

# Cape Light Compact JPE Governing Board Meeting

**DATE:** Wednesday, November 8, 2023  
**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 St. 2023, c. 2, which, among other things, extends the temporary provisions pertaining to remote meetings of public bodies under the Open Meeting Law to March 31, 2025. 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, November 7, 2023, and should follow the public comment protocol below. Written public comments received after the November 7<sup>h</sup> deadline will be distributed prior to the Compact’s next Board meeting.

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

**Meeting ID: 879-0460-3616**

**Passcode: 301961**

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

## AGENDA

1. Presentation and Discussion with Members of Cape Cod Climate Collaborative (Collaborative)
  - a. Overview Collaborative
  - b. Three Priority Climate Initiatives
  - c. Opportunities for Collaboration
2. Public Comment
3. Approval of October 11, 2023, Compact Board Meeting Minutes
4. Chairman’s Report, Martin Culik
  - a. Letter from Green Energy Consumers Alliance
5. Discussion and Potential Vote to participate in electric distribution companies Electric Sector Modernization Plans and approval of a Consumer Advocacy Worksheet, Department of Public Utilities (DPU 24-10) docket, Rebecca Zachas, KO Law
6. Discuss Proposed 2024 Operating Budget, Maggie Downey
7. Administrator’s Report, Maggie Downey
  - a. Introduce Communications and Marketing Coordinator, Jason Bertrand

Board Member Update (Reserved for Updates on Member Activities the Chair Did Not Reasonably Anticipate Would be Discussed – No Voting)

Cape Light Compact

**Cape Cod Climate Change  
Collaborative Presentation  
November 8, 2023**



CAPE COD  
CLIMATE  
CHANGE  
COLLABORATIVE



## **Who We Are**

A coalition of business, environmental, public and nonprofit organizations and citizens committed to addressing the climate crisis in the Cape & Islands region.



## **Our Mission**

To reduce ways in which the Cape & Islands region contributes to climate change and to protect our region from its potentially devastating impact.

# What We Do



Convene



Educate



Collaborate



Advocate



Activate



## Our Role

The Collaborative focuses on initiatives that rank highest on the following criteria:

- Will have high impact on the Cape
- Are highly leveraged (i.e., are foundational efforts needed to unlock other downstream activities)
- Have both time sensitivity and ability to begin now
- Have been requested by a few partners

A few other important filters include:

- Have a reasonable likelihood of success
  - Require the collaboration and alignment that the Collaborative can bring
- 

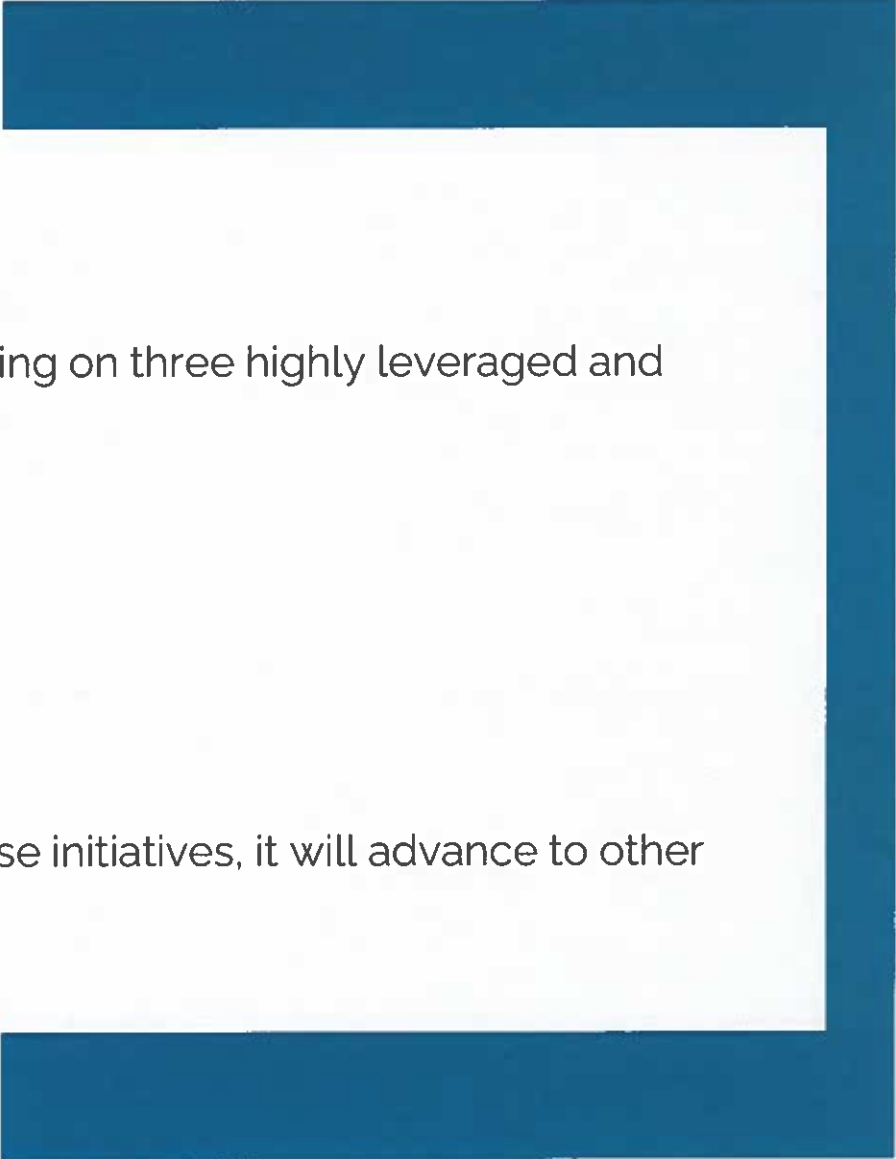


## Our Three Current Priorities

Based on these criteria, the Collaborative is focusing on three highly leveraged and critical initiatives.

- **Housing and Climate Innovation Center**
- **Commission's Climate Action Plan Roll-Out**
- **Smart, Resilient, Modern Electric Grid**

As the Collaborative helps catalyze success in these initiatives, it will advance to other initiatives.





## **Discussion of Areas for Collaboration**

Open Discussion





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[capecodclimate.org](http://capecodclimate.org)



**Cape Light Compact Public Comment Protocols  
for Governing Board Meeting  
(June 2023)**

The Cape Light Compact Governing Board has adopted the following protocols to assist the public in effective participation in its Governing Board meetings, where some Board Members, staff and members of the public may 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 p.m. on the Tuesday before a scheduled Compact Governing Board meeting ( or such other time as may be established by the Compact Administrator). 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 deadline will be distributed prior to the Compact's next Board meeting.
4. Members of the public addressing the Compact Board may not use fighting words, slander, unreasonably loud or repetitive speech, or speech so disruptive of the Compact Board meeting that the deliberative process is substantially interrupted or impaired. Speakers may not disrupt others. Speech must be peaceable and orderly.
5. All written public comments submitted in advance 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 will generally be made available to members of the public in advance of the meeting 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.

**Cape Light Compact JPE  
Governing Board  
Meeting Minutes  
Wednesday, October 11, 2023**

The Cape Light Compact JPE Board of Directors met on Wednesday, October 11, 2023, at 2:00 p.m. The meeting was held as a hybrid meeting (in-person and through remote participation) through a Zoom videoconference for members of the Board with audio call-in available for members of the public, pursuant to St. 2023, c. 2, which, among other things, extends the temporary provisions pertaining to remote meetings of public bodies under the Open Meeting Law to March 31, 2025.

**Participating In-Person Were:**

1. Sean Hogan, Barnstable Alternate
2. Robert Schofield, Executive Committee, Bourne
3. Colin Odell, Executive Committee, Brewster
4. Tom McNellis, Eastham
5. Gary Senecal, Eastham Alternate
6. Martin Culik, Chair/Executive Committee, Orleans
7. Joyce Flynn, Vice Chair/Executive Committee, Yarmouth

**Participating Remotely Were:**

1. David Anthony, Secretary/Executive Committee, Barnstable
2. Bill Doherty, Bourne Alternate
3. Brian Miner, Chatham
4. Timothy Carroll, Chilmark
5. Brad Crowell, Dennis
6. Alan Strahler, Edgartown
7. Matthew Patrick, Falmouth
8. Leanne Drake, Sandwich
9. Bob Higgins-Steele, Truro Alternate
10. Richard Elkin, Executive Committee, Wellfleet
11. Nicola Blake, Executive Committee, West Tisbury

**Absent Were:**

1. Forrest Filler, Aquinnah
2. Meghan Gombos, Dukes County
3. Valerie Bell, Harwich
4. Wayne Taylor, Mashpee
5. Peter Meleney, Oak Bluffs
6. Nathaniel Mayo, Provincetown
7. Russ Hartenstine, Tisbury
8. Jarrod Cabral, Truro

**Legal Counsel Participating Remotely:**

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

**Staff Participation In-Person:**

Maggie Downey, Administrator

**Staff Participating Remotely:**

Anneliese Conklin, Data Analyst

Briana Kane, Residential and Commercial & Industrial Program Manager

David Botelho, Data Analyst

Laura Selmer, Analyst

Lindsay Henderson, Senior Analyst - Small Business

Margaret Song, Energy Efficiency Strategy and Policy Manager

Mariel Marchand, Power Supply Planner

Melissa Allard, Senior Administrative Coordinator

Phil Moffitt, Chief Financial Officer

Stephen McCloskey, Analyst - Home Energy Services

**Public Participants:**

Chris Powicki

Martin Culik called the meeting to order at 2:00 PM

**PRESENTATION ON 2022 CAPE LIGHT COMPACT AUDITED FINANCIAL STATEMENTS, JENNIFER COOK, CLIFTON, LARSON, ALLEN, LLP:**

Jennifer Cook reviewed the Cape Light Compact JPE 2022 Audit, Exit Meeting PowerPoint.

