

**Cape Light Compact Governing Board**  
**Meeting Minutes**  
**April 11, 2012**

The Governing Board of the Cape Light Compact met in regular session on Wednesday, April 11, 2012 in Rooms 11 & 12, Superior Court House, 3195 Main Street, Barnstable, Mass.

**Present were:**

William Doherty, Chairman, Barnstable County  
Robert Schofield, V. Chairman, Bourne  
Peter Cocolis, Treasurer, Chatham  
Peter Cabana, Member @ Large, Dukes County  
Fred Fenlon, Eastham  
Barry Worth, Secretary, Harwich  
Tom Mayo, Mashpee  
Everett Horn, Sandwich  
Deane Keuch, Brewster  
Kenneth Rowell, Orleans  
Richard Toole, Oak Bluffs-by phone  
Kathy Hubby, Wellfleet  
Joyce Flynn, Yarmouth

**Absent were:**

Michael Hebert, Aquinnah  
David Anthony, Barnstable  
Timothy Carroll, Chilmark  
Brad Crowell, Dennis  
Vacant, Edgartown  
Ronald Zweig, Falmouth  
Sharon Lynn, Provincetown  
Bill Straw, Tisbury  
Peter Fontecchio, Truro  
Tim Twombly, W. Tisbury

**Staff Present**

Maggie Downey, Compact Administrator  
Kevin Galligan, Energy Efficiency Program Manager  
Margaret Song, Residential Program Manager  
Matt Dudley, Residential Program Coordinator  
Gail Azulay, EM & V Analyst  
Joseph Soares, Sr. Power Supply Planner

Meredith Miller, C&I Program Manager  
Vicki Marchant, C&I Program Analyst  
Briana Kane, Sr. Residential Program Coordinator  
Philip Moffitt, EM&V Analyst  
Deborah Fitton, Energy Education Coordinator  
Karen Loura, Administrative Assistant

**Public Present**

Pat & Richard Andres

At 2:10 p.m. Chairman Doherty opened and chaired the meeting.

**PUBLIC COMMENT**

There were no public comments made.

**APPROVAL OF MINUTES**

The Board considered the January 11, 2012 Meeting Minutes tabled at the March 14, 2012 Meeting. *Robert Schofield moved the Board vote to accept the minutes as presented, seconded by Kathy Hubby and voted unanimously by those present and voting with Tom Mayo abstaining.*

The Board then considered the March 14, 2012 Meeting Minutes. Tom Mayo offered a correction to page 3, Other Business from Board Members (3rd paragraph) which reads: "...of the Mass Maritime Academy Energy Group..." be corrected to "...of the Mass. Municipal Association Energy Group..." *Deane Keuch moved the Board vote to accept the minutes as corrected, seconded by Tom Mayo and voted unanimously in favor by those present and voting with Peter Cabana, Ken Rowell, Barry Worth and William Doherty abstaining.*

## **REVIEW PROPOSED AMENDMENT TO CLC INTERGOVERNMENTAL AGREEMENT AND POTENTIALLY VOTE TO APPROVE**

The Board then reviewed proposed 4<sup>th</sup> Amendment to the Intergovernmental Agreement. The adoption of the Remote Participation Policy requires an update to the IGA.

Tom Mayo suggested the Board consider offering a web connection to the meeting room to remote participants for improved understanding and observation during projected/graphic presentations.

*Peter Cocolis moved the Board vote to accept the amendments as shown on the draft "Fourth Amended and restated inter-governmental agreement of the Cape Light Compact", seconded by Kathy Hubby. With no further discussion, the Board voted unanimously in favor by roll call.*

### **Energy Efficiency Program Update**

#### **1. Residential Program Enhancements**

- Margaret Song distributed Residential Energy Efficiency Enhancement Informational sheet summarizing the State-wide Early Boiler Replacement Initiative for Propane & Oil fired boilers including a draft of the Rebate Application Form;
- Pre-weatherization Initiative to incent upgrades to barriers blocking weatherization improvements;
- An increase in the total cap for weatherization improvements up to \$4,000 for eligible measures and
- Enhancements to the State-wide Heat Loan Program

Relative to the increased cap, she indicated the Residential Program experienced a 20-30% return rate last year from customers spreading the cost out over multiple years. This increase will help to streamline the process and reduce administrative costs and not impact the budget. Audits are occurring more rapidly and the improvements are complete in 10-12 weeks. This information is public. However the formal announcement will be made May 1, 2012.

M. Song also distributed 2012 Heat Loan Program Steps & In-take forms (Attached as Exhibit B).

P. Cabana requested the hand-outs be added to the packets for Bill Straw & Richard Toole.

The Board then unanimously indicated their support and endorsement of the aforementioned Program Improvements.

#### **2. Turn-In Events Schedule**

Briana Kane, Senior Residential Program Coordinator then distributed the final schedule (excepting Dennis) of the Dehumidifier and window air conditioner turn-in opportunities available across Cape Cod. (Attached as Exhibit C) A local retailer will also offer a \$25.00 coupon toward the purchase of an Energy Star® rated replacement. To participate, customers must reside in one of the Towns listed at that Town's scheduled event date/place. A turn-in event will be scheduled on Martha's Vineyard. Retailers are being asked to reach-out and offer turn-in opportunities at their stores.

#### **3. CFL -Town Meeting Events**

Matt Dudley, Residential Program Coordinator updated the Board on the CFL Give-away @ Town Meeting Event(s) indicating approximately 1200 CFL's have been distributed. Cape Light Compact has been very well received at Town Meetings, and he is compiling a list of comments.

#### **4. Audit Recruitment Competition**

Matt Dudley also distributed information on a proposed new program designed to increase Home Energy Audit participation for the hard-to reach and hard to serve customer group. The program will be a competition for 6

prizes ranging from \$1,000 to \$8,000. (See Exhibit D attached) During May and June, 2012 participating rate payers will be asked to vote for the organization of their choice. Six organizations which are regional in nature have been invited to participate in this first test group. P. Cabana suggested a contact on Martha's Vineyard. Joyce Flynn suggested working with the Schools and William Doherty suggested targeting music and band groups. After discussion and input from the Board, it was agreed that staff will work on altering the design of the program to incorporate Board suggestions before the start of the program.

## **5. Energy Education Update**

Debbie Fitton updated the Board on Energy Education Activities occurring in April & May including the upcoming State National Energy Education Development Award Ceremony taking place May 30 @ 10:00 a.m. at the State House in Boston. Five Cape Schools will receive awards. (See Exhibit E attached). D. Fitton also offered to arrange for a field trip to MMR if the Board and Staff are interested.

### **Presentation on 2013-2015 Energy Efficiency Plan**

Maggie Downey, Administrator, Margaret Song, Residential Programs and Meredith Miller, C&I Program Manager provided a Power Point Presentation to the Board on the 2013-15 Energy Efficiency Plan. (See Exhibit F attached). Discussion followed.

Phil Moffitt took an opportunity to introduce Gail Azulay, newly hired EM&V Analyst joining Cape Light Compact with 39 years' experience from Nstar, the last 7 years of which were in Energy Efficiency.

### **Overview of NSTAR/NU Merger**

Joe Soares, Senior Power Supply Planner informed the Board that the Nstar Electric – Northeast Utilities Merger was approved on April 4, 2012 and provided the attached presentation (Exhibit G).

### **Proposed Executive Session- NSTAR Long Term Renewable Contract, DPU 12-30**

William Doherty having declared that an open meeting may have a detrimental effect on Cape Light Compact's litigating position, Robert Schofield moved the Board vote to enter into Executive Session pursuant to MGLA Chapter 30A, Section 21(a) 3 to discuss strategy, seconded by Barry Worth and voted unanimously in favor by roll call by those present and participating remotely. Attorney Jeff Bernstein, BCK Law and Cape Light Compact Staff were permitted to remain present.

At 4:30 p.m. Peter Cabana moved to end Executive Session and Return to Open Session, seconded by Barry Worth and voted unanimously in favor by roll call.

### **Special Commission on County Government-CLC Recommendations**

M. Downey provided background on the Recommendations of the Special Barnstable County Commission (Exhibit H attached) which was initiated by the League of Women Voters and recommended the Board consider authorizing the Executive Committee to respond and invite the commissioners to its June Meeting. She suggested a draft response could be reviewed by the full Board at the May Meeting. A general discussion on the recommendations ensued, and the general consensus of Board members was to not change the existing structure of the CLC. Chairman Doherty recommended the Executive Committee be authorized to draft a response as he indicated he would report back to the Board. M. Downey said the draft Executive Committee response can be distributed to the Board on May 2, 2012 for consideration at the May 9<sup>th</sup> Board Meeting. P. Cabana requested review by Counsel due to the special relationship with Dukes County. .

### **CAPE & VINEYARD ELECTRIC COOPERATIVE UPDATE**

M. Downey reported continued work on selection of a developer for Phase II PV. CVEC anticipates award of the project soon.

