

**Commonwealth of Massachusetts
Department of Public Utilities**

Investigation by the Department of Public Utilities)	
On its Own Motion into Establishing Guidelines for)	D.P.U. 23-67
Municipal Aggregation Proceedings)	
)	

**Reply Comments of the Department of Energy Resources on the Proposed Guidelines and
Template for Municipal Aggregation Proceedings**

On August 15, 2023, the Department of Public Utilities (the Department) issued an Order opening an investigation into establishing guidelines for municipal aggregation proceedings.¹ On October 6, 2023, parties filed Initial Comments pursuant to the Hearing Officer’s procedural guidance in this docket. The Massachusetts Department of Energy Resources (DOER) hereby provides the following reply comments.² In summary, DOER recommends the Department amend the proposed Guidelines and Template Plan to create more flexibility to meet municipalities’ goals, balanced with meeting the needs of the Department for a more streamlined review process.

I. Comments

DOER engages with municipalities regarding aggregation through its statutory consultation role prior to submission of Aggregation Plans to the Department, through its Green Communities program, and through the information provided in the draft *DOER Municipal Aggregation Manual & Best Practices Guide (DOER Guide)*. The DOER Guide provides

¹ *Investigation by the Department of Public Utilities on its own Motion into Establishing Guidelines for Municipal Aggregation Proceedings*, D.P.U. 23-67, Vote and Order Opening Investigation.

² DOER clarifies that not commenting or taking a position on a particular issue in its comments, either initial or reply, does not indicate DOER’s support or opposition to the issue as raised or proposed and should not be construed as such by the Department.

information that supports the effective and efficient formation of municipal aggregations, equips municipalities to advocate for municipal interests when forming a municipal aggregation, and improves collaboration with DOER on municipal aggregation formation.³

DOER supports municipalities’ interests and goals for municipal aggregations and supports the creation of Guidelines and a Template Plan to the extent that they can offer a streamlined review process at the Department. However, as proposed, DOER finds the Guidelines and Template Plan overly restrictive, which may impede municipalities’ ability to meet their consumers’ needs including the active pursuit of clean energy goals that align with the Commonwealth’s. Notably, DOER agrees with the comments of the Cape Light Compact that the Department should take an overall approach to the Guidelines and Template Plan such that “the aggregation plan should not be required to include each and every specific detail of each and every current program offering,” and instead should “provid[e] municipalities with the discretion to adopt new programs and offerings without formally amending their aggregation plan.”⁴

A. Preserving Municipal Flexibility and Goals in Aggregation

In Initial Comments, several municipalities and other stakeholders argued that the proposed Guidelines and Template Plan unduly limit local flexibility and add new restrictions, which adversely impact the formation and operation of aggregations.⁵ DOER shares these

³ Draft *DOER Municipal Aggregation Manual & Best Practices Guide (DOER Guide)*, 2022; Available at: <https://www.mass.gov/info-details/municipal-aggregation-manual-best-practices-guide>.

⁴ Cape Light Compact JPE Initial Comments, at 5.

⁵ Initial Comments from Towns of Andover, Arlington, Dracut, Winchester, Acton, Boxford, Brookline, Cohasset, Lexington, Scituate, Stoneham, Uxbridge, Wayland, Weston, Amherst, Pelham, Aquinnah, Barnstable, Bourne, Brewster, Chatham, Chilmark, Dennis, Edgartown, Eastham, Falmouth, Harwich, Mashpee, Oak Bluffs, Orleans, Provincetown, Sandwich, Tisbury, Truro, West Tisbury, Wellfleet, Yarmouth, Bolton, Buckland, Burlington, Carlisle, Clarksburg, Conway, Franklin, Gill, Lee, Mendon, Shelburne, Stoughton, West Newbury, Whately, Windsor; Cities of Amesbury, Boston, Marlborough, Pittsfield, Malden, Melrose, Quincy, Attleboro, Beverly, Cambridge, Easthampton, Medford, Newton, and Salem; Dukes County; and Acadia Center, Advanced Energy United, Becket Energy Committee, Berkshire Environmental Action Team/No Fracked Gas; Berkshire Regional

concerns that the proposed Guidelines and Template Plan may not afford the flexibility for a municipality to pursue its evolving objectives and recommends the Department consider Initial Comments, particularly from municipalities, in its effort to balance the review of Plans with the municipality's objective in pursuing an aggregation.