Jennifer Cook stated that the terms of engagement are to express an opinion on whether the financial statements are presented in accordance with Generally Accepted Accounting Principles (GAAP), express an opinion on the supplementary information, and to provide a report on internal control over financial reporting and compliance with laws, regulations, contracts and grants.

Jennifer Cook reviewed the changes from the prior year to current year. For current assets there is almost \$19 million that is directly related to increases in cash, as well as the energy efficiency surcharge receivables. The other major change is the decrease in noncurrent liabilities, which is related to the pension and Other Post Employment Benefits (OPEB) liabilities.

Jennifer Cook stated that the increase in cash and energy surcharge receivables is what is driving the full increase of the revenues of almost \$20 million.

Jennifer Cook reviewed the revenue funding sources. She stated that most of it is relatively consistent with prior years. She noted that there was a decline in forward capacity market revenues, which are associated with the Compact's energy efficiency program.

Jennifer Cook stated that current pension liability reported as of December 31, 2022, is \$2.4 million. She stated it was \$3.2 million in the prior year. She stated that the discount rate decreased to 6.9%. Typically, this results in an increase in liability, but it was offset by the retirement system itself. She stated that as of December 31, 2022, the reserve balance was \$3.3 million.

Jennifer Cook stated that the current OPEB liability reported as of December 31, 2022, is \$2 million. She stated that it was \$2.8 million in the prior year. That was a result of the discount rate increasing to 3.72%. She stated that as of December 31, 2022, the reserve balance was \$1.7 million.

Jennifer Cook stated that the Compact is required to record right of use assets and a corresponding liability for all lease agreements due to GASB 87. She stated that the lease liability at the end of the year was \$478,000 and reviewed how it will amortize down.

Jennifer Cook stated that the Board will receive a letter stating each of the items that she has discussed. For significant accounting policies the big change is GASB 87. There were no significant or unusual transactions identified. She stated as for the significant accounting estimates, that is where we bring in OPEB and pension liabilities because of the changes in assumptions and discount rates these liabilities can drastically change. She stated that disclosures are neutral, consistent, and clear. There were no difficulties or disagreements with management and no passed and corrected adjustments. She stated that management will provide certain representations in a management representation letter. There were no consultations with other accountants and no significant issues discussed with management.

Jennifer Cook stated that it is required to report internal control over financial reporting. She stated that there were no material weaknesses or significant deficiencies identified and no noncompliance reported.

Jennifer Cook stated that next year will include GASB 96 which is subscription-based information technology arrangements which the Compact will be required to implement. (GASB stands for General Accounting Standards Board and is the source of generally accepted accounting principles used by state and local governments in the United States.) She stated that this is similar to leases but looking at technology arrangements. Maggie Downey asked if MUNIS would be a part of that. Jennifer Cook stated only if you have a long-term contract with them.

Richard Elkin asked would the statement that OPEB and Pension Liabilities will be fully funded be accurate. Maggie Downey answered no because it is constantly changing. It is a measure of actuarial that is done annually. David Anthony stated that the fact that the OPEB liability can change but the irrevocable trust cannot change can be problematic if the trust is overfunded. He stated that he doesn't want the Compact to hurt itself by having this money in the trust and then we can't touch it if we need it. He stated maybe there is an advantage to funding it only 85% of the way so that we retain some options on a year-to-year basis. Maggie Downey stated that the money that we're setting aside and the vote that we're taking today does not fully fund your OPEB liability. She stated that the Compact will continue to pay out of the operating fund or Energy Efficiency fund for those retiree's health insurance until such point that we are fully funded that we then can dip into the OPEB trust to pay their insurance. Dan Sullivan confirmed that Maggie's statement was accurate. He stated that the Compact is in a good position and we will have to watch it closely. There is a chance that if we kept going as is, that we could overfund it. However, this is a long-term operation that is going to last, so it has the ability to be adjusted over the long term.

**Public Comment:**

No written comments were received in advance of the meeting and no members of the public were present for public comment. Chris Powicki joined the meeting after the public comment session.

**APPROVAL OF MINUTES:**

The Board considered the September 13, 2023, Open Session Minutes.

Robert Schofield moved the Board to accept the minutes and to release them, seconded by Colin Odell.

|         |                |              |           |
|---------|----------------|--------------|-----------|
| David   | Anthony        | Barnstable   | Yes       |
| Robert  | Schofield      | Bourne       | Yes       |
| Colin   | Odell          | Brewster     | Yes       |
| Brian   | Miner          | Chatham      | Abstained |
| Brad    | Crowell        | Dennis       | Yes       |
| Tom     | McNellis       | Eastham      | Yes       |
| Alan    | Strahler       | Edgartown    | Absent    |
| Matt    | Patrick        | Falmouth     | Yes       |
| Martin  | Culik          | Orleans      | Yes       |
| Leanne  | Drake          | Sandwich     | Yes       |
| Bob     | Higgins-Steele | Truro        | Yes       |
| Richard | Elkin          | Wellfleet    | Yes       |
| Nicola  | Blake          | West Tisbury | Yes       |
| Joyce   | Flynn          | Yarmouth     | Yes       |

Motion carried in the affirmative (12-0-1)

**CHAIRMAN’S REPORT:**

**1. Report Back on Meeting with DPU Commissioner Van Nostrand**

Martin Culik stated that he, Tim Carroll, David Anthony, and Maggie Downey met with the new Department of Public Utilities (DPU) Commissioner, Van Nostrand, in Boston. Martin stated that they had a very good conversation about how the DPU can work with the Compact and other municipal aggregators. Maggie Downey stated that Commissioner Van Nostrand was very impressed with the 20-year graph of our pricing compared to Eversource basic service prices. She stated that they also talked a lot about how to engage municipal aggregators. There are 167 cities and towns that are municipal aggregators with contracts to provide electric supply to their cities and towns. She noted that they discussed what role the State would play, if any, in assisting municipal aggregators with long-term renewable supply contracts. David Anthony stated that they tried to impress upon the Commissioner that the Compact was not only first, but that it is unique compared to all the others. Not just in the way that we procure electricity, but because of the other services delivered by the Compact such as energy efficiency programs. He stated that he thinks everyone who spoke drove home that the Compact is a little bit unique and really stands alone and should be treated separately and not like all the other municipal aggregators.

**2. Cape Cod Climate Collaborative**

Martin Culik stated that the leadership of Cape Cod Climate Collaborative will be coming to our next Board Meeting to chat. He encourages everyone to attend.

**DISCUSSION AND POTENTIAL VOTE ON RESOLUTION CREATING AN OTHER POST EMPLOYMENT BENEFITS (OPEB) TRUST AND VOTE TO ESTABLISH A PENSION STABILIZATION FUND, MAGGIE DOWNEY:**

Maggie Downey stated that Dan Sullivan and Erin O’Toole gave a presentation at the last Board Meeting. She stated that there is a strict protocol for the OPEB trust. The Compact must vote on the Resolution.

Richard Elkin asked what percentage of funding does the \$2.1 million represent. Dan Sullivan answered that is about 86% as of right now. David Anthony stated that typically managing funds has a fee associated with it. He asked if the fee was paid from the OPEB trust or is it a budget line in our regular operating budget. Maggie Downey answered that it comes out of the OPEB trust.

Colin Odell asked if additional funding would require a Board vote. Maggie Downey answered yes, an additional Board vote would be required. Richard Elkin asked how much money per year we would normally anticipate putting into the fund. Is it zero or is it or is there an annual contribution? Dan Sullivan stated that he can’t give a number, but what typically would happen is that the current cost, similar to how much you have to put away for your current employees that are not retired yet into the Barnstable County, there could be a current cost that we would have to put in. He stated that if we feel that we’re being overfunded, that current cost could go down to zero, or we could have to put in a little bit more. We don't know until we have all the factors for each year.

