Community Choice Aggregation Program

Design $\rightarrow$ Implementation $\rightarrow$ Management

Town of Medway, Massachusetts

Prepared by Colonial Power Group, Inc.
Introductions

• Community Paradigm Associates, LLC (CPA)
  – Government and Public Policy Consulting
  – Retained by Municipalities, Non-Profits and Businesses
  – Specializing in Community Engagement, Government Relations, Public Management and Executive Recruitment

• Colonial Power Group, Inc. (CPG)
  – Energy Consulting Company
  – Retained by Municipalities
  – Specializes in Community Choice Aggregation (CCA) Programs
    • Design: all phases of program creation
    • Implementation: get CCA up-and-running
    • Management: day-to-day operations of CCA
      – CPG currently manages CCAs for 62 communities in MA
## Communities Working with Colonial Power Group

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<tr>
<th>ABINGTON</th>
<th>FLORIDA</th>
<th>MARLBOROUGH</th>
<th>SALISBURY</th>
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What is a Community Choice Aggregation?

• A CCA is an optional buying group organized by a municipality or group of municipalities to benefit electric customers.
  – Came out of the Utility Deregulation Act of 1997 to enhance the competitive market
  – A CCA would enter into an electricity supply contract for all customers who remain on default service within a given municipality.
  – Customers can participate in long-term fixed rates and greener power supply options.
  – Customers are automatically enrolled, unless they opt-out.

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Benefits of Community Choice Aggregation

• **Choice** – No longer “stuck” with utility default rates

• **Stability** – Municipality can seek long-term rates to avoid market volatility

• **Savings** – CCA obtained rates are generally below to substantially below average default rates
Benefits of Community Choice Aggregation

• **Economic Development** – Stable and lower utility rates provide a competitive advantage for businesses choosing locations

• **Pro-Consumer** – Contract terms and conditions are designed to protect customer rights
  – No Penalties for Consumers – Opt-out anytime and go back to default service or choose another provider

• **Professional Expertise** – Retaining a qualified Consultant ensures smooth roll-out and implementation

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Benefits of Community Choice Aggregation

• **Local Oversight & Control** –
  – Town officials hold provider and Consultant accountable through transparent local management
  – Municipality sets its own energy goals, e.g., long-term fixed rates or a higher mix of renewable energy

• **Green Power** – Municipality can “green-up” entire supply portfolio or offer “opt-in” green products to consumers

• **Future Opportunities** – CCA Plans are still evolving:
  – Funding Energy Management
  – Supporting Additional Renewable Energy Generation
  – Energy Conservation

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Steps in the Process

• Local Acceptance of the Aggregation Statute
• Selectmen Adoption of Aggregation Plan
• State Filings by Aggregation Consultant
  – Consultation with DOER
  – Approval by DPU
• Solicitation of Energy Pricing by Aggregation Consultant
• Town Decision to Proceed...and how to Proceed
• Ratepayer Notifications by Aggregation Consultant
• Opt-Out Period managed by Aggregation Consultant
• Energy Flows
Regular Issues of Concern

- **No Tax Dollars Used** – No adds to staff or burden on local budgets, e.g., program administration outsourced to Consultant
- **Opt-Out** – As provided by law. With Colonial Contracts ratepayers can always opt-out and opt-in
- **Billing Remains the Same** – Eversource (NSTAR) still bills for electricity and distribution
- **Outage Management and Line Maintenance Remains the Same** – Eversource (NSTAR) stills delivers the electricity
- **Quality of Electricity Remains the Same** – It remains power being placed into the electric grid

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Education is Critical to Success

• CPG and CPA work collaboratively with community leaders to develop and execute an outreach plan
  – Local Print Media
  – Municipal and Community Websites
  – Local Cable TV
  – Community Meetings
  – Town Newsletters
Thank You

Colonial Power Group and
Community Paradigm Associates

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