

Cape Light Compact JPE Governing Board Meeting

DATE: Wednesday, December 13, 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 by 2:00 PM on Tuesday, December 12, 2023, and should follow the public comment protocol below. Written public comments received after the December 12^h deadline will be distributed prior to the Compact’s next Board meeting.

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

Meeting ID: 811-5109-8716

Passcode: 951823

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

AGENDA

1. Public Comment
2. Approval of November 8, 2023, Compact Board Meeting Minutes
3. **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)10 , to discuss trade secrets and confidential, competitively-sensitive or other proprietary power supply information related to a Memorandum of Understanding with Commonwealth Wind, LLC **to return to open session thereafter.**
4. Chairman’s Report, Martin Culik
 - a. Reschedule January Board Meeting to January 24th
 - b. Quarterly Report for Board Members
5. Discuss and Potential Vote on Proposed 2024 Operating Budget, Maggie Downey
6. Discussion and Potential Vote to Appoint the Cape Light Compact’s Treasurer and Authorize Compact Administrator to Negotiate the Contract, Maggie Downey
7. Administrator’s Report, Maggie Downey
 - a. Open Nominations for 2024 Cape Light Compact Executive Committee
 - b. Vineyard Power Community Benefit Checks
 - c. Power Supply Rates December 2023 through July 2024
 - d. December 20th Technical Session on Municipal Aggregation Plans

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

**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 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 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, November 8, 2023**

The Cape Light Compact JPE Board of Directors met on Wednesday, November 8, 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. Brad Crowell, Dennis
5. Tom McNellis, Eastham
6. Valerie Bell, Harwich
7. Martin Culik, Chair/Executive Committee, Orleans
8. David Jacobson, Orleans Alternate
9. Nathaniel Mayo, Provincetown
10. 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. Gary Senecal, Eastham Alternate
5. Matthew Patrick, Falmouth
6. Bob Higgins-Steele, Truro Alternate
7. Richard Elkin, Executive Committee, Wellfleet
8. Nicola Blake, Executive Committee, West Tisbury

Absent Were:

1. Forrest Filler, Aquinnah
2. Timothy Carroll, Chilmark
3. Meghan Gombos, Dukes County
4. Alan Strahler, Edgartown
5. Wayne Taylor, Mashpee
6. Peter Meleney, Oak Bluffs
7. Leanne Drake, Sandwich
8. Russ Hartenstine, Tisbury
9. Jarrod Cabral, Truro

Legal Counsel Participating Remotely:

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

Jason Bertrand, Marketing and Communications Coordinator

Laura Selmer, Analyst

Lindsay Henderson, Senior Analyst - Small Business

Margaret Song, Energy Efficiency Strategy and Policy Manager

Mariel Marchand, Power Supply Planner

Meredith Miller, Senior Analyst-Income Eligible

Tatsiana Nickinello, Energy Efficiency Analyst

Miranda Skinner, Strategy and Regulatory Analyst

Phil Moffitt, Chief Financial Officer

Dan Schell, Senior Analyst-Retail and Demand Response

Stephen McCloskey, Analyst - Home Energy Services

Public Participants:

Chris Powicki, Sierra Club of Cape Cod

Dan Wolf, Cape Cod Climate Change Collaborative (CCCCC)

Miranda Daniloff Mancusi, Executive Director, CCCCC

Dorothy Savarese, Board President, CCCCC

Martin Culik called the meeting to order at 2:06 PM

1 PRESENTATION AND DISCUSSION WITH MEMBERS OF CAPE COD CLIMATE CHANGE COLLABORATIVE

a. Overview of CCCCC

D. Savarese, CCCCC Board President expressed her gratitude to CLC Board and Maggie Downey, CLC Administrator for all their hard work and efforts. She highlighted challenges of addressing climate change and emphasized the necessity of resilience and adaptation, especially here on Cape Cod. The presentation was delivered about the CCCCC as an organization, its focus, and goals. Miranda Daniloff Mancusi was introduced to the participants. Ms. Daniloff Mancusi is CCCCC Executive Director. Prior to CCCCC, she led a division at Harvard University School of Public Health. She oversaw strategy, growth, administration, and outreach and created solutions at the intersection of environment and public health.

D. Savarese noted that CCCCC is a solution-oriented organization. The members work in different sectors: transportation, solar, municipal adaptation, and others. Its organizational mission is to discover the ways to protect the Cape Cod region and reduce the effects of climate change. They are focused on activation: using all the tools available to tackle challenges and finding solutions. The organization meets monthly and has 30 other organizations as collaborating partners. CLC was a presenting sponsor during the last meeting this summer.

Three Priority Climate Initiatives were presented with an objective to be time sensitive, leveraged (you have to do "this" first before doing next step), and what is critically needed:

- i. Housing and Climate Innovation Center
Programs and initiatives for college and school students.

- ii. Commissions Climate Action Plan roll-out
Example: In Chatham piloting a program that can be replicated in other towns.
- iii. Smart, resilient, modern electric grid
Anything on modernization and adaptation side involves resilient modern electric grid.
Collaborate with utility company to support development of the modernized grid.

b. Opportunities for Collaboration

D. Wolf continued with expressing his gratitude to both CCCCC leadership as well as CLC's Administrator's, Maggie Downey, support, and extensive field experience.

He noted that CCCCC strives to collaborate and wishes for many areas to work together. Thus, he envisions all levels of the government to work and collaborate with statutory, regulatory, and legislative framework. Mr. Wolf highlighted the organization's good working relationship with the private sector and mentioned that CCCCC was present at the recent Eversource substation ribbon cutting. He noted that he served on Maura Healey's Climate Transition team with D. Savarese.

The focus of the discussion was developing the relationship between the consumer of energy and the producer. Thus, it was highlighted that a healthy collaborative relationship with utilities is a path going forward. For Cape Cod specifically, the participants emphasized that having energy efficiency programs run by CLC rather than a centralized state agency is a highly preferred method.

The discussion ensued. The CCCC acknowledged that CLC is an important community player in providing information to the public. They also pointed out that people who are engaged at local government often lack any background in energy or climate. Many of them are volunteers. The discussion of funding arose. It was noted that although there are many grants available, sometimes a town does not have staff and resources to seek them out, thus missing out on opportunities. One of the options is to have a clearing house for all the towns to access cross learning, templates, sharing experience and models, frameworks, and toolkits.

W. Doherty pointed out that local boards of health may serve as a great resource for information, as climate and public health often are interrelated.

The discussion continued regarding countering misinformation and propaganda, for example anti wind energy narrative on misinforming public on actual effects of wind industry on marine wildlife. It was noted that bringing reputable environmental organizations is a good way to inform the public. M. Patrick pointed out that some of the propaganda has been traced back to the fossil fuel industry in some cases, and we should work with our strategic partners on the environmental side to provide factual information. It was stated that being proactive is a key, so people can hear enough to be able to make an informed decision.