*Robert Schofield moved the CLCJPE Board of Directors vote to adopt the following resolutions:*

*RESOLVED: That the Cape Light Compact JPE hereby accepts the provisions of Chapter 32B, Section 20 of the Massachusetts General Laws, as amended by Chapter 218, Section 15 of the Acts of 2016 (the "Ac.t"), and establishes an Other Post-Employment Benefits Liability Trust Fund (the "OPEB Fund");*

*RESOLVED: That, in accordance with the Act, the Compact hereby designates the Compact's Treasurer to serve as Custodian of the OPEB Fund (the "Custodian");*

*RESOLVED: That the sum of \$2,131,738.58 be appropriated as the initial investment into the OPEB Fund;*

*RESOLVED: That the following person(s) be designated as Trustee(s) of the OPEB Fund: The Custodian of the OPEB Fund;*

*RESOLVED: That the Compact's Treasurer, as Custodian of the OPEB Fund, be, and hereby is, authorized to execute and deliver the Investment Agreement with the State Retiree Benefits Trust Fund board of trustees on behalf of the Compact for the purpose of making the representations and warranties, acknowledgements, and agreements on the part of the Compact to be made and performed thereunder.*

*The Compact Administrator and Treasurer are authorized and directed to take all actions, and to execute and deliver all documents necessary or appropriate to implement this vote. Seconded by Colin Odell.*

|        |           |            |     |
|--------|-----------|------------|-----|
| David  | Anthony   | Barnstable | Yes |
| Robert | Schofield | Bourne     | Yes |
| Colin  | Odell     | Brewster   | Yes |
| Brian  | Miner     | Chatham    | Yes |
| Tim    | Carroll   | Chilmark   | Yes |
| Brad   | Crowell   | Dennis     | Yes |
| Tom    | McNellis  | Eastham    | Yes |
| Alan   | Strahler  | Edgartown  | Yes |

|         |                |              |     |
|---------|----------------|--------------|-----|
| Matt    | Patrick        | Falmouth     | Yes |
| Martin  | Culik          | Orleans      | Yes |
| Leanne  | Drake          | Sandwich     | Yes |
| Bob     | Higgins-Steele | Truro        | Yes |
| Richard | Elkin          | Wellfleet    | Yes |
| Nicola  | Blake          | West Tisbury | Yes |
| Joyce   | Flynn          | Yarmouth     | Yes |

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

Richard Elkin asked what percentage of fully funded as of the establishment date does that represent. Dan Sullivan stated that the audit showed that it was overfunded but looking at recent information it is about 70% funded. This could change again next year depending on interest rates.

*Robert Schofield moved that the CLCJPE Board of Directors vote to establish a stabilization fund pursuant to G.L. c. 40, Section 5B for the purpose of paying for anticipated future pension costs of retired Compact employees.*

*Robert Schofield further moved that the CLCJPE Board of Directors vote to appropriate the sum of \$3,444,417.90 into the pension stabilization fund and authorize the Compact's Treasurer to deposit and invest the pension stabilization fund in the Pension Reserves Investment Trust (PRIT) Fund.*

*The Compact Administrator and Treasurer are authorized and directed to take all actions necessary or appropriate to implement these votes, and to execute and deliver all documents as may be necessary or appropriate to implement these votes. Seconded by Joyce Flynn.*

|         |                |              |     |
|---------|----------------|--------------|-----|
| David   | Anthony        | Barnstable   | Yes |
| Robert  | Schofield      | Bourne       | Yes |
| Colin   | Odell          | Brewster     | Yes |
| Brian   | Miner          | Chatham      | Yes |
| Tim     | Carroll        | Chilmark     | Yes |
| Brad    | Crowell        | Dennis       | Yes |
| Tom     | McNellis       | Eastham      | Yes |
| Alan    | Strahler       | Edgartown    | Yes |
| Matt    | Patrick        | Falmouth     | Yes |
| Martin  | Culik          | Orleans      | Yes |
| Leanne  | Drake          | Sandwich     | Yes |
| Bob     | Higgins-Steele | Truro        | Yes |
| Richard | Elkin          | Wellfleet    | Yes |
| Nicola  | Blake          | West Tisbury | Yes |
| Joyce   | Flynn          | Yarmouth     | Yes |

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

**DISCUSSION ON PROPOSED LEGISLATION TO PROMOTE POWER PURCHASE AGREEMENTS FOR OFFSHORE WIND, MARIEL MARCHAND:**



Mariel Marchand reviewed her presentation to the Sierra Cape Cod, September 19th Offshore Wind 3<sup>rd</sup> Tuesday Talk.

Mariel Marchand stated that the Compact received a request from Sierra Cape Cod to attend the Offshore Wind talk and to discuss it at a future Board meeting. She stated that the Compact is interested in including offshore wind in its power supply product. In October 2022, the Compact signed a Memorandum of Understanding (MOU) with Commonwealth Wind to work in good faith to negotiate a power purchase agreement (PPA) for energy and renewable energy certificates (RECs).

Mariel Marchand reviewed bill H. 3161. With regards to municipal aggregators, the bill asks the Massachusetts Clean Energy Center (Mass CEC) to issue guidance on how to enter into long-term contracts to purchase offshore wind. It amends Section 83C of the Green Communities Act to give preference to offshore wind proposals that include commitments to enter into long-term contracts with municipal aggregators. She stated that Representative Fernandes discussed the Offshore Wind Industry Investment Fund. They have appropriated \$15 million in the FY 2024 state budget. One of several uses is to provide funding to enable municipal aggregators to enter into PPAs for offshore wind.

Mariel Marchand stated that further assistance would be required. Unlike the Electric Distribution Companies, municipal aggregators cannot backstop PPAs with a rate base and they need a financial backstop in order to enter into PPAs. There would need to be guidelines on how the Offshore Wind Fund will be allocated and how to access the funds. She stated that the \$15 million in Offshore Wind Fund is a start but additional funding, specific to municipal aggregators, will be needed to make an impact and for multiple aggregators to access these funds.

Mariel Marchand stated that the next step is to work with Representative Fernandes, per his request, on revised language to amend his bill. She stated that staff and counsel are working on proposed amendments.

David Anthony stated that this entire parallel effort to the actuality of the impacts specifically for the town of Barnstable is a little bit disturbing. He stated that it sounds wonderful that there's a bill going through that's going to help municipal aggregators, but a recent news article hinted at some of the issues that Barnstable is dealing with in their host community agreements on Park City Wind and Commonwealth Wind. He stated it should be concerning that both of those projects no longer have valid PPAs with their major clients, one with Massachusetts and one with Connecticut. He stated that at this point the Compact should take a cautious approach. He stated that he applauds the idea of trying to help promote valid wind projects. That has been a position that we have taken generally as a Board for a long time.

## **ADMINISTRATOR'S REPORT:**

### **1. Board Member Email Protocols**

Maggie Downey reviewed the Board member email protocols. She stated that Board members should not "reply all" to emails sent from the Compact staff. She stated that if Board members wish to share information with the Board to send the information to her to distribute.

Maggie Downey stated that there is an upcoming open meeting law webinar on October 27th from 9:00 to 12:00. She stated that she will send along the information to the Board.

**ADJOURNMENT:**

*Motion to adjourn made at 3:20 PM moved by Robert Schofield, seconded by Colin Odell.*

|         |                |              |     |
|---------|----------------|--------------|-----|
| David   | Anthony        | Barnstable   | Yes |
| Robert  | Schofield      | Bourne       | Yes |
| Colin   | Odell          | Brewster     | Yes |
| Brian   | Miner          | Chatham      | Yes |
| Tim     | Carroll        | Chilmark     | Yes |
| Brad    | Crowell        | Dennis       | Yes |
| Tom     | McNellis       | Eastham      | Yes |
| Alan    | Strahler       | Edgartown    | Yes |
| Matt    | Patrick        | Falmouth     | Yes |
| Martin  | Culik          | Orleans      | Yes |
| Leanne  | Drake          | Sandwich     | Yes |
| Bob     | Higgins-Steele | Truro        | Yes |
| Richard | Elkin          | Wellfleet    | Yes |
| Nicola  | Blake          | West Tisbury | Yes |
| Joyce   | Flynn          | Yarmouth     | Yes |

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

Respectfully submitted,

Melissa Allard

**LIST OF DOCUMENTS AND EXHIBITS:**

- Meeting Notice/Agenda
- September 13, 2023, Draft Open Session Meeting Minutes
- Cape Light Compact JPE 2022 Audit Exit Meeting PowerPoint
- Cape Light Compact Financial Statements and Supplementary Information
- Sierra Cape Cod, September 19th Offshore Wind 3rd Tuesday Talk PowerPoint

## Date

The Honorable Michael J. Barrett, Chair  
Joint Committee on Telecommunications, Utilities, and Energy  
24 Beacon Street, Room 109-D  
Boston, MA 02133

The Honorable Jeffrey N. Roy, Chair  
Joint Committee on Telecommunications, Utilities, and Energy  
24 Beacon Street, Room 43  
Boston, MA 02133

Dear Chair Barrett and Chair Roy:

Under the leadership of the Joint Committee on Telecommunications, Utilities, and Energy, the Massachusetts Legislature has led the nation in passing bold measures to address the climate crisis, starting with the Global Warming Solutions Act of 2008 and ending most recently with the Driving Clean Energy and Offshore Wind Act of 2022.

Despite the Commonwealth's past progress, more legislation is needed if Massachusetts is to meet its greenhouse gas emission reduction mandates. This is especially true when it comes to the second largest source of emissions in the Commonwealth, the residential and commercial building sector.

To support the Legislature in crafting solutions to this daunting challenge, the undersigned climate organizations have come together to put forward specific strategies to reduce greenhouse gas emissions from buildings in a cost-effective, equitable, and timely manner. These strategies would:

- Be sufficient to meet the requirements of M.G.L. Chapter 21N and [the sublimits for the heating and cooling sectors](#) (49% by 2030) as established by the Secretary of Energy and Environmental Affairs.
- Equitably provide resources to low- and moderate-income households and place greater responsibility for emissions reductions on owners of large commercial buildings.
- Require electrification of both new construction and retrofits of existing buildings.
- Place responsibility for emissions reductions on the oil, propane, and gas industries (including both investor-owned utilities and municipal gas utilities).
- Shift investments away from the gas distribution system that come with significant risks of stranded assets and move toward strategic, cost-effective investments in building electrification, including air-source heat pumps, ground-source heat pumps, networked

geothermal systems, heat pump water heaters, induction stoves, and electric clothes dryers.