P. Cocolis, Treasurer distributed the Cape Light Compact Special Revenue Funds report as of 3/31/12 (Exhibit I Attached)

With no further business @ 5:00 p.m., R. Schofield moved to adjourn, seconded by J. Flynn and voted unanimously in favor.

Respectfully submitted,

Karen E. Loura  
Administrative Assistant

## EXHIBIT A



**Early Boiler Replacement Initiative (May – July):** Targets operable oil and propane boilers that are 30 years and older and offers an incentive to replace that inefficient boiler with an efficient model. This will be available through the Home Energy Assessment.

**Pre-weatherization Initiative (May-July):** This initiative will test the pre-weatherization barriers (knob and tube wiring inspections, general combustion safety inspection/repair, and repair of improper dryer venting) and offer incentives toward these low-cost measures if it leads to work. This will be available through the Home Energy Assessment, and the incentives are up to \$300 with a signed weatherization contract.

**Increase of cap for weatherization (April – December):** Based on the data from the program, we are testing the increase of the total cap for weatherization to \$4,000 for the Home Energy Assessments. The previous cap was \$2,000. This should hopefully reduce administrative costs and encourage customers to finish a project in one year rather than separate the work in multiple years.

**HEAT Loan Enhancements (April – December):** The Heat Loan statewide will now include: incentives for qualified central air conditioning systems, inclusion of residential metered condo units, pre-weatherization barriers, and updated efficiencies for equipment. This is offered through the Home Energy Assessment.



## Residential Boiler Early Retirement Rebate

### Steps To Participate:

- (1) Call and schedule a home energy assessment from 5/1/12 to 7/31/12.
- (2) The Energy Specialist determine eligibility.
- (3) The Contractor completes the installation of the new, qualifying equipment.
- (4) The Customer and the Contractor sign this form and submit to:

Early Retirement Rebate  
c/o RISE Engineering  
25 Mid-Tech Drive, Suite H  
West Yarmouth, MA 02673

All rebates must be postmarked **within 90 days** of the offer date with a copy of the paid invoice/receipt.

### Customer Eligibility

- (1) One rebate per boiler for each Barnstable or Dukes County resident
- (2) Not eligible for the Cape Light Compact's High Efficiency Heating System Rebate Program for the same boiler.
- (3) Customer must agree to post-installation verification inspection.

Offer Date: \_\_\_\_\_

Customer Information	
Customer Name	Client #
Address	Town
	Zip
Mailing Address	Town
	Zip
Landlord/Owner Name (if applicable)	Tax ID # (if incorporated)
Address	Town
	Zip
Phone	Email

I certify that I understand the following terms and conditions. Equipment must be installed by a licensed contractor at the customer's address listed above. Customer and equipment must meet requirements stated on this form. Cape Light Compact does not endorse, guarantee, or warrant any particular contractor, manufacturer, or product installation. Rebate program is subject to change without prior notice, and rebate offers may increase or decrease at any time. Cape Light Compact is not responsible for any tax liability which may be imposed as a result of receipt of rebates by Cape Light Compact to the customer. Cape Light Compact is not responsible for any loss or damage that may be caused as a result of the installation of the equipment.

Customer Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Existing Equipment Information (to be filled in by the Energy Specialist)	
Estimated Age (years) must be at least 30 years old	Fuel Type <input type="checkbox"/> Propane <input type="checkbox"/> Oil
Operable <input type="checkbox"/> Yes <input type="checkbox"/> No must be operable	Output BTU
Brand Name	Model Number
Serial Number	Input BTU
Contractor Name	
Address	License #
Federal ID #	Town
	Zip
	Phone
Installation Date	

**New Equipment Information (to be filled in by contractor)**

Equipment Installed	Manufacturer	Model No.	Total BTUH Input	AFUE %	Must meet or exceed AFUE of at least	Rebate Amount
Propane Forced Hot Water Boiler					90%	\$3,500
Propane Steam Boiler					82%	\$1,900
Oil Steam Boiler					85%	\$1,900
Oil Forced Hot Water Boiler					82%	\$1,750

I certify that the described high efficiency heating system has been installed in accordance with all program guidelines and applicable codes.

Contractor Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**For questions, please call RISE Engineering at 508-568-1926.**

# Steps to the 2012 HEAT Loan Program



The HEAT loan is available to qualified customers participating in the Mass Save® Program and is designed to promote the installation of high efficiency improvements. Customers must be owners of one to four family homes and be a Cape Light Compact customer.\*

In 2012, customers are eligible to apply for a 0% loan and obtain applicable program rebates for measures installed.

Loan Options for 1-4 Unit Homes			
Eligible Customer 1-4 Unit Property	Type	Loan Amount	Loan Term
Owner Occupied	Micro Loan	\$500 - \$2,000	24 Months
Owner Occupied	1-4 Unit Standard Loan	\$2,001 - \$25,000	Up to 84 Months
Non-Owner Occupied	1-4 Unit Rental Property Loan	\$5,000 - \$25,000	Up to 84 Months

**Maximum loan amounts, loan type, and pre-approval can vary by participating lender.** Loans are unsecured or secured depending on the lender.

**Note:** All residentially metered single units in condo complexes are eligible to apply for the HEAT Loan. All other units in condo complexes are not eligible.

## THE PROCESS

**1. Call and Complete a Mass Save Home Energy Assessment.** For more information, call 1-800-797-6699

**2. At the Assessment, you will receive a HEAT Loan Intake Form.** Read over this document. Visit [www.masssave.com](http://www.masssave.com) for listing of Participating HEAT Program Lenders. Call RISE Engineering at 508-568-1926, if you have any questions concerning the eligible improvements and process. Refer to the lender list for pre-approval and loan options.

**3. Obtain signed, itemized contractor proposals for the eligible efficiency improvements that you want to finance.** The customer is responsible for obtaining proposals from qualified contractors for the eligible efficiency improvements. Do-it-yourself installations are not eligible for HEAT Loan financing. Review the Minimum Standards on the other side of this page. You will need three (3) quotes.

**4. Choose which contractor(s) you want to use and provide copies of the contractor proposals to RISE Engineering for eligibility review, approval and HEAT Loan authorization.** RISE will review the contractor(s) proposals that the customer submits for the HEAT loan. RISE will contact the customer if any paperwork is incomplete or does not meet the eligibility requirements.

Mail the following information to RISE Engineering for Review and Authorization:

- The original, white copy, of the completed and signed HEAT Loan Intake Form provided at the Home Energy Assessment with section 2 completed and signed.
- Contractor Proposal(s) for the eligible improvements you want to finance along with all required supporting documentation as described on the back on this form.

**Fax:** 508-568-1933 **Address:** HEAT Loan Program - Cape Light Compact, c/o RISE Engineering, 25 Mid-Tech Dr, Suite H, W. Yarmouth 02673

**You can also obtain pre-approval from one of the HEAT Loan participating lenders** if they offer the service.

**5. Loan Agreements.** RISE sends the authorization form to the customer. The customer provides this form to the lender, then the lender does a final determination on the loan and disperses the funds to the customer. Successful applicants will receive a loan agreement and check(s) for the full amount of the loan, net any program rebates.

**6. After all work financed with the HEAT Loan is complete, the customer needs to notify RISE Engineering and schedule a verification inspection.** The purpose of the inspection is to verify that the work financed by the HEAT Loan has been installed.

**Note:** All payment arrangements including payment of any required initial deposits, subsequent or final payments, along with payment schedules, are solely between the contractor and the customer. RISE is the HEAT Loan Administrator for Cape Light Compact.

Financing offer is for a limited time. Participating in the HEAT Loan Program is contingent on being approved for a loan from a participating lender. Financing is subject to funding availability and the Terms and Conditions listed on the HEAT Loan Intake Form are subject to change or cancellation without notice. This program will end on December 31, 2012.

**For questions regarding the HEAT Loan Program contact RISE Engineering at 508-568-1926.**



# HEAT Loan

## Minimum Standards and Requirements



The HEAT Loan is available to qualified customers participating in the Mass Save® Program and is designed to promote the installation of high efficiency improvements. To be eligible for the HEAT Loan, the energy efficiency improvements must meet the following requirements and standards.

### Customer Eligibility

To be eligible to apply for the HEAT Loan, you must:

- Be an owner of a one to four family residence
- Have completed a Home Energy Assessment through the Mass Save Program

### Insulation, Air Sealing, and Duct System Improvements

Insulation, air sealing, and ductwork improvements (duct sealing and duct insulation) must be installed to the Mass Save material and installation standards. Work must be completed by a contractor that is approved to provide weatherization services in the Mass Save program. **Insulation proposals need to be itemized.**

### Domestic Hot Water Systems:

Domestic hot water systems must meet the minimum efficiency standards as noted in the following table to be eligible for the HEAT Loan.

