

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

**DATE:** Wednesday, September 14, 2022  
**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. Written public comments should be submitted to Maggie Downey, Compact Administrator, at [mdowney@capelightcompact.org](mailto:mdowney@capelightcompact.org) by 2:00 PM on Tuesday, September 13, 2022, and should follow the public comment protocol below. Written public comments received after the September 13<sup>th</sup> deadline will be distributed prior to the Compact's next Board meeting.

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

**Meeting ID: 844 1700 5209**

**Passcode: 807767**

**Further instructions are attached to this agenda.**

## AGENDA

1. Public Comment
2. Presentation on Energy Markets, NextEra Energy, Mike Zenker
  - A. Speaking Points for Boards of Selectmen/Town Council, Mariel Marchant
3. MA Department of Public Utilities Chairman Matthew Nelson
  - A. MA Program Administrators Winter Mitigation Strategy
  - B. MA Climate Bill and Pilot Similar to CVEO
4. Presentation on the MA Climate Bill and Inflation Reduction Act, Audrey Eidelman Kiernan, KO Law
5. Presentation on Cape Light Compact's 2019-2021 Energy Efficiency Term Report, Phil Moffit
6. Discuss Support of Eversource Battery and Solar Project on Willow Street in Yarmouth, the subject of D.P.U. 22-64, Mariel Marchand
7. Approval of July 13, 2022, Open Session Minutes and July 13, 2022 Executive Session Minutes
8. Chairman's Report, Martin Culik
  - A. Introduce New Tisbury Board Member, Russ Hartenstine, and Compact Residential Energy Efficiency Analyst, Stephen McCloskey
  - B. Confirm Attendance for October Board Meeting - will be a hybrid meeting,
  - C. Introduce Proposed Program for Connecting Consumers and Energy: Master Energy Program
9. Administrator's Report, Maggie Downey
  - A. Community Education Grant Update
  - B. Potential Vote on Vacation Buy-Back for CLC Staff
  - C. Potential Vote on Appropriation of Funds from Power Supply Reserve Fund to Energy Efficiency Fund
  - D. Update on Discussions with Commonwealth Wind
  - E. List of Upcoming Fall Main Streets
10. Board Member Update (Reserved for Updates on Member Activities the Chair Did Not Reasonably Anticipate Would be Discussed – No Voting)
11. **Open Session Vote on Entry into Executive Session:** Open Session Vote on Entry into Executive Session pursuant to M.G.L. c. 30A §21(a)(3) to: (1) consider strategy and potential vote regarding pending litigation related to the Eversource Rate Case, D.P.U. 22-22; and (2) consider strategy and potential vote on pending or imminent regulatory litigation, including Massachusetts Department of Public Utilities D.P.U. 20-40, Cape & Vineyard Electrification Offering (CVEO) and CVEO as

proposed in the 2022-2024 Energy Efficiency Plan, D.P.U. 21-126, not to return to open session thereafter.

**Participation in the Executive Session is limited to CLC Board Members, CLC Staff and Invited Guests**

**Chairman's Public Comment Protocols  
for the September 14, 2022, Compact Governing Board Meeting**

The Chair, pursuant to his authority under G.L. c. 30A, § 20, and consistent with Chapter 20 of the Acts of 2021, § 20, announces the following protocols to assist the public in effective participation in the September 14, 2022 Compact Board meeting, where all Board Members, staff and members of the Public shall be participating remotely:

1. Members of the public are welcome to address the Compact Board during the public comment section of the meeting or in writing.
2. Members of the public addressing the Compact Board at the meeting must state their name, and if appropriate the name of the organization the person is representing. Oral comments must be limited to three minutes.
3. Members of the public may also submit written comments. Written comments shall be submitted in writing to the Compact Administrator, Maggie Downey, at [mdowney@capelightcompact.org](mailto:mdowney@capelightcompact.org) by 2:00 PM on Tuesday, September 13, 2022. 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 September 13<sup>th</sup> deadline will be distributed prior to the Compact's next Board meeting.
4. Public comment, both verbal and written, must be respectful, courteous, and presented in a dignified manner. All remarks must also be free of personal attacks.
5. All public comments consistent with these protocols shall be included in the Compact's Board meeting packet.
6. Board members and staff cannot respond to public comments for topics not on the current agenda during the Board meeting. The Cape Light Compact Board may respond to comments either by putting them on the agenda of a subsequent meeting or by requesting the administrator or staff to respond to the comment.
7. Copies of the Board meeting packet shall be made available to members of the public on Wednesday, September 14, 2022, at the Cape Light Compact JPE's web site at [www.capelightcompact.org](http://www.capelightcompact.org). Documents exempt from disclosure pursuant to the Public Records Law or protected by the attorney-client privilege shall not be included.



**New England Energy Market Outlook**  
***for Cape Light Compact***

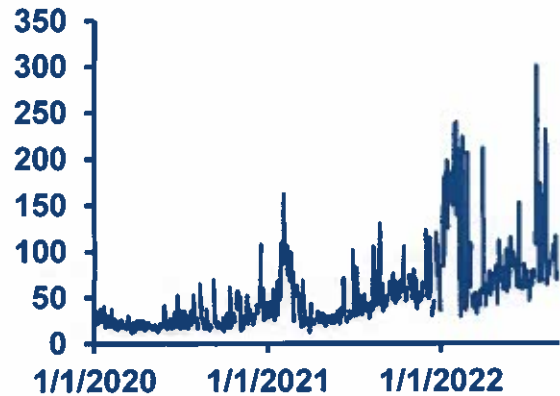
**September 14, 2022**

**Michael Zenker, Managing Director,  
Market Analysis, NextEra Energy Resources**

# It is not just New England energy prices...the world is experiencing another global commodities boom

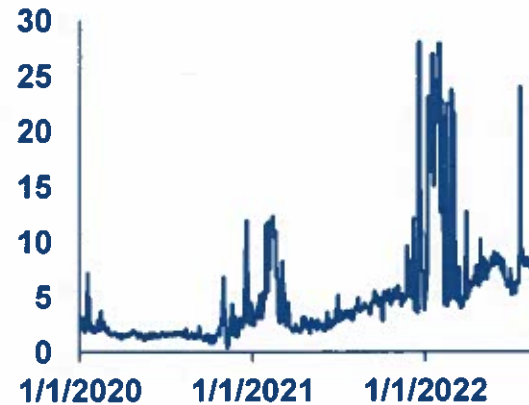
## New England Spot Power Prices

5x16 (\$/MWh)



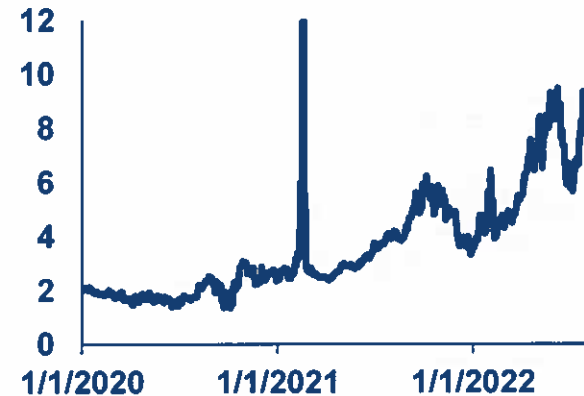
## Boston Spot Gas Prices

(\$/MMBtu)



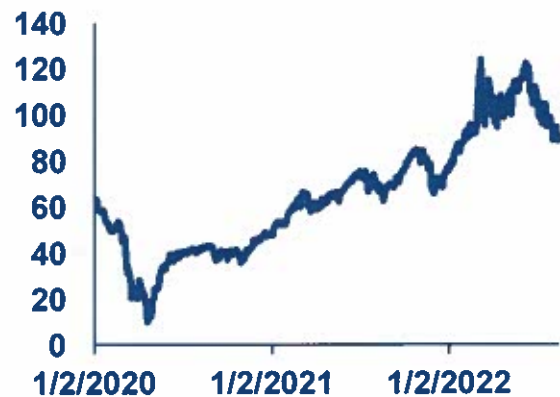
## Louisiana Spot Natural Gas Prices

(\$/MMBtu)



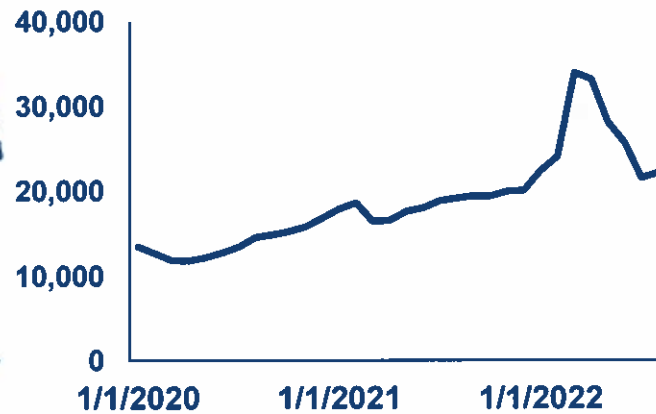
## West Texas Oil Prices

(\$/Barrel)



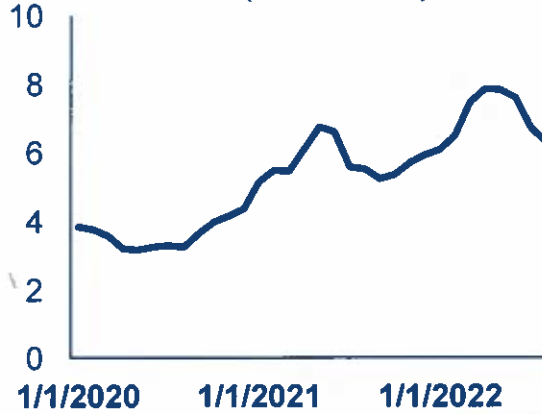
## Spot Nickel Prices

(\$/Metric Ton)



## Spot Corn Prices

(\$/Bushel)



Forward power prices are closely correlated with forward natural gas prices in most U.S. power markets

## Forward Boston Gas and Power Prices for Calendar 2023

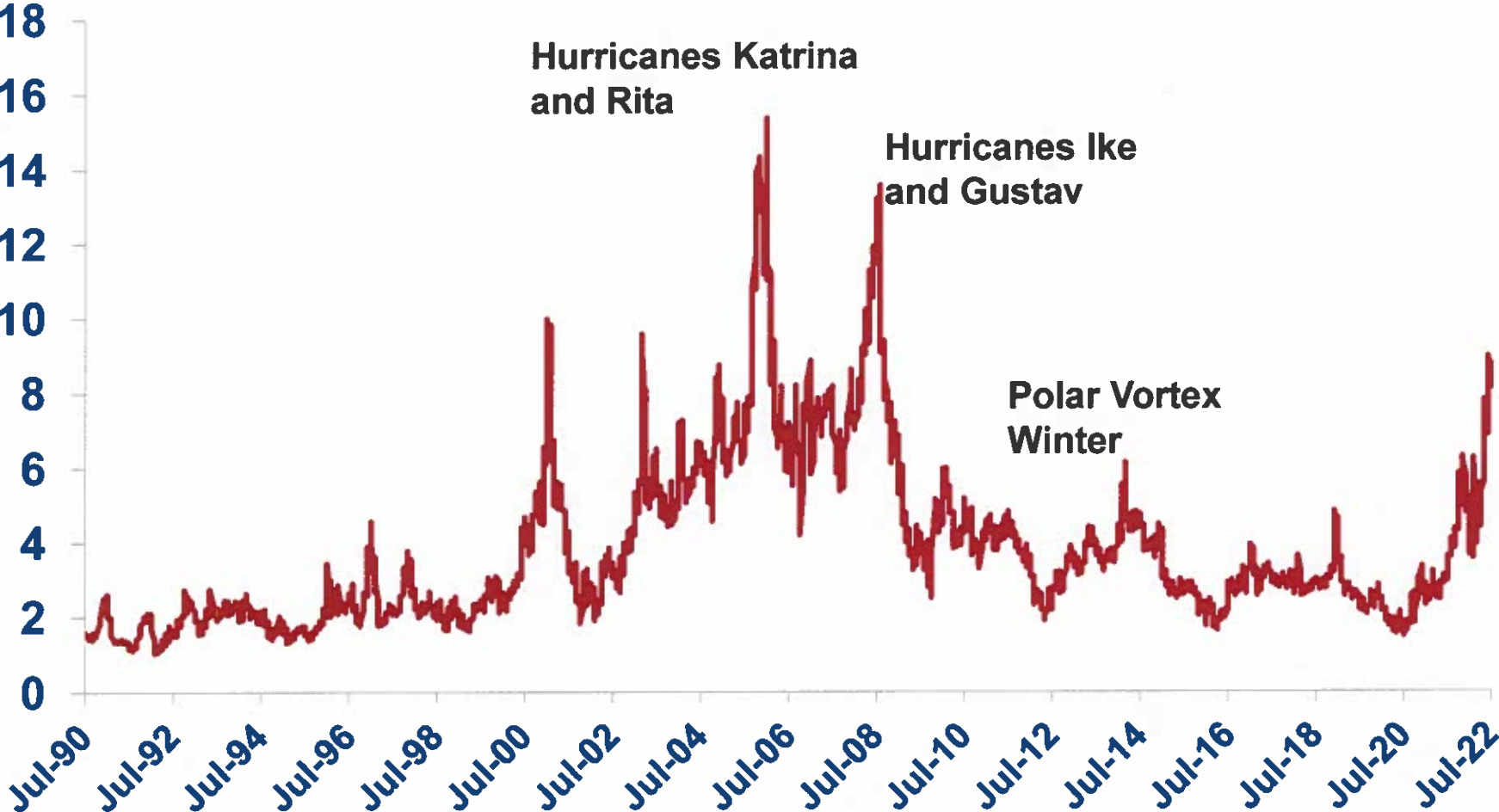


Rising gas prices is the main driver pushing New England power prices higher

These are the highest U.S. natural gas prices since the start of the shale era

## Natural Gas Price-Henry Hub (Prompt Month Contract)

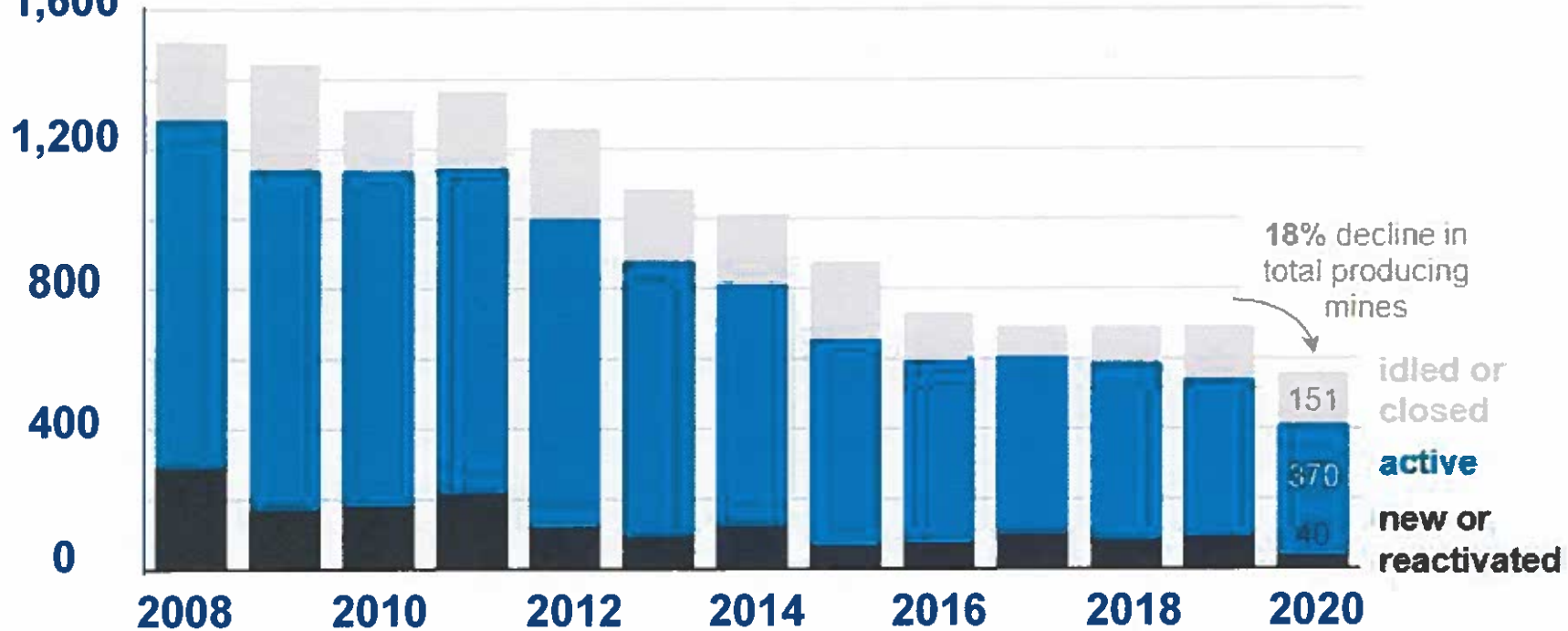
\$/MMBtu



The number of U.S. coal mines has decreased by 62% since 2008 from reduced investment in the coal industry and less demand for coal in the U.S. electric power sector

