

**Cape Light Compact JPE
Executive Committee &
Governing Board Meeting**

DATE: Wednesday, May 8, 2019
LOCATION: Cape Light Compact Offices – MV Conference Room
261 Whites Path, Unit 4, South Yarmouth
TIME: 2:00 – 4:30 p.m.

AGENDA

2:00 PM

Public Comment

Approval of Minutes: April 10, 2019 and June 13, 2018

Chairman's Report, Introduction of Provincetown Board Member

2019 Contract Update and Financial Reports, Peter Cocolis

Discussion on 2017 Cape Light Compact Financial Statements, Jennifer Cook.
Clifton Larson Allen, LLP

Energy Efficiency Program

1. Main Streets Initiative, October 2019, Lindsay Henderson
2. Analysis of Energy Efficiency Program Budgets 2014-2021
3. DPU 18-1116: Update on Discussions with Eversource Over the Compact's Active Demand Response Initiative, Austin Brandt
4. Discussion and Potential Vote on Consumer Advocacy Cost Allocation Policy, Maggie Downey

Power Supply Program

1. Analysis of JPE Operating Budgets and Reserve Balance, Austin Brandt

Open Session Vote on entry into Executive Session pursuant to M.G.L. c. 30A §21(a)(10), (3) and (10) to discuss trade secrets and confidential, competitively-sensitive or other proprietary power supply information; regulatory litigation strategy for DPU 18-116, CLC 2019-2021 Energy Efficiency Plan Filing; potential vote related to the Cape Light Compact 2019 and beyond power supply program portfolio (renewable energy and REC contracting) and potential vote to determine whether it is appropriate to release any portion of confidential competitive electric supply contract provisions, not to return to open session thereafter.

Board Member Update (Reserved for Updates on Member Activities the Chair Did Not Reasonably Anticipate Would be Discussed – No Voting)

**Cape Light Compact JPE
Executive Committee
Open Session Meeting Minutes
Wednesday, April 10, 2019**

The Cape Light Compact JPE Board of Directors met on Wednesday, April 10, 2019 in the Martha's Vineyard Conference Room at the Cape Light Compact JPE Offices at 261 Whites Path, Yarmouth, MA 02664 at 2:00 PM.

Present Were:

1. David Anthony, Secretary, Barnstable
2. Robert Schofield, Executive Committee, Bourne
3. Ronald Zweig, Chair, Falmouth
4. Richard Toole, Executive Committee, Oak Bluffs – **By Phone**
5. Martin Culik, Executive Committee, Orleans
6. Joyce Flynn, Vice-Chair, Yarmouth

Absent Were:

1. Peter Cocolis, Executive Committee, Chatham

Members/Alternates:

Physically present: 5

Present by phone: 1

Board Members Present:

Colin Odell, Brewster

Timothy Carroll, Chilmark – **By Phone**

Brad Crowell, Dennis

Alan Strahler, Edgartown – **By Phone**

Leanne Drake, Sandwich

Richard Elkin, Wellfleet

Sue Hruby, West Tisbury

Legal Counsel:

Jeffrey Bernstein, Esq., BCK Law, P.C.

Staff Present:

Austin Brandt, Senior Power Supply Planner

Dan Schell, Marketing and Communications Coordinator

Margaret Song, C&I Program Manager

Melissa Allard, Senior Administrative Coordinator

Public Present:

None Present.

Ronald Zweig called the meeting to order at 2:00 PM. Ronald Zweig recognized Richard Toole of Oak Bluffs who was participating remotely because physical attendance at the meeting would be unreasonably difficult.

PUBLIC COMMENT:

There were no members of the public present.

APPROVAL OF MINUTES:

The Board considered the March 13, 2019 Meeting Minutes. Ron Zweig stated that the word “report” needs to be added after the word “actuarial” in the middle of page 3. The minutes will be voted on at next month’s meeting when there is a full Board.

CHAIRMAN’S REPORT:

Ron Zweig stated that Nathaniel Mayo has been appointed by the Town of Provincetown to be a member of the Compact’s Board.

Ron Zweig asked the Board if they had looked over the 2017 audited financial statements that Maggie Downey emailed out and whether they had any interest in the auditor coming back for the May Board Meeting to answer any questions. He believes it is a good idea to have them come back. He found the use of an exclamation point in the report to be surprising. Also, he would like an explanation on the bank account containing \$7 million that is uninsured, to know what the recommendations to management are, and suggested that in the future the Board gets the report first and then the presentation from the auditors.

Ron Zweig asked the Board for potential topics for May’s Board Meeting. Richard Elkin stated that the Compact should put together monthly projections of the budget rather than just assuming that it is on budget. Ron Zweig stated that with the scale of the budget and the “hockey stick” (accelerated spending at the end of the calendar year) pattern that the projections could be difficult to put together. Richard Elkin stated that the “hockey stick” pattern can be built in the plan. The Compact should look at previous year’s financial reports and apply those to future projections. Margaret Song stated that the Compact can prepare the budget according to the wishes of the Board. The Compact has tried to apply projections years ago, but it was a bit confusing for those that aren’t at most of the meetings. Joyce Flynn stated that the amount of work fluctuates with the seasons. Richard Elkin stated that the Compact knows by now what time of the year is busy or slow and can figure that into the plan. Richard Elkin was interested in how front-loaded expenses such as OPEB Liability and Retirement were reflected in a budget. Colin Odell added that he would be interested in seeing not only the budget but also the savings as well as the cost to achieve.

Ron Zweig stated that at the next month’s meeting that Board Members will be reviewing executive session minutes. Jeff Bernstein stated that each set of minutes will have to be discussed one at a time. He stated that the Board may decide to make some of the minutes public, in whole or in part.

Ron Zweig stated that the 2019 Operating and Energy Efficiency Budget are in the Board packet. However, Peter Cocolis is not here to review them today.

ENERGY EFFICIENCY PROGRAM:

- 1. Discussion and Potential Vote on Proposed Incentive for Hyannis Youth and Community Center, Margaret Song**

Margaret Song reviewed the proposed incentive of \$295,000 for the Hyannis Youth and Community Center Project. The project involves upgrading over a thousand interior and exterior light fixtures to LEDs. The total annual kWh savings would be \$325,555.

Brad Crowell asked if other measures were considered or was it just lighting. Margaret Song stated that the Compact is also looking at a wide range of services and has worked on other projects there in the past. Richard Elkin asked what the cost benefit ratio is of the project. Margaret Song answered around 2.3. Colin Odell asked if it was done prescriptively. Margaret Song answered that it is a mix of prescriptive and custom.

David Anthony asked if it was appropriate for the Executive Committee to vote on this and whether it could bear in a direct and material fashion on the interests of municipal members. Jeff Bernstein stated that it would be fine because of where the funding is coming from. David Anthony asked if there was an issue if the Executive Committee were to decide to table the vote and bring it back to a full board next month. Margaret Song stated that the Hyannis Youth and Community Center is anxious to get started working. She would have to let them know that the vote was being delayed until next month's meeting.

Martin Culik moved the Board vote to approve an incentive of up to \$295,000 for the Hyannis Youth and Community Center. The Compact Administrator is authorized and directed to take all actions necessary or appropriate to implement this vote, and to execute and deliver all documents as may be necessary or appropriate to implement this vote. Seconded by Robert Schofield.

