



Michael J. Driscoll
Town Manager

TOWN OF
WATERTOWN
Office of the Town Manager

Administration Building
149 Main Street
Watertown, MA 02472
Phone: 617-972-6465
www.watertown-ma.gov
townmgr@watertown-ma.gov

To: Honorable Town Council

From: Michael J. Driscoll, Town Manager

Date: May 23, 2019

RE: Agenda Item – Consideration and Action on Authorization to Move Forward with the Watertown Electrical Aggregation Program

As you are aware, on September 26, 2017 the Honorable Town Council adopted the following Action Item: “That the Town Council authorizes the appropriate departments to research, develop, and participate in a contract, or contracts, to aggregate the electricity load of the residents and small businesses in Watertown and for other related services, independently, or in joint action with other municipalities, and authorizes the Town Manager to execute all documents necessary to accomplish the same” (see attached September 21, 2017 Agenda Item correspondence and excerpt from the September 26, 2017 Town Council Meeting Minutes).

As a follow-up, attached please find email correspondence from Edward Lewis, Energy Manager informing that the Town received conditional approval of the Town’s electricity supply aggregation plan (Watertown Electricity Choice) from the Department of Public Utilities (DPU). As also indicated, Watertown’s Environment and Energy Efficiency Committee along with the Energy Manager are seeking Town Council’s final approval to go forward with the aggregation plan; and request authorization to allow the Town Manager to launch the Electricity Choice program should an acceptable electricity supply bid be received.

Therefore, given all of the above, I respectfully request the Honorable Town Council’s authorization to move forward with the Watertown Electrical Aggregation Program as outlined in Mr. Lewis’ correspondence.

Thank you for your consideration in this matter.

cc: Edward Lewis, Energy Manager
Environment and Energy Efficiency Committee
Department Heads



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To: Honorable Town Council

From: Michael J. Driscoll, Town Manager

Date: September 21, 2017

RE: Agenda Item – Action on authorization to investigate Community Choice Aggregation and develop an Aggregation Plan

As you know, an Informational Presentation on Community Choice Aggregation (CCA) was given at the September 12, 2017 Town Council Meeting (see attached September 7th Agenda Item correspondence and PowerPoint Presentation).

As a follow-up, attached please find email correspondence from Edward Lewis, Energy Manager. As stated in Mr. Lewis' correspondence, "the next step to move forward with Community Choice Electrical Aggregation for Watertown's residents is to request Town Council's formal authorization to proceed. This authorization would allow the Town to retain an aggregation consultant (at no cost to the Town) to develop a detailed Aggregation Plan. During the development of the Aggregation Plan there would be opportunity for public review and input."

Therefore, given all of the above, I respectfully request the Honorable Town Council's authorization to proceed with investigating Community Choice Aggregation and developing an Aggregation Plan as outlined in Mr. Lewis' correspondence.

Thank you for your consideration in this matter.

cc: Edward Lewis, Energy Manager
Department Heads



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To: Honorable Town Council

From: Michael J. Driscoll, Town Manager

Date: September 7, 2017

RE: Agenda Item - Informational Presentation on Community Choice Aggregation (CCA)

As a follow-up to the attached May 9th and July 21, 2017 Miscellaneous Items and discussion with Honorable Town Council President Mark S. Sideris, I respectfully request an Informational Presentation be placed on the September 12, 2017 Town Council Agenda. The Informational Presentation will be on Community Choice Aggregation (CCA) (see attached PowerPoint presentation); and will be given by Edward Lewis, Energy Manager.