Domestic Hot Water System Type and Fuel	Minimum Standard
Indirect Water Heater	Meets Massachusetts State Code Requirements
On-Demand Tankless Water Heater - Natural Gas or Propane	Energy Factor (EF) ≥ .82 with Electronic Ignition
Freestanding Gas, Oil, or Propane Water Heaters	Energy Factor (EF) ≥ .61
Heat Pump Water Heater	Energy Factor (EF) ≥ 2.3 First Hour Rating ≥ 60 gallons
Solar Hot Water	Collectors must be certified by SRCC
Condensing Water Heater -- Natural Gas	Thermal Efficiency ≥ 95%

SRCC (Solar Rating Certification Corporation)

### Central Air Conditioning Systems:

Central Air Conditioning Equipment must meet the minimum efficiency standards below. Ductless Mini Splits are included in the Air Source Heat Pump - Electric.

SEER ≥ 14.5	EER ≥ 12
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- Central Air Conditioning proposal(s) must state the manufacturer, model, Efficiency Rating (SEER, EER, HSPF), and the AHRI Certificate.
- Proposals must include load (sizing) calculations according to ACCA Manual J Version 8 for a new installation or a replacement of existing equipment.
- Proposals should be installed according to Quality Installation Verification (QIV) standards. A list of qualified QIV contractors is listed on MassSave.com.

### Pre-Weatherization Barriers:

Up to \$1,000 towards remediation of knob and tube wiring and up to \$1,000 for remediation of moisture issues with implementation of insulation, if recommended in the audit.

### ENERGY STAR® Qualified Replacement Windows:

ENERGY STAR qualified windows with a U-factor of .30 or less are eligible for the HEAT Loan only when:

- The ENERGY STAR qualified windows are installed as replacements for **existing single glazed windows**
- The recommended insulation and/or air sealing upgrades must be completed. (See insulation section for details).

### Heating Systems and Thermostat Controls:

Heating system proposal(s) must state the manufacturer, model, and Efficiency Rating (AFUE, HSPF, or COP) of the proposed heating system.

Distribution system upgrades are limited and can only be covered when a customer is switching from electric baseboard, electric radiant heat or when a customer is switching from a steam boiler to a hot water boiler.

When switching from electric baseboard or electric radiant or a steam boiler to a hot water boiler, you must meet the following minimum standards listed below.

- To finance a distribution upgrade with the HEAT Loan, new natural gas or propane boilers must be at least 90% AFUE to be eligible.
- To finance a distribution upgrade with the HEAT Loan, new oil boilers must be at least 85% AFUE and an outdoor weather responsive control must be installed in conjunction with the boiler to be eligible. Oil tanks are not covered.

Heating Systems and Controls	Minimum Standard
Furnace - Natural or Propane Gas with ECM*	AFUE ≥ 95%
Furnace - Propane	AFUE ≥ 90%
Furnace - Oil	AFUE ≥ 83%
Furnace - Oil with ECM*	AFUE ≥ 83%
Steam Boiler - All Fuels	AFUE ≥ 82%
Hot Water Boiler - Natural Gas or Propane	AFUE ≥ 90%
Hot Water Boiler - Oil	AFUE ≥ 85%
Combined High Efficiency Boiler and Water Heater -- Natural Gas	AFUE ≥ 90%
Air Source Heat Pump - Electric	HSPF ≥ 8.2
Ground Source Heat Pump	COP ≥ 3.3
Oil/Propane Boiler's Weather Responsive Controls	
Natural Gas -- Market Boiler Reset Controls (After Market)	

\* Electronic Commutated Motor  
AFUE (Annual Fuel Utilization Efficiency)

HSPF (Heating Seasonal Performance Factor)  
COP (Coefficient of Performance)

**If you have any questions regarding these minimum standards and requirements, contact:  
RISE Engineering at 508-568-1926**



## To apply for the HEAT Loan, submit the following:

- This completed HEAT Loan Intake Form
- Contractor proposal(s) for the eligible improvements you want to finance with the HEAT Loan including required documentation. See Steps and Minimum Standards forms for more information.

Upon receipt of your application forms, RISE Engineering (RISE) will review the submitted proposal(s) and verify compliance. If the submitted proposal(s) meet the Minimum Standards and Requirements, RISE will provide the customer with a HEAT Loan Authorization Form indicating the amount of the HEAT Loan that the customer can apply for a 0% HEAT loan from a participating lender.

Loan Options for 1-4 Unit Homes			
Eligible Customer 1-4 Unit Property	Type	Loan Amount	Loan Term
Owner Occupied	Micro Loan	\$500 - \$2,000	24 months
Owner Occupied	1-4 Unit Standard Loan	\$2,001 - \$25,000	Up to 84 months
Non-Owned Occupied	1-4 Unit Rental Property Loan	\$5,000 - \$25,000	Up to 84 months

**Maximum loan amounts and loan type can vary by participating lender.**

**Note:** All residentially metered single units in condo complexes are eligible to apply for a HEAT loan for eligible measures. All other units are NOT eligible for the HEAT Loan Financing Program.

### Terms and Conditions:

**Customer Eligibility:** You must be a current Cape Light Compact residential customer eligible to participate in the Mass Save Program. The applicant must be the owner of the one to four family home or a residentially metered, single condo units, which must be the residence receiving the energy efficiency improvements. Customer may only receive one HEAT Loan.

**Incentives:** The HEAT Loan amount shall be net of any additional rebates or incentives available through the Mass Save program administrator(s).

**No Warrantees:** Cape Light Compact DOES NOT WARRANT THE PERFORMANCE OF ANY INSTALLED EQUIPMENT. Cape Light Compact EXPRESSLY DISCLAIMS ANY AND ALL WARRANTIES OR REPRESENTATIONS OF ANY KIND, WHETHER ORAL, STATUTORY, EXPRESSED OR IMPLIED, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY, USAGE, SUITABILITY OR FITNESS FOR A PARTICULAR PURPOSE. Cape Light Compact DOES NOT MAKE ANY REPRESENTATION OF ANY KIND REGARDING THE RESULTS TO BE ACHIEVED BY THE INSTALLATION OF ANY ENERGY EFFICIENCY IMPROVEMENT.

**Limitation of Liability:** Cape Light Compact and their program administrator's liability is limited to the amount of the rebate and loan interest rate subsidy. Cape Light Compact is not liable for any indirect or consequential damages or for any damages connected with or resulting from participation in this offer.

**Post Installation Work Verification:** Cape Light Compact reserves the right to withhold payment of any rebate until the installed improvements have undergone a verification and inspection of the specified installation in order to ensure compliance with program requirements. If measures installed do not meet program requirements then customer is liable for the repayment to Cape Light Compact of the amount of the HEAT Loan interest buy down.

**Changes in Program:** Rebate and financing offer is for a limited time. Participation in the HEAT Loan Program is contingent on being approved for a loan from a Participating Lender. Rebates and financing are subject to funding availability and the program Terms and Conditions are subject to change or cancellation without notice. This program offer will end on December 31, 2012.

**Energy Benefits:** Customer agrees that the Energy Efficiency Program Provider (EEPP) has the unilateral right to apply for any ISO-NE capacity payments or environmental credits resulting from this energy efficiency project, and agrees not to file for such payments or credits either directly or indirectly. Customer agrees to provide the EEPP with such further documentation as the EEPP may request to confirm the EEPP's ownership of such benefits.

### Glossary of Terms:

**AFUE** Annual Fuel Utilization Efficiency

**HSPF** Heating Seasonal Performance Factor

**COP** Coefficient of Performance

**NFRC** National Fenestration Rating Council

**EF** Energy Factor

**SRCC** Solar Rating Certification Corporation

**HEAT Loan Program** A financing program being offered by the Mass Save electric program administrators to assist customers in financing energy savings improvements.

### Mail or fax the above to:

HEAT Loan Program - Cape Light Compact  
c/o RISE Engineering  
25 Mid-Tech Drive, Suite H  
West Yarmouth, MA 02673

Fax #: 508-568-1933



# HEAT Loan Intake Form



## Section 1 (To be completed by the Energy Assessment Provider/Auditor):

Date of Energy Assessment: \_\_\_\_\_

Company: RISE Engineering 508-568-1926

Advisor: \_\_\_\_\_

Site ID: \_\_\_\_\_

Customer Name: \_\_\_\_\_

Electric Account Number: \_\_\_\_\_

Address: \_\_\_\_\_

Town: \_\_\_\_\_ Zip: \_\_\_\_\_

### Existing Thermal Shell Conditions:

- Insulation and/or Air Sealing Measures are recommended
- No Insulation or Air Sealing Upgrades are recommended
  - Already Efficient
  - Site Specific Conditions that prevent completing upgrades (indicate condition below)
    - Knob and Tube Wiring       Moisture Concerns
    - Structural Concerns
    - Combustion Safety Concerns     Other: \_\_\_\_\_

### Existing Heating System:

- Type:  Furnace       Steam Boiler  
 Hot Water Boiler     Other: \_\_\_\_\_
- Fuel:  Natural Gas       Oil  
 Propane               Electric     Other: \_\_\_\_\_

### Existing Domestic Hot Water Heater:

- Type:  Freestanding Tank     Indirect Tank  
 Tankless               Other: \_\_\_\_\_
- Fuel:  Natural Gas       Oil  
 Propane               Electric     Other: \_\_\_\_\_

### Existing Windows:

- Existing single pane windows eligible for replacement financing # \_\_\_\_\_
- Existing windows not eligible for replacement financing

## Section 2 (To be completed by the loan applicant/owner):

Owner Occupied  Yes  No

Loan Applicant Name(s): \_\_\_\_\_

Installation Address: \_\_\_\_\_

Home Phone: (\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_

E-mail: (to be used in communication with you only) \_\_\_\_\_

Mailing Address (if different): \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Landlord/Owner Address (if different): \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

I am interested in applying for the HEAT Loan for the following Energy Efficiency Improvements:

- Insulation and/or Air Sealing Upgrades
- Energy Efficient Heating /Domestic Hot Water System Replacement
- Solar Hot Water System
- ENERGY STAR Window(s) Replacements

### Customer Acknowledgement:

I certify that I have read and understand the Minimum Standards and Requirements information that was provided and have provided a copy to the individual contractor(s) whose proposal(s) are submitted with this HEAT Loan Intake Form for eligibility approval.

