

Cape Light Compact JPE Executive Committee & Governing Board Meeting

DATE: Wednesday, June 11, 2025
LOCATION: Cape Light Compact Offices – Martha's Vineyard Conference Room
261 Whites Path, Unit 4, South Yarmouth
TIME: 2:00 – 4:30 p.m.

Note: The meeting will be held as a hybrid meeting (in-person and through remote participation) pursuant to St. 2025, c. 2, which extends the temporary provisions pertaining to remote meetings of public bodies under the Open Meeting Law to June 30, 2027. Members of the Public can join in by audio and follow along with Meeting Materials, see the information below. Written public comments should be submitted to Maggie Downey, Compact Administrator, at mdowney@capelightcompact.org by 2:00 PM on Tuesday, June 10th, 2025, and should follow the public comment protocol below. Written public comments received after the June 10th deadline will be distributed prior to the Compact's next Board meeting

Telephone dial-in: +1 (646) 558-8656
Meeting ID: 891-5639-9468
Passcode: 001593

AGENDA

1. Public Comment
2. Approval of May 14, 2025, Open Session Minutes
3. Overview of the Energy Affordability, Independence, and Innovation Act, KO Law, P.C.
4. Chairman's Report, Martin Culik
 - a. Discussion and Potential Vote on Succession Planning for CLC Administrator Position
5. July Power Supply Rates, Mariel Marchand
6. Update on Results of Town Report Survey, Kim Grant
7. Update on Cape Light Compact Website, Jason Bertrand
8. Administrator's Report, Maggie Downey
 - a. Changes to Energy Saver Home Loan Program
 - b. Follow-up on Cape & Vineyard Electric Cooperative Strategic Planning Session
9. Board Member Update (Reserved for Updates on Member Activities the Chair Did Not Reasonably Anticipate Would be Discussed – No Voting)

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

The Cape Light Compact Governing Board has adopted the following protocols to assist the public in effective participation in its Governing Board meetings, where some Board Members, staff and members of the public may be participating remotely:

1. Members of the public are welcome to address the Compact Board during the public comment section of the meeting or in writing.
2. Members of the public addressing the Compact Board at the meeting must state their name, and if appropriate the name of the organization the person is representing. Oral comments must be limited to three minutes.
3. Members of the public may also submit written comments. Written comments shall be submitted in writing to the Compact Administrator, Maggie Downey, at mdowney@capelightcompact.org by 2 p.m. on the Tuesday before a scheduled Compact Governing Board meeting (or such other time as may be established by the Compact Administrator). Written comments must include a person's name and, if appropriate, the name of the organization the person is representing. Public comments received after the deadline will be distributed prior to the Compact's next Board meeting.
4. Members of the public addressing the Compact Board may not use fighting words, slander, unreasonably loud or repetitive speech, or speech so disruptive of the Compact Board meeting that the deliberative process is substantially interrupted or impaired. Speakers may not disrupt others. Speech must be peaceable and orderly.
5. All written public comments submitted in advance consistent with these protocols shall be included in the Compact's Board meeting packet.
6. Board members and staff cannot respond to public comments for topics not on the current agenda during the Board meeting. The Cape Light Compact Board may respond to comments either by putting them on the agenda of a subsequent meeting or by requesting the administrator or staff to respond to the comment.
7. Copies of the Board meeting packet will generally be made available to members of the public in advance of the meeting at the Cape Light Compact JPE's web site at www.capelightcompact.org Documents exempt from disclosure pursuant to the Public Records Law or protected by the attorney-client privilege shall not be included.

**Cape Light Compact JPE
Governing Board
Meeting Minutes
Wednesday, May 14, 2025**

The Cape Light Compact JPE Board of Directors met on Wednesday, May 14, 2025, at 2:00 p.m. The meeting was held as a hybrid meeting (in-person and through remote participation) through a Zoom videoconference for members of the Board with audio call-in available for members of the public, pursuant to St. 2025, c. 2, which, among other things, extends the temporary provisions pertaining to remote meetings of public bodies under the Open Meeting Law to June 30, 2027.

Participating In-Person Were:

1. Robert Schofield, Executive Committee, Bourne
2. Tom McNellis, Eastham
3. Valerie Bell, Harwich
4. Martin Culik, Chair/Executive Committee, Orleans
5. David Jacobson, Orleans Alternate
6. Nathaniel Mayo, Provincetown
7. Suzanne Ryan-Ishkanian, Wellfleet

Participating Remotely Were:

1. David Anthony, Secretary/Executive Committee, Barnstable
2. Bill Doherty, Bourne Alternate
3. Colin Odell, Executive Committee, Brewster
4. Tim Carroll, Chilmark
5. Tristan Israel, Dukes County
6. Alan Strahler, Edgartown
7. Scott Mueller, Falmouth
8. Bob Higgins-Steele, Truro Alternate
9. Nicola Blake, Executive Committee, West Tisbury
10. Joyce Flynn, Vice Chair/Executive Committee, Yarmouth

