

**Cape Light Compact JPE
Governing Board
Meeting Minutes
Wednesday, October 23, 2024**

The Cape Light Compact JPE Board of Directors met on Wednesday, October 23, 2024, 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. Brian Miner, Chatham
4. Tom McNellis, Eastham
5. Gary Senecal, Eastham Alternate
6. David Jacobson, Orleans Alternate
7. Nathaniel Mayo, Provincetown
8. Suzanne Ryan-Ishkanian, Wellfleet
9. Joyce Flynn, Vice Chair/Executive Committee, Yarmouth

Participating Remotely Were:

1. David Anthony, Secretary/Executive Committee, Barnstable
2. Bill Doherty, Bourne Alternate
3. Colin Odell, Executive Committee, Brewster
4. Timothy Carroll, Chilmark
5. Alan Strahler, Edgartown
6. Matthew Patrick, Falmouth
7. Leanne Drake, Sandwich
8. Bob Higgins-Steele, Truro Alternate
9. Nicola Blake, Executive Committee, West Tisbury

Absent Were:

1. Forrest Filler, Aquinnah
2. Brad Crowell, Dennis
3. Meghan Gombos, Dukes County
4. Valerie Bell, Harwich
5. Wayne Taylor, Mashpee
6. Peter Meleney, Oak Bluffs
7. Martin Culik, Chair/Executive Committee, Orleans
8. Russ Hartenstine, Tisbury
9. Jarrod Cabral, Truro

Legal Counsel Participating Remotely:

Erin O'Toole, Esq., KO Law, P.C.

Staff Participation In-Person:

Briana Kane, Residential and Commercial & Industrial Program Manager

Staff Participating Remotely:

Anneliese Conklin, Data Services Coordinator
Dan Schell, Senior Analyst - Retail and Demand Response
David Botelho, Senior IT Services & Data Management Analyst
David Maclellan, Senior Analyst
Jason Bertrand, Marketing & Communications Coordinator
Kim Grant, Town Energy Coordinator
Laura Selmer, Energy Efficiency Analyst
Margaret Song, Energy Efficiency Strategy and Policy Manager
Mariel Marchand, Power Supply Planner
Miranda Skinner, Strategy and Regulatory Analyst
Melissa Allard, Senior Administrative Coordinator
Phil Moffitt, Chief Financial Officer
Stephen McCloskey, Energy Efficiency Analyst
Tatsiana Nickinello, Energy Efficiency Analyst

Public Participants:

None.

Joyce Flynn called the meeting to order at 2:08 PM.

Public Comment:

No written comments were received in advance of the meeting and no members of the public were present for public comment.

APPROVAL OF MINUTES:

The Board considered the September 11, 2024 Open and Executive Session Meeting Minutes.

Margaret Song reviewed the edits from David Anthony that did not make it into the Board Packet. She stated that in the Open Session on page 4, in the second to last paragraph, he wanted to change “July 9th” to “July 9, 2024” to keep it consistent. On the top of page 6, there is an “r” in the sentence that needs to be removed and in the second paragraph, the beginning of the third sentence should say “She stated”. On page 7, in the last paragraph, it should say “just taking a bit longer”.

Margaret Song stated that in the Executive Session David Anthony had one edit that on page 2 in the Open Session vote to enter into Executive Session that the date needs to be fixed to say “July 10, 2024”.

Suzanne Ryan-Ishkanian stated that her first name is misspelled in the vote tables in both the Open and Executive Session Meeting Minutes.

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

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| Sean | Hogan | Barnstable | Yes |
| Robert | Schofield | Bourne | Yes |
| Colin | Odell | Brewster | Yes |

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|---------|----------------|--------------|-----------|
| Brian | Miner | Chatham | Yes |
| Tom | McNellis | Eastham | Yes |
| Alan | Strahler | Edgartown | Yes |
| Matt | Patrick | Falmouth | Yes |
| Nate | Mayo | Provincetown | Abstained |
| Leanne | Drake | Sandwich | Yes |
| Bob | Higgins-Steele | Truro | Abstained |
| Suzanne | Ryan-Ishkanian | Wellfleet | Yes |
| Nicola | Blake | West Tisbury | Yes |
| Joyce | Flynn | Yarmouth | Yes |

Motion carried in the affirmative (11-0-2)

VICE CHAIR’S REPORT, JOYCE FLYNN:

1. Report on Community Choice Aggregation Conference

Joyce Flynn stated that the Community Choice Aggregation Conference in Washington DC was wonderful. She stated that she was there and so were Maggie Downey, Mariel Marchand, and Matt Patrick. She stated that it is impressive to see the number of people from all over the country who are trying to do municipal or regional aggregation. The movement has really grown.

