

Cape Light Compact Executive Committee & Governing Board Meeting

DATE: Wednesday, January 10, 2018
LOCATION: Cape Light Compact Offices -- MV Conference Room
261 Whites Path, Unit 4, South Yarmouth
TIME: 1:00 – 4:30 p.m.

AGENDA

- 1:00 PM** Open Session Vote on entry into Executive Session pursuant to M.G.L. c. 30A §§21(a)(3) to discuss matters below, to return to open session:
1. Regulatory litigation strategy. DPU 17-05, 2017 Eversource Rate Case
 2. Update on Regulatory Litigation and discussion of strategy related to the Compact's Aggregation Plan, DPU 14-69, and the Compact's Request for an Advisory Ruling, DPU 17-95
- 2:30 PM** Public Comment
- Approval of Minutes
- Chairman's Report
1. Elections for 2018 Officers and Executive Committee Members
- Fiscal Report, Peter Cocolis
- Meeting Protocols Update, Tom Donegan
- Administrator's Report:
1. Discussion and Potential Vote on Aggregation Plan Amendments
 2. Overview and Discussion of Compact Operating Budget Legal Expenses
 3. Discussion on CLC Board Member Email Accounts
- Power Supply Strategy Discussion, Austin Brandt
- Energy Efficiency: C&I Program Update on Customer Directed Option, Greg Abbe
- MA State Ethics and Open Meeting Law Training, Jeff Bernstein
- Board Member Update (Reserved for Updates on Member Activities the Chair Did Not Reasonably Anticipate Would be Discussed – No Voting)

**Cape Light Compact JPE
Governing Board and Executive Committee
Open Session Meeting Minutes
Wednesday, December 13, 2017**

The Cape Light Compact JPE Board of Directors and Executive Committee met on Wednesday, December 13, 2017 in the Martha's Vineyard Conference Room at the Cape Light Compact JPE Offices at 261 Whites Path, Yarmouth MA 02664 at 2:00PM.

PRESENT WERE:

1. Joyce Flynn, Chair, Yarmouth
2. David Anthony, Secretary, Barnstable
3. Robert Schofield, Executive Committee, Bourne
4. Peter Cocolis, Executive Committee, Chatham
5. Richard Toole, Executive Committee, Oak Bluffs – by phone
6. Thomas Donegan, Executive Committee, Provincetown
7. Valerie Bell, Harwich
8. Sue Hruby, West Tisbury
9. Martin Culik, Orleans
10. ChristiAne Mason, Wellfleet Alternate
11. Jay Grande, Tisbury – by phone
12. Fred Fenlon, Eastham
13. Tim Carroll, Chilmark – by phone
14. Ronald Zweig, Vice-Chair, Falmouth
15. Colin Odell, Brewster
16. Jarrod Cabral, Truro
17. Robert Hannemann, Duke's County
18. Brad Crowell, Dennis
19. Paul Pimental, Edgartown

ABSENT WERE:

20. Michael Hebert, Aquinnah
21. Vacant - Sandwich
22. Richard Elkin, Wellfleet
23. Wayne Taylor, Mashpee

Members/Alternates

physically present: 16

Members present by phone: 3

LEGAL COUNSEL

Jeffrey Bernstein, Esq., BCK Law, P.C.

STAFF PRESENT

Austin Brandt, Senior Power Supply Planner

Maggie Downey, Administrator

Lindsay Henderson, Analyst and Marketing

Briana Kane, Planning and Evaluation Manager

Joanne Nelson, Comptroller

Draft Minutes subject to correction, addition and Committee/Board Approval
Joyce Flynn called the meeting to order at 2:02.

PUBLIC PRESENT

Peter Doyle, Barnstable

PUBLIC COMMENT

There were no members of the public present.

APPROVAL OF MINUTES

The Board considered the November 08, 2017 Meeting Minutes. *Robert Schofield moved the board to accept the minutes, seconded by Valerie Bell. The Board then voted unanimously by a show of hands as there were no remote participants at the time of this vote in favor to approve with Peter Cocolis, Ronald Zweig, Jarrod Cabral, and Paul Pimental abstaining.*

Motion carried in the affirmative (11 – 0 – 4)

CHAIRMAN'S REPORT

1. ROOM SET UP AND USE OF SPACE

Joyce Flynn noted that the room set up for the December 13, 2017 Board Meeting was more conducive for conversation and when feasible would like to see this set up continued going forward.

Maggie Downey provided an update on the microphones, the Compact is still investigating alternative options to just utilizing a hand-held microphone.

Thomas Donegan joined the meeting at 2:08 PM.

Joyce Flynn recognized Richard Toole of Oak Bluffs, Jay Grande of Tisbury, and Timothy Carroll of Chilmark, who were all remotely participating due to geographic distance.

who joined the meeting by phone at 2:10

FISCAL REPORT, PETER COCOLIS

1. OVERVIEW OF OPERATING AND ENERGY EFFICIENCY BUDGETS

Peter Cocolis reviewed the handout for the Energy Efficiency Budget. He then discussed the 2018 Energy Efficiency Surcharge that was presented during the November 8, 2017 Board Meeting. Peter Cocolis went on to review the handout for the July 1, 2017-December 31, 2017 Operating Budget.

MEETING PROTOCOLS UPDATE, THOMAS DONEGAN

Thomas Donegan circulated a draft copy of the protocols to the Board. Generally, protocols have two missions. They set expectations among and between the Board and expectations to the public. Review of multiple sources was conducted to inform the draft text. Included are general outlines around ethics laws in Massachusetts. Thomas Donegan asked the Board to please review and comment over the next month as a final copy will be presented at the next meeting for a potential vote. Peter Cocolis asked if conflict of interest question should be asked at the beginning of meetings and that this should be added to the document, Thomas Donegan indicated that the appointing authority and Administrator should be notified if there are conflicts. Brad Crowell asked what happens if a Board Member opts not to comply? Thomas Donegan responded that if it was in reference to a State Law, a filing should be made with the State Ethics Commission and that additionally, the Board also has the ability under certain circumstance to remove the Board Member as does the appointing authority. Maggie Downey asked the Board to send comments to Tom Donegan, Sue Hrubby, and or Peter Cocolis. Maggie Downey also stated that this would be brought back for the January meeting and will be provided in January packet. Colin Odell asked if the document could be circulated in word? Maggie Downey indicated yes, and asked the Board to please use track changes. Ron Zweig stated that the rule of thumb for these things is if conflict is a thought, file. Jeff Bernstein offered to talk with Tom Donegan after the meeting with thoughts from a legal perspective before the document was circulated. Joyce Flynn thanked the working group for their effort on this.

ADMINISTRATOR'S REPORT, MAGGIE DOWNEY

1. OPEN NOMINATIONS FOR 2018 SEVEN MEMBER EXECUTIVE COMMITTEE

Joyce Flynn opened the floor for nominations. Maggie Downey indicated that the positions were now open and will be open through the January meeting at which time they will be voted on. David Anthony asked if it made sense to ask the current members of the Executive Committee if they were still interested. Joyce Flynn indicated she would be interested in serving for the next year, but others should begin to think about filling the position in 2019. Ron Zweig indicated he was willing to continue as did David Anthony. For the At Large positions, Peter Cocolis, Thomas Donegan, and Robert Schofield indicated interest. Richard Toole indicated he may be interested. Valerie Bell stated that as this was the first year for the JPE, for continuity's sake, it may be nice to have the current committee stay as they are. Thomas Donegan nominated the existing slate of officers and Executive Committee for 2018, seconded by Valerie Bell. Joyce Flynn asked if there were additional nominations for Chair, Vice Chair, Secretary, (none heard). For the Executive Committee, Richard Toole wondered if Sue Hrubby was interested, Sue Hrubby indicated she was not.

Maggie stated that there are two other officer positions; Treasurer is held by Tammy Lavinski and the business officer position is held by the CLC Comptroller, Joanne Nelson.

SUPPLEMENTAL BUDGET REQUEST FOR 2017 LEGAL OPERATING BUDGET

Maggie Downey asked the Board to refer to the handout in their packet. The Eversource rate case caused an additional need of funds in the amount of \$60,000.00 for technical consultants and legal expenses, for a total legal budget of \$359,620.00. If a portion of the legal budget is unspent, it rolls back into budget. Martin Culik made the motion to authorize the additional funds and Robert Schofield seconded the motion and discussion was opened. Brad Crowell expressed concern for recurring legal services costs. As it is a big item, it would be helpful and allow him to be comfortable with these votes if there was a process for reviewing what we spend and what we get out of these expenses. Maggie Downey clarified that when we put forth our budget we list

what projects are covered. Joyce Flynn mentioned the legal review sheet presented at a prior Board Meeting as a reference source. Brad Crowell indicated it would be helpful to know the hours by case. Maggie Downey indicated she would give an update going forward at the budget discussion meeting (typically taking place in October). Maggie Downey also will give an update on legal expenses at the January Board Meeting. Thomas Donegan stated we were given a review of level of effort, and then we recap against actuals on a regular basis. Martin Culik asked if we know prior year expenditures. Jeffrey Bernstein indicated yes, and that overall, it is about the same for general services (as opposed to those for particularly regulatory proceedings or other specific projects), however the big DPU cases caused a significant increase in 2017. Maggie Downey stated that, on average, the general costs are \$260,000.00 to \$300,000.00. Fred Fenlon asked how much the rate case cost (legal and consulting fees) and Maggie Downey stated that she would be able to provide that in the January update.

Martin Culik moved the Board vote and approve a supplemental budget for the Compact's July 01, 2017 – December 31, 2017 operating budget in the amount of \$60,000.00 for legal and related consulting expenses associated with the Compact's intervention in the Eversource rate case DPU 17-05. Seconded by Robert Schofield and voted by roll call as follows:

1. David	Anthony	Barnstable	Yes
2. Robert	Schofield	Bourne	Yes
3. Colin	Odell	Brewster	Yes
4. Peter	Cocolis	Chatham	Yes
5. Timothy	Carroll	Chilmark	Yes
6. Brad	Crowell	Dennis	Yes
7. Robert	Hannemann	Dukes County	Yes
8. Fred	Fenlon	Eastham	Yes
9. Paul	Pimental	Edgartown	Yes
10. Ron	Zweig	Falmouth	Yes
11. Valerie	Bell	Harwich	Yes
12. Richard	Toole	Oak Bluffs	Yes
13. Martin	Culik	Orleans	Yes
14. Thomas	Donegan	Provincetown	Yes
15. Jay	Grande	Tisbury	Yes
16. Jarrod	Cabral	Truro	Yes

17. ChristiAne	Mason	Wellfleet	Yes
18. Sue	Hruby	West Tisbury	Yes
19. Joyce	Flynn	Yarmouth	Yes

Motion carried in the affirmative. (19 – 0—0)

DISCUSSION AND POTENTIAL VOTE ON 1% COLA FOR CALENDAR YEAR 2018

Motion made by Colin Odell and seconded by Martin Culik. Joyce Flynn asked for discussion and seeing none, the vote was taken.

Colin Odell moved the Board vote to approve a January 1, 2018 – December 31, 2018 employee cost of living adjustment (COLA) in the amount of 1%. Seconded by Martin Culik and voted by roll call as follows:

1. David	Anthony	Barnstable	Yes
2. Robert	Schofield	Bourne	Yes
3. Colin	Odell	Brewster	Yes
4. Brad	Crowell	Dennis	Yes
5. Robert	Hannemann	Dukes County	Yes
6. Fred	Fenlon	Eastham	Yes
7. Paul	Pimental	Edgartown	Yes
8. Ron	Zweig	Falmouth	Yes
9. Valerie	Bell	Harwich	Yes
10. Richard	Toole	Oak Bluffs	Yes
11. Martin	Culik	Orleans	Yes
12. Thomas	Donegan	Provincetown	Yes
13. Jay	Grande	Tisbury	Yes
14. ChristiAne	Mason	Wellfleet	Yes
15. Sue	Hruby	West Tisbury	Yes
16. Joyce	Flynn	Yarmouth	Yes

Motion carried in the affirmative. (16 – 0 – 0) Peter Cocolis was not in the room when this vote was taken.

DISCUSSION AND POTENTIAL VOTE ON PROPOSED AMENDMENTS TO THE CLC JOINT POWERS AGREEMENT

Maggie Downey indicated that all member towns had received copies of the proposed amendments to correct scrivener's errors and correct other factual items, and that no comments were received regarding the proposed edits, except from Aquinnah, who accepted all proposed edits. Colin Odell moved the motion and it was seconded by Brad Crowell. There was no further discussion and the vote was taken.

Colin Odell moved the Board vote and accept the proposed amendments to the Joint Powers Agreement of the Cape Light Compact, as described in the attached red-lined agreement. Seconded by Brad Crowell and voted by roll call as follows:

1. David	Anthony	Barnstable	Yes
2. Robert	Schofield	Bourne	Yes
3. Colin	Odell	Brewster	Yes
4. Peter	Cocolis	Chatham	Yes
5. Brad	Crowell	Dennis	Yes
6. Robert	Hannemann	Dukes County	Yes
7. Fred	Fenlon	Eastham	Yes
8. Paul	Pimental	Edgartown	Yes
9. Ron	Zweig	Falmouth	Yes
10. Valerie	Bell	Harwich	Yes
11. Richard	Toole	Oak Bluffs	Yes
12. Martin	Culik	Orleans	Yes
13. Thomas	Donegan	Provincetown	Yes
14. Jay	Grande	Tisbury	Yes
15. ChristiAne	Mason	Wellfleet	Yes
16. Sue	Hruby	West Tisbury	Yes
17. Joyce	Flynn	Yarmouth	Yes

Motion carried in the affirmative. (17 – 0 – 0)

DISCUSSION AND POTENTIAL VOTE ON 2018 OPERATING BUDGET

Tim Carroll left the meeting at 3:03 PM.

Jarrold Cabral left the meeting at appx 3:15 PM.

Brad Crowell left the meeting at 3:54 PM.

Maggie Downey reviewed the handout in the packet. Martin Culik asked questions regarding the operating budget revenue stream, the mil adder, Peter Cocolis indicated that it has been a goal of the Board to maintain at least 12 months of revenue in reserve. Colin Odell suggested the Compact adopt what is done through the energy efficiency world. Typically weather normalized data is used. Our receipts are / could be budgeted based on weather normalized data for revenues. Maggie Downey indicated we could do that for 2019. Martin Culik made a motion to move the budget as stated, and this was seconded by Robert Schofield. Maggie Downey indicated that it did not include appeals or significant evidentiary hearing costs or other such projects, and that she would bring back to the Board a supplemental request if needed.

Thomas Donegan asked if we accrued for OPEB in this fund and Maggie Downey stated that as of right now, it was not included as we will not know the true obligations until after the actuarial is completed. Colin Odell stated that we know there is an OPEB liability to occur greater than zero and he will not vote for this, as it does not reflect as such in the budget. Colin Odell asked to modify the budget at this meeting to account for OPEB. Sue Hruby agreed that some number should be plugged in to an OPEB line in the operating budget. David Anthony indicated we should use a reasonable percentage of 5 or 10 percent to set some placeholder amount for OPEB.