Thank you for your consideration in this matter.

cc: Edward Lewis, Energy Manager
Department Heads



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Town Manager

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To: Honorable Town Council
From: Michael J. Driscoll, Town Manager
Date: May 9, 2017
RE: Miscellaneous Items

Today's Miscellaneous Items includes the following:

Official Invitation to the 2017 Historical Preservation Awards

→ renewable energy program

Seeking Mascot Proposals

Marshall Home Fund to Watertown HD

Live Well Steering Committee May Meeting

Upcoming Events_ Free Youth Mental Health First Aid Training

Appointment Letter – Reed

Appointment Letter – Wenger

Street letter D.A. Bosworth _ Phillips street

Annual Legislative Breakfast

April tax slide forcing Massachusetts officials to revisit budget

Gov. Baker says budget fix will preserve local aid, 'critical programs'

Massachusetts towns ditch standard electric service to embrace green power

MIIA Employee Assistance Program (EAP) Spring Supervisor newsletter

Hand, JoAnna

From: Driscoll, Michael
Sent: Tuesday, May 09, 2017 11:00 AM
To: Osmond, Marsha; Hand, JoAnna
Cc: Lewis, Edward; Dept. Heads; Comm Dev & Develop
Subject: renewable energy program

Please include in today's Misc Items to Council.

From: Driscoll, Michael
Sent: Tuesday, May 09, 2017 10:45 AM
To: 'Forsythe, Dana' <dforsythe@wickedlocal.com>
Cc: Lewis, Edward <elewis@watertown-ma.gov>
Subject: renewable energy program

Good morning Sir/ Dana; as a follow up to your email below, please see the response from Mr. Lewis, the Town's Energy Manager.

From: Lewis, Edward
Sent: Tuesday, May 09, 2017 10:29 AM
To: Driscoll, Michael <mdriscoll@watertown-ma.gov>
Cc: Magoon, Steven <smagoon@watertown-ma.gov>
Subject: RE: renewable energy program

Mr. Driscoll,

I am very familiar with Municipal Aggregation (also known as Community Choice Aggregation (CCA)).

CCA is a complex process with many moving parts and very significant community involvement / education is required. Best practices from other communities have shown that sponsorship by a Town Committee of sustainability minded residents helps to ensure successful deployment.

Watertown is very fortunate to have an active and involved group dedicated to energy use reduction / sustainability, the Watertown Environment and Energy Efficiency Committee (WE3C). I have been working with the WE3C to provide background on aggregation's benefits and deployment process, to see if they, in their capacity as an advisory committee to the Town, wish to sponsor CCA. To that end Watertown has hosted guest speakers on this topic at recent WE3C meetings.

Carol Oldham - Executive Director, Massachusetts Climate Action Network spoke at our January meeting to provide an overview of Community Choice Aggregation and experiences / best practices from communities that have or are in the process of adopting it. Ms. Oldham is a dynamic and knowledgeable speaker and the Mass Climate Action Network strongly endorses CCA.

At our March meeting Patrick Roche - Energy Coordinator, Clean Energy Division, MAPC, and Stefano Loretto - Business Development Director - Good Energy provided details on the overall process. For background following is a very high level review of their discussion.

- o Due to member community requests the Metropolitan Area Planning Council (MAPC) Clean Energy Division has developed a program to assist communities to implement Municipal Aggregation.

- o Municipal Aggregation allows residents, small businesses and non-profits the option to purchase electrical power under an aggregation (bulk purchase) plan. This provides volume purchasing power and can provide cost savings and price stability along with significantly greener energy than supplied from the utility.
- o Increasing the percentage of green power of Watertown's electrical supply would provide a significant reduction in the Town's carbon footprint. The MAPC's recommended program is specifically designed to facilitate increasing New England's renewable power generation.
- o Over 50 towns and cities in Mass have implemented or are in the process of implementing Community Choice Aggregation, including nearby cities/towns of Cambridge, Brookline, Dedham, Lexington, Melrose, Arlington, and Somerville.
- o Subscribers to Municipal Aggregation would continue to receive a single bill and service from Eversource.
- o Municipal Aggregation is voluntary, residents can decline or can opt out at any time with no penalty.

In an upcoming meeting the WE3C will discuss their interest in sponsoring CCA and, if they choose to, the next step would be to request approval from Town Management / Town Council. Before being offered to our residents there would be additional checkpoints (including the actual negotiated rates) that would require Town approval.

