

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

DATE: Wednesday, October 12, 2022
LOCATION: Cape Light Compact Offices – Martha’s Vineyard Conference Room
261 Whites Path, Unit 4, South Yarmouth
TIME: 2:00 – 4:30 p.m.

Note: The meeting will be held as a hybrid meeting (in-person and 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 by 2:00 PM on Tuesday, October 11, 2022, and should follow the public comment protocol below. Written public comments received after the October 11th deadline will be distributed prior to the Compact’s next Board meeting.

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

Meeting ID: 874-5851-1330

Passcode: 140152

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

AGENDA

1. Public Comment
2. Approval of September 14, 2022, Open Session Minutes
3. Chairman’s Report, Martin Culik
4. Update on CLC and Utility Program Administrators Winter Pricing Mitigation Strategy, Isabelle Caplan
5. Presentation and Potential Vote on Cape & Vineyard Electrification Offering (CVEO) 3.0, Mariel Marchand
6. Presentation on the MA Climate Bill and Inflation Reduction Act, Audrey Eidelman Kiernan, KO Law
7. Administrator’s Report, Maggie Downey
 - A. Community Education Grants Awarded
 - B. 2021 Audit Update
 - C. Upcoming November 1st Energy Efficiency Surcharge Filing
8. Board Member Update (Reserved for Updates on Member Activities the Chair Did Not Reasonably Anticipate Would be Discussed – No Voting)
9. **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 review and approve the September 14, 2022 Executive Session Minutes regarding: (1) consideration of strategy and potential vote regarding pending litigation related to the Eversource Rate Case, D.P.U. 22-22; and (2) consideration of 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 October 12, 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 October 12, 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 by 2:00 PM on Tuesday, October 11, 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 October 11th 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, October 12, 2022, at the Cape Light Compact JPE's web site at www.capelightcompact.org. Documents exempt from disclosure pursuant to the Public Records Law or protected by the attorney-client privilege shall not be included.

**Cape Light Compact JPE
Governing Board
Meeting Minutes
Wednesday, September 14, 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, September 14, 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. Colin Odell, Executive Committee, Brewster
4. Peter Cocolis, Chatham
5. Timothy Carroll, Chilmark
6. Meghan Gombos, Dukes County
7. Alan Strahler, Edgartown
8. Valerie Bell, Harwich
9. Wayne Taylor, Mashpee
10. Martin Culik, Chair/Executive Committee, Orleans
11. Leanne Drake, Sandwich
12. Richard Elkin, Executive Committee, Wellfleet
13. Erik Peckar, Executive Committee, West Tisbury
14. Joyce Flynn, Vice Chair/Executive Committee, Yarmouth

Absent Were:

1. Forrest Filler, Aquinnah
2. Brad Crowell, Dennis
3. Matthew Patrick, Falmouth
4. Dion Alley, Oak Bluffs
5. Nathaniel Mayo, Provincetown
6. Kirk Metell, Tisbury
7. Jarrod Cabral, Truro

Legal Counsel Participating Remotely:

Audrey Eidelman Kiernan, Esq., KO Law, P.C.
Rebecca Zachas, Esq., KO Law, P.C

Staff Participating Remotely:

Izzi Caplan, Communication Coordinator
Maggie Downey, Administrator
Mariel Marchand, Power Supply Planner
Melissa Allard, Senior Administrative Coordinator
Phil Moffitt, Chief Financial Officer

Public Participants:

None.

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

PUBLIC COMMENT:

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

PRESENTATION ON ENERGY MARKETS, NEXTERA ENERGY, MIKE ZENKER:

Mike Zenker reviewed New England Energy Market Outlook for Cape Light Compact PowerPoint.

Mike Zenker stated that forward power prices are closely correlated with forward natural gas prices in most United States power markets. Rising natural gas prices is the main driver pushing New England power prices higher.

Mike Zenker stated that the number of United States coal mines has decreased by 62% since 2008 from reduced investment in the coal industry and less demand for coal in the United States electric power sector. He stated that 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.

Mike Zenker stated that the invasion of Ukraine by Russia has caused European natural gas prices to increase. Russia is a substantial supplier of natural gas in Europe. He stated that because of the invasion Europe has pledged to move completely away from Russian natural gas. On September 5th, Russia shut off the Nordstream 1 pipeline indefinitely..

Mike Zenker stated United States (US) Liquefied Natural Gas (LNG) exports ramped higher through 2021 and 2022 as new LNG export facilities opened and demand was strong after it collapsed in 2020 due to COVID. He stated that the United States, and specifically New England, market is pricing in the risk that if we have a very cold winter that prices will have to rise up to European equivalents to keep US LNG from being exported. He stated that it is unlikely, it would have to be a really cold winter. He stated that several LNG export projects are competing to secure sufficient customer commitments to move forward. With United States LNG exports running at capacity and no new United States LNG available until 2025, Europe will need to bid for existing cargoes. He stated that we expect United States LNG export capacity to roughly double by 2032.

Mike Zenker stated that natural gas supply is growing again after the collapse due to COVID. However, it is not growing as fast as it has in the past because some of the regions that have supply growth capability don't have new pipeline capacity. Northeast supply growth will be hampered by the lack of new pipeline capacity.

Mike Zenker stated that natural gas inventories are expected to remain below the 5-year average heading into winter. He stated that that this does cause natural gas prices to be a little more volatile than they otherwise would be. 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.

Erik Peckar asked if Mike Zenker has any insight on the offshore wind procurement happening in Massachusetts and how it may impact electricity rates going forward. Mike Zenker stated that New England is going to see a lot of renewable energy come to market. He stated it will lessen the demand for natural gas in the

power space. He stated that because it is not clear when these renewable projects are going to come on, the electric market has not priced those in at this time.

1. Speaking Points for Boards of Selectmen/Town Council, Mariel Marchand

Mariel Marchand stated that the Board had asked Compact staff to put together a set of talking points should Board Members want to provide public comment at Select Board meetings on the expected rate increase this coming winter. She stated that those have been put together and are in the Board Packet. She stated that Maggie Downey and herself are available to join Board Members in meetings to provide comments if that would be helpful. Martin Culik encouraged Board Members to take the opportunity to update their Select Boards.

MA DEPARTMENT OF PUBLIC UTILITIES CHAIRMAN MATTHEW NELSON:

Chairman Matt Nelson introduced himself. He stated that he is the current Chair of the Massachusetts Department of Public Utilities (DPU) and has been so for the last 4 years. He stated that prior to being the DPU Chair he worked in the energy efficiency field. He stated he wanted to come here today because the Compact Board is active on a number of different energy issues and the DPU, as a regulatory forum over energy efficiency and to some degree, municipal aggregation, interacts with the Compact routinely. He stated that he has noticed Board Members come to the DPU to make public comments and statements. He felt like extending the same courtesy to make himself available to the Board to talk about the current state of affairs and about how the DPU and the Compact are working together.

1. MA Program Administrators Winter Pricing Mitigation Strategy

Chair Nelson stated that he was going to talk about winter pricing but believes that the previous presentation went over that well. He stated that the rates for electricity, natural gas, oil and propane are going to be high, some of the highest we've seen in a long time. He stated that the DPU is working with utilities and other industry officials to get targeted and expanded marketing out there to make sure that people prepare themselves and their homes. The Compact plays a unique role as a municipal aggregation that has an energy efficiency program. He stated it is a critical piece to the puzzle given the fact that we cannot control LNG prices, that the best option is for people to reduce the demand on their homes and businesses. He stated that the Compact has done an excellent job at adapting marketing to state how to both save energy and alleviate the system burden.

