



# Green Aggregation

**What it is, why we like it, how to do it**

9/26/2017 Webinar from MCAN and 350, with thanks to Mass Power Forward  
This webinar is part of a series from MCAN and 350 on the 100% toolkit ([bit.ly/localclean](http://bit.ly/localclean))

# MCAN and 350MA



MCAN was founded in 2000, and helps town level groups take action on climate locally. We are a network of organizations (our chapters) and advocates at the town and city level who work to make community level change and turn that into state and national level change.



350 Mass for a Better Future is a volunteer-led, campaign-focused network founded in 2012 by the climate organizing non-profit Better Future Project and local volunteer activists after many years of collaboration with 350.org on actions and events.

We are partnering on this because:

- We both have the same goals
- We have complementary skills and geography
- Want folks locally to work together to WIN
- We have the tools (100% local clean energy toolkit)
- We have been closely collaborating through Mass Power Forward

# What is aggregation?

Community Choice Aggregation (CCA) is a process by which municipalities can aggregate and switch the electricity of the households and small businesses from basic service over to cleaner energy.

An energy broker is employed to ensure the municipality can purchase the amount of energy and mix the town desires, and residents may opt out at any time.

The electricity is still distributed and billed through the original utility i.e. Eversource.

# What is aggregation?

Utilities no longer make energy

CCA or CCE is Bulk buying for (clean) energy

Town becomes “default supplier”

It’s a significant step that lets you cut your climate pollution as a community

**CCA allows residents and small businesses to seamlessly switch to more renewable energy, and do the right thing on climate change.**

# What is aggregation?



Minimum renewable energy requirement

## How CCA Works



Goal: increase renewable energy

# What is aggregation?

## **Basic Outline of Community Choice Aggregation Approval Process:**

- Petitioners submit Town Meeting warrant article(s). Form support committee.
- Town Meeting approval to pursue CCA
- Broker creates aggregation plan (at no cost to town)
- Board of Selectmen approves aggregation plan
- Department of Energy Resources reviews aggregation plan
- Department of Public Utilities approves plan
- Broker issues RFP for competitive supplier
- Town selects competitive supplier
- Broker publicizes CCA to residents and small businesses, and handles all opt-out requests

**If no plans or energy prices are deemed acceptable, there is no obligation for the town to proceed.**

if your city or town has a city council, they would take the place of the town meeting, and the mayor plays a similar role to the Board of Selectmen.

# Why is aggregation cool?

Can give everyone in town cleaner energy

BUT they can opt out

Most people want to do the right thing

But cannot handle the research

Protects customers

Protects the climate

# We Have Sample Language

## Enabling language:

### **Dedham:**

To see if the Town will vote to authorize the Board of Selectmen to research and develop a plan to participate in a contract or contracts, to aggregate the electricity load of the residents and businesses in the Town of Dedham and for other related services, independently or in joint action with other municipalities, in accordance with the provisions of Chapter 164 of the Acts of 1997, which provision established a competitive marketplace through deregulation and restructuring of the electric utility industry; and further authorize the Town Manager to establish, and/or appoint representatives for a committee to oversee such independent or joint action, or take any other action relative thereto.

### **Lexington:**

To see if the Town will vote to authorize the Board of Selectmen to enter into a Community Choice Aggregation Program and contract for electric supply for Lexington residents and businesses as per MGL 164, Section 134, or otherwise act thereon.

### **Melrose:**

Be it be ordered that the Melrose Board of Aldermen authorize the Mayor and appropriate department(s) to research and develop a plan to participate in a contract, or contracts, to aggregate the electricity load of the residents and businesses in the City of Melrose, and for other related services, independently, or in joint action with other municipalities, and further authorizes the Mayor to execute all documents necessary to accomplish the same.

+ **Resolution Language**

# Success Stories

Dedham: 5% additional clean energy, with  
100% option

Virginia LeClair, Environmental Coordinator

Brookline: 25% additional clean energy

Mary Dewart and Tommy Vitolo

# Why did Dedham join?

- Increasing utility costs - Between December 2012 and December 2014, Eversource increased electric supply rates by 40% and they were continuing to climb
- CCA reduces electricity rates through bulk purchasing program and secures fixed rate term contract that prevents from future spikes
- Opportunity to increase renewable energy

# Dedham: The Solution

- The **Solution:** Creation of the Southeast Regional Planning & Economic Development District (SRPEDD) Electric Aggregation Group
- 23 communities (including Dedham) in constant communication
- Dedham and other smaller communities benefited from being part of a large group with larger communities
- Dedham only community out of 23 to introduce renewable energy as part of the aggregation

# Dedham: Implementation

- Ross Perry, who was SRPEDD director of municipal management, began reaching out to communities in April 2015
- 7 communities hired an aggregator consultant, Good Energy
- Good Energy met with communities' elected and appointed officials, managers, and their employees
- Dedham met with Mass Energy Consumers Alliance and other communities regarding Green Municipal Aggregation
- Gained state approvals for each plan and the group marketed the program to residents with help from Good Energy

# Dedham: Implementation

- ConEd Solutions (who was bought by Constellation) was selected and locked in a flat rate of \$0.0969/kwh for two years. The other communities locked in rate of \$0.0949 since did not have 5% additional renewables.
- Town Meeting and program implementation went smoothly
- Most of the cost comprised staff time. The only direct costs were for the municipal legal counsels who reviewed the energy supply contract, totaling less than \$20,000.