Although many benefits can accrue from CCA (price stability, typical (but not guaranteed) cost savings, reduction of Green House Gas emissions, and driving increased renewable generation in New England) it is not an insignificant process and can take 18 months from Town approval to deployment.

Best regards,

Ed Lewis, CEM
 Energy Manager
 Community Development & Planning
 Town of Watertown
 (P) 617-972-6417 EXT. 12215



Please consider the environment before printing this e-mail

Remember when writing or responding the Secretary of State's Office has determined that e-mails are a public record.

From: Driscoll, Michael
 Sent: Monday, May 08, 2017 5:14 PM
 To: Lewis, Edward <elewis@watertown-ma.gov>
 Cc: Magoon, Steven <smagoon@watertown-ma.gov>
 Subject: renewable energy program

Sir/ Ed; as we briefly discussed, here is the email from Mr. Forsythe.

From: Forsythe, Dana [<mailto:dforsythe@wickedlocal.com>]
 Sent: Monday, May 08, 2017 12:30 PM
 To: Driscoll, Michael <mdriscoll@watertown-ma.gov>
 Subject: renewable energy program

Hi Michael...

Does Watertown have anything like this? Any plans to join a program like it.. Please let me know. Thanks

THE ISSUE: Some communities are boosting their use of renewable energy bypassing basic electric service to negotiate contracts with third-party generators.

THE IMPACT: Two programs are running, with eight more in development. Those 10 communities' plans could result in 17 new 1-megawatt wind turbines.

Towns ditch standard electric service to embrace green power

Gerry Tuoti

Wicked Local Newsbank Editor

A small but growing number of cities and towns are negotiating new electric contracts for their residents to boost renewable energy use in Massachusetts, bypassing the basic service offered by utilities such as National Grid and Eversource.

The practice is called municipal aggregation.

"Traditionally, it's been much more used as a practice to achieve savings and provide much more price stability," said Cammy Peterson, director of clean energy at the Metropolitan Area Planning Council. "The innovation is that piece where they're also using it as a tool to advance renewable energy in a supply."

Melrose was among the first Massachusetts communities to use municipal aggregation as a way to increase the use of renewable energy. Its plan, which went into effect last January, mandates that renewable sources be used to generate at least 17 percent of the electricity coming into the town. Massachusetts regulations require that renewables make up at least 12 percent of the statewide energy portfolio.

Martha Grover, energy efficiency manager for Melrose, said she's recently fielded calls from several communities considering similar plans.

Dedham launched its own program last year. Eight other communities – Arlington, Brookline, Gloucester, Hamilton, Mills, Somerville, Sudbury and Winchester – are currently working with the MAPC to launch their own green municipal aggregation programs.

--

Dana Forsythe

Editor

Watertown Tab/ WickedLocal

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To: Honorable Town Council
From: Michael J. Driscoll, Town Manager
Date: July 21, 2017
RE: Miscellaneous Items

Today's Miscellaneous Items includes the following:

Governor Signs Budget - Statewide Housing Court Expansion Is Happening

Mosquito PSAs for Immediate Release

Press Release on Elevated Risk Level for West Nile Virus

Hen and Honeybee Information Display at Library

Street letter Hovey Street

→ Agenda for the Monday, July 24th Environment and Energy Efficiency Committee Meeting

Hatch write up in the TAB

Approved Minutes

Marijuana law

Athenahealth's Chief Financial Officer Stepping Down, Interim Appointed

Community begins to react to idea for new library and senior housing

Developer pitches new plan for Pleasant Street site despite pending lawsuit

Eversource rate case presenting fiscal woes for solar projects

Hand, JoAnna

From: Magoon, Steven
Sent: Tuesday, July 18, 2017 11:07 AM
To: Hand, JoAnna; Osmond, Marsha
Subject: FW: Agenda for the Monday, July 24th Environment and Energy Efficiency Committee Meeting
Attachments: WE3C 7-24-2017 Agenda.docx

Please Include In misc. Items. Thanks

From: Lewis, Edward
Sent: Tuesday, July 18, 2017 10:00 AM
To: Lewis, Edward <elewis@watertown-ma.gov>
Subject: Agenda for the Monday, July 24th Environment and Energy Efficiency Committee Meeting

Hello all,

Attached is the agenda for the Monday, July 24th WE3C meeting, It will be held at 7:00pm in the Town Hall third floor conference room.