If desired, customer can contact a participating lender for pre-approval before obtaining firm contractor estimates. I understand that I cannot apply for a HEAT Loan until I submit proposals to HEAT Loan Administrative Vendor noted on the reverse side of this form and receive a HEAT Loan Authorization Form.

Furthermore, I understand that after receiving the HEAT Loan Authorization Form, I must formally apply for the HEAT Loan at a Participating Lender. A listing of Participating Lenders including a summary of applicable fees and charges can be obtained at [www.MassSave.com](http://www.MassSave.com).

The actual amount of the HEAT Loan will be determined by the actual costs of all of the approved energy efficiency improvements. The HEAT Loan amount shall be net of any additional rebates or incentives available through the Mass Save program administrator(s).

I understand that receipt of a HEAT Loan Authorization Form does not guarantee approval for a HEAT Loan. HEAT Loans may only be provided directly from a Participating Lender. I understand that I should not complete any energy efficiency improvements or otherwise rely on the funds of the HEAT Loan until I receive a formal commitment from a Participating Lender.

**I have read, understood, and agree to the Terms and Conditions printed on the reverse side of this form.**

Customer Signature: \_\_\_\_\_

Date: \_\_\_\_\_

For questions regarding the HEAT Loan Program or for assistance in completing this form contact RISE Engineering at 508-568-1926

**EXHIBIT C**

**2012 Dehumidifier and A/C Turn-In Dates**

Town	Location	Time	Date
Barnstable	Barnstable Transfer Station 45 Flint Street, Marstons Mills	9 am-noon	April 14
Dennis	TBD	TBD	TBD
Wellfleet, Truro, Provincetown	Wellfleet Transfer Station 370 Coles Neck Road	9 am-noon	June 2
Bourne, Falmouth, Mashpee, Sandwich, Coast Guard Air Station Cape Cod	Falmouth High School 874 Gifford Street, off Brick Kiln Road	9 am-1 pm	June 16
Yarmouth	Yarmouth Senior Center 528 Forest Road, West Yarmouth	9 am-noon	July 28
Brewster, Chatham and Harwich	Harwich Transfer Station 209 Queen Anne Road	9 am-noon	September 8
Orleans and Eastham	Orleans DPW and Highway Garage 22 Bay Ridge Lane	9 am-noon	September 15

\* Dennis cannot be confirmed until May Town Meeting vote.



EXHIBIT D

# The Cape Light Compact

Tel: (508) 375-6648 • Fax (508) 362-4136

POST OFFICE BOX 427 • BARNSTABLE SUPERIOR COURT HOUSE • BARNSTABLE, MASSACHUSETTS 02630

Cape Light Compact has organized a *Home Energy Audit Recruitment Competition* for the spring of 2012 and your organization has been selected as a possible participant! All you have to do is get members of your organization to participate in a FREE! Energy Audit, performed by Cape Light Compact.

**Who:** 6 Pre-selected organizations on the Cape and Martha's Vineyard

**What:** Energy Audit Recruitment Competition

-What will you receive at an energy audit?

Your home will receive a thorough inspection by a Building Performance Institute certified Energy Auditor. In this Audit, your home will be checked for excessive air leakage and opportunities to improve insulation, your heating system will go through a very rigorous health and safety check to ensure that it is operating safely and efficiently. Also at the time of the audit, your incandescent light bulbs can be replaced with a wide variety of energy efficient Compact Fluorescent Light bulbs (CFLs). All of this is provided to you FREE of charge as you have already paid into a general fund for this program through your electric bill!

**BONUS:** If the Energy Auditor determines that there is an opportunity to add insulation or install other weatherization measures, the Cape Light Compact will pay 75% of the cost up to \$4000!

-What does my organization get for participating?

Your organization can help residents of Cape Cod and Martha's Vineyard reduce energy bills while making their homes more energy efficient. All participating organizations will also receive a prize which can be used for anything! (Terms and Conditions Apply)

**Prize Structure:**

1<sup>st</sup> Place: **\$8000**

4<sup>th</sup> Place: **\$1000**

2<sup>nd</sup> Place: **\$4000**

5<sup>th</sup> Place: **\$1000**

3<sup>rd</sup> Place: **\$2000**

6<sup>th</sup> Place: **\$1000**

**Where:** In the homes of participants

**When:** May 1, 2012 through July 1, 2012

**Why:** As winter fades and warmer weather approaches the thought to make your home more energy efficient moves to the back of your mind. We are looking for organizations to help us promote the FREE Home Energy Audit that is provided to residents on Cape Cod and Martha's Vineyard.

**How:** Cape Light Compact has selected organizations that have a large amount of participants who are not the typical benefactors of the Home Energy Audit services offered through our residential energy efficiency programs. Organizations will be rewarded for recruiting households to receive an Energy Audit in the competition time-frame.

**To participate:** Fill out the attached application and submit it to Matt Dudley at Cape Light Compact.



# Energy Audit Recruitment Competition

## Organization Application

### Organization

Name \_\_\_\_\_

Address: \_\_\_\_\_  
*Street Address*

\_\_\_\_\_ *City* \_\_\_\_\_ *State* \_\_\_\_\_ *ZIP Code*

Phone: ( ) \_\_\_\_\_ Website: \_\_\_\_\_

### Authorized Applicant Information

Full Name: \_\_\_\_\_  
*Last* \_\_\_\_\_ *First*

Address: \_\_\_\_\_  
*Street Address*

\_\_\_\_\_ *City* \_\_\_\_\_ *State* \_\_\_\_\_ *ZIP Code*

Home Phone: ( ) \_\_\_\_\_ Daytime Phone: ( ) \_\_\_\_\_

Authorized Signature: \_\_\_\_\_

By signing you are confirming that you agree to the terms and conditions of this application and that you are an authorized representative your organization.

### Organization Information

Organization Name: \_\_\_\_\_

#### Area Served

- |                                     |                                     |  |
|-------------------------------------|-------------------------------------|--|
| <input type="checkbox"/> Upper Cape | <input type="checkbox"/> Lower Cape | <input type="checkbox"/> Martha's Vineyard |
| <input type="checkbox"/> Mid-Cape   | <input type="checkbox"/> Outer Cape | <input type="checkbox"/> Other: _____      |

**How will you get your members to participate?**

**How many members do you expect to participate?**

**How large is your membership?**

**What will your organization do with the prize?**

**Terms and Conditions:**

- The competition will be held from May 1, 2012 and end July 1, 2012.
- Limit one (1) submission/vote per household with a unique electric account number.
- Participants who receive an energy audit from the Cape Light Compact in that timeframe will be given a self-addressed postcard which will act as their voting ballot for the 6 participating organizations.
- If the participant chooses to, they will fill out information on the postcard, select an organization they wish to win and mail the post card to Cape Light Compact
- The participant will be responsible for providing their name, address and client # which is provided by RISE Engineering at the time of the energy audit.
- In order to qualify for any prize money, the Cape Light Compact must receive a minimum of sixty five (65) votes from participants who select your organization to win the Grand Prize.
- After the competition closes (July 1, 2012) Cape Light Compact will tally results and determine a winner based off of the number of participants and votes. Please allow four (4) weeks for the winner to be determined.
- In the event that two organizations receive the same amount of votes, prize money will be split evenly between the two prize values and organizations.
- By participating in this competition, your organization agrees to participate in media releases relating to the competition for the period of 1 year.
- Terms and conditions of this competition are subject to change at any time.
- Cape Light Compact is not responsible for votes that were not received.
- Cape Light Compact reserves to deny and organizations participation in this competition for any legal reason.



**YOU signed up for an energy audit...**

**YOU decide who wins!**

The Cape Light Compact is donating up to \$17,000 to organizations of Cape Cod and Martha's Vineyard.

Fill out the reverse side of this post card to let us know who you think should receive the Grand Prize!