David	Anthony	Barnstable	Yes
Robert	Schofield	Bourne	Yes
Ronald	Zweig	Falmouth	Yes
Richard	Toole	Oak Bluffs	Yes
Martin	Culik	Orleans	Yes
Joyce	Flynn	Yarmouth	Yes

Motion carried in the affirmative (6 – 0 – 0)

2. Discussion and Potential Vote on Allocation of Shared Costs Policies, Margaret Song

Margaret Song stated that the changes that were suggested at last month's meeting were made. Joyce Flynn asked if it were best to pass the vote now and affirm at the May Board Meeting when there is a full board. Jeff Bernstein stated that it wouldn't be a bad idea. Martin Culik made a motion to table the vote until next month's meeting. Jeff Bernstein stated that there should at least be some discussion today to see if the changes that he and Maggie Downey made reflected what the Board wanted in order to save time during next month's meeting. He also stated that it would speed things up if Board Members are comfortable with the Executive Committee voting today.

Ron Zweig stated that there is no mention of legal services. Jeff Bernstein stated that legal advocacy and related expenses will be the subject of a separate policy to be discussed at a future meeting.

David Anthony moved the Cape Light Compact JPE ("Compact") Board of Directors voted to allocate shared costs between the Compact's energy efficiency and operating budgets as follows:

Staff salaries, including employee benefits, pension and Other Post Employment Benefit (OPEB) liabilities, shall be allocated based on the ratio between a) their time spent working on energy efficiency matters, including consumer advocacy matters related to energy efficiency as determined by the Board, and b) time spent on all other matters (operating budget). Staff allocating their time shall track time on their bi-weekly timesheets. Payroll Services, custodial, utilities, office space, software licenses, and internet fees shall be allocated based on staff's salary allocations.

Auditor, treasury services, and financial software costs shall be allocated based on the percentage of total of the energy efficiency, including consumer advocacy matters related to energy efficiency, and operating budgets that each respective budget represents. For example, based on the current budgets, the 2019 energy efficiency budget represents about 98% of the total budget and the 2019 operating budget represents about 2%.

All insurance related expenses associated with staff are allocated based on the salary allocation above. Board member insurance related expenses are allocated 50% to energy efficiency budget and 50% to operating budget. This will result in an allocation shown on the attached where costs are allocated 68% to energy efficiency budget and 32% to operating budget.

The Compact Administrator is authorized and directed to take all actions necessary or appropriate to implement this vote, and to execute and deliver all documents as ay be necessary or appropriate to implement this vote.

David	Anthony	Barnstable	Yes
Robert	Schofield	Bourne	Yes
Ronald	Zweig	Falmouth	Yes
Richard	Toole	Oak Bluffs	Yes
Martin	Culik	Orleans	Yes
Joyce	Flynn	Yarmouth	Yes

Motion carried in the affirmative (6 – 0 – 0)

3. DOER Grant Opportunity, Margaret Song

Margret Song stated that Cape Light Compact is providing services to towns pursuing Green Community status or already so designated. The Regional Energy Program Assistance will help with maintaining green community status and with completing the application. She stated that the towns that are interested should let her know by Friday, April 12th. The MOU's will be sent to those towns. Many communities have reached out already. The application is due May 10th to the Department of Energy Resources (DOER). The Compact will be paid directly by DOER to help these towns. The Contract lasts for two years.

Brad Crowell asked if there was any reason for non-green communities to participate in this program. Margaret Song mentioned that she was looking for clarification from the DOER as there is a task within the grant that references non-Green Communities, and this seems to allow for work to assist those communities that are not Green Communities.

4. DPU 18-1116: Update on Discussions with Eversource Over the Compact's Active Demand Response Initiative, Austin Brandt

Austin Brandt stated that the Compact has been negotiating with Eversource over the Compact's Active Demand Response program. Eversource has agreed to some changes on the MOU they sent. Austin Brandt stated that Maggie Downey proposed that the Compact could use the same dispatch method that Eversource uses and come up with a plan.

Austin Brandt stated that Maggie Downey had a meeting with the EEAC on April 3rd and discussed the status of Compact's negotiations with Eversource. The EEAC made it very clear that the Compact and Eversource need to figure it out on their own. EEAC does not want to have to get involved. Eversource is to give an answer about the program by April 26th and hopefully the Compact should be able to move forward this summer. The Compact will keep the Board updated as negotiations continue.

POWER SUPPLY PROGRAM:

1. Discussion on 2018 Municipal Aggregation Report, Austin Brandt

Austin Brandt reviewed the 2019 DPU Annual Report PowerPoint. The Compact filed annual report on April 1, 2019 and had to request extension of March 1, 2019 due to data issues.

Austin Brandt stated that NextEra and the Compact are looking into why the percentage of eligible customer average participation for low-income is so low. Brad Crowell asked if it was percent of load or accounts. Austin Brandt answered that it is percent of accounts. Jeff Bernstein asked if the low-income customers are opting out. Austin Brandt stated that the Compact doesn't get the rate code on the opt out list telling whether they are low income or not. Ron Zweig stated that the 0.2% low-income customers seems suspect. Austin Brandt stated that Eversource may be putting a hold on low-income customer accounts. Richard Elkin asked if it financially benefits the Compact that there is such a small number of low-income customers on the power supply. Austin Brandt stated that it's neutral. He stated that on average 18,000 customers are on basic service who didn't tell Eversource to lock their account. How did they get on basic service and what is Eversource doing differently when it comes to those customers?

Margaret Song stated that one of the reasons there may be such a small percentage of low-income customers is that the customers have to prove they are low-income and when the opt out cards go out, they may not have sent in all their income verification forms. Richard Elkin asked if low-income customers get 36% deducted from all of their bills. Austin Brandt stated that he believes it is just off the distribution side of the bill. Robert Schofield stated that for 20 years he has been helping seniors apply for fuel assistance. He has seen many electric bills with the Compact as their power supplier. Ron Zweig asked how a customer would know if they qualify as low-income. Margaret Song stated that if the customer is on fuel assistance then they automatically go under discount rate. The Compact will send out income verification forms to those that think they will qualify. Richard Elkin asked if the Compact has any information on its website about qualifying for low-income. Margaret Song answered yes. The income guidelines and incentives are on the Compact's website.

Austin Brandt stated that NextEra was unable to obtain information requested from the DPU on low-income customers because they were having a hard time getting that information from Eversource. NextEra is continuing to research a bit more to see what they can find. David Anthony stated that Eversource doesn't seem to be cooperating as they should be. He asked if this has been communicated to the DPU and whether other aggregators having the same issue. Austin Brandt stated it had been put into the annual report, along with a request to not require this level of reporting or for EDCs to provide uniform reporting for all aggregations in their territory for administrative efficiency for future reports.

POTENTIAL TOPICS FOR MAY'S BOARD MEETING CONTINUED:

Ron Zweig asked if the Board had reviewed the reallocation of interest earned on the Compact's bank account. Colin Odell asked what the Compact has in its power supply reserve funds and whether the Board had established (voted) a policy for the level of required power supply reserves. He also asked whether the Compact need to do some belt tightening on its finances.

ADJOURNMENT:

Motion to adjourn made at 3:55 PM moved by Joyce Flynn, seconded by Robert Schofield.

