

## **OVERVIEW OF THE MUNICIPAL ELECTRICITY AGGREGATION PROGRAM**

### **An opportunity for renewable electricity choices for Canton residents**

The Select Board is sponsoring a warrant article for the 2021 Annual Town Meeting that aims to offer residents lower, more stable electricity rates and renewable energy options to reduce reliance on carbon-producing fossil fuels.

The article authorizes the town to develop a plan for the energy aggregation program and enter into a contract with an electricity supplier. Municipal Energy Aggregation is a state-approved program that allows towns and cities to purchase electricity in bulk on behalf of the residents and businesses. The aggregation of electric ratepayers offers the opportunity to negotiate a competitive rate and pass savings on to residents and businesses. Over 160 Massachusetts communities already use this program.

*What would the advantage of Municipal Energy Aggregation be for Canton?*

Currently, the amount of renewable energy in our electricity is regulated under the state Renewable and Alternative Energy Portfolio Standard program, which requires retail electricity suppliers (such as Eversource) to obtain a percentage of the electricity they serve to their customers from qualifying renewable energy facilities. The percentage of renewable energy required in 2019 is 14%. The Municipal Energy Aggregation program would allow Canton to go greener than required by state law and invest in local renewable energy sources at a lower, more stable rate than the standard Supply rate.

*What is the process to develop a CEA program?*

The first step after Town Meeting authorization to proceed with the energy aggregation program will be to work with a broker to develop an aggregation plan (in consultation with the Department of Energy Resources), which will need to be approved by the Select Board and the Massachusetts Department of Public Utilities. After such approvals, the Town will select an electricity supplier through a competitive Request for Proposal process and enter into an Electric Service Agreement. At this stage, the supplier will notify the consumers about the energy aggregation program and the opt-out period.

There is no obligation to proceed and no cost to anyone. Once a supplier is selected and all customers are enrolled, Eversource will make the switch to the new supplier. Eversource will remain the electric utility for Canton and will continue to deliver our electricity. Customers will pay one bill directly to Eversource. We will still pay the "Delivery charges" as we do now, but the rate that will be used to calculate the Supply charges will change to the new rate stated in the Electric Service Agreement. These charges will be passed through the utility to the new supplier.

*What will the percent increase in renewable electricity be?*

We will know the exact percent only after the broker has put together a plan and the Town has received proposals for the aggregation. The goal is to negotiate a lower rate per kWh than the standard average Eversource rate while increasing the percent of renewable energy by 5-10% of the total energy (with possible options to opt in for higher percentages at higher cost).

*How would one join the program?*

Customers currently receiving Eversource's basic service would be automatically enrolled in the CEA program. However, one can choose to opt out of the program and can leave the program at any

time. There is no contract to sign and no installation of any equipment. Consumers who have already chosen their own competitive supplier will *not* be automatically opted in.

*Would Canton be able to negotiate competitive rates despite its small size?*

Other towns similar in size to Canton (such as Westwood) have successfully entered in the municipal energy aggregation program. A number of small communities in central Massachusetts have entered into the CEA program jointly. This could be an option for Canton if there are other communities developing the plan at the same time. Since the renewable energy market fluctuates substantially it is not feasible to obtain rate estimates before having an aggregation plan. As noted above, the town will not have any obligation to proceed until a supplier is selected and the plan is set in motion.

*Informational meetings:*

**May 10, 2021 at 7pm**

Join Zoom Meeting by link:

<https://us02web.zoom.us/j/84647837535>

Or Meeting ID: 846 4783 7535

Or phone: +1301-715-8592, 84647837535#

### **Some useful links**

Canton Municipal Energy Aggregation website: <https://www.town.canton.ma.us/885/Municipal-Energy-Aggregation>

[https://www.massclimateaction.org/community\\_aggregation](https://www.massclimateaction.org/community_aggregation)

<https://www.mapc.org/our-work/expertise/clean-energy/green-municipal-aggregation/>

<http://www.mapc.org/wp-content/uploads/2017/09/Toolkit.pdf>

<https://www.mass.gov/files/documents/2016/08/us/agg-guid.pdf>

<https://www.greenenergyconsumers.org/aggregation>