



The Commonwealth of Massachusetts

DEPARTMENT OF PUBLIC UTILITIES

NOTICE OF FILING AND REQUEST FOR COMMENTS

D.P.U. 23-40

May 12, 2023

Petition of the towns of Aquinnah, Barnstable, Bourne, Brewster, Chatham, Chilmark, Dennis, Eastham, Edgartown, Falmouth, Harwich, Mashpee, Oak Bluffs, Orleans, Provincetown, Sandwich, Tisbury, Truro, Wellfleet, West Tisbury and Yarmouth, and Dukes County, organized and operating collectively as Cape Light Compact JPE, for approval of revised 2023 Energy Efficiency Surcharges for effect July 1, 2023.

On May 1, 2023, the towns of Aquinnah, Barnstable, Bourne, Brewster, Chatham, Chilmark, Dennis, Eastham, Edgartown, Falmouth, Harwich, Mashpee, Oak Bluffs, Orleans, Provincetown, Sandwich, Tisbury, Truro, Wellfleet, West Tisbury and Yarmouth, and Dukes County, organized and operating collectively as Cape Light Compact JPE (“Compact”), filed with the Department of Public Utilities (“Department”) a petition seeking approval of its revised 2023 energy efficiency surcharges (“EES”) for effect July 1, 2023. The Department docketed the Compact’s petition as D.P.U. 23-40.

An EES collects additional funds for approved energy efficiency programs when the cost of implementing those programs exceeds other funding sources. See G.L. c. 25, § 19(a). The EES are designed to: (1) collect costs associated with the Compact’s energy efficiency program implementation in excess of other funding sources; and (2) reconcile expenses and revenues from the previous year’s program implementation. On December 29, 2022, the Department approved the Compact’s 2023 EES for effect January 1, 2023. Cape Light Compact JPE, D.P.U. 22-135 (2022). In this filing, the Compact seeks to revise its 2023 EES.

The Compact is a municipal aggregator that has received Department approval to act as the energy efficiency Program Administrator for electric customers in its member municipalities pursuant to G.L. c. 164, § 134. NSTAR Electric Company, d/b/a Eversource Energy (“NSTAR Electric”) is the electric distribution company for the Compact’s member municipalities and collects the EES on behalf of the Compact.

In compliance with the Department’s directives in NSTAR Electric Company, D.P.U. 22-22, at 469 n.209 (2022), the Compact’s proposed 2023 EES incorporate a revised calculation method. In particular, the Compact previously calculated separate EES for residential customers and low-income residential customers. The revised EES calculation

method allocates low-income energy efficiency program costs between a single, combined residential/low-income sector and the commercial and industrial (“C&I”) sector.

D.P.U. 22-22, at 469. As a result, the Compact will now calculate a single EES for residential customers, including low-income residential customers.

Low-income residential customers will no longer pay a separate low-income EES; however, they will continue to receive a discount on their total electric bill. In part to offset future bill impacts from the change in EES calculation method, the Department approved an increase in NSTAR Electric’s total bill discount for low-income residential customers from 36 percent to 42 percent. D.P.U. 22-22, at 470. That change took effect January 1, 2023, six months prior to the implementation of the new EES calculation method, and resulted in an additional monthly decrease to a typical low-income customer’s bill of approximately \$11. See D.P.U. 22-22, at 470-471; see also Compliance Exhibit J (Exh. ES-BILLS-1).

In addition, the Compact proposes to revise its EES to collect costs associated with its new strategic electrification and energy optimization demonstration project, known as the “Cape & Vineyard Electrification Offering” (“CVEO”). See Cape Light Compact JPE, D.P.U. 22-137 (January 11, 2023). The CVEO is designed to enable 100 low- and moderate-income residential customers to: (1) convert their oil, propane, or electric resistance heat to cold climate air source heat pumps; and (2) install solar photovoltaic systems to support electrification of their heating systems. Through the CVEO, the Compact also will install battery energy storage for a subset of these customers to support demand response and resiliency. The incremental budget associated with the CVEO is approximately \$818,000.

Finally, the Compact’s proposed revised EES also incorporate: (1) the Compact’s most recent projections of expenditures, revenues and sales for 2023; and (2) an updated reconciliation of under- or over-recoveries for 2022.

The Compact proposes the following revised EES for effect July 1, 2023: (1) 2.580 cents per kilowatt-hour (“kWh”) for residential customers, including low-income residential customers; and (2) 0.686 cents per kWh for C&I customers. If the Department approves the revised 2023 EES as proposed, a typical residential customer (R-1) using 530 kWh of electricity per month will experience a monthly bill decrease of \$(2.50) (or approximately 1.20 percent). A typical low-income residential (R-2) customer using 475 kWh of electricity per month will experience a monthly bill increase of \$6.49 (or approximately 6.43 percent). C&I customers will experience a decrease to monthly bills ranging from 3.64 percent to 1.98 percent. For specific bill impacts, please contact the Compact as shown below.

Any person interested in commenting on this matter may submit written comments no later than the close of business (5:00 p.m.) on **Friday, June 2, 2023**. Written comments from the public may be sent by email to dpu.efiling@mass.gov, krista.hawley@mass.gov, and the Company’s attorney, Audrey Eidelman Kiernan, Esq., at akiernan@kolawpc.com.

Please note that in the interest of transparency any comments will be posted to our website as received and without redacting personal information, such as addresses, telephone numbers, or email addresses. As such, consider the extent of information you wish to share when submitting comments. The Department strongly encourages public comments to be submitted by email. If, however, a member of the public is unable to send written comments by email, a paper copy may be sent to Mark D. Marini, Secretary, Department of Public Utilities, One South Station, Boston, Massachusetts, 02110.

All documents should be submitted to the Department in **.pdf format** by e-mail attachment to dpu.efiling@mass.gov and krista.hawley@mass.gov. The text of the e-mail must specify: (1) the docket number of the proceeding (D.P.U. 23-40); (2) the name of the person or company submitting the filing; and (3) a brief descriptive title of the document. All documents submitted in electronic format will be posted on the Department's website through our online File Room as soon as practicable (enter "23-40") at: <https://eeaonline.eea.state.ma.us/DPU/Fileroom/dockets/bynumber>. In addition, one copy of all written comments should be emailed to the Company's attorney, Audrey Eidelman Kiernan, Esq., at akiernan@kolawpc.com.

The filing and all subsequent related documents submitted to the Department or issued by the Department will be available on the Department's website as referenced above as soon as is practicable. To the extent a person or entity wishes to submit comments in accordance with this Notice, electronic submission, as detailed above, is sufficient. To request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format), contact the Department's ADA coordinator at Gabriella.Knight@mass.gov.

For further information regarding the Company's filing, please contact the Company's attorneys, identified above. For further information regarding this Notice, please contact Krista Hawley, Hearing Officer, Department of Public Utilities, at krista.hawley@mass.gov.