Respectfully submitted,

Melissa Allard

LIST OF DOCUMENTS AND EXHIBITS:

- Meeting Notice/Agenda
- March 13, 2019 Draft Meeting Minutes
- Certificate of Appointment – Town of Provincetown
- 2019 Operating Budget
- 2019 Energy Efficiency Budget
- Interest Reallocation
- Agenda Action Request: Proposed Incentive for Hyannis Youth and Community Center Project
- Agenda Action Request: Allocation of Shared Costs Policy
- D.P.U. 19-MA (Hearing Officer Reporting Procedures – 2018 Municipal Aggregation Annual Reports)
- Calendar of Events the Compact is Participating in
- 2019 DPU Annual Report PowerPoint

Contract Executed?	AMOUNT OF CONTRACT	AMENDMENT	TERM	PURPOSE	COMPETITIVELY PROCURED?	Approval Date	Notes
Y	no change	1st	1.1.17-6.30.19	HES Rebate Processing	Yes	1.4.19	Amended to extend through June 30, 2019
Y	no change	2nd	1.1.15-6.30.19	Lighting & Products	Yes	1.4.19	Amended to extend through June 30, 2019
Y	no change	2nd	1.1.17-3.31.19	ECM Pumps	Yes	1.4.19	Amended to extend through March 31, 2019
Y	\$350,000	2nd	1.1.17-12.31.19	Commercial Small Business Services (refrigeration direct install services)	Yes	1.4.19	
Y	\$75,000	2nd	1.1.17 - 6.30.19	Residential HVAC Services	Yes	1.4.19	
Y	n/a. As needed services	1st	1.1.19-12.31-21	Ancillary Engineering Services	Yes	1.11.19	
Y	\$ 3,380,000.00	2nd	1.1.19-12-31.19	Municipal Retrofit Services	Yes	1.11.19	
Y	not to exceed 3,000	1st	1.1.17 - 12.31.20	Recycling for Small Business	Yes	1.11.19	Amended to extend through Dec 31, 2020
Y	\$986,459.60	1st	1.1.17 - 12.31.19	Medium Businesses	Yes	1.11.19	Amended to extend through Dec 31, 2019
Y	\$1,616,339.50	2nd	1.1.17 - 12.31.19	Small Businesses	Yes	1.11.19	Amended to extend through Dec 31, 2019
Y	not to exceed	n/a	10.1.18 - 6.30.22	C&I Impact Evaluation	Yes	1.18.19	
Y	\$128,319.14	2nd	1.1.17 - 12.31.19	Professional/Consulting Services Agreement	Yes	1.18.19	Amended to extend through Dec 31, 2019
Y	not to exceed \$455,000	3rd	1.1.17 - 12.31.20	Installation Services	Yes	1.28.19	Amended to extend through Dec 31, 2020
Y	\$555,000	n/a	1.15.19 - 1.31.21	Mass Save Marketing Agreement	Yes	1.28.19	
Y	\$557,799	n/a	1.19.19 - 4.30.22	MA RI Upstream Lighting	Yes	1.28.19	
Y	no change	1st	4.1.18 - 12.31.19	Professional/ Consulting Services	Yes	1.28.19	
Y	\$22,000	2nd	1/1/19-12/31/19	MMI Support Services to MF program	Yes	2.5.19	Amended to extend through Dec 31, 2019
Y	\$ 7,000.00	3rd	1/1/19-4/30/19	Marketing Support - Res MF	Yes	2.8.19	Amendment to extend 4 months to 4/30/19
Y	\$ 263,213.00	N/A	2/8/19-12/31/2019	CLC Marketing Services	Yes	2.8.19	
Y	\$ 1,658,415.00	2nd	1/1/19-12/31/19	Multi-family Installation Services	Yes	2.8.19	Amendment to extend through Dec 31, 2019
Y	\$ 2,867,012.00	2nd	1/1/19-12/31/19	Low Income Single and Multi-family Services	LEAN Network	2.15.19	Amendment to extend through Dec 31, 2019
Y	\$10,000	n/a	2/15/19 - 12/31/19	Professional/Consulting Services Agreement	Yes	2.26.19	
Y	Based on demand	n/a	4/1/19 - 6/30/22	Energy Efficiency Field Agreement	Yes	4.2.19	
Y	\$939,264.00	n/a	1.1.19-6.30.20	Residential New Construction including Renovations & Additions	Yes	4.12.19	New contract to move ICF from Consulting Agreement to Field Services Agreement
Y	no change	1st	1.15.19 - 4.15.19	Energy Efficiency Field Services Agreement	Yes	4.12.19	Amended to extend through April 15, 2019
	\$ 17,870.00	n/a	4/19/19 - 5/31/19	FCM M&V Annual Certification	Yes	4.25.19	
	\$ 10,000.00	3rd	11.1.17 - 12.31.19	QA/QC	Yes	5.2.19	

Operating Budget Expenditures Through May 3, 2019

ORG	OBJECT	ACCOUNT DESCRIPTION	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	AVAILABLE BUDGET	% USED
01001	5110	OP-SALARIES	80,176	80,176	32,217.69	47,958	40.20
01001	5119	OP-SALARY RESERVE	5,000	5,000	0.00	5,000	0.00
01001	5171	OP-RETIREMENT	20,044	20,044	0.00	20,044	0.00
01001	5173	OP-GROUP INSURANCE	12,035	12,035	5,115.39	6,920	42.50
01001	5174	OP-MEDICARE/OTHER TAXES	2,060	2,060	565.76	1,494	27.50
01001	5179	OP-MISC FRINGES	7,090	7,090	132.25	6,958	1.90
01001	5180	OP-RETIREMENT LIABILITY	5,300	5,300	0.00	5,300	0.00
01001	5181	OP-OPEB LIABILITY	7,100	7,100	0.00	7,100	0.00
01001	5210	OP-UTILITIES	500	1,000	94.86	905	9.50
01001	5270	OP-MISC RENTALS	3,500	3,500	0.00	3,500	0.00
01001	5272	OP-RENT	22,500	22,500	5,625.00	16,875	25.00
01001	5290	OP-CUSTODIAL SERVICES	3,938	3,438	1,104.32	2,334	32.10
01001	5301	OP-ADVERTISING	170,000	170,000	28,641.02	141,359	16.80
01001	5309	OP-IT SERVICES	5,000	5,000	387.32	4,613	7.70
01001	5313	OP-STAFF PROFESSIONAL DEVELOP	5,000	5,000	271.67	4,728	5.40
01001	5314	OP-PAYROLL SERVICES	500	500	553.50	-54	110.70
01001	5315	OP-LEGAL SERVICES	230,800	230,800	36,387.81	194,412	15.80
01001	5316	OP-AUDIT FEES	11,250	11,250	4,300.00	6,950	38.20
01001	5318	OP-TREASURY SERVICES	5,000	5,000	3,844.43	1,156	76.90
01001	5319	OP-CONTRACTUAL	20,000	20,000	6,982.74	13,017	34.90
01001	5320	OP-OUTREACH/MARKETING CONTRACT	75,000	75,000	4,349.43	70,651	5.80
01001	5341	OP-POSTAGE	26,500	26,500	2,356.88	24,143	8.90
01001	5343	OP-TELEPHONES	3,500	3,500	463.59	3,036	13.20
01001	5344	OP-INTERNET	5,000	5,000	1,726.68	3,273	34.50
01001	5345	OP-PRINTING	8,000	8,000	3,464.87	4,535	43.30
01001	5400	OP-SUPPLIES	2,500	2,500	48.93	2,451	2.00
01001	5490	OP-FOOD SUPPLIES	5,000	5,000	49.22	4,951	1.00
01001	5710	OP-TRAVEL IN STATE	17,000	17,000	2,973.15	14,027	17.50
01001	5720	OP-TRAVEL OUT STATE	6,000	6,000	1,054.35	4,946	17.60
01001	5730	OP-SPONSORSHIPS	39,300	39,300	29,265.48	10,035	74.50
01001	5731	OP-SUBSCRIPTIONS	20,000	20,000	18,769.50	1,231	93.80
01001	5732	OP-SOFTWARE LICENSES	1,000	1,000	0.00	1,000	0.00
01001	5741	OP-INSURANCE	10,600	10,600	0.00	10,600	0.00
01001	5786	OP-BANK FEES	500	500	0.00	500	0.00
01001	5789	OP-UNPAID BILLS	2,000	2,000	0.00	2,000	0.00
01001	5854	OP-FINANCIAL SOFTWARE SYSTEM	5,000	5,000	2,427.49	2,573	48.50
01001	5855	OP-COMPUTER EQUIPMENT	5,000	5,000	551.19	4,449	11.00
Total 01 OPERATING FUND			848,693	848,693	193,724.52	654,968	22.80

Main Streets Initiative October 2019

**Cape Light
Compact**



Working Together Toward A Smarter Energy Future

Overview

- Statewide Small Business Working Group has engaged a marketing vendor to help with outreach about the programs in each territory
- Energy Efficiency Day is Wednesday October 2
- All PAs are interested in doing a one-day “Main Streets” event on this day in a town in each of the PA territories.
- CLC interested in doing events on both the Cape and Vineyard on this day



Our Event

- Working with RISE Engineering, go door to door on a specified street to install energy efficiency measures on site. For other opportunities we will follow up with customer.
- Criteria for eligible street:
 - Defined “Main Street” which allows for walking the street to go business to business
 - Engaged Chamber of Commerce
 - Supportive Town staff
- Interested in testing this method of going door to door during a specific timeframe, to be able to offer this in other towns in the future.