No one bill or policy proposed this session is sufficient by itself to meet these objectives. However, several complementary policies have been proposed that together can accomplish what is necessary. Where appropriate we have cited bills or bill sections that would achieve specific goals. The legislative package we support would:

### **Pursue an Equitable Transition**

To ensure that all communities across the Commonwealth benefit from the shift away from fossil fuel use in buildings, legislation should:

- Prioritize funding, such as Clean Heat Credits, Alternative Compliance Payments, and specific appropriations, for low- to moderate-income households (LMI) and environmental justice communities (EJC), to ensure at least 40% of funding goes to LMIs or EJCs. ([S.2365/H.3232](#); [H.3192/S.2144](#), Section 21(d); [H.3694](#), Section 2 (c).)
- Establish an Equity Advisory Council to oversee and ensure that the Commonwealth's building decarbonization programs minimize harm and maximize benefit for vulnerable and traditionally underserved communities, with representation on the Council from EJCs, LMI households, and other relevant stakeholders.
- Kick start building decarbonization efforts with a \$300 million dollar fund that targets support for affordable housing and public buildings in EJCs and Gateway Cities. (S.2365/H.3232.)
- Create a surcharge of 1.5 cents per therm on gas ratepayers to be allocated to assist LMI households to switch to non-gas appliances and to provide training for gas workers affected by the transition. ([S.2105/H.3203](#), Section 1.)

### **Focus on Electrification**

Electrification has consistently proven to be the most cost-effective method of building emission reduction. With that in mind, legislation should:

- Prohibit the injection of hydrogen into the gas pipeline system for the purpose of heating buildings, and restrict the use of biomethane/RNG and synthetic gas into the gas system unless it has a non-emitting lifecycle, does not pose a safety hazard, and is affordable. (S.2105/H.3203, Section 13.)
- Prohibit state subsidies for renewable natural gas or hydrogen to heat buildings as part of a Clean Heat Standard or any other climate policy. (H.3694, Section 1.)
- Provide sufficient incentives for electric heat, hot water, induction stoves, and dryers.

- Ensure that any subsidies for delivered biofuels are contingent on those fuels being produced from waste feedstocks. (See [225 CMR 16.02.](#))
- Update Mass Save services to provide no-cost decarbonization assessments and other technical support necessary for building owners to make and implement well-informed decisions on how to decarbonize their buildings. ([S.2103](#), Section 1.)

### **Work Towards a Future Beyond Gas**

The Commonwealth's natural gas utilities are currently making large scale investments in the natural gas system, including planning to spend over \$40 billion replacing aging gas mains with new gas pipes. A better use of these funds would be to decommission the gas infrastructure and install in an equitable and synergistic way non-combusting infrastructure (e.g. networked geothermal systems) and electric equipment (e.g. air source or ground source heat pumps) in buildings that formerly relied on gas. In this area, legislation should:

- Remove the cap on the number of communities that are currently allowed to participate in the fossil fuel free construction pilot, to prevent the unnecessary expansion of our natural gas infrastructure. ([H.3227/S.2093.](#))
- Require gas companies to draw up specific plans, updated annually, to meet the Commonwealth's greenhouse gas emissions reduction mandates, and to reduce gas leaks through electrification and pipeline retirement. Allow the DPU to penalize utilities for failing to meet targets within these plans. (S.2105/H.3203, Sections 16 and 17.)
- Allow gas companies to meet their obligation to serve by selling non-combusting thermal energy, and allow for the merging of the rate bases of thermal and gas customers in order to keep gas companies financially viable during the gas decommissioning process. (S.2105/H.3203, Sections 4, 12, and 14 (c).)
- Repeal the current law permitting expansion of the gas distribution system to new customers (S.2105/H.3203, Section 18), and disallow depreciation and cost recovery for gas pipeline replacement after 2050. (S.2105/H.3203, Section 16.)
- Accurately track the climate impacts of methane by measuring greenhouse gas emissions over both the 100-year and 20-year timescales and accounting for methane leaked in transmission, storage, and distribution to customer equipment. ([H.873/S.2092.](#))
- Place a moratorium on future new large scale fossil fuel projects, unless they are necessary for the safety of the public. ([H.3238/S.2135](#), Sections 2 and 3.)

### **Tackle Large Building Emissions**

Large buildings are responsible for a significant percentage of building emissions across the Commonwealth. Further, large buildings often present an additional challenge due to split incentives between owners and tenants. Legislation should therefore:

- Create a statewide building performance standard for buildings greater than 20,000 square feet that aligns with the Commonwealth’s goal of reaching a 49% reduction in building emissions by 2030.
  - Allow a variety of compliance pathways to meet the needs of small business and LMI households. (H.3192/S.2144, Section 20.)
  - Allow cities and towns with local building performance standards to continue their programs without being superseded by the state-wide standard, so long as the local standard is as stringent or more stringent than the state standard.

### **Update Existing Programs**

Finally, the Commonwealth should update existing programs that relate to building decarbonization. To that end, legislation should:

- Update and expand the Green Communities program to encourage municipalities to opt in to the specialized stretch code and to take other actions to reduce greenhouse gas emissions. (H.3192/S.2144, Sections 6-8.)
- Repeal [Chapter 25 Section 11F1/2](#), ending the Alternative Energy Portfolio Standard, since most of its goals are better met through a Clean Heat Standard. A repeal would also provide relief to electricity ratepayers.
- Update the Commonwealth’s building codes to require that new construction meet energy efficiency standards, and add a PV Ready mandate to the Commonwealth’s stretch code ([S.2176/H.3236](#), Section 1.)
- Update the PACE program to include district heating, energy storage, and microgrids (H.3192/S.2144, Section 1.)
- Encourage electrification by stabilizing and reducing electric supply rates by improving the municipal aggregation process ([H.3852](#).)

While not every organization signing this letter necessarily supports every provision in each bill cited in this letter, we believe the principles specifically listed above contain important pieces of the necessary statutory structure to put the Commonwealth on a realistic, achievable path toward building decarbonization by 2050. We urge you to examine these bills closely as you consider the best way to weave them together to create comprehensive legislation addressing this most crucial challenge.

Thank you for your attention to these important issues so vital to the wellbeing of the residents of the Commonwealth. We look forward to working with the members of the House and the Senate to advance building decarbonization legislation this session.

Sincerely,

You can sign on here:

<https://forms.gle/PgQekK87tk4KWWHp7>

Signed,

Green Energy Consumers Alliance  
Acadia Center  
HEET  
Pipe Line Awareness Network for the Northeast, Inc  
Conservation Law Foundation  
Mothers Out Front Massachusetts  
Gas Transition Allies  
Environmental League of Massachusetts  
ZeroCarbonMA

Additional signers,

Sierra Club Massachusetts  
Mass Audubon  
350 Mass  
Northeast Clean Energy Council  
Elders Climate Action Mass  
Boston Housing Authority  
Canton Sustainable Equitable Future  
Citizens' Climate Lobby, Hilltown Western MA chapter  
UndauntedK12  
Local Energy Advocates of Western Mass  
Climate Reality Massachusetts Southcoast  
Franklin County CPR Climate Crisis Task Force  
Unitarian Universalist Mass Action  
Jewish Climate Action Network, MA  
Greater Boston Physicians for Social Responsibility  
No Fracked Gas in Mass  
Berkshire Environmental Action Team  
Sheffield Saves  
Sustainable Wellesley  
Vote Solar  
Springfield Climate Justice Coalition

Citizens Climate Lobby, Chapter in the Berkshires, MA  
Sustainable Lexington Committee  
350-MA Berkshires  
350 Central Mass  
Boston Climate Action Network  
Lexington Climate Action Network  
Sustainable Sharon Coalition  
Longmeadow Pipeline Awareness Group  
Partnership for Policy Integrity  
Boston Catholic Climate Movement  
Massachusetts Interfaith Power and Light, Inc  
Fore River Residents Against the Compressor Station  
Cape Ann Climate Coalition - Organizing Committee  
Massachusetts Climate Action Network  
SAFE-Salem Alliance for the Environment  
Brookhaven Residents' Climate Change Committee  
South Shore & Cape Chapter, Citizens Climate Lobby  
Climate Action Now (Western Mass)  
350 Cambridge Somerville Node  
North Shore Citizens Climate Lobby  
Passive House Massachusetts  
Cape Cod Climate Change Collaborative  
Environmental Defense Fund  
MassEnergize  
Health Care Without Harm  
Eastie Farm  
Breathe Easy Berkshires  
Sustainable Weston Action Group  
Boston Green Action  
Boston Clean Energy Coalition  
Climate Code Blue  
Climate Finance Action  
Greening Greenfield  
Boston Green Action





**D.P.U. 24-10**

**EVERSOURCE ELECTRIC SECTION  
MODERNIZATION PLAN**

November 8, 2023

# Electric Sector Modernization Plans (ESMPs)

## OVERVIEW

- ▶ Climate Act (2022)
- ▶ Grid Modernization Advisory Council (“GMAC”) - review and recommendations
- ▶ Department of Public Utilities (“DPU”) - adjudicatory proceeding
- ▶ Three planning horizons - 5 Year; 10 Year; 2035-2050
- ▶ Electrification: heat pumps, electric vehicles

