

**The Fourth Annual Regionalization
Toolkit Conference
September 10, 2012**

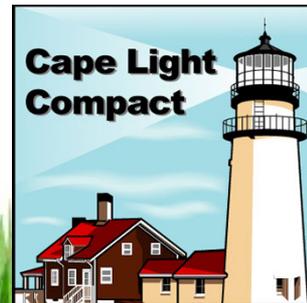
Cape Light Compact

**Collaborative Energy Efforts: Municipal
Aggregation**

Maggie Downey

About Cape Light Compact

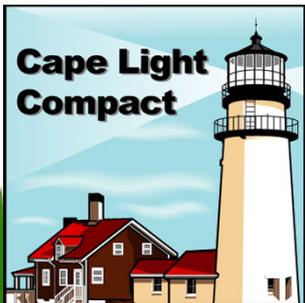
- Serves 200,000 consumers from all 21 towns on Cape Cod and Martha's Vineyard
- Cape Light Compact Governing Board represents each member town's or county's interests



Comprehensive Approach to Energy Services

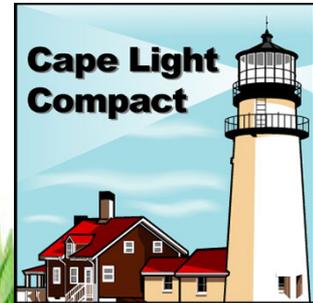


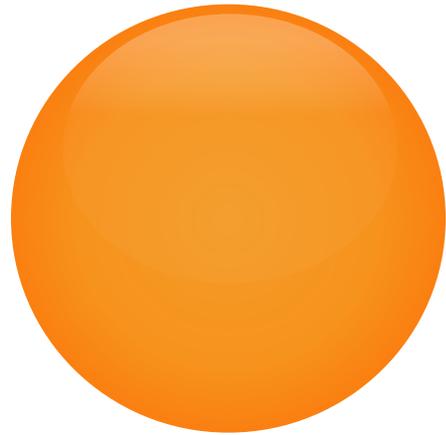
Providing Energy Services to the Cape & Vineyard



Key Acts for Cape Light Compact

- The MA Electricity Restructuring Act of 1997 enables towns and cities to establish municipal aggregators like Cape Light Compact, that could:
 1. Purchase power on behalf of all customers in the municipality
 2. Implement the rate payer funded energy efficiency programs instead of the local electric utility
- The MA Green Communities Act of 2008 established a new statewide energy efficiency planning process, impacts municipal aggregators
 1. Three-year MA Department of Public Utilities (DPU) approved Energy Efficiency Plan
 2. Significant funding increases for “all cost-effective measures”
 3. Energy Efficiency Advisory Council, Statewide Working Groups





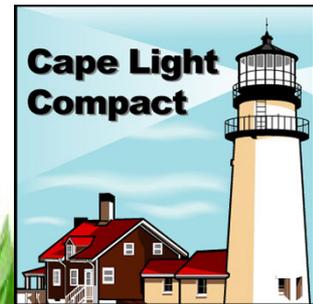
POWER SUPPLY

Program Overview 



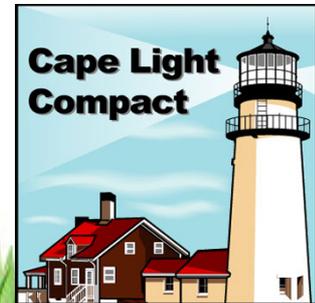
Power Supply

- Administers \$100 million + annual power supply contract since 2003
- Serves all customer classes – residential, commercial & industrial and municipal - in 21 Cape and Vineyard towns
- Approximately 150,000 participating electric accounts
- Retail usage is over 1 Million MWh per year
- Peak load in 2011 was 331.23 MW in July
- Operations were funded by Barnstable County and now through a mil adder



Power Supply – What Works

- Utilizes a screening process for procurement
 - Only work with potential bidders who have strong balance sheet, can provide acceptable level of financial security
- Contract terms favor CLC
- Execute a contract for multiple years to allow suppliers to manage their own power supply hedging strategies
- Require bidders to provide fixed prices for each rate class
- Contract should allow development of renewables and implementation of energy efficiency measures
- Contract does not allow any pass-throughs on price; all risk is borne by the supplier