**Send in your vote today!**

- Grand Prize: \$8,000
- 1st: \$4,000
- 2nd: \$2,000
- 3rd: \$1,000
- 4th: \$1,000
- 5th: \$1,000



Name: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone Number: (    ) \_\_\_\_\_

Date of Energy Audit:    /    / \_\_\_\_\_

Client Number:  
*(Provided by RISE Engineering)*

Comments: \_\_\_\_\_

**Choose an Organization to win!**

- Organization #1
- Organization #2
- Organization #3
- Organization #4
- Organization #5
- Organization #6

Postage  
Paid by  
Cape Light  
Compact

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

## EXHIBIT E

### Energy Education Update – Spring, 2012

- NEED Project Scrapbooks are due on April 15<sup>th</sup> and will be sent up to the State DOER for State review on Monday. So far, we have 5 CLC sponsored projects being submitted.
- Nauset Middle School Energy Day is tomorrow, April 12, 2012 from 8:20-3:00.
- Oakridge School's Energy Carnival is May 1<sup>st</sup> hosted by the Sandwich High School
- Forestdale School's 5<sup>th</sup> grade energy club is going to SEMASS Wednesday, May 2.
- Forestdale School's Energy Carnival is May 8<sup>th</sup> hosted by the Upper Cape Tech
- The State's NEED Award Ceremony will be held at the Statehouse on May 30<sup>th</sup> At 10:00 am. All are invited! Please RSVP to Debbie Fitton by May 21<sup>st</sup>.
- The Teacher's Wind Education Class finished up last week and culminated in a field trip to both MMA and MMR last Saturday, April 7<sup>th</sup>.



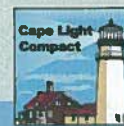
# 2013-2015: The First Chapter

CLC BOARD MEETING  
APRIL 11, 2012



## Table of Contents

- Background/Overview – Maggie
- Residential and Low-Income Programs – Margaret
- Commercial and Industrial – Meredith
- Totals
- Next Steps



## Background/Overview

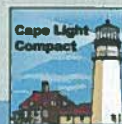
- **Three Year Planning Cycle, Four Deliverables**
  - April 30, 2012 – Energy Efficiency Advisory Council (EEAC)
  - July 31, 2012 - EEAC
  - September 6, 2012 – EEAC
  - October 31, 2012 – Department of Public Utilities
- **Green Communities Act mandate - all cost-effective measures before supply**
- **CLC is part of the Massachusetts state-wide energy efficiency plan**
- **Looking at budgets only for this iteration**
- **Terminology: Sector, Program, Initiative**



3

## Background/Overview

- **Comprehensive programs – going deeper = higher costs to save a kWh (NEIs = greater benefits)**
- **All program must be cost effective – Benefit Cost Ratio (BCR) greater than 1**
- **Three-year budget is sustainable and minimizes bill impacts to ratepayers**
- **Public projects will continue to be 100% incentivized for all eligible measures**




4

**Residential Products and Services**

Lighting and Appliances

Residential Heating and Cooling

	2010-2012 <sup>1</sup>	2013-2015
Lighting	\$4,046,829	\$3,934,000
Appliances	\$1,141,496	\$1,360,600
Heating & Cooling	\$2,127,787	\$2,350,000
<b>Total</b>	<b>\$7,316,112</b>	<b>\$7,644,600</b>



<sup>1</sup> 2010-2012 figures are as filed in the MTM


**Residential Products and Services**

Lighting and Appliances

Residential Heating and Cooling

**New Initiatives**

- Heat Pump Water Heaters




<sup>1</sup> 2010-2012 figures are as filed in the MTM

## Residential Whole House

- New Construction
- Home Energy Assessments
- Multi-Family
- LI New Construction

	2010-2012 <sup>1</sup>	2013-2015
New Construction	\$1,151,222	\$999,890
Home Energy Assessments	\$18,850,149	\$28,250,000
Multi-Family	\$558,557	\$1,430,000
LI NC	\$133,952	\$163,000
<b>Totals</b>	<b>\$20,693,879</b>	<b>\$30,842,890</b>

The comprehensive nature of the Home Energy Assessments as well as reaching hard-to-serve customers will take require more costs.




1. 2010-2012 figures are as filed in the MTM

## Residential Whole House

- New Construction
- Home Energy Assessments
- Multi-Family
- LI New Construction

### New Initiatives

- More options for new construction – potential prescriptive
- Enhancements to the home energy assessments such as promotional time periods
- Serve oil and propane for multi-family




1. 2010-2012 figures are as filed in the MTM

**Residential  
Energy  
Education**

NEED Project

	2010-2012	2013-2015
Education	\$360,812	\$375,000




**Low-Income  
Retrofit**

Low-Income Single  
Family

Low-Income Multi  
Family

Similar to the home energy assessment, the low-income customers can still be served, but the costs to reach hard-to-serve customers will increase.

	2010-2012 <sup>1</sup>	2013-2015
LI Retrofit	\$7,523,406	\$7,550,000



<sup>1</sup> 2010-2012 figures are as filed in the MTM


Low-Income Retrofit

Low-Income Single Family

Low-Income Multi Family

## New Initiatives

- Potential for inclusion of LEDs



1. 2010-2012 figures are as filed in the MTM

C&I New Construction


New Building

Major Renovation

Failed Equipment Replacement

Upstream Lighting

	2010-2012 <sup>1</sup>	2013-2015
Base Program	\$3,474,220	\$3,550,000
Upstream Buydown	-----	\$1,867,000
<b>Total</b>	<b>\$3,474,220</b>	<b>\$5,417,000</b>




1. 2010-2012 figures are as filed in the MTM

C&I New Construction

- New Building
- Major Renovation
- Failed Equipment Replacement
- Upstream Lighting

### New Initiatives

- Expansion of Upstream Lighting to HVAC/other potential end uses




1. 2010-2012 figures are as filed in the MTM

C&I Large Retrofit

- Prescriptive Retrofit
- Custom Retrofit

	2010-2012 <sup>1</sup>	2013-2015
Large Retrofit	\$4,823,470	\$6,165,000
Streetlights	-----	\$5,500,000
<b>Total</b>	<b>\$4,823,470</b>	<b>\$11,665,000</b>




C&I Large Retrofit

Prescriptive Retrofit

Custom Retrofit

### New Initiatives

- LED Retrofit of town-owned streetlights




C&I Small Retrofit

Direct Install

Other Small Retrofit

	2010-2012 <sup>1</sup>	2013-2015
Small C&I Retrofit	\$10,484,187	\$12,320,000



<sup>1</sup>. 2010-2012 figures are as filed in the MTM




C&I Small Retrofit

Direct Install

Other Small Retrofit

### New Initiatives

- Increased incentive Tenant Initiative
- Direct Install Financing through RISE
- Likely follow Residential with HPWHs for Direct Install



1. 2010-2012 figures are as filed in the MTM


Sector Totals

Residential

Low Income

Commercial & Industrial

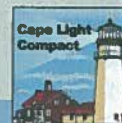
	2010-2012 <sup>1</sup>	2013-2015
Residential	\$28,009,991	\$38,487,490
Low Income	\$7,523,406	\$7,550,000
Commercial & Industrial	\$18,781,877	\$29,402,000
Education	\$360,812	\$375,000
<b>Total</b>	<b>\$54,676,086</b>	<b>\$75,814,490</b>



1. 2010-2012 figures are as filed in the MTM

## Next Steps

- Support for objectives in 2013-2015 Energy Efficiency Plan
- Submit Initial Draft Plan to EEAC on April 30<sup>th</sup>
- Incorporate findings from on-going evaluations
- Continue to be informed by trade allies/stakeholders
- Identify potential venues for public discussion on EEP
  - Town Energy Committee Outreach
  - Community and Civic Associations – goal of 23 presentations
  - Public Informational Meetings – Cape and Vineyard
  - Public Survey



## EXHIBIT G

### SUMMARY OF DEPARTMENT ORDER ON NSTAR/NU MERGER IN D.P.U. 10-170-B

On April 4, 2012, the Department of Public Utilities (DPU) determined that the merger of NSTAR and Northeast Utilities results in net benefits for Massachusetts ratepayers and is consistent with the public interest and approved the merger.

The Order takes into account various intervenor comments and the Settlements between the AG and NSTAR/NU and DOER and NSTAR/NU.

This is a summary of the important features of the Order:

#### RATES

##### 1. RATE CREDIT

The \$21 million rate credit: \$15 million to NSTAR Electric customers; \$3 million to NSTAR Gas customers; and \$3 million to WMECo customers, provides a benefit to ratepayers that they would not receive absent the merger. It represents over 100% of the expected net savings during the first two years of the Base Rate Freeze period (estimated at approx. \$18 million).

##### 2. BASE RATE FREEZE

The Department agrees that this is a benefit to ratepayers. Base distribution rates are frozen for a four-year (44-month) time period. Specifically, the base distribution rates of the Operating Companies (i.e., NSTAR Electric, NSTAR Gas, and WMECo) in effect on January 1, 2012, will be frozen until January 1, 2016 (Base Rate Freeze Period). It noted that absent the freeze, NSTAR Electric stated that it would file for an increase in base distribution rates of approximately \$50 million or more as early as the second quarter of 2013 (with other utilities making similar claims).

