



Town of Brookline Massachusetts

Department of Planning and Community Development

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Alison Steinfeld
Director

MINUTES

COMMUNITY CHOICE AGGREGATION SUBCOMMITTEE of the Selectmen's Climate Action Committee

Friday, April 8, 2016 at 4 pm
Brookline Town Hall, Room 103
333 Washington Street, First Floor
Brookline, Mass.

PRESENT

Committee Members: Werner Lohe, David Lescohier, Alan Leviton, Kathleen Scanlon,
Don Weitzman

Advisory Roles: Ed Loechler, Thomas Vitolo

Staff: Maria Morelli

Guest Speakers

- Patrick Roche, Energy Planner, MAPC
- Philip Carr, Director of Business Development, Good Energy
- Tom Michelman, Sustainable Energy Advantage (SEA)

Werner Lohe opened the meeting at 4:10 pm.

MEETING PURPOSE

- To organize the CAC's Subcommittee on Community Choice Aggregation
- To consider participating in MAPC's procurement program
- To prepare a recommendation to the CAC on April 25
- To prepare a report to the BOS on April 26

ADMINISTRATIVE TASKS

Members of the subcommittee generally agreed to appoint Werner Lohe chairman of the subcommittee.

The subcommittee confirmed the next two meeting dates:

- Thursday, April 14 at 8 am
- Tuesday, April 19 at 8 am

Don Weitzman is not able to attend morning meetings, but assured the subcommittee that it did not need to reschedule on his behalf. Maria Morelli will post agendas online.

Maria Morelli will provide staff support by posting agendas and taking minutes. She will maintain an email list that includes the committee and interested residents. Thomas Vitolo reminded everyone that discussions among the subcommittee by email would be in violation of the Open Meeting Law.

PRESENTATIONS

Patrick Roche described MAPC's procurement process. He stated that MAPC managed the competitive process that selected Good Energy. The selection committee consisted of an MAPC

representative, and representatives from the municipalities of Arlington, Somerville, and Sudbury. Good Energy was unanimously selected. MAPC's contract is one year with an option to extend.

In advance of the meeting, Mr. Roche provided the committee with Good Energy's response to MAPC's RFP, along with MAPC's agreement with Good Energy. The three respondents to the RFP are the only vendors that are currently operating in Massachusetts:

1. Good Energy, partnered with Sustainable Energy Advantage
2. Peregrine Energy Group partnered with Bay State Consultants
3. Colonial Power Group partnered with Global Montello Group.

Philip Carr of Good Energy presented a draft timeline for Brookline's aggregation. Mr. Carr explained how SEA works as a partner with Good Energy to negotiate competitive pricing. He stated that the early May deadline for signing an agreement and stipulating the Town's renewable energy goals (customization of the aggregation plan) was necessary if the Town is to implement a plan in time for Eversource's rate changes in January 2017.

QUESTIONS

The subcommittee and its advisors asked the presenters questions about the selection process and the aggregation process.

What are the advantages of working with Good Energy, in MAPC's opinion?

- *Pricing:* Melrose (aggregation pioneer) provided persuasive feedback about Good Energy: The municipality felt Good Energy prepared them well to know what a competitive price looked like at the time of bidding.
- *Track Record:* Good Energy works with over 200 communities nationwide.
- *Consumer Education/Marketing Services:* Good Energy offers comprehensive marketing services that range from print to radio and so on to educate consumers. The quality of the message (it does not make false promises to rate payers) and the design of the materials were superior to those of its competitors.

What are the advantages of participating in a procurement program in general?

- MAPC conducted a rigorous RFP process in which only three companies in Massachusetts are capable of providing aggregation brokering services. The Town would need to replicate this process and would not be able to do so to meet the January 2017 roll out. Good Energy has extensive marketing capacity that the Town does not have the resources to replicate.

How many communities has Good Energy worked with?

- About 200 communities nationwide. In Massachusetts, Melrose was the first community to aggregate; its contract is with Good Energy. Other communities that have subscribed are Somerville, Arlington, Sudbury, and Stoneham. Communities in the process of subscribing are Woburn, Winchester, and Acton.

What is Good Energy's relationship with MassEnergy?

- Good Energy prefers MassEnergy but does not have an exclusive relationship with it. If MassEnergy's pricing is not competitive enough, then SEA will come in to negotiate for more competitive pricing.

Will the rate of opt-outs affect pricing? Is pricing stacked to anticipate opt-outs?

- The rate of opt-outs is expected to be about 5-10%. Good Energy's marketing and education campaigns are key to keeping the rate of opt-outs low. The objective is to provide for both local renewable energy and competitive pricing.