Number of mines  
1,600

## U.S. Coal Producing Mines By Status

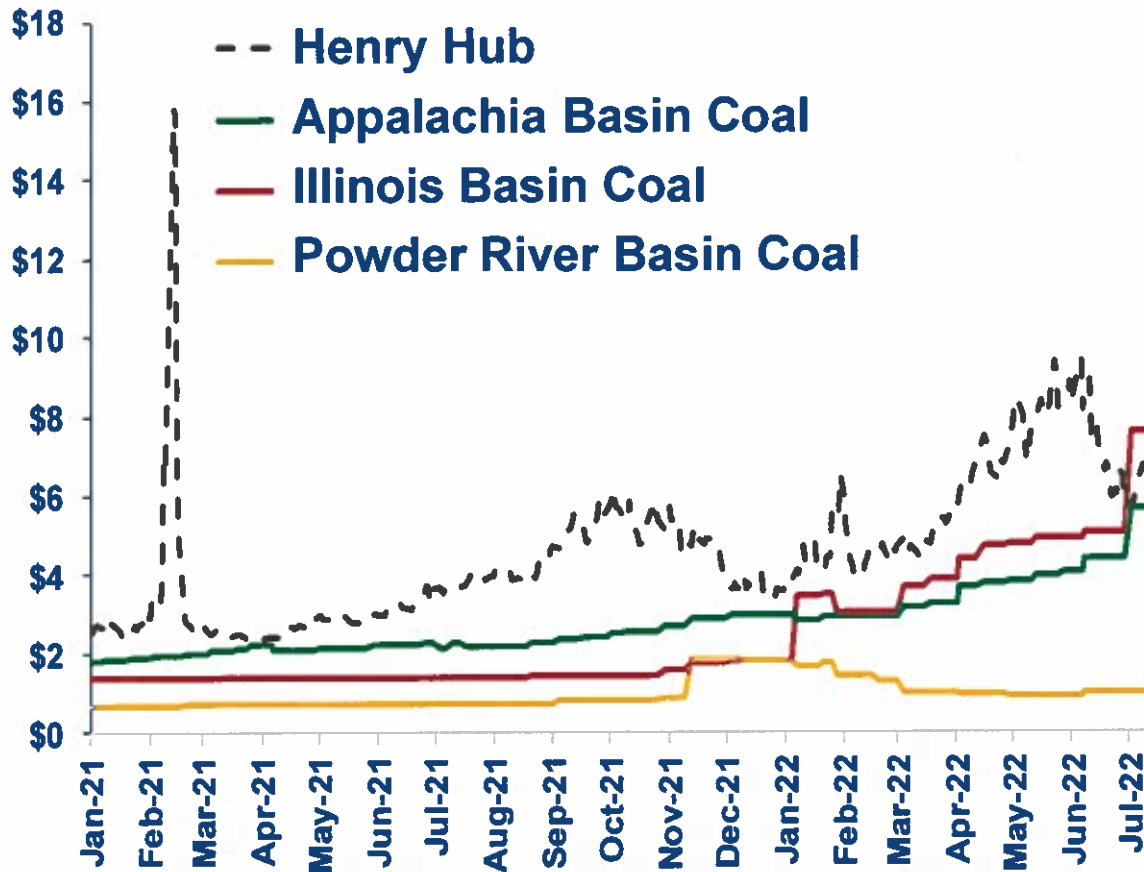


The number of producing coal mines in the United States fell to 551 mines by 2020, the lowest number since U.S. coal production peaked in 2008

# U.S. eastern coal (Appalachia and Illinois basin) prices have rivaled natural gas prices recently

## Coal vs Gas Prices

\$/MMBtu



Note: Powder River constrained by lack of rail

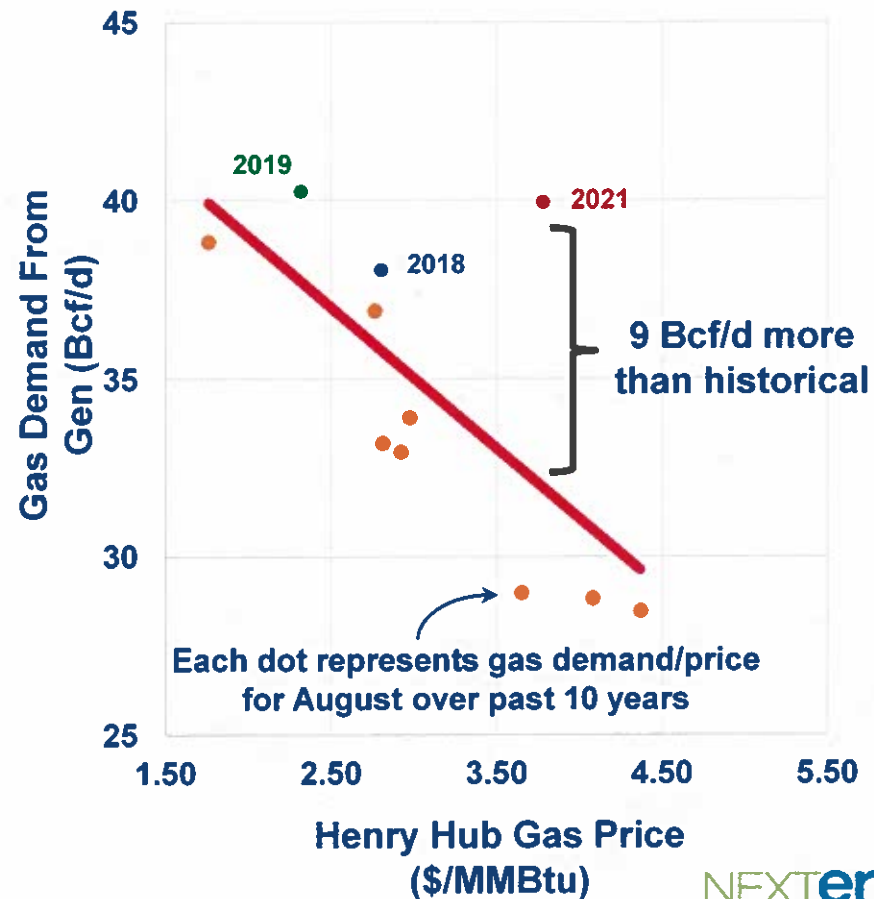
Coal buyers tell us that it is not so much price as availability; 2022 coal is reportedly “sold out”



# Large scale retirements of coal-fired power plants and lack of availability of coal have reduced the ability of coal plants to increase output in response to higher power prices

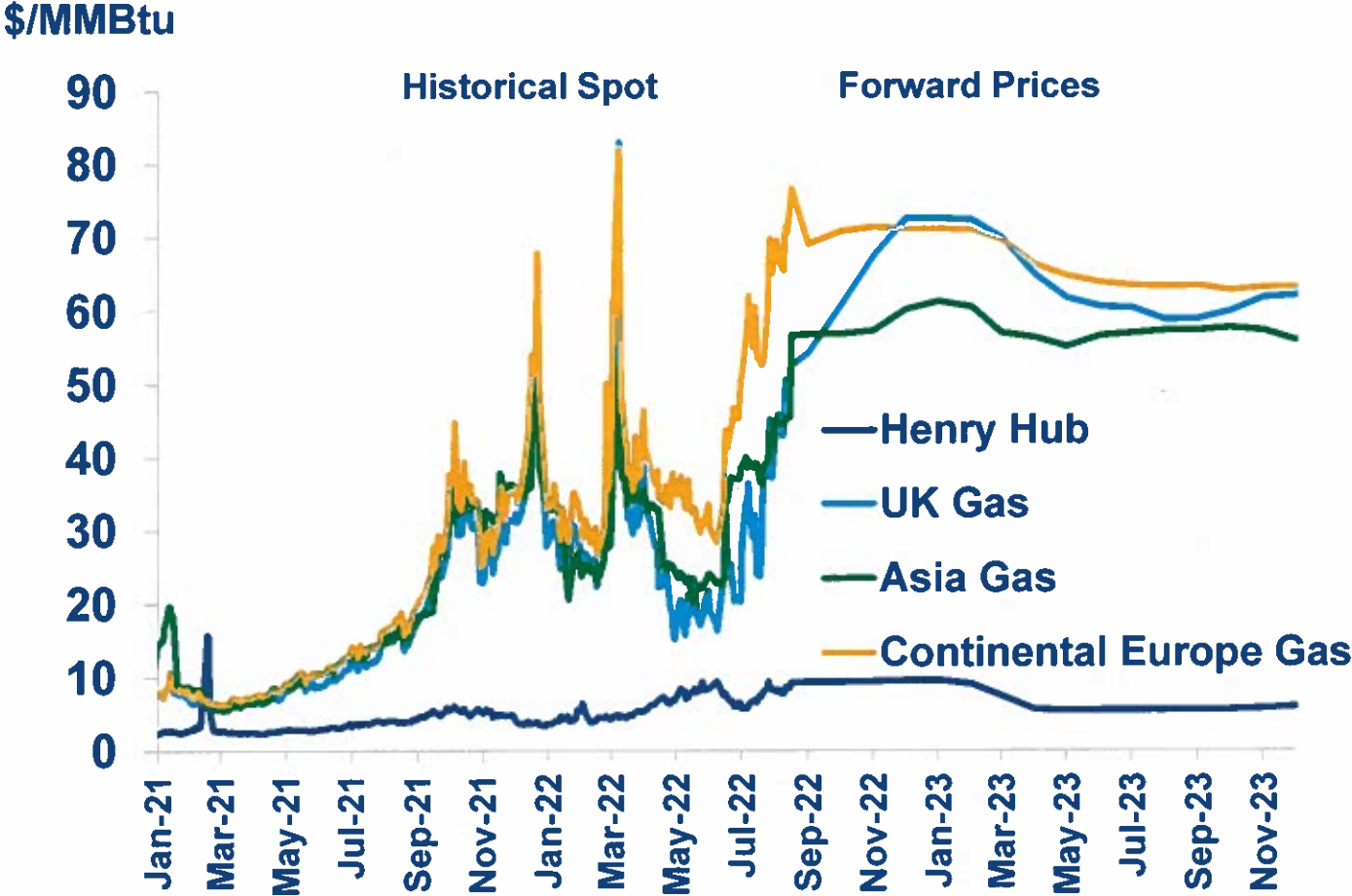
- **Prior to 2021, gas demand for power exhibited an inverse relationship to gas prices**
  - During times of high gas prices, coal would be in the money and would ramp up, lessening the demand for gas
  - When gas prices declined, gas would take market share from coal
- **Large scale coal retirements have significantly reduced the ability of coal to take market share from gas**
- **COVID accelerated coal mine closures, leaving the U.S. short of coal; coal prices have chased gas prices higher**

## Gas Demand From Generation-August (Monthly Relation to Gas Price)



# European gas prices jumped on the news (9/5) that Russia would suspend flows on Nordstream 1 “indefinitely”

## Spot and Forward Gas Prices



Sources: NYMEX and Platts



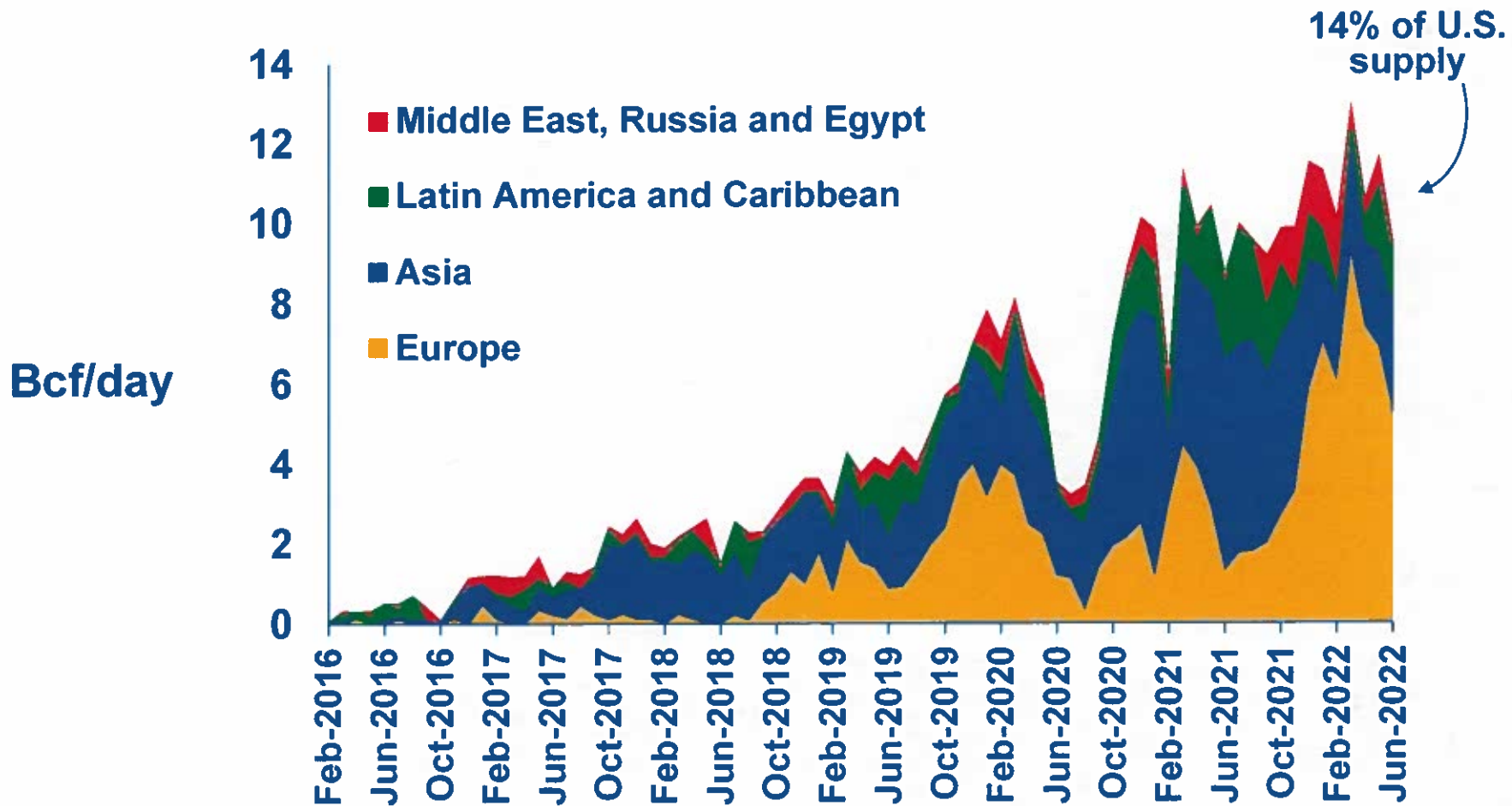
# Higher energy prices are causing demand destruction in Europe

## Idled Steel Plants in Europe



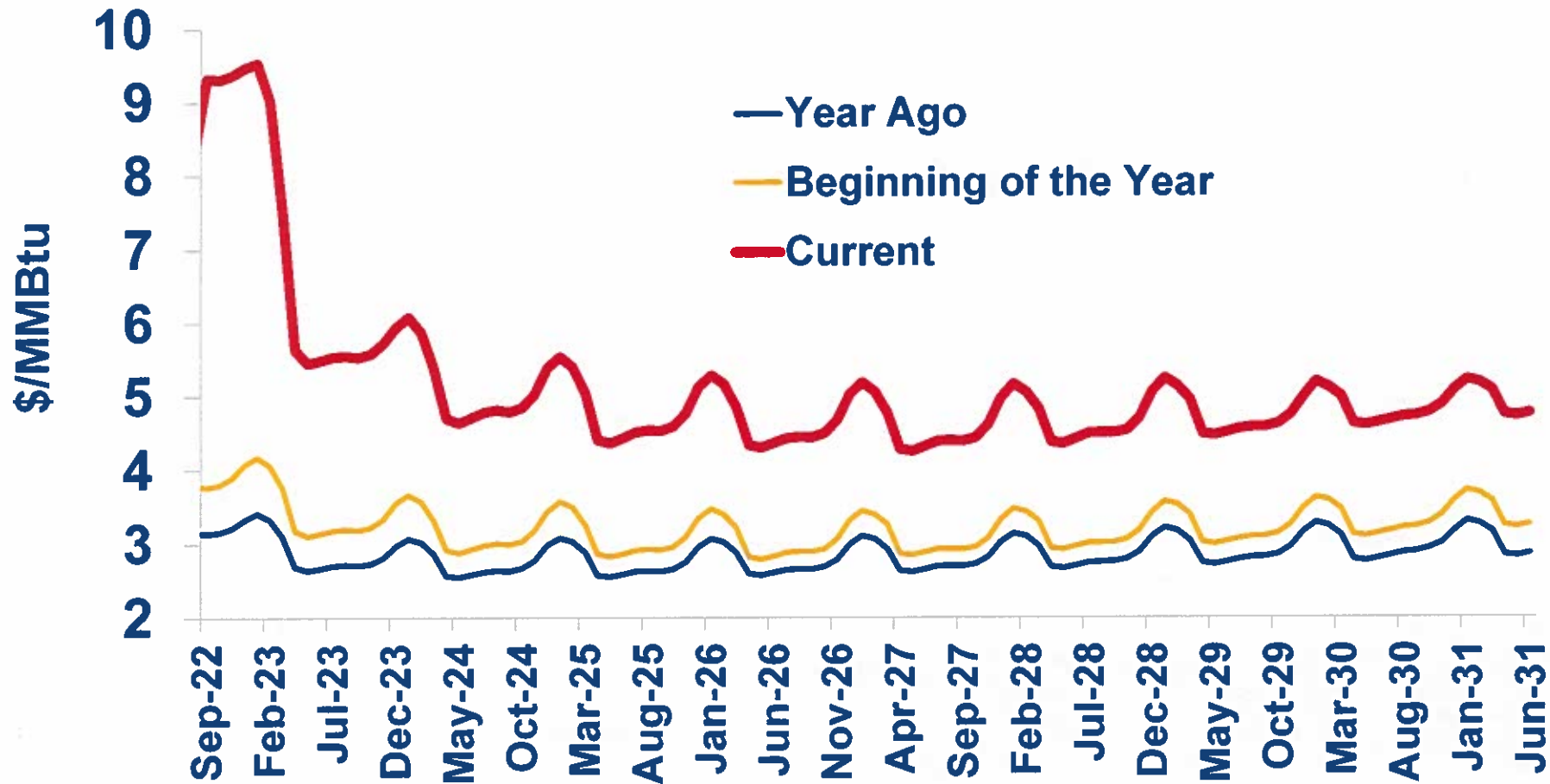
U.S. LNG exports ramped higher through 2021 and 2022 as new export facilities opened and demand was strong