Absent Were:

1. Forrest Filler, Aquinnah
2. Brian Miner, Chatham
3. Brad Crowell, Dennis
4. Peter Meleney, Oak Bluffs
5. Wayne Taylor, Mashpee
6. Leanne Drake, Sandwich
7. Russ Hartenstine, Tisbury
8. Jarrod Cabral, Truro

Legal Counsel Participating Remotely:

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

Staff Participation In-Person:

Maggie Downey, Chief Administrative Officer
Margaret Song, Energy Efficiency Strategy and Policy Manager
Mariel Marchand, Power Supply Planner

Staff Participating Remotely:

Angela Hurwitz, Senior IT Services & Data Management Analyst
Briana Kane, Implementation Manager
Dan Schell, Senior Analyst - Retail and Demand Response
David Maclellan, Senior Analyst
Jason Bertrand, Marketing & Communications Coordinator
Kim Grant, Town Energy Coordinator
Kate Coleman, Outreach Specialist
Laura Selmer, Energy Efficiency Analyst
Lindsay Henderson, Senior Analyst – Small Business
Meredith Miller, Senior Analyst – Income Eligible
Phil Moffitt, Chief Financial Officer

Public Participants:

None.

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

Public Comment:

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

APPROVAL OF MINUTES:

The Board considered the April 9, 2025, Open Session Meeting Minutes.

Martin Culik stated that Tim Carroll needed to be added to the participation remotely list. David Anthony stated that on page four, in the first paragraph, second to last sentence it should say "\$8.1 million".

Valerie Bell moved the Board to accept the minutes and to release them as amended, seconded by Nate Mayo.

David	Anthony	Barnstable	Yes
Colin	Odell	Brewster	Yes
Tim	Carroll	Chilmark	Yes
Tom	McNellis	Eastham	Yes
Alan	Strahler	Edgartown	Yes
Scott	Mueller	Falmouth	Yes
Valerie	Bell	Harwich	Yes
Martin	Culik	Orleans	Yes
Nate	Mayo	Provincetown	Yes
Bob	Higgins-Steele	Truro	Yes
Suzanne	Ryan-Ishkanian	Wellfleet	Yes
Nicola	Blake	West Tisbury	Yes

Mike	Duffy	Yarmouth	Yes
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Motion carried in the affirmative (13-0-0)

Bob Schofield, Bill Doherty, and Tristan Israel joined the meeting at 2:13 PM.

CHAIRMAN'S REPORT, MARTIN CULIK:

Martin Culik stated that we are still waiting for proposed legislation from the state regarding its potential impact on the Compact's future roles and staffing levels. He stated that we should hopefully receive the proposed legislation soon and then we can move forward with the planning of hiring the next Chief Administrative Officer. Maggie Downey stated that the legislation was filed, and she has not yet thoroughly read the whole bill. Counsel will be giving a summary of the legislation at the June Board Meeting. She stated that she will send the proposed bill to the Board via email to review before the next Board Meeting.

OVERVIEW OF THE COMPACT'S APRIL 30, 2025, COMPLIANCE FILING AND ENERGY EFFICIENCY SURCHARGE FILING FOR THE THREE-YEAR ENERGY EFFICIENCY PLAN FOR 2025-2027 (EEP)(DPU 24-146), MARGARET SONG:

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

Margaret Song stated that there were three big things that the Compact was required to do for the compliance filing: (1) reduce the residential sector budget; (2) file a compliance filing with the DPU by April 30; and (3) submit a revised 2025 Energy Efficiency Surcharge (EES) filing to the DPU. She stated that the Compact met its required residential budget reduction, submitted the compliance filing (DPU 24-146), and filed a revised 2025 energy efficiency surcharge EES filing (DPU 25-52) by the April 30, 2025, deadline.

Margaret Song reviewed the sector level budgets. She stated that the Compact was required to reduce the residential budget which then caused an increase in the low-income, and commercial and industrial (C&I) sectors. She stated that the Compact had to do some shifting in the C&I sector to make sure that it isn't hitting the 15% year-over-year requirement imposed by the DPU in their approval of the EEP.

Margaret Song stated that on May 7, 2025, comments from parties were due on the budget reduction compliance filing. She stated that the Low-Income Energy Affordability Network (LEAN) reserved the right to reply but had no comments, Conservation Law Foundation took issue with moderate-income gas-to-electric heat pumps, and the Attorney General's office (AGO) has concerns around cost overruns and opposes Eversource gas (in former Columbia Gas territory's) budget request that was submitted with Eversource's compliance filing. She stated that the Program Administrators had to respond to the comments by May 13, 2025. She stated that the order date on the compliance filing is unknown.