2. MA Climate Bill and Pilot Similar to CVEO

Chair Nelson stated that the DPU and the Compact have been at odds over some frameworks of the Cape and Vineyard Electrification Offering (CVEO). He stated that we have recently been working together along with the legislature to create a framework that will distinguish how solar would work under the existing framework for energy efficiency. He stated that the core issue is that the DPU must consider how these programs impact customers' bills. He stated that where we have primarily been at odds is that the DPU wants to make sure customers who are putting solar on their homes pay an incentive for that one time, they do not want customers paying too much and the DPU feels it has an obligation to know where the money is coming from. He stated that the new legal framework we are working on has the ability to merge how the Compact has been offering the renewable model with their existing energy efficiency model. He stated that we will see how the actual filing goes. Renewable generation is designed to make power and meet the demand of the electric grid and those are usually large-scale generators. He stated the Compact however, is focused on local sourcing. He stated

that the energy efficiency program is looking to test to see if it can reduce the onsite load and therefore require less energy. He stated that this new legal framework would help customers to take advantage of that goal.

Richard Elkin asked if there are any initiatives to promote time of use rates, particularly to support electric vehicles. Chair Nelson answered yes, we do. There is an open docket related to the matter. He stated that recent legislation along with the grid modernization and the current docket are leading us to look at the future of time varying rates.

Colin Odell stated that Chair Nelson spoke of CVEO almost entirely to energy efficiency. He stated that a bigger impact is decarbonization. He asked Chair Nelson how you reconcile the current emphasis on making sure it works for energy efficiency with the fact that no matter what you do if you go to decarbonization you are going to increase people's electric bills. The onsite solar is a necessary component to offset that increase in electric usage. He stated that it appears that decarbonization is not recognized as a goal. Chair Nelson stated energy efficiency itself decreases carbon emissions. It is one of the more powerful tools deployed in New England. He stated that if we are moving toward electric heat pumps and electric vehicles, the demand for electricity is going up and as we heard in the previous presentation, natural gas is driving electricity prices. He stated that the DPU's mission is to achieve decarbonization but at the least cost. He stated we want to make sure those getting the value are the customers. Colin Odell stated that there is still the fact that in order to test it you have to do it and so far, the DPU has not shown the willingness to let the Compact do it. Chair Nelson stated that now working with the Compact and the new legislation, there is a path to moving forward.

PRESENTATION ON THE MA CLIMATE BILL AND INFLATION REDUCTION ACT, AUDREY EIDELMAN KIERNAN, KO LAW:

Martin Culik stated that there is a presentation on the Massachusetts Climate and Inflation Reduction Act that was sent out this morning. He stated that he would like to table it to next month's Board Meeting. Audrey Eidelman Kiernan stated that the extra month may be useful. It is very new legislation both at the federal and state level. She stated that a lot of guidance is pending and so there may be more detail in October.

PRESENTATION ON CAPE LIGHT COMPACT'S 2019-2021 ENERGY EFFICIENCY TERM REPORT, PHIL MOFFITT:

Phil Moffitt reviewed the Cape Light Compact Energy Efficiency 2019-2021 Term Report PowerPoint. He stated that the Compact filed its term report last month. The DPU is reviewing, and we are preparing ourselves for information requests.

Phil Moffitt stated that overall, the Compact did well, given some of the challenges that CLC and other Program Administrators (PAs) faced due to COVID. He stated that in terms of annual and lifetime savings the Compact did well. We achieved 92% of our annual goal and 100% of the lifetime goal. He stated that the Compact did well in term of benefits. The Compact nearly met its goal in the residential sector. However, COVID negatively impacted the low income and commercial sector. He stated that were supply and demand issues when it came to things like appliance, reluctance from customers to do remote audits, and labor shortage. He stated that in terms of the benefit cost ratio (BCR), the Compact did \$1.70 return on each \$1.00 invested. The BCRs were not as high as planned.

Phil Moffitt stated that the Compact's cost of saved energy (COSE) is about 35% higher than statewide average costs. In residential, the Compact has a higher COSE due to measure mix. The Compact installed more high-cost measures compared to other PAs. In commercial, 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.

Phil Moffitt stated as of 2021, there were about 10,000 customers on the low-income discount rate in the Compact's service territory and from 2004 through 2021, the Compact served about 7,000 or about 70 percent of eligible customers. He stated that of the remaining roughly 3,000 customers/non-participants, about half heat their home with natural gas and the Compact cannot comprehensively serve these customers. They are served by National Grid. That leaves about 1,500 customers that the Compact has not served yet. He stated that Compact is strategizing on how to best reach those customers.

Phil Moffitt stated that the Compact asked DNV to do some extra analysis on residential participation. He stated that they found that the Compact's territory has an average vacancy rate of 44%. Vacancy rate being defined as household that is occupied for 2 months or less. He stated that the average vacancy rate for other electric program administrators is around 7%. He stated that they also found that participation rates and vacancy rates correlate. The Compact is continuing to explore barriers to participation.

DISCUSS SUPPORT OF EVERSOURCE BATTERY AND SOLAR PROJECT ON WILLOW STREET IN YARMOUTH, THE SUBJECT OF D.P.U. 22-64, MARIEL MARCHAND:

Mariel Marchand reviewed Update on Eversource Yarmouth Solar + BESS Proposal (DPU 22-64) PowerPoint.

Mariel Marchand stated that Eversource submitted a filing on June 1st 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. She stated that this system will provide peak demand reduction and resiliency. It is expected to allow the site to operate without fossil fuel generators for 12 hours in the event of a power outage.

Mariel Marchand stated Eversource anticipates that the system would generate between \$367,000 to \$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 and outreach to determine what that will look like. She stated that 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.

Mariel Marchand stated that letters of support in the DPU docket are due on September 21st. The Town of Yarmouth has submitted a letter of support with the filing and Eversource has discussed the project with the Yarmouth Energy Committee.

Richard Elkin asked where the funds are coming from. Mariel Marchand stated that it will come from all rate payers, and that there would be bill impacts. She stated that the residential (R1) bill impacts in Eastern Massachusetts will be about 6 cents per month. Richard Elkin asked why the savings are not being returned to the people paying for it. Audrey Eidelman Kiernan stated that part of this stems from the 2021 Climate Bill. What Eversource is proposing is consistent with what the legislature put in that bill which was projects in environmental justice communities.

Peter Cocolis asked if we decide to do a letter of support, would it make sense to reinforce that this project help low-income customers. Joyce Flynn stated that she would love to see a letter of support. She stated that it takes

not just a low-income community and one that is risk of factors that affect electricity, but it also takes one with utility anchorage to put it on and that is where Eversource is.

Colin Odell asked if a resident in an EJ community is necessarily the same as low-income. Maggie Downey stated that they have not finalized anything yet. She stated that she believes that Eversource is considering serving both low-income customers and EJ communities. Colin Odell asked if in the letter we should make a comment that it should only go to low-income customers. Martin Culik asked for clarification on whether just for Yarmouth or Cape wide. Colin Odell stated that however they decide on the distribution area, that it should only go to low-income customers in that area. Martin Culik stated that it would be nice if they could include Barnstable since Eversource is close to the town line. Audrey Eidelman Kiernan stated that the legislation is on focused a municipality basis therefore she does not think that would comply with what the legal structure is for them to do these projects.

David Anthony asked if the Compact is writing a letter of support to Eversource or a letter of support for projects like this that serve a certain community. He stated that he would rather see a letter stating that projects like this are a part of the Compact's mission. Maggie Downey stated that this is a DPU docket, so the Compact will be responding to the DPU's request for public comment in the docket. She stated that we can craft a letter stating that the Compact supports the pursuit of renewable energy projects and raise how we would like to see benefits attributed to low-income customers.

Maggie Downey asked for a sense of the Board on whether they would like the Compact to send a letter of support. Sense of board is yes, they would.

