



Community Choice Aggregation Program

Design —→ Implementation —→ Management

Franklin Town Council

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 35 communities in MA

Communities Working with Colonial Power Group

<u>APPROVED/ACTIVE</u>	<u>DPU APPROVED [12/30/15]</u>	<u>PENDING LOCAL APPROVAL</u>
ASHBY	ADAMS	BERLIN
AUBURN	ASHLAND	BERNARDSTON
BERKSHIRE COMMUNITIES	CHESHIRE	EGREMONT
CLARKSBURG	METHUEN	MILLVILLE
DALTON	NEWBURYPORT	PITTSFIELD
FLORIDA	TEWKSBURY	SANDISFIELD
LENOX		SALISBURY
MONTEREY		WENDELL
NEW MARLBOROUGH		
NORTH ADAMS		
SHEFFIELD		
TYRINGHAM		
WEST STOCKBRIDGE		
WILLIAMSTOWN		
BURLINGTON		
HAVERHILL		
HOLLISTON		
LANCASTER		
LANESBOROUGH		
LOWELL		
LUNENBURG		
MARLBOROUGH		
WINCHENDON		

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.

Benefits of Community Choice Aggregation

- Choice – No longer “stuck” with utility default rates
- Savings – CCA obtained rates are generally below to substantially below average default rates
- Control – Municipality sets its own energy goals, e.g., long-term fixed rates or a higher mix of renewable energy
- Leverage – Larger buying group attracts attention
- Stability – Municipality can seek long-term rates to avoid market volatility
- No Penalties for Consumers – Opt-out **anytime** and go back to default or choose another ESCo

Benefits of Community Choice Aggregation

- Pro-Consumer – Contract terms and conditions are designed to protect customer rights
- Professional Expertise – Retaining a qualified Consultant ensures smooth roll-out and implementation of the program
- Local Oversight – Town officials hold ESCo and Consultant accountable through transparent local management
- Green Power – Municipality can “green-up” entire supply portfolio or offer “opt-in” green products to consumers

Benefits of Community Choice Aggregation

- Economic Development– Stable and lower utility rates provide a competitive advantage for businesses choosing locations
- Future Opportunities– CCA Plans are still evolving:
 - Funding Energy Management
 - Supporting Additional Renewable Energy Generation
 - Energy Conservation

Steps in the Process

- ~~Local Acceptance of the Aggregation Statute~~
- Town Council 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

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

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. Ratepayers can always opt-out and opt-in
- Billing Remains the Same – National Grid still bills for electricity and distribution
- Outage Management and Line Maintenance Remains the Same – National Grid stills delivers the electricity
- Quality of Electricity Remains the Same – It remains power being placed into the electric grid

Thank You

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