Colin Odell proposed an amendment for OPEB to be set at \$7,100.00 and \$5,300.00 to the pension liability line and was seconded by Robert Schofield and voted by roll call as follows:

1. David	Anthony	Barnstable	Yes
2. Robert	Schofield	Bourne	Yes
3. Colin	Odell	Brewster	Yes
4. Peter	Cocolis	Chatham	Yes
5. Robert	Hannemann	Dukes County	Yes
6. Fred	Fenlon	Eastham	Yes
7. Paul	Pimental	Edgartown	Yes
8. Ron	Zweig	Falmouth	Yes
9. Valerie	Bell	Harwich	Yes

10. Richard	Toole	Oak Bluffs	Yes
11. Martin	Culik	Orleans	Yes
12. Thomas	Donegan	Provincetown	Yes
13. Jay	Grande	Tisbury	Yes
14. ChristiAne	Mason	Wellfleet	Yes
15. Sue	Hruby	West Tisbury	Yes
16. Joyce	Flynn	Yarmouth	Yes

Motion carried in the affirmative. (16 – 0—0)

Martin Culik moved the Board vote to appropriate the Cape Light Compact Joint Powers Entity Operating Budget in the amount of \$848,765.00. Seconded by Robert Schofield and voted by roll call as follows:

1. David	Anthony	Barnstable	Yes
2. Robert	Schofield	Bourne	Yes
3. Colin	Odell	Brewster	Yes
4. Peter	Cocolis	Chatham	Yes
5. Robert	Hannemann	Dukes County	Yes
6. Fred	Fenlon	Eastham	Yes
7. Paul	Pimental	Edgartown	Yes
8. Ron	Zweig	Falmouth	Yes
9. Valerie	Bell	Harwich	Yes
10. Richard	Toole	Oak Bluffs	Yes
11. Martin	Culik	Orleans	Yes
12. Thomas	Donegan	Provincetown	Yes
13. Jay	Grande	Tisbury	Yes
14. ChristiAne	Mason	Wellfleet	Yes
15. Sue	Hruby	West Tisbury	Yes

16. Joyce Flynn Yarmouth Yes

Motion carried in the affirmative. (16 – 0—0)

DISCUSS REQUEST FOR LETTER OF SUPPORT FOR VINEYARD WIND

Maggie Downey made the Board aware that Vineyard Power reached out to her requesting a letter of support for its offshore wind project. David Anthony indicated that the Board had adopted a vote or resolution some years ago stating that the Board would not support specific private projects. Paul Pimental indicated that he is a founder and board member of Vineyard Power, and that this letter is about which developer is selected. David Anthony mentioned that we didn't want to get drawn into the political nature of projects regardless of the positivity of this. Colin Odell raised the question whether there was a possible conflict of interest with Paul Pimental speaking on the topic.

Counsel Jeffrey Bernstein asked that if this discussion can wait, he would prefer to have all the facts before discussing the issue and how it relates to any potential conflicts of interest. Valerie Bell said it couldn't as there was a date certain for a response but asked to get back to David Anthony's question and that she has issues with picking projects versus supporting renewables generally. The discussion was postponed for several minutes so that counsel could confer with a colleague and do some additional research.

When the discussion resumed, Counsel indicated that it raised conflict issues for a member of the Board of Vineyard Power, which has a financial arrangement with Vineyard Wind, to participate as a Compact board member in the discussion. Although the situation might be different for Compact board members who were simply members of Vineyard Power, Mr. Bernstein said he lacked enough information as to whether they would be considered to have interests no different than those of the general public under Chapter 268A. Mr. Pimental said he would not participate as a Compact board member.

Tom Donegan indicated he would support this, he feels that this is a local enterprise that we should support and is something good. Joyce Flynn asked is there an issue with MV representatives and alternates writing a letter in their Compact capacity. Jeffrey Bernstein indicated there could be.

Maggie Downey asked for a sense of the board. Colin Odell indicated that he tends to agree with David Anthony and agrees with writing a generic letter, but not a project specific letter. Fred Fenlon asked if there is any liability to CLC. Peter Cocolis indicated that he tends to agree with David Anthony. The sense of the board was 2 in support (Thomas Donegan and Joyce Flynn); all other members did not support sending a letter. Maggie Downey indicated that she will not send a letter.

UPDATE ON QUORUM POLICY

Maggie Downey will be bringing this back to the Board in January.

WEATHERIZATION CAP – PROPOSAL TO REMOVE FOR 2018, PHIL MOFFITT

Lindsay Henderson reminded the Board that the cap was originally lifted in June and was being extended through all of 2018 by all the Program Administrator's in the state.

POWER SUPPLY PRICING OVERVIEW, AUSTIN BRANDT

Austin Brandt reviewed with the Board the pricing for the first six months of 2018. Going forward the Board asked that presentations be emailed to the remote participants in advance of the meeting. Austin Brandt is looking for feedback from the Board on the direction of Power Supply going forward. Colin Odell asked if we should go back to two tiers of pricing (Basic and Green). It was agreed to continue the discussion at the January Board meeting.

Jay Grande left the meeting at 4:24 PM.

REVIEW 2018 PROPOSED PUBLIC MARKETING EVENTS, LINDSAY HENDERSON

Lindsay Henderson referred the Board to the handout in their packets. Lindsay Henderson requested that the Board notify her if they have any events they would want staff to attend. Lindsay Henderson also asked the Board to start a dialogue with each Senior Center as the Compact would like to do presentation(s) at every Senior Center in 2018.

Richard Toole stopped his participation by phone at 4:44

ADJOURNMENT

Motion to adjourn made at 4:44 moved by Colin Odell, seconded by Ron Zweig. The Board then voted unanimously by a show of hands as there were no remote participants at the time of this vote in favor to approve.

Motion carried in the affirmative. (14 – 0 – 0)

Respectfully submitted,

Briana C. Kane

LIST OF DOCUMENTS AND EXHIBITS:

- Meeting Notice / Agenda
- November 08, 2017 Meeting Minutes
- Operating Fund Budget
- DRAFT Code of Conduct and Ethics
- Guide for Members of Public Boards and Commissions
- Supplemental Budget Request vote
- 2018 Operating Budget vote
- Request for 1% COLA vote
- Amendments to the CLC Joint Powers Agreement vote
- 2017 Municipal Energy Technical Assistance (META) Grant
- CLC Power Supply Pricing Overview
- Proposed 2018 Events

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

**Agenda Action Request
Cape Light Compact
Meeting Date: 1/10/18**



Revised Cape Light Compact Aggregation Plan

REQUESTED BY: *Maggie Downey*

Proposed Motion(s)

I move the CLC/JPE Board of Directors vote to approved the proposed revisions to the Cape Light Compact's Aggregation Plan.

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

Compact staff and legal counsel have proposed revisions to the Aggregation Plan to comply with DPU Order 17-95, with the exception of the enrollment process which will be addressed separately.

Record of Board Action

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

Aquinnah

Barnstable

Bourne

Brewster

Chatham

Chilmark

Dennis

*Dukes
County*

Eastham

Edgartown

Falmouth

Harwich

Mashpee

Oak Bluffs

Orleans

Provincetown

Sandwich

Tisbury

Truro

Wellfleet

West Tisbury

Yarmouth

CAPE LIGHT COMPACT AGGREGATION PLAN

As revised by
DPU 14-69, Order dated
May 1, 2015 and DPU
17-95, Advisory Ruling
dated December 29, 2017

Deleted: §
§
For additional information contact:
§
Cape Light Compact Administrator,
P.O. Box 427,
Superior Court House,
Barnstable, MA 02630
§
Telephone (508) 375-6636 §

FOREWORD

On August 27, 2013, the Cape Light Compact ("Compact") was asked by the Department of Public Utilities ("DPU") to review its Aggregation Plan to determine whether the Compact should file a revised plan to reflect current structure and operations, consider removing obsolete references and to comply with any applicable laws, regulations and DPU precedent as well as the forthcoming decision in DPU 12-124 (Lowell Aggregation Plan). (The Lowell decision was subsequently issued on November 27, 2013.)

The Compact's Aggregation Plan was prepared in 1999 and approved by the DPU in 2001. It was drafted to reflect the requirements of state law at the time it was submitted for approval to the DPU. The Compact's structure and purposes also are set forth in detail in its governing instrument, a joint powers agreement entered into pursuant to G.L. c. 40A, §1A 1/2 (the "Joint Powers Statute"). The Compact was initially organized under an inter-governmental agreement adopted by the Compact members in 1998 and that document guided the Compact after its initial implementation of universal generation service on an opt-out basis. The Compact reorganized as a joint powers entity, the Cape Light Compact JPE, effective July 1, 2017.

The original joint powers agreement was dated as of April 12, 2017, and was executed by duly authorized officers of all twenty-one of its municipal members (along with Dukes County, collectively the "Members") pursuant to votes, resolutions or other authorizations of their boards of selectmen in accordance with the Joint Powers Statute. The Inter-Governmental joint powers agreement is reviewed by the Compact Board on a regular basis, and was most recently amended and restated on December 13, 2017 (the "Joint Powers Agreement") by vote of the Compact Board and was executed in accordance with its amendment procedures. The Compact complies with all relevant statutory provisions as they may be amended from time to time by the Massachusetts Legislature.

It was not the Compact's objective to continually update the Aggregation Plan as it was viewed as an initial requirement for becoming a municipal aggregator. Going forward and in accordance with DPU 12-124, the Compact will update its Aggregation Plan should it seek to materially deviate from the approved plan or if changes in the law, regulations, the competitive supply market or other circumstances result in the approved plan no longer accurately describing the primary operations of the Compact's aggregation. The Compact and its Members also may make other updates to the Joint Powers Agreement in accordance with the terms of such agreement.

The current Aggregation Plan incorporates a broad overview of current operations and practices, but also preserves certain sections of the Aggregation Plan that are important for historical context. We hope that the Cape and Vineyard community appreciate the compilation of past and present Compact activities, and encourage all interested persons to read the Joint Powers Agreement for a more up-to-date reflection of the Compact's organizational structure and practices as it undertakes not only aggregated power supply and the provision of energy efficiency services but also other activities as a regional intergovernmental entity.

Deleted: Inter-Governmental Agreement, executed by all participating

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After the Updated Plan was filed with the DPU on April 3, 2014 and discovery concluded, the DPU held a technical session and suggested further revisions to improve the clarity and completeness of the Updated Plan. None of these additional revisions make substantive changes to the Compact's operations. The Compact filed these further revisions on August 20, 2014.

In addition, after receipt of an Advisory Ruling from the DPU in December 2017 regarding the Compact's internal reorganization to a joint powers entity, the Compact updated the organizational structure and related references in the Aggregation Plan as recommended by the Advisory Ruling.

Sincerely,
Joyce Flynn
Chair

January 2018 (revised January 2018)

Deleted: March 2014

Deleted: August 2014

Purpose of the Aggregation Plan

The Cape Light Compact ~~JPE~~ (the "Compact") developed this Aggregation Plan in compliance with Massachusetts law regarding public aggregation of electric consumers. It contains required information on the structure, operations, services, funding, and policies of the Compact. The Aggregation Plan has been developed in consultation with the then Massachusetts Division of Energy Resources, now the Department of Energy Resources (hereafter "DOER").

The Compact was originally formed in 1997 following two years of study and town meetings and town council votes. Its purpose, among other things, is to represent consumer interests in the competitive markets for electricity. It seeks to aggregate all consumers to negotiate the best terms and conditions for electricity supply and pricing and to advance consumer protection for the residents and businesses of Cape Cod and the Vineyard. It brings together the buying power of up to 202,000 customers (as of March, 2014). Participation is voluntary for the towns and for each individual consumer. Any individual has the opportunity to decline power supply service provided through the Compact and choose any electric supplier they wish.

Deleted: The Compact is a cooperative effort of twenty-one Cape Cod and Martha's Vineyard towns and Barnstable and Dukes counties. The Compact was

The Compact provides:

- 1) an option to join together for purchase of power supply at the best terms and conditions and the most competitive market rates available;
- 2) the recovery of funds collected from Cape and Vineyard consumers by the Local Distribution Company on behalf of the Compact each year for energy efficiency and application of those funds in approved energy efficiency and conservation programs; and
- 3) an opportunity for professional representation at the state level and in negotiations with the Local Distribution Company with respect to changes in the electric industry.

The Compact distributed this plan in 2013 for public review prior to submitting it to the Department of Public Utilities (hereafter "DPU").

Member towns:

(Barnstable County):

Barnstable	Harwich
Bourne	Mashpee
Brewster	Orleans
Chatham	Provincetown
Dennis	Sandwich
Eastham	Truro
Falmouth	Wellfleet
	Yarmouth

(Dukes County):

Aquinnah
Chilmark
Edgartown
Oak Bluffs
Tisbury
West Tisbury

CONTENTS

- 1.0 The Process of Aggregation
- 2.0 The Organizational Structure and Operations of the Compact Program
- 3.0 Program Funding
- 4.0 Activation and Termination of the Power Supply Program
- 5.0 Methods for Entering and Terminating Agreements with Other Entities
- 6.0 Ratesetting and Other Costs to Participants
- 7.0 Universal Access
- 8.0 Equitable Treatment of All Classes of Customers
- 9.0 Reporting
- 10.0 Reliability
- 11.0 Rights and Responsibilities of Power Supply Program Participants
- 12.0 The Consequences of Aggregation
- 13.0 Meet Any Requirements Established By Law or the Department Concerning Aggregated Service
- 14.0 Updating the Compact's Aggregation Plan

REQUIREMENTS FOR MUNICIPAL AGGREGATION

General Law c. 164, §134 (part of the Massachusetts Electric Industry Restructuring Act) contains several requirements for municipal aggregators. One requirement is to develop an Aggregation Plan in consultation with the DOER. The Aggregation Plan is subject to review by citizens in the participating towns and approval by the DPU. The Compact's Aggregation Plan went through this process in 1999 and received DPU approval in D.T.E. 00-47 (2001). Under the law [G.L. c. 164, §134], there are fourteen requirements to be described in the Aggregation Plan.

1.0 THE PROCESS OF AGGREGATION

The process of municipal aggregation for the Compact involved a multi-step public process that the Compact originally undertook from 1998 to 2001:

- 1.1 Vote of town meeting
- 1.2 Vote of selectmen, town council, or county commissioners
- 1.3 Town/county representative participates on Compact Governing Board
- 1.4 Planning process/development of policy including Aggregation Plan, RFPs, contracts
- 1.5 Development and release of Request for Proposals
- 1.6 Review of Aggregation Plan by citizens
- 1.7 Power supply contract to selectmen/town council for acceptance vote, conditioned on DPU approval and final signing
- 1.8 Power supply contract and Aggregation Plan submitted to DPU for approval
- 1.9 Final signing by each participating town
- 1.10 Notification of consumers of automatic enrollment
- 1.11 Administrative transfer of customers to Compact supplier(s)
- 1.12 180-day opt-out period begins on first day of service
- 1.13 File contract and report with state (DPU, DOER, Inspector General) within 15 days of signing contract

In addition to this process, as a public entity the Compact must comply with open meeting laws, ethical rules, and certain public bidding and information requirements.

The 2014 revisions to the Compact's Aggregation Plan included the following steps:

- 1.1 August 27, 2013, the DPU sent the Compact a letter asking the Compact to consider revising its Aggregation Plan.
- 1.2 September 11, 2013, Compact Governing Board discussed DPU letter at its Board Meeting and agreed that revisions to Aggregation Plan were warranted and developed a process for revising the Aggregation Plan.
- 1.3 November 20, 2013, Compact Governing Board continued deliberations and began discussion of proposed revisions to Aggregation Plan.