APPROVAL OF MINUTES:

The Board considered the July 13, 2022, Open Session Meeting Minutes and July 13, 2022 Executive Session Minutes.

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

David	Anthony	Barnstable	Yes
Robert	Schofield	Bourne	Yes
Colin	Odell	Brewster	Abstained
Peter	Cocolis	Chatham	Yes
Timothy	Carroll	Chilmark	Yes
Meghan	Gombos	Dukes County	Yes
Alan	Strahler	Edgartown	Yes
Valerie	Bell	Harwich	Yes
Wayne	Taylor	Mashpee	Yes
Martin	Culik	Orleans	Yes
Leanne	Drake	Sandwich	Yes
Richard	Elkin	Wellfleet	Yes
Erik	Peckar	West Tisbury	Yes
Joyce	Flynn	Yarmouth	Yes

Motion carried in the affirmative (13-0-1)

CHAIRMAN'S REPORT:

1. Introduce Compact Residential Energy Efficiency Analyst, Stephen McCloskey

Stephen McCloskey stated that he started at the Compact about a month ago now. He stated that previously he was working at the Whale and Dolphin Conservation in Plymouth as the education coordinator. He stated he is excited to be learning new things and that it is great to be here.

2. Confirm Attendance for October Board Meeting - will be a hybrid meeting

Martin Culik stated that we will be in person for the October Board Meeting. Maggie Downey stated that four members of the executive committee need to be present. She stated as we get closer, we will determine which four plan to be present. Other than that, it is still a hybrid meeting.

3. Introduce Proposed Program for Connecting Consumers and Energy: Master Energy Program

Martin Culik stated that he sent Maggie Downey a one pager that he put together called the Master Energy Program to share it with the Board. He stated that 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 and was based off of the Master Gardening Program. He stated that he believes that within the next few years there is going to be a huge public demand for information and resources regarding energy efficiency. He stated that he presented to the Orleans and Outer Cape Energy Committee, and they are both interested. He is also planning to present to the collective energy committees on Cape Cod and Martha's Vineyard meeting coming up. He stated that he wanted to share with the Board to see if they have any interest in this kind of program.

Valerie Bell stated that she agrees that there is a big gap in what people understand. She did a shout out to Richard Elkin for the series of videos that were helpful in educating people. She stated that that is something that we could do is create videos and get them on local TV stations to get the word out.

Richard Elkin stated that he supports it. He stated having energy committees is a good first step. He asked about how the training would go. Martin Culik stated that it would be formal training and hoping for about 20-25 people. He stated that he does not want to train people to be technical experts, he wants to train people on how to help others find information that they need, identify resources, find vendors, etc.

Erik Peckar stated that he wholeheartedly supports this concept. It is a critical piece of a lot of outreach education. Peter Cocolis stated that he thinks it is a great thing to do. Joyce Flynn stated that we should include references to all librarians on Cape Cod and Martha's Vineyard.

Meghan Gombos left meeting at 4:02 PM.

ADMINISTRATOR'S REPORT:

1. Community Education Grant Update

Maggie Downey stated that applications for the community education grant were due on August 31st. She stated that three entities applied. Because this is a statewide effort it will be reviewed as a collective. She stated that the entities are Pleasant Bay Boating, Vineyard Power, and the Faith Community Environmental Network.

2. Potential Vote on Vacation Buy-Back for CLC Staff

Maggie Downey stated that there are approximately four staff members that are interested in the vacation buy-back and the budget impact is less than \$25,000. David Anthony stated that this is something reviewed on a year-to-year basis so that it does not create any expectation that this will happen every year.

David Anthony moved under the unique circumstances of this date the CLCJPE Board of Directors vote to waive section 8.3(1) 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. Seconded by Robert Schofield

David	Anthony	Barnstable	Yes
Robert	Schofield	Bourne	Yes
Colin	Odell	Brewster	Yes
Peter	Cocolis	Chatham	Yes
Timothy	Carroll	Chilmark	Yes
Alan	Strahler	Edgartown	Yes
Valerie	Bell	Harwich	Yes
Wayne	Taylor	Mashpee	Yes
Martin	Culik	Orleans	Yes
Leanne	Drake	Sandwich	Yes
Richard	Elkin	Wellfleet	Yes
Erik	Peckar	West Tisbury	Yes
Joyce	Flynn	Yarmouth	Yes

Motion carried in the affirmative (13-0-0)

3. Potential Vote on Appropriation of Funds from Power Supply Reserve Fund to Energy Efficiency Fund

Maggie Downey stated that to cleanup the fund balances the Compact needs to move \$124,509.00 from the Power Supply Reserve Fund to the Energy Efficiency Fund. She stated that this is a requirement due to the DPU Order on Shared Costs. Daniel Sullivan stated that each year the Compact works with Synapse to make sure it is in compliance with the DPU Order. He stated that each year we look at Synapse’s findings and make an adjustment. He stated in 2019 an adjustment was not made and because of that this vote needed to be brought to the Board.

Robert Schofield moved 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. Seconded by Colin Odell.

David	Anthony	Barnstable	Yes
Robert	Schofield	Bourne	Yes
Colin	Odell	Brewster	Yes
Peter	Cocolis	Chatham	Yes
Timothy	Carroll	Chilmark	Yes
Alan	Strahler	Edgartown	Yes
Valerie	Bell	Harwich	Yes
Wayne	Taylor	Mashpee	Yes
Martin	Culik	Orleans	Yes
Leanne	Drake	Sandwich	Yes
Richard	Elkin	Wellfleet	Yes
Erik	Peckar	West Tisbury	Yes
Joyce	Flynn	Yarmouth	Yes

Motion carried in the affirmative (13-0-0)

4. Update on Discussions with Commonwealth Wind

Maggie Downey stated that she has participated in discussion with Commonwealth Wind to execute a non-binding Memorandum of Understanding (MOU) to which the Compact and Commonwealth Wind would explore the feasibility of the Compact's purchase of a small amount of extra uncommitted energy and Renewable Energy Certificates (RECs) from the Commonwealth Wind project. She stated that the project is currently getting ready to be submitted to the state for review. She stated that if this does move forward any purchase agreements will be brought back to the Board.

David Anthony stated that he is okay with the MOU but he is nervous that they are using the Compact's name to help bolster their position. Maggie Downey stated that this came about because the Towns were asking how this project would benefit its residents and that is why they approached us. She stated that he raises a good point. Richard Elkin stated that he supports offshore wind and anything we can do to help it along. Audrey Eidelman Kiernan noted that the MOU will include a provision that allows the Compact to review and approve any public statements by Commonwealth Wind about the Compact's involvement

5. Main Streets

Maggie Downey stated that in the Board Packet is the schedule for the fall Main Streets events. They will be in Oak Bluffs, West Tisbury, Provincetown, Bourne, and Harwich.

OPEN SESSION VOTE ON ENTRY INTO EXECUTIVE SESSION PURSUANT TO M.G.L. c. 30A §§21(A)(3) AND (10) TO DISCUSS MATTERS BELOW, TO NOT RETURN TO OPEN SESSION:

Martin Culik at 4:17 PM moved to enter 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. Seconded by Robert Schofield.