There was general advice on how to collaborate with island towns. D. Wolf noted that the islands have intellectual and financial capacity to become the Samsø island of MA.

Maggie Downey continued the discussion by pointing out that CLC will be submitting a first draft of the EE plan on March 31, 2024. The submission will include some differences from other Mass Save programs. CLC will be seeking ways to present this information to different groups. CLC would like to become a one stop shop to provide information on decarbonization, thus the right role for the Compact will need to be defined. She noted that the state of MA had a great plan, but the budget was not robust enough to implement it. Therefore, some things to consider for the next three-year plan is the budget as the rate payer cannot be the only funding source.

M. Patrick noted that town building inspectors don't have time to study and implement changes, and the state may want to look into funding and hiring town sustainability experts.

2 PUBLIC COMMENT:

Chris Powicki, Chair of Sierra Cape Cod, delivered his public comment. Mr. Powicki noted that Sierra Club is strongly interested in encouraging the purchase of offshore wind through the Compact's aggregation. Sierra Club encouraged the Compact to broadly communicate interest in ensuring that a significant portion of this region's energy needs is met by locally generated offshore wind power. Sierra Club will be urging their members, citizens, and climate advocates to reach out to their elected officials to request buying large quantities of offshore wind through the Compact to mitigate our region's carbon footprint and make clean energy accessible to all.

Written comment to be delivered via email after the meeting.

3 APPROVAL OF MINUTES:

The Board considered the October 11, 2023, Open Session Compact Board Meeting Minutes. It was noted that the Board packet sent via email reflected an older set of minutes, while the website has the corrected revised version. The reference next to the footer is to be corrected.

Robert Schofield moved the Board to accept the minutes with an edit from David Anthony to remove the incorrect date on the footer and to release them, seconded by Joyce Flynn.

David	Anthony	Barnstable	Yes
Robert	Schofield	Bourne	Yes
Colin	Odell	Brewster	Yes
Brian	Miner	Chatham	Yes
Brad	Crowell	Dennis	Yes
Tom	McNellis	Eastham	Yes
Matt	Patrick	Falmouth	Yes
Valerie	Bell	Harwich	Yes
Martin	Culik	Orleans	Yes
Nate	Mayo	Provincetown	Abstain
Bob	Higgins-Steele	Truro	Yes
Richard	Elkin	Wellfleet	Yes
Nicola	Blake	West Tisbury	Yes
Joyce	Flynn	Yarmouth	Yes

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

4. CHAIRMAN'S REPORT, MARTIN CULIK:

a. Letter from Green Energy Consumers Alliance

M. Downey presented a Green Energy Consumers Alliance letter for the Board's possible endorsement. She explained that the letter is supporting specific legislation on various topics, all outlined in the letter. The Board discussed several areas addressed in the letter pertaining to the language regarding subsidies attributed to natural gas and hydrogen. The members noted that the agenda did not include for the Board to vote on this item.

B. Miner suggested the Board authorize M. Downey to sign it on behalf of CLC. The members concluded that such endorsement may be better suited for a decision on town level. The item was tabled.

5. DISCUSSION AND POTENTIAL VOTE TO PARTICIPATE IN EVERSOURCE’S ELECTRIC SECTOR MODERNIZATION PLAN AND APPROVAL OF A CONSUMER ADVOCACY WORKSHEET, DEPARTMENT OF PUBLIC UTILITIES (DPU 24-10) DOCKET, REBECCA ZACHAS, KO LAW

R. Zachas delivered a presentation on Eversource’s Electric Sector Modernization Plan (ESMP) (DPU 24-10). The draft ESMP is currently under review by the Grid Modernization Advisory Council (GMAC). The ESMP is addressing climate goals for 5 years, 10 years and an extended 2035–2050-time span. Eversource’s draft ESMP lays out electric demand forecast. The plan focuses on infrastructure investments and grid modification investments. Some of the projected investments include Martha’s Vineyard undersea cable, Dennis/Brewster substations and other capital investment projects. In the new plan, new bulk distribution substations increase supply by 75MW on Cape Cod. From Compact’s concern, the plan does not discuss enough non-wire alternatives and generally is lacking creative ways to address constraints in the distribution system, Eversource is not seeking to use the market, such as demand response, for example. Additionally, Eversource talked about the need to rate redesign. The plan does not express the need to partner with CLC in any way.

The schedule of GMAC process was presented that carries out into Fall 2024. CLC would want to monitor the ESMP process for varying rates. The Compact would hope for more innovative creative solutions as well as bringing EE in the plan.

A. Eidelman Kiernan noted that participation in DPU 24-10 has been built in the proposed legal services budget for 2024. A reasonable total legal services budget estimate of \$310,000 for 2024 includes monies allotted for the docket intervention.

M. Downey referenced Consumer Advocacy Worksheet: DPU 24-10 that states that a vote needs to be taken prior to intervening. M. Downey explained that the worksheet is an internal document that the Board first adopted in 2019 and is considered by the Board whenever energy efficiency dollars may be expended on the Compact’s consumer advocacy in DPU dockets.

Robert Schofield moved the CLC JPE Board to authorize the following motion, seconded by Valerie Bell:

“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 Sheet.

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”.

David	Anthony	Barnstable	Yes
Robert	Schofield	Bourne	Yes
Colin	Odell	Brewster	Yes
Brian	Miner	Chatham	Yes
Brad	Crowell	Dennis	Yes

Tom	McNellis	Eastham	Yes
Matt	Patrick	Falmouth	Yes
Valerie	Bell	Harwich	Yes
Martin	Culik	Orleans	Yes
Nate	Mayo	Provincetown	Yes
Bob	Higgins-Steele	Truro	Yes
Richard	Elkin	Wellfleet	Yes
Nicola	Blake	West Tisbury	Yes
Joyce	Flynn	Yarmouth	Yes

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

6. DISCUSS PROPOSED 2024 OPERATING BUDGET, MAGGIE DOWNEY

M. Downey reported that 77 % of the 2023 operating budget has been expended through October 31, 2023. DPU requested the CLC conduct an analysis of shared and direct costs relative to health insurance expenditure. Thus, group insurance costs were moved into the shared cost category without any amount adjustments. Overall, the calendar year 2024 budget reflects a proposed increase of approximately 4%. CLC will be looking for direction regarding the marketing budget for CLC Local Green. The Board discussed that the Local Green campaign marketing budget will be moved to the general marketing budget. There was general support for not investing significant funds to market Local Green while market prices are still high. For this year, the increase in spending was driven by the use of outside technical consultants and the municipal power supply RFP activities. The Draft budget will be brought back for further discussion and vote in December 2023.