In particular, DOER finds that Section IV.D.1.1. of the Guidelines, which requires municipalities to submit an amended Plan for Department review of operational changes, is overly prescriptive because it fails to allow municipalities the opportunity to adapt to evolving municipal interests and changing market dynamics (even when a Plan contemplates categories of products if not specific offerings). Particularly, the requirement that any new product is subject to Department approval is unnecessarily restrictive since it would prevent a municipality from responding to market conditions to offer multiple attractive aggregation products that meet different consumer needs.⁶ The *DOER Guide* outlines several potential advantages of aggregation, one of which is to assist municipalities in achieving clean energy and climate goals by, for instance, increasing the amount of renewable energy in the electricity supply through the purchase of additional renewable energy and environmental attributes.⁷ As of this year, the majority of opt-in products offered by aggregations included additional Massachusetts Class I Renewable Energy Certificates (RECs) as opposed to out-of-region RECs (which were more popular in previous years).⁸ As proposed, additional Department review may have prevented aggregations from switching opt-in products that include out-of-region RECs with products that

Planning Commission, Cape Light Compact JPE, Colonial Power Group, Green Energy Consumer Alliance, Local Energy Advocates of Western Mass, Westford Clean Energy and Sustainability Committee, Massachusetts Municipal Association, Northeast Clean Energy Council, NRG Retail Companies, PowerOptions, Shutesbury Energy and Climate Action Committee, State Representative Bill Galvin, State Senator Cindy Friedman, and Leverett Energy Committee.

⁶ DPU Guidelines, at 17-18.

⁷ Draft *DOER Guide*, at 18.

⁸ DOER Initial Comments, at 9.

include Massachusetts Class I RECs for fear of an unknown review timeline at the Department. In effect, this requirement creates an additional barrier for municipalities attempting to implement one of DOER’s best practices to include additional Massachusetts Class I RECs instead of out-of-region RECs, which do not contribute to Massachusetts climate goals.⁹¹⁰ Further, several commenters provided arguments that this requirement limits an aggregations adaptability to changes in markets, local priorities, or participants needs.¹¹ For example, the draft *DOER Guide* recommends that municipalities engage with their communities “to best balance the options and priorities for purchasing additional renewable energy in a way that best serves their community” and states that “specific decisions about the amount of RECs to include in the supply products will be made when the municipality conducts the energy supply procurement.”¹² As noted in its Initial Comments, DOER supports the desire for municipalities to set REC goals over and above the Renewable Portfolio Standard (RPS) through municipal aggregation when such actions maximize the impact these voluntary retirements have on the REC market and the support of new renewable generation projects.¹³ Allowing the municipality to make specific decisions about the amount of RECs during the energy supply procurement

⁹ Draft *DOER Guide*, at 17.

¹⁰ RECs produced outside the New England regions (e.g., National Wind RECs from Texas or Ohio) are considered out-of-region RECs. The *DOER Guide* specifies out-of-region RECs are harder to ensure additionality and may not be tracked in a rigorous accounting system and may not incentivize construction of new renewable energy. Draft *DOER Guide*, at 15.

¹¹ City of Boston Initial Comments, at 5; Initial Comments from the Cities of Amesbury, Marlborough, Pittsfield, Attleboro, Beverly, Cambridge, Easthampton, Malden, Medford, Melrose, Newton, and Salem; Shutesbury Energy and Climate Action Committee, and the Towns of Bolton, Buckland, Burlington, Carlisle, Clarksburg, Conway, Franklin, Gill, Lee, Mendon, Shelburne, Stoughton, West Newbury, Whately, Windsor, Acton, Andover, Arlington, Boxford, Brookline, Cohasset, Dracut, Lexington, Scituate, Stoneham, Uxbridge, Wayland, Weston, Winchester, Amherst, Pelham, Aquinnah, Barnstable, Bourne, Brewster, Chatham, Chilmark, Dennis, Edgartown, Eastham, Falmouth, Harwich, Mashpee, Oak Bluffs, Orleans, Provincetown, Sandwich, Tisbury, Truro, West Tisbury, Wellfleet, and Yarmouth; Dukes County; and Massachusetts Municipal Association, at 2.