David	Anthony	Barnstable	Yes
Robert	Schofield	Bourne	Yes
Colin	Odell	Brewster	Yes
Peter	Cocolis	Chatham	Yes
Timothy	Carroll	Chilmark	Yes
Alan	Strahler	Edgartown	Yes
Valerie	Bell	Harwich	Yes
Wayne	Taylor	Mashpee	Yes
Martin	Culik	Orleans	Yes
Leanne	Drake	Sandwich	Yes
Richard	Elkin	Wellfleet	Yes
Erik	Peckar	West Tisbury	Yes
Joyce	Flynn	Yarmouth	Yes

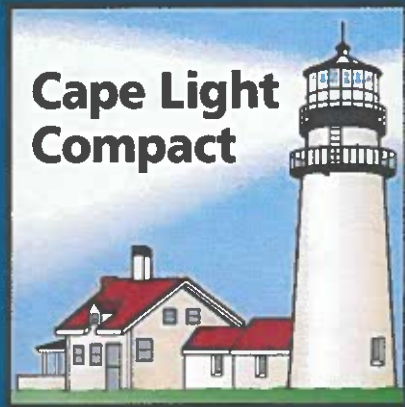
Motion carried in the affirmative (13-0-0)

Respectfully submitted,

Melissa Allard

LIST OF DOCUMENTS AND EXHIBITS:

- Meeting Notice/Agenda
- July 13, 2022, Draft Open Session Meeting Minutes
- New England Energy Market Outlook for Cape Light Compact PowerPoint
- Cape Light Compact Energy Efficiency 2019 – 2021 Term Report PowerPoint
- Update on Eversource Yarmouth Solar + BESS Proposal (DPU 22-64) PowerPoint



*Your Trusted, Local
Energy Resource*

Winter Pricing Mitigation: 2022 Marketing Effort



Overview

- In light of very high projected energy prices this winter and beyond, the Compact and Utilities – Program Administrators (PAs) - have added new offers to help customers prepare for winter
- Offers aim to increase program access to those most affected by the price increases
- The PAs have developed a joint marketing effort, and each PA is responsible for their own marketing efforts to educate customers about these offers
- Details of marketing efforts are reported to the DPU weekly



Statewide Campaign

Audience	Channel	Tactic	September				October					November				December		
			29	5	12	19	26	3	10	17	24	31	7	14	21	28	5	12
Residential & Small Business	Out-of-Home	Digital Billboards																
		Place-Based Digital																
	Radio	Terrestrial :30																
		Streaming :30																
	Paid Search	Text Ads																



Statewide Campaign: Billboard

HIGHER
energy costs
on the horizon.

Find all the ways you can save at MassSave.com



**WE ARE
MASS SAVE:**

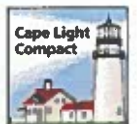


EVERSOURCE

Liberty

nationalgrid

Unitil



Statewide Campaign: Billboard

Flight Dates	Location	Location Description	Language
9/12 - 9/25	Rt 1 Wrentham	Rt 1 WS 263ft S/O Madison St F/S - 2	English
	I-290 Worcester	I-290 NS 2680ft E/O Rt 70 F/E	English
	I-495 Haverhill	I-495 ES 400 FT N/O Bank Road F/S	English
	I-93 Boston / SE Expressway	I-93/SE Expwy ES 382ft N/O Columbia Rd F/N - 2	English
	Lee Burbank Hwy Revere	Lee Burbank Hwy WS 15ft N/O Railroad St F/S	English / Spanish / Portuguese
	Rt 6 / Rt 28 Wareham	RT 6/RT 28 WS 800ft S/O Main Ave F/N - 1	English
	I-90 Mass Pike Brighton	I-90/Mass Pike SS 50ft W/O N Beacon St F/W - 1	English
	I-95 Peabody	I-95 WS 10ft N/O Rt 1S Exit F/N - 1	English
10/10 - 10/23	Rt 9 Westborough	Rt 9 SS 150ft E/O Northboro Line F/E - 1	English
	Rt 24 West Bridgewater	Rt. 24 W/S 3 Miles N/O Exit 14 (I-495) F/S	English
	I-90 Mass Pike Brighton	I-90/Mass Pike SS 50ft W/O N Beacon St F/W - 1	English
	I-95 / Rt 128 Wakefield	I-95/Rt 128 WS 500ft N/O North Av Exit Ramp(RP) F/S - 2	English
	Rt 9 Westborough	Rt 9 NS 529ft E/O Lyman St F/W - 2	English
	I-95 Peabody	I-95 WS 10ft N/O Rt 1S Exit F/N - 1	English
	I-93 Boston / SE Expressway	I-93/SE Expwy ES 382ft N/O Columbia Rd F/N - 2	English
	Rt 1 Malden	Rt 1 ES 3400ft N/O Lynn St F/N	English
10/3 - 10/31	I-290 Worcester	I-290 NS 2680ft E/O Rt 70 F/E	English
	I-93 Leverett Connector Boston	I-93 E/S 600 ft N/O Exit 26A Leverett Connector F/N	English
	I-90 Springfield	I-90 Mass Pike @ 115 Baskin Dr, E/O Exit 49 SS	English
	I-195 Fall River	FALL RIVER, MA, S/S I-195, EX 14A	English / Spanish / Portuguese



Statewide Campaign: Billboard

10/31 - 11/27	I-90 Springfield	I-90 Mass Pike @ 115 Baskin Dr, E/O Exit 49 SS	English
	I-195 Fall River	FALL RIVER, MA, S/S I-195, EX 14A	English / Spanish / Portuguese
	Lee Burbank Hwy Revere	Lee Burbank Hwy WS 15ft N/O Railroad St F/S	English / Spanish / Portuguese
11/7 - 11/20	Rt 146 Worcester	Rt 146 ES 1.4mi N/O Masspike F/N - 1	English
	I-93 Boston / SE Expressway	I-93/SE Expwy ES 382ft N/O Columbia Rd F/N - 2	English
	I-90 Mass Pike Brighton	I-90/Mass Pike SS 50ft W/O N Beacon St F/W - 1	English
	I-93 Leverett Connector Boston	I-93 W/S 3500 ft S/O Exit 26A (Leverett Connector/Storrow Drive) F/N	English
	I-495 Lawrence	I-495 W/S 1500 ft N/O Exit 45/Merrimack St F/N	English / Spanish
	Rt 6 / Rt 28 Wareham	RT 6/RT 28 WS 800ft S/O Main Ave F/N - 1	English
	Rt 9 Westborough	Rt 9 NS 529ft E/O Lyman St F/W - 2	English
11/28 - 12/25	I-91 Chicopee	I-91 @CENTER ST 1500'S/O EX 10, CHICOPEE	English
	I-195 New Bedford	NEW BEDFORD, MA, S/S I-195,EX 26	English / Spanish / Portuguese
	Rt 146 Worcester	Rt 146 ES 1.4mi N/O Masspike F/N - 1	English
	Rt 9 Westborough	Rt 9 NS 529ft E/O Lyman St F/W - 2	English
	Rt 1 Wrentham	Rt 1 WS 263ft S/O Madison St F/N - 1	English
11/28 -12/25	I-495 Lawrence	I-495 W/S 1500 ft N/O Exit 45/Merrimack St F/N	English / Spanish
	I-93 Leverett Connector Boston	I-93 E/S 600 ft N/O Exit 26A Leverett Connector F/N	English
	I-93 Boston / SE Expressway	I-93/SE Expwy ES 382ft N/O Columbia Rd F/N - 2	English
	I-95 Peabody	I-95 WS 10ft N/O Rt 1S Exit F/N - 1	English
	Rt 24 West Bridgewater	Rt. 24 W/S 3 Miles N/O Exit 14 (I-495) F/S	English
	I-90 Mass Pike Brighton	I-90/Mass Pike SS 50ft W/O N Beacon St F/W - 1	English



Statewide Campaign: Radio

From the grocery store all the way to the pump, the cost of everything is at an all-time high. That includes the cost of the energy you use to heat your home, power your devices and everything in between.

Across Massachusetts energy costs will continue to climb well into the winter months. That's why the Sponsors of Mass Save have energy saving solutions to lessen the financial impact. The time for you to act is now.