B. Crowell left at 3:40 pm.

7. ADMINISTRATOR’S REPORT, MAGGIE DOWNEY:

a. Introduce Communications and Marketing Coordinator, Jason Bertrand

M. Downey introduced CLC’s new Communications and Marketing Coordinator, Jason Bertrand. Mr. Bertrand greeted the Board. He shared his background information pertaining to his work in affordable housing and non-profit prior to joining the Compact.

b. Update on the CLC Board Strategic Planning Priorities

M. Downey noted that CLC strategic planning priorities are to be reflected in the 2025-2027 EE plan. The Board discussion is to be moved to the January- February timeline due to statewide delay in completion of reports that are necessary for planning. She highlighted discussion areas from the strategic planning session of income verification threshold, expanding CVEO, partnership and coaching. M. Downey stated that CLC demonstrated the highest conversion rates for installing recommended energy efficiency measures among other PA’s. She added that the 80% Moderate Income threshold is too low based on high cost on the Cape and more work needs to be in progress to identify the appropriate income tranches.

c. Rebate processing update

M. Downey reminded the Board of the vendor switch that took place in July 2023. She reported that the transition was not very successful, and CLC is not satisfied with the new vendor. She noted that due to the fact it is the third vendor, CLC is considering bringing all or a portion of the processing in house. A more thorough

analysis of the processing volume needs to be considered, however. More complicated rebates take longer time. On average, CLC sees about 100 HVAC rebates applications weekly, 40% of which are incomplete or contain discrepancies. On the product side (i.e., dehumidifiers), the volume is roughly 200 to 300 weekly. Among other items, CLC will continue to work on energy coordinator search for Brewster, Chatham, Eastham and Orleans.

8. UPDATE FROM BOARD MEMBERS:

T. McNellis expressed gratitude to the staff members M. Marchand, T. Nickinello and M. Miller for presenting and manning the table at Orleans library EE and Solar event. M Culik thanked S. McCloskey for doing a great job at the Snow Library event as well.

The next meeting is scheduled for December 13, 2023.

ADJOURNMENT:

Motion to adjourn made at 4:10 PM moved by Bob Higgins-Steele, seconded by Valerie Bell.

David	Anthony	Barnstable	Yes
Robert	Schofield	Bourne	Yes
Colin	Odell	Brewster	Yes
Brian	Miner	Chatham	Yes
Tom	McNellis	Eastham	Yes
Matt	Patrick	Falmouth	Yes
Valerie	Bell	Harwich	Yes
Martin	Culik	Orleans	Yes
Nate	Mayo	Provincetown	Yes
Bob	Higgins-Steele	Truro	Yes
Richard	Elkin	Wellfleet	Yes
Nicola	Blake	West Tisbury	Yes
Joyce	Flynn	Yarmouth	Yes

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

Respectfully submitted,

Tatsiana Nickinello

LIST OF DOCUMENTS AND EXHIBITS:

- Meeting Notice/Agenda
- Cape Cod Climate Change Collaborative presentation
- Cape Light Compact Public Comment Protocols for Governing Board Meeting
- October 11, 2023, Draft Open Session Meeting Minutes
- Green Energy Consumer Alliance letter
- Eversource Electric Sector Modernization Plan presentation
- Consumer Advocacy Allocation Worksheet: DPU 24-10

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

- CY2023 operating budget and proposed CY2024 operating budget sheet
- Cape Light Compact JPE Legal Services Budget- Operating Account January-December 2024
- 2023 Operating Budget Expense Report 10.31.23
- Joint Request of Municipal Aggregators for Technical Session

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

2023 Operating Budget Expense Report 12/5/2023

ORG	OBJECT	ACCOUNT DESCRIPTION	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	AVAILABLE BUDGET	% USED
01001	5110	OP-SALARIES	\$ 126,000.00	\$ 126,000.00	\$ 99,938.98	\$ 26,061.02	79.30
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	\$ 17,886.74	\$ (10,386.74)	238.50
01001	5174	OP-MEDICARE/OTHER TAXES	\$ 2,000.00	\$ 2,000.00	\$ 1,372.81	\$ 627.19	68.60
01001	5175	STATE UNEMPLOYMENT INSURANCE	\$ 621.00	\$ 621.00	\$ 117.41	\$ 503.59	18.90
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	\$ 99.44	\$ 150.56	39.80
01001	5270	OP-MISC RENTALS	\$ 600.00	\$ 600.00	\$ 120.64	\$ 479.36	20.10
01001	5272	OP-RENT	\$ 6,210.00	\$ 6,210.00	\$ 5,692.50	\$ 517.50	91.70
01001	5290	OP-CUSTODIAL SERVICES	\$ 1,800.00	\$ 1,800.00	\$ 1,252.80	\$ 547.20	69.60
01001	5301	OP-ADVERTISING	\$ 55,000.00	\$ 55,000.00	\$ 45,967.13	\$ 9,032.87	83.60
01001	5302	OP-PUBLIC MARKETING SUPPORT	\$ 57,343.00	\$ 57,343.00	\$ 18,209.83	\$ 39,133.17	31.80
01001	5309	OP-IT SERVICES	\$ 1,000.00	\$ 1,000.00	\$ 1,504.20	\$ (504.20)	150.40
01001	5313	OP-STAFF PROFESSIONAL DEVELOP	\$ 5,000.00	\$ 5,000.00	\$ 3,848.46	\$ 1,151.54	77.00
01001	5314	OP-PAYROLL SERVICES	\$ 250.00	\$ 250.00	\$ 121.59	\$ 128.41	48.60
01001	5315	OP-LEGAL SERVICES	\$ 212,500.00	\$ 332,500.00	\$ 316,609.93	\$ 15,890.07	95.20
01001	5316	OP-AUDIT FEES	\$ 3,500.00	\$ 3,500.00	\$ 6,910.94	\$ (3,410.94)	197.50
01001	5318	OP-TREASURY SERVICES	\$ 12,000.00	\$ 12,000.00	\$ 4,005.34	\$ 7,994.66	33.40
01001	5319	OP-CONTRACTUAL	\$ 25,000.00	\$ 25,000.00	\$ 48,581.59	\$ (23,581.59)	194.30
01001	5320	OP-OUTREACH/MARKETING CONTRACT	\$ 35,000.00	\$ 35,000.00	\$ 13,417.73	\$ 21,582.27	38.30
01001	5341	OP-POSTAGE	\$ 6,000.00	\$ 6,000.00	\$ 7,317.78	\$ (1,317.78)	122.00
01001	5343	OP-TELEPHONES	\$ 1,000.00	\$ 1,000.00	\$ 1,092.59	\$ (92.59)	109.30
01001	5344	OP-INTERNET	\$ 1,200.00	\$ 1,200.00	\$ 1,860.81	\$ (660.81)	155.10
01001	5345	OP-PRINTING	\$ 12,000.00	\$ 12,000.00	\$ 12,376.57	\$ (376.57)	103.10
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	\$ 5,927.49	\$ (2,927.49)	197.60
01001	5710	OP-TRAVEL IN STATE	\$ 5,000.00	\$ 5,000.00	\$ 4,674.73	\$ 325.27	93.50
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	\$ 50,529.42	\$ 470.58	99.10
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	\$ 1,238.68	\$ 861.32	59.00
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	\$ 782.95	\$ (282.95)	156.60
01001	5854	OP-FINANCIAL SOFTWARE SYSTEM	\$ 3,900.00	\$ 3,900.00	\$ 2,859.07	\$ 1,040.93	73.30
01001	5855	OP-COMPUTER EQUIPMENT	\$ 1,500.00	\$ 1,500.00	\$ -	\$ 1,500.00	0.00
		Grand Total	\$ 733,669.00	\$ 853,669.00	\$ 745,672.22	\$ 107,996.78	87.30

January-October Mill Adder Revenue \$ 849,022.93

**Agenda Action Request
Cape Light Compact JPE
Meeting Date: 12/13/2023**



- 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

Calendar Year 2024 Operating Budget (January 1 – December 31, 2024)

REQUESTED BY: *Maggie Downey*

Proposed Motion(s)

I move the CLCJPE Board of Directors vote to appropriate the Cape Light Compact Joint Powers Entity Operating Budget in the amount of \$845,971.

