



# The Commonwealth of Massachusetts

## DEPARTMENT OF PUBLIC UTILITIES

### NOTICE OF FILING AND PUBLIC HEARING

D.P.U. 15-38

April 17, 2015

Petition of the Towns of Aquinnah, Barnstable, Bourne, Brewster, Chatham, Chilmark, Dennis, Eastham, Edgartown, Falmouth, Harwich, Mashpee, Oak Bluffs, Orleans, Provincetown, Sandwich, Tisbury, Truro, Wellfleet, West Tisbury, Yarmouth, and the Counties of Barnstable and Dukes, acting together as the Cape Light Compact, for Approval by the Department of Public Utilities of: (1) a Mid-Term Modification to its Three-Year Energy Efficiency Plan for 2013 through 2015; and (2) a Revised 2015 Residential Energy Efficiency Surcharge, for effect June 1, 2015.

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On January 31, 2013, the Department of Public Utilities (“Department”) approved a three-year energy efficiency plan (“Three-Year Plan”) and associated budgets for 2013 through 2015 for the Towns of Aquinnah, Barnstable, Bourne, Brewster, Chatham, Chilmark, Dennis, Eastham, Edgartown, Falmouth, Harwich, Mashpee, Oak Bluffs, Orleans, Provincetown, Sandwich, Tisbury, Truro, Wellfleet, West Tisbury, Yarmouth, and the Counties of Barnstable and Dukes, acting together as the Cape Light Compact (“Compact”). Cape Light Compact, D.P.U. 12-107 (2013). On April 17, 2015, the Compact filed a petition requesting that the Department: (1) approve a mid-term modification to its Three-Year Plan; and (2) approve a revised energy efficiency surcharge (“EES”) for effect June 1, 2015. The Department docketed the petition as D.P.U. 15-38.

As a mid-term modification to its Three-Year Plan, the Compact requests that the Department approve an increase of approximately \$14.4 million to its residential program budget for 2013 through 2015. On March 31, 2015, the Compact received the support of the Energy Efficiency Advisory Council (“Council”) to make the following changes to its Three-Year Plan: (1) an increase to the 2013-2015 Residential Whole House program budget of \$13.2 million (a 42 percent increase); and (2) an increase to the 2013-2015 Residential Hard-to-Measure program budget of \$1.2 million (a 51 percent increase). In addition to Council review, pursuant to the Department’s Energy Efficiency Guidelines § 3.8.2(3), the Compact must also seek Department approval for any proposed change in its Three-Year Plan where the term budget of a customer sector will result in a bill increase for an average customer in the sector exceeding two percent. The Compact’s analysis indicates that the budget increases will result in a bill increase for an average customer in the residential sector

in excess of two percent. Accordingly, the Compact seeks Department approval of the changes to its Three-Year Plan previously supported by the Council.

An EES collects additional funds for approved electric energy efficiency programs when the cost of implementing those programs exceeds other funding sources. See G.L. c. 25, § 19(a). The Compact's current EESs were approved subject to reconciliation on December 29, 2014. Cape Light Compact, D.P.U. 14-143 (2014).

The Department's Energy Efficiency Guidelines § 3.2.1.6.4.1(a) require the Compact to propose revised EESs if a projected under or over-recovery of costs for a customer sector would result in a bill impact greater than two percent for an average customer ("bill impact threshold"). The Compact states that, if its mid-term modification is approved as proposed, it will exceed the bill impact threshold for the residential sector. Accordingly, the Compact proposes for effect June 1, 2015, to increase its residential (R-1) EES from 1.50 cents per kilowatt-hour ("kWh") to 2.349 cents per kWh. The Compact proposes no changes to its low-income or commercial and industrial EESs.

If the Compact's revised EES is approved as proposed, a Compact residential customer (R-1) using 584 kWh of electricity per month will experience a monthly bill increase of \$4.94, or approximately 3.31 percent on June 1, 2015.

The Department will conduct a public hearing to receive comments on the Compact's petition on **Friday, May 15, 2015 at 2:00 p.m.** at the Department's offices, One South Station, 5<sup>th</sup> Floor, Boston, Massachusetts. The public hearing will be immediately followed by a procedural conference. Any person interested in commenting may appear at the public hearing or submit written comments to the Department no later than the close of business (5:00 p.m.) on **Friday, May 15, 2015**. Any person interested in participating in the evidentiary phase of this proceeding must file a written petition for leave to intervene no later than the close of business (5:00 p.m.) on **Friday, May 8, 2015**.

A petition for leave to intervene must satisfy the timing and substantive requirements of 220 C.M.R. § 1.03. Receipt by the Department, not mailing, constitutes filing and determines whether a petition has been timely filed. A petition filed late may be disallowed as untimely unless good cause is shown for waiver under 220 C.M.R. § 1.01(4). To be allowed, a petition under 220 C.M.R. § 1.03(1) must satisfy the standing requirements of G.L. c. 30A, § 10.

One (1) original and two (2) copies of all documents should be delivered to Mark Marini, Secretary, Department of Public Utilities, One South Station, 5th Floor, Boston, Massachusetts 02110 by the dates and times referenced above. One (1) copy of all comments also should be sent to counsel for the Compact, Jeffrey M. Bernstein, Esq. and Jo Ann Bodemer, Esq., BCK LAW, P.C., One Gateway Center, Suite 809, Newton, Massachusetts 02458.

All documents should also be submitted to the Department in electronic format using one of the following methods: (1) by e-mail attachment to [dpu.efiling@state.ma.us](mailto:dpu.efiling@state.ma.us) and the hearing officer, [David.J.Gold@state.ma.us](mailto:David.J.Gold@state.ma.us); or (2) on a CD-ROM. The text of the e-mail, or CD-ROM must specify: (1) the docket number of the proceeding (D.P.U. 15-38); (2) the name of the person or company submitting the filing; and (3) a brief descriptive title of the document. The electronic filing should also include the name, title, and telephone number of a person to contact in the event of questions about the filing. All documents submitted in electronic format will be posted on the Department's website: <http://www.mass.gov/dpu>.

The Compact's filing is available for public inspection during regular business hours at the Compact's offices, Superior Courthouse, 3195 Main Street, Barnstable, Massachusetts 02630. The filing is also available for public inspection during regular business hours at the Department's offices, One South Station – 5th Floor, Boston, Massachusetts 02110. In addition, electronic filings are available on the Department's website: <http://www.mass.gov/dpu>. Any person desiring further information regarding this notice should contact David Gold, Hearing Officer, Department of Public Utilities at (617) 305-3500.