We will be hosting guest speakers from Peregrine Energy Group and Bay State – community choice electrical aggregation consultants.

Please RSVP to me if you think you will be able to attend.

Best regards,

Ed Lewis CEM
Energy Manager
Community Development & Planning
Town of Watertown
(P) 617-972-6417 EXT. 12215



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TOWN OF WATERTOWN
Environment & Energy Efficiency Committee

The Watertown Environment and Energy Efficiency Committee

Will meet at 7:00PM on Monday, July 24th, 2017

**Town Hall Administration Building
3rd Floor Conference Room
149 Main Street
Watertown, MA 02472**

The public is welcome.

You can request placement of an item on future agendas by contacting Ed Lewis at elewis@watertown-ma.gov

Agenda

- 7:00 Welcome and introductions

- 7:10 Presentation on Community Choice Aggregation by
Peregrine & Bay State – Aggregation Consultants

- 8:10 Update from working groups:
 - Community Choice Aggregation Working Group
 - Gas leaks
 - Other

- 8:25 Energy Manager Report

- 8:30 Adjourn

Community Choice Aggregation (CCA)

Community Choice / Municipal Aggregation

Watertown's Environment and Energy Efficiency

Committee (WE3C) and the Energy Office are asking the Town Council to authorize Watertown to join Arlington, Brookline, Cambridge,

Somerville, Melrose and 109 other Massachusetts communities who offer Community Choice Aggregation to their residents and small businesses

Community Choice Aggregation - background

- Watertown contracts with an electricity supplier to provide electricity to any residential, small business, or non-profit rate payer on basic service
 - This allows bulk purchase of greener electricity with longer contract terms;
 - Provides price stability
 - Provides affordable local renewable energy
 - Drives additional renewable generation in our area
 - Typically (but not guaranteed) lowers cost
-

Community Choice Implementation Process

1. Town Council authorizes municipality to investigate aggregation and develop a plan
 2. Consultant is retained (at no cost to Town) to develop Aggregation Plan (* steps performed primarily by consultant)
 3. Opportunity provided for public review and input
 4. Seek Town approval to send plan on for State approval
 5. * Submit plan to Dept. of Energy Resources for approval
 6. * Submit plan to Dept. of Public Utilities for approval
-

Community Choice Implementation Process

7. * Request bids for electrical supply (1-3 year terms)
8. If bid is accepted by the Town, contract is awarded
9. * Conduct 30 day public education and awareness including opt-out notice mailed to each resident
10. * Launch program for all on basic service who have not opted out
11. * Maintain program and answer resident inquires

(Note – implementing the aggregation process typically takes 14-18 months)

Typical CCA options

- Successful CCA programs have included:
 - **Default Green Rate** includes an increased level of LOCAL renewable generation (17% vs. 12%)
 - Optional basic rate – State mandated amount of renewable generation (12%)
 - Option Green Plus rate – significantly more renewable generation (50-100%)

Note: historically only a few percent choose other than default rate

CCA impact (resident / small business / region)

Customers:

- Continue to receive one electric bill from and have service provided by Eversource
- Receive price stability over the length of contract
- Typically save money (savings are not guaranteed)
- Can choose not to participate or can opt out at any time penalty free

Regional impact:

- Drives additional local renewable generation
 - Reduces Watertown's carbon footprint
-