- 1.4 December 5, 2013, as required by G.L. c. 164, §134(a) and the DPU August letter, the Compact Administrator consulted with DOER regarding the Compact's proposed process and revisions to the Aggregation Plan. DOER provided suggested revisions to the Aggregation Plan, which were incorporated into the Updated Aggregation Plan.
- 1.5 December 11, 2013, Compact Governing Board reviewed and discussed a redlined version of the proposed Updated Aggregation Plan. The Board also approved a seven week public comment period and three informational meetings on the Updated Aggregation Plan.
- 1.6 December 17, 2013, the Compact's public comment period on the Updated Aggregation Plan opened.
- 1.7 December 17, 2013, the Compact Administrator electronically sent the Updated Aggregation Plan to all twenty-three Compact Members, along with a memorandum summarizing the proposed revisions. In addition, the Compact staff met with most of the Compact member towns and counties to provide information and answer questions regarding the proposed revisions.
- 1.8 January 9, 2014, the Compact Board continued its discussions of the proposed revisions.
- 1.9 January 15, 16 and 30, 2014, informational sessions on the Updated Aggregation Plan were held in Mashpee, Orleans, and Oak Bluffs, respectively.
- 1.10 January 23, 2014, the Compact Administrator met with a representative from the Attorney General's Office to discuss the Updated Aggregation Plan. The Attorney General requested the Compact consider an addition to the Aggregation Plan. After consideration by the Compact Board, the Compact included the suggested addition.
- 1.11 February 7, 2014, the Compact's public comment period closed. The Compact received 65 letters in support of the proposed revisions and 14 letters opposing the proposed revisions. The Compact Board was provided all of the letters.
- 1.12 February 26, 2014, the DPU directed the Compact to file its Updated Aggregation Plan no later than April 4, 2014.
- 1.13 March 12, 2014, the Compact Governing Board discussed and reviewed additional proposed revisions from its Members, the DOER, Attorney General, and the public. The Compact Board voted and approved the filing of its Updated Aggregation Plan with the DPU.
- 1.14 March 25, 2014, the Compact completed its consultation with DOER.
- 1.15 April 3, 2014, the Compact filed its Updated Aggregation Plan with the DPU.
- 1.16 August 20, 2014, at the direction of Department Staff, the Compact filed revisions to its Updated Aggregation Plan.

2.0 THE ORGANIZATIONAL STRUCTURE AND OPERATIONS OF THE COMPACT PROGRAM

The Compact is organized in accordance with G.L. c. 40A, §4A1/2 (the "Joint Powers Statute"). Its governing instrument is a joint powers agreement as required by the Joint Powers Statute. The original joint powers agreement was dated as of April 12, 2017, and was executed by duly authorized officers of all twenty-one of its municipal members (along with Dukes County)

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pursuant to votes, resolutions or other authorizations of their boards of selectmen in accordance with the Joint Powers Statute.¹

The joint powers agreement is reviewed by the Compact Board on a regular basis, and was amended and restated on December 13, 2017 (the "Joint Powers Agreement") by vote of the Compact Board and was executed in accordance with its amendment procedures. Membership provides voting rights (limited for counties as they are not municipal aggregators) and inclusion for planning, analysis, and participation in Compact programs. The organization relies on the existing structure of local and county government and from time to time, agreements between government agencies.

The Compact Governing Board is made up of one representative appointed by each of the members, as well as an alternate representative that each member may appoint. The term of each Compact Governing Board member varies depending upon the member town/county. Presently, there are some members serving a fixed term and some serving at the pleasure of the municipality. The Compact Governing Board is responsible for establishment of the policies and development of the Compact, except with respect to those powers reserved to the member municipalities of the Compact by law or the Joint Powers Agreement.

At its first meeting following the end of each calendar year, the Compact Governing Board elects a chairman, vice chairman, secretary, and such other officers as the Governing Board may determine. The term of office is one year and until respective successors are elected and qualified. In accordance with the Joint Powers Agreement and the Joint Powers Statute, each year the Governing Board also appoints: (1) a treasurer who may be a treasurer of one of the Compact's municipal members (however, no Compact Director or other employee of the Compact is eligible to serve concurrently as treasurer); and (2) a business officer who may be a city auditor, town accountant or officer with similar duties, of one of the Compact's municipal members.

The Compact Governing Board and its officers are responsive and responsible to consumers and the Boards of Selectmen and Town Manager/Town Council. The operational role of the Compact in relation to consumers and Boards of Selectmen and Town Council is outlined and described in the following pages.

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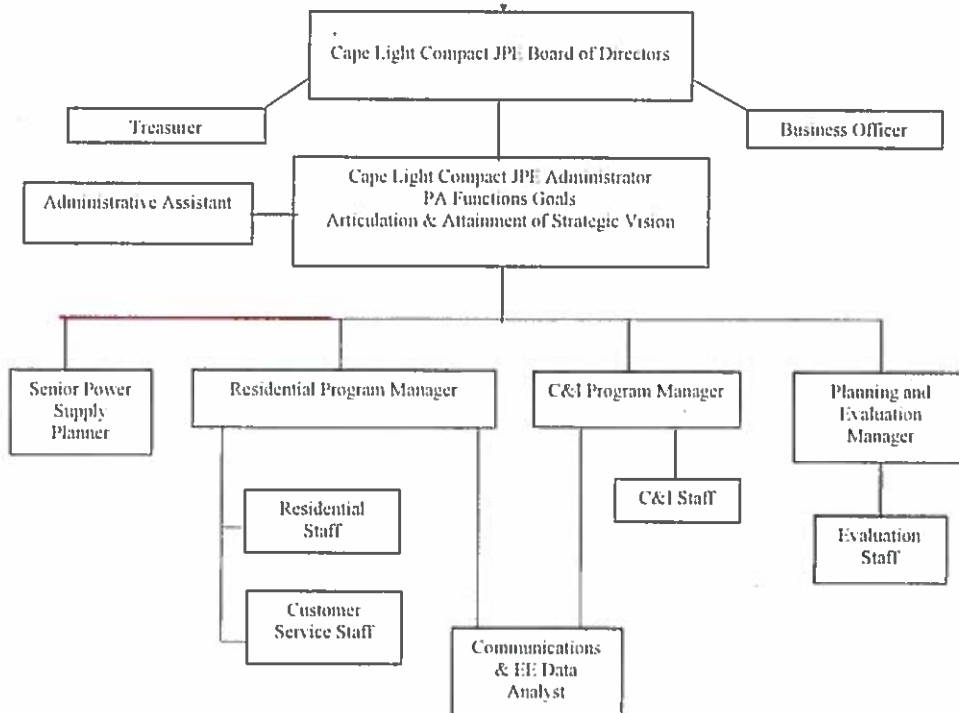
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¹ Barnstable County was a member of the Compact as originally constituted and is eligible for membership in the Cape Light Compact JPE.

CAPE LIGHT COMPACT JPE

Organizational Structure [replacement chart below]

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2.1 Description of Operational Units

There are five operational units to the Compact as described below.

Unit One: Consumers

Consumers hold the ultimate authority over the Compact and its functions. They can make determinations on local authority, policy, and programs at town meetings. They can elect candidates for Boards of Selectmen or Town Council who may take positions regarding the Compact. They can express their views to their local Compact representative. They can participate in local and regional meetings and hearings regarding issues related to the Compact and they can attend Compact meetings to express their views.

In addition, every consumer in a participating town is eligible to participate in the Compact's programs. Every consumer also has the ability to decline supply service through the Compact and choose any other power supply option available. Consumers who are dissatisfied with services provided under contracts negotiated by the Compact may also communicate directly with the Compact Governing Board in an effort to alter or otherwise improve services. Consumers may also bring issues before their Boards of Selectmen, Town Council, or town meeting.

Unit Two: Board of Selectmen and/or Town Manager

Based upon their existing authority, or authority provided by voters at town meetings, the Board of Selectmen and Town Manager may act through their appointed Board members on program and policy issues and contract recommendations. In addition, they may provide instructions to their representative on the Compact Governing Board regarding specific policy or program decisions to be made by the Compact. They may also raise issues directed to them by consumers for the Compact to address.

Unit Three: Compact Governing Board

The Compact Governing Board carries out the collective decisions and instructions of the towns and consumers. Every member town that signed the original Joint Powers Agreement has a representative on the Compact Board. Policy and program decisions are made on a one-town-one-vote basis. However, issues with financial implications for the towns are made on the basis of a weighted vote. A weighted voting process also allows separate determinations by Barnstable County and Dukes County towns. The Compact's subcommittees focus on particular issues and bring policy decisions back to the Governing Board. The Governing Board determines recommendations to be made to the Boards of Selectmen and Town Council and to county members. (The list of current representatives is available on the Compact's website at www.capelightcompact.org.)

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Unit Four: Procurement: Service Providers

The Compact procures all basic goods and services, i.e. office supplies and equipment, consistent with Massachusetts General Laws. The Compact's Chief Procurement Officer ("CPO"), appointed by the Governing Board, also procures all other services for both the Compact's energy efficiency and power supply activities, except for certain energy efficiency contracts that are procured on a statewide basis. In accordance with the Joint Powers Agreement, the Governing Board may appoint or engage one or more service providers to serve as the Compact's administrative, fiscal or operational agent. A municipal member of the Compact may also contract with the Compact to be a service provider.

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Unit Five: Service Suppliers

Power suppliers contract with the Compact through its CPO. The Power Supply Program is negotiated, recommended, and monitored for compliance by the Compact through its CPO and/or the CPO's designee. The CPO reports the results of power supply bids and associated negotiations to the Governing Board.

Contracts with consultants, vendors of energy efficiency or demand side management services, or other services negotiated and recommended by the Compact, are executed by the Compact and may, from time to time, be executed and/or administered by a service provider engaged by the Compact.

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2.2 Program Operations

The Compact's operations are guided by the provisions and goals, policies and purposes contained in the Joint Powers Agreement, and the instructions and decisions of the Compact Governing Board, Boards of Selectmen, Town Council, and consumers.

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The Compact's goals, policies and purposes are set forth in the Joint Powers Agreement, as may be amended from time to time, as follows:

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Power Supply Goals, Policies and Purposes:

- 1) To provide the basis for aggregation of all consumers on a non-discriminatory basis;
- 2) To negotiate the best terms and conditions for electricity supply and transparent pricing;
- 3) To explore all available options for negotiating the best terms and conditions for electricity supply and the development of renewable energy resources, including, without limitation, the formation of and/or membership in a co-operative organization to purchase or produce energy or renewable energy certificates ("RECs") or both on a long-term basis;
- 4) To provide equal sharing of economic savings based on current electric rates and/or cost-of-service rate-making approved by the DPU;
- 5) To provide and enhance consumer protection and options for service under contract provisions and to allow those consumers who choose not to participate to opt-out;
- 6) To improve quality and reliability of service;
- 7) To encourage environmental protection through contract provisions;

- 8) To utilize and encourage renewable energy development to the extent practicable through contract provisions, demonstration projects and state mandated system benefit charges for renewable energy;
- 9) To advance specific community goals that may be selected from time to time, such as placing utility wires underground;
- 10) To provide full public accountability to consumers; and
- 11) To utilize municipal and other powers and authorities that constitute basic consumer protection to achieve these goals.

Energy Efficiency Goals, Policies and Purposes:

- 1) To ~~administer an energy efficiency plan that advances consumer awareness and the adoption of a wide variety of energy efficiency measures and that also utilizes and encourages~~ demand side management, ~~all~~ through contract provisions, ~~demonstration projects and the use of~~ state mandated system benefit charges for energy efficiency and ~~other related charges and funds~~;
- 2) To provide full public accountability to consumers; and
- 3) To utilize municipal and other powers and authorities that constitute basic consumer protection to achieve these goals.

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2.3 Programs of the Compact

The Compact offers two programs to achieve its goals: 1) the Power Supply Program and 2) the Statewide Three-Year Energy Efficiency Program. In addition, the Compact provides professional representation on behalf of consumers in state proceedings and in negotiations with the Local Distribution Company to protect consumer interests in today's energy marketplace.

2.3.1 Power Supply Program ("Power Supply Program")

The Power Supply Program is designed to reduce the amount consumers pay for electric energy and to gain other favorable economic and non-economic terms in service contracts. The Compact does not buy and resell power, but represents consumer interests to set the terms for service. Through a competitive bid and negotiation process, the Compact, through its CPO, develops a contract with a power supplier for firm, all-requirements service. The contract runs for a fixed term (i.e. four years). In order to begin the Power Supply Program, the Compact's price had to be lower than the distribution company's standard offer service. The Compact met this threshold with its initial power supply price. There is no longer a statutory price benchmark for municipal aggregators. The Compact's power supply price complies with the requirements under G.L. c. 164, §134.

The process of supply contract approval contains checks and balances. After the Compact's form of all-requirements competitive electric supply contract was developed by the CPO, it was submitted to the DPU for its approval. The Compact's form of all-requirements competitive electric supply contract was approved by the DPU in D.T.E. 04-32 (2004). All electric supply contracts approved by the Compact's CPO since 2004 have been in substantially the same form as the contract approved by the DPU.

At the direction of the Governing Board, the Compact's Power Supply Program also includes the following components:

1. The CPO explores all available options for negotiating the best terms and conditions for electricity supply and the development of renewable energy resources, including, among other things, the formation of and/or membership in a co-operative organization to purchase or produce energy or REC's or both on a long-term basis;
2. The CPO communicates the Compact's power supply prices by: 1) discussing at the Governing Board meeting in public session; 2) posting the prices for all customer sectors to the Compact's website; and 3) paid advertisements in all daily and weekly newspapers on Cape Cod and Martha's Vineyard;
3. Ongoing coordination with the Local Distribution Company concerning billing and other operational needs;
4. Ongoing customer communication and education about the Compact's Power Supply Program; and
5. Ongoing consumer advocacy and representation at the state level through participation in DPU proceedings, the legislative development process, the stakeholder community and before other regulatory and governmental bodies.

And lastly, individual consumers may opt-out of the program at any time, and select Basic Service through the Local Distribution Company or electric service from any other competitive supplier available, in accordance with the terms and conditions of service offered by the Local Distribution Company or such other competitive supplier. (See Section 12.3 for more detailed information on the opt-out process.) No member town is required to participate in municipal power supply contracts, and no individual consumer is required to receive service under the Compact power supply contract. Consumers may also return to the Compact's Power Supply Program.

2.3.1.1 Staffing and Manpower for the Power Supply Program

The operations necessary to plan, deliver, and manage the Compact's Power Supply Program include: 1) technical analysis; 2) competitive procurement of services; 3) regulatory approvals; 4) accounting and fiscal management; 5) contract maintenance; 6) communications; 7) program coordination; and 8) administrative support for the Compact Governing Board. The Compact's power supply staff are funded through the Compact's operational adder, collected through its power supply contract (discussed below at Section 3.0). Experienced consultants and legal counsel work under contract for the Compact.

The Power Supply Program has been developed by the Compact Governing Board with the support of technical consultants and legal counsel. Now that a contract for power supply has been secured, technical consultants and legal counsel are used on an as-needed basis to assist the Governing Board in carrying out the goals of the Compact set forth in the Joint Powers Agreement.

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Negotiations with the Local Distribution Company and representation at the state level are undertaken as needed at the direction of the Compact Governing Board through technical and legal advisors.

2.3.1.2

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2.3.2 Renewable Energy Option²

The Compact offers an opt-in green power program to customers called *Cape Light Compact GreenSM*. *Cape Light Compact GreenSM* is a REC-based product. Customers that enroll in *Cape Light Compact GreenSM* receive all-requirements power supply through the same contract that governs the provision of energy to all customers in the Compact's aggregation in addition to RECs proportional to their consumption. The Compact is responsible for purchasing RECs for *Cape Light Compact GreenSM*. The price for *Cape Light Compact GreenSM* is set by the Compact. The following is a summary of how *Cape Light Compact GreenSM* RECs are purchased and how customers participate in *Cape Light Compact GreenSM*:

- a) In procuring RECs for *Cape Light Compact GreenSM*, the Compact focuses on long-term contracts with local projects, ensuring stable premiums and promoting local renewable energy projects. These contracts are generally unit contingent. The Compact's approach has been to sign contracts projected to generate more RECs than will be necessary for *Cape Light Compact GreenSM* with the knowledge that the Compact can sell RECs not needed for the program to other entities. While a preference is given to local projects, the Compact negotiates prices that are in line with markets and will consider an off-Cape and Vineyard project if necessary to obtain market prices. This work is informed by the Compact's experience in the REC markets and may be supplemented by a subscription to a REC price forecasting service or expert outside consultants to help ensure a fair price.
- b) Customers may opt into *Cape Light Compact GreenSM* by calling a toll-free number operated by the Compact's current supplier. The number is exclusively for Compact customers, and is used for all power supply enrollment and billing questions. The premium for the green product generally appears on the customer's bill at the end of the next full billing cycle after the customer enrolls – comparable to a customer signing up for any competitive supply product.
- c) Customers may leave the optional green program at any time without any penalties by calling the same toll-free number used for enrollment. The premium for the green product is generally removed from the customer's bill at the end of the next full billing cycle after the customer calls to leave the green program – comparable to a customer dropping any competitive supply product.
- d) Pricing for the Compact's optional green power programs is set as fixed premiums above the Compact's price for all-requirements power supply in effect at the time. The

² The Compact may choose to suspend or terminate this program from time to time in the event that it elects to offer as part of its Power Supply Program a higher percentage of renewable energy than required under the Massachusetts Renewable Portfolio Standard.

premiums for the two *Cape Light Compact GreenSM* products (100% and 50%) are set to recover the cost of REC purchases, marketing, administrative and other program related expenses.