The Department noted that, despite the claims to file for rate increases, there can be no certainty that the Department would have granted such increases. The DPU stated “This uncertainty is compounded by the fact that NSTAR Electric has not had a fully adjudicated rate case since 1986.”

The DPU found that a “reasonable, conservative range of the value that ratepayers would receive from the Base Rate Freeze through avoided base rate increases is between \$50 million and \$168 million.”

### 3. LOST BASE REVENUES

During the Base Rate Freeze Period, NSTAR Electric may recover lost base revenues (LBR) associated with energy efficiency savings through the Energy Efficiency Recovery Factor (EERF). LBR recoveries must be based on energy efficiency savings verified through annual reports to the Department for installations made during the Base Rate Freeze Period. The Department concluded that the LBR provision in the AG Settlement has material costs, but those costs are outweighed by other benefits of the proposed merger. The Department stated:

Absent the Proposed Merger, NSTAR Electric and NSTAR Gas would operate under a decoupling plan by the end of 2012 and after 2012 would no longer be recovering LBR. See D.P.U. 07-50-A at 82-84, 88. Consistent with our findings in D.P.U. 07-50-A, therefore, we find that the LBR provision will meet most of our objectives regarding decoupling, although, as we have made clear, continuation of LBR would not be our preferred choice as compared to decoupling.

The Department found that, assuming that both Companies would have been operating under a decoupling plan and receiving no LBR recovery after 2012, under the AG Settlement, NSTAR Electric and NSTAR Gas will recover an estimated \$98 and \$15 million, respectively, more for LBR than they would have absent the Settlement over the course of the Base Rate Freeze Period.

Nevertheless, the Department concluded that neither NSTAR Gas nor NSTAR Electric will be allowed to recover any LBR after the end of the Base Rate Freeze Period on December 31, 2015. This includes any time that may elapse between the end of the Base Rate Freeze Period and the Department's approval of the Company's revenue decoupling proposal. In addition, as recognized by the Joint Petitioners (NSTAR & NU), NSTAR Electric and NSTAR Gas must file decoupling plans as part of their next rate case. This includes any rate case filed in a settlement.

### 4. STORM COST RECOVERY

The Department will conduct separate proceedings to determine storm-related cost recovery for Tropical Storm Irene and the October 2011 snowstorm.

### 5. WMECO RATE DESIGN

The Department retained full discretion to review the rate plan filing which WMECo has to file by November 1, 2012 to determine whether it would result in just and reasonable rates.

## **NET MERGER-RELATED SAVINGS**

The Department found the Net Benefits Study with projected net savings of \$302 million (over 10 year period) was reasonable.

## **DISTRIBUTION OF NET SAVINGS BETWEEN RATEPAYERS AND SHAREHOLDERS**

### **1. RECOVERY OF MERGER RELATED COSTS**

The Order concludes it is a benefit to ratepayers to exclude from recovery any change in control and retention payments to executives. It also confirmed that merger related costs may not be recovered unless exceeded by merger related savings.

### **2. DISTRIBUTION OF NET SAVINGS TO RATEPAYERS THROUGH LOWER COST OF SERVICE**

The Department noted that the frequency of rate cases affects how net merger savings are distributed between shareholders and ratepayers (i.e., that does not occur absent a rate case and the savings then stay with the shareholders). The Department stated that it is reasonable to expect NSTAR Electric, NSTAR Gas and WMECO will file rate cases as soon as possible following the Settlements because:

... after the Base Rate Freeze period, NSTAR Electric and NSTAR Gas will not be allowed to recover any LBR. Similarly, NSTAR Electric will not be allowed to recover costs associated with its CPSL program after it has recovered its 2015 costs, and would require a rate case to include such costs in base rates. In addition, in general, capital investments made during the Base Rate Freeze Period will not be included in cost of service without a rate case. Finally, by the end of the Base Rate Freeze Period, the Operating Companies will not have had any rate increases to account for inflationary pressures or other cost increases.

The Department recognized that NSTAR Electric and NSTAR Gas have not had adjudicated rate cases in over 20 years and it is “concerned that the Joint Petitioners have made no firm commitment for the Operating Companies to file rate cases in 2015. The Department is also concerned that the Joint Petitioners have not guaranteed that they will pass along to ratepayers any specific amount of estimated net savings from the proposed merger, other than through the Rate Credit.

However, the Department is encouraged by the increase in transparency in accounting for the merger savings and financial reporting (see next section), and it adds additional requirements to those to ensure “a fair distribution of net merger savings between ratepayers and shareholders.”

### 3. TRANSPARENCY AND FACILITATING THE RATEMAKING PROCESS

In addition to those requirements in the AG Settlement, the Department required the following:

- Because the Joint Petitioners estimate that the full merger-related cost reductions will not be achieved until five years following the Base Rate Freeze Period, the Department requires the Operating Companies to provide the Department in **June 2018** with an updated accounting of merger-related savings, which shows (a) actual savings per year for the period 2012 to 2017, (b) the distribution of savings between ratepayers and shareholders for the period 2012 to 2017, and (c) projected savings for the remainder of the ten-year amortization period.
- The Department directs NSTAR Electric to submit the independent study set forth in DOER Settlement, Article 3.3 to the Department 60 days before filing its next rate case, as directed by Article 3.3 of the DOER Settlement, or on **April 15, 2015**, whichever occurs first. At the same time NSTAR Electric files the independent study with the Department, NSTAR Electric shall also provide the Department with the following additional information for each year of the Base Rate Freeze, traceable to the Annual Returns: total O&M expense; depreciation and amortization; taxes other than income taxes; income taxes; total plant in-service; rate of return; and total operating revenues by rate component.

The costs of providing this information shall not be entitled to recovery in any subsequent rate case or Section 93 proceeding.

- If the Department has any reason to believe that the earnings of NSTAR Electric, NSTAR Gas, or WMECO are excessive or if it has concerns about their prices or quality of service either during the Base Rate Freeze Period or thereafter, it will investigate the propriety of rates pursuant to Section 93.

#### **EFFECT ON SERVICE QUALITY**

The Settlement provisions will result in ratepayer benefits. The Department will continue to monitor each company's service quality performance.

The CPSL provision is beneficial to customers because it provides NSTAR Electric with necessary funds to maintain reliability and safety of its system during the base rate freeze period.

#### **LONG-TERM STRATEGIES TO ASSURE A RELIABLE, COST EFFECTIVE ENERGY DELIVERY SYSTEM**

##### 1. ENERGY EFFICIENCY, SOLAR, ELECTRIC VEHICLES

The Order notes that:

The Compact requests clarification that the energy efficiency savings targets proposed for NSTAR Electric and WMECo will not apply to other Massachusetts energy efficiency program administrators (“PAs”), and that each PA should continue to develop savings targets appropriate to its own circumstances (Compact Comments at 8). In response to the Compact’s concerns, the Joint Petitioners state that the DOER Settlement does not, and cannot, bind any other Massachusetts PA to the savings targets proposed here (Joint Petitioners Reply Comments at 4).

The Department does not otherwise comment on the Compact’s request for clarification.

The Department concludes that the DOER Settlement provisions on EE, EV and solar contribute to a long-term strategy of providing reliable, cost effective energy delivery system.

## 2. LONG-TERM RENEWABLE PROCUREMENT

The Department confirms that it is not preapproving the Cape Wind contract, which will be considered in DPU 12-30.

The Department stated that:

to ensure pursuant to the DOER Settlement that NSTAR Electric enters into long-term contracts for at least 0.5 percent more than the Section 83 minimum requirement of three percent of its load (and achieves this benefit), the Department directs the following: (1) if the Department denies the contract between NSTAR Electric and Cape Wind, within six months of such denial, NSTAR Electric will implement the alternative RFP process for an additional two percent of its load, consistent with the amount identified in DOER Settlement, Art. 2.2; and (2) in the event that the Cape Wind facility is constructed at a reduced nameplate capacity such that the amount of output purchased by NSTAR Electric is reduced from the level identified in the DOER Settlement, NSTAR Electric will conduct an alternative RFP to purchase an incremental amount of new Massachusetts RPS Class I qualified resources to achieve, at a minimum, a purchase of an additional two percent of its 2013 electric load requirement.

## 3. STANDBY RATE TARIFF AND INTERCONNECTION OF DG

The DPU agrees with the DOER Settlement provisions on standby tariff proceedings (within 6 months following merger closing), customer upgrades for interconnection of DG (references

DPU 11-75), and DOER and NSTAR Electric working on fall zone requirements for wind projects, but notes that it has the authority to set the scope of the standby rate tariff proceedings.

#### 4. HYDROELECTRICITY

The DPU agrees that large hydro cannot be used for RPS obligations.

#### 5. PUBLIC OUTREACH CAMPAIGN

The DPU confirms extension of public outreach campaign to statewide basis.