Get as far in front of the increased energy costs as you can with rebates, incentives, energy saving tips and enhanced program access at Mass Save dot com.

We are Mass Save: Berkshire Gas. Cape Light Compact. Eversource. Liberty. National Grid and Unitil.

Radio Ads
are in
English,
Spanish and
Portuguese



Statewide Campaign: Radio

English Language Radio Stations:

Boston: WBRK-FM, WUPE-FM, WBOS-FM, WBGB-FM, WBQT-FM, WBZ-FM, WKLB-FM, WMJX-FM, WROR-FM, WXKS-FM, WZLX-FM, WWBX-FM

Cape Cod: WCOD-FM, WEII-FM, WXTK-FM, WPXC-FM

New Bedford-Fall River: WBSM-FM, WCTK-FM, WFHN-FM

Springfield, WAQY-FM

Spanish Language Radio Stations:

Boston: WAMG-AM

Lawrence: WLLH-AM

Worcester: WORC-AM

Springfield: WSPR-AM

Portuguese Language Radio Stations:

New Bedford-Fall River: WJFD-FM



Statewide Campaign: Website

Our Sponsors

mass save
Save Shop Learn Search

Your Location
02038 MyENERGY Partners Contact English

Energy Costs are on the rise. Learn how to save.

Carbon neutrality is the future, and the Sponsors of Mass Save are all in. See the full report to learn more.

BERKSHIRE GAS Cape Light Compact EVERSOURCE Liberty nationalgrid Unitil

We are Mass Save.

The Sponsors of Mass Save are transforming the way Massachusetts residents and businesses use energy - providing financial support and technical services to help you save money and use less energy.

Learn more about us

MassSave.com



Statewide Campaign: Website

MassSave.com



Energy costs are increasing at record levels.
The Sponsors of Mass Save are here to help.
Prepare now to save energy this winter and beyond.

Why is energy more expensive?
Take many of the necessities we rely on every day, the cost of energy is also increasing. And due to global demand for energy and lagging production, these increases are expected to last through the winter and into the future.

Bills are likely to increase, but you can lessen the impact
The spikes we typically see on bills during the winter and summer when we use more energy to heat and cool our homes will be higher because of the increased energy costs. However, the Sponsors of Mass Save are working hard to keep costs low for customers while offering other avenues of relief.
You can further lessen the impact if you take steps to reduce your energy consumption, apply for financial assistance, or enroll in billing programs.

The Sponsors of Mass Save are committed to providing relief
We know this will be a tough time for many, so we are here to provide you with numerous ways you can minimize the impact of energy cost increases, by offering rebates and incentives on energy saving upgrades, providing you with no- and low-cost tips to reduce consumption, and guiding you toward billing assistance programs.

Three steps you can take to minimize the impact of cost increases

1. Explore your billing and payment options

You may be eligible for financial assistance. Information about State and Federally funded payment assistance programs that provide relief on winter heating bills is available on your utility's website. Local Community Action Agencies may also provide bill assistance and financial assistance toward home improvements. Even if you've never applied for payment assistance before, it is still worth looking into to see if you do qualify.

Enroll in a budget or balanced billing plan. Look into budget or balanced billing plans in which you pay the same amount each month for energy. Based on an estimate of your energy usage for the year, your utility will bill you in 12 equal payments. This will allow you to have a more predictable bill and spread out the winter and summer spikes in energy usage over the course of the year.

2. Make energy efficiency improvements to save money now and in the future

A no-cost [home](#) or [business](#) energy assessment is a great way to discover your energy savings opportunities – or take the online assessment for your [home](#) or [business](#). You may learn things about your home or business and the equipment in it that you didn't know before. Plus, you may qualify for weatherization upgrades that can reduce the amount of energy used while enhancing your comfort. This could include air sealing at no cost, insulation at 75%–100% of the installed cost, and upfront incentives to help cover the cost to address barriers to the recommended weatherization upgrades. Whether you start with a no-cost assessment or you know which upgrades you want to make, the Sponsors of Mass Save offer a [variety of rebates and incentives](#) on qualifying equipment, as well as [instant discounts](#) on energy-saving products at participating retailers and the [Mass Save Marketplace](#). You'll save on upfront costs, then see on your bills in the future.

Income eligible customers may be eligible for [enhanced rebates and no-cost upgrades](#).

3. Practice wise energy saving habits every day with no- and low-cost changes

You can reduce your energy consumption every day this winter with some low-cost, low-effort steps and improvements.

- Schedule an inspection and tune up of your space heating and water heating equipment. A professional will ensure your equipment is operating most efficiently. If your equipment needs replacing, make sure to take advantage of [Mass Save rebates](#) on eligible energy efficient equipment.
- Adjust your thermostat. Turn your thermostat down a few degrees whenever you are not at home or when you go to bed at night and when your business is closed. If your schedule is predictable, you can program (except for setbacks on a [programmable or smart thermostat](#)). Be sure to avoid setting it too low so your pipes do not freeze.
- Turn down your water heater. Most water heaters are factory set at 120 degrees, but 120 degrees is sufficient for average household use and is less likely to cause scalding.
- Replace furnace filters every month. A dirty filter will result in inefficient operation of your heating equipment, thus using more energy.
- Wash clothes in cold water. You'll save on water heating expenses. Always wash full loads.
- Install [low-flow showerheads](#) and [faucet aerators](#) to cut back on water usage.
- [DIY weatherization](#). Though comprehensive weatherization improvements completed by a professional are more effective at reducing drafts and air leaks, there are low-cost improvements you can make yourself. Installing storm windows can reduce heat loss by up to 35%. Seal up windows and doors with caulking and weatherstripping and by installing plastic film to cover windows inside to reduce energy leaks to the outside.

Find more no- and low-cost energy saving tips, by visiting our [Learn](#) section.

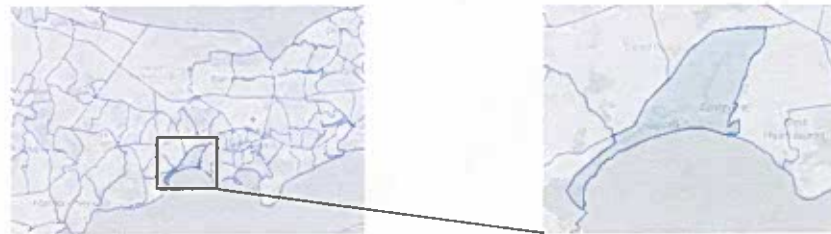


Geo-Targeted Offer Details

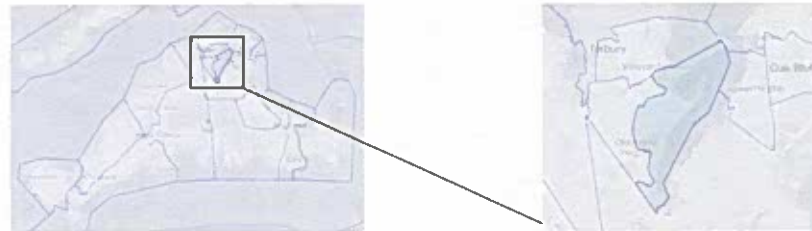
- 100% weatherization incentive for all customers who reside in select census blocks (hard-to-reach communities with lots of moderate income customers)

Census Tract	Town	Number of Qualifying Households
15000US250010127003	Barnstable	118
15000US250072001003	Tisbury	394