## U.S. LNG Exports by Destination Region



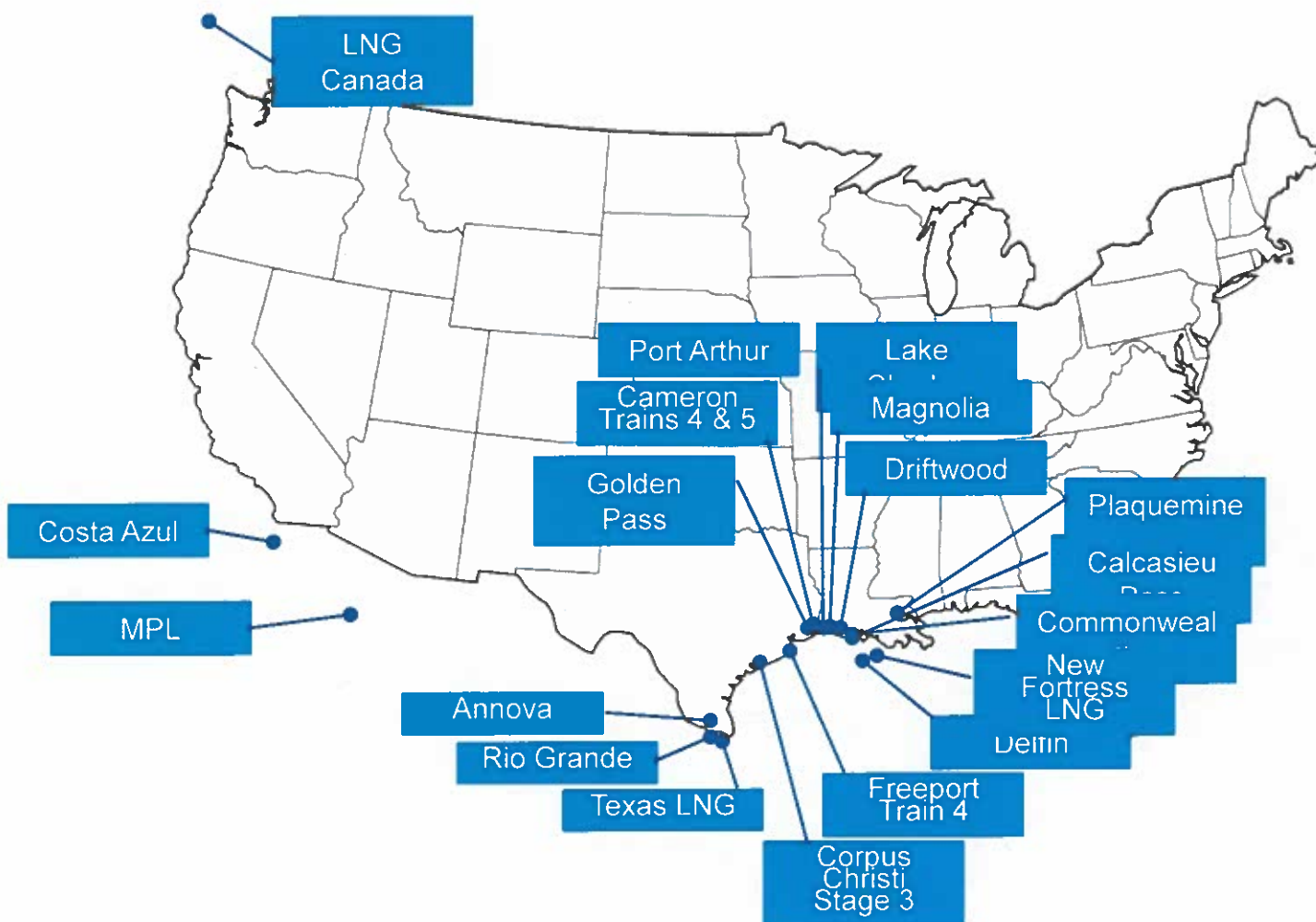
Hot summer weather and rising LNG demand push up the front of the curve, while a growing roster of additional LNG export projects and lack of pipes push up later prices

## Forward Gas Prices (Louisiana)



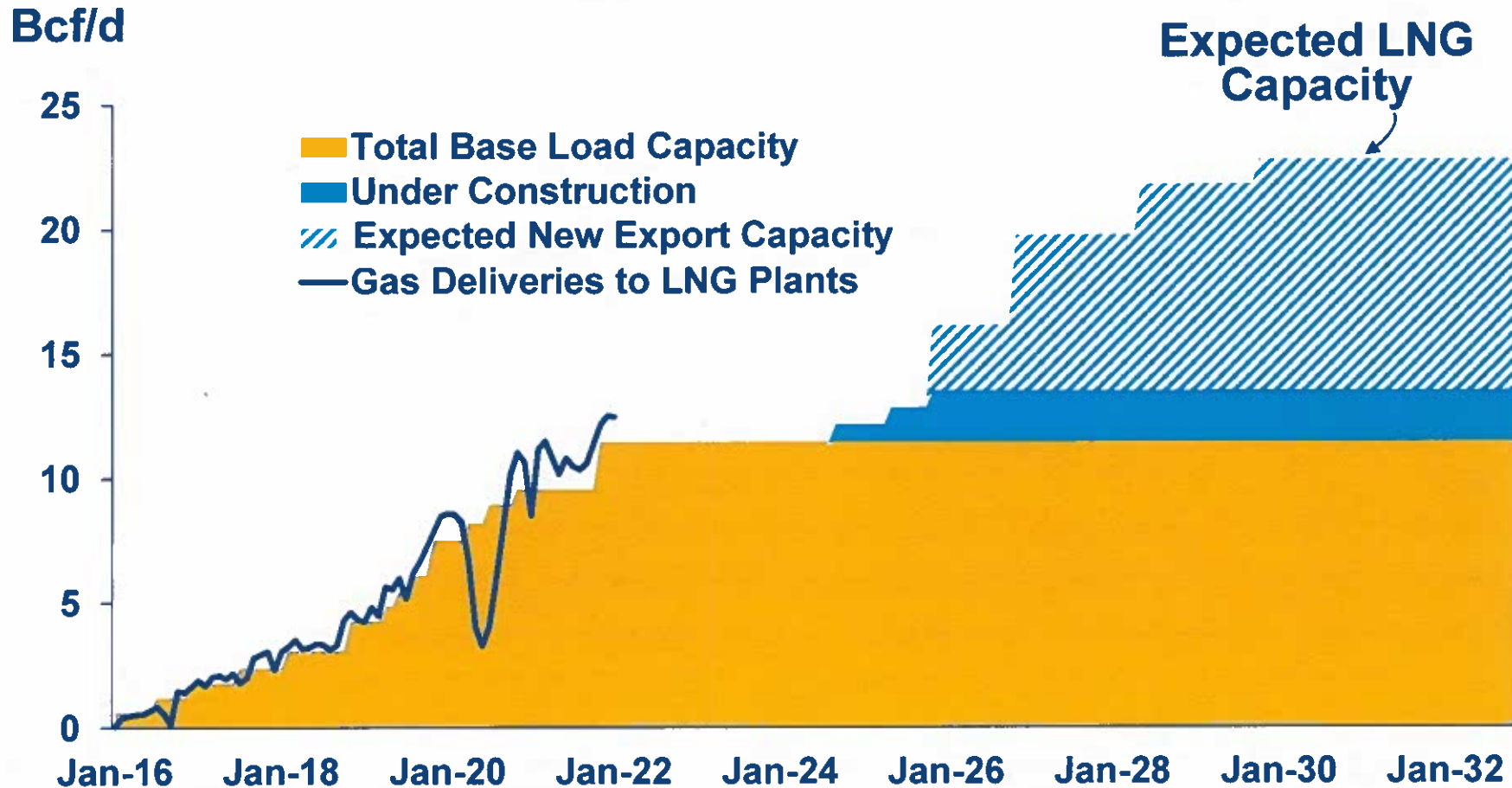
Several LNG export projects are competing to secure sufficient customer commitments to move forward...and are succeeding

## North American LNG Export Projects



**With U.S. LNG exports running at capacity and no new U.S. LNG available until 2025, Europe will need to bid for existing cargoes; additional LNG from the U.S. for Europe could start 2026**

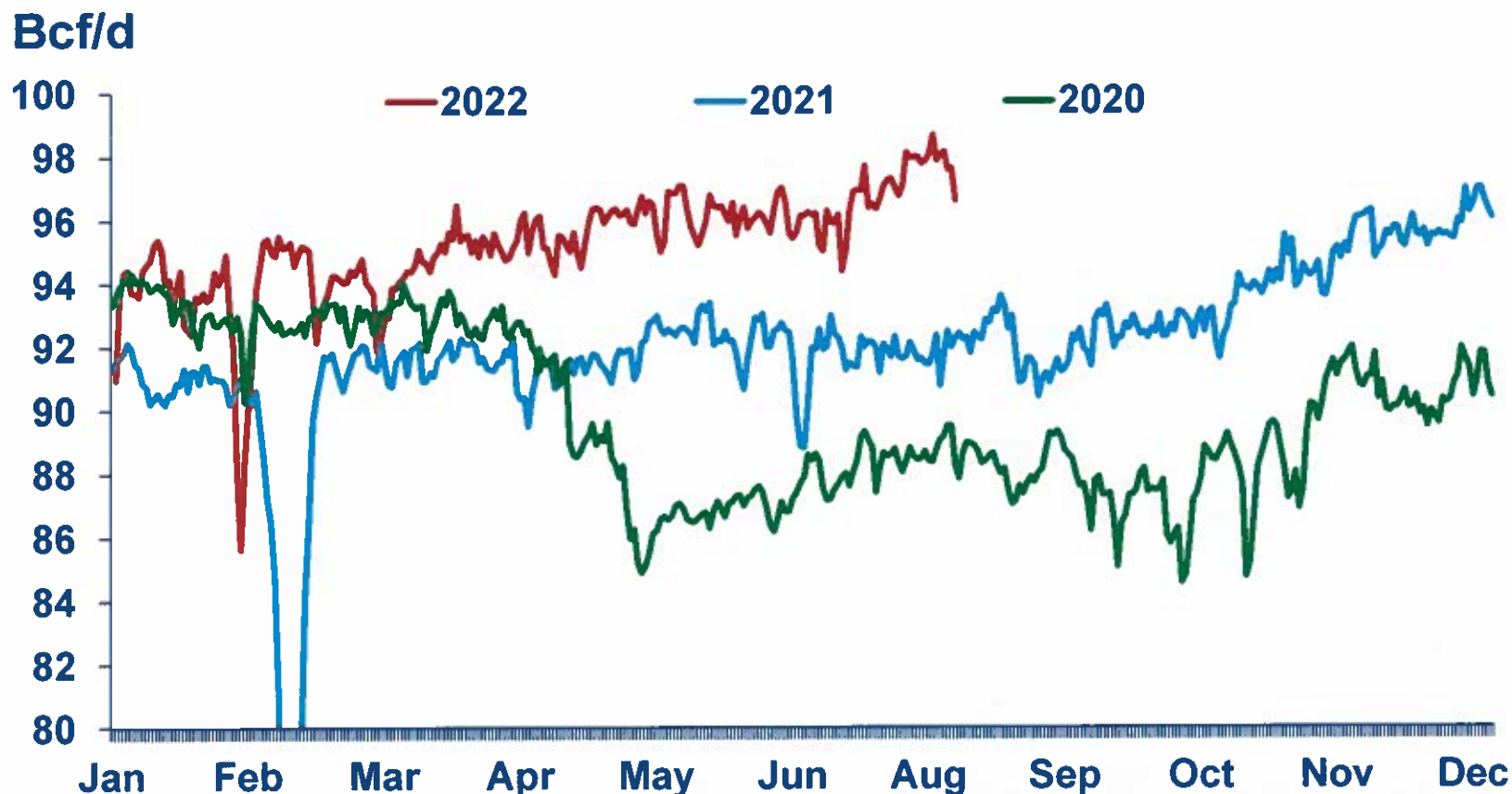
## U.S. LNG Capacity and Gas Demand



**We expect U.S. LNG export capacity to roughly double by 2032**

**U.S. gas supply is tracking our forecast, while producers remain committed to capital discipline; gas supply is expected to grow from oil wells and NE Louisiana**

## Daily U.S. Natural Gas Production

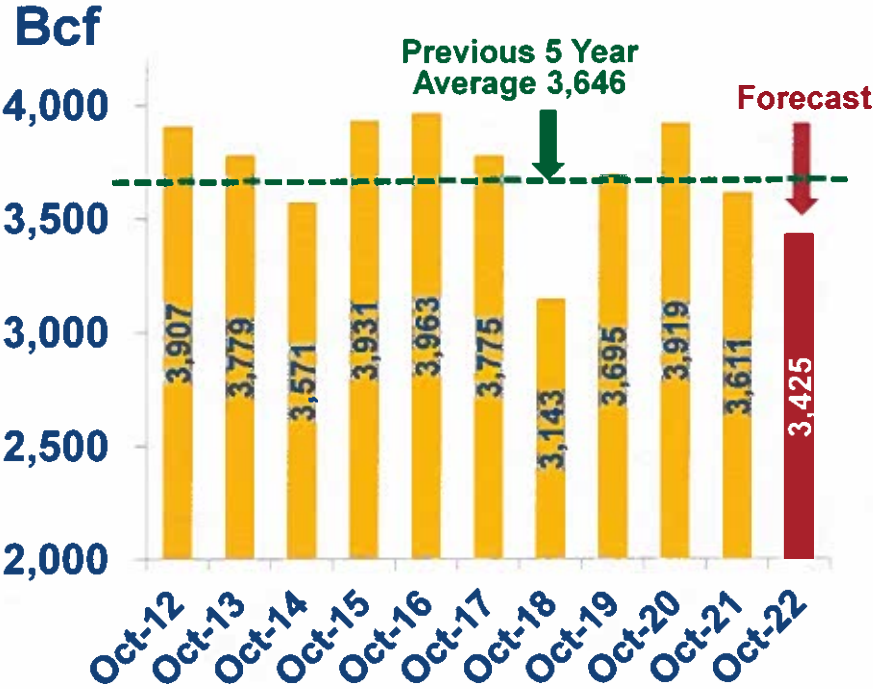


**Northeast (OH/PA/WV) supply growth will be hampered by the lack of new pipeline capacity**



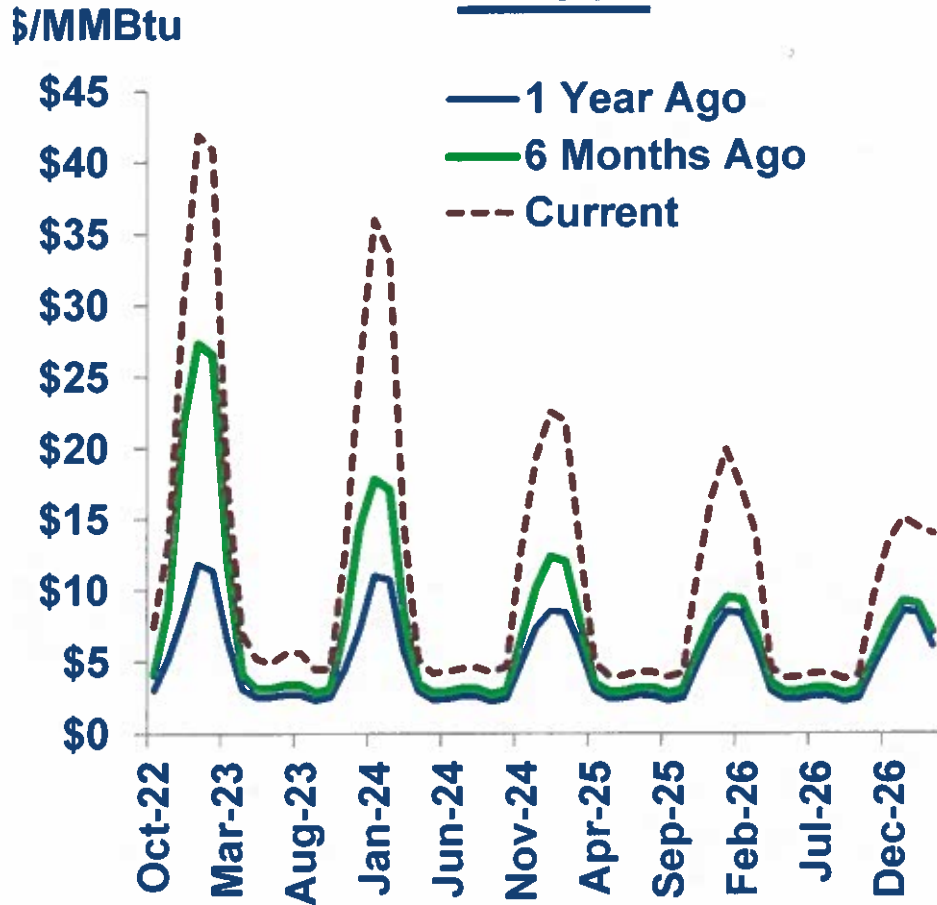
# Natural gas inventories are expected to remain below the 5-yr average heading into winter

## End of October Storage

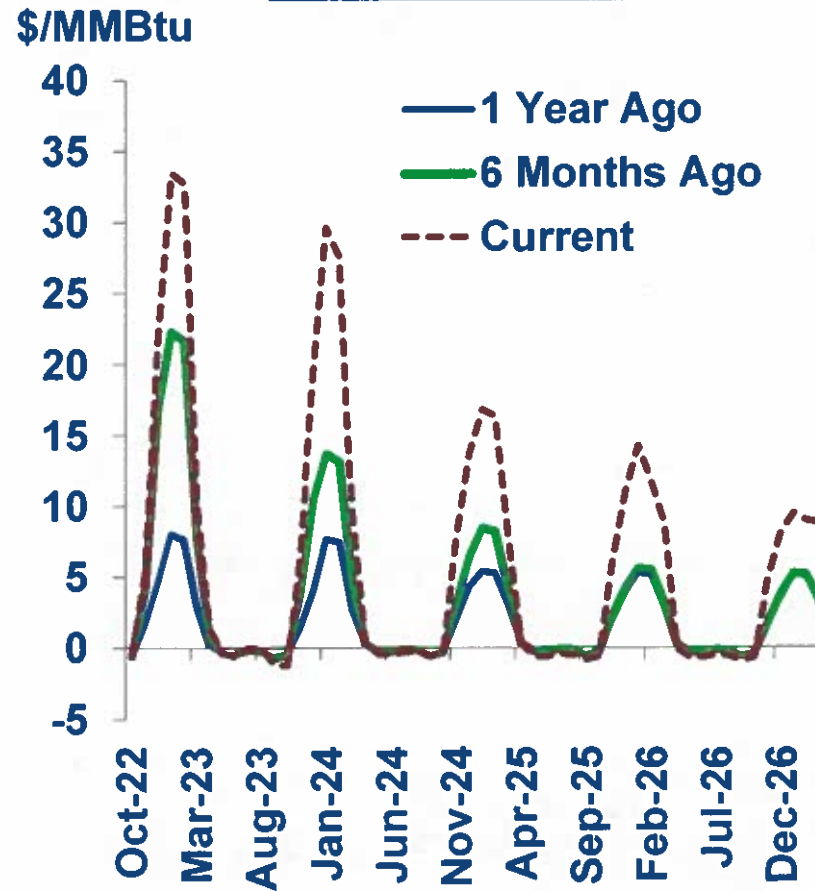


Algonquin forward winter basis has increased as the region will have to compete with high overseas prices for LNG needed to balance New England on peak winter demand days

## Boston Forward Gas Prices



## Boston Gas Premium to Louisiana



# Summary

- 1. New England power prices are tightly linked to regional natural gas prices**
- 2. U.S. natural gas prices have moved higher owing to**
  - a drought of coal in the U.S., and**
  - high overseas LNG prices**
- 3. New England relies on LNG imports in the winter, resulting in linkage between New England natural gas prices and global LNG prices**
- 4. Global LNG prices have been pushed much higher by events in Europe. U.S. exports of LNG to Europe have surged the last few quarters**
- 5. Natural gas prices in New England will be heavily influenced by winter weather**
- 6. Growing U.S. natural gas supply and actions in Europe to find alternatives to Russian natural gas are together expected to ease U.S. and New England natural gas prices, although not back to 2019 levels in the near term**

## Disclaimer

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## Cautionary Statements and Risk Factors that May Affect Future Results

Any statements made herein about future operating and/or financial results and/or other future events are forward-looking statements under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. These forward looking statements may include, for example, statements regarding anticipated future financial and operating performance and results, including estimates for growth. Actual results may differ materially from such forward-looking statements. A discussion of risk factors that could cause actual results or events to vary is contained in the Appendix herein and in our Securities and Exchange Commission (SEC) filings.

