

# Cape Light Compact JPE Executive Committee & Governing Board Meeting

**DATE:** Wednesday, March 28, 2018  
**LOCATION:** Cape Light Compact Offices – MV Conference Room  
261 Whites Path, Unit 4, South Yarmouth  
**TIME:** 12:00 – 4:30 p.m.

## AGENDA

- 12: 00 PM 2019-2021 Energy Efficiency Plan
1. Presentation on Potential Study,
  2. Overview of Compact Stakeholder Sessions
  3. Review and Discuss Proposed Compact Energy Efficiency Enhancements
- 2:00 PM Open Session Vote on entry into Executive Session pursuant to M.G.L. c. 30A §21(a)(3) to discuss matters below, to return to open session:  
Update on Regulatory Litigation and discussion of strategy related to the Compact's Aggregation Plan, DPU 14-69, and the Compact's Request for an Advisory Ruling, DPU 17-95, Potential Vote
- RETURN TO OPEN SESSION
- Public Comment
- Approval of Minutes
- Chairman's Report
- Fiscal Report, Peter Cocolis
- Meeting Protocols Update, Tom Donegan
- Administrator's Report:
1. Discussion on CLC Board Member Email Accounts
  2. Proposed 2019-2021 Energy Efficiency Plan Work Session, March 28<sup>th</sup>
  3. Discussion of Questions and Communications from the Attorney General's Office on DPU 17-95, Potential Vote
  4. Overview of Eversource Rate Case, DPU 17-05
  5. Power Supply RFP Update
  6. Proposed Resolution on Offshore Wind, Potential Vote
- Board Member Update (Reserved for Updates on Member Activities the Chair Did Not Reasonably Anticipate Would be Discussed – No Voting)



# CAPE LIGHT COMPACT STAKEHOLDER ENGAGEMENT & 2019-2021 POTENTIAL STUDY

## Board Meeting

3/28/2018



Opinion **Dynamics**



**dunsky**  
ENERGY CONSULTING

## Agenda

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- Study Background
- Study Approach
- High-Level Results
- Status and Next Steps
- Questions and Answers



Opinion **Dynamics**



# Study Background

## Study Components

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- Two distinct but related efforts:
  - **Stakeholder Engagement Meetings:** New effort to engage a variety of customers and stakeholders early in the planning process
  - **Potential Study for 2019-2021:** Update to the 2016-2018 potential study completed in 2014/2015



Opinion **Dynamics**



## Study Objectives

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- Stakeholder Engagement Meetings
  - Give stakeholders a voice early in the Compact's planning process
  - Collect feedback on programs and outreach strategies (present and future)
- Potential Study
  - Determine the remaining achievable potential for the 3-year period 2019-2021
    - Electric EE and DR potential, by sector/segment and year
  - Comply with requirements of the Massachusetts Department of Public Utilities ("DPU") that each Program Administrator "conduct a service territory-specific energy efficiency potential study every three years"

→ ***Inform the Compact's next 3-Year Energy Efficiency Plan and program planning efforts***



# Stakeholder Engagement Meetings



## Scope

- Series of 12 meetings, each focused on a specific stakeholder group
- Moderated by Opinion Dynamics

Meeting #	Stakeholder Group	Date	# Attendees
1	Cape Cod Environmental Organizations	11/30/2017	5
2	Cape Cod Municipal/Public Entities	12/1/2017	13
3	Educational Organizations	12/12/2017	10
4	Compact Board of Directors	12/13/2017	9
5	Compact Large C&I Customers	1/10/2018	6
6	Compact Vendor Community	1/11/2018	9
7	Compact Residential Customers #1	1/11/2018	13
8	Compact Small/Medium C&I Customers	1/16/2018	5
9	Vineyard Organizations	1/22/2018	13
10	Cape Cod Community Organizations	1/23/2018	11
11	Compact Staff	1/23/2018	11
12	Compact Residential Customers #2	2/01/2018	9





## Key Research Questions

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- Program Opportunities
  - What opportunities are of interest to stakeholders?
  - What else should the Compact be offering that is not currently offered?
  - How can the Compact modify its low income program guidelines to reduce barriers to participation?
  - What will energy education look like when lighting is no longer offered?
- Compact Outreach
  - How can the Compact increase participation in its programs?
  - How can the Compact better...
    - serve customers in a comprehensive manner/achieve deeper savings?
    - provide information to stakeholders' towns and residents/businesses?
    - involve and leverage different stakeholder groups for outreach?
    - reach hard-to-reach customers?



## Key Stakeholder Feedback

- Program Opportunities
  - There is higher interest in existing offerings than new technologies; solar PV, heat pumps, and energy storage are the exception (individually or in combination)
  - Meeting attendees offered a range of ideas for enhancing current programs
  - Attendees suggested efforts to improve the limited local contractor base
  - Both residential and commercial stakeholders expressed an interest in low-interest project financing
- Outreach
  - Low awareness remains the biggest barrier to program participation
    - Word-of-mouth is still the most effective means by which Compact customers learn about energy efficiency and Compact programs
  - Many ideas for Compact outreach are already used by the Compact
  - There is broad support for engaging in partnerships with the Compact
  - There is a need for simpler, more consistent messaging and more accessible information on Compact offerings

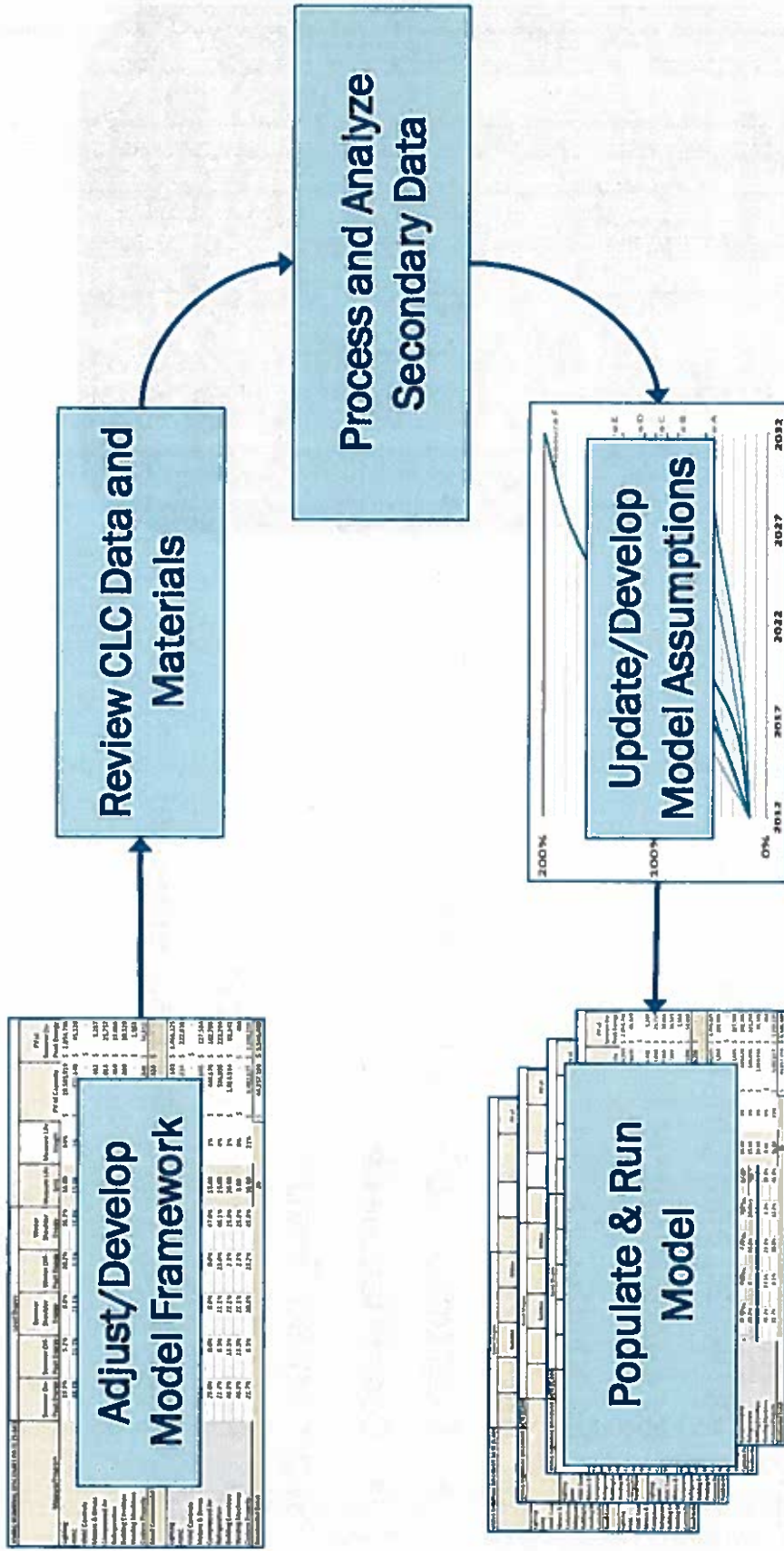


# Potential Study



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# Potential Study Overview



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## Key Model Outputs

- Energy and Demand Potential
  - Technical, economic, and achievable potential
  - By energy source
- Key Economic Outputs
  - Budget
  - Total Resource Benefits/Costs
  - Cost-effectiveness
- Segmented Results
  - Results by segment/sector
  - Results by measure class (end-use)

### Technical Potential:

*Technologies with the most savings are installed in all applicable buildings.*

### Economic Potential:

*Subset of technical potential that is cost-effective.*

### Achievable Potential:

*Subset of economic potential that can be achieved with ambitious and comprehensive program design.*





# Potential Model Dashboard



## DASHBOARD VIEW

Cape Light Compact 2019 - 2021 DSM Potential

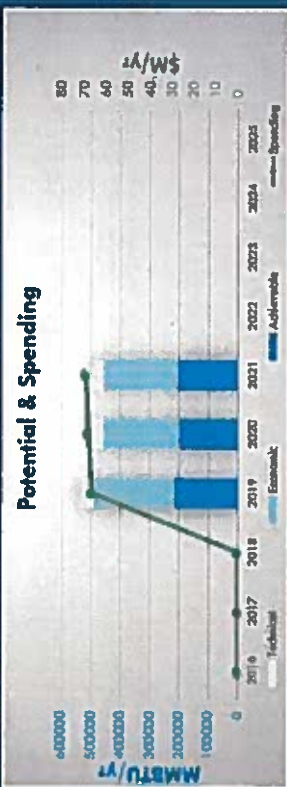
Refresh Model Results

Spotlight ECONOMICS	67.6 M\$ Elec. Budget	0.0 M\$ Gas Budget	0.0 M\$ Oil Budget	0.0 M\$ Propane Budget	67.6 M\$ TOTAL BUDGET	3.5 SCT	2.5 SCT
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### Critical Numbers

