

Cape Light Compact JPE Executive Committee & Governing Board Meeting

DATE: Wednesday, May 12, 2021
TIME: 2:00 – 4:30 p.m.

Note: The meeting will be held through remote participation pursuant to Massachusetts Governor Charles D. Baker's Order Suspending Certain Provisions of the Open Meeting Law on March 12, 2020. Members of the Public can join in by audio and follow along with Meeting Materials, see the information below. All public comments should be submitted to Maggie Downey, Compact Administrator, at mdowney@capelightcompact.org by 2:00 PM on Tuesday, May 11, 2021 and should follow the public comment protocol below. Public comments received after the May 11th deadline will be distributed prior to the Compact's next Board meeting.

Telephone dial-in: +1 (646) 558-8656

Meeting ID: 810-3839-5883

[Further instructions are attached to this agenda.](#)

AGENDA

1. Public Comment – Written Only
2. Approval of April 21, 2021 Open Session Minutes
3. Chairman's Report, Martin Culik
4. Presentation on Energize the Cape & Vineyard, Barry Margolin
5. Discussion on Pending bills related to remote participation under the Open Meeting Law, Jeff Bernstein
6. 2020 Year End Review of Compact Funds, Megan Terrio
7. Energy Efficiency:
 - A. Residential HVAC Update: Rebates, New Equipment and Proposed for 2022-2024, Dan Schell
 - B. Update on April 30th Draft 2022-2024 Massachusetts Energy Efficiency Plan
8. Administrator's Report, Maggie Downey
 - A. Cape Cod Commission's Draft Climate Action Plan
 - B. Letter from the City of Boston to the MA Department of Public Utilities on Low Income Community Solar Projects
 - C. Martha's Vineyard Climate Week: Climate to Thrive
9. Board Member Update (Reserved for Updates on Member Activities the Chair Did Not Reasonably Anticipate Would be Discussed – No Voting)

**Chairman's Public Comment Protocols
for the May 12, 2021 Compact Governing Board Meeting**

The Chair, pursuant to his authority under G.L. c. 30A, §20, and consistent with Governor Baker's Emergency "Order Suspending Certain Provisions of the Open Meeting Law, G.L. c. 30A, §20," issued on March 12, 2020, announces the following protocols to assist the public in effective participation in the May 12, 2021 Compact Board meeting, where all Board Members, staff and members of the Public shall be participating remotely:

1. All public comments shall be submitted in writing to the Compact Administrator, Maggie Downey, at mdowney@capelightcompact.org by 2:00 PM on Tuesday, May 11, 2021. Written comments must include a person's name and, if appropriate, the name of the organization the person is representing. Public comments received after the May 11th deadline will be distributed prior to the Compact's next Board meeting.
2. Public comment must be respectful, courteous, and presented in a dignified manner. All remarks must also be free of personal attacks.
3. All public comments consistent with these protocols shall be included in the Compact's Board meeting packet.
4. Board members and staff shall not respond to public comment during the Compact's Board meeting.
5. Copies of the Board meeting packet shall be made available to members of the public on Wednesday, May 12, 2021 at the Cape Light Compact JPE's web site at www.capelightcompact.org. Documents exempt from disclosure pursuant to the Public Records Law or protected by the attorney-client privilege shall not be included.

**Cape Light Compact JPE
Governing Board
Meeting Minutes
Wednesday, April 21, 2021**

Pursuant to Massachusetts Governor Charles D. Baker's Order Suspending Certain Provisions of the Open Meeting Law on March 12, 2020, the Cape Light Compact JPE Board of Directors met on Wednesday, April 21, 2021 at 2 p.m. The meeting was held through a Zoom videoconference for members of the Board with audio call-in available for members of the public.

Participating Remotely Were:

1. David Anthony, Secretary/Executive Committee, Barnstable
2. Peter Doyle, Barnstable Alternate
3. Robert Schofield, Executive Committee, Bourne
4. Colin Odell, Executive Committee, Brewster
5. Peter Cocolis, Chatham
6. Erik Peckar, Dukes County
7. Fred Fenlon, Eastham
8. Alan Strahler, Edgartown
9. Ronald Zweig, Falmouth
10. Valerie Bell, Harwich
11. Richard Toole, Executive Committee, Oak Bluffs
12. Martin Culik, Chair/Executive Committee, Orleans
13. Nathaniel Mayo, Provincetown
14. Leanne Drake, Sandwich
15. Jay Grande, Tisbury Alternate
16. Bob Higgins-Steele, Truro Alternate
17. Richard Elkin, Executive Committee, Wellfleet
18. Sue Hruby, West Tisbury
19. Joyce Flynn, Vice Chair/Executive Committee, Yarmouth
20. Mike Duffy, Yarmouth Alternate

Absent Were:

1. Forrest Filler, Aquinnah
2. Timothy Carroll, Executive Committee, Chilmark
3. Brad Crowell, Dennis
4. Wayne Taylor, Mashpee
5. Kirk Metell, Tisbury
6. Jarrod Cabral, Truro

Legal Counsel Participating Remotely:

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

Staff Participating Remotely:

Austin Brandt, Senior Power Supply Planner
Brianna Kane, Residential Program Manager
Dan Schell, Marketing and Communications Coordinator

Maggie Downey, Administrator
Margaret Song, Commercial & Industrial Program Manager
Melissa Allard, Senior Administrative Coordinator

Public Participants:

None.

Martin Culik called the meeting to order at 2:01 PM.

PUBLIC COMMENT:

There were no members of the public present, and no public comments were submitted to the Board in writing under the public comment guidelines.

APPROVAL OF MINUTES:

The Board considered the March 10, 2020 Open Session Meeting Minutes.

Colin Odell stated that in the return to open session vote he was not absent and voted “yes.”

Robert Schofield moved the Board to accept the minutes as amended and to release them as amended, seconded by Richard Elkin.

David	Anthony	Barnstable	Yes
Robert	Schofield	Bourne	Yes
Colin	Odell	Brewster	Yes
Peter	Cocolis	Chatham	Yes
Erik	Peckar	Dukes County	Yes
Fred	Fenlon	Eastham	Abstained
Alan	Strahler	Edgartown	Yes
Ron	Zweig	Falmouth	Yes
Valerie	Bell	Harwich	Yes
Richard	Toole	Oak Bluffs	Yes
Martin	Culik	Orleans	Yes
Nate	Mayo	Provincetown	Yes
Leanne	Drake	Sandwich	Yes
John	Grande	Tisbury	Yes
Bob	Higgins-Steele	Truro	Yes
Richard	Elkin	Wellfleet	Yes
Sue	Hruby	West Tisbury	Yes
Mike	Duffy	Yarmouth	Yes

Motion carried in the affirmative (17-0-1)

Joyce Flynn joined meeting at 2:04PM.

CHAIR REPORT:

1. Update on Plan to Contact Legislative Delegation Regarding Remote Participation

Martin Culik stated that the Compact met virtually with Elizabeth Ganz from Julian Cyr's office to talk about potential legislation regarding remote participation. He stated that there may be proposed legislation to amend the open meeting law regarding remote participation, which is an alternative to filing legislation to amend the Joint Powers statute. Martin Culik asked if Jeff Bernstein had anything to add. Jeff Bernstein answered no but noted that this alternative is something to consider and after additional conversation with Senator Cyr's office can be discussed in greater depth at the next Board Meeting.

OVERVIEW OF CLIMATE BILL, JEFF BERNSTEIN

Jeff Bernstein reviewed the Highlights of an Act Creating a Next-Generation Roadmap for Massachusetts Climate Policy PowerPoint. He stated that the legislature has passed, and the governor signed the extensive legislation. He stated that some of the highlights he thinks are most important to the Compact are as follows (1) the law represents the Commonwealth's commitment to achieve Net Zero emissions by 2050; (2) it furthers efforts to combat climate change; and (3) it furthers environmental justice efforts. The law will be effective as of June 24, 2021.

Jeff Bernstein stated that the new law amends several sections of the Global Warming Solutions Act. Specifically, the Secretary of Executive Office of Energy and Environment (EOEA) must adopt interim statewide greenhouse gas (GHG) emissions limits, issue a roadmap plan for each limit, must adopt sector based statewide GHG emissions sublimit, and intersect with statewide energy efficiency plans.

Jeff Bernstein stated that the new law amends the Green Communities Act as well. Specifically, the statewide energy efficiency plan must be constructed to meet or exceed the necessary Green House Gas (GHG) reduction goal set by the Secretary of EOEA, Program Administrator (PA) Quarterly Reports to the Energy Efficiency Action Council (EEAC) must now include a quantification of the degree to which the plan contributes to meeting the GHG emission limits and sublimits imposed by statute or regulation, Department of Public Utilities (DPU) cost-effectiveness reviews of statewide energy efficiency plans must consider the social value of GHG emissions reductions in the calculation of program benefits, and the Massachusetts Clean Energy Center (CEC) must implement a clean energy equity workforce and market development (EWMD) program.

Jeff Bernstein stated that the DPU's priorities have been revised. They now expressly include safety, security, reliability of service, affordability, equity, and reductions in GHG emissions to meet statewide GHG emissions limits and sublimits established pursuant to the Global Warming Solutions Act (GWSA).

Jeff Bernstein stated that the new statute addresses several areas of the state's building codes and standards. of Department of Energy Resources (DOER) may develop a municipal opt-in specialized stretch energy code, the State Board membership will increase from 11 to 15 members, with the Commissioner of DOER now a member of the State Board and new appliances are added to the testing, certification, and enforcement of efficiency standards under the Massachusetts Appliance Efficiency Standards Act.

Jeff Bernstein stated that there are changes to Massachusetts Environmental Policy Act (MEPA) that require consideration of public health impacts for projects located near environmental justice populations and enhanced public participation requirements. He stated that the Governor will be appointing an environmental justice council.

Jeff Bernstein stated that DOER solar incentive programs must incorporate concepts of equitable access, solar access and affordability for low-income communities and effective consumer protection provisions. The Secretary will control a grant program to provide solar energy technology to non-profits that provide food security, homeless shelter and other similar services. Electric and gas distribution companies may build and own solar energy projects in municipalities at high risk from the effects of climate change.

Jeff Bernstein stated that another significant change is that market net metering credits from solar facilities from late 2016 forward may be allocated to customers of any distribution company and are no longer limited by distribution company service territory or load zone. He stated that a new Smart Alternative on-bill credit (AOBCS) has several new options for customers who develop qualifying projects. They can receive those credits for the portion that exceeds their usage, they can designate customers in the distribution company service territory to receive the credits, or they can direct the distribution company to purchase all or just a portion of the credits.

Jeff Bernstein stated that the solar and wind property tax exemption has been greatly expanded. He stated that there are three major categories and those include an owned or leased solar, wind or solar or wind system co-located with energy storage capped at producing no more than 125 percent of the annual electric needs of the real property where it is located; a solar, wind or solar or wind system co-located with energy storage that is equal to or less than 25 kilowatts or less; a solar or wind system or energy storage system, or a combination of solar or wind with energy storage, that has entered into an agreement for payment in lieu of taxes (PILOT) with the municipality where the system is located.

Alan Strahler asked will the PILOT agreements be going away. Jeff Bernstein answered no, they are just going to be done pursuant to a different statutory and there are certain classifications of projects that are automatically exempt from property taxation that did not exist prior to this legislation.

Richard Elkin asked if there is authorization that energy conservation programs can be directed to GHG reduction initiatives. Jeff Bernstein stated that there is not really authorization as much as direction that when it comes to the Compact's programs, it now must consider GHG reductions and societal cost of GHG. Maggie Downey stated that the State is going to set a GHG reduction goal for all the PAs. She stated that all the energy efficiency measures that the Compact delivers reduce GHG. Those goals will be set by July.

Colin Odell stated that there is a societal benefit in the benefit cost ratio calculation for anything that does bring carbon reduction with it. For the measures that are carbon to carbon, there is no benefit so that increases the benefit from carbon elimination measures which should improve the benefit cost ratio.

Erik Peckar asked how the Renewable Portfolio Standards (RPS) increases relates to the contract the Compact has in place with NextEra. Austin Brandt stated that since the Compact already has a signed contract with NextEra when this takes effect, the Compact may be exempted from the increase for the rest of the contract term. Erik Peckar asked if the Compact is exempt would it still consider reaching meeting those standards anyway. Maggie Downey stated that staff needs to investigate this more. Jeff Bernstein stated there is an issue as to whether regulatory or statutory changes are at the Supplier's risk. Maggie Downey stated she will put this on a future agenda.