¹² Draft *DOER Guide*, at 16.

¹³ DOER Initial Comments, at 9-10.

allows the municipality to respond to market price signals that can reduce the risk of REC over- or under-supply.

DOER recommends that the Department allow Plans to outline a municipality's strategy for determining renewable energy content for products without the need to set a specific percentage. Instead, municipal aggregations would provide the Department with an informational filing when making changes to their product offerings, provided those offerings are consistent with the aggregation's strategy included in the Plan. To the extent the Department finds an amended Plan for changes of this nature necessary, DOER recommends the Department limit its scope and timeline of review to ensure a decision within 30 days.

In its Initial Comments, DOER recommended a more regular process by which the Department updates the Guidelines given the rapidly changing electricity industry.¹⁴ The intent of the recommendation was to ensure that municipalities had an opportunity to participate in future Guideline modifications and provide for a proactive Department to address innovative products that municipal aggregations may offer, including time-varying rate (TVR) products, to its participants. Indeed, several commenters raised questions around the future treatment of TVR through municipal aggregations.¹⁵ DOER notes that the lack of flexibility in the Guidelines for municipalities to adopt TVR or other innovative rate products in the future could hurt the advancement of Massachusetts clean energy goals. Here, an overly prescriptive approach may

¹⁴ DOER Initial Comments, 17.

¹⁵ Town of Gill Initial Comments, at 2; NRG Retail Companies, at 2-4; Initial Comments from Harvey Michaels, at 1-2; Joint Initial Comments from the Cities of Attleboro, Beverly, Cambridge, Easthampton, Malden, Medford, Melrose, Newton, and Salem; the Towns of Acton, Andover, Arlington, Boxford, Brookline, Cohasset, Dracut, Lexington, Scituate, Stoneham, Uxbridge, Wayland, Weston, and Winchester, the Towns of Amherst and Pelham, organized and operating collectively as Valley Green Energy; the Towns of Aquinnah, Barnstable, Bourne, Brewster, Chatham, Chilmark, Dennis, Edgartown, Eastham, Falmouth, Harwich, Mashpee, Oak Bluffs, Orleans, Provincetown, Sandwich, Tisbury, Truro, West Tisbury, Wellfleet and Yarmouth, and Dukes County organized and operating collectively as the Cape Light Compact JPE; and the Town of Westford Clean Energy and Sustainability Committee, at 5.

create another significant backlog of amended plans, as municipalities pursue TVR concurrent with the electric distribution companies' implementation of advanced metering infrastructure (AMI). DOER recommends that the Department commit to convene a stakeholder process at a future date, upon deployment of AMI in accordance with the planned and approved schedule, in order to establish a streamlined process for municipalities to pursue TVR products without a full amended Plan review. Such a stakeholder process should include municipalities, aggregation consultants, DOER, the Attorney General's Office (AGO), and other key stakeholders to establish TVR product offerings that would conform with revised Guidelines and not require an extensive Department review of each amended plan.

The Department's proposed Template Plan also limits Plans seeking expedited review to two product offerings, where "one product's renewable energy content must be equivalent to Basic Service, and the municipality may offer one additional product that may contain a specified level of additional renewable energy content."¹⁶ DOER agrees with several commenters' arguments that municipal aggregations should be able to offer more than two products to meet community needs without forfeiting expedited review.¹⁷ Recognizing the time required to review additional products, DOER recommends the Department revise its Template Plan to allow for up to four product offerings under its expedited review timelines in recognition that a large share (44.9%) of aggregations currently offer more than two products.¹⁸ This change balances the practicalities of Department review with the desire for municipalities to be responsive to price sensitivities among their consumers while also pursuing goals for increased

¹⁶ DPU Template Plan, at 2.

¹⁷ Massachusetts Municipal Association Initial Comments, at 3; Town of Carlisle Initial Comments, at 1 and 6; Advanced Energy United, at 3, and Joint Supplemental Comments from the Cities of Malden, Melrose, and Quincy, and the Towns of Andover, Arlington, Dracut, and Winchester, at 3.