Margaret Song stated that because of the residential budget reduction, the Compact had to redo the EES for July 1, 2025. She stated that for January 1, 2025, the EES was 5.468 cents/kWh for residential and low-income customers and 3.223 cents/kWh for C&I. She stated that for July 1, 2025, the Compact is proposing residential and low-income EES of 3.273 cents/kWh and C&I EES of 2.416 cents/kWh.

Margaret Song reviewed the residential, low-income, and C&I illustrative bill impacts and the comparison between what is currently in effect and what has been proposed. She stated that both residential and low-income

would see a 5 to 6.4% decrease and C&I would see a 0.2 to 2.8% decrease. C&I doesn't have as much of a decrease since there was no budget reduction required.

Margaret Song reviewed the timeline for EES comments. She stated that on May 14, 2025, a notice was sent to the Chairs of Select Board, Town Clerks, etc. On May 15, 2025, the Compact has to post on the website through June 3, 2025, what these rate changes will look like and on June 3, 2025, comments are due to the Department of Public Utilities (DPU). She stated that on July 1, 2025, the rates will go into effect if they are approved. Nicola Blake asked if they are approved, will the Compact do a press release. Margaret Song answered that the Compact will do a press release, and it would be a part of the Board's next quarterly update to the Board Members' Select Boards or Town Council.

RESULTS OF POWER SUPPLY MARKETING INITIATIVE, MARIEL MARCHAND:

Mariel Marchand reviewed the Power Supply Test Mailing Update PowerPoint. She stated that the Compact did a test mailing of 1,000 pieces. She stated that 500 were sent to basic service customers and 500 were sent to competitive supply customers. The total cost was \$1,050.95. She stated that the NextEra call center asked all customers that called to enroll in the CLC power supply rate if they received a postcard from the Compact. She stated that the number of customers who indicated that they received a postcard was zero.

Mariel Marchand stated that there are a couple options moving forward. She stated that we could do no additional direct mail power supply marketing. She stated that as a reminder that the Compact's marketing strategy already includes power supply marketing. She stated that the Compact is serving approximately 70% of customers in its service territory. She stated that we could also do additional mailings. She stated that for all basic service customers it would be \$9,282.72 and for all competitive supply customers it would be \$15,720.46. She stated that staff does not recommend additional mailings. The Board agreed not to move forward with additional direct mailings to customers.

PRESENTATION ON ELECTRIC HEAT PUMP RATE: DPU 25-08 AND DPU 25-55. POTENTIAL VOTE TO ADOPT CONSUMER ADVOCACY WORKSHEET, MAGGIE DOWNEY:

Maggie Downey stated that back in early winter the Department of Energy Resources (DOER) requested that the DPU open an investigation on establishing an electric heat pump rate. She stated that it has been moving quickly. She stated that she asked Rebecca Zachas to walk through the background of the DPU proceedings for the Board. She stated that, as an investigation, D.P.U. 25-08 is not your typical proceedings where you have full intervention and that the Compact is looking for limited participant status in D.P.U. 25-55.

Rebecca Zachas reviewed the D.P.U. 25-08 and D.P.U. 25-55 seasonal heat pump rate design PowerPoint. She stated that these cases originated from the need to consider new rate design strategies considering electrification and the Commonwealth's decarbonization goals, as well as the recognition of energy cost burdens on ratepayers. The interagency rates working group (IRWG) which is made up of the DOER, AGO, Massachusetts Clean Energy Center (MA CEC) and other stakeholders, has also recommended creating a heat pump rate.

Rebecca Zachas stated that in December 2024 the IRWG issued Near Term Rate Strategy Recommendations, including adoption of an optional seasonal heat pump rate. She stated that there was recognition that both National Grid and Unitil currently have a heat pump rate, both of which are new, but that the IRWG had found that those rates don't lead to bill savings for customers switching from gas to heat pumps. She stated that, on January 31, 2025, DOER petitioned the DPU requesting a heat pump rate investigation and, on March 21, 2025, the DPU opened the investigation on DOER's petition and directed Eversource to propose a heat pump rate for

the 2025-2026 heating season in a separate docket. She stated that, on April 17, 2025, Eversource filed its proposed heat pump rate in D.P.U. 25-55. She stated that on March 21 and May 5, 2025, the DPU issued notices with deadlines for comment in D.P.U. 25-08 and participation in D.P.U. 25-55.

Rebecca Zachas stated that there are some potential power supply and energy efficiency concerns for the Compact in both dockets. She stated that related to power supply, the heat pump rate should be revenue neutral, meaning that it shouldn't shift costs onto customers that heat their home with something other than heat pumps. She stated that time varying rates (TVR) may also be discussed in D.P.U. 25-08. TVR has been a long-standing Compact issue. She stated that for energy efficiency, DOER's petition speaks in terms of enrolling customers onto the heat pump rate through Mass Save and that petition specifically references the utility program administrators (PA), but not the Compact as a PA. She stated that the Compact wants to make sure that it is included in the discussions and in how customer enrollment onto a heat pump rate will work overall. She stated the utilities will also undertake marketing, education, and outreach related to the heat pump rate and there too, the Compact wants to ensure that customers in its service territory are included in those efforts. She stated that because of these proceedings, a consumer advocacy worksheet was prepared for Board consideration and possible approval today.