Back-up slides

Mass Communities with approved CCA programs

- Acushnet
- Adams
- Aquinnah
- Arlington
- Ashby
- Ashland
- Attleboro
- Auburn
- Barnstable
- Bellingham
- Berlin
- Bernardston
- Bourne
- Brewster
- Burlington
- Cambridge
- Carver
- Charlton
- Chatham
- Chelmsford
- Cheshire
- Chilmark
- Clarksburg
- Dalton
- Dartmouth
- Dedham
- Dennis
- Dighton
- Douglas
- Dracut
- Eastham
- Edgartown
- Egremont
- Fairhaven
- Fall River
- Falmouth
- Florida
- Foxborough
- Franklin
- Freetown

Mass Communities with approved CCA programs

- Gardner
- Gloucester
- Grafton
- Greenfield
- Halifax
- Harwich
- Hatfield
- Haverhill
- Heath
- Holliston
- Kingston
- Lancaster
- Lanesborough
- Lenox
- Lexington
- Lowell
- Lunenburg
- Marion
- Marlborough
- Mashpee
- Mattapoisett
- Melrose
- Mendon
- Methuen
- Millbury
- Millville
- Monterey
- Nantucket
- Natick
- New Bedford
- Newburyport
- North Adams
- Northbridge
- Norton
- Oak Bluffs
- Orleans
- Oxford
- Pelham
- Pembroke
- Pittsfield

Mass Communities with approved CCA programs

- Plainville
- Plymouth
- Provincetown
- Rehoboth
- Salem
- Salisbury
- Sandisfield
- Sandwich
- Seekonk
- Sheffield
- Somerset
- Sudbury
- Sutton
- Swampscott
- Swansea
- Tewksbury
- Tisbury
- Turo
- Tyngsborough
- Tyringham
- Upton
- Walpole
- Wellfleet
- Wendell
- West
Brookfield
- West
Stockbridge
- West Tisbury
- Westborough
- Westford
- Westport
- Williamstown
- Winchendon
- Winchester
- Yarmouth

Source –
www.mass.gov

Driscoll, Michael

From: Lewis, Edward
Sent: Thursday, September 21, 2017 4:34 PM
To: Driscoll, Michael
Cc: Magoon, Steven
Subject: Community Choice Electrical Aggregation

Mr. Driscoll,

As discussed at the September 12th informational presentation to the Honorable Town Council the next step to move forward with Community Choice Electrical Aggregation for Watertown's residents is to request Town Council's formal authorization to proceed.

This authorization would allow the Town to retain an aggregation consultant (at no cost to the Town) to develop a detailed Aggregation Plan. During the development of the Aggregation Plan there would be opportunity for public review and input.

An Aggregation Plan contains the actual parameters and guidelines that would allow a bid to be accepted (by the Town Manager) if the bid met the agreed upon criteria. Typically, Aggregation Plans include parameters such as: 1) the default electricity rate under the aggregation must be less expensive than Eversource basic supply (at time of bid), 2) the default rate will include higher than legally mandated green generation, 3) the aggregation contract length must be between 1 – 3 years and 4) along with the default rate both a base rate (with only State mandated green generation) and a Greener rate (with a significantly higher level of renewable generation) will be offered.

After the Aggregation Plan is developed we would need to return to Town Council to review the plan parameters and seek their approval to submit the Aggregation Plan to the State (Department of Energy Resources (DOER) and the Department of Public Utilities (DPU)) who both must also approve the plan.

Only after the Aggregation Plan has been approved by Town Council, the DOER and the DPU would the Town request bids for electrical supply.

If a bid meets or exceeds the Aggregation Plan parameters approved by the Town Council it could be accepted and the 30 day State mandated public education & awareness phase would begin. This includes an opt-out notice being mailed to every eligible residence.

After the education period the program would be launched for all who have not opted out. By State Law this program can never charge for not joining or opting out, which a resident can do at any time.