### **EFFECT ON COMPETITION**

No adverse effect.

The Compact argued that NSTAR and WMECO should continue to procure and price their basic service loads separately, absent a showing that combined procurement would reduce wholesale supply costs.

The Department stated that:

Regarding retail competition, the Proposed Merger does not make any changes to the Operating Companies' legal and corporate structures or their existing business practices. Should the Joint Petitioners seek to combine their Operating Companies in the future, to change their basic service procurement procedures, or to change any other practices currently overseen by the Department, they will need Department approval to do so.

### **FINANCIAL INTEGRITY**

The DPU stated the Joint Petitioners will remain financially viable.

### **CONFIRMATION OF FRANCHISE RIGHTS**

The DPU confirmed the franchise rights of the companies.



## EXHIBIT H

### SPECIAL BARNSTABLE COUNTY COMMISSION RECOMMENDATIONS

#### #1. Transportation – County and the Regional Transportation Authority

Discussion focused on:

- the Regional Transportation Authority (RTA) working with Cape Cod Commission (CCC) on a shared economic development mission;
- the uniqueness of the RTA;
- the percent of town budgets and impact are minimal;
- could a new governing board of the county be a new governing Board of the RTA?
- concern about fair assessments under a new or different administrative structure for the RTA;
- a question as to how many 15 member boards do we need in the County;
- concern about the "balkanization" of transportation - how do you combine MPO, CCC RPP, RT Bd, TIP, SSA, airports, and Joint Transportation planning.

The goal is to have better coordination, more resources and a better result.

**Recommendation: It is important to push for more collaborative efforts around planning and implementation while the other recommendations of this report are deliberated and implemented. Convening all regional/local transportation groups annually or more regularly through the County would be an important first step.**

#### # 2. Wastewater

**Recommendation: We strongly and unanimously recommend that the Barnstable County Commissioners, working with the Cape Cod legislative delegation through an open and public process, seek special legislation establishing the Cape Cod Wastewater District. The Commissioners should charge the Executive Director of the Cape Cod Commission and the Executive Director of the Cape Cod Water Protection Collaborative with developing recommendations on the structure, powers, and funding mechanisms of the District.**

The Commissioners should act immediately because of the critical importance of the wastewater solution to the environmental and economic future of Cape Cod.

#### Related Input for Consideration by the County Commissioners:

1. Determine if the Authority should be an independent, separate entity charged to deal with regional wastewater issues.
2. Ensure the Authority has sufficient authority to fully realize the primary goal of vastly improved water quality standards on Cape Cod in cooperation with the Cape Cod Commission and the Regional Policy Plan.
3. Highlight the many positive outcomes that enhance future economic development and better manage our natural resources in addition to the significant environmental gains.
4. Ensure the development of fair, broad-based funding mechanisms that take into account funds already invested by towns on infrastructure that could assist the regional solution(s).
5. Highlight the financial savings of comprehensive regional solutions over the higher

## SPECIAL BARNSTABLE COUNTY COMMISSION RECOMMENDATIONS

### #3. Environment – County and State Coordination

There has been much discussion about the reduction in the State workforce and concurrent reduction in services available to local and regional governments. With the inevitable slowdown that results from this, it seems important to explore what kind of partnership role the County could play in the delivery of state services.

**Recommendation:** That The County Commissioners develop a strategy and engage in discussions with the Commonwealth and legislature about providing services currently delivered by the State at the regional level. Such services would include but not be limited to health functions, environmental protection functions, public works and highway department functions, housing development functions etc.

### #4. Environment – Cape Cod Mosquito Control to County

There is a growing concern about the Boston centric management of the Cape Cod Mosquito Control and their different philosophy concerning the use of pesticides and how this relates to the management and control of the mosquito in a fragile ecosystem.

**Recommendation:** Barnstable County Commissioners in conjunction with Mosquito Control Commissioners should explore filing legislation to transfer the Cape Cod Mosquito Control program from the State to the County.

### #5. Cape Light Compact/Cape & Vineyard Electric Cooperative & the County

**Goal:** To continue and enhance the services of the Cape Light Compact for the benefit of the residents, businesses and municipalities of Barnstable County

**Present Situation:** The Cape Light Compact aggregates consumers and negotiates contracts for electric power supply and operates the region's state-mandated energy efficiency program. Towns have adopted the Compact program through Town Meeting votes. Consumers have a choice of whether to remain with the Compact or choose another retail power supplier. The Compact was initiated and is housed by Barnstable County, but is not a department of the County. The Cape Light Compact is organized by an Intergovernmental Agreement between the 15 Cape towns and Barnstable County, as well as the six towns of Martha's Vineyard and Dukes County. The Compact is governed by a Board of Directors made up of representatives of each town and the counties. Barnstable County acts as the administrator for the Compact, and as its fiduciary agent. Under an Inter-municipal Agreement, one of the members acts as the fiduciary agent. If this were not Barnstable County, another member would have to provide that function. The Compact's programs are under jurisdiction of the state.

The power supply program and each contract is approved by the Department of Public Utilities and requires supply service to be offered to all classes of customers. The Compact is also required to offer pricing below that of NStar. The Cape Light Compact contracts with a retail power supplier who bills Compact customers through NStar. Under the law which allows municipal aggregation, the Compact cannot contract directly with a wholesale electric supplier. This creates a barrier to opportunities for low cost wholesale power supply.

## SPECIAL BARNSTABLE COUNTY COMMISSION RECOMMENDATIONS

The Compact's Energy Efficiency Program and each of its five year plans are also subject to approval by the Department of Public Utilities which conducts detailed audits of the program. The state prerequisite for operation of an Energy Efficiency Program is a power supply contract, thus two programs are linked.

Separate from the Compact, the Cape & Vineyard Electric Cooperative (CVEC) is a private non-profit 501 (c ) 3 organization that can assist in the development of renewable energy in Barnstable County and help the Compact meet its power supply needs through access it can provide to the wholesale power market. The purpose of CVEC projects is to reduce the cost of power supply to residential, business and municipal consumers.

**Recommendation: The County should recognize and clarify its vital role with the Cape Light Compact, and the synergy it can help to create between the Compact and other regional agencies.**

1. In addition to providing administrative support and housing the Compact programs, the County should examine its potential to acquire licensing or long term broadband resources for SmartGrid development which is essential for expanded renewable energy supply and energy efficiency.
2. The County should also consider use of long term Clean Renewable Energy Bonds, as well as other resources that would enhance services for Barnstable County consumers.
3. The County should formulate a long range energy plan in a public process. The purpose would be to maximize security, reliability, economic savings and environmental protection related to forms of energy use in Barnstable County. The plan would cover a twenty-five year term with flexible five year plans containing specific goals in each energy sector. The plan would incorporate both the Cape Light Compact Energy Efficiency and Power Supply planning efforts and the Cape Cod Commission planning efforts.
4. In view of these long term resources and planning efforts, the County and Cape Light Compact should form a long term contract (i.e. 25 years) that specifies the services and resources the County is to provide for the Compact and the terms of compensation and resulting benefits for the County. The contract could include County audit and oversight services for the Compact's annual budget and five year efficiency and renewable energy/power supply plans. (It is important to note that under the current Administrative Services Agreement with the County the Compact's budgets have been thoroughly audited in the past as part of professional annual audits of Barnstable County records. This recommendation addresses future practices and structure.)
5. As an alternative to formation of a long term contract, the County could consider revision of the Inter-municipal Agreement and making the Cape Light Compact a County program.
6. As a structural option, and as part of long range energy planning, the County should examine the potential to form a regional power authority in cooperation with municipalities.
7. Given that CVEC is a separate 501(c ) 3 private nonprofit organization, and that the County is a member of CVEC and has an administrative services agreement with CVEC, the County should clarify its relationship to CVEC through contractual terms with CVEC as well as through County policies regarding personnel and operational practices.

## SPECIAL BARNSTABLE COUNTY COMMISSION RECOMMENDATIONS

### #6. Economic Development – Workforce Investment Board and Service Delivery Administrator under County

The Workforce Investment Act of 1998 (WIA) created a comprehensive workforce investment system. The success of the local workforce investment system is contingent on a successful relationship (an Agreement) between the Chief Elected Official and the Local Workforce Investment Board. Changes to the Agreement must be modified if there is a new Chief Elected Official and if there has been a change in the entity named to assist in the administration of the grant funds, to act as the local grant sub-recipient, or fiscal agent. Barnstable County Commissioner Sheila Lyons is the new Chief Elected Official for our Local Workforce Investment System. The Chief Elected Official (CEO) has the authority to designate an entity to act as the WIA fiscal agent and/or to act as a local grant sub-recipient. The CEO also must develop an agreement with the Local Workforce Investment Board (LWIB). As a function of the agreement, the LWIB may choose to employ LWIB staff directly or contract with another appropriate organization to provide staffing services, including the designated CEO, or its fiscal agent and/or sub grant recipient. It is permissible for the CEO to be the employer of record for LWIB staffing purposes.