Richard Elkin asked if the \$12 million in workforce equity is a line item in the Compact's budget somewhere. Maggie Downey stated that the details have not been worked out yet. Richard Elkin asked since the Compact already has 100% of its energy matched with RECs, is there a nuance on how much is Class 1 and Class 2

RECs. Jeff Bernstein stated that this increase is for Class 1 RECs. Richard Elkin asked how far off is the Compact. Austin Brandt stated that the Compact's program requires the current RPS standards plus 1%. Maggie Downey stated that this will be put on a future agenda showing the Compact's compliance with the RPS.

Maggie Downey asked that when it comes to the new DPU priorities, does it mean anything regarding the order in which the priorities are listed? Specifically, is there any legislative construct that place more importance on one priority over another? Jeff Bernstein stated that the legislation does not prioritize one or another higher than the others.

Jay Grande left meeting at 2:58PM.

ENERGY EFFICIENCY:

1. Discussion Potential Vote on April Draft of MA Statewide 2022-2024 Energy Efficiency Plan, Maggie Downey and Phil Moffit

Maggie Downey started reviewing the Cape Light Compact JPE 2022-2024 Energy Efficiency Plan PowerPoint. She reviewed the Energy Efficiency Plan schedule.

Maggie Downey reviewed the key priorities of the Plan which are equity, strategic electrification, workforce development, and Compact enhancements. She stated for equity, the Compact will continue to offer 100% insulation incentives to renter and moderate-income customers, up to \$7,000 to address pre-weatherization barriers, enhanced incentives for heating systems when paired with weatherization, and Main Streets and other targeted small business enhancements for Cape & Vineyard Environmental Justice Communities.

Maggie Downey reviewed the strategic electrification for residential and commercial. For residential customers there will be a heat pump contractor network, continued workforce development and training to increase contractor comfort in recommending and installing heat pumps, targeted outreach to customers whose homes have already been weatherized, introduction of New Construction Path-to-Zero, and increased installation of heat pumps to delivered fuel customers in income-eligible programs. For commercial customers, there will be an introduction of a small commercial heat pump offering that mirrors the established Residential Sector's offering, continued workforce development and training to increase contractor comfort in recommending and installing heat pumps, increased engagement with manufacturers, distributors, and installers to better characterize the scenarios in which heat pumps are being installed and, to streamline the application process. Maggie noted that evaluation study results may impact the ability to offer substantial commercial weatherization services to commercial customers.

Maggie Downey stated that for workforce development there is going to be a Clean Energy Pathways Internship Program. Also, there will be expanded collaboration and funding to MA CEC. The Compact will review and revise, if needed, its procurement practices to increase the number of certified Minority, Women and Veteran owned businesses contracting and subcontracting with the Compact's energy efficiency program.

Maggie Downey reviewed the Cape & Vineyard Electric Offering (CVEO) program. Then she reviewed the investment in priority areas. She stated that 37% of the Compact's proposed budget is being allocated to the statewide priority areas.

Phil Moffitt continued the PowerPoint presentation. He stated that the primary reason for a decrease in the Compact's preliminary savings goals is because of the loss of lighting. Lighting upgrades have decreased over the years. As for heat pumps, it has been increasing.

Phil Moffitt stated that the proposed total budget it is a bit higher than previous years and will range from \$59 to \$62 million for each year of the Plan. He stated the Compact programs are still cost effective, especially residential with the heat pumps.

Phill Moffitt reviewed the bill impacts for residential and commercial customers with and without CVEO. They are higher compared to our current plan. He stated for low-income customers they are not that much higher.

Erik Peckar asked if there is funding available for older homes to increase from a 100 to a 200-amp service. Maggie Downey stated that even now if you are installing a heat pump and your electric panel needs an upgrade, it can be wrapped in as part of the funding for your upgrade to a heat pump. Briana Kane stated that it typically does not fall under a barrier and falls on the customer as part of the overall project costs. Maggie Downey asked if it would fall under the heat loan. Briana Kane stated she would have to double check.

Colin Odell stated there is going to be a need for massive distribution system upgrades required between the electrification of residential and commercial buildings heating systems and electric vehicles. He stated that you may be surprised as to a home's ability to accommodate increased electric load because a lot of the residential development in the 70's on the Cape was when people believed that electricity would be too cheap to meter so there are a lot of services that are capable of taking electric heat because the houses were designed for this and it is only recently that houses transitioned to natural gas. He stated that you may find that there is more capacity for electric heating than you think out there. Briana Kane stated that the biggest issue the Compact hears is that people need to upgrade because they have an older electric (i.e., Federal Pacific) panel. She stated that she agrees that there a lot of people do have 200-amp services and that the difference is when they expand, how much they are putting on to that as they move down a more efficient pathway.

Colin Odell moved the CLC]PE Board of Directors vote to support the preliminary budget, associated kWh/energy savings and Cape & Vineyard Electrification Offering (CVEO) for the Cape Light Compact's 2022-2024 Energy Efficiency Plan filing with the Massachusetts Energy Efficiency Advisory Council (EEAC).

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

David	Anthony	Barnstable	Yes
Robert	Schofield	Bourne	Yes
Colin	Odell	Brewster	Yes
Peter	Cocolis	Chatham	Yes
Fred	Fenlon	Eastham	Yes
Alan	Strahler	Edgartown	Yes
Ron	Zweig	Falmouth	Yes
Valerie	Bell	Harwich	Yes
Richard	Toole	Oak Bluffs	Yes
Martin	Culik	Orleans	Yes
Nate	Mayo	Provincetown	Yes

Leanne	Drake	Sandwich	Yes
Bob	Higgins-Steele	Truro	Yes
Richard	Elkin	Wellfleet	Yes
Sue	Hruby	West Tisbury	Yes
Joyce	Flynn	Yarmouth	Yes

Motion carried in the affirmative (16-0-0)

2. Continuation of Demand Response Discussion and Potential Vote on Eligible Technologies, Austin Brandt

Austin Brandt reviewed the Generator Participation in CLC Commercial ConnectedSolutions PowerPoint. He stated that the Compact offers a demand response (DR) program branded as ConnectedSolutions. The goal is to reduce ISO-NE systemwide peak demand in order to reduce capacity costs to ratepayers. The Compact offers two types of dispatch. One is a targeted dispatch and the other is daily dispatch.

Austin Brandt stated that the Compact has approximately 1.8 MW summer commercial capacity currently enrolled. Approximately 1 MW is storage, and 0.8 MW is curtailment which uses generators. He stated for this current three year plan the Compact is planning on 1.5 MW commercial curtailment.

Austin Brandt stated that the Compact's ConnectedSolutions program partners are currently aware of 3.2 MW of natural gas generation interested in participating. He stated that emissions compliance standards for generators varies by generator manufacturer date, fuel type, power, location, and emergency or non-emergency use designation and at this moment the Compact does not have this type of information on the generators in its territory. He stated that generators participating in wholesale and retail markets/programs must be permitted for non-emergency use and that if generation can participate in Compact's ConnectedSolutions program, the Compact will require verification that participating generators are permitted for non-emergency use.

Austin Brandt stated that the question is whether the Compact should allow emissions-compliant generators to participate in the Compact's commercial ConnectedSolutions programs. Some of the reasons to allow it would be to: (1) provide cost-effective demand reductions; (2) make it easier to reach DR participation goals; (3) simplifies program implementation; and (4) align with other PA participation policies. He stated reasons not to allow participation would be that because energy efficiency dollars will be used to pay customers to burn fossil fuels and will lead to higher ConnectedSolutions bill impacts.

Austin Brandt then reviewed the five policy options: (1) continue disallowance of generation in CLC DR programs; (2) allow participation in Targeted Dispatch only; (3) allow only certain types of generators; (4) combination of Options 2 & 3; and (5) no limitation on generation participation.

Richard Elkin asked how much money will be saved in lowering peak demand as opposed to how much the Compact would spend on implementing this program say under option 5. Austin Brandt stated in pure dollar sense, he does not have the answer. He stated that is what the cost-effective assessment does. It takes the KW delivered through the programs and runs it though the BCR model. He stated that these curtailment programs are robustly cost effective.

Alan Strahler stated that he brought this conversation up with Edgartown Energy Committee and they believe that the Compact should only accept battery power and renewable sources and not fossil fueled generators. He stated therefore he chooses option one. Sue Hruby stated that West Tisbury did not go as far as Edgartown;

however, they did discuss it and agree that the Compact should not be encouraging fossil fuels. She stated especially considering the new state legislation, from a policy point of view she believes it does not make sense.

Colin Odell stated that allowing fossil fuel generators may equitably distribute the impact of fossil fuel burning because natural gas is the marginal fuel source for ISO New England. He stated that in a curtailment event, you are changing where you burn a fossil fuel (natural gas) to reduce the impact of load on the distributions and transmissions systems. He stated that the result may be that it is an overall reduction in fossil fuels because you reduce line losses.

David Anthony asked if the Compact limits participation, what is the impact on the Compact's participation goals and what is the practical fall out. Austin Brandt stated that when the Compact does its reporting to the DPU, they look at what was budgeted for and what was spent. He stated that either way for the three year plan the Compact is not going to hit those goals. If goals are not achieved, there will need to be an explanation sent to the DPU.

Alan Strahler moved the CLC]PE Board of Directors vote to continue not to allow fossil fuel generators to participate in the Compact's ConnectedSolutions offering until such a time that the Board decides to revisit the issue. Seconded by Sue Hruby.

David	Anthony	Barnstable	No
Robert	Schofield	Bourne	No
Colin	Odell	Brewster	No
Peter	Cocolis	Chatham	No
Fred	Fenlon	Eastham	No
Alan	Strahler	Edgartown	Yes
Ron	Zweig	Falmouth	Yes
Valerie	Bell	Harwich	Yes
Richard	Toole	Oak Bluffs	Yes
Martin	Culik	Orleans	Abstained
Nate	Mayo	Provincetown	Yes
Leanne	Drake	Sandwich	No
Bob	Higgins-Steele	Truro	Yes
Richard	Elkin	Wellfleet	Yes
Sue	Hruby	West Tisbury	Yes
Joyce	Flynn	Yarmouth	Yes

Motion carried in the affirmative (9-6-1)

3. Marketing Update: Compact Website and Quarterly Letters to Member Towns, Dan Schell

Dan Schell reviewed the Cape Light Compact Marketing Update PowerPoint. He stated that the Compact has a comprehensive marketing program. He stated that many of the programs such as residential retail, small business program, etc. have statewide marketing vendors as well as Compact specific marketing vendors. At the statewide level there is strategic marketing plan which create materials, digital marketing, paid search marketing and more. He stated today he will be going over Compact specific marketing.

Dan Schell reviewed the marketing focus for 2021. He stated there is an increased focus on Renters and Income Eligible (IE) customers. Also, there is an increase in marketing to commercial customers. He stated that marketing will begin to transition residential customers away from lighting and emphasize weatherization and heat pumps.

Dan Schell reviewed the 2021 organic marketing which contains e-newsletters, social media, and blog posts. He also reviewed 2021 marketing tactics which include radio, print, digital and video. He stated that radio is one of our higher-level awareness advertising, so the focus is on home energy assessment for homes and businesses, as well as power supply.

Dan Schell reviewed the 2021 Programmatic slide. He stated there will be a direct mailer to enroll thermostats with ConnectedSolutions, as well as for the Main Streets initiative. The Compact is planning on scheduling dehumidifier turn-in events again this year. He stated as the Compact's programs are changing, setting up community outreach to HVAC contractors, senior centers, and other organizations.

Dan Schell stated that the Compact is looking to bring in a specialist to make sure the Compact's website is compliant with the Americans with Disabilities Act (ADA). Also, a user experience audit will be forthcoming which will examine whether the Compact's website is easy to use. He stated that it will be nice to have a fresh pair of eyes reviewing the website and that it is important because of how much the Compact drives customers to the website. Lastly, he stated there will be a survey sent via direct mail seeing how much customers understand the Compact.

Dan Schell stated that the Compact is looking to revise the quarterly report that is sent to the Towns to make it clearer and easier to read. He stated that it could be used by the Board for presenting to Select Boards during public comment and that staff will also provide other relevant program updates.

Erik Peckar asked if there will be a questionnaire in the survey related to the Local Green program and seeing if people are interested in participating.

Sue Hruby stated she is very happy that the quarterly report is being revised. She stated that the West Tisbury energy committee also looks at the reports and that it is a particular interest because we are working on how to energize the residents to start strategic electrification. Having the information on the number of households involved is helpful.

Colin Odell stated that he is happy to see the changes as well, but that it is missing carbon avoidance in some manner because virtually every town on the Cape has passed some type of climate emergency initiative and carbon reduction is a big part of that. He stated it would be good to see how the Compact's efforts are doing on carbon reduction.