TECH	61	51			
ECON	374	339			
ACTV	158	85			
% Savings	7.58%				

	MMBTU (Gas)	MMBTU (Oil)	MMBTU (Propane)	MMBTU eq./total GHG (mt)
2019	381,441	123,140	72,441	1,519,907
2020	149,096	179,796	21,972	1,404,446
2021	211,123	51,669	5,124	618,248



### USER SPACE 1: SCENARIOS

SELECT UTILITY	Scenario 1	Scenario 2	Scenario 3
Discount Rates	0.4%	0.4%	10.0%
Utility (elec)	0.4%	0.4%	0.4%
Utility (gas)	0.4%	0.4%	0.4%
Societal (both)	0.4%	0.4%	0.4%
Participant (both)	4.0%	4.0%	4.0%
Other Sensitivities			
Financing programs			
GHG Override \$/ton			
Rates (% change)	0%	0%	0%
Incentives (% change)	0%	0%	0%
Add non-incent. costs	Yes	Yes	Yes
Incent. multiplier cost	0.00	0.00	0.00
Savings Metric			

### USER SPACE 2: FILTER RESULTS

click components to select | click filter button ( ) to clear filters and select all | press CTRL+click to add or remove individual components

Energy

Sector

Segment

MMBTU

MMBTU eq./total GHG (mt)

MMBTU (Gas)

MMBTU (Oil)

MMBTU (Propane)

MMBTU eq./total GHG (mt)

Measure Type

Measure Class



## Key Updates to 2014 Study

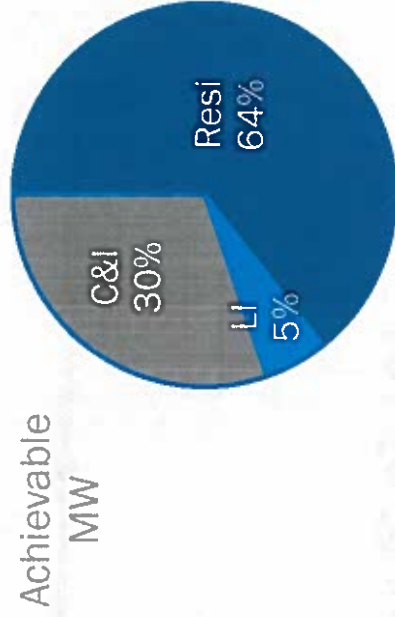
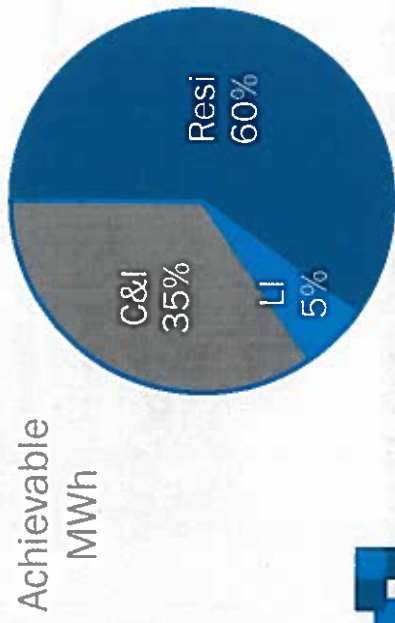
- Measures
  - Addition of several new energy efficiency measures, removal of a few others
  - Addition of demand response measures
- Measure assumptions
  - General update based on Massachusetts' Technical Reference Manual, evaluation reports, and other sources
  - Adjustment of baseline assumptions following code and standard changes
    - Adjustment of lighting assumptions (e.g., savings, cost, measure life) to reflect latest market data and assumptions related to EISA standards
  - Development of new penetration and saturation inputs
- Costs
  - Update of detailed program-level costs, with fixed and variable components
  - Update of avoided cost – *not yet available*





# Key Results

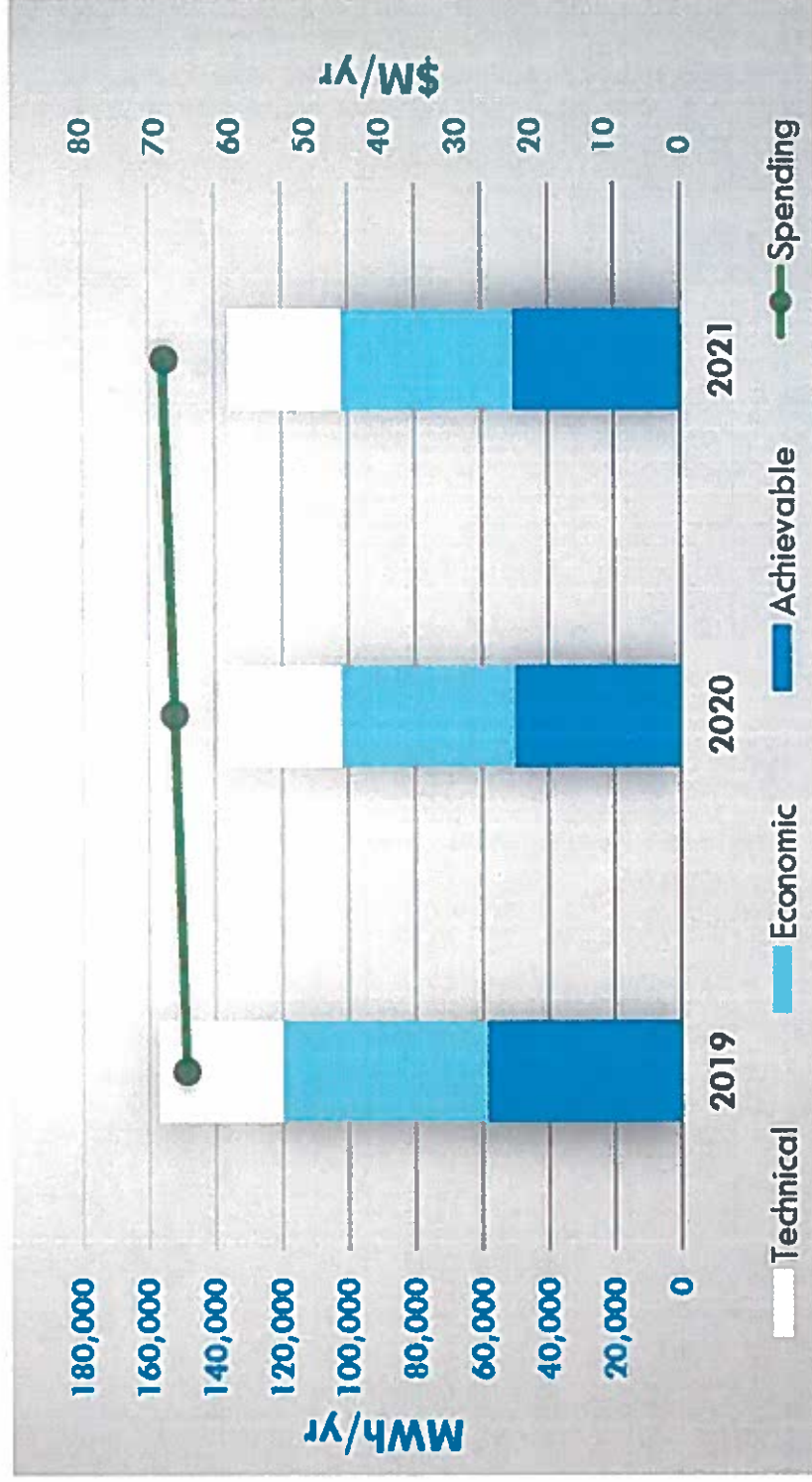
	All Sectors		Residential		Low Income		C&I	
	MWh	MW	MWh	MW	MWh	MW	MWh	MW
Annual Potential	143,774	116.9	88,879	65.5	5,932	3.9	48,963	47.5
Technical	107,994	109.9	59,188	59.1	4,311	3.5	44,496	47.3
Economic	52,795	27.7	31,652	17.8	2,886	1.5	18,257	8.4
Achievable as % of Sales	2.81%		2.98%		4.58%		2.43%	
<b>Cost-Effectiveness (Total Resource Cost Test)</b>								
Sector-level	2.5		2.1		3.6		3.9	
Measure-level	3.5		2.9		4.3		6.5	



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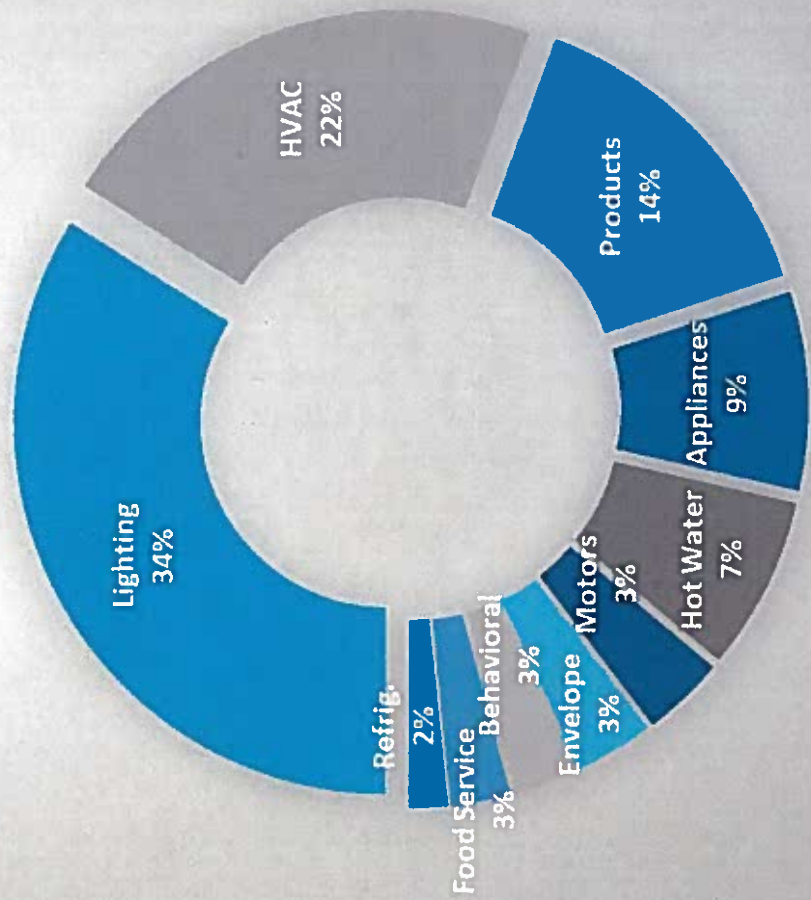
# Annual Savings and Spending, by Year



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# Achievable Potential, by End-Use