Census Tract in Barnstable



Census Tract in Tisbury

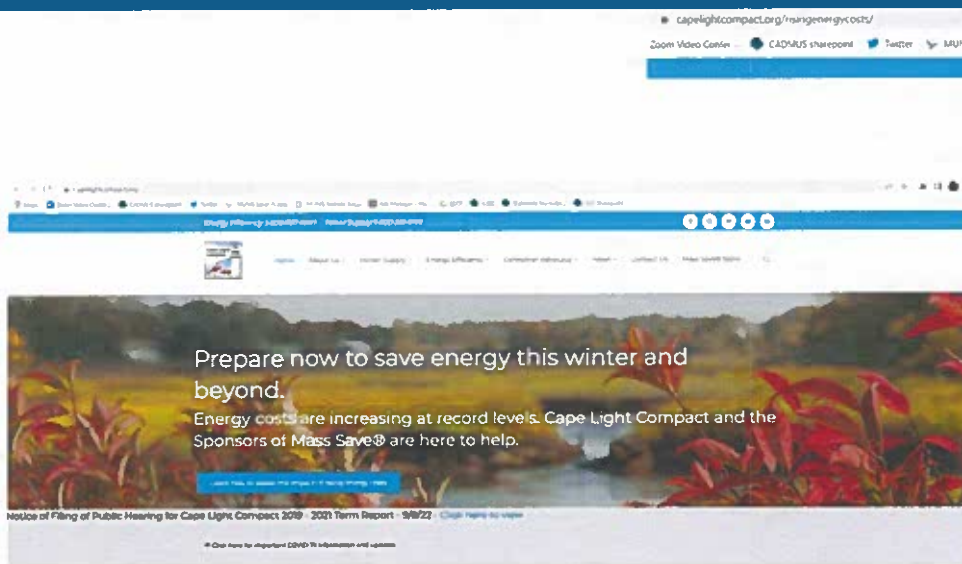


Offer Details

- \$7,000 barrier mitigation incentive for 2 - 4 unit rental buildings. Valid for remainder of term
- Online store discounts on: Tier 2 Advanced Power Strips weather stripping, window insulation kits, pipe wrap, and switch gasket insulation
- 100% weatherization incentive for non-owner occupied commercial buildings. Valid for remainder of term



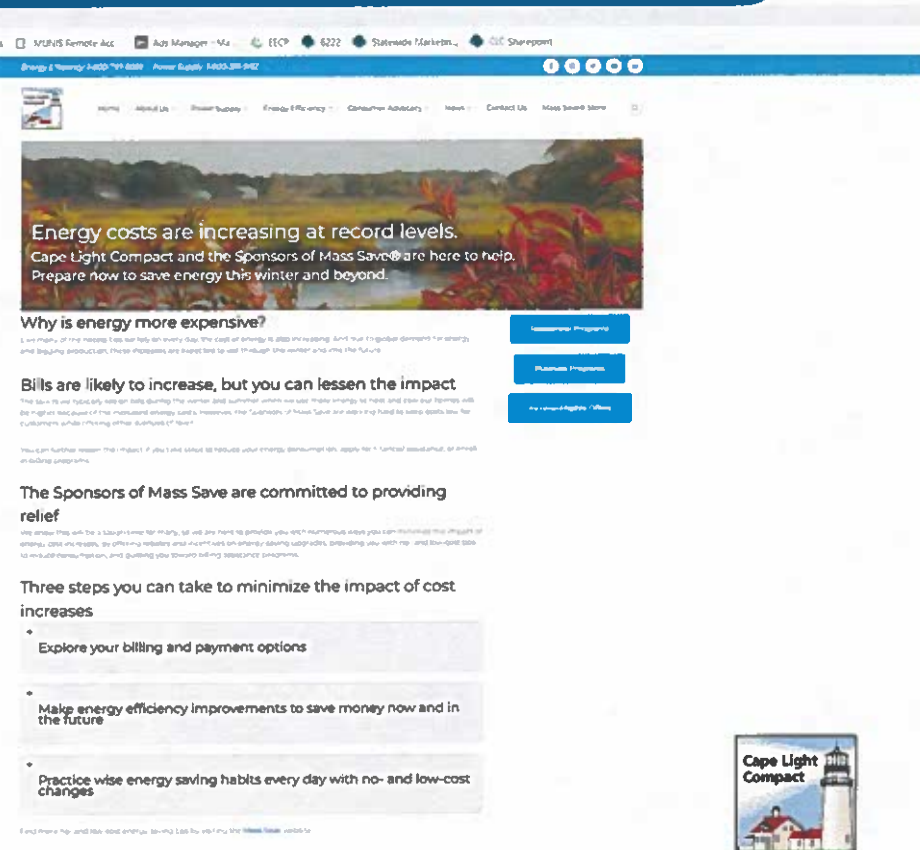
CLC Campaign: Website



Your Energy Resources at Cape Cod and Martha's Vineyard!

[CapeLightCompact.org](https://www.CapeLightCompact.org)

[CapeLightCompact.org/risingenergycosts](https://www.CapeLightCompact.org/risingenergycosts)



CLC Campaign: Marketing Plan

- Census block weatherization:
 - Direct mail- multiple sends (IN DEVELOPMENT)
- 2 – 4 unit rental incentive:
 - Outreach to property management/rental companies
- Online store:
 - Facebook ads (IN DEVELOPMENT), digital ads in local media
- Small business tenant weatherization:
 - Facebook ads, direct mail (IN DEVELOPMENT), outreach/owned channels



CLC Campaign: Other Marketing

- E-newsletter blast
- Outreach to towns/boards, community centers, key partners
 - Create collateral for distribution
- Mention of term-long offers in other marketing efforts



Thank you.

Questions?



**Agenda Action Request
Cape Light Compact
Meeting Date: 10/12/2022**



- 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*

Cape & Vineyard Electrification Offering (CVEO) 3.0

REQUESTED BY: *Maggie Downey*

Proposed Motion(s)

I move the CLCJPE Board of Directors vote to support submitting a revised Cape & Vineyard Electrification Offering (CVEO 3.0) to the Massachusetts Department of Public Utilities for review and approval.

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

See attached Power Point Presentation

Record of Board Action

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

Proposed Cape & Vineyard Electrification Offering 3.0 – Update

REVISED
October 12, 2022

**Cape Light
Compact**



Working Together Toward A Smarter Energy Future

CVEO 3.0: Why?



- Low and moderate-income customers continue to be left behind in terms of:
 - Solar
 - Generally cannot take advantage of tax credits
 - High upfront cost to purchase
 - Less than 5% of residential systems participating in the SMART program are for low-income customers
 - Electrification
 - High upfront cost to convert to heat pumps and ongoing operating costs when not paired with solar PV
 - Battery storage
 - Low and moderate-income customers cannot afford the up-front costs associated with storage. Statewide pay-for-performance (PFP) program will not drive storage adoption in this customer group
- LI customers tend to have high energy burdens (% of income spent on energy) – of particular concern now as electric and fuel prices continue to rise

Input from Department of Public Utilities



- Compact attended a Tech Session with the DPU in September to discuss filing a revised CVEO proposal complying with recent legislation
- Input from DPU included:
 - Start with HEA to ensure HP and solar PV are sized correctly
 - PV must be paired with electrification of home and sized to meet load. Goal is to get home as close to net zero as possible
 - Consider limiting number of customers receiving battery given high cost and impact on program budget
 - Explore the option of using sunlight backup as opposed to battery storage for resiliency
 - Focus on limiting bill impacts (will be a focus of the DPU)
 - Don't plan for IRA funding/tax credits because programs are not yet developed

Proposed Cape & Vineyard Electrification Offering



- Objectives
 - **100** total non-gas heated participants, tiered services by deed restricted status of home and income level:
 - **100% incentives for all three measures for customers 80% and below SMI living in deed restricted single family homes**
 - **Enhanced incentives for heat pumps and solar PV for customers between 61%-80% and below SMI living in non-deed restricted single family homes**
 - Convert oil, propane, electric resistance heat to cold climate heat pumps
 - Install PV systems to support electrification of heating system and reduce GHG emissions
 - Install a limited number of battery storage systems to evaluate resiliency and demand response benefits
- Addresses the issue of upfront cost barrier

CVEO Participant Incentives



	Income Level (SMI)		Customers			HP Incentive	Solar PV Incentive	Storage Incentive
			2023	2024	Total			
Deed Restricted	Low-Income	below 60%	15	35	50	100% (Statewide)	100%	100%
	Affordable	61-80%	9	21	30	100%	100%	100%
Non-Deed Restricted	Moderate-Income	61-80%	6	14	20	80% (max customer copay of \$5,000, financed w/ Heat Loan)	\$15,000 incentive. Finance balance w/ Heat Loan	Finance w/ Heat Loan
Total Participants			30	70	<u>100</u>			

Notes: Only 25% of customers will have batteries. Non-deed restricted customers will likely only have one battery due to the Heat Loan lending cap.