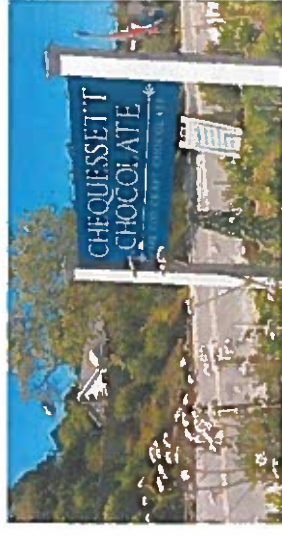
Cape Light
Compact



Marketing for Oct. 2



- There will be specific marketing to the businesses that are being targeted, that this event is taking place
- Obtain support from Town Managers/Administrators and work on outreach to businesses
- Work with the local Chambers of Commerce to get inserts in the newsletters
- Have media coverage on the day, promote the businesses participating, video and pictures



Logistics

- Try to collaborate with schools in the towns that we are holding the Main Streets Day to get kids involved
- Engage folks in the community to help with outreach in advance of the day and make sure that a decision maker will be in attendance on the day.
- Proposed Incentives
 - 100% - LED screw-in bulbs, faucet aerators, spray valves, smart strips, showerheads, thermostats
 - Up to 90% for additional lighting and refrigeration
 - Up to 65% for custom measures



Cape Light Compact



“Main Streets” All Month



- October is National Energy Awareness Month
- The “Main Streets” offer is extended to all businesses, (up to 1.5 million kWh in annual usage), in all towns on Cape and Vineyard for this month
- Will do advertising and outreach to businesses on the Cape and Vineyard promoting this offer
 - Social media targeting, radio ads, digital and print ads
- Work with Chambers of Commerce for assistance in promoting through their newsletters and other avenues

Prior Small Business Data

2018

- 510 Participants (mid-Feb through July 4)
- \$1,031,637 in incentives to customers
- 1,407,400 kWh saved
- 402 MMBTu saved

2017

- 351 participants (January-December)
- \$1,168,775 in incentives to customers
- 1,617,568 kWh Saved
- 40 MMBTu saved



Cape Light Compact Energy Efficiency Program Budget and Savings

Historical 5 year average compared to current plan

**Cape Light
Compact**



Context

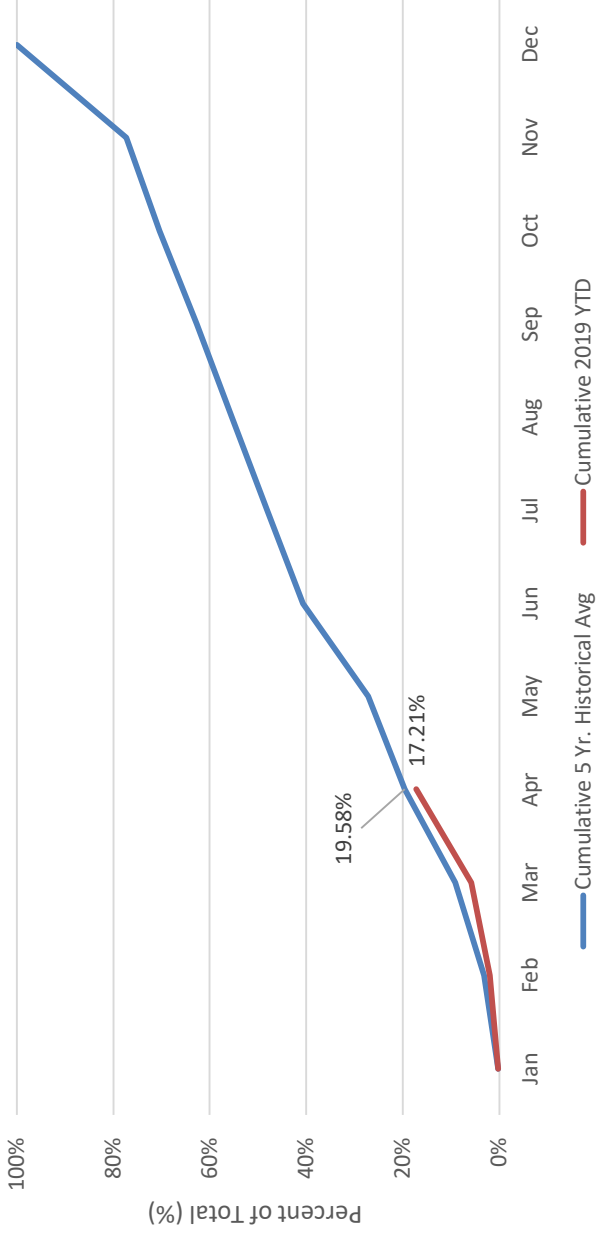


- Purpose of presentation is to assess 2019 progress, compared to historical trends
- 5 year historical average includes final results for plan years 2014 – 2017, and preliminary results for 2018
- Data is presented at the Portfolio level
- Savings data lags spending data by 1 month due to savings QC process

Spending



Energy Efficiency Spending



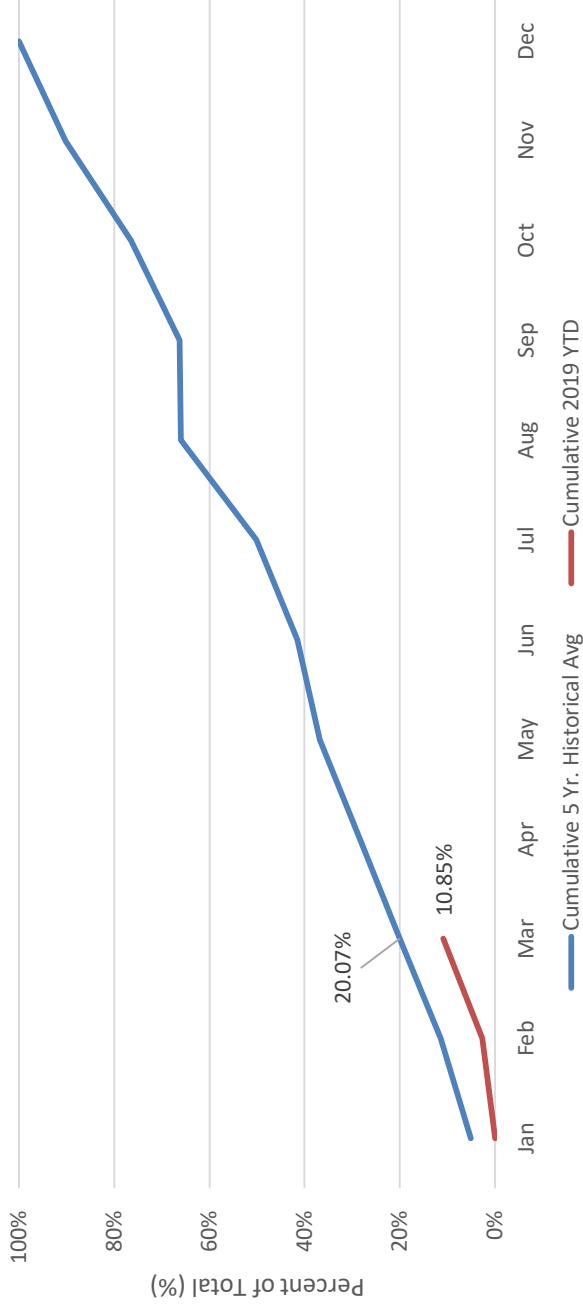
Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Cumulative 5 Yr. Historical Avg	0.17%	3.12%	9.10%	19.58%	27.12%	40.69%	48.09%	55.43%	62.77%	70.46%	77.35%	100.00%
Cumulative 2019 YTD	0.19%	1.99%	5.72%	17.21%								