ADMINISTRATOR'S REPORT:

1. Any Questions on Monthly Operating and Energy Efficiency Budgets. May Presentation by Comptroller.

Maggie Downey asked if there were any questions on the budget reports in the Board Packet. There were none.

Maggie Downey stated Megan Terrio will be doing a presentation on the Compact's quarterly revenue expenditures and fund balances at the May Board Meeting.

2. Staffing Update

Maggie Downey stated that Austin Brandt will be leaving the Compact to attend a three-year full-time graduate program. She stated that the Compact is advertising for a new Power Supply Planner. She stated that Dan Schell will moving up to a Senior Analyst position and taking on demand response tasks and will no longer be working on marketing. The Compact is working with some existing staff members who have a background in marketing. She then turned it over to Austin Brandt.

Austin Brandt stated that he moved here from North Carolina in 2013 to do an AmeriCorps program and did not expect to still be here this many years later. He stated that it has been a privilege to work for the Compact, Maggie and under the direction of the Board. He stated that he has learned a lot from everyone and will consider himself lucky if for the rest of his career he can continue working with organizations whose work he believes in like the Compact's.

Martin Culik thanked him on behalf of the Board for all his efforts and stated that he has been a great asset to the Compact.

3. Office Space RFP

Maggie Downey stated that the Compact's lease is up at the end of the calendar year. The Compact is required to go out to bid again. She stated that she is going to put out another RFP next month. Martin Culik asked if she would need help to review the RFP. She asked if David Anthony and Colin Odell will help again. Both agreed to assist in the RFP process.

Richard Toole left meeting at 4:35PM.

Open Session Vote on entry into Executive Session pursuant to M.G.L. c. 30A §§21(a)(3) and (10) to discuss matters below, to return to open session:

Martin Culik at 4:36 PM moved to enter into Executive Session pursuant to M.G.L. c. 30A §21(a)(3) and (10) to (1) review and approve executive session minutes which contain discussions regarding pending or imminent regulatory litigation and trade secrets and confidential, competitively-sensitive or other proprietary power supply information related to a proposed Low-Income Community Solar project (when the release of the discussion would have a detrimental effect on the Compact's negotiating position); and (2) to discuss pending or imminent regulatory litigation and trade secrets and confidential, competitively-sensitive or other proprietary power supply information related to a proposed Low-Income Community Solar project, not to return to open session thereafter. Seconded by Robert Schofield.

David	Anthony	Barnstable	Yes
Robert	Schofield	Bourne	Yes
Colin	Odell	Brewster	Yes
Peter	Cocolis	Chatham	Yes
Erik	Peckar	Dukes County	Yes
Fred	Fenlon	Eastham	Yes
Alan	Strahler	Edgartown	Yes
Ron	Zweig	Falmouth	Yes

Valerie	Bell	Harwich	Yes
Martin	Culik	Orleans	Yes
Nate	Mayo	Provincetown	Yes
Leanne	Drake	Sandwich	Yes
Bob	Higgins-Steele	Truro	Yes
Richard	Elkin	Wellfleet	Yes
Sue	Hruby	West Tisbury	Yes
Joyce	Flynn	Yarmouth	Yes

Motion carried in the affirmative (16-0-0)

ADJOURNMENT:

Motion to adjourn made at 4:45 PM moved by Robert Schofield, seconded by Colin Odell.

David	Anthony	Barnstable	Yes
Robert	Schofield	Bourne	Yes
Colin	Odell	Brewster	Yes
Peter	Cocolis	Chatham	Yes
Erik	Peckar	Dukes County	Yes
Fred	Fenlon	Eastham	Yes
Alan	Strahler	Edgartown	Yes
Ron	Zweig	Falmouth	Yes
Valerie	Bell	Harwich	Yes
Martin	Culik	Orleans	Yes
Nate	Mayo	Provincetown	Yes
Leanne	Drake	Sandwich	Yes
Bob	Higgins-Steele	Truro	Yes
Richard	Elkin	Wellfleet	Yes
Sue	Hruby	West Tisbury	Yes
Joyce	Flynn	Yarmouth	Yes

Motion carried in the affirmative (16-0-0)

Respectfully submitted,

Melissa Allard

LIST OF DOCUMENTS AND EXHIBITS:

- Meeting Notice/Agenda
- March 10, 2021 Draft Meeting Minutes
- Highlights of an Act Creating a Next-Generation Roadmap for Massachusetts Climate Policy PowerPoint
- Cape Light Compact JPE 2022-2024 Energy Efficiency Plan PowerPoint
- Generator Participation in CLC Commercial Connected Solutions PowerPoint
- Cape Light Compact Marketing Update PowerPoint



ENERGIZE the CAPE & VINEYARD

A concept presentation to
Cape Light Compact Governing Board

May 12, 2021

OVERVIEW

Energize the Cape & Vineyard (Energize) is a proposed 2022 initiative of the Cape Light Compact in partnership with the Cape Cod Climate Change Collaborative (the Climate Collaborative) to scale up consumer adoption of energy efficiency, rooftop solar PV and storage, air source heat pumps, and electric vehicles. We are still seeking Vineyard representation in the planning process.

Energize will be managed by the Cape Light Compact with community outreach and organizing led by the Climate Collaborative. The program will mobilize a regional network of community volunteers and engage town select boards/councils, energy and climate committees, and climate action networks to:

- **Promote** the Cape Light Compact’s energy assessment and efficiency programs as foundation for Energize participation
- **Take advantage** of collective community-purchasing modeled on Solarize Mass
- **Organize** neighbor-to-neighbor promotion of green energy strategies
- **Simplify** the choice of discounted electric vehicles



PROPOSED TEAM

- **Cape Light Compact** will be the lead manager and administrator of the Energize the Cape & Vineyard program.
- **Cape Cod Climate Change Collaborative**, as primary partner, will recruit, train and coordinate volunteers to implement Energize through neighbor-to-neighbor marketing.
- **Town Energy and Climate Committees** will help lead the volunteer efforts in each town.
- **Mass Clean Energy Center**, administrator of the former Solarize Mass program, will provide CLC with technical assistance for program administration.
- **Green Energy Consumers Alliance** will expand its Drive Green program to Cape Cod to encourage wider adoption of electric vehicles.
- **Cape Cod Five** will serve as financing partner with its Solar Loan program for solar PV as well as being one of the several banks offering Mass Save Heat Loans for heat pumps and energy efficiency.



Proposed Cape Light Compact Functions

Cape Light Compact would assume the role of MA CEC to manage and administer the program:

- Coordinate requests for support to each Town Select Board or Town Council.
- Enhance Cape- and Vineyard-wide education and marketing for CLC's energy efficiency and conservation programs and coordinate CLC goals for installation of air source heat pumps with the Energize program.
- Approve and implement a marketing plan and budget for advertising and educational materials to support Energize goals; allocate up to \$100,000 in calendar year 2022 to fund: an estimated \$50,000 marketing budget; up to \$40,000 to procure technical assistance for installer screening and selection; and \$10,000 for CLC legal review of contract documents, with a detailed budget to be submitted for approval in October.
- With support from the Climate Collaborative's marketing team, coordinate region-wide marketing events and media and create educational and promotional materials for use in all Towns.
- Issue the Request for Proposals for solar and storage technologies, contract with selected installers to confirm program terms, and manage contract administration.
- In collaboration with community groups, assemble evaluation teams to select installer partners for key technologies and retain professional engineering consultants to assist the teams.
- Monitor performance in bi-weekly meetings with community representatives and selected installers.



Cape Cod Climate Change Collaborative Functions

Cape Cod Climate Change Collaborative will coordinate volunteer efforts:

- Work with the Cape Light Compact to support Town Energy and Climate Committee involvement in Energize outreach efforts.
- Work through Collaborative participants including Climate Collaborative Action Network, Association to Preserve Cape Cod, Faith Communities Environmental Network and Youth Climate Action Network to recruit community volunteers to join in Energize neighbor-to-neighbor outreach strategies.
- Organize training events including webinars and in-person programs to educate Energize volunteers on key Energize technologies and opportunities for residents.
- Work with the Green Energy Consumers Alliance to recruit Cape Cod auto dealers to offer discounted pricing on electric vehicles on the Drive Green website and to participate in one or more electric vehicle car shows on Cape Cod during 2022.
- Through its marketing team, assist in development of the Cape Light Compact's marketing strategy for Energize.



KEY SOLAR STRATEGIES

- CLC will issue a Request for Proposals from solar installers to offer a fixed price, discounted below prevailing market costs, for solar installations and battery storage, modeled on the MassCEC RFP template.
- CLC, together with community networks and town energy committees, will assemble a community evaluation team to assess competing proposals and select an installer or group of installers with the best proposals.
- CLC will provide staff technical support and contract for professional engineering support to work closely with the evaluation team.
- The selected installers will work with the volunteer networks in each town to identify potentially interested homeowners and small businesses, follow up leads and complete installations.
- Volunteer community coaches will assist customers in their decisions about proposed solar installations.



PROGRAM TIMELINE

- **June 2021** - Request Cape Light Compact Governing Board approval of program concept
- **Summer 2021** – Commence “soft” outreach to town energy, climate, and climate action networks committees to build volunteer Organizing Committee
- **Fall 2021** - Recruit and educate volunteers for town Energize campaigns
- **Fall 2021** - Seek resolutions of support from Towns
- **October 2021** – Submit detailed budget and seek budget approval from Cape Light Compact Governing Board
- **Winter 2021/2022** – Commence planning for marketing and public outreach
- **January 18, 2022** - Issue RFPs to installers
- **February 18, 2022** - Deadline for installer proposals
- **February-March 2022** - Review proposals and select installer(s)
- **April 2022** – Initiate hard public launch of Energize program
- **October 2022 – April 2023** – Conclude program, 6-12 months after launch (TBD)



HOUSE No. 3213

The Commonwealth of Massachusetts

PRESENTED BY:

James J. O'Day

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act updating the Open Meeting Law to support remote participation.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>James J. O'Day</i>	<i>14th Worcester</i>	<i>2/18/2021</i>
<i>Rebecca L. Rausch</i>	<i>Norfolk, Bristol and Middlesex</i>	<i>2/23/2021</i>

HOUSE No. 3213

By Mr. O'Day of West Boylston, a petition (accompanied by bill, House, No. 3213) of James J. O'Day and Rebecca L. Rausch for legislation to further regulate the Open Meeting Law to support remote participation. State Administration and Regulatory Oversight.

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Second General Court
(2021-2022)**

An Act updating the Open Meeting Law to support remote participation.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Chapter 30A of the General Laws, as appearing in the 2018 Official
2 Edition, is hereby amended by striking out paragraph (d) of section 20.

3 SECTION 2. Chapter 30A of the General Laws, as appearing in the 2018 Official
4 Edition, is hereby amended by inserting after section 20 the following section:-

5 Section 20A. (a) A public body may allow remote participation by any member for any
6 meeting of the public body. For the purposes of this section, the term remote participation means
7 participation by a member of a public body during a meeting of that public body where the
8 member is not physically present at the meeting location.

9 (b) Members remotely participating in a meeting may vote, shall be considered present
10 and in attendance for all purposes, including for purposes of determining a quorum and for the
11 purposes of section 23D of chapter 39.

12 (c) All members of the public body participating either remotely or at a meeting location
13 shall be clearly audible to one another.

14 (d) For any meeting conducted through remote participation, the public body shall make
15 provisions to ensure public access to the deliberations of the public body for interested members
16 of the public through adequate, alternative means. Adequate, alternative means of public access
17 shall mean measures that provide transparency and permit timely and effective public access to
18 the virtual meeting. Such means may include, without limitation, providing public access
19 through telephone, Internet or satellite enabled audio or video conferencing or any other
20 technology that enables the public to clearly follow the proceedings of the virtual meeting while
21 those proceedings are occurring. Documents used for any such meeting should be made available
22 to the public before or at the time of the meeting of the public body. Where allowance for active,
23 real-time participation by members of the public is a specific requirement of a general or special
24 law or regulation, or a charter, local ordinance or by-law, pursuant to which the proceeding is
25 conducted, any alternative means of public access shall provide for such participation. A public
26 body shall offer its selected alternative means of public access to virtual meetings without
27 subscription, toll, or similar charge to the public.

28 (e) A public body that elects to conduct its proceedings remotely shall ensure that any
29 party entitled or required to appear before it may do so through remote means, as if the party
30 were a member of the public body participating remotely.

31 (f) The executive body of a municipality shall develop and adopt standards and
32 guidelines for remote participation of public bodies that is sufficient for the municipality prior to
33 any remote meeting held pursuant to this law.