These numbers are likely to change as the Compact continues to develop the program, receives further feedback from Eversource (regarding interconnection) and the DPU, and implements the program.

2.0 to 3.0: Summary of Changes



- Narrower customer target, more variation in technology adoption between customers, lower cost, reduced bill impacts
- Customer will own all technologies
- Solar PV will not participate in SMART program and will not net meter (per legislation)
- Battery storage:
 - Customers not required to have batteries
 - Reduced the number of customers who will receive a battery
 - Reevaluated the number of batteries per customer
 - Changes due to high cost, limited resiliency with heat pumps
- Incentive levels:
 - Increased incentive for customers between 61-80% who live in deed restricted homes
 - Reduced incentive for customers between 61-80% who live in non-deed restricted homes (asking customers to use the Heat Loan to finance)

Proposed CVEO Budget



Updated CVEO	Heat Pumps	Solar PV	Storage	Total*
2023	\$560k	\$890k	\$250k	\$1.7M
2024	\$1.34M	\$2.27M	\$580k	\$4.2M
2023-2024	\$1.9M	\$3.16M	\$830k	\$5.9M

*Budget subject to final QC and program modifications.

Bill Impacts to Non-participants



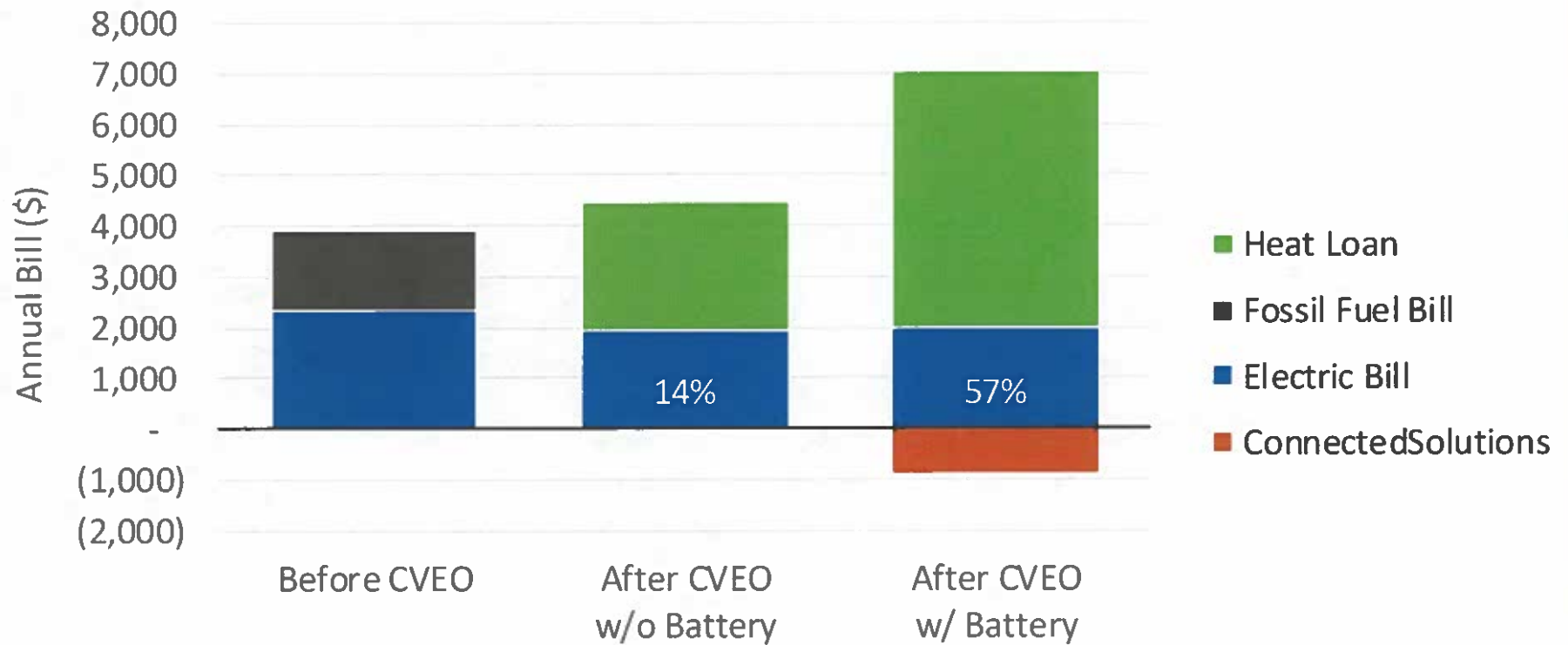
	Monthly Avg kWh	2023		2024	
		Increase in Monthly Bill	Increase as % of Total Bill	Increase in Monthly Bill	Increase as % of Total Bill
Bill impact specific to CVEO					
Rate R-1 Residential	516	0.79	0.45%	2.03	1.11%
Rate R-2 Residential Assistance	488	0.25	0.25%	0.62	0.64%
Rate R-3 Residential Space Heating	740	1.13	0.47%	0.44	0.27%
Rate R-4 Residential Assistance Space Heating	874	2.92	1.18%	1.12	0.69%

Impact to R-2 and R-4 customers only if CVEO budget is incremental to current income eligible program budget.
 The Compact expects the \$3.1M income eligible portion of the CVEO budget will come from the current income eligible program budget, in which case income eligible customers would not experience a bill impact specific to the CVEO budget.