Matt Patrick stated that he enjoyed the conference. He stated that it is amazing that this concept started right here in Barnstable County. He stated that it was such a thrill to see how far all of these states have taken the concept. There are a lot of great ideas that have been implemented, especially low-income programs.

DISCUSSION AND PRESENTATION ON 2025-2027 ENERGY EFFICIENCY AND DECARBONIZATION PLAN PROPOSED BUDGET AND POTENTIAL CUSTOMER BILL IMPACTS, MARGARET SONG:

Margaret Song reviewed the 2025-2027 Energy Efficiency Plan PowerPoint.

Margaret Song stated that as a reminder, the Secretary of the Executive Office and Environmental Affairs sets our Green House Gas (GHG) goals which were received by the Compact on March 1, 2024. She stated that for 2022-2027 there is a \$5 billion statewide budget with a one million metric tons of greenhouse gas (GHG) reduction goal.

Margaret Song reviewed the 2025-2027 Energy Efficiency Plan (Plan) highlights. She stated that these include 1) turnkey offerings for select measures for a fully facilitated customer experience for moderate income and small business customers, 2) direction that Program Administrators (PAs) will use both Area Median Income (AMI) and State Median Income (SMI) to determine a customer's eligibility, 3) targeted enhanced community-based offers with a focus on equitable program delivery for residential and commercial renters/landlords, low and moderate income customers, and limited English influence, 4) statewide model to fund and deliver electrification projects, and 5) changes to HEAT Loan.

Margaret Song reviewed the 2025-2027 budget detail. She stated that there is an increase in all three sectors for 2025-2027 versus 2022-2024 including the Compact’s budget mid-term modification (MTM). She stated that the Compact’s programs lean heavily towards its residential and low-income programs since it does not have the same number of industrial customers that is seen in other areas of Massachusetts like Boston.

Margaret Song reviewed the Energy Efficiency Surcharge (EES) in cents/kWh. She stated that the EES for the rest of the year for residential and income eligible is 3.898 cents/kWh and for commercial is 1.558 cents/kWh. The EES for 2025 through 2027 has been estimated from 5.468 cents/kWh to 5.976 cents/kWh. She reviewed the monthly, yearly, and three-year term EES impacts. She stated that residential and low-income households with an average monthly usage of 650 kWh in 2024 would have a \$25.34 energy efficiency surcharge. She stated that it is estimated that from 2025 through 2027 it will increase 30% to 53% from 2024. She stated that for the commercial and industrial sector we are looking at an estimated 107% to 138% increase from 2024 for the 2025 to 2027 period. She reviewed the illustrative bill impacts for residential, income eligible, and small business customers for 2024 which is in effect and 2025 which is planned.

Tom McNellis stated that with the high cost of electricity in Massachusetts, it is impacting customers' decision to move to heat pumps because in their minds in terms of saving money, they are not. He asked if there is a way to place a bigger burden on those who are not heating with electricity. Margaret Song stated that there is a conversation happening about what to do in terms of heat pump rates. She stated that Unitil recently was approved for a heat pump rate which does look at reallocating what the costs are, and National Grid is in the process of proposing a similar heat pump rate, as they just got approved as well. She stated that there is a statewide push to examine this. She stated that there is a DPU docket, 24-15, that may be of interest here. It is on energy affordability. She stated that there has been a question about whether we should be rethinking the electric rates and whether the eligibility should be increased to allow moderate income customers, and not just low-income customers, to be eligible for a discounted electric rate. She stated that there are these types of dockets that are trying to address this, just not specifically in the energy efficiency docket that is in front of us. Mariel Marchand stated that the Compact doesn't have the rate making authority. She stated that if there were to be a heat pump rate it would be through an Eversource Rate Case. She stated that the Compact did submit comments on DPU docket 24-15 and they were sent to the Board a while back. She stated that beyond that, we don't have the ability to change where this surcharge is going.