Rebecca Zachas stated that regarding participation in DPU 25-80, it's an investigation rather than an adjudicatory docket. She stated that the DPU has asked for comments from stakeholders due June 2, 2025. She stated that, in regard to DPU 25-55, stakeholders looking to become parties have until May 20, 2025, to file. She stated that the Compact would seek limited participant status, which would allow it to raise concerns without having to fully participate in the docket. She stated that it would allow the Compact to file briefs, and the Compact would plan to file public comment on June 12, 2025. She stated that the next step would be for the Board to approve the consumer advocacy worksheet.

Nate Mayo moved the Board vote to authorize the Compact's participation in D.P.U. 25-08 and 25-55, adopt the Consumer Advocacy Worksheet for D.P.U. 25-08 and 25-55 and allocate costs between the Compact's energy efficiency and operating budgets as set forth in the Consumer Advocacy Worksheet.

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

David	Anthony	Barnstable	Yes
Robert	Scofield	Bourne	Yes
Colin	Odell	Brewster	Absent
Tim	Carroll	Chilmark	Yes
Tristan	Israel	Dukes Count	Yes
Tom	McNellis	Eastham	Yes
Alan	Strahler	Edgartown	Yes
Scott	Mueller	Falmouth	Yes
Valerie	Bell	Harwich	Yes
Martin	Culik	Orleans	Yes
Nate	Mayo	Provincetown	Yes
Bob	Higgins-Steele	Truro	Yes
Suzanne	Ryan-Ishkanian	Wellfleet	Yes
Nicola	Blake	West Tisbury	Yes

Mike	Duffy	Yarmouth	Yes
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Motion carried in the affirmative (1-0-0)

ADMINISTRATOR'S REPORT:

1. Update on Website

Maggie Downey stated that we are still working on the revisions to the Compact's website. She stated that staff caught some commercial and industrial changes and decided to wait until they are done to send it all to the Board. She stated that it should be sent out to the Board for review before the next Board Meeting.

2. Cape & Vineyard Electric Cooperative Strategic Planning Session

Maggie Downey stated that the Cape & Vineyard Electric Cooperative (CVEC) had a strategic planning session this month to figure out as an organization where they are going. She stated that they did bring in a facilitator for the session. She just wanted to make sure the Board was aware of it.

3. Revised MA 2025-2027 Energy Efficiency and Decarbonization Plan Executive Summary

Maggie Downey stated that the revised Executive Summary for the MA 2025-2027 Energy Efficiency and Decarbonization Plan (undertaken in connection with the April 30, 2025 compliance filing in D.P.U. 24-146) is in the Board Packet. She stated that it has been put on our website.

Tristan Israel left the meeting at 3:36PM.

ADJOURNMENT:

Motion to adjourn was made at 3:38 PM moved by Robert Schofield, seconded by Nate Mayo.

David	Anthony	Barnstable	Yes
Robert	Schofield	Bourne	Yes
Colin	Odell	Brewster	Yes
Tim	Carroll	Chilmark	Yes
Tom	McNellis	Eastham	Yes
Alan	Strahler	Edgartown	Yes
Scott	Mueller	Falmouth	Yes
Valerie	Bell	Harwich	Yes
Martin	Culik	Orleans	Yes
Nate	Mayo	Provincetown	Yes
Bob	Higgins-Steele	Truro	Yes
Suzanne	Ryan-Ishkanian	Wellfleet	Yes
Nicola	Blake	West Tisbury	Yes
Mike	Duffy	Yarmouth	Yes

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

Respectfully submitted,

Melissa Allard

LIST OF DOCUMENTS AND EXHIBITS:

- Meeting Notice/Agenda
- April 9, 2025, Draft Open Session Meeting Minutes
- 2025-2027 Energy Efficiency Plan PowerPoint
- Power Supply Test Mailing Update PowerPoint
- D.P.U. 25-08 and D.P.U. 25-55 Seasonal heat pump Rate Design PowerPoint
- MA 2025-2027 Energy Efficiency and Decarbonization Plan



ENERGY AFFORDABILITY, INDEPENDENCE & INNOVATION ACT (H-4144) SUMMARY

June 11, 2025

BILL PURPOSE

Healey-Driscoll Administration Policy Goals

- ▶ Drive down energy bills
- ▶ Become more energy independent
- ▶ Increase Massachusetts' competitiveness