# EVERSOURCE DRAFT ESMP HIGHLIGHTS

- ▶ Existing projects/proposals
- ▶ Substation upgrades/new substations - Dennis Brewster
- ▶ Other investments - Martha's Vineyard Undersea Cable
- ▶ DER Interconnection - capital investment projects ("CIPs")
- ▶ Winter morning peak - expected between 2030-2035
- ▶ New Community Engagement Stakeholder Advisory Group

# CLC CONCERNS

## Power Supply

- ▶ Lack of creativity - partnering with municipal aggregations
- ▶ Construction versus non-wire alternatives
- ▶ CIPs - DPU orders pending
- ▶ Differences between EDCs' plans
- ▶ Rate design - demand charges, Southeast region
- ▶ Time-varying rates
- ▶ Double poles

## Energy Efficiency

- ▶ Three Year Plans
- ▶ Need for targeted approach to relieve constraints
- ▶ Gas-Electric Integrated Planning - new working group

# CLC Participation in GMAC Process

- ▶ Monitoring GMAC meetings
- ▶ July 2023 - comments on draft ESMP outline
- ▶ September 2023 - review of Draft ESMP
- ▶ November 2023 - oral and written comment to GMAC
- ▶ Reviewing GMAC recommendations

## NEXT STEPS

- ▶ Review final GMAC Recommendations - November 20, 2023
- ▶ EDC filings of ESMPs with DPU - January 29, 2024
  - Discovery, testimony, hearings, briefs, DPU order

**Agenda Action Request  
Cape Light Compact  
Meeting Date: 11/8/2023**



- 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

**Participation in Electric Sector Modernization Plans (DPU 24-10)**

**REQUESTED BY:** *Maggie Downey*

***Proposed Motion(s)***

*I move the Board vote to authorize the Compact's participation in D.P.U. 24-10, adopt the Consumer Advocacy Worksheet for D.P.U. 24-10 and allocate costs between the Compact's energy efficiency and operating budgets as set forth in the Consumer Advocacy Worksheet.*

*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***

*The Climate Act of 2022 ("[An Act Driving Clean Energy and Offshore Wind](#)") required the electric distribution companies to file electric sector modernization plans – first with the new Grid Modernization Advisory Council on September 1, 2023, for review and comment and then with the Department of Public Utilities in January 2024. That DPU proceeding will be docketed as DPU 24-10. The electric sector modernization plans will consider all reviewed, under consideration, or previously approved distribution system investments and alternatives, distribution system improvements to increase system reliability and resiliency for weather and disaster-related risks, distribution system improvements to facilitate transportation and building electrification, forecasts considering 5 and 10 year horizons, and an assessment of demand through 2050.*

***Record of Board Action***

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

## Consumer Advocacy Allocation Worksheet: DPU 24-10

Parties involved:

The electric sector modernization plan (“ESMP”) will be reviewed first by the Grid Modernization Advisory Council (“GMAC”), which is made up of a wide array of entities, including the Attorney General’s Office, Department of Energy Resources (“DOER”), Massachusetts Clean Energy Center, Green Energy Consumers Alliance, Acadia Center, New Leaf Energy (distributed generation (“DG”) representative), and ENGIE (storage representative). It is currently too early to know the parties other than Eversource in the DPU proceeding. Parties to previous proceedings related to grid modernization included the Cape Light Compact, Attorney General’s Office, Department of Energy Resources, Acadia Center, and National Grid as a limited party. Those parties may again participate in this docket.

Description of the Matter or Proceeding:

The ESMPs were required by “An Act Driving Clean Energy and Offshore Wind” (“Climate Law”) in 2022. The electric distribution companies (“EDCs”) filed their draft ESMPs with the GMAC on September 1, 2023. The GMAC will provide feedback and recommendations by November 20, 2023. The DPU adjudicatory proceeding will commence by January 29, 2024, in DPU 24-10.

Through the ESMPs, the EDCs must seek to upgrade the distribution system and meet certain objectives, including:

- Improve grid reliability, communications, and resiliency;
- Enable increased, timely adoption of renewable energy and DERs;
- Promote energy storage and electrification technologies for decarbonization;
- Prepare for climate-driven impacts on T&D systems;
- Accommodate transportation and building electrification, and other new loads;
- Minimize or mitigate impacts on ratepayers; and
- Provide benefits to low-income customers.

Docket Number (if any):

D.P.U. 24-10 (Eversource Energy)

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1. Does this proceeding raise issues that may impact the Compact’s administration of its three-year energy efficiency plan? If yes, please explain.  
Yes, the ESMP may affect the Compact’s energy efficiency program because it is considering the role of energy efficiency in three planning horizons (five year, ten year and 2035-2050) to help the Commonwealth reach its 2050 climate goals. How Eversource positions energy efficiency in its planning horizons may affect the Compact’s future Three Year Plans. For example, the GMAC has noted that Eversource has not



adequately factored demand management into its 2035-2050 planning horizon. Generally, the Compact is concerned that the ESMP is too focused on building new or upgrading existing substations and other utility facilities, rather than effectively considering how energy efficiency could best be used in targeted situations to relieve constraints.

In addition, Eversource has proposed a Gas-Electric Integrated Planning working group, which the Compact will want to monitor the development of to ensure that it may be considered for a role on it. The Compact should be involved in any integrated planning related to Cape Cod and Martha's Vineyard. The objectives of the working group include providing recommendations for how the three-year energy efficiency program process should align with integrated gas-electric planning. The Compact is concerned about how the working group may overlap with and affect energy efficiency planning.

Specific to the Compact, the ESMP notes the Compact's role as a program administrator, but the plan does not mention working in partnership with the Compact to bring about demand response and least-cost alternatives, nor having the Compact participate as part of the newly proposed Joint Utility Planning Working Group discussed in Section 11. DOER recommendation #114 from October 26th provided that the EDCs should "identify initial potential locations for pilot programs to start the transition from gas to electric in their overlapping gas and electric service territories." The Compact has commented to the GMAC that it would welcome integrated planning and participation in pilot programs to be part of the solution by developing targeted programs to assist with meeting the Commonwealth's climate goals.

2. Does this proceeding raise issues regarding the general administration of energy efficiency in Massachusetts? Are other Program Administrators parties or otherwise intervening? Other stakeholders? If yes, please explain.

Yes. Eversource Energy (a PA) filed its Draft ESMP with the GMAC and will file its ESMP with the DPU. The other EDCs will likewise file ESMPs. It would be typical for National Grid (also a PA) to participate as a limited party in Eversource's DPU 24-10 proceeding. The ESMPs consider how energy efficiency and demand response may be used to help meet the Commonwealth's 2050 climate goals. See Section 1 above. Eversource has made assumptions regarding the use of energy efficiency and demand response in its three planning horizons that have been called into question by the GMAC and will be further explored in the DPU proceeding.

3. Does this proceeding raise issues regarding the Compact's administration of active demand response programs/initiatives/measures? If yes, please explain.

Yes, the proceeding raises active demand response (“ADR”) issues for the Compact. Eversource’s ESMP recognizes that, by 2028, all customers will have advanced metering with access to their usage information and more tools to engage in demand response and clean energy programs. Advanced metering would enable time-varying rates (“TVR”) for residential and small business customers, which has the potential to both increase the level of participation in the Compact’s ADR programs and reduce the per-participant participation incentive funded by energy efficiency. In addition, the Compact will explore whether there may be opportunities to build on CVEO. For example, the GMAC has called for strengthening of the MassSave/weatherization programs for Environmental Justice/Low Income housing and for combining them with electric heat incentives.

4. Does this proceeding raise issues regarding the general administration of active demand response in Massachusetts? Are other program administrators parties or otherwise intervening? Other stakeholders? If yes, please explain.

Yes, this proceeding directly affects Eversource’s administration of ADR in Massachusetts. National Grid may also be a limited party in the DPU’s investigation. See response to #3 regarding availability of advanced metering by 2028. The GMAC has raised questions regarding Eversource’s lack of detail related to TVR in the ESMP. Further, the GMAC has questioned Eversource’s assumptions in the ESMP related to demand response so that will be explored in the DPU proceeding (e.g., discounting the potential of winter demand response).

5. Does this proceeding concern the efficient utilization of energy in Massachusetts? Are other Program Administrators parties or otherwise intervening? Other stakeholders? If yes, please explain.

Yes, the Climate Act required the ESMPs to consider how to improve grid reliability, communications and resiliency. As noted above, Eversource is the main party in this docket and National Grid may become a limited party to the proceeding. As noted above, the Attorney General’s Office, DOER, the Compact and other parties (especially those that participated in D.P.U. 21-80 (grid modernization)) may participate as well.

6. Describe the direct energy efficiency benefit resulting from the Compact’s participation in this proceeding.

Eversource’s Draft ESMP includes modeling assumptions related to energy efficiency and demand response for three planning horizons. How the ESMP ultimately incorporates energy efficiency and demand response will likely have a direct impact on the Compact’s energy efficiency and demand response programs. The Compact has concerns related to how energy efficiency and demand response are included in the ESMP in terms of how it may impact the Compact’s administration of an energy efficiency plan on the Cape and Vineyard. The Compact supports GMAC

recommendations asking for more detail. The Compact also needs to monitor development of any new working group related to electric-gas integration planning in the Cape Cod and Martha's Vineyard service territory. See also Section 8 below.