Power Supply Rates

Cape Light Compact offers competitive electric rates and Green Power options to our customers

CAPE LIGHT COMPACT BASIC ELECTRIC RATES

Effective from your July 2012 through January 2013 meter read dates

Residential = 6.688 cents per kWh

Commercial = 6.676 cents per kWh

Industrial = 6.676 cents per kWh

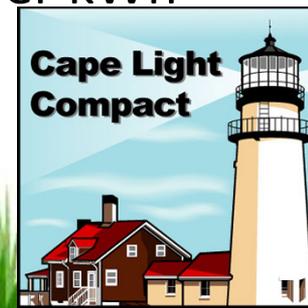
CAPE LIGHT COMPACT GREEN CURRENT RATES

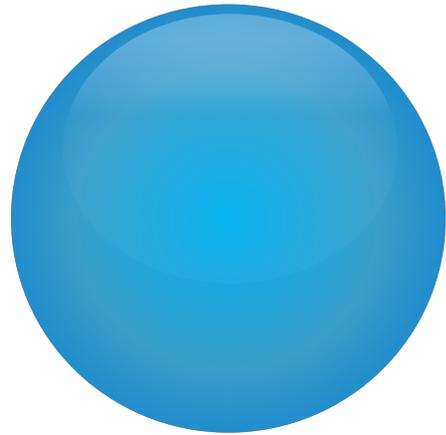
Effective from your July 2012 through January 2013 meter read dates

Residential = 50% 7.588 cents per kWh / 100% 8.288 cents per kWh

Commercial = 50% 7.576 cents per kWh / 100% 8.276 cents per kWh

Industrial = 50% 7.576 cents per kWh / 100% 8.276 cents per kWh





Effective Consumer Advocacy

Program Overview

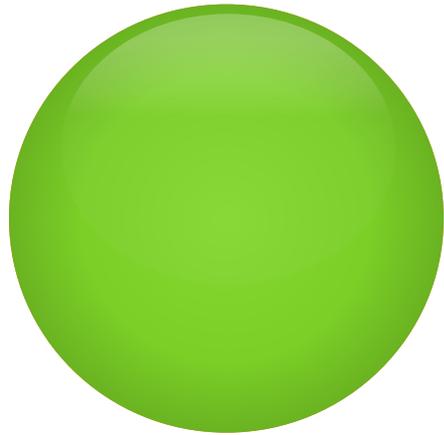


Consumer Advocacy

**Cape Light Compact
advocates on your
behalf to provide
maximum energy
opportunities,
benefits and savings
in our communities**

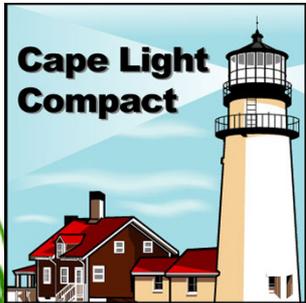


- Represents the interests of Cape and Vineyard electric ratepayers through ongoing participation in legislative and regulatory proceedings
- Assisted towns in reducing costs through the purchase of more efficient streetlights and negotiated a cost-effective maintenance contract
- Ensured that eligible low-income residents receive a discounted electric distribution rate and expanded consumer protection and assistance
- Facilitated savings in natural gas contracts for Cape schools and electric savings for municipal buildings



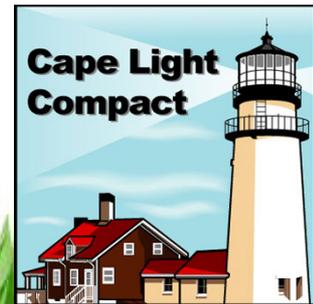
Proven Energy Efficiency

Cape Light Compact's proven energy efficiency programs are available to every resident and business on Cape Cod & Martha's Vineyard



Energy Efficiency

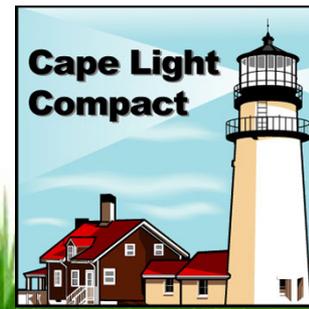
- **INVESTED** \$77 million in energy efficiency programs (July 2001 – December 2011) – anticipate another \$26 million in 2012
- **CONDUCTED** over 19,200 FREE energy assessments for residential, business and government customers on the Cape & Vineyard
- **SAVED** approximately 18 megawatts (MW) of peak electric generation – offsetting 1.6% of Mirant Canal Generating Plant's rated capacity of 1,126 MW
- Energy efficiency programs will result in an annual net-benefit reduction of approximately \$218 million dollars in electricity costs for their customers from 2010-2012



