,000	0	15,000			15,000
HEAT Loan Program	0	0	0	45,000	0	45,000			45,000
R&D and Demonstration									
Deep Energy Retrofit	0	0	72,000	0	8,000	80,000			80,000
Behavior/Feedback Pilot	0	0	145,500	0	16,167	161,667			161,667
Residential New Construction & Major Renovation - Major Renovation statewide pilot	0	0	239,240	11,367	27,845	278,452			278,452
Residential New Construction Multi Family (4-8 story) statewide pilot	0	0	0	0	0	0			0
Residential New Construction Lighting Design statewide pilot	0	0	10,000	10,000	2,222	22,222			22,222
Residential New Construction V3 Energy Star Homes statewide pilot	0	0	0	0	0	0			0
Heat Pump Water Heater Pilot	0	0	2,800	7,200	1,111	11,111			11,111
Residential Technical Development	0	0	20,000	0	0	20,000			20,000
Hot Roofs	0	0	9,000	0	0	9,000			9,000
Home Automation	0	0	12,500	12,500	0	25,000			25,000
Community Based Pilot									
Statewide Marketing & Education	0	50,000	0	0	0	50,000			50,000
EEAC Consultants	0	0	0	0	0	0		0	0
DOER Assessment	28,505	0	0	0	0	28,505		0	28,505
Sponsorships & Subscriptions	13,090	0	0	0	0	13,090		0	13,090
Low Income (total)	\$88,350	\$29,956	\$1,958,648	\$662,273	\$115,048	\$2,854,275	\$0	\$0	\$2,854,275
Low-Income Residential New Construction	777	195	17,360	14,927	513	33,772			33,772
Low-Income 1 to 4 Family Retrofit	57,378	14,387	1,360,166	527,114	87,349	2,046,395			2,046,395
Low-Income MultiFamily Retrofit	25,420	6,374	581,122	105,232	27,186	745,334			745,334
Statewide Marketing & Education						0			0
Low-Income Energy Affordability Network Funding	0	9,000	0	15,000	0	24,000		0	24,000
DOER Assessment	4,774	0	0	0	0	4,774		0	4,774
Commercial & Industrial (total)	\$294,641	\$67,299	\$7,858,999	\$1,183,830	\$254,431	\$9,659,199	\$0	\$0	\$9,659,199
C&I New Construction and Major Renovation	17,110	4,290	501,000	72,650	5,846	600,896			600,896
C&I New Construction and Major Renovation - Government	18,360	4,604	537,613	77,959	48,444	686,980			686,980
C&I Large Retrofit	8,155	2,045	238,800	34,628	8,065	291,693			291,693
Large C&I Retrofit - Government	17,866	4,480	523,139	75,860	28,221	649,566			649,566
C&I Small Retrofit	125,132	31,376	3,664,000	564,615	79,889	4,465,013			4,465,013
C&I Small Retrofit - Government	81,775	20,504	2,394,447	358,118	83,965	2,938,809			2,938,809
Community Based Pilot									
Statewide Marketing & Education						0		0	0
EEAC Consultants	0	0	0	0	0	0		0	0
DOER Assessment	15,331	0	0	0	0	15,331		0	15,331
Sponsorships & Subscriptions	10,910	0	0	0	0	10,910		0	10,910
GRAND TOTAL	\$796,610	\$559,307	\$19,160,652	\$3,379,479	\$1,003,634	\$24,899,683	\$0	\$0	\$24,899,683

Notes:

- (1) All parties would refer to common definitions (in Appendix I) for allocation of costs.
- (2) Lost Base Revenues are not applicable to The Cape Light Compact.
- (3) Shareholder Performance Incentives are not applicable to The Cape Light Compact.
- (4) The Total PA Budget is the sum of Total TRC Costs and LBR.
- (5) EEAC Consultant fees on the electric side do not get paid out of the PA's budgets, but are instead paid by the DOER out of the RGGI proceeds.
- (6) Costs for 2011 on this and other tables where they appear are in 2011 dollars