SENATE No. 2104

The Commonwealth of Massachusetts

PRESENTED BY:

Rebecca L. Rausch

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act updating the Open Meeting Law to support remote participation.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	
<i>Rebecca L. Rausch</i>	<i>Norfolk, Bristol and Middlesex</i>	
<i>James J. O'Day</i>	<i>14th Worcester</i>	<i>2/23/2021</i>
<i>Joanne M. Comerford</i>	<i>Hampshire, Franklin and Worcester</i>	<i>2/24/2021</i>

SENATE No. 2104

By Ms. Rausch, a petition (accompanied by bill, Senate, No. 2104) of Rebecca L. Rausch, James J. O'Day and Joanne M. Comerford for legislation to update the Open Meeting Law to support remote participation. State Administration and Regulatory Oversight.

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Second General Court
(2021-2022)**

An Act updating the Open Meeting Law to support remote participation.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

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9 (b) Members remotely participating in a meeting may vote, shall be considered present
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11 purposes of section 23D of chapter 39.

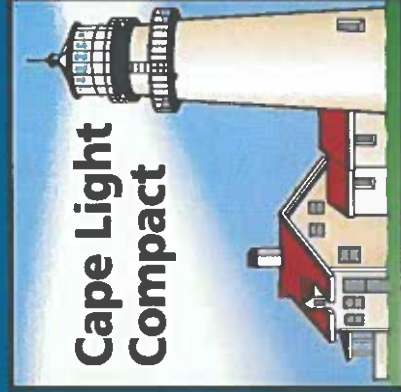
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28 (e) A public body that elects to conduct its proceedings remotely shall ensure that any
29 party entitled or required to appear before it may do so through remote means, as if the party
30 were a member of the public body participating remotely.

31 (f) The executive body of a municipality shall develop and adopt standards and
32 guidelines for remote participation of public bodies that is sufficient for the municipality prior to
33 any remote meeting held pursuant to this law.

2020 FUND BALANCES



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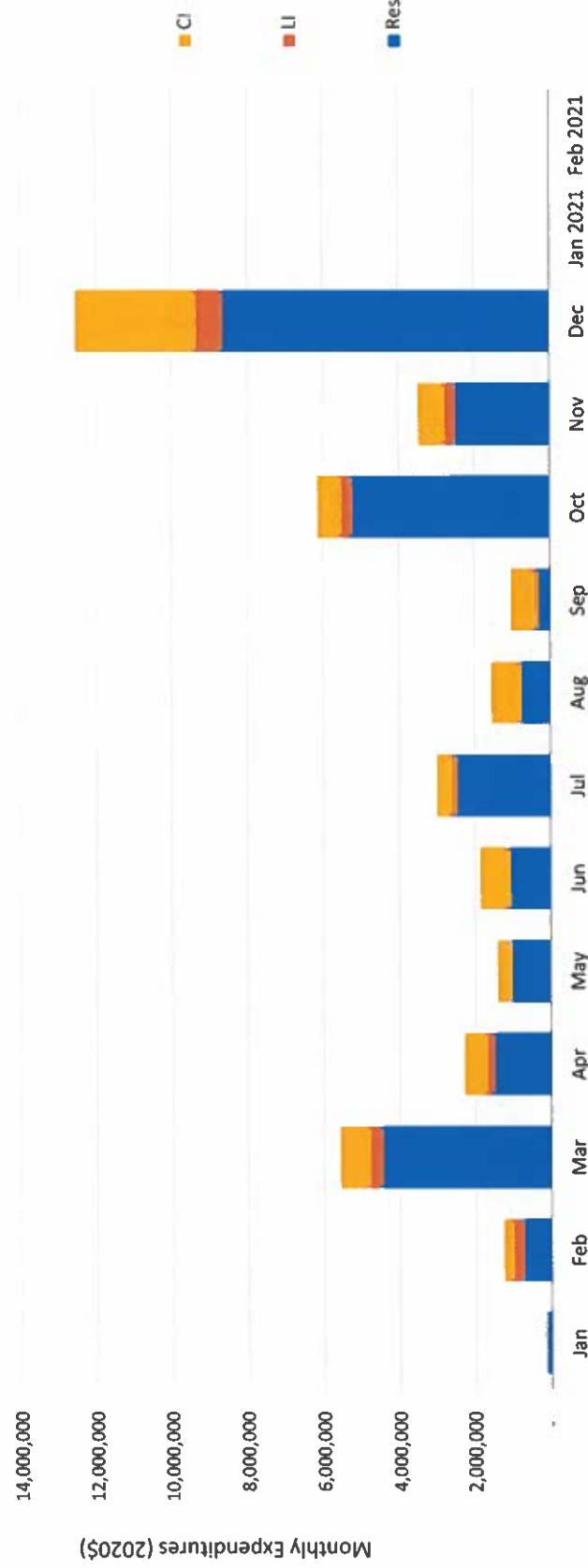
ENERGY EFFICIENCY FUND

	Total	Planned	Actual / Planned
SBC	4,839,672	4,839,682	100%
SBC Trueup	66,859	-	0%
EERF	32,632,656	32,632,649	100%
EERF Trueup	538,648	-	0%
FCM	5,798,630	3,201,721	181%
RGGI	-	1,233,824	0%
Total	43,876,465	41,907,876	105%
Res	28,519,585	26,178,977	109%
LI	2,448,388	5,133,165	48%
CI	9,249,435	16,925,996	55%
Total	40,217,408	48,238,137	83%
Expenditures			
Income	67,337		
Res	1,118,370,899	1,045,088,999	107%
LI	76,315,625	71,172,075	107%
CI	767,925,800	819,611,814	94%
Total	1,962,612,324	1,935,872,888	101%

Data from Synapse
2020 YTD Revenue &
Expenditure Reports.



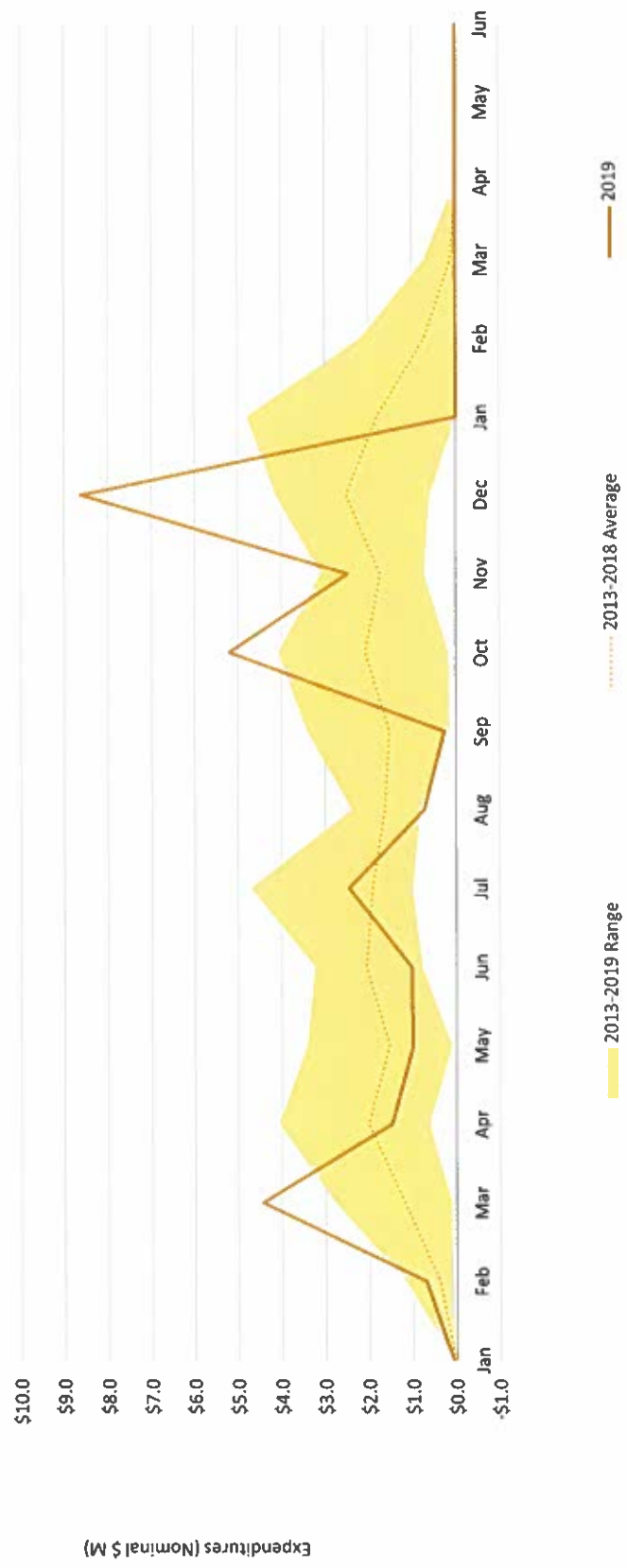
EEF EXPENDITURES



Data from Synapse 2020 YTD Revenue & Expenditure Reports.



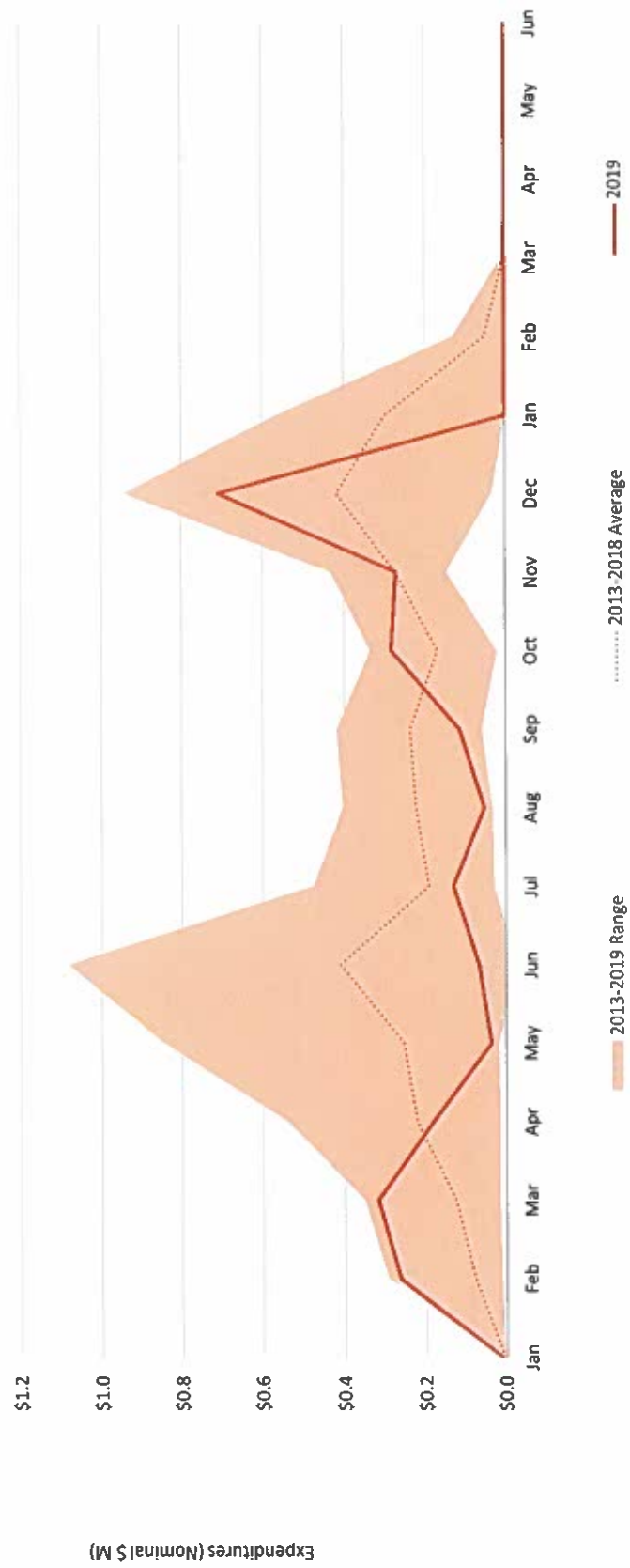
EEF RESIDENTIAL EXPENDITURES



Data from Synapse 2020 YTD Revenue & Expenditure Reports.