¹⁸ DOER Initial Comments, at 9.

renewable energy. If limited to only two product offerings, for instance, an aggregation would have to choose between offering either a product with a small (e.g. 5%) amount of additional renewable energy (as is common among currently operating aggregations), or one with much more (e.g. 100%) renewable energy (as is also popular among current aggregations). As outlined in DOER’s Guide, it is advantageous for municipalities to be able to offer both these types of renewable energy products, in addition to a “Basic” product that matches Basic Service renewable energy levels, in order to advance municipal clean energy goals that align with the Commonwealth’s and meet consumers’ varying price sensitivities. Municipal aggregations are typically driven by resident’s goals, which often vary from neighbor to neighbor. Given the widespread adoption of these types of products among aggregations already approved by the Department, the allowance of up to four products in the Template Plan is a balanced approach and should limit the burden on Department review.

B. Flexibility on Clean Energy Projects and Use of Operational Adders

In Initial Comments, DOER requested that the Department establish guidelines so that a municipal aggregation may implement an alternative Low-Income Community Shared Solar (LICSS) program following the SMART Program model proposed by DOER in D.P.U. 20-145.¹⁹ Similarly, several other stakeholders acknowledged the benefits of the implementation of a LICSS program through municipal aggregations.²⁰ DOER recommends the Department consider appropriate requirements, rules, or policies that allow for such programs in support of those customers most in need.

¹⁹ DOER Initial Comments, at 17-18.

²⁰ Acadia Center Initial Comments, at 5-7; Initial Comments from the Cities of Amesbury, Boston, Marlborough, Pittsfield, Shutesbury Energy and Climate Action Committee, and the Towns of Bolton, Buckland, Burlington, Conway, Franklin, Lee, Mendon, Shelburne, Stoughton, West Newbury, and Whately, at ; Colonial Power Group Initial Comments, at 5-6; Joint Initial Comments from the Cities of Cambridge, Acton, Lexington, and MassEnergize, Energize Wayland, Renewable Energy Massachusetts, Resonant Energy, Sunwealth Power, Syncarpha Solar, & ZPE Energy, at 1-2; and Northeast Clean Energy Council Initial Comments, at 2.

A potential advantage of an aggregation is its ability to assist municipalities in achieving clean energy and climate goals.²¹ DOER recommends that municipalities interested in clean energy can pursue product offerings with voluntary MA Class I RECs through aggregation; however, voluntary REC purchases are by no means the only or even the most impactful actions municipalities can take to further the Commonwealth’s climate goals. In recent years, municipalities and other stakeholders advocated for the ability to use adders to fund local renewable energy developments. Currently, several Plans awaiting Department approval include the use of operational adder funds to be utilized in “support for local energy projects that create benefits for Program participants.”²² In this proceeding, various parties provided comment supporting a municipality’s ability to use an operational adder to fund local energy projects and the associated need to revise or eliminate Section IV.A.6. of the Guidelines.²³ Indeed, DOER finds that the Department adding requirements or guidelines for permissible uses of the operational adder to support local energy projects creates benefits for the aggregation and its participants, is aligned with the Commonwealth’s clean energy goals, and supports the Department’s obligation to prioritize affordability, equity, and reductions in greenhouse gas emissions to meet statewide greenhouse gas emission limits and sublimits established pursuant to chapter 21N.²⁴ Moreover, as the AGO’s Initial Comments noted, requiring “municipalities to provide a detailed accounting of the amounts and uses of any and all adder funds in their annual

²¹ Draft *DOER Guide*, at 18.

²² Town of Medfield Plan (D.P.U. 22-109); Town of Boxford Plan (D.P.U. 22-128); Town of Hanson Plan (D.P.U. 22-139); Town of Belchertown Plan (D.P.U. 22-158); City of Madlen Plan (D.P.U. 22-153); Town of Wayland Plan (D.P.U. 22-172); and Town of Canton (D.P.U. 23-27).

²³ Local Energy Advocates of Western Mass Initial Comments, at 2; PowerOptions Initial Comments, at 2; Town of Carlisle Initial Comments, at 5; Initial Comments from the City of Marlborough, Shutesbury Energy and Climate Action Committee, and the Towns of Bolton, Buckland, Burlington, Conway, Franklin, Gill, Lee, Mendon, Shelburne, Stoughton, West Newbury, and Whately; DPU Guidelines, at 10.