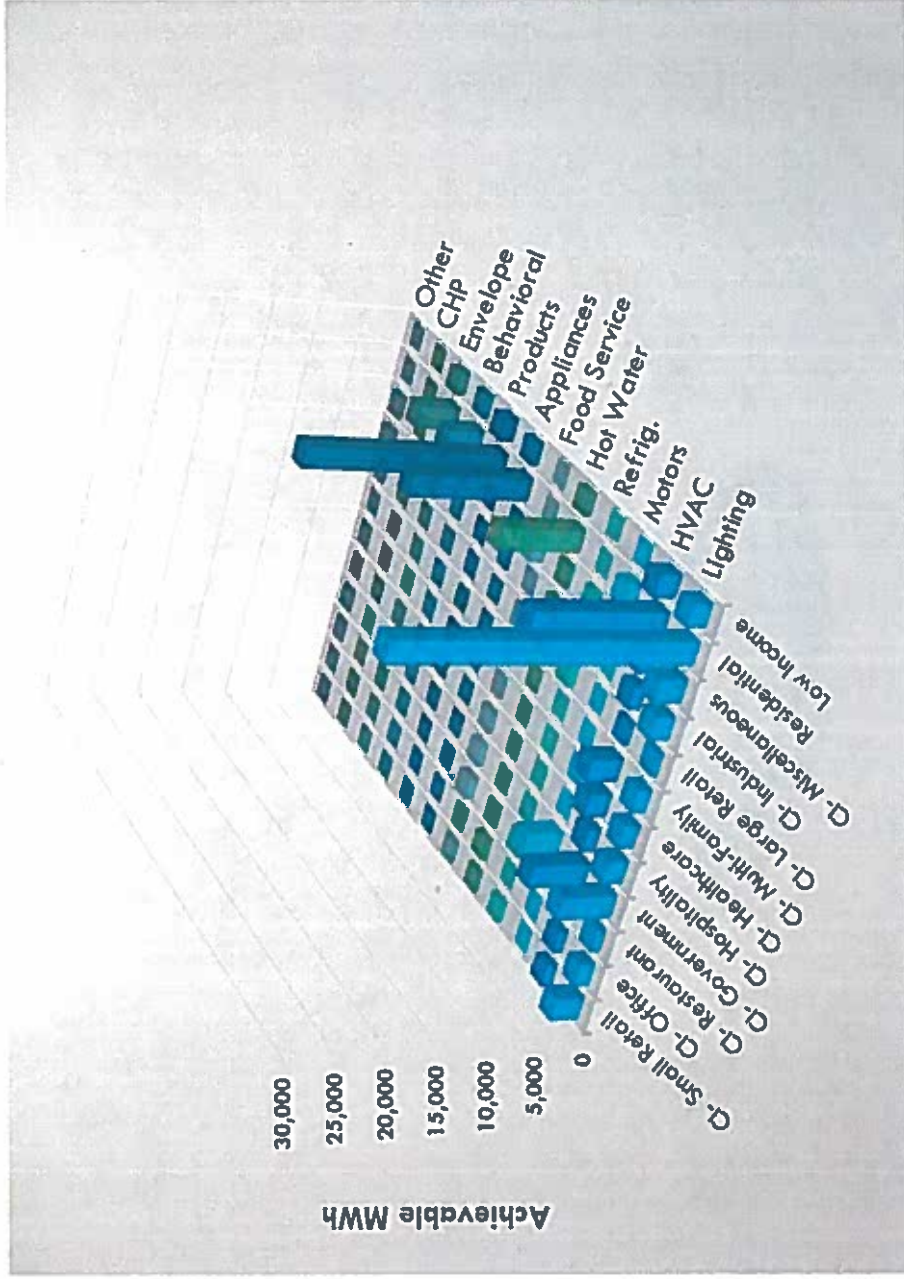


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# 3-Year Achievable Potential, by Segment and End-Use



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# Status and Next Steps

## Status and Next Steps

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- Stakeholder Meetings
  - Completed meetings
  - Submitted meeting summaries following each meeting
  - Submitted draft methodology and results memo last week
- Potential Study
  - Draft report went through Compact and EEAC review
  - Responded to EEAC questions and comments
  - Awaiting final avoided cost
    - Will rerun the model
    - Expect slight changes in results



# Questions & Answers



# Cape Light Compact JPE 2019-2021 Energy Efficiency Plan Proposed Enhancements

March 28, 2018

**Cape Light  
Compact**



*Working Together Toward A Smarter Energy Future*

# 2019-2021 EEP Schedule



- March 28 Discuss Compact Enhancements
- April 11 Compact Board votes on First Draft of Proposed Enhancements to the 2019-2021 Energy Efficiency Plan (EEP)
- April 30<sup>th</sup> Compact presents draft EEP to the state Energy Efficiency Advisory Council
- May – September Compact staff continue to refine EEP
- September - Compact Board finalizes proposed 2019-2021 EEP Enhancements and Program Budgets
- October 30, 2018 – Compact files EEP with the Department of Public Utilities



# Residential Enhancements



- Continue with cost effective no cap insulation offer for residential customers
- Continue offering 100% insulation incentives to our renter and moderate income customers
- Continue to explore ways to serve our hard-to-reach customers
- Proposed new offer: \$5,000 grant to be used for energy efficiency upgrades for any school that recruits xxx Home Energy Assessments in any one year

# C&I Enhancements

Cape Light  
Compact



- Continue enhanced incentives for:
  - Municipal
  - Non-profits
  - Year-round tenants
  - Oil, propane and unregulated fuels
  - “Main Streets”

# Demand Management - Storage

Cape Light  
Compact



- Small Scale Battery Storage for Residential and Small Commercial Customers
  - Proposed to focus mostly on residential and small commercial customers who have installed distributed generation (DG) such as solar and wind
  - Modeled after existing utility programs (e.g., Unitil and Green Mountain Power)
  - Objective is to reduce system and local peak demand

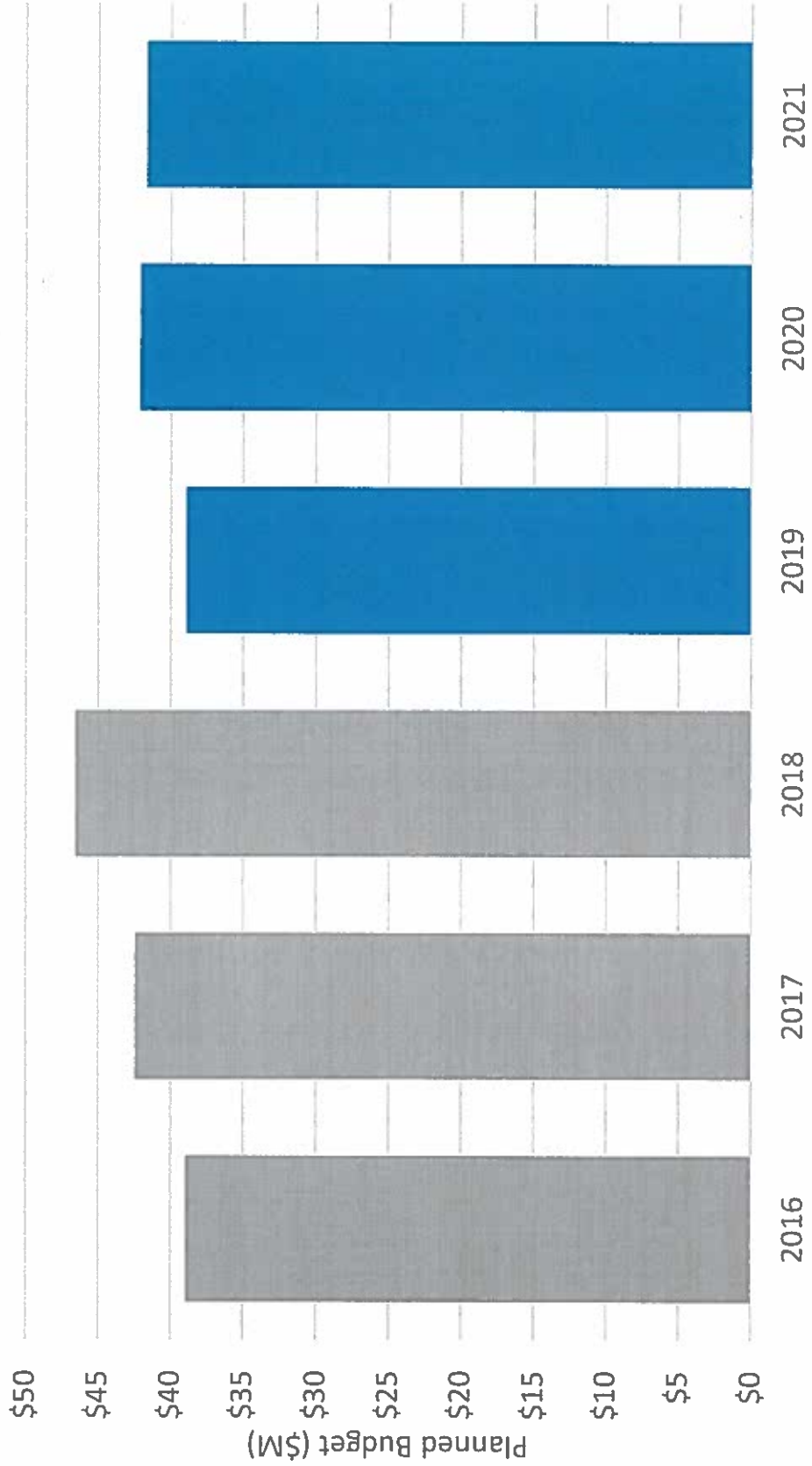
# Demand Management

Cape Light  
Compact



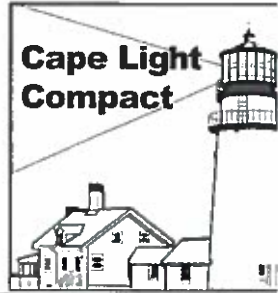
- Residential Demand Management
  - Connected devices
    - R&D funds to explore potential for load management through connected devices (e.g., plug load controllers, pool pumps, smart lighting, etc.)
  - Behavioral
    - Discussion: Does the Board support exploring a home energy report model (e.g., OPower)?
- C&I Demand Management
  - Thermal Storage
    - Shifts air conditioning load to off-peak hours

# Proposed 2019-2021 Energy Efficiency Budget





**Agenda Action Request  
Cape Light Compact  
Meeting Date: 3/28/18**



- 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

**Request from Attorney General's Office to Revise Cape Light Compact Aggregation Plan**

**REQUESTED BY:** *Maggie Downey*

***Proposed Motion(s)***

*I move the CLCJPE Board of Directors vote to approve the following revisions to the Cape Light Compact's Aggregation Plan requested by the Attorney General's Office:*

*2.3.1 Power Supply Program is amended to delete the language "reduce the amount consumers pay for electric energy and to" so the first sentence, as amended, reads:*

*The Power Supply Program is designed to gain other favorable economic and non-economic terms in service contracts.*

*2.3.3 Statewide Three-Year Energy Efficiency Investment Program is amended by deleting the first clause in the first sentence ("While the Power Supply Program is designed to reduce the cost of a kilowatt hour of energy...") so that the first sentence, as amended, reads:*

*The Energy Efficiency Program is aimed at total bill reduction.*

*And to file these updates as a limited revised update to the Compact's Aggregation Plan at the request of the Attorney General's Office.*

*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.*

***Additional Information***

Pursuant to telephone communications followed by a meeting with representatives from the Attorney General's Office on March 22nd, the Attorney General's Office stated that it had no further requests of the Compact relative to the matters addressed in DPU 17-95, Compact's Request for an Advisory Ruling and that it did not object to the Department's approval of a revised aggregation plan as set forth above.