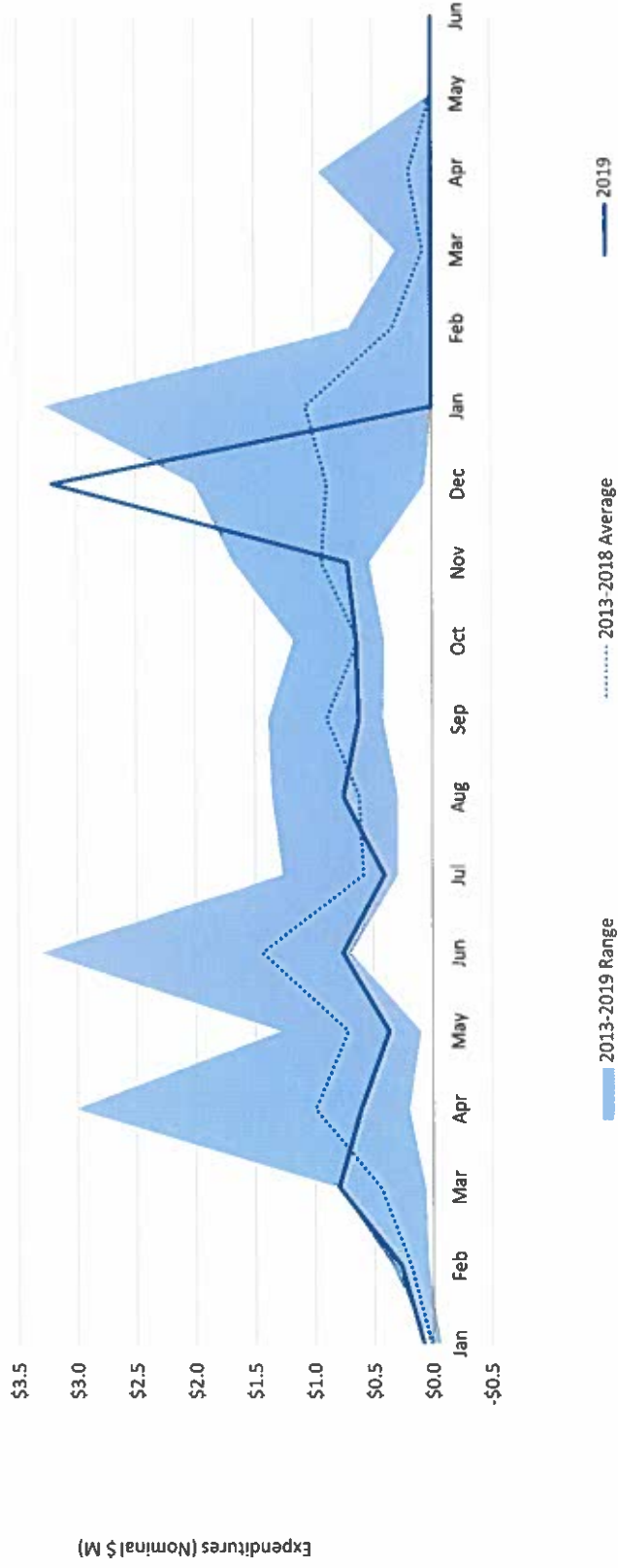
EEF LOW INCOME EXPENDITURES



Data from Synapse 2020 YTD Revenue & Expenditure Reports.



EEF C&I EXPENDITURES



Data from Synapse 2020 YTD Revenue & Expenditure Reports.

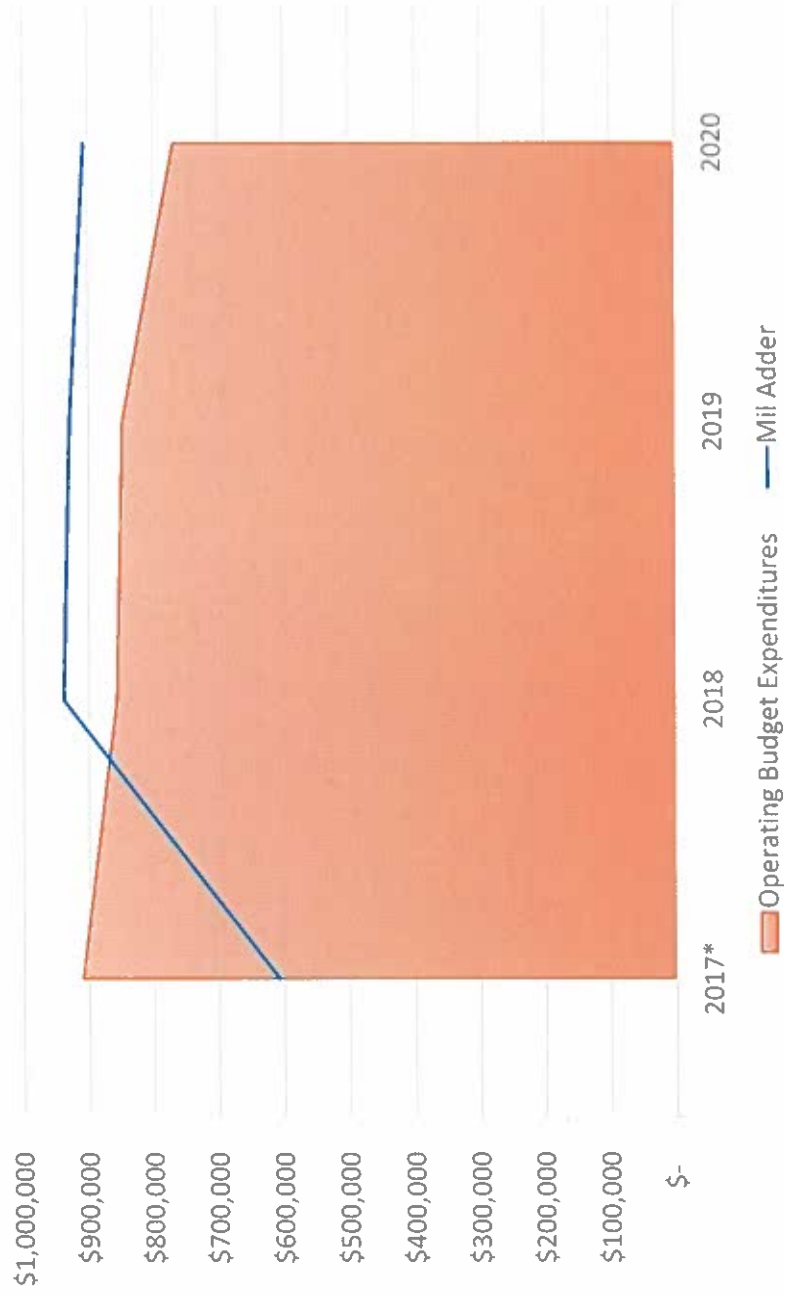


POWER SUPPLY & OPERATING

Cape Light Compact, JPE			
Power Supply & Operating Fund Analysis			
12/31/2020			
	Total	Power Supply	Operating
Fund Balance as of December 31, 2019	1,202,135.02	1,202,135.02	0.00
Mil-Adder Power Supply Revenue	906,046.77	906,046.77	
Interest Income	35,501.82	14,077.82	21,424.00
Mayflower Wind	10,000.00	10,000.00	
Expenditures	(794,591.07)	(25,695.00)	(768,896.07)
Operating Budget Transfer FY2020 BUDGET		(846,960.00)	846,960.00
Interfund Transfer - Operating Budget Balance	-	99,487.93	(99,487.93)
	156,957.52	156,957.52	-
Fund Balance as of December 31, 2020	1,359,092.54	1,359,092.54	0.00
Fiscal Year 2021 Operating Budget	935,616.00	Includes \$185,000 Contingency	
Remaining	423,476.54		



HISTORICAL MIL ADDER & OPERATING EXPENDITURES TREND



CLE JPE was part of Barnstable County and reporting on a fiscal year-end prior to July 1, 2017.

Data from prior years is unavailable as it is not in our financial system.



* 2017 represents the 6-month period the JPE was established (July – Dec 2017)

OPEB

Cape Light Compact JPE
OPEB and Retirement Liability & Fund Balance Analysis
12/31/2020

	OPEB Liability	Energy Efficiency	Operating	Total	Remaining Liability
	1,744,013.00		72,667.00	1,816,680.00	
Amounts Funded					
2016	120,000.00			120,000.00	1,696,680.00
2017	285,000.00			285,000.00	1,411,680.00
2018	520,000.00		7,100.00	527,100.00	884,580.00
2019	126,444.17		7,100.00	133,544.17	751,035.83
2020	149,662.00		15,000.00	164,662.00	586,373.83
Total	1,201,106.17		29,200.00	1,230,306.17	
Future Funding - 2021	149,662.00		15,000.00	164,662.00	421,711.83
Remaining OPEB Liability By Fund	404,843.36		16,868.47	421,711.83	

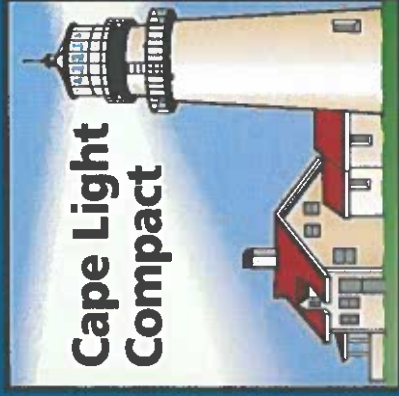


PENSION LIABILITY FUND

Cape Light Compact JPE
 OPEB and Retirement Liability & Fund Balance Analysis
 12/31/2020

	Retirement Liability	Energy Efficiency	Operating	Total	Remaining Liability
	3,073,991.00		128,083.00	3,202,074.00	
Amounts Funded					
2017	635,000.00			635,000.00	2,567,074.00
2018	1,811,444.00		5,300.00	1,816,744.00	750,330.00
2019	194,239.63		5,300.00	199,539.63	550,790.37
2020	249,565.00		42,700.00	292,265.00	258,525.37
Total	2,890,248.63		53,300.00	2,943,548.63	
<i>Future Funding - 2021</i>	<i>183,742.37</i>		<i>38,778.81</i>	<i>222,521.18</i>	<i>36,004.19</i>
Remaining Retirement Liab by Fund	-		36,004.19	36,004.19	





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Cape Light Compact Residential HVAC



Agenda

- Residential HVAC Three Year Plan Updates
 - Oil, Propane, and Natural Gas (NG)
 - Contractor and Customer education
- Review of current Air-Source Heat Pump Offers
- New equipment offerings
 - Ground-Source Heat Pump
 - Air to Water Heat Pump
 - WellConnect Systems
- Water Heating



2022-2024 Plan Updates

- Propane and Natural Gas
 - Incentives will only be available for *non-condensing* to *condensing* equipment
- Oil
 - Oil boilers will be removed (86% AFUE is now code)
 - Oil furnaces will still be available
- Moderate income incentives
 - 80% of cost for new heat pumps
 - 70% of cost for propane and natural gas



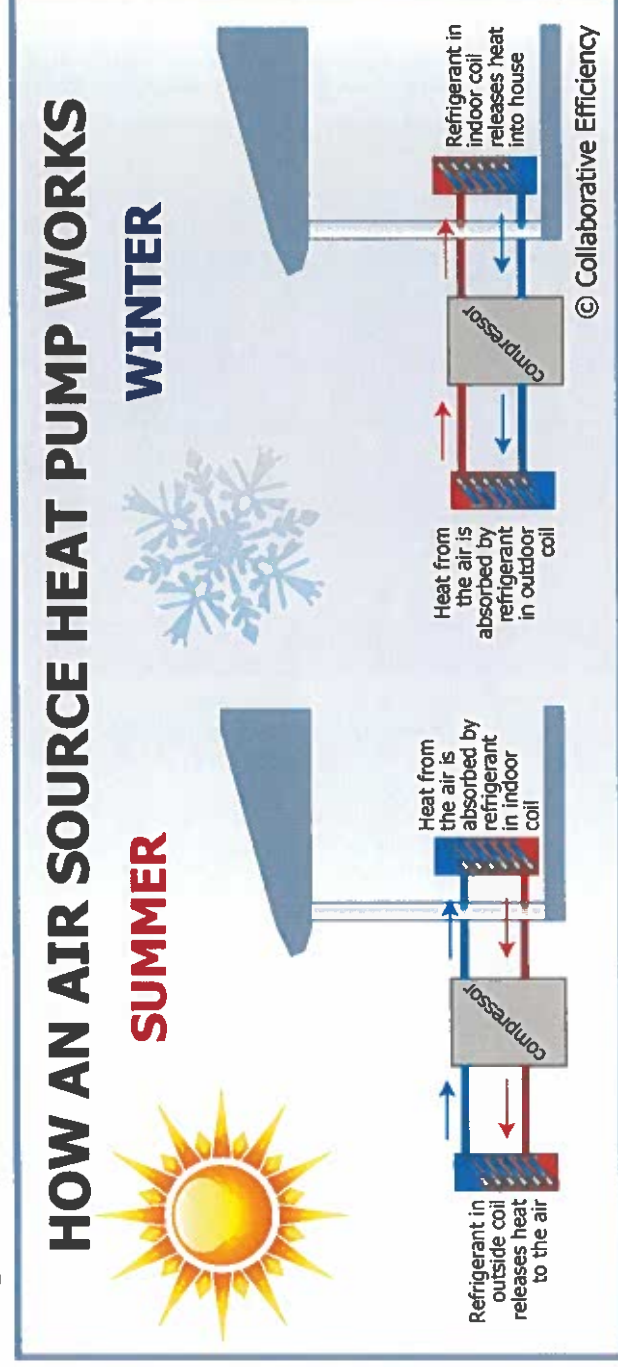
2022-2024 Plan Updates

- Customer and Contractor education will be key to Heat Pump program success
 - Developing a “Preferred Contractor Network”
 - Still lots of unknowns but goal will be quality assurance and manufacturer education for contractors.
 - Targeted HVAC discussions
 - Working on having specialists available to discuss HVAC options with customers
 - HVAC Facilitation Page Updates: <https://www.masssave.com/en/saving/equipment-guide>
 - Aggressive marketing and education
 - Early adopters get it but many still (falsely) believe HPs are not suited for our region or only think of them as cooling equipment.