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 calendar year 2024 Operating Budget is attached and was presented to the Board for review and discussion at the November 8th Board meeting. The proposed 2024 budget reflects shared cost changes that were mandated by the DPU under the Compact's Energy 2022-2024 Energy Efficiency Plan (DPU-21-126) docket.

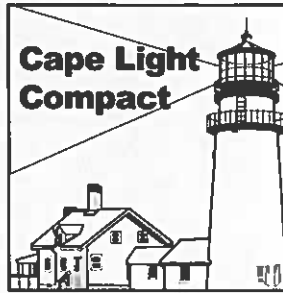
Record of Board Action

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

ORG	OBJECT	ACCOUNT DESCRIPTION	APPROVED CY23 REVISED BUDGET	PROPOSED CY24 BUDGET
01001	5110	OP-SALARIES	\$ 126,000.00	\$ 136,500.00
01001	5119	OP-SALARY RESERVE	\$ 5,000.00	\$ 5,000.00
01001	5171	OP-RETIREMENT	\$ 26,000.00	\$ 27,000.00
01001	5173	OP-GROUP INSURANCE	\$ 7,500.00	\$ 18,500.00
01001	5174	OP-MEDICARE/OTHER TAXES	\$ 2,000.00	\$ 2,000.00
01001	5175	STATE UNEMPLOYMENT INSURANCE	\$ 621.00	\$ 621.00
01001	5179	OP-MISC FRINGES	\$ 250.00	\$ 250.00
01001	5180	OP-RETIREMENT LIABILITY	\$ 3,756.00	\$ -
01001	5181	OP-OPEB LIABILITY	\$ 19,889.00	\$ 16,990.00
01001	5210	OP-UTILITIES	\$ 250.00	\$ 250.00
01001	5270	OP-MISC RENTALS	\$ 600.00	\$ 600.00
01001	5272	OP-RENT	\$ 6,210.00	\$ 6,210.00
01001	5290	OP-CUSTODIAL SERVICES	\$ 1,800.00	\$ 2,000.00
01001	5301	OP-ADVERTISING	\$ 55,000.00	\$ 55,000.00
01001	5302	OP-PUBLIC MARKETING SUPPORT	\$ 57,343.00	\$ 25,000.00
01001	5309	OP-IT SERVICES	\$ 1,000.00	\$ 2,000.00
01001	5313	OP-STAFF PROFESSIONAL DEVELOP	\$ 5,000.00	\$ 5,000.00
01001	5314	OP-PAYROLL SERVICES	\$ 250.00	\$ 250.00
01001	5315	OP-LEGAL SERVICES	\$ 332,500.00	\$ 310,000.00
01001	5316	OP-AUDIT FEES	\$ 3,500.00	\$ 7,500.00
01001	5318	OP-TREASURY SERVICES	\$ 12,000.00	\$ 12,000.00
01001	5319	OP-CONTRACTUAL	\$ 25,000.00	\$ 45,000.00
01001	5320	OP-OUTREACH/MARKETING CONTRACT	\$ 35,000.00	\$ 35,000.00
01001	5341	OP-POSTAGE	\$ 6,000.00	\$ 7,500.00
01001	5343	OP-TELEPHONES	\$ 1,000.00	\$ 1,200.00
01001	5344	OP-INTERNET	\$ 1,200.00	\$ 2,500.00
01001	5345	OP-PRINTING	\$ 12,000.00	\$ 12,500.00
01001	5400	OP-SUPPLIES	\$ 1,500.00	\$ 1,600.00
01001	5430	BUILDING RENOVATIONS	\$ -	
01001	5490	OP-FOOD SUPPLIES	\$ 3,000.00	\$ 6,500.00
01001	5710	OP-TRAVEL IN STATE	\$ 5,000.00	\$ 5,000.00
01001	5720	OP-TRAVEL OUT STATE	\$ 8,000.00	\$ 8,000.00
01001	5730	OP-SPONSORSHIPS	\$ 51,000.00	\$ 51,000.00
01001	5731	OP-SUBSCRIPTIONS	\$ 25,000.00	\$ 25,000.00
01001	5732	OP-SOFTWARE LICENSES	\$ 2,100.00	\$ 2,100.00
01001	5741	OP-INSURANCE	\$ 5,000.00	\$ 5,000.00
01001	5789	OP-UNPAID BILLS	\$ 500.00	\$ 500.00
01001	5850	OP-MISC EQUIPMENT	\$ 500.00	\$ 1,000.00
01001	5854	OP-FINANCIAL SOFTWARE SYSTEM	\$ 3,900.00	\$ 3,900.00
01001	5855	OP-COMPUTER EQUIPMENT	\$ 1,500.00	\$ -
		TOTAL	\$ 853,669.00	\$ 845,971.00

Date: 12/13/2023

**Agenda Action Request
Cape Light Compact
Meeting Date: 12/13/2023**



- 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

VOTE TO APPOINT TREASURER

REQUESTED BY: *Maggie Downey*

Proposed Motion(s)

I move that the CLCJPE Board of Directors vote to appoint Valerie Silva as Treasurer of the Compact effective January 1, 2024 for a term of one year, or until the Board appoints a successor Treasurer.

I move that the Compact Administrator negotiate and enter into a contract with the Treasurer and Glivinksi & Associates Inc. for the performance of Treasurer services and treasury related functions.

The Compact Administrator is 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.

Additional Information

The Joint Powers Statute requires the Board to appoint a treasurer. The current Treasurer's contract expires 12/31/23. The Joint Powers Agreement provides for one year terms for Compact officers.