IV.C. Electric PA Budgets

1. Summary Table

Program Administrator Budget, 2010 (1)									
Program	PA Costs (1)						Lost Base Revenue (2)	Performance Incentive (3)	TOTAL PA Budget (4)
	Program Planning and Administration	Marketing and Advertising	Participant Incentive	Sales, Technical Assistance & Training	Evaluation and Market Research	Total PA Costs			
Residential (total)	\$463,219	\$436,209	\$6,606,972	\$1,385,448	\$546,814	\$9,438,662	\$0	\$0	\$9,438,662
Residential New Construction & Major Renovation	12,301	2,815	267,214	88,008	9,680	380,019			380,019
Residential Cooling & Heating Equipment	20,731	4,744	450,325	96,812	67,912	640,525			640,525
Multi-Family Retrofit	12,722	2,911	276,343	76,453	75,142	443,571			443,571
MassSAVE	238,857	43,218	4,102,410	846,458	285,081	5,516,024			5,516,024
Behavior/Feedback Program						0			0
ENERGY STAR Lighting	36,570	120,061	794,385	167,283	41,155	1,159,453			1,159,453
ENERGY STAR Appliances	8,059	26,459	175,070	36,867	7,089	253,545			253,545
Residential Education Program	0	186,000	0	0	0	186,000			186,000
Workforce Development	0	0	0	15,000	0	15,000			15,000
Heat Loan Program	0	0	0	30,000	0	30,000			30,000
R&D and Demonstration									
Deep Energy Retrofit	0	0	60,000	0	23,333	83,333			83,333
Behavior/Feedback Pilot	0	0	225,000	0	8,333	233,333			233,333
Residential New Construction & Major Renovation - Major Renovation statewide pilot	0	0	220,425	11,367	25,755	257,547			257,547
Residential New Construction Multi Family (4-8 story) statewide pilot	0	0	0	0	0	0			0
Residential New Construction Lighting Design statewide pilot	0	0	10,000	10,000	2,222	22,222			22,222
Residential New Construction V3 Energy Star Homes statewide pilot	0	0	0	0	0	0			0
Heat Pump Water Heater Pilot	0	0	2,800	7,200	1,111	11,111			11,111
Residential Technical Development	0	0	20,000	0	0	20,000			20,000
Hot Roofs	0	0	3,000	0	0	3,000			3,000
Home Automation	0	0	0	0	0	0			0
Community Based Pilot									
Statewide Marketing & Education	0	50,000	0	0	0	50,000			50,000
EEAC Consultants	93,555	0	0	0	0	93,555		0	93,555
DOER Assessment	28,456	0	0	0	0	28,456		0	28,456
Sponsorships & Subscriptions	11,967	0	0	0	0	11,967		0	11,967
Low Income (total)	\$77,438	\$24,878	\$1,411,137	\$491,104	\$84,191	\$2,088,750	\$0	\$0	\$2,088,750
Low-Income Residential New Construction	705	161	13,060	14,326	414	28,666			28,666
Low-Income 1 to 4 Family Retrofit	56,462	12,921	1,105,692	382,986	68,783	1,626,844			1,626,844
Low-Income MultiFamily Retrofit	15,497	3,546	292,385	80,042	14,995	406,465			406,465
Statewide Marketing & Education	0	0	0	0	0	0			0
Low-Income Energy Affordability Network Funding	0	8,250	0	13,750	0	22,000		0	22,000
DOER Assessment	4,774	0	0	0	0	4,774		0	4,774
Commercial & Industrial (total)	\$329,803	\$53,570	\$5,632,501	\$962,949	\$119,754	\$7,098,577	\$0	\$0	\$7,098,577
C&I New Construction and Major Renovation	17,352	3,971	364,931	68,831	4,885	459,969			459,969
C&I New Construction and Major Renovation - Government	15,656	3,583	329,266	62,104	34,426	445,034			445,034
C&I Large Retrofit	8,271	1,893	586,053	32,808	0	629,025			629,025
Large C&I Retrofit - Government	15,235	3,486	1,079,502	60,432	20,316	1,178,970			1,178,970
C&I Small Retrofit	107,852	24,681	1,987,663	453,773	0	2,573,969			2,573,969
C&I Small Retrofit - Government	69,730	15,957	1,285,086	285,001	60,128	1,715,902		0	1,715,902
Community Based Pilot									
Statewide Marketing & Education					0	0		0	0
EEAC Consultants	70,295	0	0	0	0	70,295		0	70,295
DOER Assessment	15,380	0	0	0	0	15,380		0	15,380
Sponsorships & Subscriptions	10,033	0	0	0	0	10,033		0	10,033
GRAND TOTAL	\$870,460	\$514,657	\$13,650,610	\$2,839,502	\$750,760	\$18,625,989	\$0	\$0	\$18,625,989

Notes:

- (1) All parties would refer to common definitions (in Appendix I) for allocation of costs.
- (2) Lost Base Revenues are not applicable to The Cape Light Compact.
- (3) Shareholder Performance Incentives are not applicable to The Cape Light Compact.
- (4) The Total PA Budget is the sum of Total TRC Costs and LBR.
- (5) EEAC Consultant fees on the electric side do not get paid out of the PA's budgets, but are instead paid by the DOER out of the RGGI proceeds.
- (6) Costs for 2011 on this and other tables where they appear are in 2011 dollars



Certified Public Accountants

SULLIVAN, ROGERS & COMPANY, LLC

Corporate Place I, Suite 204 • 99 South Bedford Street

Burlington, Massachusetts 01803

P • 781-229-5600 F • 781-229-5610 www.sullivan-rogers.com

January 30, 2012

Mr. William Doherty
Chairman
Cape Light Compact
P.O. Box 427/SCH
3195 Main Street
Barnstable, MA 02630

Dear Mr. Doherty:

The operations of the Cape Light Compact are accounted for in the County of Barnstable's financial records and, since the inception of the Compact, have been audited annually as part of the audit of the County of Barnstable's financial statements. The annual audits are public documents.

The County of Barnstable's audit is conducted in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

If you have any questions or require further information, please do not hesitate to contact us at any time.

Sincerely,

A handwritten signature in black ink that reads "Matthew S. Hunt". The signature is written in a cursive style with a large, stylized initial "M".

Matthew S. Hunt, CPA
Shareholder