Air Source Heat Pumps

- Air is extracted from inside or outside depending on whether the system is heating or cooling and pumped via refrigerant and distributed via moving air.



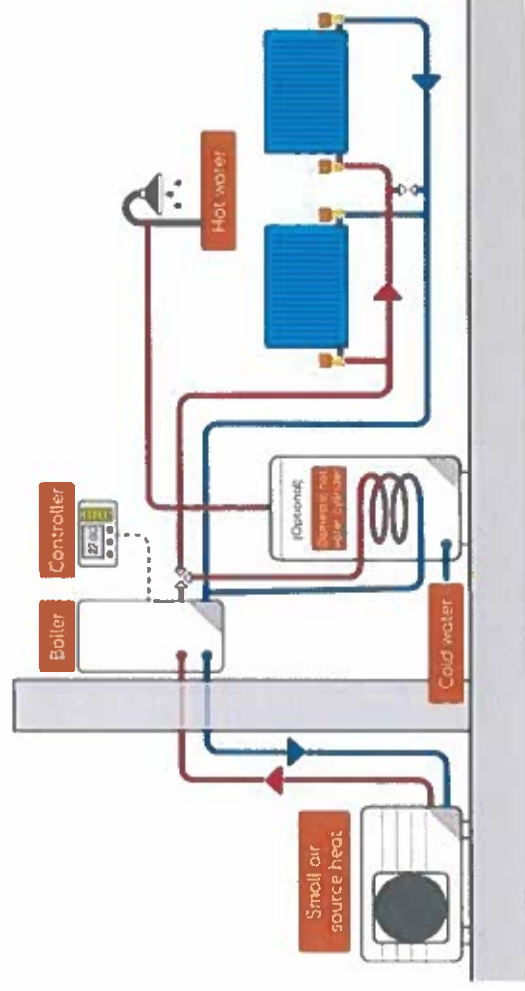
Air Source Heat Pumps

- Air is extracted from inside or outside depending on whether the system is heating or cooling and pumped via refrigerant and distributed via moving air.
- Mini Splits & Central
 - **Central AC-only**
 - \$50 per ton
 - **Standard rebate**
 - \$250 per ton, must be on Qualified Products List
 - **Fuel Optimization**
 - \$1250 per ton, must be on Qualified Products List
 - Qualified Integrated Controls must be installed for Oil and Propane Displacement
 - Alternatively, existing Oil or Propane system can be totally removed
 - Electric resistance is also eligible with 900kWh difference between three winter months and three lowest usage



Air to Water Heat Pumps

- Comparable to air-to-air but more complex design due to full heating replacement, single source
 - Heating, DHW, even possibility for cooling, with fan coils
 - Back-up resistive heating element



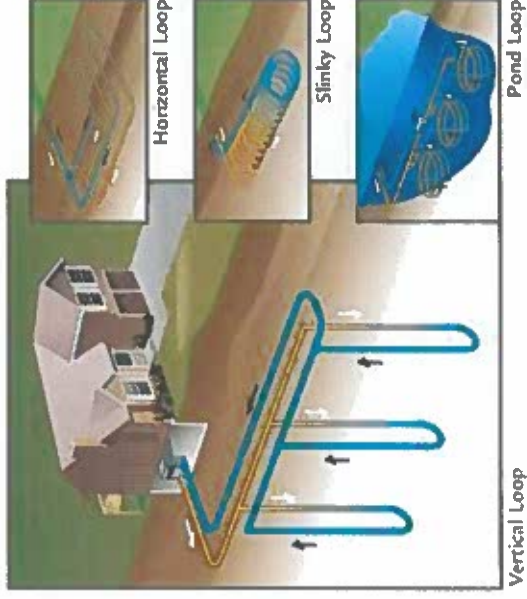
Air to Water Heat Pumps

- Benefit: water heat capacity is ~3500X air heat capacity by volume; smaller distribution, less power consumed by pumps
- Limitation: AWWHP ideally delivers water at ~120 F, instead of 180 F
 - Existing hydronic distribution should be assessed to see if additional distribution is needed.
- Rebate is **\$1,250** per ton for oil and propane displacement



Geothermal Heat Pumps

Geothermal Energy for the Home



Equipment Type	Product Type	Efficiency Requirements ²		Primary Fuel Type	Rebate Amount
		EER	COP		
Geothermal (Water-to-Air)	Closed Loop Water-to-Air	17.1	3.6	Oil or Propane	\$2,000 per ton
	Open Loop Water-to-Air	21.1	4.1		
Geothermal (Water-to-Water)	Closed Loop Water-to-Water	16.1	3.1	Oil or Propane	\$2,000 per ton
	Open Loop Water-to-Water	20.1	3.5		
Geothermal* (DGX)	DGX	16	3.6		

*Uses copper instead of plastic and circulates refrigerant directly.



WellConnect Geothermal



- Currently working on adding a WellConnect Geothermal offering.
 - These systems allow customers to tap into existing wells, thus greatly reducing the upfront costs.
 - Proposed rebate will be \$1,250 per ton.
 - Works as supplemental system with existing furnace.
 - Currently in progress of being added to the program.



Water Heating

Equipment Type	Capacity	UEF ¹	Rebate Amount
Heat Pump Water Heater	> 55 gallons	≥ 2.7 (switching from electric heater)	\$150
	≤ 55 gallons	≥ 2.0 (switching from electric heater)	\$600
	≤ 55 gallons	≥ 2.0 (switching from oil heater)	\$600
	≤ 55 gallons	≥ 2.0 (switching from propane heater)	\$400

- AWHPs and GSHPs can be set up with domestic hot water as well but at present they are not eligible for additional rebates.
- HPWH displacing oil or propane systems is a new offering this year.



The Big Picture

Air heating (furnace replacement, ducts, etc.)

Central HP

Rebate: \$250 per ton

Fuel Optimization:
\$1250 per ton

Minisplit

Rebate: \$250 per ton

Fuel Optimization:
\$1250 per ton

GSHP

Rebate: \$2000 per ton
Capped at 15k

AWHP

Rebate: \$1250 per ton

Hydronic heating (boilers)

Costs

Measure	Total Resource Costs*
Closed Loop GSHP Replacing Furnace, Oil	\$ 32,499.00
Closed Loop GSHP Replacing Furnace, Propane	\$ 32,639.00
Open Loop GSHP Replacing Furnace, Oil	\$ 20,057.00
Open Loop GSHP Replacing Furnace, Propane	\$ 20,197.00
Air-to-Water Heat Pump displacing Existing Boiler, Oil	\$ 18,500.00
Air-to-Water Heat Pump displacing Existing Boiler, Propane	\$ 18,500.00
Central Ducted Heat Pump Partially Displacing Existing Furnace, Oil-Electric, Oil	\$ 9,309.00
Central Ducted Heat Pump Partially Displacing Existing Furnace, Propane-Electric, Other	\$ 9,309.00
Central Ducted Heat Pump Fully Displacing Existing Furnace, Oil-Electric, Oil	\$ 12,916.00
Central Ducted Heat Pump Fully Displacing Existing Furnace, Propane	\$ 13,177.00
DMSHP with Integrated Controls Partially Displacing Existing Boiler, Oil-Electric, Oil	\$ 10,958.00
DMSHP with Integrated Controls Partially Displacing Existing Boiler, Propane-Electric, Other	\$ 10,958.00
DMSHP with Integrated Controls Fully Displacing Existing Boiler, Oil-Electric, Oil	\$ 8,482.00
DMSHP with Integrated Controls Fully Displacing Existing Boiler, Propane-Electric, Other	\$ 8,247.00

*These costs are what is included in the BCR model. Actual costs vary significantly based on the size of the system and contractor.



Questions or Comments?



Maggie Downey

To: Washburn, Alexis (ENE)
Subject: RE: April Draft Plan and Upcoming Public Comment Sessions

From: MA-EEAC (ENE) <MA-EEAC@mass.gov>
Sent: Friday, April 30, 2021 6:25 PM
To: MA-EEAC (ENE) <MA-EEAC@mass.gov>
Subject: April Draft Plan and Upcoming Public Comment Sessions

Dear EEAC Councilors and Stakeholders,

The April draft of the Program Administrator's 2022-2024 Three-Year Energy Efficiency Plan has been submitted and is available for review on the [EEAC website](#). Initial Council discussion on the draft Plan will take place at the May 26th EEAC meeting – please note that the May meeting has been pushed back by one week in order to allow time for review of the draft Plan.

Additionally, three virtual public comment listening sessions have been scheduled for early June in order to hear stakeholder feedback on the draft plan. Meeting dates and Zoom links are below and also posted on the EEAC website. If you would like to sign up to provide verbal public comment during any of the sessions, please email MA-EEAC@mass.gov.

Wednesday, June 2	1:00 – 2:30pm	Register Here
Wednesday, June 9	9:00am – 10:30am	Register Here
Tuesday, June 15	5:00 – 6:30pm	Register Here

Have a great weekend,

Emily Powers Webb
Energy Efficiency and Zero Energy Program Manager
Massachusetts Department of Energy Resources
100 Cambridge Street, Suite 1020, Boston, MA 02114
O: 617.626.7379



**SUMMARY OF THE 2022-2024 MASSACHUSETTS
JOINT STATEWIDE THREE-YEAR
ELECTRIC & GAS ENERGY EFFICIENCY PLAN**

April 30, 2021

The Program Administrators propose a comprehensive energy efficiency effort that will significantly contribute to the Commonwealth’s goal of reducing greenhouse gas emissions and delivering benefits equitably.

- ★ The 2022-2024 Three-Year Energy Efficiency Plan (the “2022-2024 Plan”) represents a statewide three-year investment in energy efficiency programs of **\$2.9 billion**, which will fund strategies targeted at reducing GHG emissions by priming the HVAC market for a transformation to clean heating and cooling technologies – with a focus on the advancement of heat pump technologies – while working to facilitate customer awareness, acceptance and adoption. Robust weatherization incentives will continue to produce not only energy savings, but to prepare homes and businesses for electrification. Moreover, to drive equitable participation in energy efficiency across customer groups, the PAs will deploy a series of strategies to address identified barriers to participation in the energy efficiency programs for those customer groups who historically have participated in the programs at a lower rate.

The Program Administrators propose substantial investments in electrification strategies to help prepare the building heating market for a transformation to a decarbonized future.

- ★ Electrification strategies in the proposed 2022-2024 Plan include (a) optimization of HVAC incentive levels to ensure prioritization of heat pumps when they deliver positive customer economics; (b) elimination of incentives for some fossil fuel heating systems; and (c) a phase out of incentives for residential non-heat pump central air conditioning systems, and increased installation of heat pumps to delivered fuel income eligible customers
- ★ The PAs also will help transform the HVAC market by increasing customer education and outreach as it pertains to heat pumps and their benefits, as well as promoting heat pumps through targeting outreach to customers whose homes have already been weatherized. Further, the PAs will develop a network of heat pump contractors and continue workforce development and training to increase contractor comfort in recommending and installing heat pumps, including providing opportunities for workers in the delivered fuels industry to transition into building electrification.
- ★ Additional innovative electrification strategies proposed in the 2022-2024 Plan include an introduction of a residential New Construction Path-to-Zero offering; scaling up of active demand response offerings for electric vehicles (“EVs”), establishing make-ready requirements in residential new construction and exploring the use of energy efficiency infrastructure to promote EVs; and consideration of new incentives for electrification of other end uses.