ELECTRIC SUPPLY CHANGES

▶ Residential Competitive Supply Market Reforms

- Eliminate automatic renewals and variable rate contracts
- Establish new licensing requirements
- Increase penalties for violations of law
- New Department of Public Utilities (“DPU”) website for processing customer enrollments
 - Impact to Cape Light Compact JPE (“CLC”) – CLC will want to monitor to confirm that municipal aggregation customers are not affected

▶ Flexibility in timing and duration of basic service supply procurements

- Impact to CLC – CLC may need to adapt its procurement strategy

MASS SAVE® CHANGES

- ▶ **New date for Secretary of EEA GHG emissions reductions goals letter: February 15 vs. March 15**
 - Impact to CLC – allows more time for preparing next Energy Efficiency Plan (“Plan”)
- ▶ **Removes gas companies from Plan administration**
 - Impact to CLC – customers who heat with natural gas can be served by CLC. Role of National Grid with CLC TBD
- ▶ **Ratepayer funding to be pooled, subject to DPU review and approval**
 - Impact to CLC – funds paid by Cape and Vineyard customers may be spent in other Massachusetts cities and towns. No longer a CLC Plan but a statewide plan

MASS SAVE CHANGES

- ▶ **DOER to develop a statewide building decarbonization and energy efficiency database, must be approved by DPU**
 - Impact to CLC – ratepayer funds used for this database, reduces funds for programs
- ▶ **Utilities may issue DPU approved rate-reduction bonds to spread program costs over the useful life of energy saving measures**
 - Impact to CLC – unclear how CLC will participate in this, need to ensure CLC customers do not pay twice and have same financial benefits as customers of electric utilities

MASS SAVE CHANGES

- ▶ **The Energy Efficiency Advisory Council is reconstituted as the Building Decarbonization and Energy Efficiency Advisory Council**
 - Impact to CLC – CLC remains on the Council as a non-voting member
- ▶ **20% funding requirement for Low Income customers/obligation to prioritize Moderate Income households, renters and small commercial businesses**
 - Impact to CLC – increases funds designated to these customers, potentially less funds for market rate customers

MASS SAVE CHANGES

- ▶ **Changes to authorized program offerings, including allowing programs for geographically targeted areas**
 - Impact to CLC – CLC may propose Cape & Vineyard specific enhancements
- ▶ **Clarifies/codifies certain changes to cost-effectiveness screening**
 - Impact to CLC – may allow new energy efficiency and decarbonization measures to be funded
- ▶ **Clarifies that municipal aggregators are not subject to financial penalties for non-compliance with an approved plan**
 - Impact to CLC – removes potential financial exposure for not achieving goals

TIMING OF MASS SAVE CHANGES

- Statutory changes to Plan administration are effective 1/1/2028 (2028-2030 Plan)
- Program Administrators will need to work on transition to new model while planning for the 2028-2030 Plan (i.e., in 2026 and possibly earlier)
 - Impact to CLC:
 - Board and community role in design of Plan will change
 - CLC staff will be both implementing a Plan and implementing significant structural changes to the design of the next Plan
 - CLC will have significant interaction with the Energy Efficiency Advisory Council and other key stakeholders (e.g., DOER, AGO, etc.)
 - CLC will need to participate in multiple DPU proceedings (new Energy Efficiency Guidelines, etc.)

APPENDIX

**Additional summary detail on the
Energy Affordability, Independence & Innovation Act**



BRING MORE ENERGY ONLINE AND STABILIZE ENERGY PRICES*

- ▶ **Expand Energy Procurement Authority**

- Gives DOER authority to directly conduct solicitations and secure contracts

- ▶ **Flexibility to Set Supply Rates**

- Flexibility in timing and duration of basic service supply procurements

- ▶ **Enable Flexible Interconnection Solutions**

- Electric utilities must provide flexible interconnection solutions to reduce customer costs and timelines for interconnection

- ▶ **Advanced Nuclear Development and Deployment**

- Repeal the 1982 law requiring statewide ballot initiative

** Heading terminology in the Appendix is taken from the Healey-Driscoll Administration bill summary*

GETTING COSTS OFF BILLS

▶ Reform Net Metering

- Reduce credit values for certain new and existing projects

▶ Amend Solar Massachusetts Renewable Target (SMART) Program

- Reform program
- Require all solar net metering to participate in SMART

▶ Phase-out Alternative Portfolio Standard (APS)

- Repeal the APS program with phase-out by 2028

GETTING COSTS OFF BILLS CONT'D

► Enable Securitization of Utility Investments

- Utilities may issue rate reduction bonds to securitize costs related to Mass Save, electric grid modernization, storm recovery, and the gas system transition

► Reform Existing Rates and Charges

- DPU to review and reform usage-based energy bill charges and cap month-to-month bill increases

CREATING ACCOUNTABILITY & INCREASING EFFICIENCIES

► Enhanced Review for Asset Condition Projects

- Grant DPU Siting Division new authority to require asset condition projects for transmission owners to undergo a full review by the Energy Facilities Siting Board