²⁴ M.G.L. c. 25 § 1A

reports” provides greater transparency and accountability than currently afforded while creating the opportunity for energy projects driven by local interests and customer requests.²⁵

C. Customer Marketing and Enrollment

Municipal aggregations are a critical part of retail electric supply service within the Commonwealth, representing elective electric supply service for the plurality of residential customers.²⁶ While DOER continues to support additional protections for ratepayers from individual competitive electric supply contracts, it recognizes that municipal aggregations allow residents to achieve the benefits of the competitive electricity market while shielding them from the risks and pitfalls associated with the aforementioned contracts.²⁷ DOER is responsible for helping “consumers understand, evaluate, and select retail energy supplies and related services offered as a consequence of electric and gas utility restructuring,” including municipal aggregations.²⁸

Thus, as noted in the Acadia Center’s Initial Comments, municipal aggregations should be allowed to offer products on a fair basis with competitive retail suppliers.²⁹ Municipal aggregations are at a competitive disadvantage to individual competitive electric supply contracts in terms of their ability to market to customers. By prohibiting aggregations from marketing their products to customers on competitive supply contracts, customers are not being provided the full benefits of a competitive electricity market. Municipal aggregations provide several consumer protection measures absent in basic service and competitive supply contracts, namely local leader accountability, free switching, and no profit motive. But customers, in particular, a

²⁵ AGO Initial Comments, at 3.

²⁶ DOER Initial Comments, at 5.

²⁷ DOER Initial Comments, at 3-4.

²⁸ M.G.L. c. 25A § 6 (10)

²⁹ Acadia Center Initial Comments, at 9-10.

disproportionate share of low-income customers, are harmed at significantly higher rates through individual competitive electric supply and these marketing restrictions may exacerbate that harm.³⁰ As of March 2023, 25% of low-income residential customers were on individual competitive supply contracts as compared to only 15% of residential customers.³¹ The draft *DOER Guide* highlights the investigations by the AGO demonstrating that competitive suppliers have targeted low-income and minority communities for contracts with unfavorable terms.³² The AGO released a 2023 Update to its report documenting how “the average losses suffered by low-income customers are greater than those suffered by non-low income customers.”³³ DOER is concerned that the very customers who are often the most energy-burdened are not able to be made aware of the benefits of municipal aggregation, thereby perpetuating customer inequity. DOER therefore recommends the Department allow municipal aggregations to inform customers on individual competitive supply contracts of its product offerings with a clear “disclosure that customers may be subject to penalties or early termination fees if they switch from competitive supply to the Municipality’s Program during the customer’s competitive supply contract term” as required by Section IV.C.1.2.2.4 of the Guidelines regarding general communication.³⁴³⁵

DOER supports creating standard terminology for renewable energy content of aggregation products that provides accurate information to consumers. The draft Guidelines require the Plan to “avoid the use of non-specific terms (e.g., “green”, “clean” or “cleaner”)

³⁰ Baldwin, M. Susan and Timothy E. Howington. 2023. “Consumers Continue to Lose Big: the 2023 Update to An Analysis of the Individual Residential Electric Supply Market in Massachusetts.” Massachusetts Attorney General’s Office, MA, USA (May 2023).

³¹ DOER Initial Comments, at 5.

³² DOER *Draft Guide*, at 5.

³³ Baldwin, M. Susan and Timothy E. Howington. 2023. “Consumers Continue to Lose Big: the 2023 Update to An Analysis of the Individual Residential Electric Supply Market in Massachusetts.” Massachusetts Attorney General’s Office, MA, USA (May 2023).

³⁴ DPU Guidelines, at 13.

³⁵ Separately, the Department should consider prohibiting early termination fees to customers on low-income discount rates.

when naming or describing the product option.”³⁶ Municipal aggregations currently offer products marketed with various names, including, but not limited to: basic, standard, green, local green, national green, green 50%, and green 100%. DOER recognizes that these terms are non-specific and that, for instance, an aggregation purchasing voluntary MA Class I RECs differs meaningfully from one purchasing out-of-region RECs; in fact, the *DOER Guide* explains this difference and recommends the purchase of MA Class I RECs. The Department’s Guidelines should include standardized terminology that differentiates MA Class I RECs, clean energy certificates, and out-of-region RECs.³⁷ DOER recommends the Department consider working with stakeholders in a technical session to develop appropriate terminology that is transparent and clear to consumers.