## **Talking Points on Expected Winter Rate Increase**

- Electric, along with natural gas, oil and propane, prices are expected to increase this winter due to a combination of factors
- Increased electric rates reflect the increase in New England-wide wholesale electricity market prices which are largely driven by higher natural gas prices
- 45% of electric generation in New England comes from natural gas-fired power plants and the price of natural gas in New England has increased nearly 300% since last year
- One of the primary drivers of the increased prices in New England is a global increase in the price for natural gas, particularly in Europe, due to the conflict in Ukraine
- As Russia has slowed (and in some case shut down) the flow of natural gas to Europe, Europe is importing higher quantities of Liquefied Natural Gas (LNG) to meet demand
- New England is the only region in the US that relies on the import of LNG for very cold winter days when pipeline natural gas imports are at capacity but cannot meet demand
- As a result, New England prices take into account the prices that Europe is paying to import LNG in order to compete for those shipments in the event of a prolonged cold snap
- The United States has also seen an increase in natural gas demand for production of electricity as coal generators are retired
- Additionally, natural gas storage levels are below normal due to increased demand for natural gas
- Prices will also be influenced by the winter weather which is difficult to predict

## **Power Supply and Energy Efficiency Information**

- CLC's power supply product doesn't include any hidden fees or introductory price offers
- The Compact's energy supply contract includes low negotiated supplier fees that do not vary with power prices, meaning that the price increase is due solely to the increased cost of purchasing power in the wholesale market and does not include any additional mark-up or supplier fees
- Increased electric rates reinforce the importance of reducing overall kilowatt hour usage
- On CLC's website, [www.capelightcompact.org](http://www.capelightcompact.org), customers can find a list of practical energy savings tips to help reduce their kilowatt hour usage
- Another way to reduce kilowatt hour usage is by participating in the Compact's energy efficiency programs. The first step is to sign up for a Home Energy Assessment, which is available to customers whether they rent or own
- Customers who heat with electric, oil or propane can learn more or sign up by visiting [capelightcompact.org](http://capelightcompact.org) or by calling 1-800-797-6699

Attorneys at Law

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**Emmett E. Lyne**  
**Direct Dial (617) 556-3885**  
**elyne@richmaylaw.com**

August 19, 2022

**VIA EMAIL**

Mark D. Marini, Secretary  
Department of Public Utilities  
One South Station  
Boston, Massachusetts 02110

Re: Joint Letter on Behalf of the Program Administrators,  
D.P.U. 21-120 through D.P.U. 21-129, 2022-2024 Three-Year Energy Efficiency Plan,  
Winter Energy Price Mitigation Efforts

Dear Secretary Marini:

On behalf of The Berkshire Gas Company, Eversource Gas Company of Massachusetts d/b/a Eversource Energy, Fitchburg Gas and Electric Light Company d/b/a Unitil (Gas Division), Liberty Utilities (New England Natural Gas Company) Corp. d/b/a Liberty, Boston Gas Company d/b/a National Grid, NSTAR Gas Company d/b/a Eversource Energy, Cape Light Compact JPE, Fitchburg Gas and Electric Light Company d/b/a Unitil (Electric Division), Massachusetts Electric Company and Nantucket Electric Company, each d/b/a National Grid, and NSTAR Electric Company d/b/a Eversource Energy (the "Program Administrators"), we hereby submit a set of proposals designed to mitigate the impacts of expected energy price increases this winter in the Commonwealth. As the Department of Public Utilities ("Department") recognized last year in its October 19, 2021 Letter, attached hereto as Appendix A, the cost of energy last winter increased due to a variety of factors. The Department directed in its letter for the electric and gas distribution companies to take reasonable actions to mitigate the financial effects, including increasing education of energy efficiency programs.

The energy prices for this upcoming winter are similarly projected to be high due to multiple factors, including the current high inflation rate and geopolitical instability. The Department has asked that the Program Administrators develop approaches to assist customers in mitigating the impacts of increased energy costs expected for the winter 2022-2023 heating season. The Department of Energy Resources ("DOER") and the Office of the Attorney General ("AGO") have each also encouraged the Program Administrators to take such actions. The proposals outlined below seek to mitigate these effects by accelerating implementation of measures approved under the 2022-2024 Three-Year Energy Efficiency Plan (the "Plan") that have the most immediate potential to mitigate price impacts for customers, as well as offering several complementary enhanced efforts described below.

The Plan already includes incentives, goals, and measures that aim to assist the customers who can least afford the impending rate increases. These include long-standing, nation-leading “no cost to customer” weatherization programs and other forms of energy assistance for income-eligible customers, as well as newly expanded 100% weatherization incentives for moderate-income customers. This current investment constitutes the largest investment in these programs under any three-year plan to date. The rollout and implementation of the full suite of programs set forth in the Plan is the core focus of the Program Administrators’ effort. The Program Administrators emphasize that the implementation of the recently approved Plan – in all its varied elements – will be the linchpin of the Program Administrators’ efforts to assist customers. This is especially true in connection with income eligible customers for whom services are already delivered in coordination with Low-Income Energy Affordability Network (“LEAN”) with no additional customer payments required.

The PAs are also proposing a complementary set of efforts, focused in four areas: (1) enhanced customer communication to increase awareness of program offerings, especially among those who will be hardest hit by price increases; (2) increased program access for moderate-income customers, renters, and small business customers; (3) special discount offers targeted to these vulnerable customers; and (4) additional external funding to lower customer contributions for the current Plan.

The PAs estimate that accelerated implementation of these measures will require approximately \$20 to \$24 million in unplanned new expenditures. A summary table of estimates for each set of measures is included in Appendix B. The PAs will strive to deliver these measures within approved budgets, but will seek any necessary mid-term modifications (“MTM”) as may be applicable for incremental expenditures (identified in more detail below) as soon as the need becomes apparent. In order to bring these complementary efforts to customers as soon as possible, the PAs are not seeking any MTMs immediately. The PAs have shared these proposed complementary efforts in advance with DOER and the AGO and thank them for their support. The PAs intend to begin to initiate implementation of the above referenced proposals on and after August 29, 2022, unless the Department directs otherwise.

#### **I. Enhanced Customer Communication**

The PAs propose to deploy a comprehensive and coordinated marketing campaign to customers about upcoming increases in winter energy prices and the availability of energy efficiency programs as well as income eligible assistance. Where applicable, the campaign will be coordinated with the Department, the AGO, DOER, LEAN and municipal Community First Partners in target communities.

The major components of the marketing effort are targeted to be launched by September 19<sup>th</sup>, 2022 and will include:

- a highly visible, statewide media plan for radio and billboard markets;

- a social media plan with infographics for individual PAs, LEAN, and community-based and other partner organizations to market to their customer audiences;
- a messaging deck for target audiences, including residential landlords, commercial and industrial (“C&I”) landlords, and moderate-income customers for each PA to utilize;
- a set of webinars for customers and community-based organizations on available assistance; and
- referrals to other resources for customers, including payment program options and information on costs.

The incremental new budget for this effort between now and January 2023 is estimated at \$3 to \$5 million, including at least \$1 million for the statewide campaign and at least \$2 million for complementary, PA-specific efforts.

## **II. Increased Program Access**

The PAs also aim to increase program access by: (1) increasing, where practical, contractor capacity to perform home energy assessments (“HEAs”) and to serve interested customers in a timely manner; (2) streamlining and improving access for moderate-income customers, with a focus on residential weatherization measures; (3) enhanced support for pre-weatherization barriers at 2-4 unit rentals; and (4) enhanced measures for small businesses.

### **(i) Increasing contractor capacity to serve customers in a timely manner**

With respect to contractor capacity, the PAs will work with specific lead vendors and contractors to increase the availability of HEAs during evenings and weekends. Some vendors and contractors already offer this flexibility and are constrained in doing more, but there are some remaining opportunities to enhance options for customers needing more flexibility. By providing greater availability, the PAs expect that customers—especially those working full time—will be able to take better advantage of assessment services. Similarly, the PAs will work with lead vendors and contractors to provide capacity to serve interested customers in a timely manner based on the recommendations identified in the HEAs. These efforts will also present an opportunity for lead vendors and contractors to deliver more services, and thus earn additional income.

The PAs do not have an incremental budget request for increasing contractor capacity at this time and expect it can be covered with existing budgets. However, if costs prove incremental to current budgets, the PAs will seek Department approval of an MTM to the Plan as may be applicable based upon individual PA circumstances.

### **(ii) Streamlining and improving access for moderate-income customers, with a focus on residential weatherization measures**

The PAs aim to implement a new, geographically targeted approach to engage moderate income customers and help them access programs more quickly than under the existing process. Currently, to access the moderate-income enhanced incentives, customers must qualify through a



verification process that requires a two-party verification of the customer's income. Under the proposed, geographically targeted approach, the PAs would fund 100% of weatherization measures for all customers who reside within select census block groups without requiring the customers to undergo the income-verification process. The block groups are located within the "hard-to-reach" ("HTR") communities identified in compliance with the Department's Order approving the Plan<sup>1</sup> and represent areas that are likely to have high densities of moderate-income customers.

To identify these groups, the PAs utilized 2020 Census data to select census blocks using the following criteria:

- (i) At least 60% of the population within the block group must fall within a moderate-income bracket, defined in national census data as households earning \$40,000-\$100,000 annually;<sup>2</sup>
- (ii) Less than 20% of the population within the block group must fall within a low-income group, defined by national census data as households earning less than \$40,000 annually;<sup>3</sup>
- (iii) To ensure there are significant opportunities to deliver proposed measures within selected areas,
  - a) A cumulative participation rate since 2013 that is less than 30% (the statewide average) for gas and 43% (the statewide average) for electric customers; and
  - b) At least 50% of the population residing in 1-4 unit buildings; and
- (iv) Located within a HTR community.

A list of proposed census block groups identified based on these criteria is included in Appendix C.<sup>4</sup> All recommended weatherization delivered to 1-4 unit buildings within identified census blocks will be provided with 100% incentives without requiring customer income

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<sup>1</sup> The list of HTR communities, includes: Acushnet, Adams, Aquinnah, Attleboro, Avon, Barnstable, Bourne, Bridgewater, Brockton, Brookfield, Chatham, Chelsea, Chicopee, Dartmouth, Dennis, East Bridgewater, Eastham, Edgartown, Everett, Fairhaven, Fall River, Falmouth, Fitchburg, Georgetown, Great Barrington, Hamilton, Hardwick, Harwich, Haverhill, Holbrook, Huntington, Lanesborough, Lawrence, Lee, Lowell, Lynn, Marion, Methuen, Nantucket, New Bedford, North Attleborough, Oak Bluffs, Peabody, Pittsfield, Randolph, Revere, Somerville, Southbridge, Springfield, Swansea, Taunton, Tisbury, Warren, Webster, West Brookfield, West Springfield, Westport, Winchendon, Worcester, Yarmouth; Boston Neighborhoods: Allston, Brighton, Dorchester, East Boston, Fenway, Mattapan, Mission Hill, Roxbury.

<sup>2</sup> The PAs note that this income band is defined by national census data and does not correspond exactly with the PAs' moderate-income definition of 60-80 percent of state median income—which is approximately \$39,000 to \$116,000 depending on household size. However, it is fairly close and the best available proxy.

<sup>3</sup> The PAs included this criterion because they did not want to re-direct a large number of low-income customers away from the low-income programs. The dedicated low-income programs provide more comprehensive services that will generate greater benefits for those customers than this targeted offer.

<sup>4</sup> The Pittsfield census block group has modest variances from the criteria noted above (71% moderate income and 24% income eligible), but is included to ensure coverage by all PAs and geographic diversity.

verification. PAs will work with lead vendors and weatherization contractors to coordinate and support marketing efforts to reach customers within the identified block groups.

The PAs acknowledge that this approach will result in some customers within the census block groups receiving a 100% weatherization incentive even though they would not have qualified due to their income levels. However, the PAs believe this to be an acceptable outcome if it helps more moderate-income customers participate than otherwise would have. Customers will be strongly encouraged to complete the income screening after receiving insulation work to determine their eligibility for enhanced heating equipment rebates, or discount rate eligibility. The PAs will closely monitor the data from this offering to ensure that the desired outcomes are being achieved. An additional benefit of this approach can be that the PAs will identify customers who qualify for the discount rate, but are not currently enrolled. The PAs hope to be able to assist these customers in receiving all the benefits attendant to service on the discount rate.

The PAs will work with the statewide data evaluation vendor (DNV) to develop lists of accounts and addresses that fall within those blocks. Those lists will be sent to the PAs' lead vendors, who will be instructed not to process any moderate-income insulation projects at locations that are not on the list unless they have separately qualified via the standard verification process. The PAs will also institute additional internal controls for verification. If the PA determines that a 100% incentive was approved that should not have been, the PA will seek recovery of what should have been the customer contribution (25 percent of job cost) from the Home Performance Contractor or lead vendor as appropriate.

All costs and savings achieved through these measures will be counted toward the moderate-income lines in the benefit-cost model, which in turn counts towards the equity benefit goals. The PAs anticipate that these efforts will accelerate and pull forward currently planned full-term increases in moderate-income weatherization participation. As a result, the PAs do not believe that this initiative will require incremental budget at this point. However, if customer demand outstrips planned budgets, the PAs will file for an MTM. The PAs will run this proposal with a cutoff date of January 31, 2023 for customers to sign their installation contracts. Depending upon the outcome of this effort, it could be replicated (or refined) and offered in future periods.

Outside of targeting census block groups, the PAs will continue to implement the existing income verification process throughout the rest of the Commonwealth, which has recently been simplified for this Plan term. Additionally, Eversource and National Grid are promoting the availability of incentives and the new simplified verification process to those likely to qualify this summer and early fall, and other PAs are considering a similar outreach effort.

**(iii) Offer enhanced incentives to target barriers for rental units**

The PAs are proposing to offer increased incentives for 2-4 unit rental buildings to address pre-weatherization barriers. The PAs recently introduced incentives up to \$7,000 for moderate income customers to mitigate barriers to weatherization, which is especially helpful to address

knob and tube wiring. The PAs are proposing to expand this offer to all residential 2-4 unit rentals, many of which still have knob and tube wiring. The cost for this offering is estimated to be \$3 to \$4 million, which the PAs believe will be covered by current budgets. However, PAs will file for an MTM, as applicable, if expenditures are expected to exceed budgets when more actual data is available. The PAs will implement this proposal for the remainder of the Plan term.

The PAs have also received preliminary results from a recent evaluation study on purchasing habits for disadvantaged populations, which indicates that moderate-income renters select lighting primarily based on price and have more limited access to efficient light bulbs (LEDs). The preliminary results indicate that renters would benefit from continued access to efficient lighting at low or no-cost. Therefore, the PAs are proposing to provide lighting kits to this target population via outreach and marketing efforts. The PAs are finalizing the exact scope of this tailored offering and estimate that the unplanned additional expenditures may be approximately \$250,000. The kits will be distributed until the new federal efficiency standards come into force, currently projected to be in June 2023.

**(iv) Offer enhanced measures for small businesses**

Most of the strategies to increase uptake among small businesses mirror the proposals presented above for residential customers. First, the PAs propose to expand the number of “Main Streets” in 2022 and 2023 and extend participation to HTR communities and other communities as appropriate. Additionally, the PAs will also align incentives to ensure that there is a consistent set of statewide offerings delivered through the program. The incremental statewide budget estimated for this Main Street effort is \$3 to \$4 million.

Second, the PAs propose to offer 100% weatherization incentives for non-owner occupied, commercial buildings hosting small businesses—similar to the incentive structure for residential landlords. The incremental statewide budget for this effort is estimated at up to \$10.5 million and will be offered for the remainder of the Plan term.

**III. Special Discounts and Other Measures**

The PAs also propose to offer additional product discounts to vulnerable customers in both the residential and commercial sectors via the online store, and to conduct outreach to customers in arrears.

**(i) Online Store Promotion**

The PAs propose to offer deeper discounts to both residential and commercial customers via the on-line marketplace on a variety of energy savings measures. Discounts will be provided for residential customers on: Tier 2 Advanced Power Strips (“APS”), weather stripping, window insulation kits, pipe wrap, and switch gasket insulation. The PAs estimate uptake of approximately 1,000 APS and 133,000 units of other products via these discounts. For commercial customers, discounts will be provided on APS. The incremental statewide budget for this effort is estimated

at \$200,000 and will be offered until January 31, 2023. Additionally, through existing funding, the PAs will continue to run planned periodic discounts on connected thermostat products for all customers, utilizing financial support from product manufacturers.

**(ii) Efforts to target customers in arrears**

Finally, the PAs will also implement targeted outreach to residential and small business customers with past arrearages. The PAs will use data on arrears to identify vulnerable businesses and business types. The PAs will target outreach for small businesses in arrears with a concierge service from the small business turnkey vendor. This targeted outreach will run through January 2023. The PAs are not immediately proposing enhanced incentives for small business customers in arrears, but are considering the potential for industry-specific incentives for microbusinesses in sectors showing special needs.