► Authorization for Periodic Utility Management Audits

- DPU may conduct periodic management and operations audits of the state's investor-owned utilities – by DPU or an independent auditor

CREATING ACCOUNTABILITY & INCREASING EFFICIENCIES CONT'D

- ▶ **Restrictions on Use of Ratepayer Funds for Certain Utility Costs**
 - Clarify/codify prohibited costs for cost recovery (e.g., executive or legislative lobbying, contributions to political candidates, institutional or goodwill advertising, etc.)
- ▶ **Comprehensive Load Management Planning**
 - DPU to require utilities to conduct comprehensive distribution planning

POWERING INNOVATION AND GROWTH

► Sustainable Economic and Energy-Ready Zones

- Integrate economic development needs into ongoing grid planning efforts

► Non-Utility Distribution, Transmission, and Thermal Investment Program

- Non-utility, non-profit entities may collaborate with utilities and co-invest in various types of utility infrastructure projects

SUPPORTING THE CUSTOMER

► Reform Low- and Moderate-Income Discount Rates

- Extend the moderate-income discount rate to gas customers
- Change the recovery charge from a volumetric to a fixed rate
- Statewide cost recovery across distribution companies as well as gas companies

► Enable Clean Heating for Multi-Tenanted Buildings

- Subject to strict rules, allow landlords in buildings with centralized electric heat pumps to bill tenants for tenant air conditioning, heating, and hot water

Power Supply Rates: July '25 – January '26

	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>
	<i>July '25 – Jan '26 cents/kWh</i>	<i>July '25 – Jan '26 cents/kWh</i>	<i>July '25 – Oct '26 cents/kWh</i>
CLC Standard	13.219	13.253	12.493
Local Green 50%	14.219	14.253	13.493
Local Green 100%	16.219	16.253	15.493
Eversource	14.884	15.150	12.978

The Compact's residential rate for the July through January term is over 1.5 cents/kWh below Basic Service





*Your Trusted, Local
Energy Resource*

Data Project Survey Results

Cape Light Compact Governing Board
June 11, 2025

Survey Results

- 20 Respondents from 11 towns.
- The majority were in agreement about what data they would like to see on the reports.
- Request to receive reports quarterly.
- Answers to bills, heat pump and solar specific questions are on the website.
- Breakdown by sector (residential, commercial, renters, moderate income)



Data Points for Reporting by Town

- kWh saved
- kWh usage
- Incentive dollars spent
- Number of heat pumps installed
- Number of homes that were weatherized
- Number of homes that got an energy assessment (HEA)
- Number of IE homes that got an energy assessment (HEA)
- Number of businesses that got an energy assessment
- Number of electric customers
- Number of electric customers who participated in CLC programs (Mass Save)
- Total energy efficiency charges for customers
- Number of participants who took out a HEAT loan



Final Thoughts

- Is there anything else you would like to share?



Next Steps

The team will work on designing a new report.

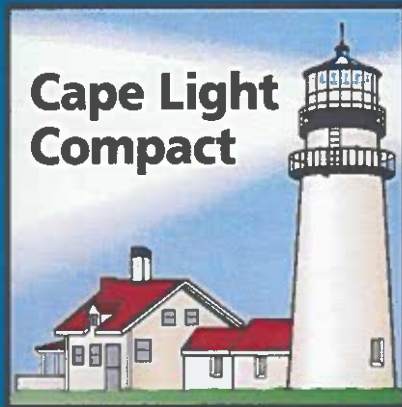
Questions, contact:

Kim Grant

Kim.grant@capelightcompact.org

774.339.0965





*Your Trusted, Local
Energy Resource*

Updated Timeline for Website Project



Updated Timeline

- **June 16th** - Send to managers and staff for final review
- **June 20th** - deadline for staff/manager feedback
- **June 25th** - Send to board review
- **July 9th** - Deadline for board discussion and feedback
- **August 1st** (or earlier) - Launch!



ATTORNEYS AT LAW

The Firm has attorneys also admitted to practice in
District of Columbia and New Hampshire.

1337 Massachusetts Ave
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June 2, 2025

VIA ELECTRONIC MAIL ONLY (dpu.efiling@mass.gov)

Secretary Mark D. Marini
Department of Public Utilities
One South Station, 3rd Floor
Boston, MA 02110

*Re: D.P.U. 25-08
Inquiry by the Department of Public Utilities on its own Motion into a Seasonal
Heat-Pump Rate.*

Dear Secretary Marini:

Pursuant to the Notice of Inquiry and Request for Comments dated March 21, 2025, attached for filing please find the Cape Light Compact JPE's Comments in the above-referenced proceeding.

Thank you for your attention to this matter. If you require further information or have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink that reads 'Rebecca F. Zachas'.