Bill Impact to Participants



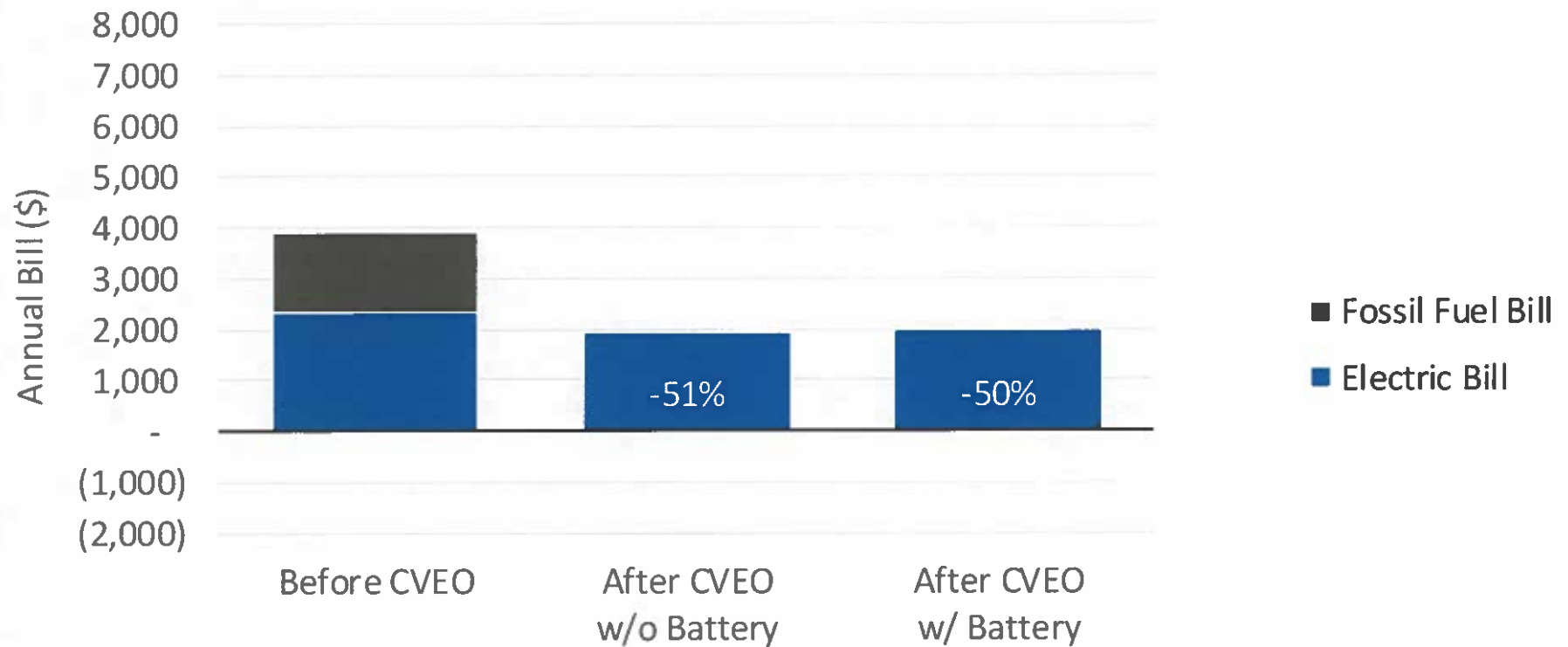
Moderate Income Customer Using Oil Heat Before CVEO



Bill Impact to Participants



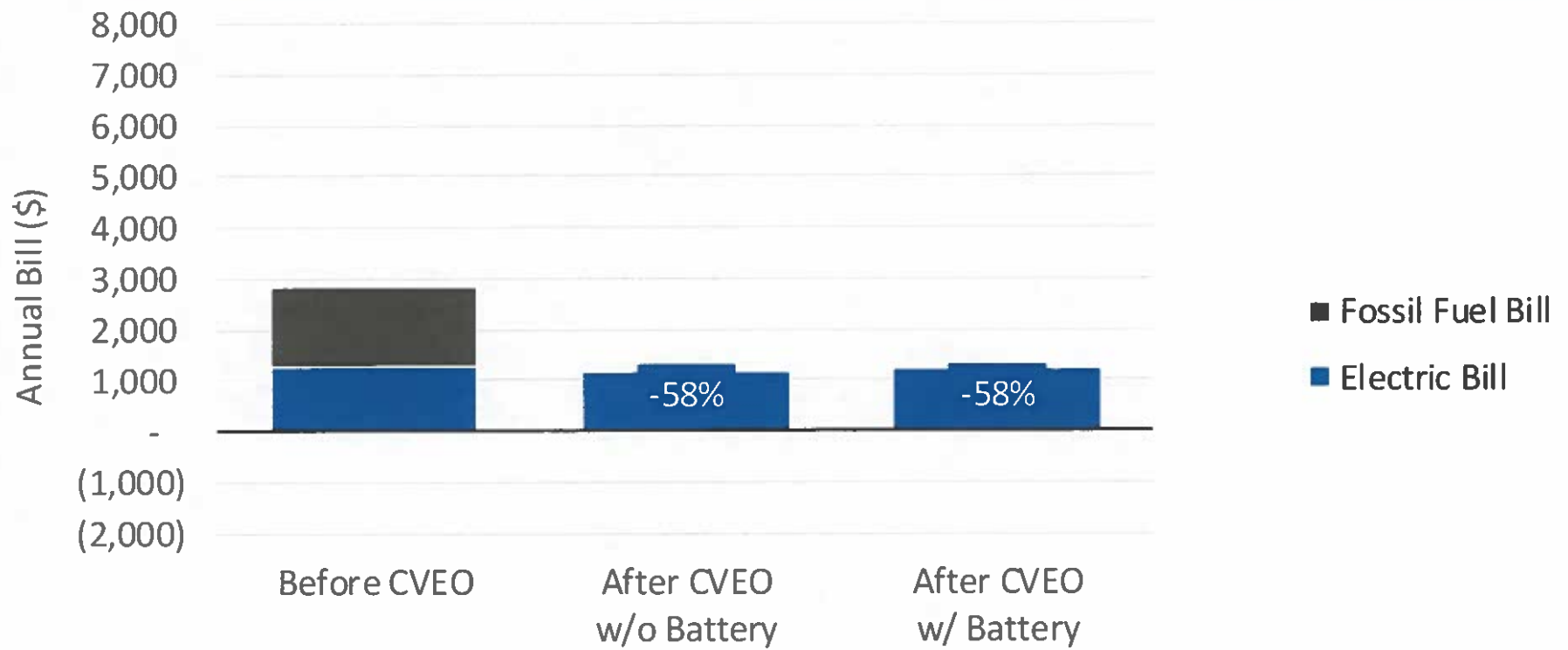
Affordable Customer Using Oil Heat Before CVEO



Bill Impact to Participants



Income Eligible Customer Using Oil Heat Before CVEO



Next Steps



- Compact Board vote on submitting CVEO 3.0 to DPU
- Prepare CVEO 3.0 filing for DPU
- Resubmit to DPU prior to the November 1st Energy Efficiency Surcharge Filing

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 - 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.

2022 Operating Budget Expense Report 9/30/22

ORG	OBJECT	ACCOUNT DESCRIPTION	ORIGINAL APPROPRIATION	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	\$ 450,001.00	\$ 256,459.04	\$ 193,541.96	57.00
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	\$ 14,933.14	\$ 10,066.86	59.70
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
		Expense Total	\$ 954,302.00	\$ 1,159,203.00	\$ 566,632.63	\$ 592,570.37	0.49

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

October 1, 2022 - September 30, 2023

Income Guidelines

# OF HOUSEHOLD MEMBERS	INCOME ELIGIBLE ¹	ENHANCED RESIDENTIAL ²
1	\$42,411	\$56,548
2	\$55,461	\$73,948
3	\$68,511	\$91,348
4	\$81,561	\$108,748

Income qualifications are based on annual gross household income.

Residents above the listed income guidelines, please call 1-800-797-6699 for more information.

CUSTOMERS BELOW THIS INCOME LEVEL ARE ELIGIBLE FOR:

- Fuel Assistance
- 100% Weatherization Incentive
- Potential Appliance and Heating System Upgrades
- Electric Discount Rate

CUSTOMERS BELOW THIS INCOME LEVEL ARE ELIGIBLE FOR:

- 100% Weatherization Incentive (Insulation)
- No-cost Air Sealing

BENEFITS OF AN ENERGY ASSESSMENT:

- No-cost high efficiency lighting
- No-cost air sealing
- Weatherization incentives (Standard incentive is 75%)
- Rebates towards heating systems, smart thermostats and other energy efficiency measures (for rebate information please visit:

www.capelightcompact.org/resrebates

Call Cape Light Compact at 1-800-797-6699 for more information.

1. FY2023 60% of median income guidelines (Source: Federal Register)

2. FY2023 80% of median income guidelines (Source: Department of Housing and Urban Development)