- Historically about 20% of expenditures occur thru April
- For 2019, we've spent about 17% of budget thru April

Savings



Energy Efficiency Savings (Lifetime MWh)



Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Cumulative 5 Yr. Historical Avg	5.07%	11.42%	20.07%	28.41%	36.84%	41.56%	50.15%	66.04%	66.21%	76.52%	90.19%	100.00%
Cumulative 2019 YTD	0.03%	2.72%	10.85%									

- Data thru March. Savings lags spending by 1 month because of QC
- Historically, realized about 20% of savings thru March
- For 2019, realized about 10% of savings. Strong April spend should allow us to catch up

COSE & BCR



Cost of Saved Energy (COSE)

	5 Yr Historical Avg	2019 YTD Actual	2019 Plan	2020 Plan	2021 Plan
\$/Lifetime MWh	\$ 65	\$ 72	\$ 137	\$ 160	\$ 171
\$/Lifetime MMBTU	\$ 11.21	\$ 10.87	\$ 15.72	\$ 18.06	\$ 18.67

Benefit / Cost Ratio (BCR)

	5 Yr Historical Avg	2019 YTD Actual	2019 Plan	2020 Plan	2021 Plan
BCR	2.84	2.96	2.60	2.64	2.65

- COSE & BCR based on data through March
- Plan COSE higher / BCR lower due to lighting baseline / measure mix changes
- 2019 YTD tracking well against plan

Cape Light Compact JPE Operating Reserves and Budget

**Cape Light
Compact**



Analyses

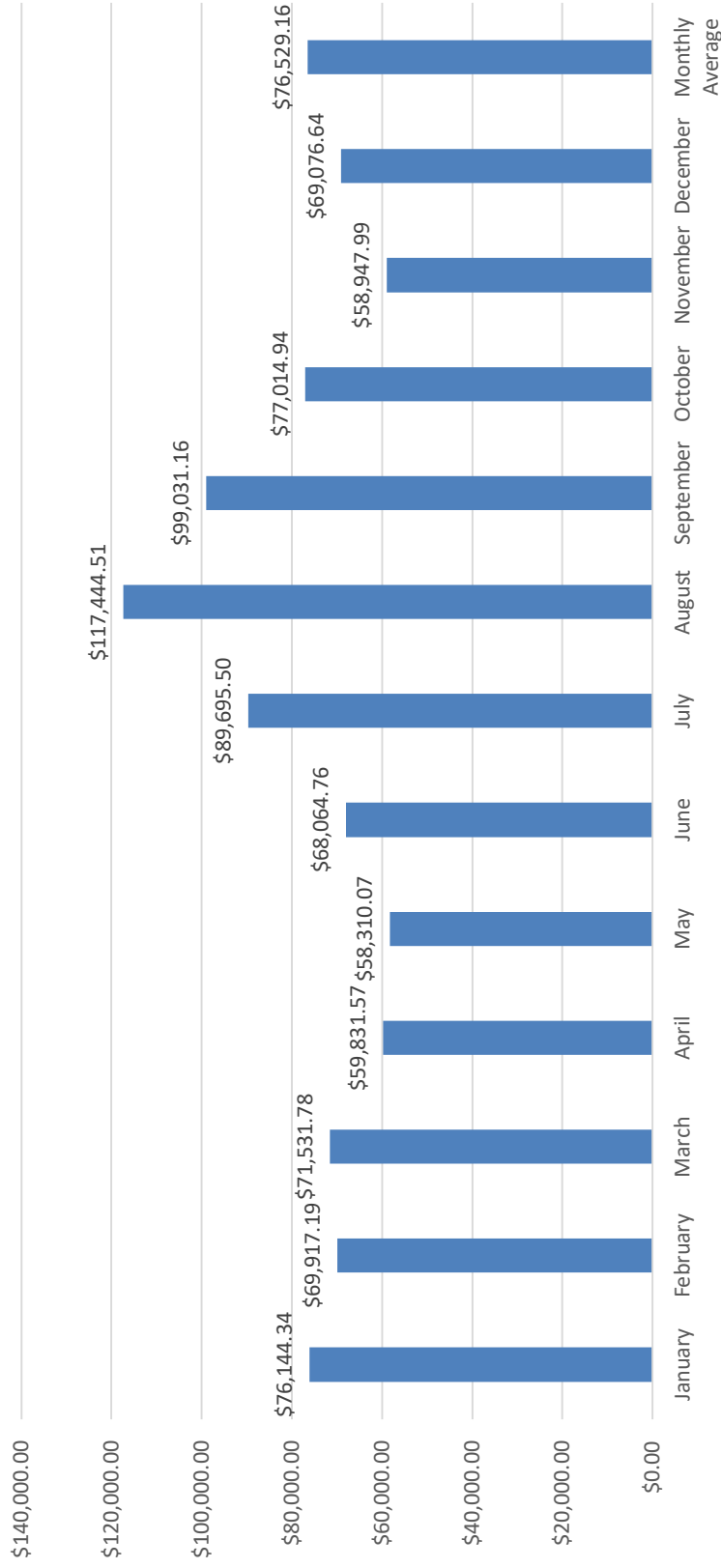
- Revenue Trends (April 2014 – March 2019)
- JPE Expenditures Trends (July 2017 – December 2018)
- Estimate of significant non-annual expenditures



Revenue Trends



5-Yr Avg. Monthly Adder Revenue (@ \$0.001/kWh)