**IV. Secure External Funding**

To further mitigate the impacts of winter price increases, the PAs are coordinating with several influential outside groups to seek funding made available by recent federal legislation, such as the 2021 American Rescue Plan Act (“ARPA”) and the Infrastructure Investment and Jobs Act (“IIJA”). The PAs are working with a diverse group of stakeholders—including LEAN, the Acadia Center, the Utility Workers Union of America (“UWUA”), Northeast Clean Energy Council (“NECEC”), and E4TheFuture—to seek to persuade the Legislature to allocate a significant portion of the Commonwealth’s ARPA funds to energy efficiency projects. In particular, the coalition has advocated for \$200 million to lower ratepayer charges in support of the 2022-2024 Plan. (The PAs have shared these ARPA funding proposals with the DOER and the AGO, but they have not taken positions regarding the proposals and the PAs do not imply affirmative support by either DOER or the AGO on these specifics.)

In addition to securing funds to directly lower customer charges associated with the current Plan, the coalition is also seeking:

1. \$100 million to provide energy efficiency, electrification, barrier mitigation, and renewable energy services to low-income households, implemented by LEAN;
2. \$100 million for energy efficiency barrier mitigation measures for all other customers, such as required customer electrical upgrades, and other costs associated with electrifying large buildings, including multi-family buildings;
3. \$50 million in targeted support for EJ communities to reduce customer contributions for installing energy efficiency, electrification, and renewable measures. This will include owners of municipal and non-profit owned buildings that have difficulty securing needed funds; and
4. \$20 million in financial assistance for customers of municipally owned electric companies to perform energy efficiency and electrification upgrades; and
5. \$30 million to support innovative strategies, such as Liberty’s proposed Blount Foods Project in Fall River, and also including projects that combine renewable and

energy efficiency technologies, like the Cape Light Compact's proposed Cape and Vineyard Electrification Offering (CVEO).

The Program Administrators cannot guarantee that such legislative efforts will be successful, but they will continue to advocate for additional ARPA funding to off-set costs for customers.

Finally, the PAs are also analyzing the federal Inflation Reduction Act to identify opportunities for customers to take advantage of newly available incentives.

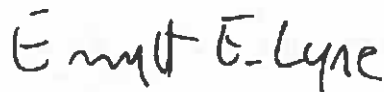
### **Conclusion**

The PAs intend to begin to initiate implementation of the above referenced proposals on and after August 29, 2022, unless the Department directs otherwise. As stated above, the PAs anticipate that the majority of these proposals will be implemented within the PAs' current budgets. However, PAs will file for an MTM, as applicable, if it becomes apparent that actual expenditures will surpass budgets based upon individual PA circumstances.

As noted above, at the heart of the PA effort will be the full roll out and implementation, in coordination with LEAN, of the Plan. The PAs hope these proposed complementary measures can further assist customers as energy prices increase. The PAs note their appreciation of the collaborative efforts of the Department, DOER, the AGO, and LEAN as these complementary efforts have been developed. Their thoughts and feedback have been tremendously helpful.

Thank you for your time and attention to this matter. If you have any questions, please do not hesitate to contact me, or counsel for any of the Program Administrators.

Very truly yours,



Emmett E. Lyne

### Enclosures

Cc: Jeffrey Leupold, Esq., Hearing Officer, Department of Public Utilities  
Sarah Smegal, Esq., Hearing Officer, Department of Public Utilities  
Stephanie Mealey, Esq., Hearing Officer, Department of Public Utilities  
Service Lists

**Appendix A: Department of Public Utilities October 19,2021 Letter**



**THE COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF PUBLIC UTILITIES**

**CHARLES D. BAKER**  
GOVERNOR

**KARYN E. POLITO**  
LIEUTENANT GOVERNOR

**KATHLEEN A. THEOHARIDES**  
SECRETARY OF ENERGY  
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**MATTHEW H. NELSON**  
CHAIRMAN

**ROBERT E. HAYDEN**  
COMMISSIONER

**CECILE M. FRASER**  
COMMISSIONER

October 19, 2021

All Investor-Owned Gas Distribution  
Companies Regulated by the Department  
of Public Utilities (Exhibit A)

All Investor-Owned Electric Distribution  
Companies Regulated by the Department  
of Public Utilities (Exhibit B)

RE: Winter Energy Supply Costs

Dear All,

As you are aware, due to a variety of factors the cost of natural gas has increased significantly throughout the world. Accordingly, Massachusetts ratepayers will experience the impact of these rising energy supply costs through their electric basic service rates and cost of gas adjustment factors. Energy commodity markets are dynamic and influenced by many factors such as weather, supply and demand levels, availability and price of alternative fuels, global markets, and most recently the COVID-19 pandemic. The Department of Public Utilities ("Department") is deeply concerned about the impact that significant increases in energy costs have on customers. We are aware that each distribution company shares these concerns, and the Department commends the efforts many companies have already taken to help educate customers and mitigate rate impacts driven by rising energy supply costs.

Since the introduction of competitive supply in the gas and electric markets, the Department and the electric and gas utilities of Massachusetts do not control energy supply costs. Retail energy supply is available through the competitive market, while the delivery of electricity and gas is still provided by distribution companies as a regulated monopoly service. G.L. c. 164, § 1B. Electric and gas utilities procure energy supply on behalf of customers that do not participate in the competitive market, and the costs of the energy supply are recovered from ratepayers with no profit to the utilities.

While the Department does not control energy supply costs, we are keenly aware of the hardships higher energy costs create for customers, particularly during the COVID-19 pandemic. As the Department continues to examine proposals to mitigate rate impacts to customers, we are also mindful that delaying rate increases does not eliminate energy costs, but shifts the recovery to a later date, which may compound future, unforeseeable energy and economic burdens for ratepayers.

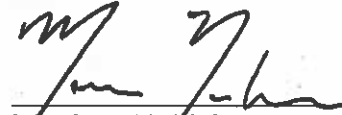
Recognizing the challenges facing Massachusetts customers, the Department directs all electric and gas distribution companies to take reasonable actions to mitigate the financial effects of large increases to energy costs this winter. Specifically, the Department directs the distribution companies to promote and allow residential customers to enroll in budget billing programs throughout the winter months, which will allow customers to spread their total electricity costs evenly over a specified time period. The distribution companies should guide customers that have difficulty paying their bills towards appropriate assistance programs, such as arrearage management plans and/or the Low-Income Home Energy Assistance Program.

In addition, the Department directs the distribution companies to continue their efforts to increase education regarding energy efficiency, particularly for low-income customers, focusing on behaviors and measures to assist customers in reducing their near-term energy bills, as well promote long term energy and demand savings. Over the past decade, the distribution companies have implemented nation-leading energy efficiency programs designed to lower energy consumption and empower customers to efficiently manage their energy use. In the coming weeks, the new energy efficiency plan will be filed with the Department. The Department strongly urges the distribution companies to ensure that the plan and their education efforts focus on delivering affordable programs that help customers lower their energy use and energy bills.



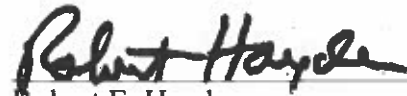
During this period of time, the Department is mindful that customers may seek alternative energy sources from the competitive supply market, which may advertise lower rates. The Department continues to strongly urge all distribution companies, stakeholders, and customers to be vigilant about potential deceptive marketing tactics from competitive suppliers.

Sincerely,




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Matthew H. Nelson  
Chairman



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Robert E. Hayden  
Commissioner



---

Cecile M. Fraser  
Commissioner

## **Exhibit A**

(Investor-Owned Gas Distribution Companies)

President William Akley  
Eversource Gas Company of Massachusetts  
d/b/a Eversource Energy  
247 Station Drive  
Westwood, MA 02090

President Sue Kristjansson  
The Berkshire Gas Company  
115 Cheshire Road  
Pittsfield, MA 01202

President William Akley  
NSTAR Gas Company  
d/b/a Eversource Energy  
247 Station Drive  
Westwood, MA 02090

President Tatiana Roc  
Liberty Utilities (New England Natural Gas  
Company) Corp. d/b/a Liberty Utilities  
36 5th Street  
Fall River, MA 02722-0911

President Stephen Woerner  
Boston Gas Company d/b/a National Grid  
40 Sylvan Road  
Waltham, MA 02451

President Thomas Meissner  
Fitchburg Gas and Electric Light Company  
d/b/a Unitil  
6 Liberty Lane West  
Hampton, NH 03842

## **Exhibit B**

(Investor-Owned Electric Distribution Companies)

President Thomas Meissner  
Fitchburg Gas and Electric Light Company  
d/b/a Unital  
6 Liberty Lane West  
Hampton, NH 03842

President Stephen Woerner  
Massachusetts Electric Company, &  
Nantucket Electric Company, each d/b/a  
National Grid  
40 Sylvan Road  
Waltham, MA 02451

President Craig Hallstrom  
NSTAR Electric Company  
d/b/a Eversource Energy  
247 Station Drive  
Westwood, MA 02090

## **Appendix B**

The table below summarizes the estimated incremental new budget required to implement the proposed winter price mitigation measures. The PAs will strive to deliver these measures within approved budgets and are not requesting additional funding at this time. However, the PAs may need additional approvals for incremental expenditures associated with this effort and would seek appropriate MTMs as needed based upon individual PA circumstances.

**Table 1: Budget Estimates for Winter Price Mitigation Efforts**

<b>Category</b>	<b>Anticipated Spend</b>
<b>Marketing</b>	<b>\$3M-\$5M</b>
<b>Barrier Remediation in Rentals</b>	<b>\$3M-\$4M</b>
<b>Online Store</b>	<b>\$0.2M</b>
<b>Increased Main Streets</b>	<b>\$3-\$4M</b>
<b>Small Business Wxn for Rentals</b>	<b>\$10.5M</b>
<b>Lighting Kits</b>	<b>\$0.25M</b>
<b>TOTAL</b>	<b>\$20-\$24M</b>

688

**Appendix C: List of Moderate-Income Census Block Groups in HTR Communiti**

Town	Block group code	Sum of Households	Sum of Gas Accts	Sum of Res Non-Gas	Sum of Accounts	Sum of Locations	Type	Gas PA
BARNSTABLE	15000US250010127003	539	421	118	421	409	Both	National Grid
BROCKTON	15000US250235113012	139	185		185	165	Gas	Eversource E
FALL RIVER	15000US250056401003	245	254		254	208	Gas	Liberty Utilit
FALL RIVER	15000US250056407002	200	289		289	212	Gas	Liberty Utilit
FITCHBURG	15000US250277102002	415	146	181	327	234	Both	Unitil
LAWRENCE	15000US250092513003	157	184		184	107	Gas	Eversource E
LYNN	15000US250092057003	482	136		136	124	Gas	National Grid
LYNN	15000US250092063003	309	108		108	0	Gas	National Grid
NORTH ATTLEBORO	15000US250056301023	756	225		225	172	Gas	Liberty Utilit
PEABODY	15000US250092105001	411	230		230	219	Gas	National Grid
REVERE	15000US250251701023	281	152		152	150	Gas	National Grid
SPRINGFIELD	15000US250138004004	472	278		278	266	Gas	Eversource E
SPRINGFIELD	15000US250138015012	463	252		252	251	Gas	Eversource E
SPRINGFIELD	15000US250138026011	195	205		205	200	Gas	Eversource E
TISBURY	15000US250072001003	394	0	412	412	375	Non-Gas	No Natural C Service
WORCESTER	15000US250277304022	242	262		262	144	Gas	Eversource E
PITTSFIELD	15000US250039011001	284	197		197	194	Gas	Berkshire Ga



## HIGHLIGHTS OF NEW FEDERAL AND STATE LAWS\*

*Federal: Inflation Reduction Act of 2022  
("IRA")*

*Massachusetts: An Act Driving Clean  
Energy and Offshore Wind ("2022  
Climate Bill")*

*Cape Light Compact JPE  
Board Meeting  
September 14, 2022*

*\*Disclaimer: this is a high-level summary only. This  
is not intended to be an exhaustive summary of  
the IRA or the 2022 Climate Bill.*

*This summary does not represent tax advice.  
Outside tax counsel may be required to consider  
tax credit project structure and rules and  
guidance from the Federal government are  
pending.*

# ACRONYMS

- ▶ ASHRAE: American Society of Heating, Refrigerating and Air-Conditioning Engineers
- ▶ CVEO: Cape Light Compact's Cape & Vineyard Electrification Offering
- ▶ DOE: U.S. Department of Energy
- ▶ DOER: Massachusetts Department of Energy Resources
- ▶ DPU: Massachusetts Department of Public Utilities
- ▶ EE: energy efficiency
- ▶ EEP(s): energy efficiency plan(s)
- ▶ EPA: U.S. Environmental Protection Agency
- ▶ EV(s): electric vehicle(s)
- ▶ HUD: U.S. Department of Housing and Urban Development
- ▶ ITC: Investment Tax Credit
- ▶ LI: low-income
- ▶ MassCEC: Massachusetts Clean Energy Center
- ▶ PA(s): Massachusetts Program Administrator(s) of energy efficiency
- ▶ PTC: Production Tax Credit

# THE IRA - HIGH LEVEL OVERVIEW

- ▶ Broad ranging bill with goals of, among other things, lowering costs for American families, combating the climate crises and reducing the deficit.
- ▶ Of interest to the Compact:
  - ▶ Reinstates and extends tax credits for renewable technologies on a longer timeframe creating more planning and development stability.
  - ▶ Provides individual rebates for energy efficient appliances and electrification.
  - ▶ Provides significant grant funding to state energy offices for home energy performance-based rebates.
  - ▶ Provides significant grant funding to state energy offices for whole home electrification for low- and moderate-income households.
  - ▶ Includes financial assistance to states to provide training and education to contractors installing home EE and electrification projects.



# THE IRA - COMMERCIAL TAX DEDUCTIONS AND CREDITS

- ▶ Reinstates the commercial PTC for solar and extends the PTC for other technologies at 1.5 cents/kWh (adjusted for inflation) for qualified facilities that begin construction before 2025.
  - ▶ Bonus credits for projects meeting domestic content requirement and energy community location.
  - ▶ PTC reduces significantly if facility does not satisfy prevailing wage and apprenticeship requirements (projects under 1MW are exempt).
- ▶ Creates technology neutral commercial Clean Electricity PTC (projects with anticipated GHG emissions of zero) for projects constructed in 2025 through the later of: 2032 or when annual GHG emissions from electricity production in the US are equal to or less than 25% of 2022 emissions.

# THE IRA - COMMERCIAL TAX DEDUCTIONS AND CREDITS

- ▶ Extends the commercial ITC at 30% for existing technologies and standalone energy storage for projects constructed before 2025.
  - ▶ Bonus credits for projects meeting domestic content requirement and energy community location, as well as for siting in LI communities.
  - ▶ ITC reduces significantly if facility does not satisfy prevailing wage and apprenticeship requirements (projects under 1 MW are exempt).
- ▶ Expands Commercial Buildings EE Credit, offering \$2.50 to \$5.00 per square foot (maximum credit) for achieving 25% to 50% reductions in energy use over existing building performance standards.
  - ▶ Credit is reduced for projects not meeting prevailing wage and apprenticeship requirements.
  - ▶ For projects complete in 2023, either a 3 or 4-year period (depending on project) must pass before an additional credit may be claimed for a subsequent upgrade.
  - ▶ Tax-exempt owners of commercial buildings (e.g., schools, churches, government facilities) may pass the deduction on to the project designers.

# THE IRA - RESIDENTIAL TAX DEDUCTIONS AND CREDITS

- ▶ Restores the residential ITC at 30% for existing technologies through 2032, dropping to 26% in 2033 and 22% in 2034. Standalone energy storage is now eligible.
- ▶ Creates EE Home Improvements tax credit of 30% for property placed in service after 2022 and through 2032, with annual limit of \$1,200 (subject to certain other limitations on credit amount depending on project).
  - ▶ Eligibility: Heat pumps, heat pump water heaters, biomass stoves and biomass boilers, central air, natural gas, propane or oil water heater or furnace/boiler, electric panels, weatherization, exterior windows and doors.
- ▶ Extends New Energy Efficient Home credit for home developers and producers of manufactured energy efficient homes (\$2,500 or \$5,000 for single family or manufactured home depending on relevant criterion; \$500 or \$1,000 for multifamily depending on relevant criterion).
  - ▶ Bonus added to multifamily credit when construction meets prevailing wage requirements.

# THE IRA - TAX DEDUCTIONS AND CREDITS

## KEY TAKEAWAYS

- ▶ Standalone energy storage is now eligible for the ITC (and the Clean Electricity ITC).
- ▶ Qualified Interconnection Property (certain expenditures to upgrade the utility system) is now eligible for the ITC (and the Clean Electricity ITC).
  - ▶ For ITC- eligible projects less than 5 MW and placed in service after 12/31/22.
- ▶ States, Municipalities, Tribes and certain other tax-exempt entities (*e.g., the Compact*) may be eligible for the PTC and ITC\* under a “Direct Pay” election:
  - ▶ Direct Pay allows these entities to treat certain tax credit amounts as payment of tax such that payment in excess of tax liability can then be refunded - allowing the credits to be received as “direct pay” in the form of cash.
  - ▶ *\*IRS Guidance is necessary to better understand the eligibility for and application of the direct pay provision.*

## THE IRA - BILLIONS IN FORMULA GRANTS TO STATE ENERGY OFFICES

- ▶ Home Energy Performance-Based, Whole-House Rebates\*
  - ▶ DOE Rebate program for single and multi-family homes based on energy savings achieved through retrofits. Rebate amounts depend on level of savings achieved and type of housing. Cannot combine with other federal benefits for the same improvements.
- ▶ High-Efficiency Electric Home Rebate Program\*
  - ▶ DOE Rebate program for low-and moderate-income households that install new, efficient electric appliances (up to \$14,000 per household, with certain limits for eligible equipment/improvements). Cannot combine with other federal benefits for the same improvements.
  - ▶ Low-and moderate-income households *and those working on their behalf* (e.g., the Compact or PAs) may receive the rebate.

\* The PAs are evaluating these rebate programs and are actively engaged with DOER to learn more. There are many unknowns, including the timing of when the programs begin. Also, in some cases the IRA-authorized program does not align with Mass Save programs (e.g., Mass Save does not provide for the same type of performance rebates).

# THE IRA - FEDERAL GRANTS AND REBATES

- ▶ Funding for Low Income and Disadvantaged Communities:
  - ▶ Hundreds of millions to HUD for grants and loans improving EE or water efficiency or climate resilience of affordable housing.
  - ▶ Billions to EPA for a GHG reduction fund to provide competitive grants to states, municipalities, tribes and non-profit organizations to deploy zero-emissions technologies.
  - ▶ Billions to EPA for environmental and climate justice block grants for community-led investments in low and zero emission and resilient technologies and related infrastructure to help reduce GHG emissions.