Most municipal aggregations (71.4%) offer at least one opt-in product in addition to a default product to their customers.³⁸ Sections IV.C.3.3.2 and IV.C.3.3.3 require automatic renewal notices for customers on the default product and an opt-in product that’s renewable energy content remains the same, respectively.³⁹ Section IV.C.3.3.4 of the Guidelines require municipalities to return customers participating in an aggregation’s opt-in product to basic service in the event customers do not re-enroll upon receiving a non-automatic renewal notice if the renewable energy content of the product changes.⁴⁰ DOER agrees with various stakeholders that the practice of requiring affirmative re-enrollment in instances of renewable energy content changes for opt-in products, a standard not applied to a default product or opt-in product price

³⁶ DPU Guidelines, at 6.

³⁷ Massachusetts Department of Environmental Protection (MassDEP) provided Initial comments on the need to acknowledge its Clean Energy Standard (310 CMR 7.75), which requires amounts of clean energy certificates in addition to DOER’s RPS. MassDEP Initial Comments, at 2.

³⁸ DOER Initial Comments, at 9.

³⁹ DPU Guidelines, at 17.

⁴⁰ DPU Guidelines, at 17.

changes, is unnecessary and burdensome.⁴¹ DOER agrees with other commenters that customers who have already affirmatively chosen to pay a premium for additional renewable energy content should not automatically be returned to basic service for failing to re-enroll and rather should be provided an automatic renewal notice. DOER therefore recommends the Department strike Sections IV.C.3.3.4 and C.3.3.3.1 and amend Section IV.C.3.3.3 by striking out the following language, “provided that the renewable energy content of the product remains consistent with the level at which the customer originally enrolled.”⁴² As a result, customers enrolled in an opt-in product will receive an automatic renewal notice of new prices, terms, and contract - including the renewable energy content.

DOER’s Green Communities Division provides municipalities with technical assistance and local support from regional coordinators on a variety of local energy topics, including municipal aggregations. DOER encourages municipalities to leverage the agency as a resource for technical assistance early and often throughout the formation and operation of the municipal aggregation and offers the draft *DOER Guide* as an additional resource to municipalities. As the formation and operation of municipal aggregations evolve due to this proceeding or other industry changes, DOER continues to support municipalities through the implementation of aggregations that promote a clean, affordable, equitable, and resilient energy future for all. DOER plans to update its draft *DOER Guide* following the conclusion of this proceeding in order to accurately reflect all relevant changes made to the aggregation process. DOER, therefore, recommends the Guidelines remain brief on Section III.B.1.b to allow for the evolving resources and assistance DOER can provide now and in the future.

⁴¹ Supplemental Initial Comments from the Cities of Malden, Melrose, and Quincy, and the Towns of Andover, Arlington, Dracut, and Winchester, at 4-5; Town of Carlisle Initial Comments, at 6; 47 Coffin Ratepayer Advocates, at 9.

⁴² DPU Guidelines, at 17.

D. Municipal Aggregation Launch Date

In recent years, basic service rates have risen due to market conditions, again turning the focus on basic service load risks and associated premiums charged. The Department finds the growth of municipal aggregation programs, in addition to the uncertainty of program start dates, are known factors contributing to load risk.⁴³ The Guidelines (Section IV.B) include a new requirement that all proposed municipal aggregation plans must include an intended launch date, assuming approval within specified timeframes.⁴⁴ The AGO supports the adoption and implementation of the requirement for municipalities to propose a fixed launch date as soon as practicable in recognition that the uncertainty of program launch has increased basic service risk premiums.⁴⁵ Most, if not all, municipalities indicated opposition to establishing a specific launch date during the aggregation plan formation; a sentiment shared by several other stakeholders.⁴⁶ Several stakeholders also identified the uncertainty with the Department's review and approval timelines as a likely contributor to rising risk premiums.⁴⁷ DOER agrees with the AGO that establishing a fixed launch date with adequate advance notice is important to mitigate basic service risk premiums and recognizes the need to balance against a municipality's launch date. Recent changes to the provision of basic service seek to level out some of the risks municipal aggregations navigate against when launching an opt-in program.⁴⁸ In recognition of the lost flexibility for municipalities with a fixed launch date, DOER recommends the Department

⁴³ D.P.U. 23-67, Vote and Order Opening Investigation, at 6-7;

⁴⁴ D.P.U. 23-67, Vote and Order Opening Investigation, at 7; DPU Guidelines, at 11.