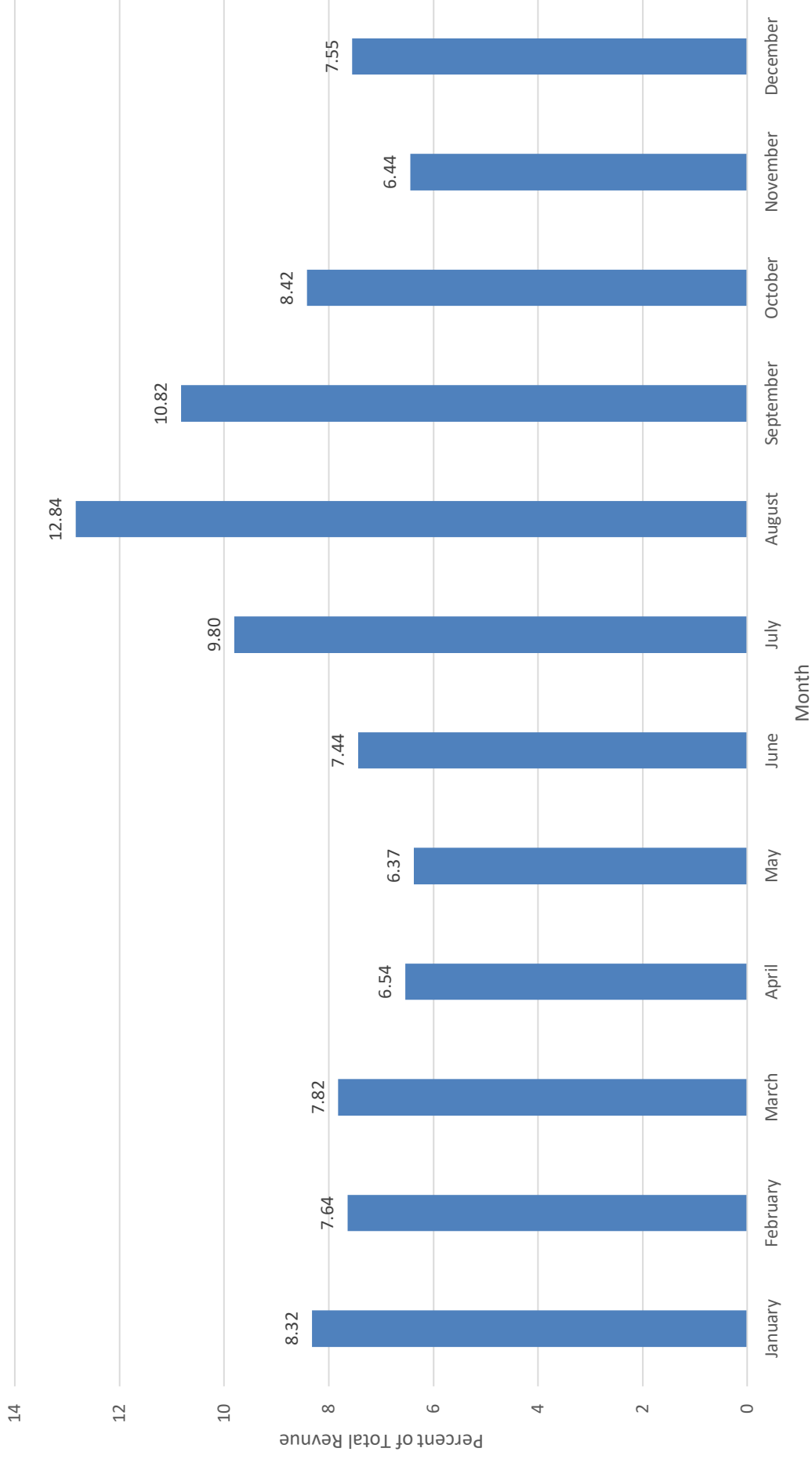


Monthly average revenue: \$76,529
Average annual revenue: \$915,010

Revenue Trends



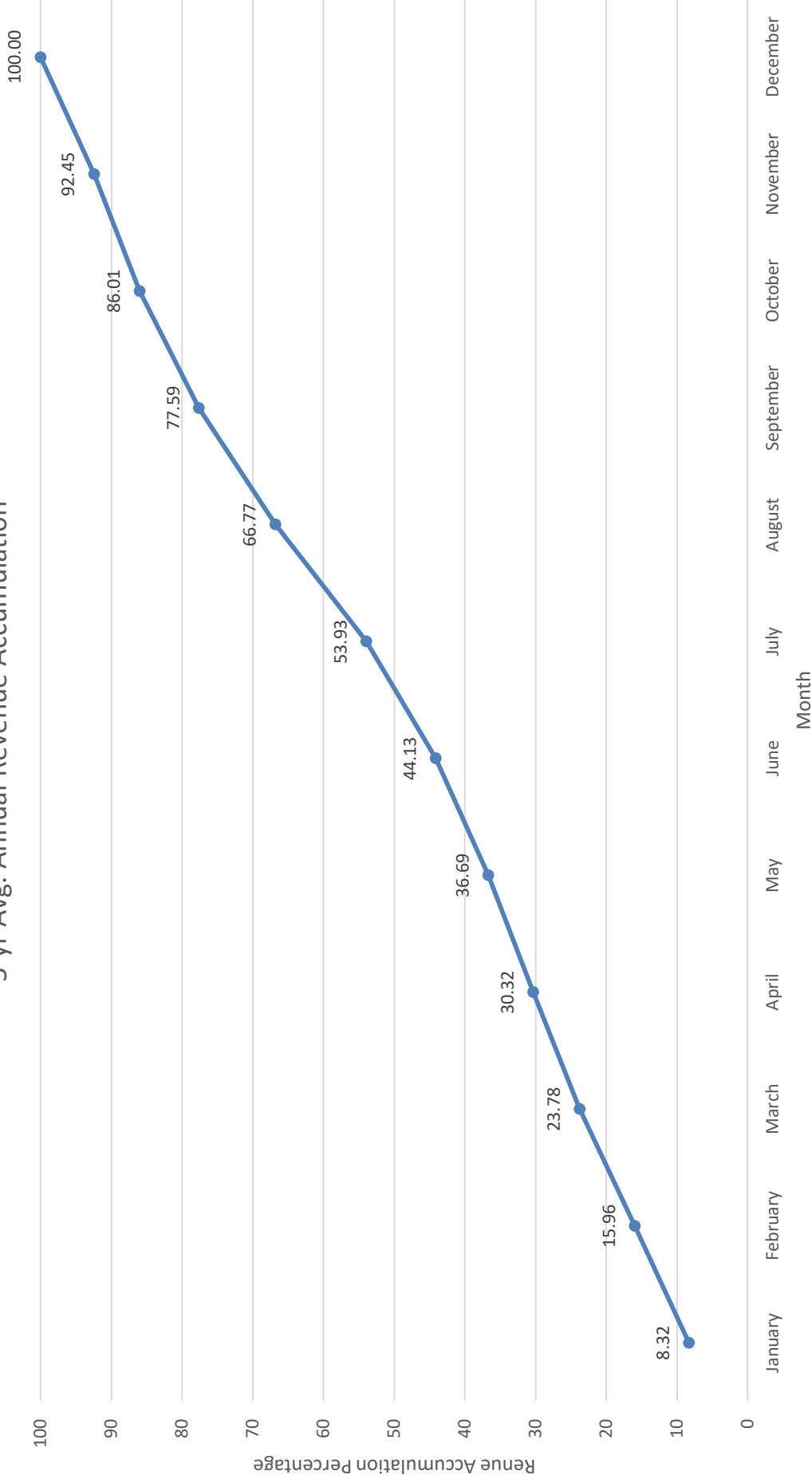
Percent of Total Revenue (5-Yr Avg.)