Equity is a core priority throughout the 2022-2024 Plan, with equity strategies included as part of each sector of the energy efficiency programs to establish more equal access to, and participation in, energy efficiency.

- ★ The PAs' equity strategies are geared towards increasing participation among the customer groups who have historically participated at lower rates in energy efficiency programs, including renters/landlords, moderate-income customers, limited English proficiency customers, and microbusinesses.
- ★ Equity strategies in the proposed 2022-2024 Plan include, 100 percent weatherization incentive statewide for residentially-metered rental units as well as increased spending on incentives for income-qualified moderate-income customers, *e.g.*, incentives for heating systems, pre-weatherization barrier mitigation, and weatherization measures.
- ★ The PAs' equity strategies will also address the non-financial barriers highlighted in the *Residential Non-Participant Market Characterization and Barriers Study*, including:
 - Increased partnership with community-based organizations (“CBOs”), with greater flexibility of program design.
 - Addressing customer language barriers through implementation of a Language Access plan, partnering with inclusive and multilingual CBOs, and closing of gaps in the customer journey for the most commonly spoken, non-English languages in Massachusetts – Spanish, Portuguese, and Mandarin.
 - Targeted programming to small business communities, including Main Streets programming for Environmental Justice communities; partnerships with diverse business groups; and expanding Main Streets materials to be available in several languages spoken in those communities.

The 2022-2024 Plan reflects the critical need to invest in workforce development as a cornerstone for future success in energy efficiency, particularly for the PAs' electrification and equity strategies.

- ★ To be more equitable in reaching customers, it is vital that the workforce supporting the PAs' programs reflects the diversity of the communities served. Further, ongoing opportunities for upskilling and growth continue to be critical so that the energy efficiency workforce continues to move the market to adopt the latest efficient building technologies, such as electrification. The PAs will work closely with the Massachusetts Clean Energy Center to implement workforce development strategies proposed in the 2022-2024 Plan.
- ★ Workforce development strategies in the proposed 2022-2024 Plan include training new and diverse candidates from backgrounds currently underrepresented in the energy efficiency workforce; growing and diversifying the pool of business partners; providing a path for firms working in the delivered fuels industry to transition into work on electrification; and continuing to grow and upskill the workforce in new technologies such as Passive House certification, Building Operator certification, automated controls, building codes and standards, and HVAC equipment.

The 2022-2024 Plan will deliver GHG emissions reductions and energy savings to customers through investments in energy efficiency, demand reduction, and strategic electrification.

- ★ GHG emissions reduction goals for the 2022-2024 Plan will be set by the EEA Secretary by July 15, 2021, and incorporated into the final Plan. St. 2021, c. 8, § 106.
- ★ The Program Administrators propose a statewide three-year investment in energy efficiency programs of **\$2.9 billion**, or about \$200 million more than the three-year investments for the 2019-2021 Three Year Plan. Overall, the plan proposes an aggressive goal of over **238 million MMBTU of total energy savings**, reflecting efforts that will help transform the building heating market, enhance equitable participation, continue to weatherize homes, increase the comfort of customers, make businesses more competitive, reduce GHG emissions, and drive down total energy bill costs. The MMBTU goal translates to:
 - Proposed electric lifetime savings of 13,378,574 MWh for electric Program Administrators.
 - Proposed gas lifetime therm savings of 1,090,423,640 for gas Program Administrators.
 - Proposed oil and propane lifetime MMBTU savings of 58,340,371.
- ★ The proposed energy savings goal represents an aggressive commitment to reducing overall customer energy usage, while providing approximately \$7.4 billion in benefits to customers and contributing to the Commonwealth's economic, environmental, and job creation goals.

The 2022-2024 Plan builds on past success and embraces new challenges and opportunities.

- ★ The Program Administrators have a long and unparalleled track record of success in implementing energy efficiency programs. This success has contributed to Massachusetts' nation-leading position in energy efficiency and made the programs a model for the rest of the country. This success has earned the Program Administrators the trust of customers and stakeholders in the Commonwealth. Program Administrators achieve success because of their ability to anticipate and analyze technologies and the marketplace, and evolve programs to best serve the energy goals of customers under the mandate and framework of the Green Communities Act. During the 2019-2021 term, the PAs introduced a new pathway to promote residential Passive House new construction, created the first integrated controls specification for heat pumps in the country, and quickly pioneered the virtual Home Energy Assessments ("HEAs") during the COVID-19 pandemic. To maintain their national leadership role in the 2022-2024 Plan, the Program Administrators will use their expertise, relationships, and delivery infrastructure to build on our prior achievements and deliver long-term energy savings and GHG emissions reductions, coupled with an emphasis on equity and management of near- and long-term customer energy burdens.
- ★ Due to the efforts of the Program Administrators, with the support of the Energy Efficiency Advisory Council, the lighting market has been substantially transformed to the point

where the PAs have largely exited the residential LED lighting market. These new standards resulting from the efforts of the Program Administrators and the Commonwealth create enduring economic and environmental benefits for all customers, but the savings associated with standard practice and rising baselines have significantly reduced, or eliminated, the savings claimable by the Program Administrators. Accordingly, this 2022-2024 Plan represents a shift in focus away from lighting and towards electrification.

- ★ The 2022-2024 Plan includes a ramp-up of statewide Active Demand Reduction (“ADR”) Initiatives for residential and commercial and industrial sectors, with a target of **over 300 MW** in active demand reduction by 2024. During the coming three-year term, the PAs will make several key enhancements to their ADR offerings, while continuously considering the addition of new end uses to the pool of supported ADR technologies. For the residential sector, the PAs plan to study how ADR offerings, through battery storage and EV readiness, can best be integrated into the single-family new construction pathway. Additionally, the PAs will continue to work with Distributed Energy Resource Management System (“DERMS”) providers to streamline the process for enrolling new equipment manufacturers, ensuring as much of the market as possible is served. For smart thermostat purchases made through the Online Marketplace, the PAs will introduce point-of-sale ADR promotions. The PAs also will explore offering customers the option to pre-enroll their thermostat in ADR offerings, netting the DR incentive from their purchase price, and delivering a thermostat that is already enrolled in ADR when it is installed. For the commercial sector, the PAs are evaluating the potential to implement a statewide EV demand reduction offering by the summer of 2022.

The Program Administrators maintain their passion for excellence in program design and serving all customers.

- ★ The Program Administrators propose a **comprehensive set of services that benefit all of the PAs’ residential and income eligible customers across the Commonwealth.** With innovation and customer service at the center, the PAs are continuously testing new products and delivery approaches, to reach impactful scales and ultimately transform markets. The PAs see their work in the residential and income eligible sectors as an essential tool in helping to meet the Commonwealth’s climate goals but are also proud of their contributions in other areas, such as helping customers manage energy burdens, providing consumer energy education, supporting a robust energy efficiency workforce, and improving the health and comfort of homes.
- ★ The Program Administrators will continue their intense focus, working with the deeply committed team at LEAN, to serve **income eligible customers** with successful energy efficiency programs, including increased heat pump adoptions that provide myriad benefits that extend well beyond lower energy costs.
- ★ The Program Administrators will continue their diligent focus to serve **commercial and industrial customers** with diverse pathways to save energy and reduce demand. The intent is for customers of all sizes and industries to learn, manage, and implement changes and technologies that will reduce their energy consumption. As lighting phases out of

programs, the PAs will look to increase non-lighting measures, such as heat pumps, during the course of the three-year term.

- ★ The PAs will continue their **Codes and Standards Compliance & Technical Support Initiative (CSCS)**. CSCS is a valuable component in the pursuit of all cost-effective energy efficiency and more equitable distribution of benefits. First, CSCS is a highly cost-effective initiative that unlocks sources of typically long-lived energy savings not eligible for other programs. Second, CSCS is a market transformation initiative that primarily impacts historical nonparticipants and customer segments considered hard to reach by raising efficiency baselines market wide.

The Plan fulfills the requirements of the Green Communities Act and provides value for customers.

- ★ Each program and core initiative is cost-effective¹ with statewide portfolio benefits of **\$7.4 billion**, double the program budget of **\$2.9 billion**.
- ★ Through statewide collaboration and coordination, the Program Administrators continue to share best practices, leverage collective resources, and use competitive procurement to minimize administrative costs.

The Program Administrators look forward to discussing this draft 2022-2024 Plan with the Energy Efficiency Advisory Council, and continuing to work with stakeholders as the Program Administrators refine and enhance the Plan. This aggressive draft Plan reflects the Program Administrators' commitment to a robust and dynamic investment in energy efficiency, GHG emissions reductions, equity, and continued leadership during 2022-2024.

¹ The Compact's Behavior core initiative has a benefit cost ratio less than 1.0. The Compact understands the importance of the Behavior core initiative to some members of the Energy Efficiency Advisory Council and other interested stakeholders and has therefore included the offering in the draft Plan for consideration during the planning process.

ORG	OBJECT	ACCOUNT DESCRIPTION	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	AVAILABLE BUDGET	% USED
01001	5110	OP-SALARIES	102,000	102,000	34,732.68	67,267	34.10
01001	5119	OP-SALARY RESERVE	5,000	5,000	0.00	5,000	0.00
01001	5171	OP-RETIREMENT	28,560	28,560	0.00	28,560	0.00
01001	5173	OP-GROUP INSURANCE	14,250	14,250	0.00	14,250	0.00
01001	5174	OP-MEDICARE/OTHER TAXES	775	775	473.58	301	61.10
01001	5175	STATE UNEMPLOYMENT INSURANCE	500	500	95.44	405	19.10
01001	5179	OP-MISC FRINGES	500	500	0.00	500	0.00
01001	5180	OP-RETIREMENT LIABILITY	42,700	42,700	0.00	42,700	0.00
01001	5181	OP-OPEB LIABILITY	15,000	15,000	0.00	15,000	0.00
01001	5210	OP-UTILITIES	500	500	18.24	482	3.60
01001	5270	OP-MISC RENTALS	1,000	1,000	20.18	980	2.00
01001	5272	OP-RENT	22,500	22,500	7,500.00	15,000	33.30
01001	5290	OP-CUSTODIAL SERVICES	3,900	3,900	975.00	2,925	25.00
01001	5301	OP-ADVERTISING	75,000	75,000	13,626.53	61,373	18.20
01001	5309	OP-IT SERVICES	1,200	1,200	43.05	1,157	3.60
01001	5313	OP-STAFF PROFESSIONAL DEVELOP	5,000	5,000	91.00	4,909	1.80
01001	5314	OP-PAYROLL SERVICES	1,200	1,200	39.16	1,161	3.30
01001	5315	OP-LEGAL SERVICES	196,900	196,900	80,823.44	116,077	41.00
01001	5316	OP-AUDIT FEES	4,100	4,100	173.62	3,926	4.20
01001	5318	OP-TREASURY SERVICES	1,620	1,620	583.01	1,037	36.00
01001	5319	OP-CONTRACTUAL	25,000	25,000	51.75	24,948	0.20
01001	5320	OP-OUTREACH/MARKETING CONTRACT	103,000	103,000	5,459.54	97,540	5.30
01001	5341	OP-POSTAGE	10,000	10,000	1,870.53	8,129	18.70
01001	5343	OP-TELEPHONES	1,260	1,260	117.81	1,142	9.40
01001	5344	OP-INTERNET	4,000	4,000	145.93	3,854	3.60
01001	5345	OP-PRINTING	12,500	12,500	2,677.77	9,822	21.40
01001	5400	OP-SUPPLIES	1,500	1,500	0.00	1,500	0.00
01001	5490	OP-FOOD SUPPLIES	500	500	0.00	500	0.00
01001	5710	OP-TRAVEL IN STATE	5,000	5,000	0.00	5,000	0.00
01001	5720	OP-TRAVEL OUT STATE	1,000	1,000	0.00	1,000	0.00
01001	5730	OP-SPONSORSHIPS	28,167	28,167	6,551.00	21,616	23.30
01001	5731	OP-SUBSCRIPTIONS	10,000	10,000	16,000.00	-6,000	160.00
01001	5732	OP-SOFTWARE LICENSES	1,140	1,140	285.51	854	25.00
01001	5741	OP-INSURANCE	14,844	14,844	0.00	14,844	0.00
01001	5789	OP-UNPAID BILLS	2,000	2,000	0.00	2,000	0.00
01001	5850	OP-MISC EQUIPMENT	500	500	150.50	350	30.10
01001	5854	OP-FINANCIAL SOFTWARE SYSTEM	5,000	5,000	0.00	5,000	0.00
01001	5855	OP-COMPUTER EQUIPMENT	3,000	3,000	0.00	3,000	0.00
01001	5900	CONTINGENCY	185,000	185,000	0.00	185,000	0.00
		Expense Total	\$ 935,616.00	\$ 935,616.00	\$ 172,505.27	\$ 763,110.73	18.40

Mill Adder Revenue thru 3/31/2021 \$ 251,105.41

2021 Budgeted (Based on 2021 EEs)

Table with 11 columns: Program, PP&A, Marketing, Incentives, STAT, EMV, Total PA Costs. Rows include A - Residential, B - Income Eligible, C - Commercial & Industrial, and Grand Total.