- e) Pricing and other information for *Cape Light Compact GreenSM* is available on the Compact's website at www.capecompact.org/clegreen. Pricing is provided for the cost of both the all-requirements power supply and the additional RECs, as opposed to just the premium itself, to minimize confusion. The Compact advertises changes in pricing for its power supply aggregation in all of the Cape Cod and Martha's Vineyard daily and weekly papers – pricing for the optional green products are included in these notices. The Compact has begun running quarterly notices in the same publications highlighting the content of both the aggregation's regular mix and the voluntary green power products. This information is also available on the Compact's website.

2.3.3 Statewide Three-Year Energy Efficiency Investment Program ("Energy Efficiency Program")

While the Power Supply Program is designed to reduce the cost of a kilowatt hour of energy, the Energy Efficiency Program is aimed at total bill reduction. Wise use of energy also promotes important environmental and social benefits. Energy efficiency or demand side management includes practices, technology and education to advance methods for reducing energy use and monthly bills for residential, commercial, industrial, and municipal consumers. The purpose of the Compact's Energy Efficiency Program is to return maximum benefits to consumers who are providing the majority of the energy efficiency funds and to provide building blocks for market transformation. [Market transformation is an ongoing process in which program subsidies for various measures are periodically recalibrated as particular measures successfully transform the market and efficient products and technologies continue to evolve and new or enhanced measures merit program subsidies. Market transformation is a dynamic process.]

In order to administer the Energy Efficiency Program, a municipal aggregator must first receive DPU approval of its municipal aggregation plan and offer universal service as a power supply option to all classes of customers pursuant to the approved aggregation plan. The Energy Efficiency Program is the result of an iterative process that includes review by the Compact's Governing Board, Cape and Vineyard consumers, as well as other stakeholders and approval by the DPU to ensure compliance with current law and consistency with state energy goals. The Compact's Energy Efficiency Plan is submitted to the Compact Board for approval prior to submission for DPU approval.

Pursuant to the Green Communities Act, St. 2008, c. 169, (the "Act"), as well as G.L. c. 164, §134, the Compact's Energy Efficiency Program follows a process outlined in law for aggregated municipalities to access funds contributed by consumers for purposes of funding energy efficiency programs. The Compact also makes every effort to secure grants or other monies available for energy efficiency program administration. The budget for the Energy Efficiency Program is specified in the Compact's Three-Year Plan, as approved by the DPU. The Compact's energy efficiency staff is fully funded through the Energy Efficiency Program.

The Energy Efficiency Program is managed by the Compact's team of experienced energy efficiency staff and management consultants who assist in the oversight of service delivery. Service delivery for the Energy Efficiency Program is carried out by vendors. Vendors and other consultants are procured through a competitive contracting process, in accordance with public procurement law, as well as the statewide procurement process utilized by the Program Administrators of Energy Efficiency Programs to carry out the goals of the Act.

The current Compact Energy Efficiency Plan is available on the Compact's website, www.capeandvineyardcompact.org.

2.3.4 Professional Representation

As the electric industry continues to evolve and change, it is essential for Cape and Vineyard consumers to have technical and legal support to represent their interests in selected state proceedings and in negotiations with the Local Distribution Company. These efforts also attempt to improve reliability, which may result in fewer power outages and faster restoration of service.

3.0 PROGRAM FUNDING

Initial development of the Compact was funded as part of the Barnstable County budget through appropriations by the County. As of July 2012, Barnstable County ceased to appropriate funds for the Compact.

Aside from any funds that may be appropriated through a public process, the Compact may collect a kilowatt hour charge, equivalent of up to a mil per kilowatt hour, from consumers participating in the Compact's Power Supply Program. The power supply price on all consumer bills reflects all charges for the administrative and operational costs of the Power Supply Program. The operational adder ("Operational Adder") is collected by the Compact's competitive electric supplier on behalf of the Compact. The Compact's supplier may collect up to 1 mil (\$.001), or such lower amount as the Compact may determine, for every kWh sold to consumers for the duration of service under the competitive electric supply agreement. The Compact's supplier remits these funds to the Compact within thirty (30) days of the end of the month.

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The Compact began using an adder for its operations expenses in September, 2002. The Compact determined the adder amount, up to 1 mil, as part of the development of the terms and conditions of its competitive electric supply agreement. The primary use of the Operational Adder funds is to support the Compact's annual power supply operational budget and other costs associated with implementing its programs. The Compact has also utilized some of the Operational Adder funds to support renewable energy development by the Cape and Vineyard Electric Cooperative, Inc., a sister organization comprised of ~~Barnstable and Dukes~~ Counties and all but two of the Compact's member towns.

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Prior to the beginning of each fiscal year, staff works with the Compact's Board Treasurer to prepare a proposed operating budget. When preparing a new Compact annual budget, the process begins with discussions by and between the Compact Board and Compact staff at regularly scheduled Board meetings that involve, among other things, a review of the prior year budget and projections for the coming year. The level of the Operational Adder is determined during this process and is based upon the projected expenses of the Compact. At the Compact Board meeting, staff addresses questions from the Compact Board on the proposed budget. Sometimes additional information is requested on specific expenditures, which is provided by staff. The Compact Board may decide to approve the budget after one meeting or the Board may elect to continue deliberating to its next regularly scheduled meeting. Approving the operating budget is by a weighted vote based on Compact Member population. The budget is posted to the Compact's website. Throughout the fiscal year, the Compact presents, at each Compact Board meeting, a Treasury Report which provides an overview of the year-to-date revenues and expenses relating to the Compact's power supply and other Compact activities, e.g. energy efficiency.

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In 2013, the Compact Governing Board approved a policy that requires use of any portion of the Operational Adder/power supply reserve fund shall follow the Compact's budget appropriation process.

The unreserved portion of the Operational Adder/power supply reserve fund, after appropriation of the annual power supply operating budget, shall not exceed:

1. The subsequent year's REC commitment;
2. The average of the previous three years' power supply operating budget;
3. The historical cost of procuring a new supplier should the existing contract terminate; and
4. Adequate funds for REC contractual obligations such as escrow accounts and other sureties.

At the end of each fiscal year, any appropriations from the Operational Adder/power supply reserve fund, as well as examination of the power supply fund itself, will be subject to review by a certified independent financial auditor.

4.0 TERMINATION OF THE POWER SUPPLY PROGRAM

~~Deleted: All Compact funds are included in the fiscal agent's (Barnstable County) annual financial audit as agency funds~~

The Power Supply Program may be terminated, as set forth below:

Upon the termination or expiration of the power supply contract without any extension, renewal or subsequent supply contract being negotiated.

At the decision of the Compact Governing Board to dissolve the Power Supply Program.

The Compact's Power Supply Program would be terminated should the Compact, based upon an available lower basic service price, decide to switch its customers from its Power Supply Program to basic service.

In addition, if a Compact Member municipality withdraws from the Compact, that Member municipality's municipal aggregation program is terminated.

Any termination of the Power Supply Program, in its entirety or in part, must be conducted in compliance with the DPU's conditions for termination established in D.T.E. 00-47 and subsequent pertinent orders.

The Local Distribution Company will receive notice of termination as follows: 1) ninety (90) day notice prior to a planned termination of the Compact's Aggregation Plan; 2) ninety (90) day notice prior to the end of the anticipated term of its Program's electric service agreement ("ESA"); and 3) a four-business day notice of the successful negotiation of a new ESA that extends the date at which aggregation participants would otherwise return to basic service. Additionally, each individual customer receiving power supply service under the Compact's Power Supply Program will receive notification of termination of the program ninety (90) days prior to such termination.

In the event of termination of the Power Supply Program, in whole or in part, consumers would return to the Local Distribution Company's basic service or choose another competitive supplier.

5.0 METHODS FOR ENTERING AND TERMINATING AGREEMENTS WITH OTHER ENTITIES

The Compact's process for entering, modifying, enforcing, and terminating agreements shall comply with the requirements of town charters, and state and federal laws. Where required, the procedures outlined in G.L. c. 30B shall be followed. Other agreements, such as the Joint Powers Agreement, shall be entered, modified, or terminated in compliance with the law and according to the express provisions of the relevant agreement.

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Summary of Process to Solicit Bids for an ESA:

1. Compact, under the direction of the CPO, prepares and reviews the Request for Proposals ("RFP") and ESA to ensure they are complete and accurate.
2. Compact distributes the RFP to competitive suppliers that are qualified to carry out the obligations of the ESA. Factors considered in making this determination include a supplier's size and financial security, experience serving customers in Massachusetts, and reputation.
3. Suppliers interested in responding to the RFP execute a Confidentiality Agreement with the Compact.
4. Upon receipt of an executed Confidentiality Agreement, Compact provides electric account information with suppliers including current enrollment and hourly load data.
5. Suppliers submit questions to the Compact on the RFP, with responses going to all of the suppliers.
6. Suppliers and Compact enter into a contract negotiation process, resulting in contracts acceptable to both the Compact and prospective bidders.
 - a. Compact staff, select Compact Board members, counsel and consultants are responsible for these negotiations.

- b. All Compact Board members are invited to participate in the negotiation, meetings and bid review for the RFP process.
- 7. Suppliers submit bids, as firm prices or pricing strategies, to Compact. If pricing a strategy is proposed, Compact meets with suppliers upon receipt of price bids.
 - a. Compact staff, select Compact Board members, counsel and consultants are responsible for these negotiations.
 - b. All Compact Board members are invited to participate in the negotiation, meetings and bid review for the RFP process.
- 8. CPO selects and executes FSA on Compact's behalf.
- 9. Compact notifies customers of new FSA and prices.
 - a. Posts prices on the Compact's website.
 - b. Publishes public notice in all of the Cape and Vineyard daily and weekly printed newspapers.
 - c. Issues a press release and posts on social media.

6.0 RATESETTING AND OTHER COSTS TO PARTICIPANTS

The Compact will offer the option of its Power Supply Program at rates and terms to be negotiated with competitive power suppliers. The generation charge/supplier charge for each customer class, or any customer grouping by load factor or other appropriate pricing category, will reflect the Compact's best efforts to secure the best terms and conditions and the most competitive market rates available at the time of contracting with competitive power suppliers. Due to fluctuations in competitive electric market prices and basic service rates, Compact generation/supplier charges may not always be lower, and are not required to be lower, than the Local Distribution Company's basic service rate. The Compact's potential pursuit of a higher percentage of renewable energy than required under the Massachusetts Renewable Portfolio Standard ("RPS") may also result in rates higher than basic service. All supplier charges to the customer will be fully and prominently disclosed under the notification process.

The Local Distribution Company shall continue to provide metering, billing, and maintenance of the distribution system as a regulated monopoly function until such time as the DPU determines it is in the interest of consumers for these services to be provided differently. Charges for metering, billing and other distribution services shall be regulated by the DPU, unless otherwise provided for in law, or DPU rules and regulations.

6.1 Rates and Ratesetting

Under DPU orders, the Local Distribution Company assigns the customer classification and corresponding character of service and associated regulated rates. These rates include a monthly customer charge, a distribution charge, a transmission charge, and an access charge that currently make up the largest portion of a customer bill. Although the Compact shall participate in regulatory proceedings and represent the interests of consumers regarding these regulated rates, it does not plan to assign or alter existing customer classifications. In the event that the Compact does seek to change rate classifications, it will secure any necessary approvals.

The focus of the Compact, as noted above, will be acquisition of competitive prices and terms for power supply. This price, or prices, will be set through the competitive bid and negotiation process, and will be noted on the consumer bill as the "generation charge." The price in the contract is subject to any requirements set forth in G.L. c. 164, §134, as well as approval by the Compact's CPO.

On its website (www.capelightcompact.org), the Compact maintains its current power supply rates for each rate class and the period for which the current rates apply. The Compact also provides an active link to the Local Distribution Company's Basic Service Rate, DPU website, and to the Executive Office of Energy and Environmental Affairs website for a list of licensed competitive electric suppliers. The Compact cannot ensure or verify the accuracy of the information provided by other service providers.

6.2 Customer Billing

Customer billings under the Power Supply Program will be made by the supplier under contract and shall be incorporated into the standard monthly utility billing. The bill shall include a clear delineation of all regulated and non-regulated charges. Under law, consumers are entitled to a choice of one or two bills. They may receive a "complete bill" that incorporates the power supply charge and the Local Distribution Company's charges on a single sheet; or a "pass-through bill" which is a separate bill issued by the power supplier in addition to the bill from the Local Distribution Company. For purposes of clarity and simplicity, the Compact recommends that consumers elect to receive a "complete bill" with all charges on a single sheet. However, consumers may make their own choice on this issue, except in the event that the Compact's supplier under contract is a participant in the Local Distribution Company's purchase of receivables program, in which case the terms of the purchase of receivables program require the customer to receive a complete bill.

7.0 UNIVERSAL ACCESS

"Universal access" is a term derived from the traditional regulated utility environment in which all customers desiring service receive that service. For the purposes of the Compact's municipal aggregation program this will mean that all existing customers within the borders of participating municipalities, and all new customers in the participating municipalities, shall be eligible for service from the contracted supplier under the terms and conditions of the supply contract. Item one of the Compact's goals contained in the Joint Powers Agreement is: "To provide the basis for aggregation of all consumers on a non-discriminatory basis."

Deleted: Inter-Governmental

Service under the Compact's Power Supply Program shall include all customer classes in adherence with universal service principles and requirements, and the traditional non-discriminatory practices of local government. Contracts with all suppliers shall contain provisions to maintain these principles and equitable treatment of all customer classes.

Existing customers in the participating towns shall be transferred to the Power Supply Program unless they have already contracted with a competitive supplier, or affirmatively opt-out of the program.

Low-income consumers shall remain subject to all existing provisions of state law regarding their rights to return to Basic Service through the Local Distribution Company and/or participate in the Power Supply Program as well.

New customers in the service territory upon sign up for service will be automatically enrolled in the Power Supply Program with the right to opt-out at any time.

8.0 EQUITABLE TREATMENT OF ALL CLASSES OF CUSTOMERS

All customers will be treated equitably. They will be guaranteed the right to raise and resolve disputes with the supplier; be provided all required notices and information; and always retain the right to opt-out of the Compact's program.

9.0 REPORTING

The Compact, in accordance with DPU directives, will submit an annual report to the DPU. The report will be filed in a manner prescribed by the DPU. The initial report will be filed on December 1, 2014 and will include: 1) a list of the Compact's competitive suppliers over the past year; 2) the term of each power supply contract; 3) the aggregation's monthly enrollment statistics by customer class; 4) a brief description of any renewable energy supply options and other renewable energy features that exceed minimum requirements; and 5) a discussion and documentation regarding the implementation of the municipal aggregation's alternative information disclosure strategy, to the extent applicable.

10.0 RELIABILITY

"Reliability" in power supply and in transmission and distribution is essential to consumers. The Compact's policy, as set forth in the goals of the Joint Powers Agreement is: "To improve quality of service and reliability." This will be accomplished and reinforced at several levels: 1) through provisions of the power supply contract that will include language on reliability of supply, liability and damages provisions; 2) through traditional proceedings related to the Local Distribution Company's regulated transmission and distribution services; and 3) through direct discussions with the Local Distribution Company concerning specific or general problems related to quality and reliability of transmission and distribution service.