Revenue Trends



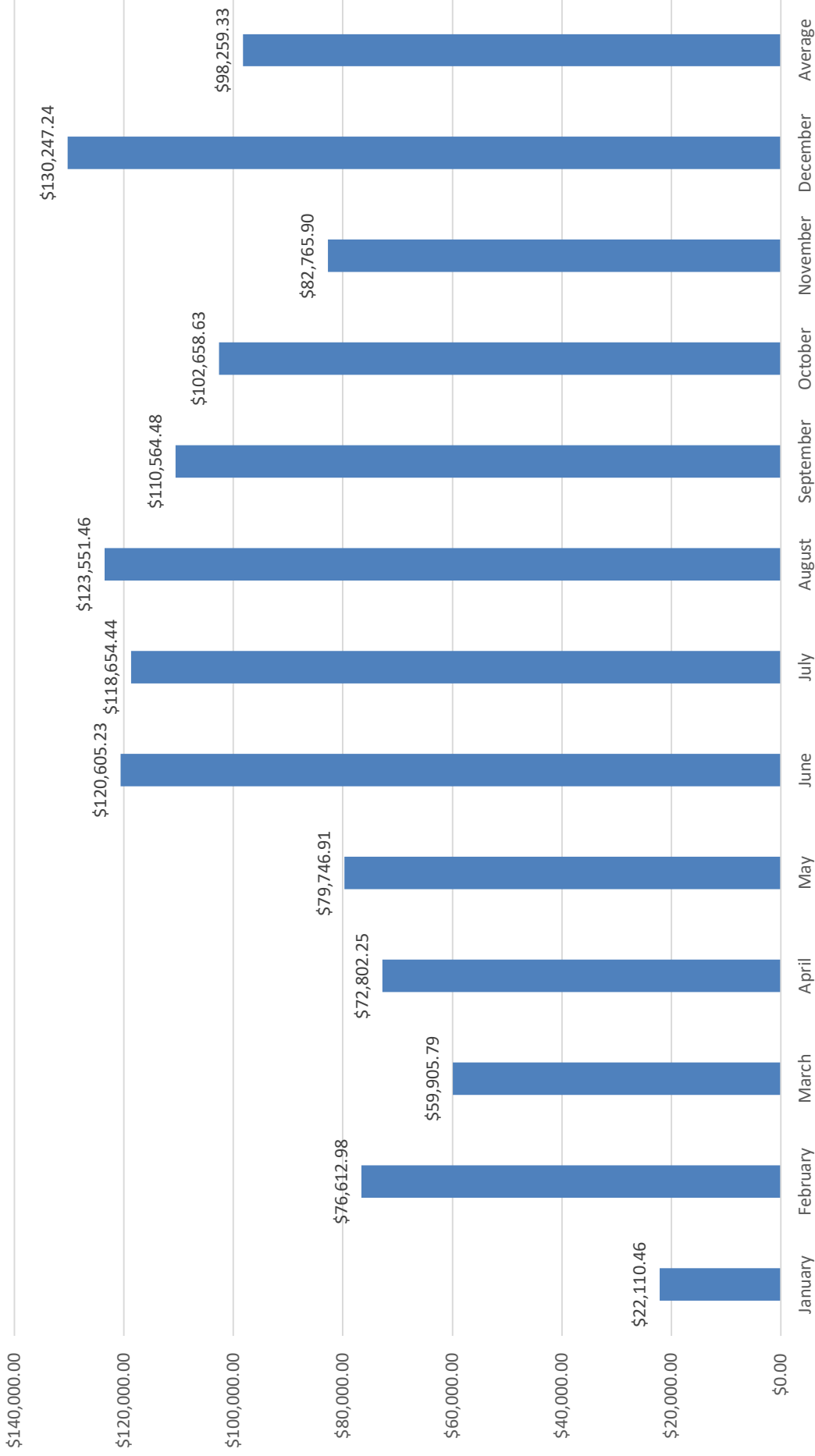
5-yr Avg. Annual Revenue Accumulation



JPE Spending Trends



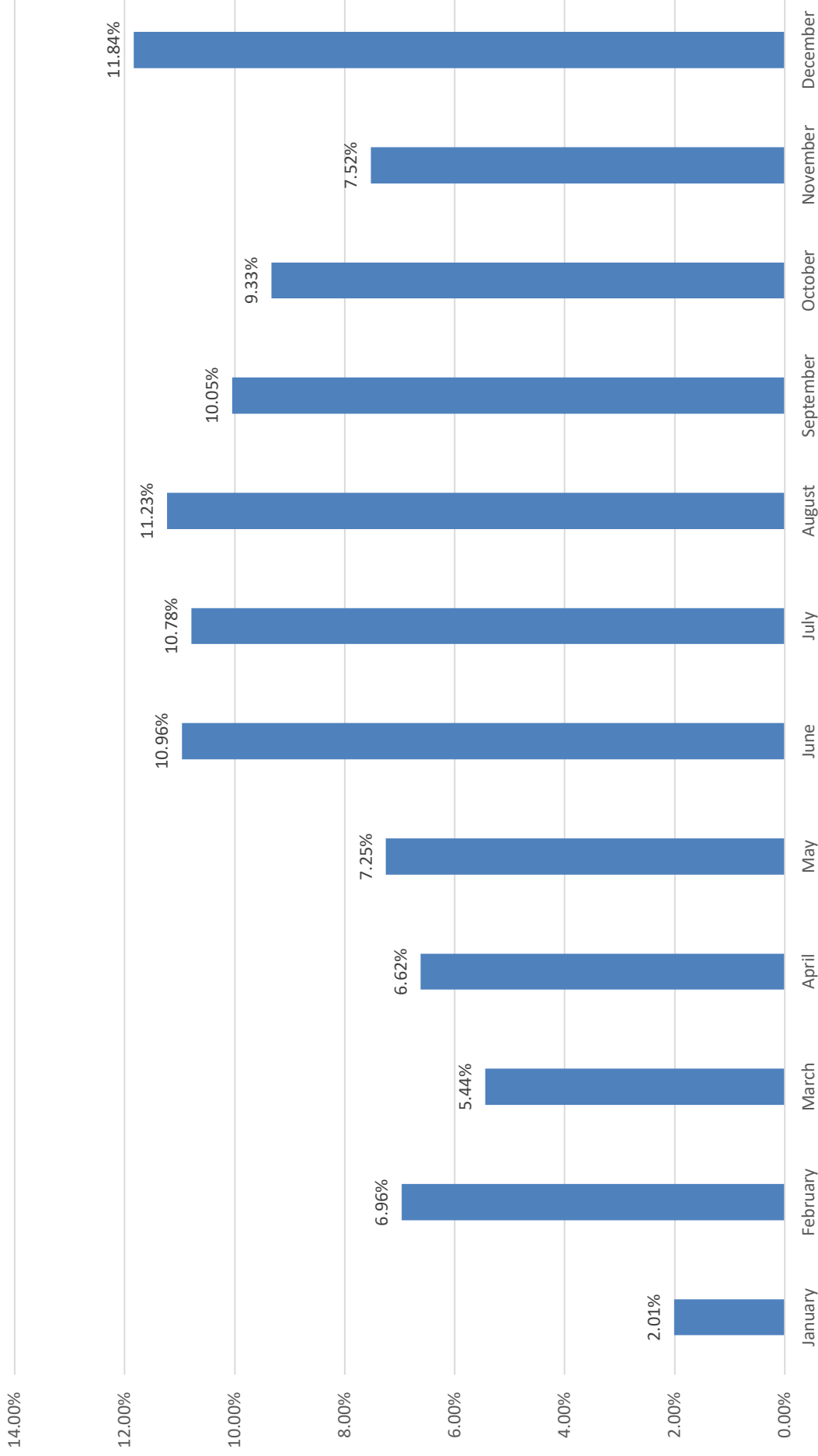
Average JPE Operating Fund Expenses



JPE Spending Trends



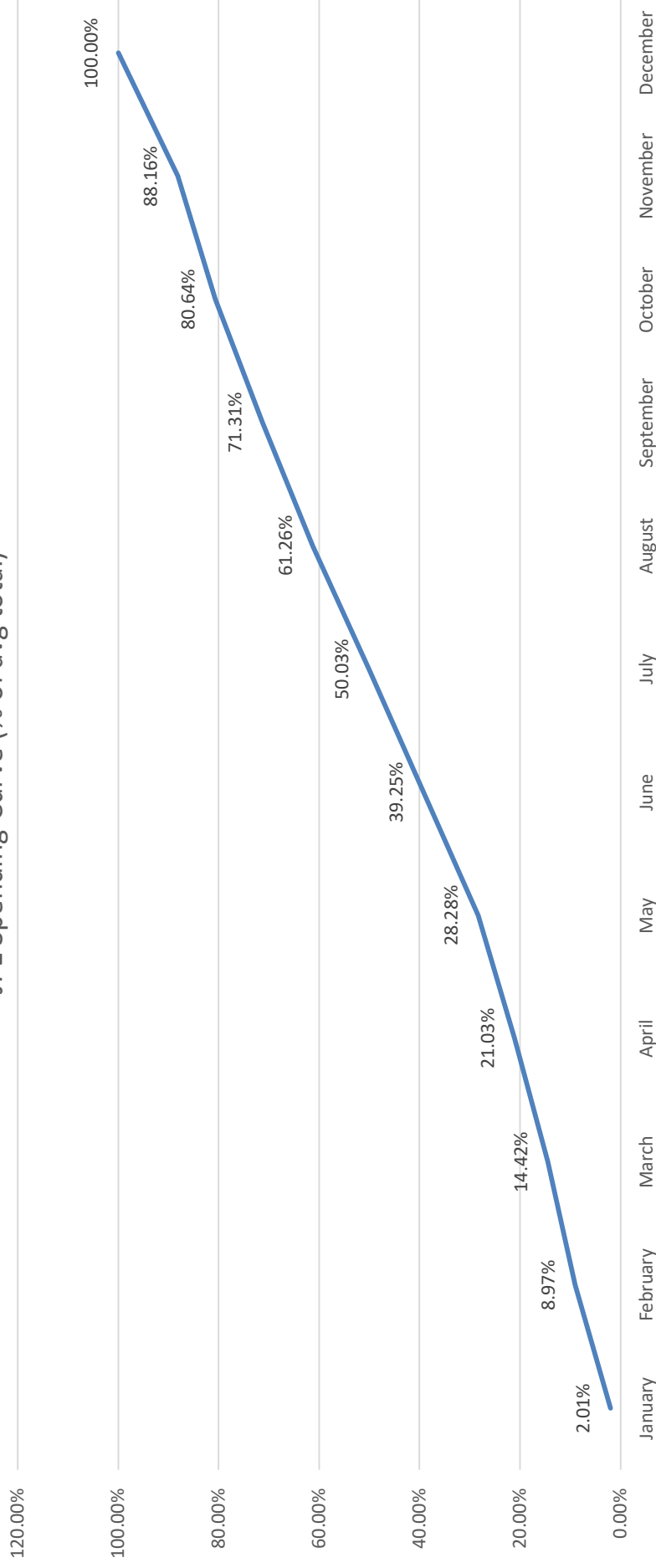
Monthly Percent of Total Expenditures



JPE Spending Trends



JPE Spending Curve (% of avg total)



Monthly Average JPE Expenditure: \$98,259

Average Annual JPE Expenditure: \$1,110,226

Significant non-annual expenses



- *Approximate* amount spent on extraordinary items (July 2017 – Dec 2018): >\$517,000
 - Aggregation Plan Updates & Related
 - DPU 15-122 (Grid Modernization)
 - DPU 17-05 (Eversource Rate Case)
 - 2018 Aggregation Power Supply RFP
 - 2018 Municipal Power Supply RFP

**Agenda Action Request
Cape Light Compact JPE
Meeting Date: 5/8/19**



- Aquinnah
- Barnstable
- Bourne
- Brewster
- Chatham
- Chilmark
- Dennis
- Dukes County
- Eastham
- Edgartown
- Falmouth
- Harwich
- Mashpee
- Oak Bluffs
- Orleans
- Provincetown
- Sandwich
- Tisbury
- Truro
- Wellfleet
- West Tisbury
- Yarmouth

Allocation of Consumer Advocacy Costs Policy

REQUESTED BY: *Maggie Downey*

I move the Cape Light Compact JPE Board of Directors vote to adopt a process to allocate consumer advocacy costs between the Compact's energy efficiency and operating budgets as follows:

1. After identifying a regulatory matter, rule-making proceeding, legislative action or other activity relating to or affecting the Compact's administration of its energy efficiency plan or its provision of power supply ("Consumer Advocacy Matter"), the Compact Administrator will provide the Board with pertinent information regarding the Consumer Advocacy Matter and present a completed consumer advocacy worksheet (as attached) for the Board's consideration and review.

2. The Board will thereafter vote to authorize and direct the Compact Administrator to take all actions she deems necessary or appropriate to implement the Compact's participation in the Consumer Advocacy Matter (subject to any limitations imposed by the Board), and to execute and deliver all documents as may be necessary or appropriate to enable and effectuate such participation.

**Additional Information
Record of Board Action**

Pursuant to the Order of the Massachusetts Department of Public Utilities approving the Compact's 2019-2021 Energy Efficiency Plan dated January 29, 2019, the Compact is required to demonstrate that its consumer advocacy activities have a direct energy efficiency related benefit.

Consumer Advocacy Allocation Worksheet

Parties involved:

Description of the Matter or Proceeding:

Docket Number (if any): _____

1. Does this proceeding raise issues that may impact the Compact's administration of its three-year energy efficiency plan? If yes, please explain.