Record of Board Action

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

Power Supply Rates: June '23 – December '23

	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>
	<i>Jun '23 - Dec '23 cents/kWh</i>	<i>Jun '23 - Dec '23 cents/kWh</i>	<i>Jun '23 - Sept '23 cents/kWh</i>
CLC Standard	14.839	14.828	11.931
Local Green 50%	16.139	16.128	13.231
Local Green 100%	18.439	18.428	15.531
Eversource	16.078	15.899	14.12



Power Supply Rates: December '23 – July '24

	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>
	<i>Dec '23 - July '24 Cents/kWh</i>	<i>Dec '23 - July '24 Cents/kWh</i>	<i>Dec '23 - April '24 Cents/kWh</i>
CLC Standard	15.522	15.416	14.841
Local Green 50%	16.822	16.716	16.141
Local Green 100%	19.122	19.016	18.441
Eversource	17.251	17.587	22.594



November 28, 2023

Re: Massachusetts Energy Efficiency Program Analysis of Incentives Relative to Energy Efficiency Surcharges

Dear Ms. DiNatale and Mr. Chichirau:

Thank you for your interest in the Mass Save® program and ensuring that all customers across the Commonwealth are able to access and benefit from Mass Save offerings. The Massachusetts Program Administrators¹ (“PAs”) write to provide you with the data requested. Included below, and in a separate excel file, you will find presented:

By ZIP Code, Program Administrator type (Electric or Gas), and sector (low-income, residential, commercial and industrial) for program years 2019, 2020, and 2021

- *Total number of ratepayers (including nonparticipants)*
- *Total EES and EERF surcharge collections from all ratepayers*
- *Total program incentives paid to customers²*

We would be happy to schedule a time to review the data with you in further detail and answer any questions. Please do not hesitate to reach out if you would like to have a follow-up discussion.

¹ The Massachusetts Program Administrators are: The Berkshire Gas Company, Fitchburg Gas & Electric Light Company d/b/a Unitil, Liberty Utilities (New England Natural Gas Company) Corp. d/b/a Liberty, Massachusetts Electric Company, Nantucket Electric Company, Boston Gas Company and former Colonial Gas Company, each d/b/a National Grid, NSTAR Electric Company, NSTAR Gas Company and Eversource Gas Company of Massachusetts, each d/b/a Eversource Energy, and Cape Light Compact JPE.

² As discussed in further detail below, all Energy Efficiency surcharge contributions are allocated to running the programs. However, there are additional costs to running these programs beyond payment of incentives and therefore total paid incentives will always represent a share of the total contributions.

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Background

Ensuring access to program benefits for low-income customers has been a core focus of the energy efficiency program since its inception. As required by law, the PAs partner with the Low-Income Energy Affordability Network (“LEAN”), a group of local Community Action Program (“CAP”) Agencies, to deliver energy services in the Commonwealth to low-income customers. This structure is carefully designed to take advantage of federal Low-Income Home Energy Assistance Program (“LIHEAP”) and Weatherization Assistance Program (“WAP”) funding for income qualified customers. Through our work with LEAN, the PAs have invested over \$1.1 billion dollars working with more than 470,000 low-income customers³ since 2010.

While not the focus of this analysis, the 2022-2024 Three-Year Plan provides historic levels of investment in low-income offerings, including almost \$350 million in combined electric and gas investments for low-income customers. Equity is one of the key priorities of the 2022-2024 Plan, and the PAs are also working to ensure more equal access to and participation in energy efficiency programs, particularly among those groups who have historically participated at lower rates, including renters/landlords, moderate-income customers,⁴ English-isolated families, and microbusinesses. To achieve these goals, the PAs worked closely with the Equity Working Group, which is part of the Energy Efficiency Advisory Council (EEAC), to develop ambitious targets to guide investments in equity and assess performance of the Plan. These targets include explicit goals for serving each of the groups noted above as well as benefits targets for underserved communities, which are publicly reported on a quarterly basis. The PAs are working to meet these goals through increased collaboration with community partners in underserved communities, enhanced incentives, improved language access, and targeted messaging. For further information on these efforts, please refer to the Quarterly Reports and Monthly EEAC Presentations available at <https://ma-eeac.org/>.

Methodology

The PAs worked with the Energy Efficiency data management vendor (“data management team”) to respond this request.⁵ The data management team used customer-level energy use data to impute the total Energy Efficiency Surcharge (“EES”) contributions based on the rates that were

³ Low-income customers are defined as those earning up to 60 percent of state median income, as required by LIHEAP. See <https://www.mass.gov/info-details/help-paying-your-utility-bill>. Low-income customers are also often referred to in Program documents as “income-eligible customers,” because they qualify for certain additional financial assistance. Low-income customers for this analysis are identified as those customers on the utility discount rate.

⁴ Moderate-income customers are defined as those earning 61-80 percent of state median income.

⁵ EES Data for Unitil was provided by Unitil directly, instead of through the data management vendor.

in place for the 2019 through 2021 period.⁶ The EES rates are charged based on each kilowatt hour (“kWh”) or therm of customer consumption and vary by Program Administrator and customer class. The data management team applied the appropriate rate per kWh or therm of consumption based on the billing period dates and rate code using the values shown in Appendix A. Gas and electric EES charges and incentives were then aggregated by ZIP Code and sector. The total ratepayers were also aggregated by ZIP Code and sector based on the unique number of accounts as of December 31 in each of the applicable years.

In order to protect customer privacy, all data was aggregated according to the standards established for the program by the Department of Public Utilities under Order D.P.U. 14-141. These standards require that:

- for the residential and residential income eligible sectors, aggregated data must represent at least 100 customers; and
- for the commercial and industrial sector, aggregated data must represent at least 15 customers, with no single customer accounting for more than 15 percent of electric or gas usage.⁷

ZIP Code data that did not meet these standards, which total about 1% of incentives, were combined and included in a separate, standalone category by fuel, year, and sector. Please see Appendix B for further details on the ZIP Codes that did not meet Department-required data privacy thresholds.

Data Not Mapped to ZIP Codes

In certain situations, the data management team was not able to accurately map program incentives to the ZIP Code using the source data. The largest category of affected incentives (6%) included incentives paid by the electric PA to buy down the cost of residential upstream measures, including the sale price of efficient light bulbs in stores, smart strips, and pool pumps.⁸ For these incentives, the PA team used the share of residential and low-income incentive data previously assigned to ZIP Codes by year as the basis for allocation of the upstream incentives, thereby assuming that upstream participation happened in proportion to other participation. We then added those allocated incentives to the total electric incentives for each ZIP Code. The exact distribution of these incentives—all of which were paid and benefited customers—is not calculable based upon

⁶ For a detailed list of EES rates, please see Appendix A.

⁷ See Order in Response to May 13, 2014 Resolution of the Energy Efficiency Advisory Council, D.P.U. 14-141, at 7 (2014).

⁸ To simplify the process by which consumers could receive incentives for energy efficient light bulbs such as LED bulbs, the PAs bought down the cost of LED bulbs sold at stores, such as Home Depot and Lowe’s, but did not require the stores to collect or report back on the ZIP Code of every customer who purchased these bulbs.



the nature of the upstream delivery approach. Accordingly, the PAs have allocated these incentives (which constitute only 6% of total incentives paid) based upon participation in each ZIP Code in other offerings.