Deleted: Inter-Governmental

11.0 RIGHTS AND RESPONSIBILITIES OF POWER SUPPLY PROGRAM PARTICIPANTS

11.1 Rights

All Compact Power Supply Program participants shall enjoy the protections of law afforded to consumers as they currently exist or as they may be amended from time to time. Compact customers with questions regarding enrollment, billing, and other similar issues are directed to the toll-free number operated by the Compact's supplier for Compact customers. Customers with more detailed questions or questions directed to the Compact itself are forwarded by the Compact's supplier to the Compact's Senior Power Supply Planner for a response. Customers may also contact the DPU's Consumer Division with unresolved issues.

All program participants shall also enjoy the individual right to decline participation in the Power Supply Program as noted in the description of the "opt-out" in Section 12.2 below.

11.2 Responsibilities

All Power Supply Program participants shall meet all standards and responsibilities required by the DPU, including payment of billings and access to essential metering and other equipment to carry out utility operations.

12.0 THE CONSEQUENCES OF AGGREGATION

Municipal aggregation functions under the restrictions of state law and carries a range of results and consequences:

12.1 Consumer Option to Participate in Competitive Market

Many individual consumers lack knowledge and leverage to negotiate terms for power supply. A municipal aggregator provides them with an option for professional representation and the leverage of a large group so that they may more effectively participate in the competitive process and achieve benefits.

12.2 Consumer Ability to Opt-Out and Choose Another Supplier

Because the law guarantees the right to opt-out, including the right to choose Basic Service at no charge for 180 days, all customers have the right to select a supplier other than the one chosen by the Compact. A customer may opt-out, or opt back in, by calling a toll free number operated by the Compact's current supplier. The Compact does not charge a fee for opting out of the Compact's Power Supply Program.

Customers that have opted out of the Compact's Power Supply Program may opt back in, but the Compact's current contract with its supplier does allow the supplier, at its discretion, to charge returning customers a price that is different from the price in effect for customers under the Compact's contract with the supplier at that time. This provision protects both the supplier and

the Compact's other customers from individuals that might switch to variable-priced products when market prices are low and back to fixed-price products during high-priced months.

The rights of customers seeking to opt back in to the Compact's Power Supply Program during the term of an ESA is a part of the Compact's negotiation for new ESAs, and at times, may differ somewhat from the rights described above.

In addition, the Local Distribution Company's electric distribution service tariff currently contains the following provision that imposes conditions upon when a customer in the Compact's service territory may switch from basic service to a competitive supplier:

The Company shall reasonably accommodate a change from Standard Offer Service, Default Service or Generation Service to a new Competitive Supplier in accordance with the Terms and Conditions for Competitive Suppliers, and shall accommodate a change to Standard Offer Service or Default Service from Generation Service; provided, however, that when a Customer changes from a Competitive Supplier to Default Service, unless the Customer or the Customer's applicable Competitive Supplier can demonstrate to the Company's reasonable satisfaction that the Customer has been placed on Default Service upon the expiration of a contract with such Competitive Supplier, the Customer is not permitted to return to the same Competitive Supplier for a period of six (6) months from the effective date of the change. Customers are permitted to switch from Default Service to a different Competitive Supplier who has not supplied the Customer with Generation Service in the same six (6) month period.

NSTAR Electric Company Terms and Conditions for Distribution Service, M.D.T.E. No. 300A (February 1, 2006) at 51.

12.3 Indemnification of Consumers and Risk Associated with Competitive Market

In a competitive market it is possible that the failure of a power supplier to deliver service may result in the need for consumers to acquire alternative power supply, or for consumers to receive power at Basic Service prices. The Compact will seek to minimize this risk by recommending only reputable suppliers who demonstrate reliable service. The Compact also intends to include conditions in its contract with a supplier that will indemnify consumers against risks or problems with power supply service.

12.4 Other Consumer Protections

The Compact will negotiate a range of provisions in its contracts to enhance consumer protection. The Compact also intends to work with the Local Distribution Company and the DPU to assure improvement in the reliability of transmission and distribution services.

13.0 MEET ANY REQUIREMENTS ESTABLISHED BY LAW OR THE DEPARTMENT CONCERNING AGGREGATED SERVICE

The Compact fully intends to comply with the requirements of law and the rules of the DPU.

14.0 UPDATING THE COMPACT'S AGGREGATION PLAN

In accordance with DPU 12-124, the Compact will update its Aggregation Plan should the Compact seek to materially deviate from its approved plan or if changes in the law, regulations, the competitive supply market, or other circumstances result in the approved plan no longer accurately describing the primary operations of the Compact's aggregation. Prior to filing a revised plan with the DPU, the Compact will consult with DOER, submit the revised plan for review by its citizens, and obtain all necessary approvals. Beyond these circumstances, however, the Compact will not seek to update its Aggregation Plan for the continued operation of the Compact's programs. The Compact and the Compact Members also may make periodic updates to the Joint Powers Agreement.

Deleted: Inter-Governmental

Agenda Action Request

Cape Light Compact

Meeting Date: 1/10/18



Aggregation Plan: New Customer Enrollment Language

REQUESTED BY: Maggie Downey

Proposed Motion(s)

I move the CLCJPE Board of Directors vote to authorize the Compact Administrator to file the following change to the Compact's Aggregation Plan on January 29, 2018 should the DPU not issue a stay in response to the Compact's appeal or a separate judicial stay is not issued:

In accordance with DPU directives, new customers in the service territory are placed on basic service and then receive an opt-out notice from the Compact or its supplier. If such customers do not opt-out they are subsequently enrolled in the Power Supply Program with the right to opt-out at any time.

The Compact Administrator is authorized and directed to take all actions necessary or appropriate to implement this vote, and to execute and deliver all documents as may be necessary or appropriate to implement this vote.

Additional Information

See attached, Section 7.0 of Aggregation Plan

Record of Board Action

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

Aquinnah

Barnstable

Bourne

Brewster

Chatham

Chilmark

Dennis

Dukes

County

Eastham

Edgartown

Falmouth

Harwich

Mashpee

Oak Bluffs

Orleans

Provincetown

Sandwich

Tisbury

Truro

Wellfleet

West Tisbury

Yarmouth

CAPE LIGHT COMPACT AGGREGATION PLAN

7.0 UNIVERSAL ACCESS

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Service under the Compact's Power Supply Program shall include all customer classes in adherence with universal service principles and requirements, and the traditional non-discriminatory practices of local government. Contracts with all suppliers shall contain provisions to maintain these principles and equitable treatment of all customer classes.

Existing customers in the participating towns shall be transferred to the Power Supply Program unless they have already contracted with a competitive supplier, or affirmatively opt-out of the program.

Low-income consumers shall remain subject to all existing provisions of state law regarding their rights to return to Basic Service through the Local Distribution Company and/or participate in the Power Supply Program as well.

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Deleted: New customers in the service territory upon sign up for service will be automatically enrolled in the Power Supply Program with the right to opt-out at any time

LEGAL AND CONSULTING SERVICES

July - December 2017

SUMMARY OF BUDGETED TO ACTUAL EXPENSES

Note: this budget summary is related to the portion of the legal services invoice allocated to the Compact's operating budget. For certain matters below, the Compact also allocates a portion of the legal services invoice to its energy efficiency budget.

Matter	Budgeted	Actual	Summary of Services
General Matters and Internal Reorganization/Transition Support	\$130,000	\$58,993.65	<ul style="list-style-type: none"> - BCK attended all Board Meetings - BCK monitored on bi-weekly basis the status of pending and approved municipal aggregation dockets at DPU - In D.P.U. 17-48 (Medway Aggregation Plan), BCK assisted the Compact in filing public comments on municipal aggregation - BCK provided guidance to the Compact on Open Meeting Law issues (including, but not limited to, quorum issues) - BCK provided advice on various ethical/G.L. c. 268A issues - BCK provided guidance as requested on the Compact's internal reorganization to a JPE (e.g., discussions with Compact staff and auditors, etc.) - BCK obtained the Advisory Ruling in D.P.U. 17-95, which confirmed the Compact did not need undertake a fully adjudicated review of an updated Aggregation Plan as a result of its reorganization and reviewed the ruling with Compact staff - BCK provided guidance on PERAC and Cape Cod Municipal Health Group matters - BCK provided advice on new internal policies - BCK drafted the treasurer's contract - BCK provided advice on the new officer structure

LEGAL AND CONSULTING SERVICES

July – December 2017

SUMMARY OF BUDGETED TO ACTUAL EXPENSES

Note: this budget summary is related to the portion of the legal services invoice allocated to the Compact's operating budget. For certain matters below, the Compact also allocates a portion of the legal services invoice to its energy efficiency budget.

Regulatory (DPU dockets) and Power Supply (Contract and Supplier Issues)	\$207,750 (includes supplemental \$60,000 for DPU 17-05)	\$287,595.61 (this actual amount includes ~\$1534 in consultant fees for D.P.U. 15-122 (Pace, Resource Insight and Electric Advisors) and ~\$74,252 in consultant fees for D.P.U. 17-05 (Pace and Resource Insight))	<ul style="list-style-type: none"> - BCK prepared amendments to the Joint Powers Agreement and guided the Compact through the amendment process - BCK considered JPE vendor and related contract issues as requested by the Compact - BCK participated, as requested, in strategy calls and discussions with the Compact and its supplier on power supply related issues - BCK monitored the status of the AG draft regulations on consumer protection - BCK monitored the status of various regulatory proceedings for the Compact: distribution company service quality plans, D.P.U. 16-08; competitive supply investigations and proceedings, D.P.U. 16-156; NSTAR Electric 2016 reconciliation filing, D.P.U. 16-172; distribution company long-term renewable contracting dockets, D.P.U. 17-32 and 17-103; NSTAR Electric long-term renewable contracts, D.P.U. 17-118; distribution company SMART tariff docket, DPU 17-140; and certain FERC dockets - BCK reviewed and summarized the new MassDEP regulations regarding the Clean Energy Standard - In D.P.U. 17-05 (Eversource Rate Case), BCK reviewed the application with consultants and participated in all aspects of Phase I and Phase II of the adjudicatory proceedings, including review and preparation of discovery, preparation of witness testimony, presentation and cross-examination of witnesses at the hearings, and filing of briefs. BCK also collaborated with other intervenors on legal strategy and conducted legal research on relevant issues. The Department issued its Phase I Order on

LEGAL AND CONSULTING SERVICES

July – December 2017

SUMMARY OF BUDGETED TO ACTUAL EXPENSES

Note: this budget summary is related to the portion of the legal services invoice allocated to the Compact's operating budget. For certain matters below, the Compact also allocates a portion of the legal services invoice to its energy efficiency budget.

			<p>November 30, 2017. The Order, among other things: approved a rate increase for NSTAR Electric that was 78% less than requested; granted Eversource a return on equity less than Eversource requested; refused to consider Eversource's proposed Grid Modernization Base Commitment in this proceeding (instead the GMBB will be considered in the Grid Mod order); and rejected Eversource's proposed inflation floor for performance-based ratemaking. The Compact, together with other intervenors, had addressed these issues in its testimony and briefing.</p> <p>- In D.P.U. 15-122 (Eversource Grid Modernization). BCK reviewed Eversource's proposed grid modernization plan with consultants, conducted legal research and fully participated in the proceeding, including review and preparation of discovery, preparation of witness testimony, presentation and cross-examination of witnesses at the hearings, and filing of briefs. An Order from DPU in this docket is pending.</p> <p>- In D.P.U. 14-140 (Investigation into Competitive Supply Issues). BCK monitored the docket and comments filed on door-to-door solicitations and assisted the Compact in filing comments regarding the posting of renewable energy product information on the DPU Shopping for Competitive Supply website</p>
BCY Green (Habitat and MassCEC Grant Program)	\$7,500	\$7,197	<p>- BCK assisted the Compact in considering the grant program implications from the change in solar incentive structure in the new SMART program</p> <p>- BCK assisted the Compact in drafting program literature and template program contracts</p>

LEGAL AND CONSULTING SERVICES

July – December 2017

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			<ul style="list-style-type: none"> - BCK assisted the Compact in drafting template contracts specific to Habitat for Humanity projects - BCK filed UCC-1 Financing Statements for the PV systems
Special Legal Services	\$5,000	\$873	<ul style="list-style-type: none"> - BCK provided guidance, as requested, on public records law requests to the County and issues related to the Assembly of Delegates' response to the Compact's termination of its Administrative Services Agreement with Barnstable County - BCK tracked PRL appeals - BCK monitored OML decisions
Special Legal Services Direct Expense	\$375	\$8.18	<ul style="list-style-type: none"> - Travel (mileage), filing fees, copying, legal research database charges, messenger service, postage, etc.
Direct Expense (except Special Legal Services)	\$9,000	\$253.66 (direct expenses related to D.P.U. 15-122 and D.P.U. 17-05 are included in the Power Supply matter)	<ul style="list-style-type: none"> - Travel (mileage), filing fees, copying, legal research database charges, messenger service, postage, etc.
Miscellaneous (Matters Not Budgeted For)	\$0	\$5,093.25	<ul style="list-style-type: none"> - BCK communicated with the Compact and NextEra and with counsel to Natick and Bellingham and filed the Joint Motion for Extension of Time to Respond to Hearing Officer Memo and Request for Technical Session in DPU 14-69. - BCK reviewed the December 27, 2017 Hearing Officer Memorandum in DPU 14-69, consulted with counsel to Natick and Bellingham and filed a

LEGAL AND CONSULTING SERVICES

July – December 2017

SUMMARY OF BUDGETED TO ACTUAL EXPENSES

Note: this budget summary is related to the portion of the legal services invoice allocated to the Compact's operating budget. For certain matters below, the Compact also allocates a portion of the legal services invoice to its energy efficiency budget.

			Motion for an Extension of Time to Appeal the Hearing Officer Memorandum
Total	\$359,625	\$360,014.35 (note this is an approximate total based on review of bills for comparison purpose only)	

Power Supply Discussion

January 10, 2018

CLC Governing Board Meeting

**Cape Light
Compact**



Austin Brandt, Sr. Power Supply Planner

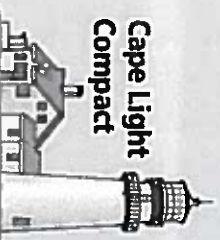
Working Together Toward A Smarter Energy Future

Power Supply Discussion



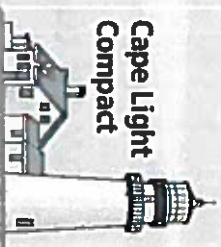
- Compact's contract with NextEra ends December 2018
 - Compact will be issuing a RFP for a supplier in next few months
- New supply contract is an opportunity to make changes to CLC's power supply program
 - Program design, support of renewable energy, etc.
- Today's discussion: What (if any) changes would the Board like to see?