2. Does this proceeding raise issues regarding the general administration of energy efficiency in Massachusetts? Are other Program Administrators parties or otherwise intervening? Other stakeholders? If yes, please explain.

3. Does this proceeding raise issues regarding the Compact's administration of active demand response programs/initiatives/measures? If yes, please explain.

4. Does this proceeding raise issues regarding the general administration of active demand response in Massachusetts? Are other program administrators parties or otherwise intervening? Other stakeholders? If yes, please explain.

5. Does this proceeding concern the efficient utilization of energy in Massachusetts? Are other Program Administrators parties or otherwise intervening? Other stakeholders? If yes, please explain.

6. Describe the direct energy efficiency benefit resulting from the Compact's participation in this proceeding.

7. Is the described benefit quantifiable? If yes, please explain and provide any supporting documentation.

8. Will the Compact's participation assist its planning for future energy efficiency plans and/or programs?

9. Is the Compact's participation in this proceeding a reasonable use of energy efficiency ratepayer funds? Please explain.

10. Does this proceeding involve other non-energy efficiency issues? If yes, please explain.

11. What is the initial estimate of the percentage allocation between energy efficiency and non-energy efficiency issues, as set forth in this worksheet?

DRAFT 5-8-19

- 12. To be completed at the conclusion of the proceeding/matter or every 12 months, which ever comes first, a summary of the actual total costs associated with the Compact's participation and costs recovered through energy efficiency ratepayer funds and operating funds. A brief narrative should accompany any readjustment to the percentage allocation explaining the basis for the reallocation.**

Please attach:

1. Initial Petition
2. Notice of Proceeding
3. Compact's Petition to Intervene
4. Agreements with Expert Consultants, if any

Cape Light Compact, JPE
Power Supply, Operating and Solarize our Schools Fund Analysis

	<u>Total</u>
Fund Balance as of June 30, 2017 (Per Barnstable County prior to JPE)	<u>1,048,083.13</u>
Mil-adder Revenue - May 2017 - December 2017	607,793.98
Interest Income - July 2017 - December 2017	8,604.71
Operating Expenditures July 2017 - December 2017	<u>(910,766.58)</u>
	<u>(294,367.89)</u>
Fund Balance as of December 31, 2017	<u>753,715.24</u>
Mil-adder Revenue - January 2018 - December 2018	938,601.34
WEC Dividends - January 2018 - December 2018	5,000.00
Miscellaneous Income - January 2018 - December 2018	586.91
Interest Income - January 2018 - December 2018	16,377.98
Operating Expenditures January 2018 - December 2018	<u>(857,901.31)</u>
	<u>102,664.92</u>
Fund Balance as of December 31, 2018	<u>856,380.16</u>
Fiscal Year 2019 Operating Budget	848,693.00
Remaining	<u>7,687.16</u>
Mil Adder Revenue January 2019 - March 2019	<u>223,014.52</u>