For the remaining categories of incentives, where the data management team could not map the data to ZIP Codes, the incentives have been included in the data but not reported at the ZIP Code level. The two primary categories of incentives that could not be accurately mapped to a ZIP Code include: (1) incentives paid by the electric PA to buy down interest in order to make zero-interest loans available for financing certain measures, also known as “HEAT loans” (4% of incentives) and (2) active demand reduction incentives for residents and businesses that reduce their load on the electric grid at times of peak usage, which have a different format and are still in the process of being incorporated into the data management team’s data warehouse (2% of incentives). As a result of these factors, electric PA incentives presented at the ZIP Code level are lower than the total incentives paid by electric PAs during the 2019-2021 period.

Finally, a line item representing in aggregate less than one percent of incentives was added for each sector, year, and PA type (e.g., fuel) to reconcile the total incentives in the dataset to match what was reported to the Department of Public Utilities. Please see Appendix C for further details on incentives that could not be mapped to a ZIP Code.

Other Background on the Dataset

There are several additional details that are important to understand when interpreting the data provided.

First, ratepayers with a gas and electric account will show up as two customers in the total ratepayer column and would have EES contributions on both electric and gas bills, whereas a customer on delivered fuels would likely only show up once as a ratepayer and would only pay EES contributions on their electric bill. Additionally, incentives for energy efficient delivered fuels equipment (e.g., oil boilers) are paid for by customers of the electric PA and show up in electric incentives paid, but gas customers can have measures that are paid for by both the gas and electric PA. As a result, the most appropriate approach for understanding the full set of incentives received and EES contributions paid by customers across all fuel types is to view the combined data for gas and electric PAs in a particular ZIP Code.

Second, service in some municipalities is split with a Municipal Light Plant (MLP), which means that a customer may be served by a gas PA and an electric MLP. In other cases, a municipality may be completely served by an electric and gas MLP. MLPs are not regulated by the Department of Public Utilities and have advocated not to participate in the program in order to

keep their gas and electric rates low.⁹ However, in certain cases, customers in split territories with electric MLPs can still have electric-saving measures installed by the gas PA.

Third, from a sector perspective, certain low-income housing is commercially metered, and therefore their contributions appear as part of the commercial and industrial (C&I) sector. However, customers living in this housing receive low-income services based on income qualification, and so the incentives appear in the low-income residential sector. As a result, the C&I sector will always appear to receive a lower level of incentives as a share of contributions because it is explicitly designed to subsidize the low-income program. Additionally, low-income customers are eligible for utility rate discounts which lowers their EES contributions. To make up the difference, low-income contributions are substantially subsidized by residential and C&I customers—which is one reason why these sectors received a lower amount of incentives as a share of contributions.

Fourth, the amount of incentives provided is related to the available opportunities for service in a particular town or city. For example, one town may have already served all its public housing authorities, while another still has buildings that have not yet been served. Investments in particular municipalities or ZIP Codes, therefore, tend to vary across years and locations depending on the history of service and the opportunities available. As a result, it is also important to look across the entire three-year period to account for year-to-year variations and to understand that many of the buildings previously served implemented improvements that last for 15-20 years. A town where a number of housing authorities were served in 2018 or earlier, for instance, will show up in this data set as being ‘underserved’, because the service did not happen in the 2019-2021 period, even though those residents are still receiving the benefits of that work. As an example, during the 2016-2018 plan, LEAN supported significant improvements for lighting, weatherization, appliance and heating equipment for 166 units at public housing properties in Malden via Mass Save. As a result, income qualified residents of these buildings are still benefiting from the energy and cost savings impacts of those projects, even though they do not show up in 2019-2021 incentive spend data.

Fifth, during the 2019-2021 period, in particular, explicit measures were taken to protect residents of multi-family housing from the risk of COVID-19. More specifically, large multi-family buildings, housing authorities, managed housing, non-profit housing, and elderly residences put in place stop work orders from June 2020 until Fall 2021 that prevented delivery of multi-family market rate and low-income energy efficiency services to these residents.

⁹ For a detailed list of towns served by electric and/or gas MLPs, please see https://www.mass.gov/info-details/massachusetts-municipally-owned-electric-companies?_gl=1*jarncx*_ga*MTEzOTQ1MTk2OC4xNjc5MDcyMDE0*_ga_MCLPEGW7WM*MTcwMDMxNzg1Mi4xLjAuMTcwMDMxNzg1Mi4wLjAuMA.

Finally, all EES contributions are allocated to running the programs. The EES is a fully reconciling mechanism, not a set pool of money. While there are overall sector budgets that the PAs must stay within, the EES is used to recover the costs that were spent and not otherwise paid for with other sources (e.g., the System Benefits Charge and the Forward Capacity Market payments available to electric PAs). The Program Administrators have the ability to seek approval from the Department of Public Utilities for a mid-term modification to increase the budget for the Plan where the opportunity for additional investments and savings exists.

Analysis

The PAs have carefully reviewed the data to ensure that it is as complete and accurate as possible and have also completed some analysis of the provided data, which is included below.

Incentives as percent of EES

Program incentives represent a percentage of the total costs to operate the Commonwealth's energy efficiency programs, and therefore a percentage of total EES charges. In addition to participant incentives, there are several other costs associated with operating the program. Many of these non-incentive costs are spent directly in service of customers and are necessary in order to provide customer incentives. For example, these costs include outreach and marketing necessary to educate customers on what the programs offer and how to access incentives, costs to administer rebate incentives, and technical assistance training for contractors who support energy efficiency and electrification improvements.¹⁰

As shown in Table 1, incentives represent an average of 77 percent of total program costs. Accordingly, we would expect the ratio of incentives to EES on average to be 77 percent.

¹⁰ Other costs include categories such as program administration and overhead, research and development, program evaluation, and sales for C&I customers.

Table 1. 2019-2021 Total Incentives as a percent of total Energy Efficiency Spending (millions of \$)

Sector	Sum of Participant Incentive	Sum of Total Expenditures	Incentives as a Percent of Expenditures
Total Electric & Gas	\$2,095.6	\$2,737.1	77%
Residential	\$1,090.2	\$1,416.4	77%
Income Eligible	\$256.3	\$336.7	76%
Commercial & Industrial	\$749.0	\$984.1	76%
Total Electric	\$1,451.5	\$1,874.2	77%
Residential	\$651.6	\$858.6	76%
Income Eligible	\$131.5	\$176.2	75%
Commercial & Industrial	\$668.3	\$839.5	80%
Total Gas	\$644.1	\$862.9	75%
Residential	\$438.6	\$557.8	79%
Income Eligible	\$124.8	\$160.5	78%
Commercial & Industrial	\$80.7	\$144.6	56%

Analyses by Sector

The table below shows that there are significant differences across sectors in incentives that were paid as a percent of EES contributions. Unsurprisingly, customers in the income eligible sector received more incentives than are being paid in EES contributions (335 percent over the 2019-2021 period; Table 2 below). These customers are eligible for utility rate discounts which lowers their EES contributions. To make up the difference, low-income contributions are substantially subsidized by residential and C&I customers—which is one reason why these sectors received a lower amount of incentives as a share of contributions. Finally, low-income customers are also eligible for no cost energy efficiency upgrades including weatherization and heating systems which results in higher incentives as compared with market rate customers.