Rebecca F. Zachas

RFZ/drb
Enclosure

cc: Marc Tassone, Esq., DPU Hearing Officer (w/enc.) (via email only)
Margaret T. Downey, Compact Administrator (w/enc.) (via email only)

THE COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF PUBLIC UTILITIES

Petition of Massachusetts Department of Energy)
Resources for Requesting the Department of)
Public Utilities Open an Investigation into a)
Seasonal Heat Pump Rate)

D.P.U. 25-08

COMMENTS OF THE CAPE LIGHT COMPACT JPE

Pursuant to the Notice of Inquiry and Request for Comments dated March 21, 2025 (the “Notice”) by the Department of Public Utilities (the “Department” or “DPU”), the towns of Aquinnah, Barnstable, Bourne, Brewster, Chatham, Chilmark, Dennis, Edgartown, Eastham, Falmouth, Harwich, Mashpee, Oak Bluffs, Orleans, Provincetown, Sandwich, Tisbury, Truro, West Tisbury, Wellfleet, and Yarmouth, as well as Dukes county, organized pursuant to G.L. c. 164, §134 and G.L. c. 40, §40A ½ and acting collectively together as the Cape Light Compact JPE (the “Compact”) hereby respectfully submit the following comments.

I. BACKGROUND OF THE COMPACT

The Compact is a governmental aggregator under G.L. c. 164, §134 that provides energy services to consumers on Cape Cod and Martha’s Vineyard. The Compact operates a municipal aggregation competitive supply program pursuant to a municipal aggregation plan, most recently approved in D.P.U. 14-69-B on February 2, 2023, which provides electric power supply on an opt-out basis to customers across all customer classes located on Cape Cod and Martha’s Vineyard. The purposes of the Compact include, among other things, to negotiate the best terms and conditions for electricity supply and transparent pricing for consumers, to utilize and encourage renewable energy development to the extent practicable through contract provisions and demonstration projects, and to advance consumer protection and interests for the residents of

Cape Cod and Martha's Vineyard. Third Amended and Restated Joint Powers Agreement of the Cape Light Compact JPE at Article II.¹ The Compact maintains a business office at 261 Whites Path, Unit 4, South Yarmouth, Massachusetts 02664.

The Compact also provides comprehensive energy efficiency services to Cape Cod and Martha's Vineyard as a Program Administrator of the Massachusetts Joint Statewide Three-Year Electric and Gas Energy Efficiency Plans, most recently approved on February 28, 2025, in D.P.U. 24-140 through D.P.U. 24-149. The Compact's energy efficiency programs target the residential, income eligible, and commercial & industrial customer sectors.

II. PROCEDURAL BACKGROUND

On January 31, 2025, the Department of Energy Resources ("DOER") filed a petition in this docket requesting that the Department open an investigation on seasonal heat pump rates (the "Petition"). DOER requested that the Department direct the electric distribution companies ("EDCs") to establish an optional seasonal heat pump rate for residential customers with seasonally differentiated volumetric delivery rates, inclusive of each Companies' base distribution charge and all reconciling mechanisms to reduce the energy burden for customers transitioning to electric heat pumps.

The Petition includes recommendations by the Interagency Rates Working Group (the "IRWG") that studied changes to electric rate design to support electrification and to meet climate goals. On December 20, 2024, the IRWG issued its Near-Term Rate Strategy Report ("Report") and Near-Term Rate Strategy Recommendations ("Recommendations").² The Report found that, among other things, heat pump-specific seasonal rate designs may offer a reduction in

¹ The Compact's Joint Powers Agreement is available online at <https://www.capelightcompact.org/wp-content/uploads/2025/01/Third-Amended-and-Restated-JPA-Final-4-10-24.pdf>.

² See <https://www.mass.gov/info-details/interagency-rates-working-group>.

winter volumetric charges in the near-term, while also limiting impacts on non-electrifying customers. Report at 17-18 (December 2024). National Grid and Unitil currently have approved heat pump rates, but the IRWG recommended changes to those rates to ensure they do not become a barrier to electrification.

On March 21, 2025, the Department issued a Vote and Order Opening Inquiry (“Vote and Order”) in this proceeding to investigate whether to direct all EDCs in the Commonwealth to offer a modified heat pump rate design consistent with the IRWG Recommendations. The investigation is intended to be complete for the 2026-2027 heating season and will also include marketing, education, and outreach efforts to promote customer enrollment on the heat pump rates.

In the Vote and Order, the Department directed NSTAR Electric Company d/b/a Eversource Energy (“Eversource” or the “Company”) to file a proposed heat pump rate for the 2025-2026 heating season, while the Department conducts its general investigation into heat pump rate design for the 2026-2027 heating season. On April 17, 2025, Eversource filed its proposal as directed in D.P.U. 25-55, including its Implementation Plan for a seasonal heat pump rate. On May 20, 2025, the Compact filed its petition to intervene as a limited participant in D.P.U. 25-55, which was granted on May 27, 2025.