# THE IRA - ADDITIONAL PROVISIONS

- ▶ Energy Efficiency Training for Contractors\*
  - ▶ \$200 million in financial assistance to states to provide training and education to contractors installing home EE and electrification projects.
    - ▶ Funding available through September 2031
- ▶ Zero Energy Code Adoption\*
  - ▶ \$1 billion to DOE for grants to states and local governments with authority to adopt their own building codes, to adopt a code for commercial and residential buildings that meets or exceeds zero energy provisions of an International or equivalent stretch code and for commercial buildings that meet or exceed ASHRAE.

**\* PAs are still evaluating these provisions. Very little information and/or guidance currently exists. The PAs are considering how, if at all, these may be incorporated into Mass Save.**

# 2022 CLIMATE BILL - HIGH LEVEL OVERVIEW

- ▶ Follow up to 2021 Climate Bill focusing on energy efficiency, a clean transportation sector, meeting GHG emissions reduction goals, offshore wind contracting, offshore wind industry development, supply chain advancement and workforce development.
  - ▶ The law requires the creation of several funds. Initial funding may come from state surplus funds and federal aid. Exact amounts allocated for funding will be determined by an economic development bill that is still in progress.
- ▶ Of interest to the Compact:
  - ▶ Changes EEP programs and processes and provides a new vehicle for CVEO
  - ▶ DOER to administer pilot for 10 municipalities to ban fossil fuels in new buildings and major renovations (some Compact members may be eligible as they have already started the process - Aquinnah and West Tisbury)
  - ▶ Furthers Grid Modernization and Establishes New Grid Modernization Advisory Council



# 2022 CLIMATE BILL - EEP REVIEW AND PROGRAM DESIGN

For the next Three-Year Plan and thereafter:

- ▶ PAs to submit draft EEPs on March 31 (change from April 30).
- ▶ DPU to have 120 days to review EEPs (change from 90 days).
- ▶ Legislative clarity - EE programs may combine EE and electrification with renewable generation and storage.
- ▶ EEPs may not support new fossil fuel equipment (through spending, programs, support for systems, equipment, workforce development or training).
  - ▶ Exception for LI households, emergency facilities, hospitals, backup thermal energy for heat pumps, and hard to electrify uses (like certain industrial processes).

# 2022 CLIMATE BILL - EE PROVISIONS

- ▶ New model for CVEO:
  - ▶ Electric distribution companies and municipal aggregators with certified EEPs may propose limited offerings for solar PV and energy storage together with electrification where the solar PV is designed as a “qualifying facility.”
  - ▶ Proposals due no later than 7/1/2023.
  - ▶ DPU must evaluate and report out to the Legislature on the offerings by 8/1/2026 and include recommendations for legislative changes to any EE and renewable energy generation incentive programs.
- ▶ New focus on PAs’ service to low- and moderate-income households:
  - ▶ New methods for capturing data on incentives by municipality and sector.
  - ▶ New quarterly reporting requirements.
  - ▶ New program considerations for historic and present program participation and strategies to achieve equitable access and reduce or eliminate disparities in program uptake.

# 2022 CLIMATE BILL - DOER PROVISIONS

- ▶ DOER to administer 10-municipality pilot program to ban fossil fuels in new building construction/major renovations (exception for life sciences labs/health care facilities):
  - ▶ Municipality must obtain local approval and submit home rule petition
  - ▶ Municipality must: (1) meet G.L. c. 40B affordable housing requirements; or (2) approve zoning ordinance allowing multi-family housing by right in at least one area.
- ▶ Government entities are exempt from formal procurement requirements for energy conservation services costing \$300,000 or less (increase from \$100,000 limit):
  - ▶ Energy conservation services will not include the replacement of burners, furnaces or boilers and now includes certain decarbonization activities.
- ▶ Large buildings (at least 20,000 sq. ft.) and the distribution companies that serve them must report annually to DOER on building energy use.
  - ▶ DOER will annually publish total amounts of electricity, natural gas and steam used by large buildings.

## 2022 CLIMATE BILL - DOER PROVISIONS

- ▶ DOER to conduct research and make policy recommendations by 12/21/23 on deployment and use of mid and long duration energy storage systems.
  - ▶ DOER to consider pros/cons of distribution companies procuring up to 4800 GWh of stored energy from renewable generation delivered during periods of high demand and may require such solicitations if deemed beneficial to the Commonwealth.
- ▶ DOER may coordinate with one or more NE states for solicitation of cost-effective clean energy generation, transmission and capacity projects.
  - ▶ Subject to certain requirements regarding costs and benefits to MA ratepayers.
  - ▶ The electric distribution companies must enter into long-term contracts for any project selected by DOER.
  - ▶ The contracts are subject to DPU approval.
- ▶ Woody biomass no longer eligible for the Renewable Energy Portfolio Standard.

# 2022 CLIMATE BILL -GRID MODERNIZATION AND OTHER DPU PROVISIONS

- ▶ By 9/1/23 and every 5 years thereafter, electric distribution companies must develop an electric-sector modernization plan.
  - ▶ A Grid Modernization Advisory Council will review and provide input and recommendations on the plans.
  - ▶ Plans must be submitted to DPU for approval, and the companies must submit two reports per year to DPU and the Legislature on the deployment of approved investments in the plan - there will also be performance metrics included in the approved plans.
- ▶ By 8/11/23, distribution companies must submit proposals to DPU for approval to offer a time-of-use rate for EV charging.
  - ▶ Not later than 10/31/25 DPU must issue at least one order that responds to distribution company proposals.
- ▶ DPU cannot approve gas distribution company submitted plans in D.P.U. 20-80 docket (investigation into the future of gas) without conducting an adjudicatory proceeding.

# 2022 CLIMATE BILL - OTHER DPU PROVISIONS

- ▶ Follow up on 2021 Climate Bill provisions regarding gas company systems:
  - ▶ DPU to convene a Stakeholder Working Group to consider and report out by 7/31/23 regulatory and legislative changes to align gas system enhancement plans with applicable statewide GHG emissions limits/sublimits (details of these plans were set out in the 2021 Climate Bill).
  - ▶ Pilot projects for the development of utility-scale renewable thermal energy approved in the 2021 Climate Bill:
    - ▶ Gas companies must report on their status on a semi-annual basis.
    - ▶ Upon completion, DPU may require a gas company to report on plans to transition to renewable thermal infrastructure and reduce GHG emissions from existing gas infrastructure.
    - ▶ DPU to obtain independent third-party evaluation of the pilot projects and make recommendations to the Legislature on whether gas companies should be authorized to generate and sell or distribute and sell, renewable thermal energy.

# 2022 CLIMATE BILL - EV PROVISIONS

- ▶ DOER will administer an Electric Vehicle Adoption Incentive Trust Fund:
  - ▶ Rebates and other financial incentives for the purchase or lease of new or used qualifying zero-emission vehicles, including individual and corporate fleet purchases.
  - ▶ Subject to certain requirements and depending on vehicle size, rebates of up to \$5,000 with an additional \$1,500 for LI individuals.
- ▶ All new vehicle sales must be zero emission by 2035.
- ▶ MBTA bus fleet to transition to zero emission by 2040.
- ▶ Intergovernmental Coordinating Council For EV Charging Infrastructure:
  - ▶ Assess and report on strategies and plans necessary to deploy electric vehicle charging infrastructure - with focus on equity and accessibility as well as meeting GHG emissions reductions goals.
  - ▶ First report due to Legislature in August 2023, and then every two years thereafter
- ▶ Amendments to State Building Code and State Electric Code must include requirements for EV charging for residential and commercial buildings.

# 2022 CLIMATE BILL - OFFSHORE WIND LONG-TERM CONTRACTS

- ▶ Revises the Section 83C long-term contracting process:
  - ▶ Removes price cap on solicitations for long-term contracts (no longer need for subsequent procurements to cost equal to or less than the most recent project).
  - ▶ Minimum target of 5600 MW of offshore wind by 2027.
  - ▶ DOER (not the electric distribution companies) will select winning procurements.
  - ▶ Contracts remain subject to DPU review and approval.
  - ▶ DPU will issue new regulations (will look somewhat similar to existing regulations/conditions - e.g., if DPU approves, electric distribution companies may receive remuneration of 2.25% of their annual payments under the contract as compensation for accepting the financial obligation).



# 2022 CLIMATE BILL - MassCEC PROVISIONS

- ▶ Expands MassCEC authority - creates several new funds, programs and tax incentives to advance domestic supply chain of the offshore wind industry, advance clean energy research, technology and innovation, multi-institutional research, increased financing for siting and expansion of permanent offshore wind manufacturing facilities in MA; funding for interconnection studies of certified offshore wind companies; revitalize ports; supporting workforce development:
  - ▶ Workforce and Market Development Program
  - ▶ Clean Energy Investment Fund
  - ▶ Offshore Wind Investment Program
    - ▶ Includes support to enable municipal aggregators to enter into long-term contracts to purchase electricity from an offshore wind developer.

# Cape Light Compact Energy Efficiency 2019 – 2021 Term Report

**Cape Light  
Compact**



*Working Together Toward A Smarter Energy Future*

# Overview



- Aggressive Goals and Strong Performance in light of COVID-19
- Significant Savings & Benefits for Customers
- Sound Return on Investment

# Savings



Sector	Annual Savings (MWh)		Planned v Actual (%)	
	Planned	Actual	Compact	Statewide (E)
Residential	56,106	52,556	94%	119%
Low-Income	6,424	4,441	69%	89%
Commercial & Industrial	51,004	47,975	94%	88%
Total Portfolio	113,534	104,973	92%	97%

Sector	Lifetime Savings (MWh)		Planned v Actual (%)	
	Planned	Actual	Compact	Statewide (E)
Residential	264,408	339,369	128%	109%
Low-Income	53,282	30,229	57%	73%
Commercial & Industrial	593,812	544,585	92%	89%
Total Portfolio	911,502	914,183	100%	90%

- Residential
  - Behavior project impacted annual savings much more than lifetime savings
    - Planned behavior savings were 18,000 MWh, annual and lifetime
      - Accuracy concerns, lack of realized savings, and high cost led the Compact to terminate
      - Excluding behavior, the Compact would have achieved 138% of Annual MWh Savings for the Residential Sector and 110% for the Portfolio
- Low Income
  - Reduced opportunities to perform audits due to COVID-19
- C&I
  - Strong performance
  - One large fuel cell project in 2020: \$815k, 10,500 annual MWh, 157,000 lifetime MWh

# Benefits and Costs



Sector	Total Benefits (\$)		Planned v Actual (%)	
	Planned	Actual	Compact	Statewide (E)
Residential	210,502,329	201,434,968	96%	123%
Low-Income	29,343,632	15,235,612	52%	79%
Commercial & Industrial	184,798,867	87,688,513	47%	84%
Total Portfolio	424,644,828	304,359,093	72%	94%

Sector	Total Costs (\$)		Planned v Actual (%)	
	Planned	Actual	Compact	Statewide
Residential	72,520,946	92,437,985	127%	113%
Low-Income	13,691,624	10,325,255	75%	83%
Commercial & Industrial	49,024,760	30,785,133	63%	86%
Total Portfolio	135,237,329	133,548,373	99%	96%

- Portfolio
  - Over \$300 Million in benefits to Customers
  - The Compact spent 99% of its budget, statewide spent 96%
- Residential
  - More heat pumps led to higher costs, and a retail fuel switching evaluation study led to decreased claimable benefits
  - Installed more quantities than planned across every end use
- Low Income
  - Reduced opportunities to perform audits due to COVID-19
  - Fewer lighting opportunities
- C&I
  - Reduced opportunities due to COVID-19: inability to access sites, lower energy usage attributed to “stay-at-home orders”, and labor shortage and supply chain issues

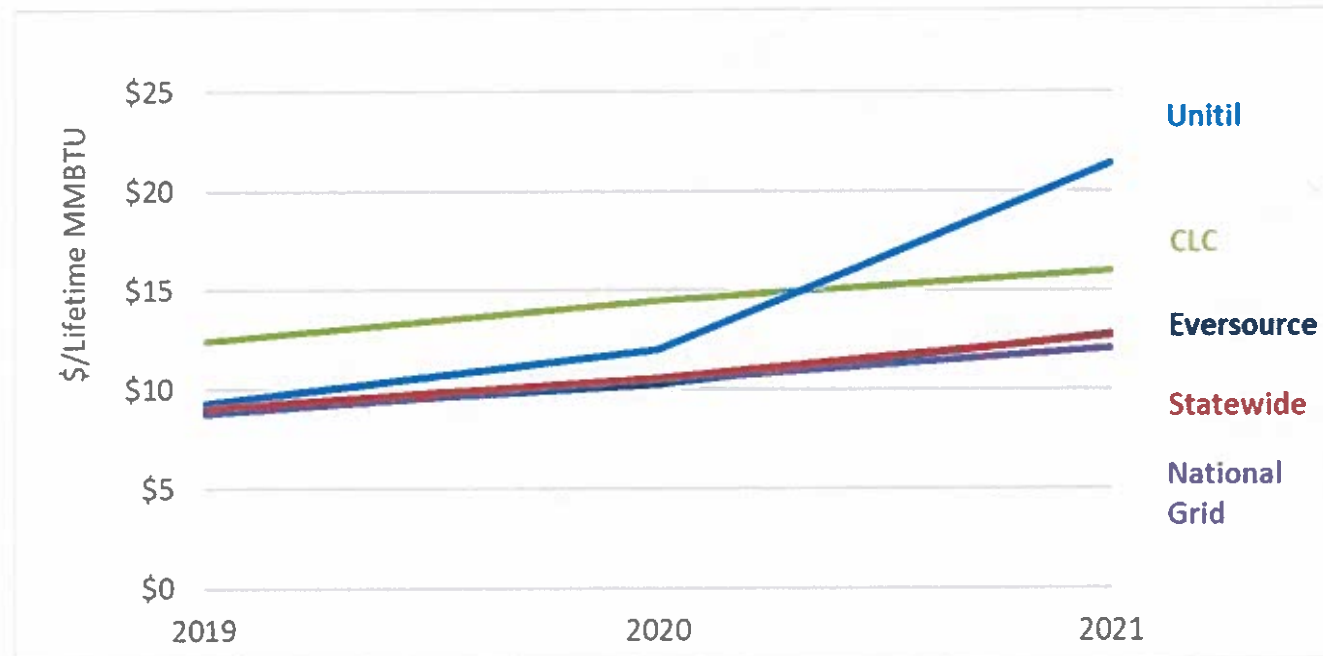
# Benefit Cost Ratios



Sector	Benefit Cost Ratio (BCR)		
	Planned	Actual	Statewide
Residential	2.26	1.50	2.04
Low-Income	2.20	1.51	2.14
Commercial & Industrial	3.56	2.52	2.89
Total Portfolio	2.68	1.70	2.49

- Portfolio
  - \$1.70 Return on each \$1.00 Invested
- Residential
  - Res retail and behavior core initiatives show the biggest reduction from planned BCRs
  - Increased heat pumps led to higher expenditures, and a retail fuel switching evaluation study led to decreased claimable savings/benefits
- Low Income
  - Increase in more expensive HVAC systems (heat pumps)
  - Decreased lighting opportunities
- C&I
  - Despite achieving 92% of its electric savings goal, C&I had lower BCRs than planned due to change in measure mix relative to the plan
  - Fewer benefits from ADR than expected

# Cost of Saved Energy - MMBTU



- Compact's  $\$/\text{MMBTU}$  is about 35% higher than statewide average costs
- Includes Service to Oil/Propane Customers.
- In Residential, the Compact has a higher COSE due to measure mix. The Compact installed more high-cost measures (i.e., HVAC and Envelope) compared to other PAs.
- In C&I, the Compact has more small and micro businesses compared to the other PAs which are more costly to serve and which results in a higher COSE.

# Low-income participants



- As of 2021, there were about 10,000 customers on the low-income discount rate in the Compact's service territory.
- From 2004 through 2021, the Compact served about 7,000 or about 70 percent of eligible customers.
- Of the remaining roughly 3,000 non-participants, about half are mutual customers which the Compact cannot comprehensively serve.
- That leaves approximately 1,500 non-participants that the Compact has not yet served.
- Even if the Compact served all 1,500 non-participants during the 2022–2024 plan term the Compact still would not be able to spend 10 percent of its budget on low-income programs per year or for the term.