Current Program Structure



- CLC contracts with a competitive supplier (through RFP process) to serve CLC customers
 - Supplier procures energy & other elements of all-requirements supply according to contract with CLC. All procurement risks & obligations are borne by the supplier (not CLC or CLC customers).
 - Supplier procures energy on the market – no long-term contracts for energy for CLC customers
 - Supplier procures (most) RPS RECs on the market
 - With the exception of CVEC RECs & New Bedford Landfill RECs
- To date, CLC has operated its power supply program with the primary consideration of price relative to basic service
 - Basic service viewed as most comparable alternative (no contract with customer, no fees, universal availability)
 - Program designed to stay price competitive with basic service
 - **Limits options for supporting renewables through longer-term power or REC procurement contracts**

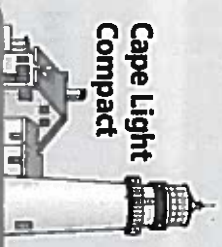
Current Support of Renewables



- Beginning 2017, NextEra:
 - Procures & retires an additional 1% MA Class 1 RECs (over the RPS requirement) on an annual basis through a contract with New Bedford Landfill
 - Retires EarthEra voluntary RECs on an annual basis to meet 100% of Compact customers' load
 - Contributes EarthEra REC premiums, plus their supplier & retail fees, to the EarthEra Renewable Energy Trust, which is used solely to build new renewable energy projects in North America
 - Committed to make reasonable efforts to contribute to projects in New England if possible
- Premium (above RPS minimum) is ~\$0.001/kWh

REC Refresher

- REC = Renewable Energy Certificate
 - 1 REC = 1 MWh produced by a renewable resource
 - Separate commodity from the power produced by the renewable resource
- RECs are used to meet claims of renewable energy usage
 - In MA and many other states, are used to comply with Renewable Portfolio Standard (RPS) – state mandated minimum renewable electricity content requirement
- MA RPS-qualified RECs more directly support New England-based renewable resources than voluntary (non RPS-qualified) RECs
 - Higher price than voluntary RECs

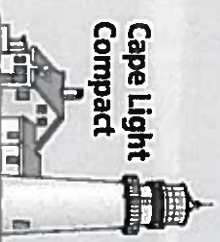


Renewable Support Options



- Continue with current program structure
 - Exceed RPS by 1% and match 100% of load with non-RPS qualified RECs, and pursue other options that suppliers may bring to the table (e.g. EarthEra Trust – direct financial support of renewables)
 - Increase RPS-qualified REC purchases (by more than current 1% above RPS)
 - Supports New England renewables
 - Could choose to support MA-based renewables
 - Through spot market, short-term contracts, or long-term contracts
 - Spot market or short-term contracts will better align CLC with basic service; long-term is better for renewables support but risks price separation
- Adds premium to price

Renewable Support Options



- Purchase renewable power
 - Enter in to a term power purchase agreement (PPA)
 - Long-term hedge of a portion of our load
 - Further supports renewable energy through guaranteed revenue stream, but risks price separation from basic service
 - Choice of facility
 - Renewable: solar, wind, low-impact hydro, etc.
 - Zero-carbon: nuclear (non-Pilgrim)
 - Would need to also purchase associated RECs or emissions credits to claim use of renewable or zero-carbon energy
- Combination of any of the above
 - Example: enter in to 10-year PPA for energy & RECs from low-impact hydro for 10% of load, procure additional RECs on spot market above RPS from other sources
 - All of the above will likely result in a price premium and/or price separation

Discussion:

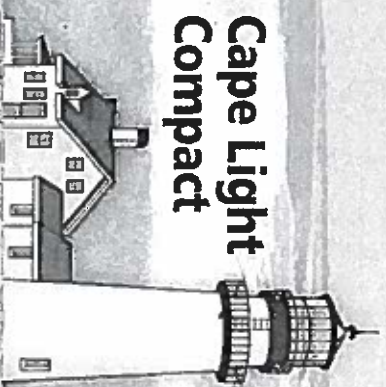
- Price and renewables support go hand-in-hand: what is the right balance of the two?
 - How important is it to stay price competitive with basic service (which only meets state minimums for renewable content), even though we are differentiating our product by renewables incorporation?
 - Determines appetite for long-term contracts, which increase risk of price separation but better support renewables
- Note: Seven other MA aggregations have increased RPS content (most by 5%; Brookline up to 100% total), more are in the process of doing this



Customer Directed Option (CDO)

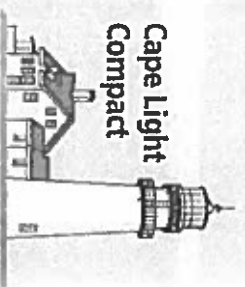
Greg Abbe
Senior Analyst

**Cape Light
Compact**



Working Together Toward A Smarter Energy Future

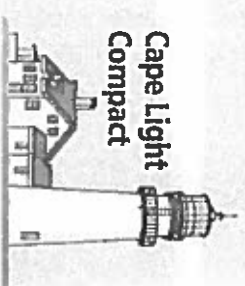
Customer Options for Participation



Current	Proposed
<p>Direct Install Program- Most comprehensive, highest incentives*</p> <p>- RISE is only vendor that was competitively procured</p>	<p>Direct Install Program- Most comprehensive, highest incentives*</p> <p>- RISE can provide assessment and installation of select measures</p> <p>CDO Option- Opportunity for comprehensive measures, incentives similar to Direct Install</p> <p>- Qualified vendors can participate with RISE as Lead Vendor</p>
<p>Applications- One measure only, moderate incentives</p> <p>- Any contractor or customer</p>	<p>No change</p>
<p>Upstream purchase- One measure, lowest incentives</p> <p>- Purchase from a distributor</p>	<p>No change</p>

*- highest incentives generally, because all are custom projects

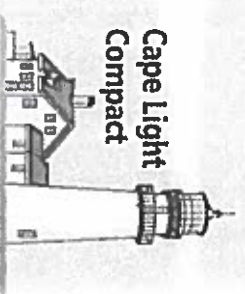
Customer Directed Option (CDO)



- CDO was approved as part of CLC's 3-year plan
- CDO is now an option within the small & medium business programs
 - Customers under 1.5 million kWh/year (aggregated), non-municipal
- Benefits:
 - CDO allows customers to choose their own contractor and still have access to similar incentives from the C&I direct-install program
 - Contractors may include electricians, insulators, HVAC technicians, etc.
 - CDO benefits CLC because it brings in projects we might otherwise miss, and provides more comprehensive assessments where they might not exist

Progress Report

- CLC and RISE did four practice projects to test the system
- CLC CDO Website Launched in early December
- RISE emailed all interested vendors in early December
- CLC database updated
- Some interest, but the program hasn't taken off yet



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The Official Website of the State Ethics Commission

State Ethics Commission

[Home](#) > [Education & Training Resources](#) > [Mandatory Conflict Law Education Requirements](#) > [Municipal Employee Summary](#)

Summary of the Conflict of Interest Law for Municipal Employees

This summary of the conflict of interest law, General Laws chapter 268A, is intended to help municipal employees understand how that law applies to them. This summary is not a substitute for legal advice, nor does it mention every aspect of the law that may apply in a particular situation. Municipal employees can obtain free confidential advice about the conflict of interest law from the Commission's Legal Division at our website, phone number, and address above. Municipal counsel may also provide advice.

The conflict of interest law seeks to prevent conflicts between private interests and public duties, foster integrity in public service, and promote the public's trust and confidence in that service by placing restrictions on what municipal employees may do on the job, after hours, and after leaving public service, as described below. The sections referenced below are sections of G.L.c. 268A.

When the Commission determines that the conflict of interest law has been violated, it can impose a civil penalty of up to \$10,000 (\$25,000 for bribery cases) for each violation. In addition, the Commission can order the violator to repay any economic advantage he gained by the violation, and to make restitution to injured third parties. Violations of the conflict of interest law can also be prosecuted criminally.

I. Are you a municipal employee for conflict of interest law purposes?

You do not have to be a full-time, paid municipal employee to be considered a municipal employee for conflict of interest purposes. Anyone performing services for a city or town or holding a municipal position, whether paid or unpaid, including full- and part-time municipal employees, elected officials, volunteers, and consultants, is a municipal employee under the conflict of interest law. An employee of a private firm can also be a municipal employee, if the private firm has a contract with the city or town and the employee is a "key employee" under the contract, meaning the town has specifically contracted for her services. The law also covers private parties who engage in impermissible dealings with municipal employees, such as offering bribes or illegal gifts. Town meeting members and charter commission members are not municipal employees under the conflict of interest law.

II. On-the-job restrictions.

(a) Bribes. Asking for and taking bribes is prohibited. (See Section 2)

A bribe is anything of value corruptly received by a municipal employee in exchange for the employee being influenced in his official actions. Giving, offering, receiving, or asking for a bribe is illegal.

Bribes are more serious than illegal gifts because they involve corrupt intent. In other words, the municipal employee intends to sell his office by agreeing to do or not do some official act, and the giver intends to influence him to do so. Bribes of any value are illegal.

(b) Gifts and gratuities. Asking for or accepting a gift because of your official position, or because of something you can do or have done in your official position, is prohibited. (See Sections 3, 23(b)(2), and 26)

Municipal employees may not accept gifts and gratuities valued at \$50 or more given to influence their official actions or because of their official position. Accepting a gift intended to reward past official action or to bring about future official action is illegal, as is giving such gifts. Accepting a gift given to you because of the municipal position you hold is also illegal. Meals, entertainment event tickets, golf, gift baskets, and payment of travel expenses can all be illegal gifts if given in connection with official action or position, as can anything worth \$50 or more. A number of smaller gifts together worth \$50 or more may also violate these sections.

Example of violation : A town administrator accepts reduced rental payments from developers.

Example of violation : A developer offers a ski trip to a school district employee who oversees the developer's work for the school district.

Regulatory exemptions . There are situations in which a municipal employee's receipt of a gift does not present a genuine risk of a conflict of interest, and may in fact advance the public interest. The Commission has created exemptions permitting giving and receiving gifts in these situations. One commonly used exemption

permits municipal employees to accept payment of travel-related expenses when doing so advances a public purpose. Another commonly used exemption permits municipal employees to accept payment of costs involved in attendance at educational and training programs. Other exemptions are listed on the Commission's website.

Example where there is no violation : A fire truck manufacturer offers to pay the travel expenses of a fire chief to a trade show where the chief can examine various kinds of fire-fighting equipment that the town may purchase. The chief fills out a disclosure form and obtains prior approval from his appointing authority.

Example where there is no violation : A town treasurer attends a two-day annual school featuring multiple substantive seminars on issues relevant to treasurers. The annual school is paid for in part by banks that do business with town treasurers. The treasurer is only required to make a disclosure if one of the sponsoring banks has official business before her in the six months before or after the annual school.

(c) Misuse of position. Using your official position to get something you are not entitled to, or to get someone else something they are not entitled to, is prohibited. Causing someone else to do these things is also prohibited. (See Sections 23(b)(2) and 26)

A municipal employee may not use her official position to get something worth \$50 or more that would not be properly available to other similarly situated individuals. Similarly, a municipal employee may not use her official position to get something worth \$50 or more for someone else that would not be properly available to other similarly situated individuals. Causing someone else to do these things is also prohibited.

Example of violation : A full-time town employee writes a novel on work time, using her office computer, and directing her secretary to proofread the draft.

Example of violation : A city councilor directs subordinates to drive the councilor's wife to and from the grocery store.

Example of violation : A mayor avoids a speeding ticket by asking the police officer who stops him, "Do you know who I am?" and showing his municipal I.D.

(d) Self-dealing and nepotism. Participating as a municipal employee in a matter in which you, your immediate family, your business organization, or your future employer has a financial interest is prohibited. (See Section 19)

A municipal employee may not participate in any particular matter in which he or a member of his immediate family (parents, children, siblings, spouse, and spouse's parents, children, and siblings) has a financial interest. He also may not participate in any particular matter in which a prospective employer, or a business organization of which he is a director, officer, trustee, or employee has a financial interest. Participation includes discussing as well as voting on a matter, and delegating a matter to someone else.

A financial interest may create a conflict of interest whether it is large or small, and positive or negative. In other words, it does not matter if a lot of money is involved or only a little. It also does not matter if you are putting money into your pocket or taking it out. If you, your immediate family, your business, or your employer have or has a financial interest in a matter, you may not participate. The financial interest must be direct and immediate or reasonably foreseeable to create a conflict. Financial interests which are remote, speculative or not sufficiently identifiable do not create conflicts.

Example of violation : A school committee member's wife is a teacher in the town's public schools. The school committee member votes on the budget line item for teachers' salaries.

Example of violation : A member of a town affordable housing committee is also the director of a non-profit housing development corporation. The non-profit makes an application to the committee, and the member/director participates in the discussion.

Example : A planning board member lives next door to property where a developer plans to construct a new building. Because the planning board member owns abutting property, he is presumed to have a financial interest in the matter. He cannot participate unless he provides the State Ethics Commission with an opinion from a qualified independent appraiser that the new construction will not affect his financial interest.

In many cases, where not otherwise required to participate, a municipal employee may comply with the law by simply not participating in the particular matter in which she has a financial interest. She need not give a reason for not participating.

There are several exemptions to this section of the law. An appointed municipal employee may file a written disclosure about the financial interest with his appointing authority, and seek permission to participate notwithstanding the conflict. The appointing authority may grant written permission if she determines that the financial interest in question is not so substantial that it is likely to affect the integrity of his services to the municipality. Participating without disclosing the financial interest is a violation. Elected employees cannot use the disclosure procedure because they have no appointing authority.

Example where there is no violation : An appointed member of the town zoning advisory committee, which will review and recommend changes to the town's by-laws with regard to a commercial district, is a partner at a company that owns commercial property in the district. Prior to participating in any committee discussions,

the member files a disclosure with the zoning board of appeals that appointed him to his position, and that board gives him a written determination authorizing his participation, despite his company's financial interest. There is no violation.

There is also an exemption for both appointed and elected employees where the employee's task is to address a matter of general policy and the employee's financial interest is shared with a substantial portion (generally 10% or more) of the town's population, such as, for instance, a financial interest in real estate tax rates or municipal utility rates.

Regulatory exemptions. In addition to the statutory exemptions just mentioned, the Commission has created several regulatory exemptions permitting municipal employees to participate in particular matters notwithstanding the presence of a financial interest in certain very specific situations when permitting them to do so advances a public purpose. There is an exemption permitting school committee members to participate in setting school fees that will affect their own children if they make a prior written disclosure. There is an exemption permitting town clerks to perform election-related functions even when they, or their immediate family members, are on the ballot, because clerks' election-related functions are extensively regulated by other laws. There is also an exemption permitting a person serving as a member of a municipal board pursuant to a legal requirement that the board have members with a specified affiliation to participate fully in determinations of general policy by the board, even if the entity with which he is affiliated has a financial interest in the matter. Other exemptions are listed in the Commission's regulations, available on the Commission's website.

Example where there is no violation: A municipal Shellfish Advisory Board has been created to provide advice to the Board of Selectmen on policy issues related to shellfishing. The Advisory Board is required to have members who are currently commercial fishermen. A board member who is a commercial fisherman may participate in determinations of general policy in which he has a financial interest common to all commercial fishermen, but may not participate in determinations in which he alone has a financial interest, such as the extension of his own individual permits or leases.

(e) False claims. Presenting a false claim to your employer for a payment or benefit is prohibited, and causing someone else to do so is also prohibited. (See Sections 23(b)(4) and 26)

A municipal employee may not present a false or fraudulent claim to his employer for any payment or benefit worth \$50 or more, or cause another person to do so.

Example of violation : A public works director directs his secretary to fill out time sheets to show him as present at work on days when he was skiing.

(f) Appearance of conflict. Acting in a manner that would make a reasonable person think you can be improperly influenced is prohibited. (See Section 23(b)(3))

A municipal employee may not act in a manner that would cause a reasonable person to think that she would show favor toward someone or that she can be improperly influenced. Section 23(b)(3) requires a municipal employee to consider whether her relationships and affiliations could prevent her from acting fairly and objectively when she performs her duties for a city or town. If she cannot be fair and objective because of a relationship or affiliation, she should not perform her duties. However, a municipal employee, whether elected or appointed, can avoid violating this provision by making a public disclosure of the facts. An appointed employee must make the disclosure in writing to his appointing official.

Example where there is no violation : A developer who is the cousin of the chair of the conservation commission has filed an application with the commission. A reasonable person could conclude that the chair might favor her cousin. The chair files a written disclosure with her appointing authority explaining her relationship with her cousin prior to the meeting at which the application will be considered. There is no violation of Sec. 23(b)(3).

(g) Confidential information. Improperly disclosing or personally using confidential information obtained through your job is prohibited. (See Section 23(c))

Municipal employees may not improperly disclose confidential information, or make personal use of non-public information they acquired in the course of their official duties to further their personal interests.

III. After-hours restrictions.

(a) Taking a second paid job that conflicts with the duties of your municipal job is prohibited. (See Section 23(b)(1))

A municipal employee may not accept other paid employment if the responsibilities of the second job are incompatible with his or her municipal job.