III. COMMENTS

The Compact responds in Sections III.A and III.B below to the two questions for stakeholders posed by the Department in its Vote and Order (at 10). The Compact supports the Department’s investigation into seasonal heat pump rates and looks forward to participating in this proceeding. A seasonal heat pump rate that will clear the barriers to heat pump adoption is a crucial step towards electrification and meeting the Commonwealth’s climate and

decarbonization goals. A seasonal heat pump rate must also carefully balance energy affordability for all customers (e.g., not result in material cost shifting to non-participants) and the need to recover electric system costs. See Petition at 2, 4-5. In addition, enrollment of customers onto a heat pump rate should be available to all who adopt heat pumps, and marketing and educational efforts should be seamlessly provided.

During the IRWG's stakeholder process, the Compact attended presentations, listening sessions, and dialogue-based workshops. Any residential seasonal heat pump rate adopted in these proceedings will have a direct impact on the Compact's energy efficiency programs. The Compact offers incentives for heat pumps pursuant to its Three-Year Energy Efficiency and Decarbonization Plan. The Department recently approved a joint proposal by the program administrators for a statewide pool for prescriptive electrification projects (e.g., retail heat pumps) in the 2025-2027 term. D.P.U. 24-146, Three-Year Energy Efficiency and Decarbonization Plan Executive Summary at 127-28 (April 30, 2025).

A. The merits of the IRWG recommendations, as set forth in DOER's Petition and the Near-Term Rate Strategy Recommendations for seasonal heat-pump rates (i.e., Petition, Exhibit B) including seasonally differentiated volumetric delivery rates, inclusive of base distribution charges and all reconciling mechanisms.

The Compact believes the IRWG's Recommendations as set forth in DOER's Petition represent a reasonable starting point for the Department's investigation. According to the IRWG's Recommendations and DOER's Petition, the seasonal heat pump rate proposed in the IRWG Recommendations would more effectively reduce the energy burden for customers switching from fossil fuel heating systems, including natural gas, to heat pumps than the heat pump rates currently approved for National Grid and Until. The Compact supports a revenue-neutral seasonal heat pump rate as recommended by DOER and the IRWG, to the extent that the

rates do in fact more effectively reduce energy burdens for customers adopting heat pumps and are revenue neutral.

In addition, the IRWG Recommendations found that seasonal differentiation should extend beyond the base distribution charge and should include, where possible, reconciling mechanisms. Recommendations at 18-19. Including the reconciling mechanisms in the heat pump rate appears to be a reasonable recommendation and to further the purposes of the heat pump rate. However, it should be fully investigated to ensure that heat pump customers would not be paying more for those reconciling mechanism line items due to their increased usage. Such an outcome would discourage heat pump adoption.

B. The merits of the IRWG Recommendations regarding customer marketing, outreach, and education methods.

The IRWG Recommendations encourage leveraging Mass Save® to assist recipients of heat pump rebates to enroll in the heat pump rate:

As program administrators of Mass Save, *the EDCs* are well-positioned to reach customers who are exploring heat pump installation. Mass Save program administrators should be directed to assist recipients of heat pump rebates to enroll in the rate. Historical Mass Save data also can be used to target materials and outreach to households that have already installed heat pumps.

Recommendations at 27 (emphasis added). The Compact strongly agrees with utilizing Mass Save in this role. However, the Recommendations specifically reference “the EDCs” as the PAs; the Compact seeks to ensure that, as the only non-utility PA serving customers on Cape Cod and Martha’s Vineyard, it will be included as well. The Compact has the heat pump records for past participants as well as turnkey customers moving forward, and thus would like to ensure that these customers receive assistance enrolling in the heat pump rate in the same manner as customers in the utility-PA service territories. The Compact believes its involvement in

enrollment efforts will be important to ensure that all customers can easily enroll on the heat pump rate.

In addition, the Compact agrees with the IRWG that the “effectiveness and success of the Working Group’s rate design recommendations, particularly the optional seasonal heat pump rate, will depend on customer awareness and adoption of such offerings.” Recommendations at 25. The IRWG recommends that the EDCs/PAs design and conduct marketing, educational and outreach efforts about the heat pump rate to their customers. *Id.* at 25-27. Those Recommendations include a bullet list of considerations in designing those efforts. *Id.* The Compact would like to confirm that Eversource will focus its marketing, educational and outreach efforts for the heat pump rate to all customers – including those in the Compact’s service territory. Assuming that is the case, the Compact requests the ability to collaborate with all of the PAs on the outreach design as well as Eversource specifically on those marketing and outreach efforts to the Compact’s customers.³

³ See D.P.U. 25-55, Compact Petition to Intervene at 5-6 (May 24, 2025).

IV. CONCLUSION

The Compact appreciates the opportunity to provide these comments, and looks forward to participating in this proceeding.

Respectfully submitted,

CAPE LIGHT COMPACT JPE

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