⁴⁵ AGO Initial Comments, at 2.

⁴⁶ Initial Comments from the Cities of Amesbury, Marlborough, Pittsfield, Malden, Melrose, Quincy; and the Towns of Andover, Arlington, Dracut, Winchester, Bolton, Buckland, Burlington, Conway, Franklin, Gill, Lee, Mendon, Shelburne, Stoughton, West Newbury, Whately; Berkshire Regional Planning Commission; Colonial Power Group; Massachusetts Municipal Association; NRG Retail Companies; Shutesbury Energy and Climate Action Committee.

⁴⁷ AGO Initial Comments, at 2; Colonial Power Group Initial Comment, at 14; Supplemental Joint Comments of the Cities of Malden, Melrose, and Quincy, and the Towns of Andover, Arlington, Dracut, and Winchester, at 5.

⁴⁸ D.P.U. 23-50, at 11.

carefully review alternatives proposed by several stakeholders, including, not limited, to the below:

- Remove the requirement to automatically include large commercial customers in the aggregation program to reduce risk adder associated with its large load;⁴⁹
- Require aggregations provide electric distribution companies (EDCs) notice of upcoming plan when it's posted for public comment;⁵⁰
- Require aggregations provide more advance notice to the EDCs of their launch date once it is certain, and for the timing of the notice to be based on the relative impact to basic service suppliers;⁵¹
- Requires aggregations provide notice to the EDCs upon Department's Order;⁵²
- Require launch date to be at least six months after the application date and a minimum stay period for large commercial and industrial customers to provide more certainty with associated load.⁵³

E. Future Updates to the Guidelines and Municipal Aggregation Data Reporting

Given the rapidly changing electricity industry, including promised impacts from the deployment of AMI, DOER recommended the Department commit to a regular process to update the Guidelines. Such updates will keep the Guidelines current with market conditions and to avoid creating a new backlog of amended plan filings which would burden both the Department and municipalities.⁵⁴ Underlying this recommendation is DOER's commitment to enabling an

⁴⁹ Constellation NewEnergy, Inc. Initial Comments, at 2.

⁵⁰ Eversource Energy Initial Comments, at 1-2; National Grid Initial Comments, at 2.

⁵¹ Supplemental Joint Comments of the Cities of Malden, Melrose, and Quincy, and the Towns of Andover, Arlington, Dracut, and Winchester, at 6.

⁵² National Grid Initial Comments, at 2.

⁵³ Vistra Corp. Initial Comments, at 2-3.

⁵⁴ DOER Initial Comments, at 17.

open, transparent, and inclusive forum for stakeholders, particularly municipalities, to drive policy and guidelines regarding the formation and operation of municipal aggregation programs in the Commonwealth. To that end, DOER supports the recommendation of the AGO and other stakeholders to conduct at least one technical session prior to finalizing the Template Plan and Guidelines to “allow for a more efficient exchange of ideas and concerns.”⁵⁵ Given the Department’s goal to expeditiously resolve the backlog of municipal aggregation applications, we urge the Department to schedule this technical session within the coming weeks and issue a procedural schedule for the remainder of this investigation.

Further, DOER supports the Massachusetts Electric Company and Nantucket Electric Company’s (collectively, National Grid) recommendation that “the Department create and maintain a periodic report summarizing the aggregations in the Commonwealth, including information such as the municipality, docket, order date, service territory, current and future contracts’ start and end dates, and supplier.”⁵⁶ DOER conducts significant analysis of the municipal aggregation annual reports to update the draft *DOER Guide* and to inform its policies regarding municipal aggregations.⁵⁷ Several other stakeholders presented data and information produced using time- and resource-intensive data collection and analysis.⁵⁸ DOER notes the

⁵⁵ AGO Initial Comments, at 4.