Example : A police officer may not work as a paid private security guard in the town where he serves because the demands of his private employment would conflict with his duties as a police officer.

(b) Divided loyalties. Receiving pay from anyone other than the city or town to work on a matter involving the city or town is prohibited. Acting as agent or attorney for anyone other than the city or town in a matter involving the city or town is also prohibited whether or not you are paid. (See Sec. 17)

Because cities and towns are entitled to the undivided loyalty of their employees, a municipal employee may not be paid by other people and organizations in relation to a matter if the city or town has an interest in the matter. In addition, a municipal employee may not act on behalf of other people and organizations or act as an attorney for other people and organizations in which the town has an interest. Acting as agent includes contacting the municipality in person, by phone, or in writing; acting as a liaison; providing documents to the city or town; and serving as spokesman.

A municipal employee may always represent his own personal interests, even before his own municipal agency or board, on the same terms and conditions that other similarly situated members of the public would be allowed to do so. A municipal employee may also apply for building and related permits on behalf of someone else and be paid for doing so, unless he works for the permitting agency, or an agency which regulates the permitting agency.

Example of violation : A full-time health agent submits a septic system plan that she has prepared for a private client to the town's board of health.

Example of violation : A planning board member represents a private client before the board of selectmen on a request that town meeting consider rezoning the client's property.

While many municipal employees earn their livelihood in municipal jobs, some municipal employees volunteer their time to provide services to the town or receive small stipends. Others, such as a private attorney who provides legal services to a town as needed, may serve in a position in which they may have other personal or private employment during normal working hours. In recognition of the need not to unduly restrict the ability of town volunteers and part-time employees to earn a living, the law is less restrictive for "special" municipal employees than for other municipal employees.

The status of "special" municipal employee has to be assigned to a municipal position by vote of the board of selectmen, city council, or similar body. A position is eligible to be designated as "special" if it is unpaid, or if it is part-time and the employee is allowed to have another job during normal working hours, or if the employee was not paid for working more than 800 hours during the preceding 365 days. It is the position that is designated as "special" and not the person or persons holding the position. Selectmen in towns of 10,000 or fewer are automatically "special"; selectman in larger towns cannot be "specials."

If a municipal position has been designated as "special," an employee holding that position may be paid by others, act on behalf of others, and act as attorney for others with respect to matters before municipal boards other than his own, provided that he has not officially participated in the matter, and the matter is not now, and has not within the past year been, under his official responsibility.

Example : A school committee member who has been designated as a special municipal employee appears before the board of health on behalf of a client of his private law practice, on a matter that he has not participated in or had responsibility for as a school committee member. There is no conflict. However, he may not appear before the school committee, or the school department, on behalf of a client because he has official responsibility for any matter that comes before the school committee. This is still the case even if he has recused himself from participating in the matter in his official capacity.

Example : A member who sits as an alternate on the conservation commission is a special municipal employee. Under town by-laws, he only has official responsibility for matters assigned to him. He may represent a resident who wants to file an application with the conservation commission as long as the matter is not assigned to him and he will not participate in it.

(c) Inside track. Being paid by your city or town, directly or indirectly, under some second arrangement in addition to your job is prohibited, unless an exemption applies. (See Section 20)

A municipal employee generally may not have a financial interest in a municipal contract, including a second municipal job. A municipal employee is also generally prohibited from having an indirect financial interest in a contract that the city or town has with someone else. This provision is intended to prevent municipal employees from having an "inside track" to further financial opportunities.

Example of violation : Legal counsel to the town housing authority becomes the acting executive director of the authority, and is paid in both positions.

Example of violation : A selectman buys a surplus truck from the town DPW.

Example of violation : A full-time secretary for the board of health wants to have a second paid job working part-time for the town library. She will violate Section 20 unless she can meet the requirements of an exemption.

Example of violation : A city councilor wants to work for a non-profit that receives funding under a contract with her city. Unless she can satisfy the requirements of an exemption under Section 20, she cannot take the job.

There are numerous exemptions. A municipal employee may hold multiple unpaid or elected positions. Some exemptions apply only to special municipal employees. Specific exemptions may cover serving as an unpaid volunteer in a second town position, housing-related benefits, public safety positions, certain elected positions, small towns, and other specific situations. Please call the Ethics Commission's Legal Division for advice about a specific situation.

IV. After you leave municipal employment. (See Section 18)

(a) Forever ban. After you leave your municipal job, you may never work for anyone other than the municipality on a matter that you worked on as a municipal employee.

If you participated in a matter as a municipal employee, you cannot ever be paid to work on that same matter for anyone other than the municipality, nor may you act for someone else, whether paid or not. The purpose of this restriction is to bar former employees from selling to private interests their familiarity with the facts of particular matters that are of continuing concern to their former municipal employer. The restriction does not prohibit former municipal employees from using the expertise acquired in government service in their subsequent private activities.

Example of violation : A former school department employee works for a contractor under a contract that she helped to draft and oversee for the school department.

(b) One year cooling-off period. For one year after you leave your municipal job you may not participate in any matter over which you had official responsibility during your last two years of public service.

Former municipal employees are barred for one year after they leave municipal employment from personally appearing before any agency of the municipality in connection with matters that were under their authority in their prior municipal positions during the two years before they left.

Example : An assistant town manager negotiates a three-year contract with a company. The town manager who supervised the assistant, and had official responsibility for the contract but did not participate in negotiating it, leaves her job to work for the company to which the contract was awarded. The former manager may not call or write the town in connection with the company's work on the contract for one year after leaving the town.

A former municipal employee who participated as such in general legislation on expanded gaming and related matters may not become an officer or employee of, or acquire a financial interest in, an applicant for a gaming license, or a gaming licensee, for one year after his public employment ceases.

(c) Partners. Your partners will be subject to restrictions while you serve as a municipal employee and after your municipal service ends.

Partners of municipal employees and former municipal employees are also subject to restrictions under the conflict of interest law. If a municipal employee participated in a matter, or if he has official responsibility for a matter, then his partner may not act on behalf of anyone other than the municipality or provide services as an attorney to anyone but the city or town in relation to the matter.

Example : While serving on a city's historic district commission, an architect reviewed an application to get landmark status for a building. His partners at his architecture firm may not prepare and sign plans for the owner of the building or otherwise act on the owner's behalf in relation to the application for landmark status. In addition, because the architect has official responsibility as a commissioner for every matter that comes before the commission, his partners may not communicate with the commission or otherwise act on behalf of any client on any matter that comes before the commission during the time that the architect serves on the commission.

Example : A former town counsel joins a law firm as a partner. Because she litigated a lawsuit for the town, her new partners cannot represent any private clients in the lawsuit for one year after her job with the town ended.

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This summary is not intended to be legal advice and, because it is a summary, it does not mention every provision of the conflict law that may apply in a particular situation. Our website, <http://www.mass.gov/ethics> contains further information about how the law applies in many situations. You can also contact the Commission's Legal Division via our website, by telephone, or by letter. Our contact information is at the top of this document.

Version 7: Revised November 14, 2016

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ACKNOWLEDGMENT OF RECEIPT

I, _____, an employee at _____, hereby acknowledge that I received a
(first and last name) (name of municipal dept.)

copy of the summary of the conflict of interest law for municipal employees, revised November 14, 2016, on _____
(date)

Municipal employees should complete the acknowledgment of receipt and return it to the individual who provided them with a copy of the summary. Alternatively, municipal employees may send an email acknowledging receipt of the summary to the individual who provided them with a copy of it.

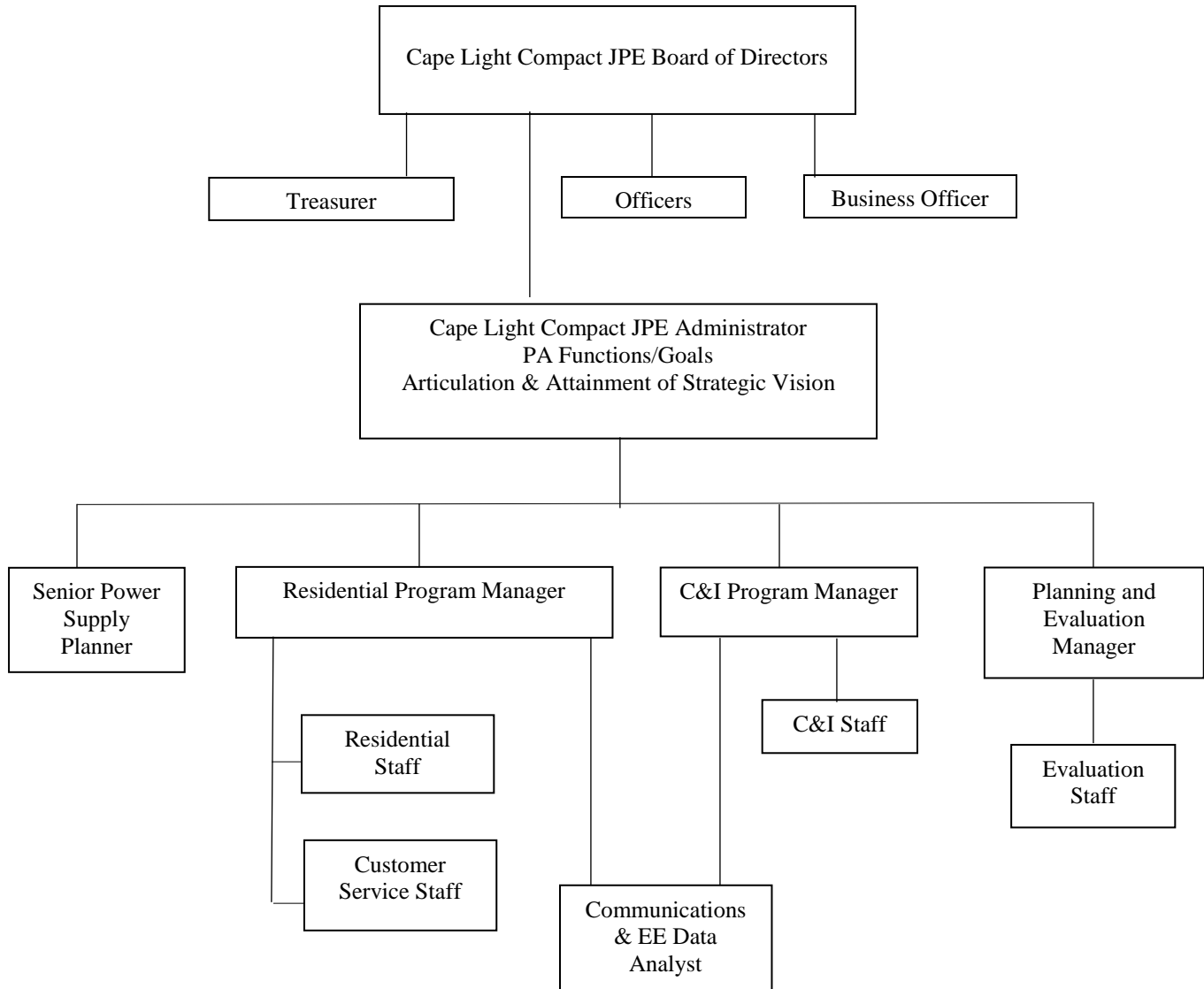
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CAPE LIGHT COMPACT JPE

Organizational Structure



Cape Light Compact JPE
Operating Fund 001 (7/1/17-12/31/17)
Budget Report
July 1, 2017 to December 31, 2017 CASH BASIS

	<u>Budget Amount</u>	<u>Actual Amount</u>	<u>Remaining Amount</u>	<u>Remaining %</u>
<u>REVENUE</u>				
OPERATING FUND FY18-TRANSFERS IN	793,847.00	793,847.00	0.00	0.00%
OPERATING FUND FY18-INTEREST INCOME	0.00	161.80	(161.80)	
TOTAL REVENUES	793,847.00	794,008.80	(161.80)	
<u>EXPENSES</u>				
OPERATING FUND FY18-ADVERTISING (POWER SUPPLY)	39,000.00	8,490.00	30,510.00	78.23%
OPERATING FUND FY18-AUDIT FEES	20,000.00	9,500.00	10,500.00	52.50%
OPERATING FUND FY18-BANK FEES	500.00	0.00	500.00	100.00%
OPERATING FUND FY18-BUILDING RENOVATIONS	9,720.49	9,720.49	0.00	0.00%
OPERATING FUND FY18-CLOSE-OUT EXP WITH COUNTY	5,000.00	0.00	5,000.00	100.00%
OPERATING FUND FY18-COMPUTER EQUIPMENT	3,336.00	2,516.50	819.50	24.57%
OPERATING FUND FY18-CONTRACTUAL	33,963.00	12,650.09	21,312.91	62.75%
OPERATING FUND FY18-CUSTODIAL SERVICES	4,375.00	1,621.57	2,753.43	62.94%
OPERATING FUND FY18-FINANCIAL SOFTWARE SYSTEM	4,164.00	4,164.00	0.00	0.00%
OPERATING FUND FY18-FOOD SUPPLIES	1,500.00	504.08	995.92	66.39%
OPERATING FUND FY18-GROUP INSURANCE	20,000.00	12,004.81	7,995.19	39.98%
OPERATING FUND FY18-IN STATE TRAVEL	8,000.00	1,242.15	6,757.85	84.47%
OPERATING FUND FY18-INSURANCE	16,550.00	16,550.00	0.00	0.00%
OPERATING FUND FY18-INTERNET	4,000.00	1,551.53	2,448.47	61.21%
OPERATING FUND FY18-IT SERVICES	10,450.00	3,566.82	6,883.18	65.87%
OPERATING FUND FY18-LEGAL SERVICES	359,625.00	351,764.60	7,860.40	2.19%
OPERATING FUND FY18-MEDICARE	2,000.00	1,159.40	840.60	42.03%
OPERATING FUND FY18-MISC EQUIPMENT	845.00	845.00	0.00	0.00%
OPERATING FUND FY18-MISC FRINGES	1,800.00	232.05	1,567.95	87.11%
OPERATING FUND FY18-MISC RENTALS	1,500.00	60.62	1,439.38	95.96%
OPERATING FUND FY18-OUT OF STATE TRAVEL	3,000.00	2,892.58	107.42	3.58%
OPERATING FUND FY18-OUTREACH/MARKETING SERV	10,000.00	2,567.08	7,432.92	74.33%
OPERATING FUND FY18-PAYROLL SERVICES	1,692.00	1,652.86	39.14	2.31%
OPERATING FUND FY18-POSTAGE	6,796.00	3,834.01	2,961.99	43.58%
OPERATING FUND FY18-PRINTING	7,500.00	6,612.09	887.91	11.84%
OPERATING FUND FY18-PROFESSIONAL DEVELOPMENT	2,500.00	1,403.75	1,096.25	43.85%
OPERATING FUND FY18-RENT	11,250.00	11,250.00	0.00	0.00%
OPERATING FUND FY18-RETIREMENT	45,000.00	0.00	45,000.00	100.00%
OPERATING FUND FY18-SALARIES	108,422.00	79,957.92	28,464.08	26.25%
OPERATING FUND FY18-SALARY RESERVE	6,000.00	0.00	6,000.00	100.00%
OPERATING FUND FY18-SHIPPING/FREIGHT	697.83	697.83	0.00	0.00%
OPERATING FUND FY18-SOFTWARE LICENSES	2,500.00	0.00	2,500.00	100.00%
OPERATING FUND FY18-SPONSORSHIPS	23,226.68	19,952.00	3,274.68	14.10%
OPERATING FUND FY18-SUBSCRIPTIONS	6,855.00	6,854.25	0.75	0.01%
OPERATING FUND FY18-SUPPLIES	1,000.00	268.98	731.02	73.10%
OPERATING FUND FY18-TELEPHONES	2,204.00	2,203.17	0.83	0.04%
OPERATING FUND FY18-TREASURY SERVICES	7,875.00	5,972.50	1,902.50	24.16%
OPERATING FUND FY18-UNPAID BILLS	1,000.00	0.00	1,000.00	100.00%
TOTAL EXPENSES	793,847.00	584,262.73	209,584.27	26.40%
CHANGE IN NET POSITION	0.00	209,746.07		