Table 2. 2019-2021 Total Incentives as a percent of total Energy Efficiency Surcharge Contributions (millions of \$)

Sector	Incentives*	EES Contributions	Incentives as a Percent of EES Contributions
<i>Combined Electric & Gas</i>	2,095.53	2,454.56	85%
Residential	1,090.25	1,369.20	80%
Income Eligible	256.33	76.47	335%
Commercial & Industrial	748.95	1,005.351	74%
<i>Electric</i>	1,451.46	1,605.29	90%
Residential	651.64	834.59	78%
Income Eligible	131.54	26.80	491%
Commercial & Industrial	668.28	741.25	90%
<i>Gas</i>	644.06	849.27	76%
Residential	438.61	534.62	82%
Income Eligible	124.78	49.67	251%
Commercial & Industrial	80.67	264.10	31%

*The incentives shown in Table 2 include financing and other incentives that could not be mapped to ZIP Codes.

More broadly, customers receive many monetary and non-monetary benefits as a result of program investments, which are not captured by looking exclusively at incentives. By statute, Mass Save programs are required to generate more benefits than costs—which means that customers receive greater benefits from the program as a whole than the costs paid into the program. Monetary benefits include lower energy bills and/or avoided energy costs as a result of installing energy efficiency measures, which are important for reducing energy burdens. Non-monetary benefits include improvements in indoor air quality, comfort and other health indicators for program participants, as well as reductions in greenhouse gas emissions and in the total system costs of building and maintaining the electric grid—which benefit everyone across the Commonwealth. Tables 3 and 4 below show the share of benefits by sector and PA type. As shown in these tables, the benefits to Massachusetts ratepayers across all sectors are over double the costs across both gas and electric investments. Low-income customers experience more than two to three times the benefits across electric and gas than the cost of serving these customers.

Table 3. 2019-2021 Electric Cost-Effectiveness Analysis (millions of \$)

Sector	Benefit-Cost Ratio	Net Benefits	Total Resource Benefits	Total Resource Costs
Residential	2.04	1,120.8	2,199.8	1,078.9
Income Eligible	2.14	203.2	381.1	177.9
Commercial & Industrial	2.88	2,541.4	3,894.3	1,352.9
All Sectors	2.48	3,865.5	6,475.2	2,609.7

Table 4. 2019-2021 Gas Cost-Effectiveness Analysis (millions of \$)

Sector	Benefit-Cost Ratio	Net Benefits	Total Resource Benefits	Total Resource Costs
Residential	1.74	531.8	1,247.6	715.8
Income Eligible	3.03	324.7	484.8	160.1
Commercial & Industrial	3.36	426.4	607.0	180.6
All Sectors	2.21	1,282.8	2,339.3	1,056.4

Analyses by Income and ZIP Code

To analyze how incentives were allocated to customers of varying income levels by ZIP Code, we grouped ZIP Codes into quartiles by median income based on 2021 American Community Survey Census data. We then calculated the total incentives and EES contributions for residential and low-income customers in these ZIP Codes. Under this approach, Quartile 1 includes the ZIP Codes with the lowest median incomes and Quartile 4 includes the ZIP Codes with the highest median incomes. The analysis shows that ZIP Codes in each income quartile received amounts of incentives as a share of contributions in the range of 83% to 90% —indicating that the program is effective in providing incentives across all income levels in proportion to contributions (see Table 5). The analysis also shows that ZIP Codes in the bottom two income quartiles received the largest incentives as a share of EES Contributions and the ZIP Codes in the highest income quartile received the least incentives as a share of EES Contributions. See Appendix E for median incomes by ZIP Code.

Table 5. 2019-2021 Residential and Low-Income Incentives as a Share of EES Contribution by Income Quartile and ZIP Code

Median Income Quartiles by ZIP Code*	Sum of Total Claimed Incentives (\$)**	Sum of Total EES Contribution (\$)**	Incentives / EES Contributions
1: <\$72,179	311,169,206	365,525,551	85%
2: \$72,180-\$94,191	294,324,793	328,105,145	90%
3: \$94,192-\$116,470	294,813,118	349,997,316	84%
4: \$116,471-\$250,000+	324,779,332	392,115,680	83%

*Source: U.S. Census Bureau, 2017-2021 American Community Survey 5-Year Estimates

** Includes total claimed incentives and/or EES contributions for residential and low-income customers in relevant ZIP Codes.

Analyses by Population Size

To understand incentives as a share of EES contributions in larger metropolitan areas of the State, we also analyzed differences based on municipal population size. Because the data is presented at the ZIP Code level, this necessitated a couple of assumptions. First, we identified the USPS recommended assigned name. In some cases, for example ZIP Code 01002, multiple towns (Amherst, Pelham, Hadley and Shutesbury) can be served by a single post office location. In this example, the USPS recommended using Amherst for the ZIP Code, but the data shows incentives were attributed to all four of those towns within that ZIP Code data. The next step was to assign the ZIP Code recommendations to a municipality so that population sizes could be assigned. For example, all of the Boston neighborhoods needed to be associated with Boston. (See Appendix D for the association of municipalities with ZIP Codes.) We were then able to assign population sizes using 2021 American Community Survey Census data (See Appendix F).

To analyze how incentives were allocated to municipalities of different sizes, we grouped municipalities by population in increments of 25,000. We then looked at the total incentives and EES contributions for residential and low-income customers in these municipalities. The analysis shows that residential and low-income customers in small municipalities (with population <25,000) received the highest percent of incentives as a share of their EES contributions (92%) compared with these customers in all other sized municipalities during the 2019-2021 Three-Year plan period. Residential and low-income customers in the largest municipalities (with population >100,000) received the second lowest share of incentives as a share of their EES contributions (78%), with the lowest share of incentives as a share of their EES contributions in the second largest municipalities with populations between 75,000 and 100,000 (67%) (see Table 6). As already noted, many multi-family buildings put in place stop work orders from June 2020 until Fall 2021 to prevent transmission of COVID-19. These measures prevented delivery of energy efficiency services to multi-family buildings in the latter half of the term—most of which are

located in larger cities and thus contributed to a lower amount of incentives to larger municipalities as a share of EES Contributions.

Table 6. 2019-2021 Incentives as a Share of EES Contribution for Residential and Low Income Electric and Gas Customers by Municipality Size

Municipality Size (2021 population)	Sum of Total Claimed Incentives (\$)	Sum of Total EES Contribution (\$)	Incentives / EES Contribution
<25,000	493,423,975	536,172,346	92%
25,000-50,000	338,803,158	387,197,261	88%
50,000-75,000	117,385,519	147,947,179	79%
75,000-100,000	48,375,826	72,008,192	67%
>100,000	234,949,120	301,300,575	78%

Given the large variation across neighborhoods within cities, such as Boston, we completed additional analysis for low-income customers and by neighborhood to understand these dynamics in greater detail (see Tables 7 and 8). As shown in Table 7, low-income customers receive two to four times more incentives as a share of EES contributions across all sizes of municipalities.