- 8) To utilize and encourage renewable energy development to the extent practicable through contract provisions, demonstration projects and state mandated system benefit charges for renewable energy;
- 9) To advance specific community goals that may be selected from time to time, such as placing utility wires underground;
- 10) To provide full public accountability to consumers; and
- 11) To utilize municipal and other powers and authorities that constitute basic consumer protection to achieve these goals.

#### Energy Efficiency Goals, Policies and Purposes:

- 1) To administer an energy efficiency plan that advances consumer awareness and the adoption of a wide variety of energy efficiency measures and that also utilizes and encourages demand side management, all through contract provisions, demonstration projects and the use of state mandated system benefit charges for energy efficiency and other related charges and funds;
- 2) To provide full public accountability to consumers; and
- 3) To utilize municipal and other powers and authorities that constitute basic consumer protection to achieve these goals.

### 2.3 Programs of the Compact

The Compact offers two programs to achieve its goals: 1) the Power Supply Program and 2) the Statewide Three-Year Energy Efficiency Program. In addition, the Compact provides professional representation on behalf of consumers in state proceedings and in negotiations with the Local Distribution Company to protect consumer interests in today's energy marketplace.

#### 2.3.1 Power Supply Program ("Power Supply Program")

\* The Power Supply Program is designed to reduce the amount consumers pay for electric energy and to gain other favorable economic and non-economic terms in service contracts.\* The Compact does not buy and resell power, but represents consumer interests to set the terms for service. Through a competitive bid and negotiation process, the Compact, through its CPO, develops a contract with a power supplier for firm, all-requirements service. The contract runs for a fixed term (i.e. four years). In order to begin the Power Supply Program, the Compact's price had to be lower than the distribution company's standard offer service. The Compact met this threshold with its initial power supply price. There is no longer a statutory price benchmark for municipal aggregators. The Compact's power supply price complies with the requirements under G.L. c. 164, §134.

The process of supply contract approval contains checks and balances. After the Compact's form of all-requirements competitive electric supply contract was developed by the CPO, it was submitted to the DPU for its approval. The Compact's form of all-requirements competitive electric supply contract was approved by the DPU in D.T.E. 04-32 (2004). All electric supply contracts approved by the Compact's CPO since 2004 have been in substantially the same form as the contract approved by the DPU.

premiums for the two *Cape Light Compact Green*<sup>SM</sup> products (100% and 50%) are set to recover the cost of REC purchases, marketing, administrative and other program related expenses.

- e) Pricing and other information for *Cape Light Compact Green*<sup>SM</sup> is available on the Compact's website at [www.capelightcompact.org/elegreen](http://www.capelightcompact.org/elegreen). Pricing is provided for the cost of both the all-requirements power supply and the additional RECs, as opposed to just the premium itself, to minimize confusion. The Compact advertises changes in pricing for its power supply aggregation in all of the Cape Cod and Martha's Vineyard daily and weekly papers – pricing for the optional green products are included in these notices. The Compact has begun running quarterly notices in the same publications highlighting the content of both the aggregation's regular mix and the voluntary green power products. This information is also available on the Compact's website.

### 2.3.3 Statewide Three-Year Energy Efficiency Investment Program (“Energy Efficiency Program”)

While the Power Supply Program is designed to reduce the cost of a kilowatt hour of energy, the Energy Efficiency Program is aimed at total bill reduction. Wise use of energy also promotes important environmental and social benefits. Energy efficiency or demand side management includes practices, technology and education to advance methods for reducing energy use and monthly bills for residential, commercial, industrial, and municipal consumers. The purpose of the Compact's Energy Efficiency Program is to return maximum benefits to consumers who are providing the majority of the energy efficiency funds and to provide building blocks for market transformation. [Market transformation is an ongoing process in which program subsidies for various measures are periodically recalibrated as particular measures successfully transform the market and efficient products and technologies continue to evolve and new or enhanced measures merit program subsidies. Market transformation is a dynamic process.]

In order to administer the Energy Efficiency Program, a municipal aggregator must first receive DPU approval of its municipal aggregation plan and offer universal service as a power supply option to all classes of customers pursuant to the approved aggregation plan. The Energy Efficiency Program is the result of an iterative process that includes review by the Compact's Governing Board, Cape and Vineyard consumers, as well as other stakeholders and approval by the DPU to ensure compliance with current law and consistency with state energy goals. The Compact's Energy Efficiency Plan is submitted to the Compact Board for approval prior to submission for DPU approval.

Pursuant to the Green Communities Act, St. 2008, c. 169, (the “Act”), as well as G.L. c. 164, §134, the Compact's Energy Efficiency Program follows a process outlined in law for aggregated municipalities to access funds contributed by consumers for purposes of funding energy efficiency programs. The Compact also makes every effort to secure grants or other monies available for energy efficiency program administration. The budget for the Energy Efficiency Program is specified in the Compact's Three-Year Plan, as approved by the DPU. The Compact's energy efficiency staff is fully funded through the Energy Efficiency Program.

Draft Minutes subject to correction, addition and Committee/Board Approval

**Cape Light Compact JPE  
Governing Board and Executive Committee  
Open Session Meeting Minutes  
Wednesday, February 14, 2018**

The Cape Light Compact JPE Board of Directors and Executive Committee met on Wednesday, February 14, 2018 in the Martha's Vineyard Conference Room at the Cape Light Compact JPE Offices at 261 Whites Path, Yarmouth MA 02664 at 12:30PM.

**Present Were:**

1. Peter Doyle, Barnstable Alternate
2. Robert Schofield, Executive Committee, Bourne
3. Colin Odell, Brewster
4. Peter Cocolis, Executive Committee, Chatham
5. Brad Crowell, Dennis
6. Fred Fenlon, Eastham
7. Paul Pimentel, Edgartown – By Phone
8. Ronald Zweig, Vice-Chair, Falmouth
9. Valerie Bell, Harvich
10. Wayne Taylor, Mashpee
11. Richard Toole, Executive Committee, Oak Bluffs – By Phone
12. Martin Culik, Orleans
13. Thomas Donegan, Executive Committee, Provincetown
14. Leanne Drake, Sandwich
15. Richard Elkin, Wellfleet
16. Sue Hruby, West Tisbury
17. Joyce Flynn, Chair, Yarmouth

**Absent Were:**

1. Michael Hebert, Aquinnah
2. David Anthony, Secretary, Barnstable
3. Tim Carroll, Chilmark
4. Robert Hannemann, Duke's County
5. Jay Grande, Tisbury
6. Jarrod Cabral, Truro

Members/Alternates

Physically present: 15

Members present by phone: 2

**Legal Counsel:**

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

**Staff Present:**

Austin Brandt, Senior Power Supply Planner

Briana Kane, Planning and Evaluation Manager

Joanne Nelson, Comptroller

Draft Minutes subject to correction, addition and Committee/Board Approval

Lindsay Henderson, Analyst and Marketing  
Maggie Downey, Administrator  
Margaret Song, C&I Program Manager  
Matthew Dudley, Senior Analyst  
Melissa Allard, Senior Administrative Coordinator

**Consultant:**

Christian Rogers, Clifton Larson Allen

**Public Present:**

Chris Powicki, Brewster

Joyce Flynn called the meeting to order at 12:40 pm. Joyce Flynn recognized Paul Pimentel of Edgartown and Richard Toole of Oak Bluffs who were remotely participating because physical attendance at the meeting would be unreasonably difficult.

Ron Zweig, Falmouth joined the meeting at 12:42 pm.

**PRESENTATION AND DISCUSSION ON COMPACT PENSION AND OPEB LIABILITIES, CHRISTIAN ROGERS**

Christian Rogers, Compact's auditor, discussed the Compact's pension and Other Post-Employment Benefits (OPEB) liabilities. He gave a general overview of pension liability and OPEB liability; how they are calculated and funded. The Board discussed whether the CLC JPE had transferred all its liabilities from Barnstable County. Christian Rogers confirmed that both the Pension and OPEB liabilities for Compact employees have been transferred to the CLC JPE, and that none of these liabilities remain with Barnstable County. He also noted that these liabilities are calculated consistent with Massachusetts General Laws. The Compact Governing Board directed staff to work with Christian Rogers to prepare an FAQ document on this issue to be posted on the Compact's web site.

Jeffrey Bernstein, Esq., BCK Law, P.C. joined the meeting at 12:58 pm.

Christian Rogers and Chris Powicki left the meeting at 1:30 pm.

**Open Session Vote on entry into Executive Session pursuant to M.G.L. c. 30A §§21(a)(3) to discuss matters below, to return to open session:**

1. Regulatory litigation strategy. DPU 17-05, 2017 Eversource Rate Case
2. Update on Regulatory Litigation and discussion of strategy related to the Compact's Aggregation Plan, DPU 14-69, and the Compact's Request for an Advisory Ruling, DPU 17-95, Potential Vote
3. Competitively Sensitive Power Supply Procurement and Pricing Discussion

*Joyce Flynn at 1:30 pm moved to enter into Executive Session pursuant to MGL Chapter 30A §21(a) 3 to discuss strategy with respect to pending regulatory litigation relative to DPU 17-05, the Eversource Rate Case, and DPU 14-69, the Compact's Request for an Advisory Ruling; and pursuant to MGL Chapter 30A §21(a) 10 to discuss competitively sensitive Power Supply Procurement and Pricing discussions.*

Draft Minutes subject to correction, addition and Committee/Board Approval

*The recordkeeper of today's executive session shall be Compact staff. The Executive Session meeting minutes shall be presented to the Compact's Secretary for review and approval.*

*Joyce Flynn declared that an open session may have a detrimental effect on the Cape Light Compact's litigating position and that disclosure of such power supply information will adversely affect the Compact's ability to conduct business in relation to other entities making, selling or distributing electric power and energy.*

*The Governing Board will return to Open Session at the conclusion of Executive Session. Seconded by Robert Schofield.*

Peter	Doyle	Barnstable	Yes
Robert	Schofield	Bourne	Yes
Peter	Cocolis	Chatham	Yes
Brad	Crowell	Dennis	Yes
Fred	Fenlon	Eastham	Yes
Paul	Pimentel	Edgartown	Yes
Ron	Zweig	Falmouth	Yes
Valerie	Bell	Harwich	Yes
Wayne	Taylor	Mashpee	Yes
Richard	Toole	Oak Bluffs	Yes
Martin	Culik	Orleans	Yes
Thomas	Donegan	Provincetown	Yes
Leanne	Drake	Sandwich	Yes
Sue	Hruby	West Tisbury	Yes
Joyce	Flynn	Yarmouth	Yes

*Motion carried in the affirmative (15 – 0 – 0)*

**Colin Odell joined the meeting at 1:32 pm.**

Returned to Open Session at approximately 2:00 PM

**PUBLIC COMMENT:**

There were no members of the public present.