**Table 2. Compact Participation Analysis**

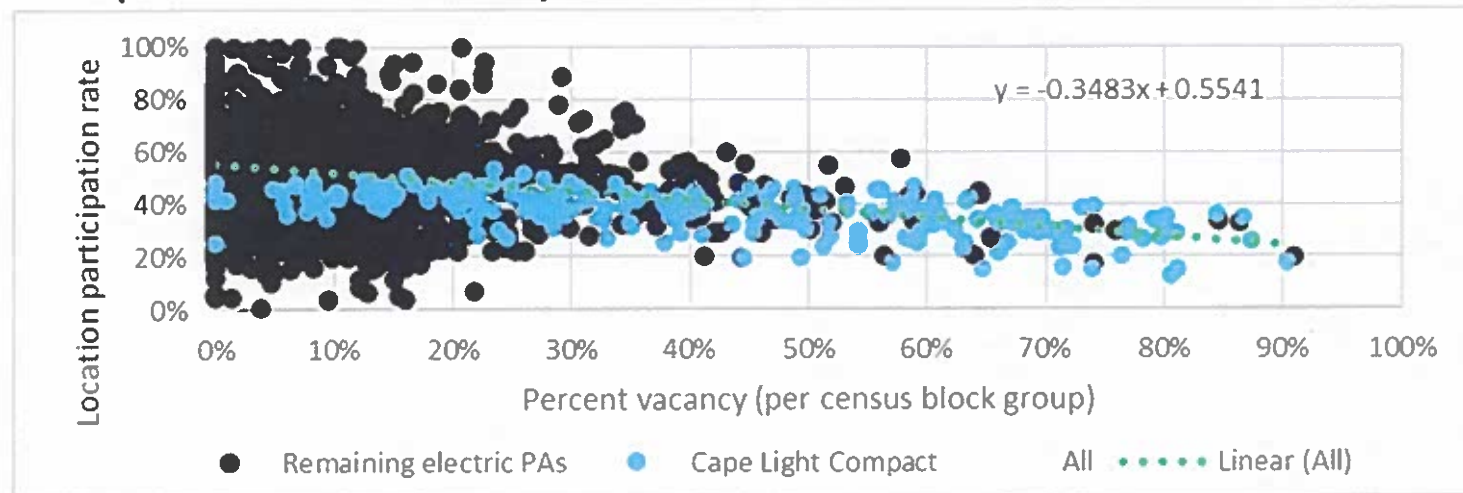
<i>a</i>	<b>2021 accounts on utility discount rate</b>	<b>9,925</b>
<i>b</i>	<b>Participating accounts, 2004-2021</b>	<b>7,026</b>
<i>b/a</i>	<b>Participation rate (%)</b>	<b>71%</b>
<i>a-b</i>	<b>Non-participant accounts</b>	<b>2,899</b>



# Residential Participation

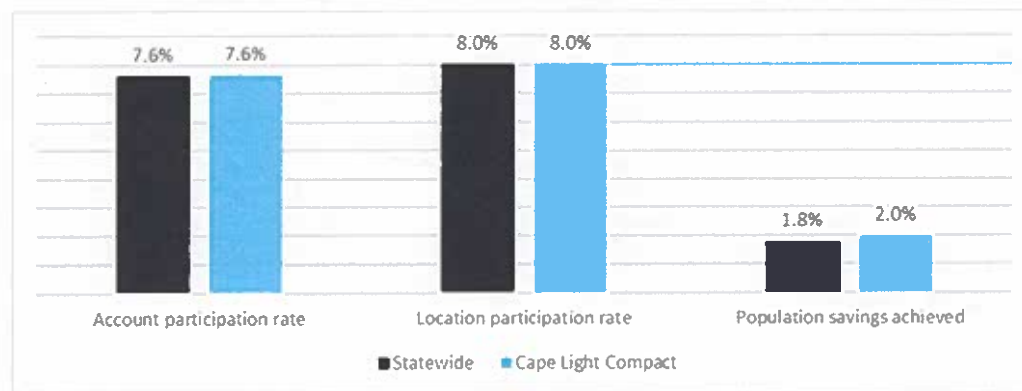


## Participation rate versus vacancy rate



- Compact Average Vacancy Rate = 44%
- Average for other electric PAs = 7%

## Participation rate in high vacancy areas



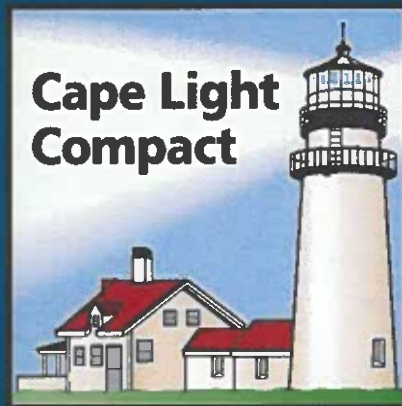
- Higher vacancy rates = lower participation rates
- Compact participation rate = statewide participation rates in high vacancy census blocks
- Compact is continuing to explore barriers to participation

# Thank you!



The Compact's 2019 – 2021 Term Report is on the Compact website at:

<https://www.capelightcompact.org/reports>



**Cape Light  
Compact**

*Your Trusted, Local Energy Resource*

# **Update on Eversource Yarmouth Solar + BESS Proposal (DPU 22-64)**

Cape Light Compact Governing Board  
September 14, 2022

# Summary of Proposal

- On June 1st, Eversource submitted a filing with the DPU requesting approval of a proposed 2.1 MW dc solar canopy and a 0.6MW/2.4 MWh ac battery system at its Emergency Operations Center/Area Work Center on Willow Street in Yarmouth
- The proposal is being submitted in accordance with a provision of 2021 climate legislation that allows municipalities at high risk from the effects of climate change to approve one or more solar projects owned and operated by an EDC
- System will provide peak demand reduction and resiliency
- Expected to allow the site to operate without fossil fuel generators for 12 hours in the event of a power outage



# Summary Continued

- Eversource anticipates that the system would generate between \$367,000-\$397,000 per year in revenue from CPECs, RECs, Forward Capacity Market, and wholesale energy markets
- In the filing, Eversource stated that it plans to distribute the revenues to residents in EJ communities in Yarmouth and that the Company will conduct community engagement/outreach to determine what that will look like
  - One option Eversource proposed is to apply the revenue as credits on customer's bills in EJ neighborhoods in Yarmouth
- Eversource has confirmed to CLC that customers will be able to receive these bill credits regardless of who they receive their power supply from



# Discuss Potential Letter of Support

- Letters of support in the DPU docket are due on September 21
- The Town of Yarmouth submitted a letter of support with the filing
- Eversource has discussed the project with the Yarmouth Energy Committee

**Does the Board want to submit a letter of support for Eversource's proposal in this docket?**



**Cape Light Compact JPE  
Governing Board  
Meeting Minutes  
Wednesday, July 13, 2022**

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, July 13, 2022, at 2:00 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. Robert Schofield, Executive Committee, Bourne
3. Peter Cocolis, Chatham
4. Brad Crowell, Dennis
5. Alan Strahler, Edgartown
6. Scott Mueller, Falmouth Alternate
7. Valerie Bell, Harwich
8. Wayne Taylor, Mashpee
9. Dion Alley, Executive Committee, Oak Bluffs
10. Martin Culik, Chair/Executive Committee, Orleans
11. Nathaniel Mayo, Provincetown
12. Leanne Drake, Sandwich
13. Bob Higgins-Steele, Truro Alternate
14. Richard Elkin, Executive Committee, Wellfleet
15. Erik Peckar, West Tisbury
16. Joyce Flynn, Vice Chair/Executive Committee, Yarmouth

**Absent Were:**

1. Forrest Filler, Aquinnah
2. Colin Odell, Executive Committee, Brewster
3. Timothy Carroll, Executive Committee, Chilmark
4. Meghan Gombos, Dukes County
5. Matthew Patrick, Falmouth
6. Kirk Metell, Tisbury
7. Jarrod Cabral, Truro

**Legal Counsel Participating Remotely:**

Audrey Eidelman Kiernan, Esq., KO Law, P.C.  
Erin O'Toole, Esq., KO Law, P.C.

**Staff Participating Remotely:**

Izzi Caplan, Communication Coordinator  
Maggie Downey, Administrator  
Margaret Song, C&I Program Manager  
Mariel Marchand, Power Supply Planner  
Melissa Allard, Senior Administrative Coordinator

**Public Participants:**

None.

Martin Culik called the meeting to order at 2:03 PM.

**PUBLIC COMMENT:**

No public comments were submitted to the Board in writing under the public comment guidelines.

**APPROVAL OF MINUTES:**

The Board considered the June 8, 2022, Open Session Meeting Minutes.

*Richard Elkin moved the Board to accept the minutes as amended and to release them as amended, seconded by Peter Cocolis.*

David	Anthony	Barnstable	Yes
Robert	Schofield	Bourne	Yes
Peter	Cocolis	Chatham	Yes
Brad	Crowell	Dennis	Abstained
Alan	Strahler	Edgartown	Yes
Scott	Mueller	Falmouth	Yes
Valerie	Bell	Harwich	Yes
Wayne	Taylor	Mashpee	Yes
Dion	Alley	Oak Bluffs	Abstained
Martin	Culik	Orleans	Yes
Nate	Mayo	Provincetown	Yes
Leanne	Drake	Sandwich	Yes
Bob	Higgins-Steele	Truro	Yes
Richard	Elkin	Wellfleet	Yes
Erik	Peckar	West Tisbury	Yes
Joyce	Flynn	Yarmouth	Yes

*Motion carried in the affirmative (14-0-2)*

The Board considered the May 11, 2022, Executive Session Meeting Minutes.

*Joyce Flynn 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
Peter	Cocolis	Chatham	Yes
Brad	Crowell	Dennis	Abstained
Alan	Strahler	Edgartown	Yes
Scott	Mueller	Falmouth	Yes



Valerie	Bell	Harwich	Yes
Wayne	Taylor	Mashpee	Yes
Dion	Alley	Oak Bluffs	Yes
Martin	Culik	Orleans	Yes
Nate	Mayo	Provincetown	Yes
Leanne	Drake	Sandwich	Yes
Bob	Higgins-Steele	Truro	Yes
Richard	Elkin	Wellfleet	Yes
Erik	Peckar	West Tisbury	Yes
Joyce	Flynn	Yarmouth	Yes

Motion carried in the affirmative (15-0-1)

**CHAIRMAN’S REPORT:**

Martin Culik asked Scott Mueller the new Alternate Board member for the Town of Falmouth to introduce himself. Scott Mueller stated he is a retiring attorney. He stated he has spent the past 35 years in energy law around the country. He stated that for the last 9 years he has worked as a solo practitioner. He has done a lot of work with a group called Good Energy which is a municipal aggregation consultant and worked with about 50 cities and towns in Massachusetts helping them develop their municipal aggregation plans.

Martin Culik stated that Fred Fenlon is retiring from the Board. Maggie Downey stated that Fred Fenlon has been a Board Member for at least 22 years. Martin Culik asked the Compact to send a heartfelt thank you from the Board and staff. Maggie Downey stated that she is putting something together to send to him. Martin Culik stated that the Compact is looking for a new Eastham representative.

Martin Culik stated that we will be starting the hybrid board Meetings on September 14, 2022. He stated that the conference room is ready.

**DISCUSS AND POTENTIAL VOTE ON UPDATES TO COMPACT REMOTE PARTICIPATION:**

Martin Culik stated that the Board talked about the Remote Participation Policy during the last meeting. The Policy has been updated and is in the packet.

*David Anthony moved the Cape Light Compact JPE Board of Directors vote to adopt the proposed edits to the Compact 's Remote Participation Policy as presented.*

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

David	Anthony	Barnstable	Yes
Robert	Schofield	Bourne	Yes
Peter	Cocolis	Chatham	Yes
Brad	Crowell	Dennis	Yes
Alan	Strahler	Edgartown	Yes
Scott	Mueller	Falmouth	Yes

Valerie	Bell	Harwich	Yes
Wayne	Taylor	Mashpee	Yes
Dion	Alley	Oak Bluffs	Yes
Martin	Culik	Orleans	Yes
Nate	Mayo	Provincetown	Yes
Leanne	Drake	Sandwich	Yes
Bob	Higgins-Steele	Truro	Yes
Richard	Elkin	Wellfleet	Yes
Erik	Peckar	West Tisbury	Yes
Joyce	Flynn	Yarmouth	Yes

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

**UPDATE ON E-BIKE GRANT PROGRAM, MARIEL MARCHAND:**

Mariel Marchand gave an update on the E-Bike Grant Program. She stated that there are now six bike shops participating in the program. The program launched to customers on June 24<sup>th</sup>. She stated that the Compact has received 65 applications and have issued 36 vouchers so far. Martin Culik asked what is the value of the voucher compared to the bike. Mariel Marchand stated that the voucher is 75% of the cost of the bike, up to \$1,200.

Erik Peckar asked if there were still no bike shops participating that are located on Martha's Vineyard. Mariel Marchand stated that was correct. She stated that the Compact continues to try and recruit a Vineyard bike shop. Many shops seem to be interested but are unable to get the paperwork done with how busy they are. Erik Peckar asked when the application deadline is. Mariel Marchand stated there is no application deadline. Martin Culik asked if there was a certain number of vouchers the Compact can issue. Mariel Marchand stated that there is a fixed amount of money available from the grant and believes that it will equate to about 200 vouchers.

**STREETLIGHT MAINTENANCE CONTRACT, MARGARET SONG:**

Margaret Song reviewed the Outdoor Area Lighting Request For Proposals (RFP) PowerPoint.

Margaret Song stated that the Compact has been assisting Towns and Fire Districts with maintenance contracts for over 20 years. The Compact issues an RFP on behalf of interested towns and fire districts for maintenance, including coordination of warranty, and conversions to LED. She stated outdoor lighting consists of streetlights, traffic lights, or other applicable lighting.

Margaret Song stated that Siemens, which has been the Compact's long-term vendor was recently purchased by Yunex. She stated that the contract ended June 30, 2020, and Yunex no longer provides services in this area. She stated that the Compact went out for bid at the request of the towns. The Compact has received two bids and ultimately the towns decided to split the bids between the two responding vendors. It is a three-year term contract with possible extension for two years. Margaret Song stated that in the past people have been referred to the 1-800-LIGHTS-On which is owned by Yunex, so it is no longer the correct telephone number to report outages. She stated that each community will designate a public number.

Richard Elkin asked if people are to call the phone number if they see a light out or the fire or police department. Margaret Song stated that in Barnstable, the fire district owns the streetlights. For most

communities the towns own the streetlights except for Aquinnah and Eastham. In those cases, the DPW are responsible. She stated that some communities want to have a public facing number, whereas in others they have requested that it does not go to the public. Richard Elkin asked if the Board could get the list. Margaret Song answered yes, as soon as it is available.

**STATE BUILDING CODE UPDATE, MARGARET SONG:**

Margaret Song reviewed the Draft Code Update PowerPoint.

Margaret Song stated that this presentation is to purely share information. She stated that the Department of Energy Resources (DOER) is seeking public comments on Stretch Energy Code and Specialized Codes. Written comments are to be submitted by August 12, 2022 at 5pm to stretchcode@mass.gov with "Building Code Comments" in the subject line. There will be a virtual public hearing on August 8, 2022 at 1pm.

Margaret Song reviewed the energy code definitions for current base energy code, current stretch energy code, updated base energy code, updated stretch energy code, and specialized code. She stated that currently it is in draft for review and public comment, and they are hoping to finalize in Fall 2022. She stated that July 1, 2024 will be when the stretch code is adopted. Towns that have adopted the stretch code will automatically adopt the new stretch code unless they opt out. She stated that for the specialized code, legislation requires availability for adoption by December 24, 2022. She stated that they are requiring at least 6 months to get acquainted with it before it can be enacted.

Margaret Song reviewed the stretch code proposal for residential and commercial, as well as the proposal for specialized code for residential and commercial construction. Valerie Bell asked if green communities will automatically adopt the new stretch codes. Margaret Song stated that adoption is automatic for green communities unless the town chooses to opt out of being a green community. Dion Alley asked if there were programs to help financially with getting the older buildings the structured wiring that they need or should we be telling the owners to start putting money aside. Margaret Song stated that this question has been posed to the DOER about how this will be done if there is no historical exemption. She stated that she does not think this has been answered yet. Maggie Downey stated that this would be an excellent public comment to send in from the town of Oak Bluffs. Peter Cocolis asked how the construction community is reacting to these proposals. Margaret Song stated that not everyone is aware of what is being proposed and that DOER is trying to raise awareness so that they can have input and have less pushback when established. She stated that the Compact does provide trainings once the codes have been established.

Brad Crowell asked if the Compact has a unique point of view or expertise that might be useful to the towns as they sort through their options and are there any thoughts on strategizing how the Compact may be able to help with implementation. Margaret Song stated that DOER has hired their own code experts to help communities to understand what the implications are. She stated that as part of a statewide effort the Compact has a contract with Performance Systems Development, and they can be contacted to provide code expertise. She stated that one of the things the Compact will have to figure out is how the energy efficiency programs will be impacted. She stated that the Compact will have to determine what it can do and how it can best incentivize folks.

Richard Elkin stated that the Compact arranged seminars for contractors on what the new codes were in the past. He stated that the contractors were grateful that they were able to continue their education on Cape Cod and he believe that the Compact should plan on regional seminars again to educate them on the new codes before they are adopted. Margaret Song stated that the Compact is happy to do that, and that Performance

Systems Development has been reaching out to them. There has been some in person trainings in the past and virtual options as well.

**ADMINISTRATOR'S REPORT:**

**1. New Community Education Grant**

Maggie Downey stated that she wanted to share with the Board about the Mass Save Community Education Grant opportunity. She stated it is for specific education efforts in environmental justice communities. She will send an email with the information and the list of environmental justice communities.

**2. 2019-2021 Term Report Filing to the MA DPU due on August 1, 2022**

Maggie Downey stated that she wanted to make the Board aware that the Compact is working on the 2019-2021 Term Report Filing which is due to the Department of Public Utilities (DPU) on August 1<sup>st</sup>. She stated that it is to look back on the Compact's energy efficiency spendings and savings. The DPU's major focus is that the Compact has not been able to spend the entire 10% statutory low-income budget. She stated that the staff has done a deep dive into why that is and how difficult that 10% requirement is without being able to serve customers who heat with natural gas and expand and fund things like the Cape and Vineyard Electrification Offering (CVEO) program.

**3. Program Administrators Working with MA Division of Energy Resources on Anticipated High Fossil Fuels and Electric Prices in the Winter 2022/2023**

Maggie Downey stated that the PAs are working with DOER, the Office of the Attorney General (AGO), and DPU on how to prepare customers for the increases in energy rates this coming winter. Once that has been finalized she will send out to the Board.