2021 Actuals through April 2021

Table with 11 columns: Program, PP&A, Marketing, Incentives, STAT, EMV, Total PA Costs. Rows include A - Residential, B - Income Eligible, C - Commercial & Industrial, and Grand Total.

2021 Actuals as Percent of Budgeted

Table with 11 columns: Program, PP&A, Marketing, Incentives, STAT, EMV, Total PA Costs. Rows include A - Residential, B - Income Eligible, C - Commercial & Industrial, and Grand Total.



Environment,
Energy and
Open Space



City of Boston
Mayor Kim Janey

April 30, 2021

Matthew Nelson, Chair
Department of Public Utilities
One South Station
Boston, MA 02110

Re: City of Boston, D.P.U. 19-65 – Letter dated December 15, 2020 (the “Letter”)

Dear Chair Nelson:

The City of Boston respectfully requests you to withdraw the letter which directed the City to stop marketing the discount (the “Discount”) Boston is working to offer to low-income (R-2) customers using SMART Incentive payments because it interferes with the City’s clear right and responsibility to set rates for the Boston Community Choice Electricity program (“Program”) in an equitable manner.

As you know, the City’s goal is to offer the Discount to its Program’s more than 20,000 low-income customers as soon as possible to help make electricity more affordable to a particularly vulnerable part of Boston’s population. In consultation with DPU staff, we have learned that the Department intends to prevent implementation of the Discount until it issues an order in Docket 20-145, which the Department does not expect will be before the end of 2021.

As an initial matter, the City objects to the linkage of the low-income solar SMART Incentives to DPU Docket 20-145. Developers of all other types of solar projects are permitted to apply to the SMART program; it is only the project developers that would benefit low-income customers that are prevented from applying to the SMART process. Since all other solar project developers are allowed into the SMART queue and will fill the SMART program blocks, but developers of low-income municipal aggregation projects are sidelined; missing out on the opportunity to receive higher incentives.

The Discount the City had under contract was expected to flow to customers starting in the spring of 2021, continue for approximately 20 years and to deliver between \$20-50 million dollars in savings for literally thousands of our most vulnerable residents. The City is proud of its role in developing and implementing this innovative and extraordinarily beneficial opportunity. Unfortunately, due to the delay, the City has, to date, lost the opportunity to support at least 12MW of solar generation, reducing the aggregate potential discount available to our low-income customers by \$6 million and has delayed low income customers from receiving any savings at all. Further such lost opportunities are expected unless the Department takes the steps described below.

CITY of BOSTON

The Discount will be delivered by simply applying SMART Incentive payments received from one or more developers to reduce the price that each low-income customer pays for each kilowatt hour of electricity; the Program Supplier will receive the incentive from the solar developers to reduce the amount each of the Program's low-income customer pays for each unit of electricity. As such, this Discount represents rate setting by Boston which under state law is its exclusive responsibility.

While Boston was the first City to announce a low-income discount using the SMART incentives, it understands that numerous other towns and cities will implement similar programs. This SMART low-income discount will finally allow low-income customers to benefit from the solar market. The City believes that its proposed approach will deliver more benefits to low-income customers than the DOER's SRECI, SRECI and SMART programs have in aggregate to date for the entire Commonwealth. In a statement supporting the City's launch of the Program, including the Discount, the Secretary of Energy and Environmental Affairs agreed:

"I commend the City of Boston for their innovation in capitalizing on the Administration's solar incentive program through the proposed Community Choice Electricity program to reduce energy bills for low-income residents...."

It is critical to the achievement of the Commonwealth's and the City's climate change goals consistent with equity principles that the City be permitted to move forward with this Discount. The City is fully committed to providing this substantial benefit to its low-income customers. The City had spent considerable effort and time to seek to resolve your concerns informally, but that approach has not been fruitful to date. The City hopes that this letter provides you with the factual background on the City's proposed structure to deliver these benefits and that all parties can work together to finally deliver savings to our most vulnerable neighbors. The City was ready to make the savings available in a matter of weeks had your letter not directed us to cease marketing activities. Now that the City has responded to your concerns, please do note that it is prepared to take other procedural or legal actions to implement the Discount. To reiterate, the City's primary aim here is to provide this substantial benefit to our low-income residents as soon as possible.

For several years the City of Boston has been working with a diverse group of citizens and stakeholders to develop and implement its Program. The Program reflects and includes a thoughtful set of Principles and Values, which have been incorporated in Section 3 of the Plan. The Principles and Values include enhancement of electricity price stability and consumer protection while also securing important environmental benefits associated with the greenhouse gas emissions reductions that result from additional local and regional renewable energy investments. The City's clearly-stated objective has been for the Program to secure benefits for citizens over the long term, responding to emerging opportunities in the competitive market to advance our energy-related goals and objectives.

After carefully following all established procedural requirements and pursuing an unprecedented level of stakeholder participation, on June 20, 2019, the City filed the Program for approval by the Department. The City used well-accepted and repeatedly approved forms and received unprecedented statements of support from extraordinarily diverse representatives of our neighborhoods, community groups and environmental advocates. The Department completed its initial review of the Program on July 22, 2020. The City launched Program service in February, 2021, after extensive and unprecedented

consultation and coordination during Program development with the City's distribution utility Eversource, the Department of Energy Resources (DOER), the office of the Attorney General and the Department.

The City and its consultant, consistent with the express terms of the approved aggregation plan, have sought to identify and implement market opportunities within established and accepted practices that also bring new and additional benefits to our residents. An emerging and extraordinarily beneficial opportunity identified in this process is for the City to employ the standard form Electricity Service Agreement (ESA) to secure two substantial benefits: (i) a material and long-term price reduction to the electricity cost for each and every low-income customer participating in the Program; and (ii) the indirect support of a range of new solar electric generating facilities. In this simple financial structure, solar developers will direct a portion of incentive payments they receive pursuant to the DOER's SMART regulations to the Program's electricity suppliers to facilitate their provision of a lower price for all participating low-income customers, again as is provided for in the City's approved plan. This approach adheres and conforms to both DOER SMART regulations and the Department's long-held requirement for equitable treatment across customer classes. There is no new or added role required of Eversource. There is no plan nor any need to utilize any so-called "on-bill credits," including the Alternative On-Bill Credit currently made available pursuant to Eversource's Solar Massachusetts Renewable Target tariff. The City takes absolutely no financial or operational risk and strictly complies with established municipal aggregation practices. Low-income customers have not, to date, benefitted from the ongoing solar development and have effectively subsidized other customers (see DOER SMART Presentation, September 5, 2019, Slides 19-20). The City's proposed arrangement will finally change this outcome.

The City carefully and thoughtfully developed this structure, which should be a model for other aggregation plans. The City's representative has been discussing this structure with senior officials at DOER for more than 20 months. The City believed that this approach was permissible even prior to the DOER's recent revision to the SMART program. The revised terms for the SMART program adopted last year only confirmed that conclusion. The City's consultant expressly requested that DOER confirm the validity of the approach, which DOER did in the form of a so-called "pre-determination" letter dated October 20, 2020. In addition, the City does not require any changes to the currently effective utility tariffs that implement SMART. As discussed below, recently filed revisions currently under Department review are not relevant to this matter; the City does, however, request that the Department be careful not to adopt any provisions within that ongoing tariff review that inappropriately restrict beneficial opportunities such as the City's low-income customer initiative.

The City expected to formally advise the Department of this program at the traditional time, namely with the submission of the consumer notification form for the planned low-income customer rate change. Instead, the Chairman's Letter noted that, after review of certain "publicly available materials" related to the Program, the Department directed the City to "cease" the marketing of a lower rate to the Program's low-income customers. The City was not provided any notice or opportunity to be heard, particularly to question the Department's action, what evidence it relied upon, what specific findings of fact or law were made as a basis for your directive (which, notably, was not joined by other Commissioners). The Letter cited three concerns, each of which could have been fully explained had the Department requested additional information, which the City will now address. First, the Letter noted

that updated SMART implementation tariffs had recently been filed and were under review by the Department (in D.P.U. 20-145). The structure implemented by the Program to deliver a lower rate to low-income customers is not dependent upon the revised tariff terms, but instead relies upon the currently effective tariffs that are not proposed to be revised in the pending Department review. This conclusion was confirmed by the Distribution Companies' joint Initial Supplemental Filing dated February 11, 2021.

Second, the Letter suggested that an alternative rate for a customer class (here cast as a "discount") is somehow not permissible either "in connection" with the SMART program or "otherwise." However, providing the discount equitably to all low-income customers in Rate Class R-2 through a per-kilowatt-hour discount is consistent with the City's approved plan which provides at Section 8.1:

The competitive bid process will seek prices that will differ among the rate classifications established by Eversource tariffs. The terms and conditions of service may also vary among rate classifications.

The City is permitted by its Plan to rely on the classifications established by Eversource and upon the assignment of customers by Eversource to particular customer classes. Just as the City could have different rates for commercial or industrial customers and different types of commercial or industrial customers, so too it can have different rates for residential (R-1) and low-income residential (R-2) customers.

The Letter then went on to suggest that Department "review" or authorization of the offering was required. This conclusion was reached without seeking to understand the actual structure to be employed by the Program, which, as described above, is an equitable class-wide discount for low-income customers. The City contends that this understanding could have been reached had the Department simply asked the City for further information.

There is clear and substantial precedent that aggregation plans may set pricing at differing levels for their various customer rate classes. The Letter seems to suggest that any change in pricing or a decision to charge different prices to different rate classes requires a formal Department review of the plan document amendment. This is a very different view from the statute and the Department's own prior findings; the Department has held that the Department must be focused on the contents and descriptions within the aggregation plan and, thereafter, an aggregation plan such as the Program is intended and able to participate in the competitive electricity market. *City of Lowell, D.P.U. 12-124 (2013)* (pp. 26, 29, 47) and *Interlocutory Order on Attorney General's Motions to Compel Discovery (April 4, 2013)*. (p. 6). Not only is the Letter's suggestion inconsistent with the law and its own precedent; it is entirely impractical. The Department current approach often requires an entire year or more to review modest changes to aggregation plans.

Finally, the Letter made the general and broad assertion that the Program's savings opportunity "may be inconsistent" with the relevant statute governing municipal aggregation plans or prior Department precedent. Again, the City carefully and diligently applied established precedent and accepted practices. See *City of Lowell, D.P.U. 12 -124 (2013)*. The Department has repeatedly held that

rate-setting within a municipal aggregation program rests entirely with municipal officials and is an area where the Department has no authority or jurisdiction.

The City requests that the Department promptly withdraw the Chairman's Letter and replace it with a statement by the Department signed by all three Commissioners which clarifies that the City's planned delivery of lower price service to its low-income customers is permissible pursuant to the City's established Program and consistent within the relevant statute governing municipal aggregation plans. The City further requests that, pursuant to standard aggregation plan practices, the Department confirm that it will address any concerns it may have at the time of the City's submission of the consumer notification form for review and approval.

Section 134 empowers communities to actively participate in the competitive market through customer aggregation. Moreover, the City's program advances the Commonwealth's ability to meet the mandates of the Global Warming Solutions Act. Without the Departmental statement that the City requests, the Department risks sending a confusing and mixed signal to developers of needed solar generation facilities and their lenders, which will also frustrate the achievement of important climate-related goals. The Letter's directive delays elements of consumer protection recognized by the Department itself (see the Department's December 16, 2020 presentation in D.P.U. 19-07, slides 9-16, which demonstrated the magnitude of the consumer benefits available pursuant to the Program). The City remains fully committed to the delivery of benefits to the Program's low-income customers and respectfully requests that the Department take the requested and clarifying steps necessary to advance the goals of the City and the Secretary. Please note that the City makes this request with the full reservation of its right to pursue other procedural redress.

The City of Boston's sole purpose in seeking this clarification is to deliver the potential and substantial benefits to our neighbors most in need. We hope to work with you cooperatively to achieve this purpose.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Chris', written in a cursive style.

Christopher Cook
Chief of Energy, Environment and Open Space