**Recommendation: We recommend that the Barnstable County CEO consider entering into discussions with the SDA Administrator and the LWIB about electing to designate the County as the fiscal agent and local grant sub-recipient for the local workforce investment system. We also recommend that the Barnstable County CEO consider designating the Cape Cod Commission as the staffing entity for the LWIB. We feel that this new arrangement would bring a critical public program more into the view of the public and better align it with the economic development priorities of the Cape. We are also aware that this initiative requires a deep understanding and assessment of its pros and cons.**

### #7. Economic Development

Definition of Economic Development: Economic development increases the wealth in a region. Economic development efforts seek to improve the environment in which private businesses function. All economies are regional – and a strong economic development effort requires a coordinated regional approach by government and the private sector.

#### **Recommendations:**

- **Approve an Economic Development Constitution – CEDS:**

Barnstable County does (and should continue to) craft a Comprehensive Economic Development Strategy (CEDS). This document should be considered the constitution of economic development for the region. This document is prepared with great involvement from the private sector as well as the towns and economic development organizations. The document is submitted to the U.S. Department of Commerce and can be a conduit for funding. Most importantly however, it is a process to gain agreement, guide activity and set priorities, identify implementing entities (government, non-profits or for-profits) and track progress.

- **Collaborate to Execute the Plan:**

Key organizations charged with economic development (as defined above) should meet constantly to break down any silos, and find common ground on the CEDS priorities. A current example of this is the SmarterCape Partnership, where the CEO's of the key organizations meet weekly to advance the innovation economy goals of CEDS.

## SPECIAL BARNSTABLE COUNTY COMMISSION RECOMMENDATIONS

Public/Private Partnerships: State Government has called for Regional Economic Development Organization status for private not-for-profit entities that have a demonstrated track record and a collaborative approach with others in regional of not less than 10 communities. For Cape Cod, the CCEDC (a sister corporation of the Cape Cod Chamber) has received this status, and has a memoranda of understanding with eleven other regional entities, including Barnstable County and its EDC. This cross-silo effort is bearing fruit with stronger programs to advance entrepreneurial growth and development among other topics. The REDO grant awarded is to fund a scope of services agreed upon by the REDO partners.

Government has a critical role in building and maintaining infrastructure that enables trade and economic activity. The private sector has a role in delivering specific services (i.e. workforce training, financing, business skill development, destination marketing, affordable housing, etc.)

### **#8. Regional Umbrella Services System (RUSS) – Open Cape and County Relationship**

The Special Commission is supportive of the County's efforts to develop a Regional Umbrella Services System for the aggregation of telecommunications and technology services and the delivery of common applications among municipalities, schools, libraries, and public safety departments

### **#9. Public Safety/Emergency Management**

Goal: Establish a regional working group of Cape Cod town officials, public safety officials Barnstable County, CMED representative and the Sheriff's Office to investigate an opportunity for the communities of Barnstable County to create a new regional center for the purpose of managing, maintaining and administering a Cape-wide public safety communications center. The recently completed Barnstable County E911 Regional Feasibility Study prepared by Intertech Associates dated December 12, 2011 recommended a multi-center configuration (more than one center), in order to create a level of system redundancy and backup between primary and regional PSAPs.

The rapidly approaching 2012 EMD deadline to provide an EMD specific response to every medical call by telecommunicators will be difficult and expensive to operate. This new regional model will be able to take into account the efficiencies of multiple emergency calls handled by a staff of consistently trained telecommunicators. This approach also eliminates the local risk factor of having a single dispatcher on duty and improves the opportunity to create a more efficient use of technology and personnel.

**Recommendation: The County should establish a call receiving/dispatch entity in cooperation with police, fire and municipal officials to initiate the process of establishing the policy, procedures, operational and strategic direction for the delivery of emergency communications on Cape Cod. This entity will also research the creation of supporting legislation; seek appropriate grant funding needed for the support, planning, implementation and capital requirements to operate a consolidated dispatch center operation.**

## **SPECIAL BARNSTABLE COUNTY COMMISSION RECOMMENDATIONS**

Discussion: Barnstable County has been facilitating regional "All Hazard" emergency planning in areas such as hazardous materials management and SARA Title III compliance, sheltering and mass care, grant applications and management, and communications through 700 MHz applications and 911 Dispatch Surveys.

- Barnstable County has worked with communities to initiate a regional response to weather related events through opening a multi-agency coordination center. The MACC is staffed by the Barnstable County Incident Management Team and administers regional shelter operations, processes local community resource requests, supports NSTAR power restoration activities, and provides communities with situational awareness with storm conditions, damages, and Power outages.
- Barnstable County provides a forum for local, state, and federal emergency management agencies to discuss issues through the monthly meetings of the Barnstable County Regional Emergency Planning Committee.
- Barnstable County assists with the development of region wide emergency plans such as the Cape Cod Emergency Traffic Plan with state and federal agencies.

**Recommendation: Barnstable County Commissioners should continue to provide staff resources to further develop and improve the dialogue, communications and coordination among Cape Cod local Government emergency and support agencies; as well as to pursue grant funding opportunities to enhance emergency response capabilities for citizens of Barnstable County**

### **#11. Barnstable County Health and Human Services**

**Recommendation: That the Department of Health and Environment, Cooperative Extension and the Department of Human Services continue to collaborate, strengthen links between departments, and plan for greater efficiencies in the area of regional public health.**

## **GOVERNANCE RECOMMENDATIONS:**

### **#12. Strong Barnstable County Administrator**

#### **Recommendations:**

- **There be one appointed County Executive who would be the CEO and CAO of the County. The Administrator would be appointed by a majority of the Chief Elected County Officials. The Administrator would appoint all County employees and be responsible for all administrative functions of the County. The Administrator would have the authority to appoint a separate Finance Director as part of the transition of streamlining County Government.**
- **There would also be an Assistant County Executive whose duties and responsibilities would include but not be limited to human resources, contract administration, Human Services, oversight of Cape Light Compact, County Dredge, Resource Development, and a division of Regionalization Development. Other duties may be assigned by the County Administrator.**

### **#13. Municipal Government County Advisory Board**

## **SPECIAL BARNSTABLE COUNTY COMMISSION RECOMMENDATIONS**

meet quarterly and makes recommendations to the County. It would focus on the following: collaboration, cost effectiveness, efficiencies between government units, regionalization and the provision of regional services.

### **#14. Barnstable County Commissioners and Barnstable County Assembly of Delegates**

**Recommendation:** that Commissioners and Assembly merge into one entity with 5 locally elected members and 2 County-wide members.

### **#15. Terms of Office for New Governing Entity**

**Recommendation:** that the term of the new County Officers be for 4 years.

### **#16. Salary and Benefits**

**Recommendation:** the salary range for the new elected officials be in from \$15,000 to \$25,000 with the consideration of benefits to be included within that range.

### **#17. Party Affiliation**

**Recommendation:** That the elections for the newly created County Offices be non-partisan





# Exhibit I

Cape Light Compact  
Special Revenue Funds  
as of 3/31/12

Description	Fund 0026 Energy 2011	Fund 0027 Energy 2012	Fund 2006 Solarize Our Schools	Fund 2161 Energy Audit Grant	Fund 2162 Energy Effic Conserv Block	Fund 8038 Energy Efficiency Reserve Fund	Fund 8046 Power Supply Reserve Fund	Fund 8073 WEC RECs Fund	Fund 8074 CLC Operating Fund	Fund 8075 CLC Green Fund
Fund Balance as of 7/11	2,134,150.39	(1,428,663.23)	81,208.66	(8,224.00)	0.00	106,600.50	1,012,885.91	0.00	71,459.74	53,784.59
<b>Revenues</b>										
SBC Revenues	2,699,553.01	852,340.00								
RGGI Revenues		282,410.00								
FCM Revenues	434,763.83	147,093.30								
EERF Revenues	7,251,452.14	2,275,304.00								
Other Income	3,350.00									
Bank Interest Income	488.03	394.81								
Energy Audit Grant-Application Fees										
Energy Audit Grant Revenue				12,974.00						
Energy Effic Conserv Block Grant Rev										
Mil Adder Revenue							794,243.66			
Photovoltaic Incent Revenue								1,058,865.00		97,952.84
RPS RECs Revenues									905,445.24	
CLC Green Fund Revenue									792,538.48	33,857.43
<b>TOTAL REVENUES</b>	10,389,607.01	3,557,542.11	0.00	12,974.00	0.00	0.00	794,243.66	1,058,865.00	0.00	97,952.84
<b>TOTAL TRANSFERS</b>	(1,134,470.30)	1,159,104.30					(905,445.24)			
<b>TOTAL EXPENDITURES</b>	11,389,287.10	2,124,554.27	0.00	250.00	104,370.00	0.00	58,251.00	1,058,865.00	792,538.48	33,857.43
Fund Balance	0.00	1,163,428.91	81,208.66	4,500.00	(104,370.00)	106,600.50	843,433.33	0.00	184,366.50	117,880.00