7. Is the described benefit quantifiable? If yes, please explain and provide any supporting documentation.

Not at present, given that Eversource's proposals are subject to an adjudicatory proceeding and thus may not be approved or may be adjusted over the course of the proceeding.

8. Will the Compact's participation assist its planning for future energy efficiency plans and/or programs?

Yes. There will be overlap between the ESMPs and energy efficiency in the Commonwealth. Understanding Eversource's ESMP, especially those sections related to energy efficiency and demand response, will assist the Compact in its own future energy efficiency plans and programs. Eversource's proposed investments along with already approved upgrades to its facilities (e.g., advanced metering, DERMS) may create new opportunities for energy efficiency and demand response. The Compact may also be able to participate in a gas-electric integration working group that may come out of this proceeding.

9. Is the Compact's participation in this proceeding a reasonable use of energy efficiency ratepayer funds? Please explain.

Yes, the ESMP seeks to provide a pathway to meeting the Commonwealth's 2050 climate goals, including through energy efficiency and demand response programs. It is necessary for the Compact to participate to ensure its understanding of the ESMP, be able to ask questions in discovery to clarify the ESMP, and to consider how and where its own energy efficiency programs may be involved. Eversource's ESMP has the potential to provide the Compact with opportunities to enhance its energy efficiency offerings by targeting areas of constraints. The Compact will also seek to ensure the integration of its own programs and consistent opportunities across energy efficiency service territories.

10. Does this proceeding involve other non-energy efficiency issues? If yes, please explain.

Yes, the proceeding also implicates power supply concerns, including time-varying rates, the CIP dockets, substation upgrades and other investments on Cape Cod and Martha's Vineyard, rate design, peak shaving, metrics, and double poles. In particular, the Compact is concerned with the lack of creativity in the ESMP in terms of how Eversource might partner with municipal aggregations to create solutions to system constraints. The Compact needs to participate here to better understand Eversource's

proposals and what the impacts may be on the Compact's power supply, including its ability to offer TVR supply rates to its aggregation customers.

11. What is the initial estimate of the percentage allocation between energy efficiency and non-energy efficiency issues, as set forth in this worksheet?

The costs for this proceeding will be allocated based on the actual subject matter, meaning that any work related to energy efficiency will be allocated as such and any work related to non-energy efficiency will be allocated as such.

12. Discuss any other factors as may be appropriate.

It is important for the Compact to be involved in this proceeding as it is Eversource's first ESMP and will apply for the next five years. This proceeding will set the stage for how future ESMPs will be considered as well.

13. **To be completed at the conclusion of the proceeding/matter or every 12 months, which ever comes first,** a summary of the actual total costs associated with the Compact's participation and costs recovered through energy efficiency ratepayer funds and operating funds. A brief narrative should accompany any readjustment to the percentage allocation explaining the basis for the reallocation.

Please attach:

1. Initial Petition (attached)
2. Notice of Proceeding (not yet available)
3. Compact's Petition to Intervene (not yet available)
4. Agreements with Expert Consultants, if any

| <u>Item</u>                   | <u>CY2023 Compact Operating Budget as amended</u> | <u>Proposed CY2024 Compact Operating Budget</u> |
|-------------------------------|---------------------------------------------------|-------------------------------------------------|
| Legal                         | \$ 332,500.00                                     | \$ 310,000.00                                   |
| Outreach/Marketing Contractor | \$ 35,000.00                                      | \$ 35,000.00                                    |
| Salaries                      | \$ 126,000.00                                     | \$ 136,000.00                                   |
| Operating Contingency Fund    | \$ -                                              | \$ -                                            |
| Advertising                   | \$ 55,000.00                                      | \$ 55,000.00                                    |
| Marketing CLC Local Green     | \$ 57,343.00                                      | \$ 57,343.00                                    |
| Pension Liability             | \$ 3,756.00                                       | \$ 8,000.00                                     |
| Retirement                    | \$ 26,000.00                                      | \$ 27,000.00                                    |
| Sponsorships                  | \$ 51,000.00                                      | \$ 65,000.00                                    |
| Contractual                   | \$ 25,000.00                                      | \$ 40,000.00                                    |
| Rent                          | \$ 6,210.00                                       | \$ 6,210.00                                     |
| OPEB Liability                | \$ 19,889.00                                      | \$ 16,990.00                                    |
| Health Insurance              | \$ 7,500.00                                       | \$ 7,500.00                                     |
| Insurance                     | \$ 5,000.00                                       | \$ 5,000.00                                     |
| Printing                      | \$ 12,000.00                                      | \$ 12,000.00                                    |
| Postage                       | \$ 6,000.00                                       | \$ 6,300.00                                     |
| Subscriptions                 | \$ 25,000.00                                      | \$ 25,000.00                                    |
| Financial Software            | \$ 3,900.00                                       | \$ 3,900.00                                     |
| Professional Development      | \$ 5,000.00                                       | \$ 5,000.00                                     |
| Salary Reserve                | \$ 5,000.00                                       | \$ 5,000.00                                     |
| Travel In-state               | \$ 5,000.00                                       | \$ 5,000.00                                     |
| Auditor                       | \$ 3,500.00                                       | \$ 6,500.00                                     |
| Internet Service              | \$ 1,200.00                                       | \$ 2,500.00                                     |
| Computer Equipment            | \$ 1,500.00                                       | \$ -                                            |
| Unpaid Bills                  | \$ 500.00                                         | \$ 500.00                                       |
| Treasury Services             | \$ 12,000.00                                      | \$ 12,000.00                                    |
| Supplies                      | \$ 1,500.00                                       | \$ 1,000.00                                     |
| Telephones                    | \$ 1,000.00                                       | \$ 1,200.00                                     |
| IT Services                   | \$ 1,000.00                                       | \$ 1,500.00                                     |
| Payroll Services              | \$ 250.00                                         | \$ 250.00                                       |
| Software License              | \$ 2,100.00                                       | \$ 2,100.00                                     |
| Misc. Rental                  | \$ 600.00                                         | \$ 100.00                                       |
| Travel Out-of-state           | \$ 8,000.00                                       | \$ 8,000.00                                     |
| Custodial                     | \$ 1,800.00                                       | \$ 1,800.00                                     |
| Medicare/Other Taxes          | \$ 2,000.00                                       | \$ 2,000.00                                     |
| Food                          | \$ 3,000.00                                       | \$ 6,500.00                                     |
| MA UI                         | \$ 621.00                                         | \$ 300.00                                       |
| Misc Equipment                | \$ 500.00                                         | \$ 1,200.00                                     |
| Misc Fringes                  | \$ 250.00                                         | \$ 150.00                                       |
| Utilities                     | \$ 250.00                                         | \$ 100.00                                       |
| <b>CLC Operating Budget</b>   | <b>\$ 853,669.00</b>                              | <b>\$ 878,943.00</b>                            |

date 11/3/2023

**CAPE LIGHT COMPACT JPE  
LEGAL SERVICES BUDGET – OPERATING ACCOUNT  
January – December 2024**

**General Power Supply Matters** (e.g., advise on Open Meeting Law, Public Records Law, general municipal law, monitor statewide aggregations, attend Board Meetings, competitive electric supply agreement procurement, review and amendments, long-term power purchase agreement negotiation and review, representation in non-energy efficiency regulatory proceedings, DPU power supply related docket monitoring, etc.):<sup>i</sup> **\$255,000**

**Other Miscellaneous Matters** (e.g., monitor and review state legislation, monitor DPU dockets, RUS Rural Energy Savings Program (“RESP”), Habitat for Humanity solar projects, special legal research and direct expenses (such as mileage and copying), etc.):<sup>ii</sup> **\$55,000**

**Total Budget: \$310,000**

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<sup>i</sup> Notes:

- This budget does not include any extensive correspondence or in-person meetings with the Attorney General’s Office regarding Public Records Law matters.
- This budget does not include any appeal of a Commission decision in D.P.U. 20-145 (SMART Tariff and low-income community shared solar) or D.P.U. 23-67 (Municipal Aggregation Guidelines).
- This budget includes monitoring and participation in active dockets, such as D.P.U. 21-80 (Eversource Grid Modernization Metrics Plan for 2022 to 2025), D.P.U. 22-55 (Cape CIP); D.P.U. 23-60 (Basic Service Investigation), D.P.U. 23-84 (Electric Vehicle TOU), D.P.U. 23-92 (Annual Performance-Based Ratemaking Adjustment), D.P.U. 24-10 (Eversource Electric Sector Modernization Plan). *This does not include participation in or monitoring of new dockets that commence in 2024. The Compact would need to account for active participation in such cases with a supplemental or special budget allocation.*

<sup>ii</sup> Notes:

- This budget includes *some* drafting of legislation.
- This budget includes legal service costs for the RESP project that are reimbursed as part of the RESP loan.