What is the Town committing to when it signs the subscription form and the agreement? What if the Town no longer wants Good Energy to continue as its energy broker after it signs the agreement?

- The Town can walk away from its agreement almost immediately if it does like the broker or the pricing. There is no loss to the rate payer and no loss of capital. The Town's only risk would be not subscribing by early May.

When does the Town start paying fees?

- The Town does not pay any fees. Rate payers pay electric bills when Eversource sends them out to households. (*what about marketing costs--included?*)

TIMELINE

Overarching Goal: Formal BOS approval of agreement with Good Energy tailored for Brookline by May 9/10 for DOER's technical input. May 9/10 deadline is key if the Town is to implement aggregation in time to take advantage of Eversource's winter rate changes in January 2017. If the Town misses the May 2016 deadline, it might as well wait a year before considering again participation in MAPC's program.

1. Week of April 11: Town Counsel reviews template Purchase and Sale Agreement with Good Energy and procurement procedures.
2. April 14: Subcommittee Meeting
3. April 19: Subcommittee Meeting
- 4. April 26 BOS Hearing:**
 - a. CAC Report to BOS
 - b. Good Energy Presentation to BOS
 - c. BOS votes to participate in MAPC procurement program
 - d. Town Admin signs MAPC subscription form ("Exhibit G")
 - e. Town Admin signs Good Energy agreement
5. By April 29: Subcommittee (?) has a consultation with MAPC, Good Energy and SEA about Brookline's renewable energy goals.
6. By May 2: Subcommittee informally reviews draft aggregation plan prepared by Good Energy
7. *May 3 – 10: draft aggregation plan available for review by public [MM inserted—please confirm]*
- 8. May 10 BOS Hearing:**
 - a. CAC presents to BOS draft aggregation plan
 - b. BOS and public comments may result in adjustments to draft
 - c. BOS *votes* on draft aggregation plan to submit to Good Energy/SEA for DOER's tech input.
9. May 11: Good Energy files draft aggregation plan with DOER for their technical input.
10. May 31: Town/Good Energy consultation with DOER, DOER comments incorporated in to draft aggregation plan and revised draft aggregation plan submitted to DOER
11. *May 31 – June 13: Revised aggregation plan available for review by public[MM inserted this step-confirm]*

12. June 10: DOER submits formal consultation letter to Town/Good Energy.

June 13 BOS Hearing: *BOS votes on submitting aggregation plan to DPU Correct?MM inserted this step for committee's comments*

13. June 14: Good Energy submits plan to DPU.

14. June 10 to Sept 15: DPU reviews Brookline's aggregation plan [consumer-rights protection is DPU's key objective]

15. Sept 15: DPU issues Order approving aggregation plan

16. Oct 1: Good Energy issues RFP for electricity supply on Brookline's behalf [rate-payer pricing becomes known; fee is fixed]

17. Oct 15: X awards bid to winning supplier OR if Town is unhappy with pricing it can walk away at no cost

18. Nov 1 – 30: Town sends opt-out letters to eligible residents and businesses (30 day period)

19. January 1, 2017: Accounts enrolled on meter read, power flows at new rate with additional local renewable energy

NEXT STEPS (*Tasks due before April 14 subcommittee meeting*)

1. Patrick Roche/Ani Krishnan, MAPC, will submit a template agreement to Maria Morelli on April 11 that a municipality would sign with Good Energy for Town Counsel's review. MAPC will also include a summary of its Selection Committee's decision
2. The week of April 11, Thomas Vitolo and Maria Morelli will meet with the office of Town Counsel to provide background about the aggregation process and review the template agreement. Town Counsel will also review procurement procedures to confirm whether or not they apply. Town Counsel should submit comments by X date.
3. Kathleen Scanlon will contact Martha Glover, Town of Melrose, which has already implemented the aggregation process with MAPC/Good Energy, to learn about best practices and the possible pitfalls to avoid and report to the Subcommittee at the April 14 meeting.
4. Werner Lohe will update CAC Chair and Selectman Nancy Heller. Werner will also brief Selectmen Daly and Greene. Thomas will brief Selectmen Wishinsky and Franco.
5. Maria Morelli will contact Selectman Heller to reserve time on Selectmen's hearing agendas (after Werner has updated her on the subcommittee's first meeting):

April 26: Good Energy presentation, CAC report to BOS, possible BOS vote to subscribe to MAPC program, sign MAPC's subscription form ("Exhibit G") and sign Good Energy's agreement

May 10: BOS votes on submission of draft aggregation plan to DOER

Submitted,
Maria Morelli
April 11, 2016