**APPROVAL OF MINUTES:**

The Board considered the January 10, 2018 Meeting Minutes. Joyce Flynn suggested several amendments to the first paragraph on page eight of the minutes.

*Martin Culik moved the Board to accept the minutes as amended, seconded by Robert Schofield.*

Peter	Doyle	Barnstable	Yes
Robert	Schofield	Bourne	Yes
Colin	Odell	Brewster	Yes



Draft Minutes subject to correction, addition and Committee/Board Approval

Peter	Cocolis	Chatham	Yes
Brad	Crowell	Dennis	Yes
Fred	Fenlon	Eastham	Yes
Paul	Pimentel	Edgartown	Yes
Ron	Zweig	Falmouth	Yes
Valerie	Bell	Harwich	Yes
Wayne	Taylor	Mashpee	Yes
Richard	Toole	Oak Bluffs	Yes
Martin	Culik	Orleans	Yes
Thomas	Donegan	Provincetown	Yes
Leanne	Drake	Sandwich	Abstained
Richard	Elkin	Wellfleet	Yes
Sue	Hruby	West Tisbury	Yes
Joyce	Flynn	Yarmouth	Yes

*Motion carried in the affirmative (16 – 0 – 1)*

**MA STATE ETHICS AND OPEN MEETING LAW TRAINING, JEFFREY BERNSTEIN**

Attorney Bernstein guided the Board and CLC Staff through an online training on the mass.gov website regarding the Conflict of Interest Law for Municipal Employees.

**FISCAL REPORT, PETER COCOLIS**

Peter Cocolis reviewed the CLC JPE Operating Fund Budget Report for January 2018. He noted that this was first operating budget on a calendar year basis and that the budget reflects one month's expenditures. The December 2017 Energy Efficiency Program budget report was distributed, the Board will discuss 2017 expenditures at their March meeting.

**MEETING PROTOCOLS UPDATE, THOMAS DONEGAN**

Thomas Donegan provided a handout on a proposed Cape Light Compact Code of Conduct Policy for Board Members.

Maggie Downey stated she will send the Word Documents to the Board for them to review and make suggested edits to be send back to her. Those edits will then be considered at next month's meeting.

**ADMINISTRATOR'S REPORT:**

**1. Discussion on CLC Board Member Email Accounts**

Austin Brandt discussed the possibility of getting each board member their own Cape Light Compact email. Maggie Downey stated that the Compact staff was looking for a sense from the board, and that the details would be discussed at next month's meeting. The Board also discussed the requirements of the Public Records Law with respect to emails concerning Compact business.

**Colin Odell left the meeting at 4:20 pm.**



## **2. DOER Public Comment Listening Session**

Maggie Downey notified the board of the upcoming Public Comment Listening Session in Mashpee on March 19<sup>th</sup>.

## **3. Discussion of Questions from the Attorney General Office**

Maggie Downey reviewed the document, "Questions from the Attorney General's Office Relative to the Cape Light Compact's Aggregation Plan Compliance Filing in Response to the Advisory Ruling from the Department of Public Utilities (D.P.U. 17-95) on the Compact's Internal Reorganization to a Joint Powers Entity in Accordance with the Joint Powers Agreement Statute, G.L. c. 40, §4A ½." She noted that most of the requested information is on the Compact's web site and a response has been prepared with respect to the remainder, all of which will be provided to the Attorney General and made public.

Martin Culik left meeting at 4:30 pm.

## **4. 2016 Annual Report**

Lindsay Henderson handed out the 2016 Annual Report booklets. Maggie Downey stated that the Town Representatives would receive one with the offer to have someone from the Compact come and speak with them about it.

## **5. Assembly of Delegates Requested Financials**

Maggie Downey noted that the Assembly of Delegates has requested Compact financial documents be discussed at the next Assembly of Delegates meeting.

## **6. Resolution in Support of Offshore Wind**

Maggie Downey asked for a sense of the Board in support of preparing a Resolution to generally support the development of offshore wind energy projects off the Cape and Vineyard. The Board supported and requested the Resolution be drafted for the Board's consideration for next month's meeting.

Brad Crowell left the meeting at 4:35 pm.

## **ENERGY EFFICIENCY:**

### **1. 2018 Customer Rebates and Marketing Update, Lindsay Henderson**

Lindsay Henderson reviewed the 2018 Customer Rebates/Incentives PowerPoint and made the new pamphlets available to be picked up at the end of the meeting.

Lindsay Henderson then presented a marketing update stating that the Compact would be starting a campaign soon to get more seasonal residents involved. The board was asked that if they knew of ways to best reach out to the seasonal residents to let them know of Compact programs.

### **2. Commercial & Industrial Program: 2018 Main Streets Offering, Matthew Dudley**

Draft Minutes subject to correction, addition and Committee/Board Approval

Matthew Dudley gave a review of the 2018 Main Street offering. 100% incentives are given to those small commercial customers who use less than 60,000 kwh a year. The Compact plans to send out marketing materials for the program when completed.

**ADJOURNMENT:**

*Motion to adjourn made at 4:54 pm moved by Peter Cocolis, seconded by XX.*

Peter	Doyle	Barnstable	Yes
Robert	Schofield	Bourne	Yes
Peter	Cocolis	Chatham	Yes
Fred	Fenlon	Eastham	Yes
Paul	Pimentel	Edgartown	Yes
Ron	Zweig	Falmouth	Yes
Valerie	Bell	Harwich	Yes
Wayne	Taylor	Mashpee	Yes
Richard	Toole	Oak Bluffs	Yes
Thomas	Donegan	Provincetown	Yes
Leanne	Drake	Sandwich	Yes
Richard	Elkin	Wellfleet	Yes
Sue	Hruby	West Tisbury	Yes
Joyce	Flynn	Yarmouth	Yes

*Motion carried in the affirmative (14 – 0 – 0)*

Respectfully submitted,

Melissa Allard

**LIST OF DOCUMENTS AND EXHIBITS:**

- Meeting Notice / Agenda
- January 10, 2018 Minutes
- Questions from the Attorney General's Office
- 2018 Customer Rebates/Incentives PowerPoint
- CLC Code of Conduct Policy for Board Members
- CLC JPE Operating Fund Budget Report for January 2018
- December 2017 Energy Efficiency Budgeted Report
- Email from Matt Rusteika
- Summary of the Conflict of Interest Law for Municipal Employees

Cape Light Compact JPE  
 2018 Operating Fund 001  
 Budget Report  
 As of February 28, 2018

	<u>Budget Amount</u>	<u>Actual Amount</u>	<u>Remaining Amount</u>	<u>Remaining %</u>
<b>REVENUE</b>				
OPERATING FUND CY18-TRANSFERS IN	848,765.00	424,382.50	424,382.50	50.00%
OPERATING FUND CY18-INTEREST INCOME	0.00	1,064.69	(1,064.69)	
<b>TOTAL REVENUES</b>	<b>848,765.00</b>	<b>425,447.19</b>	<b>423,317.81</b>	
<b>EXPENSES</b>				
OPERATING FUND CY18-ADVERTISING (POWER SUPPLY)	85,000.00	6,979.82	78,020.18	91.79%
OPERATING FUND CY18-AUDIT FEES	11,250.00	343.75	10,906.25	96.94%
OPERATING FUND CY18-BANK FEES	500.00	0.00	500.00	100.00%
OPERATING FUND CY18-BUILDING RENOVATNS/FURNITURE	4,500.00	0.00	4,500.00	100.00%
OPERATING FUND CY18-COMPUTER EQUIPMENT	5,000.00	0.00	5,000.00	100.00%
OPERATING FUND CY18-CONTRACTUAL	55,000.00	0.00	55,000.00	100.00%
OPERATING FUND CY18-CUSTODIAL SERVICES	4,438.00	631.04	3,806.96	85.78%
OPERATING FUND CY18-FINANCIAL SOFTWARE SYSTEM	6,250.00	1,500.00	4,750.00	76.00%
OPERATING FUND CY18-FOOD SUPPLIES	1,500.00	0.00	1,500.00	100.00%
OPERATING FUND CY18-GROUP INSURANCE	19,790.00	3,447.09	16,342.91	82.58%
OPERATING FUND CY18-IN STATE TRAVEL	16,000.00	1,443.90	14,556.10	90.98%
OPERATING FUND CY18-INSURANCE	10,600.00	0.00	10,600.00	100.00%
OPERATING FUND CY18-INTERNET	2,700.00	610.60	2,089.40	77.39%
OPERATING FUND CY18-IT SERVICES	5,000.00	8.17	4,991.83	99.84%
OPERATING FUND CY18-LEGAL SERVICES	263,660.00	38,844.34	224,815.66	85.27%
OPERATING FUND CY18-MEDICARE	2,060.00	223.23	1,836.77	89.16%
OPERATING FUND CY18-MISC FRINGES	7,090.00	0.00	7,090.00	100.00%
OPERATING FUND CY18-MISC RENTALS	5,000.00	0.00	5,000.00	100.00%
OPERATING FUND CY18-OPEB LIABILITY	7,100.00	0.00	7,100.00	100.00%
OPERATING FUND CY18-OUT OF STATE TRAVEL	5,600.00	0.00	5,600.00	100.00%
OPERATING FUND CY18-OUTREACH/MARKETING SERV	15,000.00	1,404.00	13,596.00	90.64%
OPERATING FUND CY18-PAYROLL SERVICES	1,500.00	328.98	1,171.02	78.07%
OPERATING FUND CY18-POSTAGE	26,000.00	697.72	25,302.28	97.32%
OPERATING FUND CY18-PRINTING	12,500.00	717.22	11,782.78	94.26%
OPERATING FUND CY18-PROFESSIONAL DEVELOPMENT	5,000.00	0.00	5,000.00	100.00%
OPERATING FUND CY18-RENT	22,500.00	3,750.00	18,750.00	83.33%
OPERATING FUND CY18-RETIREMENT	35,447.00	0.00	35,447.00	100.00%
OPERATING FUND CY18-RETIREMENT LIABILITY	5,300.00	0.00	5,300.00	100.00%
OPERATING FUND CY18-SALARIES	141,790.00	15,395.76	126,394.24	89.14%
OPERATING FUND CY18-SALARY RESERVE	5,000.00	0.00	5,000.00	100.00%
OPERATING FUND CY18-SHIPING/FREIGHT	500.00	49.98	450.02	90.00%
OPERATING FUND CY18-SOFTWARE LICENSES	3,750.00	0.00	3,750.00	100.00%
OPERATING FUND CY18-SPONSORSHIPS	35,000.00	20,133.00	14,867.00	42.48%
OPERATING FUND CY18-SUBSCRIPTIONS	5,000.00	3,250.00	1,750.00	35.00%
OPERATING FUND CY18-SUPPLIES	2,500.00	199.49	2,300.51	92.02%
OPERATING FUND CY18-TELEPHONES	6,540.00	477.91	6,062.09	92.69%
OPERATING FUND CY18-TREASURY SERVICES	5,000.00	627.50	4,372.50	87.45%
OPERATING FUND CY18-UNPAID BILLS	2,000.00	0.00	2,000.00	100.00%
OPERATING FUND CY18-UTILITIES	400.00	135.00	265.00	66.25%
<b>TOTAL EXPENSES</b>	<b>848,765.00</b>	<b>101,198.50</b>	<b>747,566.50</b>	<b>88.08%</b>
<b>CHANGE IN NET POSITION</b>	<b>0.00</b>	<b>324,248.69</b>		