# 2023 Operating Budget Expense Report 10/31/23

| ORG   | OBJECT | ACCOUNT DESCRIPTION            | ORIGINAL APPROP | REVISED BUDGET | YTD EXPENDED  | AVAILABLE BUDGET | % USED |
|-------|--------|--------------------------------|-----------------|----------------|---------------|------------------|--------|
| 01001 | 5110   | OP-SALARIES                    | \$ 126,000.00   | \$ 126,000.00  | \$ 90,995.18  | \$ 35,004.82     | 72.20  |
| 01001 | 5119   | OP-SALARY RESERVE              | \$ 5,000.00     | \$ 5,000.00    | \$ -          | \$ 5,000.00      | 0.00   |
| 01001 | 5171   | OP-RETIREMENT                  | \$ 26,000.00    | \$ 26,000.00   | \$ 22,758.00  | \$ 3,242.00      | 87.50  |
| 01001 | 5173   | OP-GROUP INSURANCE             | \$ 7,500.00     | \$ 7,500.00    | \$ 16,265.66  | \$ (8,765.66)    | 216.90 |
| 01001 | 5174   | OP-MEDICARE/OTHER TAXES        | \$ 2,000.00     | \$ 2,000.00    | \$ 1,250.65   | \$ 749.35        | 62.50  |
| 01001 | 5175   | STATE UNEMPLOYMENT INSURANCE   | \$ 621.00       | \$ 621.00      | \$ 106.97     | \$ 514.03        | 17.20  |
| 01001 | 5179   | OP-MISC FRINGES                | \$ 250.00       | \$ 250.00      | \$ 27.00      | \$ 223.00        | 10.80  |
| 01001 | 5180   | OP-RETIREMENT LIABILITY        | \$ 3,756.00     | \$ 3,756.00    | \$ -          | \$ 3,756.00      | 0.00   |
| 01001 | 5181   | OP-OPEB LIABILITY              | \$ 19,889.00    | \$ 19,889.00   | \$ 19,889.46  | \$ (0.46)        | 100.00 |
| 01001 | 5210   | OP-UTILITIES                   | \$ 250.00       | \$ 250.00      | \$ 80.68      | \$ 169.32        | 32.30  |
| 01001 | 5270   | OP-MISC RENTALS                | \$ 600.00       | \$ 600.00      | \$ 82.20      | \$ 517.80        | 13.70  |
| 01001 | 5272   | OP-RENT                        | \$ 6,210.00     | \$ 6,210.00    | \$ 5,175.00   | \$ 1,035.00      | 83.30  |
| 01001 | 5290   | OP-CUSTODIAL SERVICES          | \$ 1,800.00     | \$ 1,800.00    | \$ 1,126.80   | \$ 673.20        | 62.60  |
| 01001 | 5301   | OP-ADVERTISING                 | \$ 55,000.00    | \$ 55,000.00   | \$ 48,483.59  | \$ 6,516.41      | 88.20  |
| 01001 | 5302   | OP-PUBLIC MARKETING SUPPORT    | \$ 57,343.00    | \$ 57,343.00   | \$ 20,995.24  | \$ 36,347.76     | 36.60  |
| 01001 | 5309   | OP-IT SERVICES                 | \$ 1,000.00     | \$ 1,000.00    | \$ 1,279.80   | \$ (279.80)      | 128.00 |
| 01001 | 5313   | OP-STAFF PROFESSIONAL DEVELOP  | \$ 5,000.00     | \$ 5,000.00    | \$ 1,849.50   | \$ 3,150.50      | 37.00  |
| 01001 | 5314   | OP-PAYROLL SERVICES            | \$ 250.00       | \$ 250.00      | \$ 110.49     | \$ 139.51        | 44.20  |
| 01001 | 5315   | OP-LEGAL SERVICES              | \$ 212,500.00   | \$ 332,500.00  | \$ 259,581.02 | \$ 72,918.98     | 78.10  |
| 01001 | 5316   | OP-AUDIT FEES                  | \$ 3,500.00     | \$ 3,500.00    | \$ 5,531.39   | \$ (2,031.39)    | 158.00 |
| 01001 | 5318   | OP-TREASURY SERVICES           | \$ 12,000.00    | \$ 12,000.00   | \$ 3,231.06   | \$ 8,768.94      | 26.90  |
| 01001 | 5319   | OP-CONTRACTUAL                 | \$ 25,000.00    | \$ 25,000.00   | \$ 47,536.09  | \$ (22,536.09)   | 190.10 |
| 01001 | 5320   | OP-OUTREACH/MARKETING CONTRACT | \$ 35,000.00    | \$ 35,000.00   | \$ 10,982.76  | \$ 24,017.24     | 31.40  |
| 01001 | 5341   | OP-POSTAGE                     | \$ 6,000.00     | \$ 6,000.00    | \$ 5,665.20   | \$ 334.80        | 94.40  |
| 01001 | 5343   | OP-TELEPHONES                  | \$ 1,000.00     | \$ 1,000.00    | \$ 987.29     | \$ 12.71         | 98.70  |
| 01001 | 5344   | OP-INTERNET                    | \$ 1,200.00     | \$ 1,200.00    | \$ 1,712.28   | \$ (512.28)      | 142.70 |
| 01001 | 5345   | OP-PRINTING                    | \$ 12,000.00    | \$ 12,000.00   | \$ 9,882.44   | \$ 2,117.56      | 82.40  |
| 01001 | 5400   | OP-SUPPLIES                    | \$ 1,500.00     | \$ 1,500.00    | \$ 18.46      | \$ 1,481.54      | 1.20   |
| 01001 | 5430   | BUILDING RENOVATIONS           | \$ -            | \$ -           | \$ 764.50     | \$ (764.50)      | 100.00 |
| 01001 | 5490   | OP-FOOD SUPPLIES               | \$ 3,000.00     | \$ 3,000.00    | \$ 5,591.17   | \$ (2,591.17)    | 186.40 |
| 01001 | 5710   | OP-TRAVEL IN STATE             | \$ 5,000.00     | \$ 5,000.00    | \$ 3,529.14   | \$ 1,470.86      | 70.60  |
| 01001 | 5720   | OP-TRAVEL OUT STATE            | \$ 8,000.00     | \$ 8,000.00    | \$ 2,844.41   | \$ 5,155.59      | 35.60  |
| 01001 | 5730   | OP-SPONSORSHIPS                | \$ 51,000.00    | \$ 51,000.00   | \$ 42,100.00  | \$ 8,900.00      | 82.50  |
| 01001 | 5731   | OP-SUBSCRIPTIONS               | \$ 25,000.00    | \$ 25,000.00   | \$ 21,449.00  | \$ 3,551.00      | 85.80  |
| 01001 | 5732   | OP-SOFTWARE LICENSES           | \$ 2,100.00     | \$ 2,100.00    | \$ 1,105.96   | \$ 994.04        | 52.70  |
| 01001 | 5741   | OP-INSURANCE                   | \$ 5,000.00     | \$ 5,000.00    | \$ 3,603.24   | \$ 1,396.76      | 72.10  |
| 01001 | 5789   | OP-UNPAID BILLS                | \$ 500.00       | \$ 500.00      | \$ -          | \$ 500.00        | 0.00   |
| 01001 | 5850   | OP-MISC EQUIPMENT              | \$ 500.00       | \$ 500.00      | \$ 750.96     | \$ (250.96)      | 150.20 |
| 01001 | 5854   | OP-FINANCIAL SOFTWARE SYSTEM   | \$ 3,900.00     | \$ 3,900.00    | \$ -          | \$ 3,900.00      | 0.00   |
| 01001 | 5855   | OP-COMPUTER EQUIPMENT          | \$ 1,500.00     | \$ 1,500.00    | \$ -          | \$ 1,500.00      | 0.00   |
|       |        | <b>Grand Total</b>             | \$ 733,669.00   | \$ 853,669.00  | \$ 657,342.59 | \$ 196,326.41    | 77.00  |

January-September Mill Adder Revenue \$ 776,039.53

THE COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF PUBLIC UTILITIES

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Investigation by the Department of Public Utilities on its own Motion  
into Establishing Guidelines for Municipal Aggregation Proceedings

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)  
) D.P.U. 23-67  
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**JOINT REQUEST OF MUNICIPAL AGGREGATORS FOR TECHNICAL SESSION**

**I. Introduction**

The Cities of Amesbury, Boston, Cambridge, Framingham, Fitchburg, Malden, Marlborough, Medford, Melrose, Newton, Pittsfield, and Quincy; and the Towns of Acton, Andover, Arlington, Bolton, Buckland, Dighton, Franklin, Gill, Hanson, Lee, Lexington, Plainville, Shelburne, Stoughton, Uxbridge, West Newbury, Westford, Weston and Winchester; the City of Northampton and the Towns of Amherst and Pelham, organized and operating collectively as Valley Green Energy; the Towns of Aquinnah, Barnstable, Bourne, Brewster, Chatham, Chilmark, Dennis, Edgartown, Eastham, Falmouth, Harwich, Mashpee, Oak Bluffs, Orleans, Provincetown, Sandwich, Tisbury, Truro, West Tisbury, Wellfleet and Yarmouth, and Dukes County organized and operating collectively as the Cape Light Compact JPE; the Town of Leverett Energy Committee; the Town of Medfield Community Choice Aggregation Committee; and the Town of Mendon Land Use/Energy Committee (“Municipalities”) submit this Joint Request for a Technical Session in response to the Vote and Order Opening Investigation (“Order”) issued by the Department of Public Utilities (“Department”) on August 15, 2023 in the above captioned proceeding.

In its Order, the Department stated that the “purpose of the Guidelines and Template Plan is to provide guidance to prospective and existing municipal aggregations, establish a uniform set of rules and requirements for municipal aggregation plans filed before the Department that are consolidated into two documents, and help expedite Department review of municipal aggregation



plans.” (Order at 2). The Municipalities support this purpose. The Municipalities, however, believe that rather than continuing to manage the nuances of every single aggregation program via the aggregation plan, the Department should use the Guidelines to set out general rules and allow municipalities to operate within them.<sup>1</sup> For example, new products, new REC percentages and types, and other innovations should be allowed without requiring plan amendments and Department approval. Such an approach would require less detail in an individual aggregation plan and fewer amendments over time, therefore reducing the administrative burden on both the Department and municipalities of launching, customizing and adapting municipal aggregation programs.