The following is the action item for Town Council that would allow us to proceed:

The Watertown Town Council authorizes the appropriate departments to research, develop, and participate in a contract, or contracts, to aggregate the electricity load of the residents and small businesses in Watertown and for other related services, independently, or in joint action with other municipalities, and authorizes the Town Manager to execute all documents necessary to accomplish the same.

Thank you,

Ed Lewis, CEM
Energy Manager

Excerpt from September 26, 2017 Town Council Minutes

Action on Authorization to Investigate Community Choice Aggregation and Develop an Aggregation Plan

ACTION ITEM: That the Town Council Authorizes the Appropriate Departments to Research, Develop, and Participate in a Contract, or Contracts, to Aggregate the Electricity Load of the Residents and Small Businesses in Watertown and for other Related Services, Independently, or in Joint Action with Other Municipalities, and Authorizes the Town Manager to Execute all Documents Necessary to Accomplish the Same.

Mr. Driscoll provided information on the project and reminded the Council that this is the first step in a process that may take up 18 months to be completed. Councilor Piccirilli moved to adopt the action item; Councilor Dattoli seconded the motion. The motion was adopted unanimously on a voice vote.

Hand, JoAnna

From: Driscoll, Michael
Sent: Wednesday, May 22, 2019 11:51 AM
To: Hand, JoAnna
Subject: FW: Watertown Electrical Aggregation Program

From: Lewis, Edward
Sent: Wednesday, May 22, 2019 11:38 AM
To: Driscoll, Michael <mdriscoll@watertown-ma.gov>
Cc: Kabel, Lori <lori.kabel@watertown.k12.ma.us>; Magoon, Steven <smagoon@watertown-ma.gov>; Tracy, Thomas <ttracy@watertown-ma.gov>
Subject: Watertown Electrical Aggregation Program

Mr. Driscoll,

We have received conditional approval of our electricity supply aggregation plan (Watertown Electricity Choice) from the Department of Public Utilities (DPU).

The stated intent of Watertown Electricity Choice is to offer our residents and small businesses a greener electricity supply with stable pricing. Typically these programs provide a slightly lower yearly cost than the Eversource basic rates, although cost savings can not be guaranteed as State law requires Eversource to reprice electricity supply every six months.

Currently, over a hundred aggregation programs are underway in Massachusetts, these programs have been very impactful in increasing local renewable generation and lowering green house gas emissions, which reduces the Town's carbon footprint and combats climate change.

Mr. Shortsleeve, from Bay State Consultants, part of our electrical aggregation consulting team, said their will be new DPU regulations released in the near future, possibly June 1st. Although the content of these regulations have not been released he has concerns they could negatively impact pricing of electricity. However, if a contract has been secured it is typically grandfathered under the old regulations. To that end he suggested it is in Watertown's best interest to go out for bid for electricity supply under the aggregation and if the results are favorable to lock in a contract this month.

Previously, the Honorable Town Council authorized the first steps of the Town-wide electricity aggregation, this included retaining a consultant, developing an aggregation plan and bringing it thru the required state agency approvals.

We now seek Town Council's final approval to go forward with the aggregation.

Since there is only a four hour acceptance window once electricity supply bids are received, final authorization by the Town's Governing body consists of authorizing the Town Manager to accept an electricity supply bid if the pricing is lower than a proposed rate and contains more renewable energy than required by the State.

An accepted bid would allow us to launch the program following the State Law required notifications, public meetings and opt-out provisions. If no bid favorable to the Town was received in this cycle, we would re-bid under this authorization at a later date.

Watertown's Environment and Energy Efficiency Committee, along with the Town Energy Manger, respectfully request a time slot in an upcoming Town Council Meeting for a short review of the proposed Aggregation Program structure and request authorization to allow the Town Manager to launch the Electricity Choice program should an acceptable electricity supply bid be received.

Respectfully,
Ed Lewis, CEM
Energy / Project Manager
Department of Public Buildings
Town of Watertown, MA
617-972-4250