2017 Budgeted (Based on 2017 Energy Efficiency Surcharge)

Program	PA Costs					
	PP&A	Marketing	Incentives	STAT	EMV	Total PA Costs
A - Residential	\$ 1,276,485	\$ 510,471	\$ 15,335,148	\$ 5,109,957	\$ 865,846	\$ 23,097,907
A1 - Residential Whole House	\$ 830,686	\$ 195,621	\$ 11,279,444	\$ 4,249,171	\$ 701,071	\$ 17,255,993
A1a - Residential New Construction	\$ 22,195	\$ 7,461	\$ 311,251	\$ 101,429	\$ 17,590	\$ 459,926
A1b - Residential Multi-Family Retrofit	\$ 37,123	\$ 19,743	\$ 399,808	\$ 283,158	\$ 29,422	\$ 769,254
A1c - Residential Home Energy Services - Measures	\$ 674,067	\$ 112,400	\$ 10,399,771	\$ 2,147,386	\$ 573,929	\$ 13,907,553
A1d - Residential Home Energy Services - RCS	\$ 86,271	\$ 39,608	\$ -	\$ 1,593,443	\$ 68,374	\$ 1,787,697
A1e - Residential Behavior/Feedback Program	\$ 11,029	\$ 16,409	\$ 168,614	\$ 123,755	\$ 11,755	\$ 331,562
A2 - Residential Products	\$ 207,905	\$ 151,814	\$ 3,130,704	\$ 652,967	\$ 164,775	\$ 4,308,166
A2a - Residential Heating & Cooling Equipment	\$ 95,090	\$ 31,150	\$ 1,535,440	\$ 233,388	\$ 75,363	\$ 1,970,431
A2b - Residential Consumer Products	\$ 19,103	\$ 35,191	\$ 159,788	\$ 166,634	\$ 15,141	\$ 395,857
A2c - Residential Lighting	\$ 93,712	\$ 85,474	\$ 1,435,476	\$ 252,946	\$ 74,271	\$ 1,941,878
A3 - Residential Hard-to-Measure	\$ 237,894	\$ 163,036	\$ 925,000	\$ 207,818	\$ -	\$ 1,533,748
A3a - Residential Statewide Marketing	\$ -	\$ 112,017	\$ -	\$ -	\$ -	\$ 112,017
A3b - Residential Statewide Database	\$ 13,253	\$ -	\$ -	\$ -	\$ -	\$ 13,253
A3c - Residential DOER Assessment	\$ 145,089	\$ -	\$ -	\$ -	\$ -	\$ 145,089
A3d - Residential EEAC Consultants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
A3e - Residential Sponsorships & Subscriptions	\$ 25,662	\$ 10,633	\$ -	\$ -	\$ -	\$ 36,295
A3f - Residential HEAT Loan	\$ 53,890	\$ 8,886	\$ 892,500	\$ 118,718	\$ -	\$ 1,073,994
A3g - Residential Workforce Development	\$ -	\$ -	\$ -	\$ 19,600	\$ -	\$ 19,600
A3h - Residential R&D and Demonstration	\$ -	\$ 6,500	\$ 32,500	\$ 69,500	\$ -	\$ 108,500
A3i - Residential Education	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000
B - Low-Income	\$ 291,602	\$ 67,287	\$ 3,813,615	\$ 940,595	\$ 198,035	\$ 5,311,133
B1 - Low-Income Whole House	\$ 193,922	\$ 37,703	\$ 3,813,615	\$ 940,595	\$ 198,035	\$ 5,183,869
B1a - Low-Income Single Family Retrofit	\$ 131,692	\$ 28,662	\$ 2,524,834	\$ 700,687	\$ 134,485	\$ 3,520,360
B1b - Low-Income Multi-Family Retrofit	\$ 62,230	\$ 9,041	\$ 1,288,781	\$ 239,908	\$ 63,550	\$ 1,663,509
B2 - Low-Income Hard-to-Measure	\$ 97,680	\$ 29,584	\$ -	\$ -	\$ -	\$ 127,264
B2a - Low-Income Statewide Marketing	\$ -	\$ 27,017	\$ -	\$ -	\$ -	\$ 27,017
B2b - Low-Income Statewide Database	\$ 3,196	\$ -	\$ -	\$ -	\$ -	\$ 3,196
B2c - Low-Income DOER Assessment	\$ 34,994	\$ -	\$ -	\$ -	\$ -	\$ 34,994
B2d - Low-Income Energy Affordability Network	\$ 47,969	\$ -	\$ -	\$ -	\$ -	\$ 47,969
B2e - Low-Income Sponsorships & Subscriptions	\$ 11,520	\$ 2,566	\$ -	\$ -	\$ -	\$ 14,087
C - Commercial & Industrial	\$ 929,010	\$ 242,935	\$ 11,888,232	\$ 2,244,545	\$ 581,328	\$ 15,886,050
C1 - C&I New Construction	\$ 72,556	\$ 10,591	\$ 1,200,100	\$ 332,909	\$ 53,429	\$ 1,669,585
C1a - C&I New Buildings & Major Renovations	\$ 55,841	\$ 6,612	\$ 725,100	\$ 268,416	\$ 41,119	\$ 1,097,088
C1b - C&I Initial Purchase & End of Useful Life	\$ 16,716	\$ 3,979	\$ 475,000	\$ 64,493	\$ 12,309	\$ 572,497
C2 - C&I Retrofit	\$ 716,901	\$ 144,883	\$ 10,618,132	\$ 1,876,637	\$ 527,899	\$ 13,884,452
C2a - C&I Existing Building Retrofit	\$ 195,762	\$ 48,179	\$ 2,936,305	\$ 466,982	\$ 144,152	\$ 3,791,379
C2b - C&I Small Business	\$ 392,941	\$ 66,525	\$ 5,896,199	\$ 965,192	\$ 289,347	\$ 7,610,204
C2c - C&I Multifamily Retrofit	\$ 39,790	\$ 19,711	\$ 399,808	\$ 282,008	\$ 29,299	\$ 770,616
C2d - C&I Upstream Lighting	\$ 88,409	\$ 10,468	\$ 1,385,820	\$ 162,455	\$ 65,101	\$ 1,712,253
C3 - C&I Hard-to-Measure	\$ 139,552	\$ 87,461	\$ 70,000	\$ 35,000	\$ -	\$ 332,013
C3a - C&I Statewide Marketing	\$ -	\$ 75,299	\$ -	\$ -	\$ -	\$ 75,299
C3b - C&I Statewide Database	\$ 8,909	\$ -	\$ -	\$ -	\$ -	\$ 8,909
C3c - C&I DOER Assessment	\$ 97,530	\$ -	\$ -	\$ -	\$ -	\$ 97,530
C3d - C&I EEAC Consultants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
C3e - C&I Sponsorships & Subscriptions	\$ 33,113	\$ 7,162	\$ -	\$ -	\$ -	\$ 40,275
C3f - C&I Workforce Development	\$ -	\$ 5,000	\$ -	\$ 20,000	\$ -	\$ 25,000
C3g - C&I R&D and Demonstration	\$ -	\$ -	\$ 70,000	\$ 15,000	\$ -	\$ 85,000
GRAND TOTAL	\$ 2,497,097	\$ 820,692	\$ 31,036,995	\$ 8,295,097	\$ 1,645,209	\$ 44,295,089

Total Demand Response	\$ -	\$ 5,000	\$ 13,000	\$ 249,797	\$ -	\$ 267,797
Residential Demand Response	\$ -	\$ 4,500	\$ 11,700	\$ 224,817	\$ -	\$ 241,017
Commercial Demand Response	\$ -	\$ 500	\$ 1,300	\$ 24,980	\$ -	\$ 26,780
Total EE & DR	\$ 2,497,097	\$ 825,692	\$ 31,049,995	\$ 8,544,894	\$ 1,645,209	\$ 44,562,886

2017 Actuals through Nov 2017

Program	PA Costs					
	PP&A	Marketing	Incentives	STAT	EMV	Total PA Costs
A - Residential	\$ 984,290	\$ 301,796	\$ 11,883,012	\$ 3,009,744	\$ 486,063	\$ 16,664,905
A1 - Residential Whole House	\$ 653,443	\$ 66,572	\$ 7,698,795	\$ 2,541,564	\$ 266,615	\$ 11,226,988
A1a - Residential New Construction	\$ 17,460	\$ 1,586	\$ 446,635	\$ 98,389	\$ 15,755	\$ 579,825
A1b - Residential Multi-Family Retrofit	\$ 29,202	\$ 2,653	\$ 259,068	\$ 93,656	\$ 20,850	\$ 405,430
A1c - Residential Home Energy Services - Measures	\$ 530,241	\$ 51,825	\$ 6,950,930	\$ 1,275,958	\$ 200,089	\$ 9,009,044
A1d - Residential Home Energy Services - RCS	\$ 67,864	\$ 9,720	\$ -	\$ 1,034,876	\$ 25,577	\$ 1,138,037
A1e - Residential Behavior/Feedback Program	\$ 8,676	\$ 788	\$ 42,161	\$ 38,684	\$ 4,343	\$ 94,652
A2 - Residential Products	\$ 163,545	\$ 113,095	\$ 3,102,882	\$ 371,068	\$ 219,448	\$ 3,970,038
A2a - Residential Heating & Cooling Equipment	\$ 74,801	\$ 17,739	\$ 818,678	\$ 131,501	\$ 43,137	\$ 1,085,856
A2b - Residential Consumer Products	\$ 15,027	\$ 27,836	\$ 314,319	\$ 116,407	\$ 32,361	\$ 505,951
A2c - Residential Lighting	\$ 73,717	\$ 67,520	\$ 1,969,885	\$ 123,160	\$ 143,950	\$ 2,378,231
A3 - Residential Hard-to-Measure	\$ 167,303	\$ 122,129	\$ 1,081,336	\$ 97,112	\$ -	\$ 1,467,880
A3a - Residential Statewide Marketing	\$ -	\$ 99,274	\$ -	\$ -	\$ -	\$ 99,274
A3b - Residential Statewide Database	\$ 503	\$ -	\$ -	\$ -	\$ -	\$ 503
A3c - Residential DOER Assessment	\$ 124,409	\$ -	\$ -	\$ -	\$ -	\$ 124,409
A3d - Residential EEAC Consultants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
A3e - Residential Sponsorships & Subscriptions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
A3f - Residential HEAT Loan	\$ 42,392	\$ 5,483	\$ 1,081,336	\$ 89,117	\$ -	\$ 1,218,327
A3g - Residential Workforce Development	\$ -	\$ -	\$ -	\$ 7,996	\$ -	\$ 7,996
A3h - Residential R&D and Demonstration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
A3i - Residential Education	\$ -	\$ 17,372	\$ -	\$ -	\$ -	\$ 17,372
B - Low-Income	\$ 188,838	\$ 44,736	\$ 1,268,240	\$ 196,643	\$ 74,805	\$ 1,773,262
B1 - Low-Income Whole House	\$ 159,685	\$ 21,826	\$ 1,268,240	\$ 196,643	\$ 74,805	\$ 1,721,200
B1a - Low-Income Single Family Retrofit	\$ 108,442	\$ 16,770	\$ 942,849	\$ 127,601	\$ 50,819	\$ 1,246,481
B1b - Low-Income Multi-Family Retrofit	\$ 51,243	\$ 5,057	\$ 325,391	\$ 69,042	\$ 23,986	\$ 474,718
B2 - Low-Income Hard-to-Measure	\$ 29,153	\$ 22,909	\$ -	\$ -	\$ -	\$ 52,062
B2a - Low-Income Statewide Marketing	\$ -	\$ 22,909	\$ -	\$ -	\$ -	\$ 22,909
B2b - Low-Income Statewide Database	\$ 112	\$ -	\$ -	\$ -	\$ -	\$ 112
B2c - Low-Income DOER Assessment	\$ 29,041	\$ -	\$ -	\$ -	\$ -	\$ 29,041
B2d - Low-Income Energy Affordability Network	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
B2e - Low-Income Sponsorships & Subscriptions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
C - Commercial & Industrial	\$ 726,144	\$ 121,189	\$ 4,539,463	\$ 760,209	\$ 266,399	\$ 6,413,404
C1 - C&I New Construction	\$ 66,042	\$ 4,805	\$ 445,235	\$ 128,752	\$ 33,977	\$ 678,810
C1a - C&I New Buildings & Major Renovations	\$ 50,834	\$ 3,698	\$ 246,139	\$ 105,135	\$ 21,270	\$ 427,076
C1b - C&I Initial Purchase & End of Useful Life	\$ 15,208	\$ 1,107	\$ 199,095	\$ 23,616	\$ 12,707	\$ 251,734
C2 - C&I Retrofit	\$ 580,017	\$ 47,657	\$ 4,094,228	\$ 629,069	\$ 232,422	\$ 5,583,393
C2a - C&I Existing Building Retrofit	\$ 178,498	\$ 12,964	\$ 2,461,281	\$ 219,438	\$ 49,632	\$ 2,921,813
C2b - C&I Small Business	\$ 302,897	\$ 26,021	\$ 1,323,743	\$ 303,482	\$ 102,028	\$ 2,058,173
C2c - C&I Multifamily Retrofit	\$ 30,609	\$ 2,817	\$ 120,469	\$ 44,141	\$ 10,546	\$ 208,582
C2d - C&I Upstream Lighting	\$ 68,012	\$ 5,855	\$ 188,735	\$ 62,008	\$ 70,216	\$ 394,825
C3 - C&I Hard-to-Measure	\$ 80,085	\$ 68,728	\$ -	\$ 2,388	\$ -	\$ 151,201
C3a - C&I Statewide Marketing	\$ -	\$ 68,728	\$ -	\$ -	\$ -	\$ 68,728
C3b - C&I Statewide Database	\$ 503	\$ -	\$ -	\$ -	\$ -	\$ 503
C3c - C&I DOER Assessment	\$ 79,582	\$ -	\$ -	\$ -	\$ -	\$ 79,582
C3d - C&I EEAC Consultants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
C3e - C&I Sponsorships & Subscriptions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
C3f - C&I Workforce Development	\$ -	\$ -	\$ -	\$ 2,388	\$ -	\$ 2,388
C3g - C&I R&D and Demonstration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRAND TOTAL	\$ 1,899,272	\$ 467,721	\$ 17,690,715	\$ 3,966,596	\$ 827,267	\$ 24,851,571

Total Demand Response	\$ -	\$ -	\$ 2,307	\$ 257,050	\$ 101,460	\$ 360,817
Residential Demand Response	\$ -	\$ -	\$ 1,171	\$ 241,000	\$ 85,533	\$ 327,704
Commercial Demand Response	\$ -	\$ -	\$ 1,136	\$ 16,050	\$ 15,927	\$ 33,113
Total EE & DR	\$ 1,899,272	\$ 467,721	\$ 17,693,021	\$ 4,223,646	\$ 928,727	\$ 25,212,388

s as Percent

PA Costs	
Total PA Costs	
72.1%	
65.1%	
126.1%	
52.7%	
64.8%	
63.7%	
28.5%	
92.2%	
55.1%	
127.8%	
122.5%	
95.7%	
88.6%	
3.8%	
85.7%	
0.0%	
0.0%	
113.4%	
40.8%	
0.0%	
69.5%	
33.4%	
33.2%	
35.4%	
28.5%	
40.9%	
84.8%	
3.5%	
83.0%	
0.0%	
0.0%	
40.4%	
40.7%	
38.9%	
44.0%	
40.2%	
77.1%	
27.0%	
27.1%	
23.1%	
45.5%	
91.3%	
5.6%	
81.6%	
0.0%	
0.0%	
9.6%	
0.0%	
56.1%	