Initial comments filed by a wide range of stakeholders demonstrate that this sentiment is shared widely. Many comments suggest that the proposed Guidelines approach to the content of an aggregation plan unnecessarily micromanages municipal aggregations,<sup>2</sup> is unlikely to alleviate the backlog of plans and may and potentially worsen it,<sup>3</sup> and will severely limit the ability of municipal aggregations to benefit their communities or assist the Commonwealth in meeting its climate and environmental justice goals.<sup>4</sup>

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<sup>1</sup> As suggested by the 48 signatories to the Joint Initial Comments of Municipal Aggregators, D.P.U. 23-67, at 4 (Oct. 6, 2023).

<sup>2</sup> See, e.g., Initial Comments of Acadia Center, D.P.U. 23-67, at 11 (Oct. 6, 2023); Initial Comments of Berkshire Environmental Action Team (“BEAT”), D.P.U. 23-67, at 2-3 (Oct. 3, 2023); Initial Comments of Cape Light Compact JPE (“Compact”), D.P.U. 23-67, at 3-6 (Oct. 6, 2023); Initial Comments of Green Energy Consumers Alliance, Inc. (“Green Energy Consumers”), D.P.U. 23-67, at 3 (Oct. 6, 2023); Initial Comments of Massachusetts Municipal Association (“MMA”), D.P.U. 23-67, at 2-3, 5 (Oct. 5, 2023); Initial Comments of Northeast Clean Energy Council (“NECEC”), D.P.U. 23-67, at 1 (Oct. 5, 2023); Initial Comments of NRG Retail Companies, D.P.U. 23-67 at 6-7 (Oct. 6, 2023).

<sup>3</sup> See, e.g., Initial Comments of 47 Coffin Street Ratepayer Advocates (“47 Coffin”), D.P.U. 23-67, at 4, 21-23 (Oct. 5, 2023); Initial Comments of Colonial Power Group, Inc., D.P.U. 23-67, at 3 (Oct. 6, 2023); Initial Comments of Department of Energy Resources, D.P.U. 23-67, at 15-17 (Oct. 6, 2023); Initial Comments of the Town of Clarksburg, D.P.U. 23-67, at 1 (Sept. 14, 2023).

<sup>4</sup> See, e.g., Initial Comments of 47 Coffin, at 2-8; Initial Comments of BEAT, at 2; Initial Comments of the City of Boston, D.P.U. 23-67, at 4-6 (Oct. 6, 2023); Initial Comments of Green Energy Consumers, at 2; Initial Comments of MMA, at 4; Initial Comments of NECEC, at 2; Initial Comments of PowerOptions, D.P.U. 23-67, at 2 (Oct. 6, 2023).

The proposed Guidelines also introduce a new concept of requiring aggregations to pick a launch date upon filing the aggregation plan, which several commenters objected to and which at least one utility indicated would not provide certainty for basic service planning.<sup>5</sup>

## **II. Request for Technical Session**

Given such extensive initial comments expressing concern with the proposed Guidelines approach to the aggregation plan and program launch, the Municipalities request that the Department convene a Technical Session. We believe that the wide gulf between interested stakeholders and the Department can be bridged most speedily through face-to-face discussion and set a foundation for efficiently moving forward. This request seconds similar requests for a Technical Session from the Attorney General's Office and Green Energy Consumers Alliance.<sup>6</sup>

### **A. Proposed Agenda**

The Municipalities suggest the following agenda for the Technical Session:

- (1) Aggregation Plan Content: Discuss details necessary to be included in an aggregation plan. If utilizing other tools including publicly-facing municipal aggregation Program websites and reporting to the Department, can aggregation plans be streamlined, require fewer amendments, and enable more municipal discretion in Program implementation while still meeting the requirements of G.L. c. 164, § 134(a)?
- (2) Rate Setting & Operational Adders: Discuss how rate setting, including operational adders and new product development, can be used to enable program innovation and enhanced environmental benefits.

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<sup>5</sup> Initial Comments of NSTAR Electric Company d/b/a Eversource Energy, D.P.U. 23-67, at 3-4 (Oct. 6, 2023).

<sup>6</sup> See Initial Comments of the Attorney General's Office, D.P.U. 23-67, at 2, 4 (Oct. 6, 2023); Initial Comments of Green Energy Consumers, at 3.

(3) Launch: Discuss the interrelationship of aggregation launch timing, maintaining municipal aggregation flexibility, basic service procurement (including options under consideration in D.P.U. 23-50), and a new regulatory framework wherein plan filings are approved in a timely manner.

(4) Next Steps: Discuss timeline and process for (i) completion of this docket, (ii) ruling on plans pending before the Department, and (iii) plans in development for filing with the Department.

#### **B. Timing**

The Municipalities request the Department schedule the Technical Session in the week of November 13th.

#### **C. Format**

The Municipalities request that the Technical Session be held in-person. Virtual participation accommodation should be made available, however, we believe that it will be most efficient to engage in dialogue together, in-person.

### **III. Conclusion**

The Municipalities appreciate the Department's consideration and request for a Technical Session. We look forward to the opportunity to discuss improving the municipal aggregation regulatory process with the Commission, and we hope that Commissioners, together with Department staff, can participate.

Respectfully Submitted,

CAPE LIGHT COMPACT JPE

THE CITIES OF FRAMINGHAM,  
NEWTON, THE TOWNS OF ACTON,  
LEXINGTON, AND WESTON AND  
VALLEY GREEN ENERGY

By its attorney,

By its attorney,

\_\_\_\_\_  
/s/  
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\_\_\_\_\_  
/s/  
Kassandra Gove  
Mayor  
City of Amesbury

\_\_\_\_\_  
/s/  
Andrew Flanagan  
Town Manager  
Town of Andover

\_\_\_\_\_  
/s/  
Jim Feeny  
Town Manager  
Town of Arlington

\_\_\_\_\_  
/s/  
Donald A. Lowe  
Town Administrator  
Town of Bolton

\_\_\_\_\_  
/s/  
David Musselman  
Director of the Municipal Energy Unit  
City of Boston

\_\_\_\_\_  
/s/  
Heather Butler  
Town Administrator  
Town of Buckland

\_\_\_\_\_  
/s/  
Susanne Rasmussen  
Director of Environmental and  
Transportation Planning  
City of Cambridge

\_\_\_\_\_  
/s/  
Michael Mullen  
Town Administrator  
Town of Dighton

\_\_\_\_\_  
/s/  
Stephen L. DiNatale  
Mayor  
City of Fitchburg

\_\_\_\_\_  
/s/  
Amy M. Frigulietti  
Deputy Town Administrator  
Town of Franklin

\_\_\_\_\_/s/\_\_\_\_\_  
Ray Purington  
Town Administrator  
Town of Gill

\_\_\_\_\_/s/\_\_\_\_\_  
Lisa Green  
Town Administrator  
Town of Hanson

\_\_\_\_\_/s/\_\_\_\_\_  
R. Christopher Brittain  
Town Administrator  
Town of Lee

\_\_\_\_\_/s/\_\_\_\_\_  
Portia Weiskel  
Energy Committee  
Town of Leverett

\_\_\_\_\_/s/\_\_\_\_\_  
Gary Christenson  
Mayor  
City of Malden

\_\_\_\_\_/s/\_\_\_\_\_  
Michael H. Ossing  
City Council President  
City of Marlborough

\_\_\_\_\_/s/\_\_\_\_\_  
Medfield Community Choice Aggregation  
Committee  
Town of Medfield

\_\_\_\_\_/s/\_\_\_\_\_  
Breanna Lungo-Koehn  
Mayor  
City of Medford

\_\_\_\_\_/s/\_\_\_\_\_  
Paul Brodeur  
Mayor  
City of Melrose

\_\_\_\_\_/s/\_\_\_\_\_  
Carolyn Barthel  
Land Use/Energy Committee  
Town of Mendon

\_\_\_\_\_/s/\_\_\_\_\_  
James McGrath  
Park, Open Space, and Natural Resource  
Program Manager  
City of Pittsfield

\_\_\_\_\_/s/\_\_\_\_\_  
Brian Noble  
Town Administrator  
Town of Plainville

\_\_\_\_\_/s/\_\_\_\_\_  
Thomas P. Koch  
Mayor  
City of Quincy

\_\_\_\_\_/s/\_\_\_\_\_  
Terry J. Narkewicz  
Town Administrator  
Town of Shelburne

\_\_\_\_\_/s/\_\_\_\_\_  
Thomas J. Calter  
Town Manager  
Town of Stoughton

\_\_\_\_\_/s/\_\_\_\_\_  
Steve A. Sette  
Town Manager  
Town of Uxbridge

\_\_\_\_\_/s/\_\_\_\_\_  
Angus Jennings  
Town Manager  
Town of West Newbury

\_\_\_\_\_/s/\_\_\_\_\_  
Kristen Las  
Town Manager  
Town of Westford

\_\_\_\_\_/s/\_\_\_\_\_  
Ken Pruitt  
Sustainability Director  
Town of Winchester

Dated: October 27, 2023