Colin Odell stated that natural gas customers are paying for an energy efficiency charge as well. He stated therefore, natural gas customers are technically paying this charge twice, for the heat pump portion, because if they were to convert to heat pumps that incentive would go to the natural gas company. Briana Kane stated that the Compact is still looking at fuel types and from everything we are seeing and hearing, there is still a benefit for customers with electric resistance, oil, and propane to switch to heat pumps.

Colin Odell stated that maybe the Compact should start thinking about getting involved in community solar again to help mitigate the costs of heat pumps. Dan Schell stated that as a reminder the Compact has started the Energy Save Home Loan program. He stated that there is a whole list of measures, like solar, that fall under the program to help the customer decarbonize their home. The customer does need to be income qualified to participate in the program. He stated that there is also the RUS loan coming as well for market rate customers.

Margaret Song stated that she just received an update from Maggie Downey, who is at the Energy Efficiency Advisory Council (EEAC) meeting, and the EEAC voted unanimously to approve the 2025-2027 Plan.

Bill Doherty and Tim Carroll joined the meeting at 2:48PM.

David Anthony joined the meeting at 2:58PM.

ENERGY EFFICIENCY PRESENTATION ON RESULTS OF “RESIDENTIAL NON-PARTICIPANT CUSTOMER PROFILE STUDY”, MIRANDA SKINNER:

Miranda Skinner reviewed 2013-2022 Residential Nonparticipant Study (MA24X24-B-RNPS) PowerPoint.

Miranda Skinner stated that in 2019 the Compact published a study for 2013 to 2017 residential nonparticipant study and in this study, we found that the statewide average combined for 2013 to 2017 for gas and electric consumption would be participation rate was 32% and the electric consumption rated participation rate was 34%. The study also found that moderate income customers, renters, and limited English proficiency households had lower participation rates than other populations. She stated that because of these findings the DPU had asked the PAs to redo the 2013 to 2017 analysis using updated data, so that's why this study is looking at the 2013 to 2022. She stated that the DPU defines hard to reach (HTR) communities as communities that are served by an electric and/or a gas PA, have historically low participation rates, and that they must contain at least one environmental justice population as defined by the EPA environmental justice policy. There are four categories of environmental justice populations: 1) households where the median income is not more than 65% of the statewide annual median income; 2), census blocks where minorities comprise 40% more of the population; 2) census blocks where 25% or more of the households lack English language proficiency; and 4) census blocks where minorities comprise 25% or more of the population and the annual median household income of the area does not exceed 150% of the statewide annual median income. She stated that the Compact has 12 communities/census blocks that meet these requirements, and they are Aquinnah, Barnstable, Bourne, Chatham, Dennis, Eastham, Edgartown, Falmouth, Harwich Oaks Bluffs, Tisbury, and Yarmouth.

Miranda Skinner stated that the key finding of the 2013 to 2022 nonparticipant study is that the statewide participation changes over time. She stated that gas and electric participation rates increased statewide for all customer groups and participation increased in 97% of Massachusetts municipalities, and 100% of the Compact municipalities. She stated that other key findings include statewide changes in the participation gap. There was a decrease in the gap for HTR communities and block groups with high concentrations of low- and moderate-income households and there is an increase for block groups with high concentrations of renter occupied multifamily and limited English-speaking households.

Miranda Skinner reviewed the statewide participation results. She stated that HTR communities continue to have lower participation rates. She stated that from the 2013 to 2017 period to the 2018 to 2022 period the HTR participation increased from 29% to 36% for electric and 19% to 27% for gas. She reviewed the statewide participation gap results. She stated that the gap decreased for low income and moderate-income customers and then for renters, multifamily and limited English-speaking households that gap increased. She reviewed statewide incentive results. She stated that incentives increased substantially for gas and electric programs. Low and moderate-income customers had lower participation rates but received higher incentives than their counterparts. She stated that the gap between renters and multifamily households increased dramatically.

Miranda Skinner reviewed the statewide participation map. Participation increased by 98% of HTR municipalities. She stated that participation increased in all the Compact's HTR municipalities. She reviewed the statewide versus Compact's municipality participation from the 2013 to 2017 period to the 2018 to 2022 period. She stated that the Compact municipalities had an average increase of 13% and HTR communities had an average increase of 11%. As for statewide, there was an average increase of 12% and HTR communities had an average increase of 10%.