2018 Budgeted (Based on 2018 Energy Efficiency Surcharge)

Program	PA Costs					Total PA Costs
	PR&A	Marketing	Incentives	STAT	EMV	
A - Residential	\$ 1,432,321	\$ 583,497	\$ 17,246,631	\$ 5,817,303	\$ 989,663	\$ 26,089,405
A1 - Residential Whole House	\$ 958,755	\$ 256,607	\$ 12,411,756	\$ 4,871,209	\$ 794,116	\$ 19,292,443
A1a - Residential New Construction	\$ 260.9	\$ 88.42	\$ 524,850	\$ 112,034	\$ 25,889	\$ 697,633
A1b - Residential Multi-Family Retrofit	\$ 44,004	\$ 321.31	\$ 586,000	\$ 350,098	\$ 40,222	\$ 1,032,465
A1c - Residential Home Energy Services - Measures	\$ 778,565	\$ 153,265	\$ 1,128,209	\$ 2,545,379	\$ 636,626	\$ 5,242,044
A1d - Residential Home Energy Services - RCS	\$ 92,977	\$ 45,329	\$ -	\$ 1,235,728	\$ 78,831	\$ 1,952,938
A1e - Residential Behavior/Feedback Program	\$ 12,191	\$ 16,976	\$ 172,698	\$ 127,960	\$ 12,538	\$ 343,362
A2 - Residential Products	\$ 226,649	\$ 153,478	\$ 3,700,000	\$ 726,735	\$ 195,546	\$ 5,002,408
A2a - Residential Heating & Cooling Equipment	\$ 114,665	\$ 38,083	\$ 1,500,000	\$ 296,757	\$ 84,925	\$ 2,028,430
A2b - Residential Consumer Products	\$ 18,804	\$ 26,797	\$ 200,000	\$ 156,605	\$ 16,322	\$ 418,528
A2c - Residential Lighting	\$ 93,160	\$ 88,598	\$ 2,000,000	\$ 273,392	\$ 94,300	\$ 2,555,450
A3 - Residential Hard-to-Measure	\$ 247,138	\$ 172,612	\$ 1,134,875	\$ 239,410	\$ -	\$ 1,794,035
A3a - Residential Statewide Marketing	\$ -	\$ 112,017	\$ -	\$ -	\$ -	\$ 112,017
A3b - Residential Statewide Database	\$ 13,253	\$ -	\$ -	\$ -	\$ -	\$ 13,253
A3c - Residential DOER Assessment	\$ 145,089	\$ -	\$ -	\$ -	\$ -	\$ 145,089
A3d - Residential EERC Consultants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
A3e - Residential Sponsorships & Subscriptions	\$ 27,522	\$ 11,165	\$ -	\$ -	\$ -	\$ 38,687
A3f - Residential HEAT Loan	\$ 61,273	\$ 11,930	\$ 1,079,875	\$ 144,830	\$ -	\$ 1,317,908
A3g - Residential Workplace Development	\$ -	\$ -	\$ -	\$ 19,600	\$ -	\$ 19,600
A3h - Residential R&D and Demonstration	\$ -	\$ 12,500	\$ 35,000	\$ 75,000	\$ -	\$ 122,500
A3i - Residential Education	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ 25,000
B - Low-Income	\$ 312,665	\$ 85,286	\$ 3,564,650	\$ 1,080,729	\$ 205,199	\$ 5,249,529
B1 - Low-Income Whole House	\$ 233,978	\$ 61,340	\$ 3,564,650	\$ 1,080,729	\$ 205,199	\$ 5,135,806
B1a - Low-Income Single Family Retrofit	\$ 155,472	\$ 43,084	\$ 2,000,000	\$ 697,014	\$ 128,598	\$ 3,024,167
B1b - Low-Income Multi-Family Retrofit	\$ 68,507	\$ 18,256	\$ 1,564,650	\$ 387,716	\$ 76,601	\$ 2,115,729
B2 - Low-Income Hard-to-Measure	\$ 88,687	\$ 24,946	\$ -	\$ -	\$ -	\$ 113,633
B2a - Low-Income Statewide Marketing	\$ -	\$ 22,684	\$ -	\$ -	\$ -	\$ 22,684
B2b - Low-Income Statewide Database	\$ 2,684	\$ -	\$ -	\$ -	\$ -	\$ 2,684
B2c - Low-Income DOER Assessment	\$ 29,381	\$ -	\$ -	\$ -	\$ -	\$ 29,381
B2d - Low-Income Energy Affordability Network	\$ 46,617	\$ -	\$ -	\$ -	\$ -	\$ 46,617
B2e - Low-Income Sponsorships & Subscriptions	\$ 9,996	\$ 2,262	\$ -	\$ -	\$ -	\$ 12,258
C - Commercial & Industrial	\$ 1,139,238	\$ 294,981	\$ 13,104,277	\$ 2,728,701	\$ 693,565	\$ 17,960,861
C1 - Commercial New Construction	\$ 78,303	\$ 13,794	\$ 714,879	\$ 326,443	\$ 49,175	\$ 1,182,593
C1a - Commercial New Buildings & Major Renovations	\$ 60,316	\$ 9,091	\$ 454,879	\$ 268,615	\$ 35,727	\$ 828,668
C1b - Commercial Initial Purchase & End of Useful Life	\$ 17,987	\$ 4,703	\$ 260,000	\$ 57,827	\$ 13,448	\$ 351,925
C2 - Commercial Retrofit	\$ 918,648	\$ 193,268	\$ 12,319,398	\$ 2,367,258	\$ 644,390	\$ 16,441,062
C2a - Commercial Existing Building Retrofit	\$ 224,343	\$ 58,791	\$ 6,217,000	\$ 541,594	\$ 243,235	\$ 7,284,962
C2b - Commercial Small Business	\$ 551,786	\$ 103,110	\$ 5,293,048	\$ 1,293,344	\$ 326,413	\$ 7,560,701
C2c - Commercial Multifamily Retrofit	\$ 47,055	\$ 17,087	\$ 250,000	\$ 346,373	\$ 28,925	\$ 689,511
C2d - Commercial Upstream Lighting	\$ 95,465	\$ 14,379	\$ 59,250	\$ 185,948	\$ 45,746	\$ 900,888
C3 - Commercial Hard-to-Measure	\$ 142,887	\$ 87,819	\$ 70,000	\$ 35,000	\$ -	\$ 335,706
C3a - Commercial Statewide Marketing	\$ -	\$ 75,299	\$ -	\$ -	\$ -	\$ 75,299
C3b - Commercial Statewide Database	\$ 8,909	\$ -	\$ -	\$ -	\$ -	\$ 8,909
C3c - Commercial DOER Assessment	\$ 97,510	\$ -	\$ -	\$ -	\$ -	\$ 97,510
C3d - Commercial EERC Consultants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
C3e - Commercial Sponsorships & Subscriptions	\$ 35,948	\$ 7,520	\$ -	\$ 20,000	\$ -	\$ 43,468
C3f - Commercial Workplace Development	\$ -	\$ 5,000	\$ -	\$ -	\$ -	\$ 25,000
C3g - Commercial R&D and Demonstration	\$ -	\$ -	\$ 70,000	\$ 15,000	\$ -	\$ 85,000
<b>GRAND TOTAL</b>	<b>\$ 2,884,574</b>	<b>\$ 981,964</b>	<b>\$ 33,915,558</b>	<b>\$ 9,446,833</b>	<b>\$ 1,888,476</b>	<b>\$ 49,299,295</b>