# Dedham: Green Aggregation

- Dedham forged the way for a greener future, being only one of two communities at that time in the state to set the **default** for local renewable energy at 5% above the state RPS of 10% with an option for 100% renewable
- Default 5% additional @ \$0.0969/kWh
- Dedham Premium Local Green 100% option @ \$0.1329
- Working with Mass Energy Consumers Alliance for purchase of local Class 1 renewable energy will add, through construction of new sources of renewables, cleaner, local, renewable energy to the grid in Massachusetts and New England as a whole

# Dedham: Green Aggregation

- 100% green for renewables needs more marketing to increase participation since optional
- Dedham renewed in April 2017 and starts new contract January 2018 with increased marketing plan for 100% green in all letters to residents
- New contract with Public Power or Crius @ \$0.10122 without 5% and with new rate will be \$0.10272

# Dedham: Results

- Responsive to residents' concerns early on limited issues
- Provided residents service superior to what they could gain individually
- After one year, the program has a 91 percent customer retention rate.
- As of January 2017, it is the third largest electric aggregation program in the U.S., serving 164,000 residential and commercial accounts in 23 municipalities
- In 2017, projected savings are \$7.4 million.
- Through this commitment we will be increasing the amount of renewable energy on the New England grid

# Brookline CCA: Overview

**Goal: biggest town-wide CO<sub>2</sub> reduction action**

- CCA allows CO<sub>2</sub> reduction for all residents and businesses rather than just government buildings or newly-constructed buildings.
- CCA Brookline is projected to reduce town's CO<sub>2</sub> emissions by ~36 million pounds (16,300 tonnes) per year.

# Brookline CCA: Background

- **NSTAR Green** (now Eversource) allowed customers to opt-in to more expensive green power. Local advocates with **Climate Action Brookline** went door-to-door seeking enrollment. When cost change was <\$7, yes. Else, NO!
- **Climate Action Brookline** and **Mothers Out Front** campaigned to enroll households in Mass Energy's tax-exempt 50% and 100% green programs. Materials used included posters, lawn signs and door knockers.

# Brookline CCA: Warrant Articles

Two separate Town Meeting warrant articles:

1. Give the Selectmen authority to sign a CCA agreement, and
2. Resolve that the CCA agreement the BOS signs be +25% and <\$7. If imperfectly aligned, Selectmen to do their best. As a resolution, it's non-binding. Requires trust.

# Brookline CCA: Framing

Given current Mass. REC prices, typical Brookline home could do +25% green for ~\$7.

- +25% *doubles* renewable energy for customer at bulk purchasing prices.
- +25% gets customers *halfway* to 100%.
- Other towns have done around 5%, and we're Brookline. Let's lead.

# Brookline CCA: The Players

- Petitioners: Tommy Vitolo, PhD energy professional and Town Meeting leader; Carol Oldham, Exec Director of MCAN and skilled consensus builder.
- Kitchen Cabinet: ~12 enviro-focused local government leaders and do-ers.
- Town Meeting Green Caucus & Climate Action Brookline: Enviro groups focused on local action, each big enough to influence Town Meeting members.
- A Board of Selectmen, pretty green, and the body ultimately tasked with deciding if the Town should proceed and with CCA implementation.
- Advisory Committee, more “small c” conservative and expected to be the bottleneck in the process. Embrace or steamroll?
- 240 elected Town Meeting Members, a *much* greener body than ten years ago.
- Town Staff: Town Counsel, Town Administrator, and staffer of Brookline’s Climate Action Committee important participants in process & implementation.

# Brookline CCA: The Pitches

1. This is the single biggest action local governments can take to reduce townwide CO<sub>2</sub>, and it's both low cost and nonintrusive. Other towns enrolling.
2. Consumer protections!
  - Opt out anytime for \$0.
  - Town and State ensure you get the real deal, not a fly-by-night pretender.
  - Potential for tax deductibility.

# Brookline CCA: Didn't Pitch

- Lower prices through bulk purchasing. We couldn't guarantee a specific price, so we didn't focus on it. When others suggested it publicly, we downplayed it.
- Opt-in vs. opt-out debates. State law mandates the process, not the Town.
- RECs: too complex. Stay out of the weeds.

# Brookline CCA: Feedback

Number 1 Comment: we should have an *opt-up* to 100 percent renewables. We (wisely, I think) left that decision up to the Board of Selectmen, which allowed the Selectmen to embrace +100 and be proud of putting their own stamp on the CCA program.

# Brookline CCA: Success!

- Every vote leading to town meeting was **unanimous** - Selectmen, Advisory Subcommittee, Advisory Committee, Selectmen's Climate Action Committee.
- After ~18 month regulatory delay, program finally went live. Some hiccups on rollout, but nothing major.
- **4 Options:** opt-out, +0, +25 (default), +100.
- Cost is ~\$2/month for +25, **much less than expected**, and tax deductible.
- 30 month fixed price contract: price stability.

# A few closing thoughts:

A few things to think about (aka Carol's 2 cents):

- FOCUS on green energy, not cost savings.
- Do at least 5%, think about ramping up or re-thinking your percentage, ie 1% per contract, etc.
- Some brokers have more experience with doing green aggregation than others.
- Class 1 renewable energy is best at getting rid of dirty energy.

# A few closing thoughts:

A few things to think about (aka Alan's 2 cents):

- Build your leadership team!
  - What other individuals or group leaders could collaborate on passing CCA in your city or town?
  - Example: New Bedford 100% Renewables Coalition
- Talk to stakeholders:
  - City councilors, and citizens!
  - Newton doing door to door survey to investigate how much more people would pay for what % of green energy.
- Past webinars: [http://www.massclimateaction.org/past\\_webinars](http://www.massclimateaction.org/past_webinars)
- 100% Renewables Calls bi-weekly, Sundays at 7PM: next 10/8
- P.s. CCA hearing in Boston City Council on 10/3

# Questions?

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