**OPEN SESSION VOTE ON ENTRY INTO EXECUTIVE SESSION PURSUANT TO M.G.L. c. 30A §§21(A)(3) TO DISCUSS MATTERS BELOW, TO NOT RETURN TO OPEN SESSION:**

*Martin Culik at 3:29 PM moved to enter into Executive Session: (1) pursuant to M.G.L. c. 30A §21(a)(3) to review and approve the June 8, 2022 Executive Session Minutes regarding a consumer advocacy worksheet and regulatory litigation strategy concerning the Eversource Rate Case, DPU 22-22 and litigation strategy regarding DPU 22-55, Eversource's Capital Investment Proposal for Cape Cod. Seconded by Robert Schofield.*

David	Anthony	Barnstable	Yes
Robert	Schofield	Bourne	Yes
Peter	Cocolis	Chatham	Yes
Brad	Crowell	Dennis	Yes
Alan	Strahler	Edgartown	Yes
Scott	Mueller	Falmouth	Yes
Valerie	Bell	Harwich	Yes
Wayne	Taylor	Mashpee	Yes
Dion	Alley	Oak Bluffs	Yes
Martin	Culik	Orleans	Yes
Nate	Mayo	Provincetown	Yes

Leanne	Drake	Sandwich	Yes
Bob	Higgins-Steele	Truro	Yes
Richard	Elkin	Wellfleet	Yes
Erik	Peckar	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
- June 8, 2022, Draft Open Session Meeting Minutes
- May 11, 2022, Draft Executive Session Meeting Minutes
- Agenda Action Request: Approve Edits to Compact's Remote Participation Policy
- Remote Participation Policy
- Outdoor Area Lighting RFP PowerPoint
- Draft Code Update PowerPoint
- Summary of Proposed Energy Code Update and Municipal Opt-In Specialized Code
- Mass Save Community Education Grant
- 2022 Operating Budget

**Draft Executive Session Minutes**  
**Pursuant to G.L. c. 30A, §§ 21(a)(3)**  
**Exempt from Public Records Disclosure**  
**Pursuant to G.L. c. 4, s. 7, cl. 26(d)**

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

**Cape Light Compact JPE**  
**Governing Board**  
**Executive Session Meeting Minutes**  
**Wednesday, July 13, 2022**

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, July 13, 2022, at 2:00 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. Robert Schofield, Executive Committee, Bourne
3. Peter Cocolis, Chatham
4. Brad Crowell, Dennis
5. Alan Strahler, Edgartown
6. Scott Mueller, Falmouth Alternate
7. Valerie Bell, Harwich
8. Wayne Taylor, Mashpee
9. Dion Alley, Executive Committee, Oak Bluffs
10. Martin Culik, Chair/Executive Committee, Orleans
11. Nathaniel Mayo, Provincetown
12. Leanne Drake, Sandwich
13. Bob Higgins-Steele, Truro Alternate
14. Richard Elkin, Executive Committee, Wellfleet
15. Erik Peckar, West Tisbury
16. Joyce Flynn, Vice Chair/Executive Committee, Yarmouth

**Absent Were:**

1. Forrest Filler, Aquinnah
2. Colin Odell, Executive Committee, Brewster
3. Timothy Carroll, Executive Committee, Chilmark
4. Meghan Gombos, Dukes County
5. Matthew Patrick, Falmouth
6. Kirk Metell, Tisbury
7. Jarrod Cabral, Truro

**Legal Counsel Participating Remotely:**

Audrey Eidelman Kiernan, Esq., KO Law, P.C.  
Erin O'Toole, Esq., KO Law, P.C.

**Draft Executive Session Minutes**  
**Pursuant to G.L. c. 30A, §§ 21(a)(3)**  
**Exempt from Public Records Disclosure**  
**Pursuant to G.L. c. 4, s. 7, cl. 26(d)**

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

**Staff Present:**

Izzi Caplan, Communication Coordinator  
Maggie Downey, Administrator  
Margaret Song, C&I Program Manager  
Mariel Marchand, Power Supply Planner  
Melissa Allard, Senior Administrative Coordinator

**OPEN SESSION VOTE ON ENTRY INTO EXECUTIVE SESSION PURSUANT TO M.G.L. c. 30A §§21(A)(3) TO DISCUSS MATTERS BELOW, TO NOT RETURN TO OPEN SESSION:**

*Martin Culik at 3:29 PM moved to enter into Executive Session: (1) pursuant to M.G.L. c. 30A §21(a)(3) to review and approve the June 8, 2022 Executive Session Minutes regarding a consumer advocacy worksheet and regulatory litigation strategy concerning the Eversource Rate Case, DPU 22-22 and litigation strategy regarding DPU 22-55, Eversource's Capital Investment Proposal for Cape Cod. Seconded by Robert Schofield.*

David	Anthony	Barnstable	Yes
Robert	Schofield	Bourne	Yes
Peter	Cocolis	Chatham	Yes
Brad	Crowell	Dennis	Yes
Alan	Strahler	Edgartown	Yes
Scott	Mueller	Falmouth	Yes
Valerie	Bell	Harwich	Yes
Wayne	Taylor	Mashpee	Yes
Dion	Alley	Oak Bluffs	Yes
Martin	Culik	Orleans	Yes
Nate	Mayo	Provincetown	Yes
Leanne	Drake	Sandwich	Yes
Bob	Higgins-Steele	Truro	Yes
Richard	Elkin	Wellfleet	Yes
Erik	Peckar	West Tisbury	Yes
Joyce	Flynn	Yarmouth	Yes

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

**APPROVAL OF MINUTES:**

The Board considered the June 8, 2022 Executive Session Meeting Minutes.

*Robert Schofield moved the Board to accept the minutes as amended, seconded by Joyce Flynn.*

**Draft Executive Session Minutes**  
**Pursuant to G.L. c. 30A, §§ 21(a)(3)**  
**Exempt from Public Records Disclosure**  
**Pursuant to G.L. c. 4, s. 7, cl. 26(d)**

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David	Anthony	Barnstable	Yes
Robert	Schofield	Bourne	Yes
Peter	Cocolis	Chatham	Yes
Brad	Crowell	Dennis	Yes
Alan	Strahler	Edgartown	Yes
Scott	Mueller	Falmouth	Yes
Valerie	Bell	Harwich	Yes
Wayne	Taylor	Mashpee	Yes
Dion	Alley	Oak Bluffs	Abstained
Martin	Culik	Orleans	Yes
Nate	Mayo	Provincetown	Yes
Leanne	Drake	Sandwich	Yes
Bob	Higgins-Steele	Truro	Yes
Richard	Elkin	Wellfleet	Yes
Erik	Peckar	West Tisbury	Yes
Joyce	Flynn	Yarmouth	Yes

*Motion carried in the affirmative (15-0-1)*

**ADJOURNMENT:**

*Motion to adjourn made at 3:35 PM moved by Robert Schofield, seconded by Peter Cocolis.*

David	Anthony	Barnstable	Yes
Robert	Schofield	Bourne	Yes
Peter	Cocolis	Chatham	Yes
Brad	Crowell	Dennis	Yes
Alan	Strahler	Edgartown	Yes
Scott	Mueller	Falmouth	Yes
Valerie	Bell	Harwich	Yes
Wayne	Taylor	Mashpee	Yes
Dion	Alley	Oak Bluffs	Yes
Martin	Culik	Orleans	Yes
Nate	Mayo	Provincetown	Yes
Leanne	Drake	Sandwich	Yes
Bob	Higgins-Steele	Truro	Yes
Richard	Elkin	Wellfleet	Yes
Erik	Peckar	West Tisbury	Yes
Joyce	Flynn	Yarmouth	Yes



**Draft Executive Session Minutes**  
**Pursuant to G.L. c. 30A, §§ 21(a)(3)**  
**Exempt from Public Records Disclosure**  
**Pursuant to G.L. c. 4, s. 7, cl. 26(d)**

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

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

Respectfully submitted,

Melissa Allard

**LIST OF DOCUMENTS AND EXHIBITS:**

- Meeting Notice/Agenda
- June 8, 2022 Executive Session Meeting Minutes

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

## Master Energy Program

Consumers are increasingly being told that climate change is real, that federal and state governments are making commitments to address climate change, and that consumers have a major role to play in reducing fossil fuel use and switching to renewable energy. Recent climate change and renewable energy legislation at both the federal and state levels include programs for consumers. As a result, consumers are now wondering what it is they can and should be doing to switch from fossil fuel to renewable energy sources. Consumers with questions need answers!

The focus of this proposal is the creation of a Master Energy Program staffed by volunteers to serve as a local clearinghouse for renewable energy questions from consumers.

**Concept:** Community volunteers will receive training in energy efficiency, solar energy (PVs), battery storage, electric vehicles, etc., as well as educational and communication methods to share information and resources with consumers (i.e., homeowners, businesses, organizations) effectively. The trained volunteers will respond to consumer questions via telephone, emails, media, and workshops.

The model for this program is the successful 50-year-old Extension Master Gardener program. For more details, please see below.

**Potential Collaborators:** Town Energy Committees, Cape Light Compact, Self-Reliance, Cape and Vineyard Electric Cooperative, Cape Cod Climate Change Collaborative, Cape Cod Cooperative Extension, Cape Cod Commission, and the Association to Preserve Cape Cod.

**Volunteers:** Potential volunteers are people interested in renewable energy, energy conservation, energy efficiency, and climate change who are willing to learn and share their knowledge with consumers. Technical knowledge coupled with sharing knowledge will result in program success.

### Needs of a Successful Program

- Volunteers
- Training and resources
- Public awareness and promotional information
- Staff to coordinate the training, logistics, and publicity
- Funding for resources, staff, and publicity

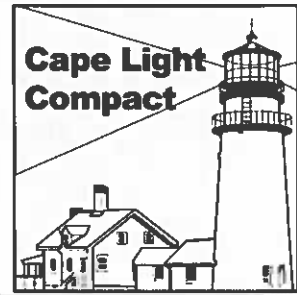
**Model** – The Extension Master Gardener program began in 1972. Trained volunteers with a passion for gardening assist Extension staff with consumer horticulture education in the community. This unique volunteer program has become internationally recognized and often duplicated as a model for other volunteer programs. Today, Extension Master Gardener programs exist in all 50 states and the District of Columbia, several Canadian provinces, and South Korea.

The **Core Values** of the Master Gardener program include:

- Discovery
- Collaboration
- Local effectiveness
- Inclusion
- Lifelong learning
- Unbiased research-based information

(Source: <https://mastergardener.extension.org/>)

**Agenda Action Request  
Cape Light Compact  
Meeting Date: 9/14/2022**



- 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

**Waive Section 8.3(l) of CLCJPE Policies and Procedures Manual (Vacation Buy-Back)**

**REQUESTED BY:** *Maggie Downey*

***Proposed Motion(s)***

*I move under the unique circumstances of this date the CLCJPE Board of Directors vote to waive section 8.3(l) of the CLCJPE Policies and Procedures Manual and allow all Compact employees to buy-back up to 20 days of their existing accrued vacation days, on, or before October 31, 2022.*

*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.*

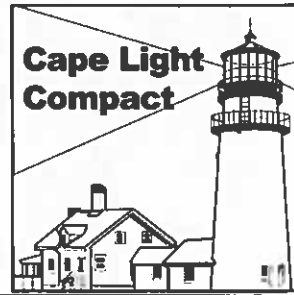
***Additional Information***

As noted in Section 8.3(l), attached, staff are eligible to buy-back vacation upon reaching 15 years, or more, of continuous service with the Compact. It is in the Compact's best interest to reduce staff's accrued vacation days, because allowing vacation buy-back by compensating staff for unused vacation time, reduces Compact's financial liability. For these reasons, the Compact Administrator respectfully requests that the Board consider waiving Section 8.3(l) of the Personnel Policies and allowing interested staff to buy-back up to 20 vacation days. Four Compact staff have expressed an interest in participating and the estimated total budget impact is approximately \$25,000.

***Record of Board Action***

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

**Agenda Action Request  
Cape Light Compact  
Meeting Date: 9/14/2022**



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- Truro
- Wellfleet
- West Tisbury
- Yarmouth

**Reconciliation of Shared Costs Between Power Supply Fund and 2019-2021 Energy Efficiency Fund**

**REQUESTED BY:** *Maggie Downey*

***Proposed Motion(s)***

*I move to approve the Comptroller's transfer to the Energy Efficiency Fund of \$124,509.00 from the Power Supply Fund for a required shared cost adjustment.*

*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***

As a result of the DPU Order on Shared cost allocation, the Cape Light Compact must comply with the DPU approved allocation for all shared costs. The Board allocation policy and methodology was overridden by the DPU. The shared costs allocation methodology approved by the DPU is as follows: 94% energy efficiency and 6% shared costs. This resulted in \$124,509.00 of shared costs from the 2019-2021 time period being reallocated under the DPU approved methodology.

Shared costs include rent, telephone, audit fees treasury services, some staff salaries, internet, software, utilities, pension reserve and OPEB.

***Record of Board Action***

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

CAPE LIGHT COMPACT  
POWER SUPPLY FUND BALANCE REPORT

FUND BALANCE AS OF DECEMBER 31, 2021 (UNADJUSTED)	1,801,555.62
ADJUSTMENT: TRANSFER TO ENERGY EFFICIENCY FUND FOR 2019 SHARED COST ADJUSTMENT	(124,509.00)
FUND BALANCE AS OF DECEMBER 31, 2021 (ADJUSTED)	<u>1,677,046.62</u>

# Fall Main Streets

Town	Dates
Oak Bluffs*	9/13-9/14
West Tisbury**	9/15
Provincetown**	9/20-9/22
Bourne*	10/4-10/6
Harwich*	10/18-10/20

\*Up to 100% incentive - Environmental Justice Community

\*\*Up to 80% incentive



## 2022 Operating Budget Expense Report 8/31/22

ORG	OBJECT	ACCOUNT DESCRIPTION	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	AVAILABLE BUDGET	% USED
01001	5110	OP-SALARIES	\$ 113,000.00	\$ 113,000.00	\$ 65,566.19	\$ 47,433.81	58.00
01001	5119	OP-SALARY RESERVE	\$ 5,000.00	\$ 5,000.00	\$ -	\$ 5,000.00	0.00
01001	5171	OP-RETIREMENT	\$ 45,500.00	\$ 45,500.00	\$ 23,524.56	\$ 21,975.44	51.70
01001	5173	OP-GROUP INSURANCE	\$ 25,000.00	\$ 25,000.00	\$ 12,997.38	\$ 12,002.62	52.00
01001	5174	OP-MEDICARE/OTHER TAXES	\$ 2,000.00	\$ 2,000.00	\$ 903.70	\$ 1,096.30	45.20
01001	5175	STATE UNEMPLOYMENT INSURANCE	\$ 621.00	\$ 621.00	\$ 113.45	\$ 507.55	18.30
01001	5179	OP-MISC FRINGES	\$ 567.00	\$ 567.00	\$ 21.81	\$ 545.19	3.80
01001	5180	OP-RETIREMENT LIABILITY	\$ 41,487.00	\$ 41,487.00	\$ -	\$ 41,487.00	0.00
01001	5181	OP-OPEB LIABILITY	\$ 28,133.00	\$ 28,133.00	\$ -	\$ 28,133.00	0.00
01001	5210	OP-UTILITIES	\$ 500.00	\$ 500.00	\$ 58.61	\$ 441.39	11.70
01001	5270	OP-MISC RENTALS	\$ 1,200.00	\$ 1,200.00	\$ 148.50	\$ 1,051.50	12.40
01001	5272	OP-RENT	\$ 25,875.00	\$ 25,875.00	\$ 4,140.00	\$ 21,735.00	16.00
01001	5290	OP-CUSTODIAL SERVICES	\$ 3,900.00	\$ 3,900.00	\$ 697.50	\$ 3,202.50	17.90
01001	5301	OP-ADVERTISING	\$ 40,000.00	\$ 40,000.00	\$ 29,433.04	\$ 10,566.96	73.60
01001	5302	OP-PUBLIC MARKETING SUPPORT	\$ 57,343.00	\$ 57,343.00	\$ 29,240.79	\$ 28,102.21	51.00
01001	5309	OP-IT SERVICES	\$ 1,200.00	\$ 1,200.00	\$ 417.90	\$ 782.10	34.80
01001	5313	OP-STAFF PROFESSIONAL DEVELOP	\$ 5,000.00	\$ 5,000.00	\$ 2,296.81	\$ 2,703.19	45.90
01001	5314	OP-PAYROLL SERVICES	\$ 640.00	\$ 640.00	\$ 80.55	\$ 559.45	12.60
01001	5315	OP-LEGAL SERVICES	\$ 245,100.00	\$ 375,100.00	\$ 232,689.04	\$ 142,410.96	62.00
01001	5316	OP-AUDIT FEES	\$ 5,000.00	\$ 5,000.00	\$ 2,190.00	\$ 2,810.00	43.80
01001	5318	OP-TREASURY SERVICES	\$ 2,620.00	\$ 2,620.00	\$ 5,888.00	\$ (3,268.00)	224.70
01001	5319	OP-CONTRACTUAL	\$ 25,000.00	\$ 25,000.00	\$ 38,703.14	\$ (13,703.14)	154.80
01001	5320	OP-OUTREACH/MARKETING CONTRACT	\$ 75,000.00	\$ 75,000.00	\$ 31,834.76	\$ 43,165.24	42.40
01001	5341	OP-POSTAGE	\$ 10,000.00	\$ 10,000.00	\$ 4,085.96	\$ 5,914.04	40.90
01001	5343	OP-TELEPHONES	\$ 1,200.00	\$ 1,200.00	\$ 788.39	\$ 411.61	65.70
01001	5344	OP-INTERNET	\$ 4,000.00	\$ 4,000.00	\$ 755.35	\$ 3,244.65	18.90
01001	5345	OP-PRINTING	\$ 5,000.00	\$ 5,000.00	\$ 6,374.80	\$ (1,374.80)	127.50
01001	5400	OP-SUPPLIES	\$ 1,500.00	\$ 1,500.00	\$ 193.76	\$ 1,306.24	12.90
01001	5490	OP-FOOD SUPPLIES	\$ 1,500.00	\$ 1,500.00	\$ 1,260.95	\$ 239.05	84.10
01001	5710	OP-TRAVEL IN STATE	\$ 10,000.00	\$ 10,000.00	\$ 497.85	\$ 9,502.15	5.00
01001	5720	OP-TRAVEL OUT STATE	\$ 5,000.00	\$ 5,000.00	\$ 4,169.17	\$ 830.83	83.40
01001	5730	OP-SPONSORSHIPS	\$ 51,000.00	\$ 51,000.00	\$ 42,315.00	\$ 8,685.00	83.00
01001	5731	OP-SUBSCRIPTIONS	\$ 25,000.00	\$ 25,000.00	\$ 20,320.00	\$ 4,680.00	81.30
01001	5732	OP-SOFTWARE LICENSES	\$ 1,916.00	\$ 1,916.00	\$ 1,042.53	\$ 873.47	54.40
01001	5741	OP-INSURANCE	\$ 16,000.00	\$ 16,000.00	\$ 3,510.54	\$ 12,489.46	21.90
01001	5789	OP-UNPAID BILLS	\$ 500.00	\$ 500.00	\$ -	\$ 500.00	0.00
01001	5850	OP-MISC EQUIPMENT	\$ 500.00	\$ 500.00	\$ 372.60	\$ 127.40	74.50
01001	5854	OP-FINANCIAL SOFTWARE SYSTEM	\$ 5,000.00	\$ 5,000.00	\$ -	\$ 5,000.00	0.00
01001	5855	OP-COMPUTER EQUIPMENT	\$ 1,500.00	\$ 1,500.00	\$ -	\$ 1,500.00	0.00
01001	5900	CONTINGENCY	\$ 65,000.00	\$ 65,000.00	\$ -	\$ 65,000.00	0.00
		<b>Expense Total</b>	<b>\$ 954,302.00</b>	<b>\$ 1,084,302.00</b>	<b>\$ 566,632.63</b>	<b>\$ 517,669.37</b>	<b>52.30</b>

January-August 2022 Mil Adder Revenue \$ 702,649.00