2018 Actuals through Jan 2018

Program	PA Costs					Total PA Costs	Total PA Costs as Percent
	PR&A	Marketing	Incentives	STAT	EMV		
A - Residential	\$ 10,446	\$ 2,432	\$ -	\$ 25,128	\$ 7,397	\$ 45,403	0.2%
A1 - Residential Whole House	\$ 8,034	\$ 1,870	\$ -	\$ 19,325	\$ 6,052	\$ 35,281	0.2%
A1a - Residential New Construction	\$ 218	\$ 51	\$ -	\$ 524	\$ 154	\$ 948	0.1%
A1b - Residential Multi-Family Retrofit	\$ 369	\$ 86	\$ -	\$ 887	\$ 261	\$ 1,603	0.2%
A1c - Residential Home Energy Services - Measures	\$ 6,524	\$ 1,519	\$ -	\$ 15,693	\$ 4,983	\$ 28,719	0.2%
A1d - Residential Home Energy Services - RCS	\$ 821	\$ 191	\$ -	\$ 1,973	\$ 581	\$ 3,566	0.2%
A1e - Residential Behavior/Feedback Program	\$ 102	\$ 24	\$ -	\$ 246	\$ 72	\$ 444	0.1%
A2 - Residential Products	\$ 1,899	\$ 442	\$ -	\$ 4,568	\$ 1,345	\$ 8,254	0.2%
A2a - Residential Heating & Cooling Equipment	\$ 961	\$ 224	\$ -	\$ 2,311	\$ 680	\$ 4,176	0.2%
A2b - Residential Consumer Products	\$ 158	\$ 37	\$ -	\$ 379	\$ 112	\$ 685	0.2%
A2c - Residential Lighting	\$ 781	\$ 182	\$ -	\$ 1,878	\$ 553	\$ 3,393	0.1%
A3 - Residential Hard-to-Measure	\$ 513	\$ 120	\$ -	\$ 1,235	\$ -	\$ 1,868	0.1%
A3a - Residential Statewide Marketing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
A3b - Residential Statewide Database	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
A3c - Residential DOER Assessment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
A3d - Residential EERC Consultants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
A3e - Residential Sponsorships & Subscriptions	\$ 513	\$ 120	\$ -	\$ 1,235	\$ -	\$ 1,868	0.1%
A3f - Residential HEAT Loan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
A3g - Residential Workplace Development	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
A3h - Residential R&D and Demonstration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
A3i - Residential Education	\$ 1,450	\$ 522	\$ -	\$ 1,164	\$ 1,587	\$ 4,722	0.1%
B - Low-Income	\$ 1,450	\$ 522	\$ -	\$ 1,164	\$ 1,587	\$ 4,722	0.1%
B1 - Low-Income Whole House	\$ 1,450	\$ 522	\$ -	\$ 1,164	\$ 1,587	\$ 4,722	0.1%
B1a - Low-Income Single Family Retrofit	\$ 443	\$ 162	\$ -	\$ 808	\$ 1,101	\$ 3,278	0.1%
B1b - Low-Income Multi-Family Retrofit	\$ -	\$ 150	\$ -	\$ 356	\$ 485	\$ 1,441	0.1%
B2 - Low-Income Hard-to-Measure	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
B2a - Low-Income Statewide Marketing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
B2b - Low-Income Statewide Database	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
B2c - Low-Income DOER Assessment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
B2d - Low-Income Energy Affordability Network	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
B2e - Low-Income Sponsorships & Subscriptions	\$ 9,127	\$ 1,807	\$ -	\$ 19,099	\$ 5,498	\$ 35,531	0.2%
C - Commercial & Industrial	\$ 717	\$ 142	\$ -	\$ 1,500	\$ 432	\$ 2,791	0.2%
C1 - Commercial New Construction	\$ 553	\$ 109	\$ -	\$ 1,156	\$ 333	\$ 2,151	0.3%
C1a - Commercial New Buildings & Major Renovations	\$ 164	\$ 33	\$ -	\$ 344	\$ 99	\$ 640	0.2%
C1b - Commercial Initial Purchase & End of Useful Life	\$ 8,410	\$ 1,665	\$ -	\$ 17,599	\$ 5,066	\$ 32,740	0.2%
C2 - Commercial Retrofit	\$ 2,054	\$ 407	\$ -	\$ 4,298	\$ 1,237	\$ 7,995	0.1%
C2a - Commercial Existing Building Retrofit	\$ 505	\$ 1,000	\$ -	\$ 10,571	\$ 3,043	\$ 19,665	0.3%
C2b - Commercial Small Business	\$ 431	\$ 85	\$ -	\$ 901	\$ 259	\$ 1,677	0.2%
C2c - Commercial Multifamily Retrofit	\$ 874	\$ 173	\$ -	\$ 1,839	\$ 526	\$ 3,402	0.4%
C2d - Commercial Upstream Lighting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
C3 - Commercial Hard-to-Measure	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
C3a - Commercial Statewide Marketing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
C3b - Commercial Statewide Database	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
C3c - Commercial DOER Assessment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
C3d - Commercial EERC Consultants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
C3e - Commercial Sponsorships & Subscriptions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
C3f - Commercial Workplace Development	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
C3g - Commercial R&D and Demonstration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
<b>GRAND TOTAL</b>	<b>\$ 21,023</b>	<b>\$ 4,761</b>	<b>\$ -</b>	<b>\$ 45,391</b>	<b>\$ 14,481</b>	<b>\$ 85,656</b>	<b>0.2%</b>

## Cape Light Compact -Code of Conduct Policy for Board Members

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The Cape Light Compact adopts this Code of Ethics and Conduct to ensure that all officials, while exercising their office, conduct themselves in a manner that will instill public confidence and trust in the fair operation and integrity of the Cape Light Compact

The member Towns, citizens, and customers of The Cape Light Compact are entitled to have fair, ethical, and accountable governance. To this end, the public should have full confidence that Directors:

- Comply with both the letter and spirit of the laws and policies affecting the operations of the Compact.
- Are independent, impartial, and fair in their judgment and actions.
- Use their public office for the public good, not for personal gain.
- ~~And C~~conduct public deliberations and processes openly, unless required by law to be confidential, in an atmosphere of respect and civility.
- ~~Members must a~~Administer board positions with integrity, honesty, truthfulness, and adherence to the absolute obligation to safeguard the public trust.
- ~~Members will S~~trive to appreciate differences in approach and point of view and treat citizens, staff, partner organizations, and others with courtesy, respect, and professionalism.
- Attendance and participation in meetings is an important part of fulfilling our obligations as Directors. If Directors can not participate in regularly scheduled meetings, they should have their alternates participate in their place.
- The Chair will ensure that all Directors have the opportunity for input of fair and balanced knowledge and perspectives.
- Directors should commit to studying and analyzing the problems and issues that come before them, listen to requests/questions, ask for clarification if

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necessary, and provide complete, knowledgeable, accurate, precise information regarding inquiries.

- Members should disclose any personal or business interest which may result in actual or perceived conflicts of interest, and any issue which may preclude fair and impartial deliberation not only to their appointing authority but also the Executive Committee of the CLC.
- Directors should take care to seek the advice and input of their appointing authorities as well as various stakeholders in their communities and carefully weigh that advice in their deliberations. Successful governance of the Compact relies on the cooperative efforts and proactive communication between Town officials, the Directors, and the staff of Cape Light Compact JPE.
- Disorderly conduct, including rude or intimidating behavior, utilizing obscene, abusive, threatening or intimidating language or actions will not be tolerated.
- As representatives of the Cape Light Compact, members are expected not to discriminate against, or harass, anyone with regard to race, sex, color, religion, national origin, citizenship, marital status, sexual orientation, gender identity and expression, age, disability, military, veteran status or any other protected status or classification under federal, state or local law,
- Directors will comply with the various 'good government' statutes and regulations including the Open Meeting Law, Conflict of Interest statute, and Public Records Law.

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#### Open Meeting Law

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# **Eversource Rate Case (DPU 17-05) Compact Participation & Results**

**March 28, 2018**

**Compact Governing Board Meeting**

**Cape Light  
Compact**



*Working Together Toward A Smarter Energy Future*

# Notes

- 17-05 was a lengthy & complex proceeding
  - Many parties involved (intervenor, limited participants, public commenters)
  - Some other parties had similar interests and positions as the Compact (e.g., Attorney General)
  - DPU generally did not cite intervenor evidence or arguments in making decisions
- Due to the above factors, it is difficult to attribute savings solely to the Compact on discrete issues
- Return on equity and MMRC have been appealed to SJC; grid modernization issues were deferred back to the pending grid modernization docket
- Effect of tax law complicated the estimation of savings



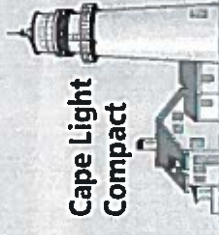


## Notes (cont.)



- DPU did not issue orders favorable relative to many of the issues that the Compact (and other parties) took positions on
- However, the DPU did issue decisions that were aligned with the Compact's positions/arguments on three issues:
  - C&I rate design and revenue requirement for COM(Commonwealth Electric) territory (includes Cape Cod & Martha's Vineyard)
  - Customer charges for COM territory residential customers
  - Consolidation of COM Transition charges with BECO & CAMB
- **The Compact was the only party that raised this issue**

# C&I Rate Design



- CLC argued against Eversource's (ES) proposed rate design changes & consolidation for COM C&I customers
  - Pointed out steep bill impacts for some customers which were masked by ES' use of averages to portray bill impacts
  - Argued steep bill impacts violated principle of gradualism and the statutory cap on revenue increases
  - Argued proposed "mitigation plan" did not provide adequate relief
- AG and others also took up this issue
- DPU denied C&I rate class consolidation and ordered that legacy (existing) rate classes shall remain in place
  - Ordered ES to file plan for gradual consolidation in next rate case or revenue-neutral filing
  - Cited excessive bill impacts in their decision
- **Savings to COM customers: Approx. \$102M annually**



# Residential Customer Charges

Cape Light  
Compact



- CLC opposed ES proposal to increase fixed customer charges
  - Proposal was more than double current customer charges (for residential non-heating customers)
  - CLC argued this proposal violated rate design principle of continuity
- AG and others took similar positions on this issue
- DPU approved residential rate consolidation and customer charge increases, but in an amount less than that proposed by ES
- **Savings to COM customers: Approx. \$54M annually**

# Transition Charge Consolidation

Cape Light  
Compact



- CLC opposed the separate treatment of COM transition charges proposed by ES
  - ES proposed to consolidate all other service territories
  - CLC argued separate treatment of a single service territory was unfair
- No other party raised this issue
- DPU ordered ES to consolidate all reconciling charges (including transition charge), meaning COM transition charge is no longer singled out from BECO and CAMB
- **Savings to COM customers: Approx. \$8M in first year**
  - Savings will vary year-to-year, but will continue to accumulate until next rate case



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ATTORNEYS AT LAW

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The firm has attorneys also admitted to practice in District of Columbia, Idaho, New York and Vermont

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## MEMORANDUM

To: Cape Light Compact JPE  
From: BCK Law, P.C./JMB, RFZ & KMT  
Date: March 28, 2018  
Re: Results from the Eversource Rate Case, D.P.U. 17-05

### I. INTRODUCTION

This document reports certain positive outcomes for customers on Cape Cod and Martha's Vineyard in the second phase of the Eversource rate case (D.P.U. 17-05). Cape Light Compact JPE ("Compact" or "CLC") consultant Kevin Galligan of Galligan Energy Consulting quantified the effects of three specific changes between the rates proposed on January 17, 2017 by Eversource Energy ("Eversource" or "ES") and the final rates approved by the Department of Public Utilities (the "Department" or "DPU") in Orders D.P.U. 17-05-B (January 5, 2018) (final order on rate design) and D.P.U. 17-05-C (February 2, 2018) (compliance order) for customers in the Commonwealth Electric ("COM") area. These three changes relate to issues that the Compact addressed in this proceeding. They include changes to:

- Commercial & Industrial ("C&I") Base Distribution Revenue
- Customer Charges for Residential Rate Classes
- Consolidation of COM Transition Charges with the Boston Edison ("BECO") and Cambridge Electric ("CAMB") Service Areas

#### A. Overview of Results.

When viewing individual components of rates in isolation, Cape Cod and Martha's Vineyard customers achieved some marginal savings compared to Eversource's original proposal. The savings reported in Table 1 for Cape Cod and Martha's Vineyard C&I customers are significantly higher than those for other Eversource service areas. However, these results should not be read to necessarily mean that the customers' bills will decrease because, in general, those positive results are offset by other rate increases.