Table 7. 2019-2021 Incentives as a Share of EES Contribution for Low Income Electric and Gas Customers by Municipality Size

Row Labels	Sum of Total Claimed Incentives (\$)	Sum of Total EES Contribution (\$)	Incentives / EES Contribution
<25,000	62,008,556	14,933,996	415%
25,000-50,000	46,515,930	14,961,916	311%
50,000-75,000	24,182,326	8,001,828	302%
75,000-100,000	13,472,178	6,366,802	212%
>100,000	95,532,581	32,168,879	297%

Finally, Table 8 provides a more detailed look at the City of Boston by neighborhood. For example, neighborhoods with lower median incomes—such as Roxbury, the South End, Chinatown, and Mattapan—received more than 100% of their EES contributions in incentives, likely due to a high share of low-income residents. Wealthy neighborhoods, such as Beacon Hill, Back Bay, the North End, the Seaport District, and Downtown received among the lowest incentives as a share of EES contributions. Allston and Kenmore, neighborhoods where a lot of college students reside, also received lower incentives as a share of EES contributions.

Table 8. 2019-2021 Incentives as a Share of EES Contribution for Residential and Low Income Electric and Gas Customers by Boston Neighborhood

Boston Neighborhood	Sum of Total Claimed Incentives (\$)	Sum of Total EES Contribution (\$)	Incentives / EES Contribution	2021 Median Income (\$)
Roxbury	9,919,526	4,434,527	224%	34,987
Chinatown	1,528,790	992,793	154%	65,587
South End	6,141,202	4,110,571	149%	71,096
Mattapan	5,189,851	4,397,404	118%	61,180
Hyde Park	7,223,528	7,110,012	102%	81,859
Dorchester	25,206,220	25,151,469	100%	61,183
Roslindale	5,791,189	6,146,862	94%	93,601
Brighton	6,132,282	6,953,159	88%	85,792
West Roxbury	5,875,541	6,748,236	87%	114,596
Jamaica Plain	6,101,121	7,472,793	82%	106,153
Charlestown	2,587,222	3,482,753	74%	140,534
Mission Hill	1,122,444	1,813,420	62%	50,728
Fenway	1,260,525	2,310,914	55%	47,486
South Boston	3,309,371	7,090,811	47%	131,782
East Boston	3,071,688	6,836,809	45%	71,630
West End	992,346	2,307,169	43%	118,125
Allston	1,235,267	3,056,235	40%	69,730
Back Bay	1,941,671	4,942,048	39%	121,151
North End	739,175	2,138,263	35%	120,140
Longwood/Kenmore	528,985	1,823,152	29%	58,466
Seaport District	303,494	1,064,372	29%	160,000
Beacon Hill	85,331	1,162,155	7%	151,793
Downtown	13,175	393,517	3%	123,942

Conclusion

On the whole, when viewing the data across both electric and gas customers, incentives as a share of contributions are relatively similar across all ZIP Code income levels. However, ZIP Codes in the highest income quartile received the lowest amount of incentives as a share of their contributions during the 2019-2021 period. Low-income residential customers receive several times more incentives than contributions—indicating that the low-income program is successfully ensuring that low-income customers are able to access and benefit from these programs.

In aggregate, smaller municipalities received a higher share of incentives than the largest cities in the Commonwealth as a share of contributions. This outcome is driven in part by stop work orders put in place for many large multi-family buildings, most of which are located in cities, during the second half of the term to prevent the transmission of COVID-19. However, looking more closely at individual neighborhoods within the City of Boston presents a different picture in which lower income neighborhoods received greater incentives as a share of contributions than wealthy neighborhoods—likely due to higher concentrations of low-income residents.

The PAs continue to work to improve equitable access to the program and have expanded efforts in the 2022-2024 Three-Year Plan term to support underserved populations and environmental justice communities. We look forward to continuing to partner with stakeholders, customers, contractors, and others to ensure that all Massachusetts residents and business benefit from the program and that the program supports a just transition to clean energy for the Commonwealth's buildings.

We would be happy to schedule a time to review the data with you in further detail and answer any questions. Please do not hesitate to reach out if you would like to have a follow-up discussion.



Sincerely,

The Massachusetts Program Administrators

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Appendix A: Energy Efficiency Surcharge (“EES”) Rates

The table below shows the Energy Efficiency Surcharges (EES) rates per unit of consumption by Company along with date ranges. The Electric EES is made up of two charges: (1) the EERF is defined in the Company’s Energy Efficiency Charges tariff that fund the Company’s energy efficiency activities; and (2) a base Energy Efficiency Charge of 0.250 cents per kilowatt-hour (“kWh”) charged to all retail customers.

For gas rates, there are no specific discount rates defined but rather the entirety of the bills are discounted by 25 percent. The rates in the table below represent 75 percent of the residential rates.

Company/ Rate Area	Date start	Date end	EES (\$)
Electric EES Business Rates¹¹ per kilowatt-hour (“kWh”)			
Cape Light Compact	1/1/2019	12/31/2019	\$0.0021
	1/1/2020	12/31/2020	\$0.0121
	1/1/2021	12/31/2021	\$0.0109
Eversource - Eastern Massachusetts (“EMA”)	7/1/2018	12/31/2019	\$0.0110
	1/1/2020	6/30/2020	\$0.0097
	7/1/2020	6/30/2021	\$0.0089
	7/1/2021	6/30/2022	\$0.0101
Eversource – Western Massachusetts (“WMA”)	7/1/2018	12/31/2019	\$0.0122
	1/1/2020	6/30/2020	\$0.0120
	7/1/2020	6/30/2021	\$0.0084
	7/1/2021	6/30/2022	\$0.0105
National Grid	5/1/2018	4/30/2019	\$0.0064
	5/1/2019	4/30/2020	\$0.0084
	5/1/2020	4/30/2021	\$0.0097
	5/1/2021	4/30/2022	\$0.0094
Until	6/1/2018	5/31/2019	\$0.0067
	6/1/2019	5/31/2020	\$0.0049
	6/1/2020	5/31/2021	\$0.0085
	6/1/2021	5/31/2022	\$0.0073

¹¹ Business rates are for non-residential use and have been approved by the Massachusetts Department of Public Utilities (DPU). These include electric rates such as General Service, Time of Use, Power Purchase and Street Lighting and gas rates such as G41 (Low Load Factor General Service – Small), G42 (Low Load Factor General Service – Medium), G43 (Low Load Factor General Service – Large), G51 (High Load Factor General Service – Small), G52 (High Load Factor General Service – Medium), G53 (High Load Factor General Service – Large).