Residential Programs

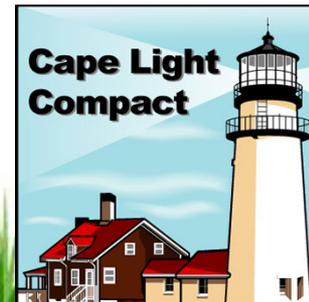
CLC's Residential Programs are designed to help you manage costs while making the home more comfortable all year round

- **FREE** home energy assessment, **FREE** compact fluorescent light bulbs, **FREE** air sealing
- Generous incentives include covering **75% of the cost up to \$4,000** to install recommended insulation
- Special 100% enhanced incentives for income eligible residents (60-80% of median income)
- Special 100% programs for year-round renters who pay utilities
- Innovative pilot programs that can substantially increase your money and energy savings
- Zero/low-interest HEAT Loan through Mass Save to help install energy efficient home improvements



Residential Rebates

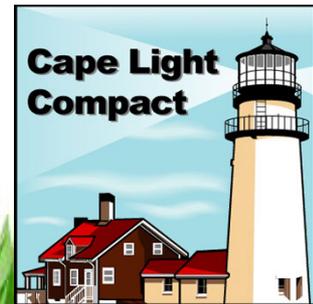
- Programmable Thermostats
- Chimney Balloons
- Heating Systems and Controls
- Central Air Conditioning
- Indirect or on-demand water heaters
- Solar domestic hot water
- Refrigerators and freezers
- Second refrigerator recycling
- Pool Pumps
- Heat pump water heaters
- Lighting



Commercial & Industrial Programs

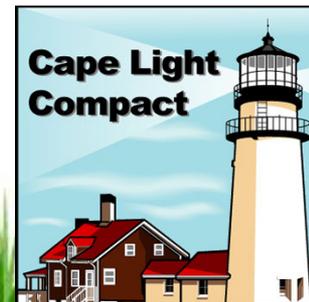
Separate Commercial & Industrial Programs for key sectors:

- New construction and major renovations
- Small & large business retrofit
- Municipal/Government agencies



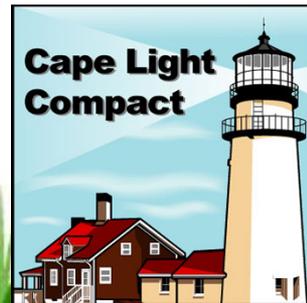
Commercial & Industrial Programs

- Provide audit or detailed technical assessment of the energy efficiency opportunities
- Offer financial incentives to reduce the payback period for efficiency improvements to 1-2 years
- Serve small businesses with electricity demand up to 300 kW with our turnkey service
- Pay up to 80% of the cost to install qualified energy efficiency upgrades up to \$150,000 for small business projects (subject to limitations)
- Pay for 100% of costs for labor and materials up to \$150,000 per project per year for Municipal/Government Agencies Program



Commercial & Industrial Programs

- Coordinate and cost-share recommended upgrades with National Grid for cost-effective gas efficiency projects
- Add prescriptive and custom approaches to maximize efficiency & savings
- Sponsor and implement Advanced Buildings Program through the New Buildings Institute
- Offer more advanced training and certification programs



Energy Education Program

- Supports both in-school and after school educational energy clubs
- Supports Massachusetts State Education Standards for Science and Technology
- Dedicated local teachers serve on Cape Light Compact's Teacher Advisory Board to guide program goals, content and delivery
- Award winning program every year from 2003-2011



What's Next?

- 2013-2015 Energy Efficiency Plan
 - LED Retrofit for all 14,000 municipally owned streetlights
 - Serve all customers comprehensively regardless of fuel type (oil and propane)
- RFP for new power supply vendor
 - January 2014 and beyond
- Continue to work with the Cape & Vineyard Electric Cooperative in the development of renewable energy projects



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