Miranda Skinner reviewed seasonal vacancy data. She stated that Massachusetts has a 9.3% seasonal vacancy rate, and the Cape and Vineyard have a 48% seasonal vacancy rate. She stated that in 2022 the DNV Energy Insights USA Inc. (DNV) wrote a memo stating that "areas with higher vacancy tend to have lower location participation rates. Therefore, the higher proportion of vacant homes in Cape Light Compact's territory would lead us to expect a lower Location Participation Rate there than in the rest of the state". She stated that even with a high rate of seasonal vacancies the Compact has been able to stay on par with the rest of the state.

TOWN OF BARNSTABLE PRESENTATION ON PROPOSED MICROGRID AT BARNSTABLE HIGH SCHOOL, SEAN HOGAN, TOWN OF BARNSTABLE:

Sean Hogan reviewed Barnstable Microgrid PowerPoint.

Sean Hogan stated that this grant came across his desk about a year ago. He stated that any town with a large transmission project coming through would be eligible and for Barnstable that is the large wind projects that are happening off Cape Cod. He stated that the max award was \$50 million, and it was very open ended. He stated that as long as you could document that the project would economically benefit the town, especially disadvantaged groups, that you could propose a project that a town had identified. He stated that he put together this microgrid proposal that would solve as many problems as possible with one large project. He stated that they were awarded \$42.3 million. He stated that the main objective is to produce more energy on the Barnstable Public School campus. He stated that the big capital portions of it are solar canopies, solar roofs, HVAC electrification, fleet charging, and battery storage.

Sean Hogan stated that the 30-year project economic impact is \$472,579,937. He stated that the real return on investment comes from the programs attached to the project. He stated that his goal was to save the town energy by producing more electricity on site and removing our dependence on the gas boilers. Also, improving air quality in the Barnstable Public School campus. He stated that the air quality lifetime earnings, using standard economics metrics, has an impact of almost \$300 million of the total project impact number over its lifetime. He stated that another program that we've attached to this microgrid is to segment off a portion of the savings to fund internships. He stated that they would be able to fund 40 students for a six-week summer internship at \$25 an hour. He stated that the Cape Cod Regional Transit Authority has generously offered free transportation for our high school students in support of this grant. He stated that some of the other benefits include an expanded emergency shelter with backup battery storage, in addition to the economic, social, and health impacts.

David Jacobson asked if this microgrid would be disconnected from the general grid. Sean Hogan stated that it will be connected because we're hoping that the larger grid will want to take advantage of the battery system during emergencies or even for demand response purposes. David Anthony stated that Barnstable is very happy to have Sean Hogan. He stated that there is value to having someone on staff whose full-time focus is energy management. He stated that with Sean Hogan's investigation skills to find these grants and projects, along with his own 26 years of municipal experience, that they made a good team. Matt Patrick stated that this is probably the most fantastic energy grant that Cape Cod has ever received.

Leanne Drake left the meeting at 3:48PM.

Alan Strahler left the meeting at 3:56PM.

ADMINISTRATOR'S REPORT:

1. Next Board Meeting: November 13, 2024

Briana Kane stated that the next Board Meeting will be on Wednesday, November 13th.

Tim Carroll left the meeting at 4:14PM.

ADJOURNMENT:

Motion to adjourn made at 4:15 PM moved by Robert Schofield, seconded by Tom McNellis.

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| David | Anthony | Barnstable | Yes |
| Robert | Schofield | Bourne | Yes |
| Colin | Odell | Brewster | Yes |
| Brian | Miner | Chatham | Yes |
| Tom | McNellis | Eastham | Yes |
| Matt | Patrick | Falmouth | Yes |
| David | Jacobson | Orleans | Yes |
| Nate | Mayo | Provincetown | Yes |
| Bob | Higgins-Steele | Truro | Yes |
| Suzanne | Ryan-Ishkanian | Wellfleet | Yes |
| Nicola | Blake | West Tisbury | Yes |
| Joyce | Flynn | Yarmouth | Yes |

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

Respectfully submitted,

Melissa Allard

LIST OF DOCUMENTS AND EXHIBITS:

- Meeting Notice/Agenda
- September 11, 2024, Draft Open and Executive Session Meeting Minutes
- 2025-2027 Energy Efficiency Plan PowerPoint
- 2013-2022 Residential Nonparticipant Study (MA24X24-B-RNPS) PowerPoint
- Barnstable Microgrid PowerPoint