⁵⁶ National Grid also recommends the periodic reports include additional information, including: (1) historical annual load by customer group and customer counts and (2) expected approval date and anticipated launch date of pending municipal aggregations based on the annual reports submitted to the Department. National Grid Initial Comments, at 3.

⁵⁷ DOER Initial Comments, at 4-11.

⁵⁸ Joint Initial Comments from the Cities of Attleboro, Beverly, Cambridge, Easthampton, Malden, Medford, Melrose, Newton, and Salem; the Towns of Acton, Andover, Arlington, Boxford, Brookline, Cohasset, Dracut, Lexington, Scituate, Stoneham, Uxbridge, Wayland, Weston, and Winchester, the Towns of Amherst and Pelham, organized and operating collectively as Valley Green Energy; the Towns of Aquinnah, Barnstable, Bourne, Brewster, Chatham, Chilmark, Dennis, Edgartown, Eastham, Falmouth, Harwich, Mashpee, Oak Bluffs, Orleans, Provincetown, Sandwich, Tisbury, Truro, West Tisbury, Wellfleet and Yarmouth, and Dukes County organized and operating collectively as the Cape Light Compact JPE; and the Town of Westford Clean Energy and Sustainability Committee, at 2; 47 Coffin Street Ratepayer Advocates Initial Comments, at 1; Chretien, Larry and Mikaela Hondros-McCarty, 2022. “Green Power at Lower Cost.” Green Energy Consumers Alliance (Spring 2022);

Department collects Annual Reports from all municipal aggregations, which contain important data relevant to the public and stakeholders in this proceeding regarding the status of aggregation in the Commonwealth and purchases of voluntary RECs, among other information. However, the format of these reports (submitted individually through the DPU File Room) is not easily accessible for the public or stakeholders to analyze. DOER recommends the Department collaborate with DOER and other stakeholders to facilitate a robust reporting framework which should include updating the annual reporting requirements and template as well as developing a common reporting mechanism that makes that data publicly available to a larger audience. This effort could reduce duplicative efforts across several stakeholders, leverage the advantages of various stakeholders, and support data-driven decision-making. DOER recently updated its own Mass Energy Insights, a platform used by municipalities to upload significant energy data, which could serve as a mode or even the platform for standardized data sharing by aggregations. DOER could play a facilitating role in this type of collaboration, given our experience working with the Department's annual reports.

II. Conclusion

DOER appreciates the opportunity to provide comments on the municipal aggregation guidelines and draft template. DOER applauds the Department's efforts to improve the review process for municipal aggregations through the creation of these Guidelines and Template Plan, but urges the Department to take a more holistic approach that preserves municipalities' flexibility to meet their own goals, as well as their clean energy goals in ways that align with the

Vicarelli, Marta, Ajay Dawani, Emily Laus, Nihal Warawdekar. 2023. "Community Choice Electricity Programs: a Survey of Massachusetts Municipalities." School of Public Policy, University of Massachusetts Amherst, MA, USA (March 28, 2023);

Commonwealth's Net Zero pathway. Therefore, DOER respectfully requests the Department consider the recommendations contained herein, including:

1. Establish a procedural schedule for this investigation which includes convening a technical session in the coming weeks with key stakeholders to resolve outstanding issues;
2. Allow aggregations to change the renewable energy content of an approved product without requiring approval of a plan amendment;
3. Consider future revisions to the Guidelines to enable adoption of pre-approved TVR rates without requiring all approved Plans to be amended;
4. Allow up to four (4) product offerings in a Template Plan for expedited review;
5. Require standardized terminology in the Guidelines regarding renewable and clean energy content, following a technical session with stakeholders;
6. Consider allowing for the transparent use of adder funds for clean energy investments that directly benefit aggregation customers and align with the Commonwealth's clean energy goals;
7. Allow aggregations to market to competitive supply customers with appropriate disclosures about potential termination fees;
8. Do not require affirmative re-enrollment for customers on opt-in aggregation products, so long as notice of any changes is provided;
9. Require municipalities to establish firm launch dates with appropriate advance notice to the Department and EDCs, but not prior to Plan approval;

10. Work with DOER and stakeholders to update the municipal aggregation annual reporting requirements and template to enable greater public transparency and data about the status of aggregations in the Commonwealth.

Respectfully submitted,

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF ENERGY RESOURCES

By its attorneys:

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