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**B. Adjustments for Federal Tax Legislation.**

The final approved rates incorporated changes resulting from the recent reduction in the federal corporate income tax rates. Where applicable, the tables below show the results both (a) with the tax rate changes, as finally approved, and (b) without the tax rate changes, as estimated by Mr. Galligan.

**C. Limitations.**

It is very important to view these results in the context of the size and complexity of this rate case. There were many active parties, limited participants, and public commenters in the case, including some with similar interests as the Compact on customer advocacy and rate design. In addition, the final orders in this case generally do not respond to intervenors' arguments directly or explain what specific evidence the Department found to be credible and persuasive and thus the basis for its decision. These factors necessarily limit the ability of the Compact to attribute the results below directly or entirely to its own efforts.

In addition, three issues argued by the Compact in the rate case are not final and thus any possible savings related to those efforts cannot yet be known. Specifically, two issues – return on equity and the minimum monthly reliability contribution (“MMRC”) – are on appeal to the Massachusetts Supreme Judicial Court, while a decision on a third issue – grid modernization funding – was postponed for consideration in Eversource's grid modernization proceeding, D.P.U. 15-122, which is pending before the Department.

**Table 1. C&I Base Distribution Revenue in the COM Service Area**

CLC's Advocacy:

- CLC highlighted some very steep bill impacts for COM customers resulting from multiple changes at once, including fixed charges, reassignment of customers to new rate classes by changes to rate class definitions, and elimination of seasonal rates.
- CLC challenged Eversource's use of averages to portray bill impacts, which tended to hide some very high impacts.
- CLC argued that such bill impacts violate the principles of gradualism, that they violated "Section 94I" (statutory cap on revenue increases), and that the proposed mitigation plan would provide inadequate relief.

Other Parties' Efforts:

- The Attorney General's Office ("AGO"), Northeast Clean Energy Council, and Acadia Center made various arguments against rate class consolidation, e.g., that it would unfairly place rate increases on a small portion of customers and would result in some excessive bill impacts.
- The AGO recommended that Eversource move its rates closer to cost of service before consolidation.
- Several other parties opposed aspects of the consolidation proposals in relation to bill impacts for customer groups of concern to them.

Changes Ordered by DPU:

- The Department ordered that legacy C&I rate classes shall remain in place in 2018.
- Eversource is directed to file a plan for gradual consolidation of C&I rate classes in its next base rate filing or in a revenue-neutral rate design filing.
- This decision was based on the large disparity in embedded costs, the allocation of revenue increases to certain legacy rate classes above the Section 94I cap, and a mitigation plan that allowed successive bill increases of over 100% for up to five years.

**Initial Proposed vs. Final Approved Revenue Requirements for C&I Rate Classes**

	Col. (A) Eversource's Proposed Base Revenue	Col. (B) Final Result Base Revenue Without Fed Tax Change	Col. (C) Final Result Base Revenue With Fed Tax Change	Col. (D) Proposed Minus Final Without Fed Tax Change (Col. A - Col. B)	Col. (E) Proposed Minus Final With Fed Tax Change (Col. A - Col. C)
COM C&I	\$159,427,045	\$56,988,430	\$54,080,064	<b>\$102,438,615</b>	<b>\$105,346,981</b>
Eversource Total C&I	\$546,656,225	\$544,053,019	\$511,480,013	\$2,603,206	\$35,176,212
COM % of Total C&I Savings					<b>299%</b>
COM % of Total Eversource (Annual kWh)					17%



**Table 2. Customer Charges for COM's Residential Rate Classes**

CLC's Advocacy:

- CLC opposed the proposal to increase the customer charge for residential customers in Eastern Massachusetts as sending an improper price signal for energy efficiency, overstating customer costs, and more than doubling the customer charge for COM residents, contrary to principles of continuity.
- Compact consultant Jonathan Wallach, of Resource Insight, Inc., calculated the appropriate incremental costs to connect a small customer. Mr. Wallach recommended that the Department set the customer charge for Eastern Massachusetts to the 2017 average for each rate class if residential rate consolidation was approved.

Other Parties' Efforts:

- The AGO, Acadia Center, Sunrun/Energy Freedom Coalition of America and perhaps other parties opposed increased customer charges on similar policy grounds.

Customer Charges Approved by DPU:

- The Department approved consolidation of residential rate classes across Eversource's four Massachusetts service areas.
- As applied to COM, the Department allowed the residential non-heating customer charges to increase some, but less so than Eversource requested. The Department ordered a decrease to the customer charge for COM residential heating customers.

COM Residential Class	Customer Charge in 2017	Eversource Proposal	CLC Proposal	Approved Customer Charge	Retained Volumetric Recovery (ES Proposed vs. Approved)
Residential Non-Heating	\$3.73	\$8.00	\$5.61	\$7.00	\$38,189,412
Residential Non-Heating Low Income	\$3.73	\$8.00	\$5.61	\$7.00	\$4,076,772
Residential Heating	\$10.03	\$10.03	\$5.61	\$7.00	\$10,595,849
Residential Heating Low Income	\$10.03	\$10.03	\$5.61	\$7.00	\$1,177,882
Optional Time-of-Use (for R-1)	\$7.33	\$8.00	\$5.61	\$7.00	\$5,364
<b>TOTAL</b>					<b>\$54,045,280*</b>

\*This figure represents savings *opportunity* that customers lowering their volumetric usage may be able to capture through energy efficiency rather than paying automatically through a fixed customer charge. The revenue that would have been recovered through the monthly customer charge will still be recovered from COM residential customers through a slight increase to the usage-based distribution charge (\$/kWh). As a result, the reduced customer charge only results in *savings* for COM customers who use less than the average monthly volume of 557 kWh.

**Table 3. Consolidation of COM Transition Charges with BECO and CAMB**CLC's Advocacy:

- Eversource initially proposed to consolidate transition rates for all legacy service areas except COM because of COM's higher outstanding transition cost. CLC filed testimony in which Mr. Galligan opposed this partial consolidation, with different treatment for COM.

Other Parties Efforts:

- Transition charges were not a significant issue for other parties.

Changes Ordered by DPU:

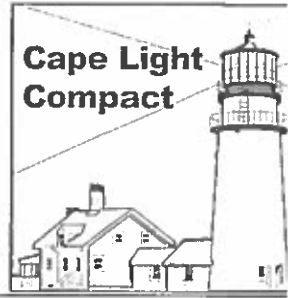
- The Department required Eversource to combine each reconciling rate mechanism into a single tariff and to allocate each reconciling rate mechanism using separate revenue requirements for NSTAR Electric and WMECO. As a result, COM's transition charge is no longer singled out from that of BECO and CAMB.
- However, this change is tied to the Department's decision to allow Eversource to shift costs onto Eastern Massachusetts customers, as introduced in June 2017, by combining reconciling rate revenues across Eastern and Western Massachusetts. On balance, that decision is highly unfavorable.

Eversource's Proposed Transition Cost Recovery (COM)	Final Approved Transition Cost Recovery (COM)**	Savings (Proposed minus Final)	Estimated Monthly Bill Savings for an Average R-1 Residential Customer***	Estimated Annual Bill Savings for an Average R-1 Residential Customer
\$8,236,269	-\$2,467,024	\$10,703,293	\$3.06/month	\$36.70/year

\*\*Eversource's 2017 Distribution Rate Adjustment/Reconciliation Filing (D.P.U. 17-157), which went into effect January 1, 2018, reflects large refunds and/or cost reductions received from Connecticut Yankee, Maine Yankee and Yankee Atomic (the "Yankees"). The Yankees received these refunds from the U.S. Department of Energy ("DOE") for monies that had been paid by the owners of each Yankee unit for the federal government to build a centralized storage facility for spent nuclear fuel, under the Nuclear Waste Policy Act of 1982. The DOE never built the storage facility. The consolidation of the COM transition rate in D.P.U. 17-05-B (discussed above) causes the credit balances for BECO (\$20,191,161) and CAMB (\$340,297) to be shared with COM, resulting in a credit Transition Rate of \$(0.00061)/kWh effective February 1, 2018.

\*\*\*The Estimated Monthly Bill Savings is calculated based on the Transition Rate (effective prior to February 1, 2018) of \$0.00610/kWh as compared to the credit Transition Rate (effective February 1, 2018) of \$(0.00061)/kWh.

**Agenda Action Request  
Cape Light Compact  
Meeting Date: 3/28/18**



- 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**

**Resolution in Support of Offshore Wind**

**REQUESTED BY:** *Maggie Downey*

***Proposed Motion(s)***

*I move the CLCJPE Board of Directors vote to adopt the Resolution presented in support of offshore wind energy turbines.*

*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.*

***Additional Information***

***Record of Board Action***

Motion by:	Second by:	# Aye	# Nay	# Abstain	Disposition

*Resolution of the Cape Light Compact JPE*

WHEREAS, the Cape Light Compact JPE (Compact) is organized in accordance with the Joint Powers Statute and operates pursuant to a joint powers agreement; and

WHEREAS, the original joint powers agreement was dated as of April 12, 2017, and was executed by duly authorized officers of all twenty-one of its municipal members and Dukes County pursuant to votes, resolutions or other authorizations of their Boards of Selectmen/Town Council in accordance with the Joint Powers Statute; and

WHEREAS, the Compact was formed to, among other purposes, aggregate customers to purchase electricity supply for the residents and businesses on Cape Cod and Martha's Vineyard, administer energy efficiency programs, and encourage renewable energy development; and

WHEREAS, the Compact recognizes the adverse environmental, economic, and energy security implications of Massachusetts' and New England's over-reliance on imported oil and natural gas for the generation of electricity; and

WHEREAS, the Compact recognizes that energy generation projects located on or directly connected to Cape Cod and/or Martha's Vineyard could enhance reliability of service on Cape Cod and Martha's Vineyard and reduce electricity prices for Cape and Vineyard customers; and

WHEREAS, the Compact desires to express its support for the development of offshore wind projects and their interconnection on the Cape or Vineyard as a way to reduce the use of environmentally burdensome, non-renewable fossil fuels, to diversify Massachusetts' and New England's fuel sources for the generation of electricity, to alleviate the security risks of reliance on imported oil and natural gas for electricity

generation, and to lessen the adverse effects of climate change from the combustion of fossil fuels.

NOW THEREFORE, BE IT RESOLVED:

That the Compact, recognizing the economic, energy security and environmental needs of its Member constituents and the need for increased use of clean, renewable non-imported energy, hereby supports the development of offshore wind energy turbines and the interconnection of those turbines on the Cape or Vineyard, provided that the developers and owners of such wind farms comply with all local, state and Federal laws, regulations and ordinances, and bring local economic benefits to affected Cape and Vineyard towns and residents.

This resolution is not an endorsement by the Compact of any particular wind farm development, contractor, service provider, corporation or business endeavor, and should not be construed as such.

This Resolution was passed by the Governing Board of the Cape Light Compact JPE at its meeting held on March 14, 2018.