

**THE COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF PUBLIC UTILITIES**

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Town of Billerica)) D.P.U. 17-XX
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**PETITION OF TOWN OF BILLERICA FOR APPROVAL OF
AGGREGATION PLAN PURSUANT TO M.G.L. c. 164, § 134**

I. INTRODUCTION

The Town of Billerica (“Town”) hereby petitions the Massachusetts Department of Public Utilities (“Department”) for approval pursuant to M.G.L. c. 164, § 134 (“Section 134”) of Billerica’s Community Choice Power Supply Program’s Aggregation Plan (“Plan”) (see Attachment B). Section 134 authorizes municipalities to aggregate the electrical load of electricity consumers located within their borders in order to procure competitive supplies of electricity.

On May 3, 2016, at an Annual Town Meeting, the Town initiated the formal process to become a municipal aggregator pursuant to Section 134 by declaring its intent to become an aggregator of electric power (see Attachment C, Article 21). On January 9, 2017, pursuant to M.G.L. c. 30B, § 1(b)(32), the Town elected to forego the Request for Proposals (RFP) process when seeking a consultant to assist the Town in the design, implementation and administration of the Program (see Attachment D). On January 9, 2017, the Town Manager signed a consultant agreement with Colonial Power Group, Inc. (CPG) to be the consultant for the Town to guide it through the municipal aggregation process and to administer the Plan, if ultimately approved (see Attachment E).¹ On November 21, 2016, the Board of Selectmen approved the Plan (see Attachment F). In developing the Plan, the Town and CPG incorporated the comments and suggestions of public officials, including the Massachusetts Department of Energy Resources (DOER). The Town and CPG also conducted discussions with National Grid (“Local Distributor”).

II. REQUESTED PROCEDURES TO REVIEW AGGREGATION PLAN

The Town respectfully requests that the Department conduct its review of this petition expeditiously in order to allow the Town to proceed with Plan implementation and to negotiate

¹ Pursuant to the agreement between the Town and CPG, CPG is obligated to prepare and submit all filings relating to the Plan with the Department. Accordingly, CPG’s petition for leave to intervene in this proceeding is included with this Petition. The Town supports CPG’s petition.

binding agreements with interested Competitive Suppliers. The Town wishes to take advantage of current market conditions to maximize savings for its eligible consumers. Therefore, the Town respectfully requests an order by April 1, 2017. Municipal aggregators are required by their very nature to conduct their business openly and with full participation by the public. The Town holds regular, open public meetings at which eligible consumers have had the opportunity to express their views and shape the Town's Plan. Moreover, the Town has adopted forms that comport with aggregation plans previously approved by the Department and the Plan has been reviewed by the DOER. The Town (and CPG), therefore, respectfully propose a streamlined process consistent with other aggregation plan reviews that would include a public hearing, discovery by Department staff, and an opportunity for interested persons to submit written comments after the conclusion of the public hearing. In return, the Town and CPG commit to providing requested information to the Department on an expeditious basis. Cf. Cape Light Compact, D.T.E. 04-32, p. 2 (Review procedure summarized.)

III. DEVELOPMENT OF AGGREGATION PLAN, SELECTION OF COMPETITIVE SUPPLIER, AND COMPLIANCE WITH STATUTORY REQUIREMENTS

The Town and CPG developed the Plan consistent with sound and established planning practices and all relevant statutory requirements. First, the Plan was developed in conjunction with consultation with the DOER as required by M.G.L. c. 164, § 134. Second, the Town and CPG offered numerous opportunities for the public to review and comment upon the Plan. Third, the Town and CPG drew substantially from the plan and procurement processes established by and approved for the Cape Light Compact and the Community Choice Power Supply Programs administered by CPG. The Town and CPG expect to continue to benefit from the experience of these established public aggregation plans.

The Plan features an optional product that may include the purchase of Renewable Energy Certificates (RECs) above the Town's standard product. The Town will strive to include RECs from local renewable resources.

The Plan and a form of Electric Service Agreement (ESA) developed in order to implement the Plan ensure that Plan participants will receive required notices, that the Town will be able to choose an appropriate Competitive Supplier and that eligible consumers will be able to opt-out of the Town's Plan consistent with relevant requirements. The Plan and ESA thus meet the requirements of M.G.L. c. 164, § 134(a), ¶¶5, 6. The Town's detailed Education and Information Plan ("Education Plan") is provided as Attachment H, an Implementation Schedule is provided as Attachment I and a draft Customer Notification Form is provided as Attachment J.

The Plan and parallel portions of the ESA address the required provisions for organizational structure, operations, funding, activating and terminating the Plan, methods for entering and

terminating agreements, rate setting and other costs to participants, universal access, equitable treatment of ratepayers, reliability, and rights and responsibilities of participants.

The Plan, similar to all Community Choice Power Supply Programs administered by CPG, incorporates several innovative features that best address these requirements in the context of the requirements and objectives of the Town as being implemented by CPG with respect to the Plan. First, the Town may be “revenue neutral” with respect to the Plan. The Town has not incurred any outside costs with respect to the development of the Plan and the ESA. These efforts have been undertaken by CPG and CPG will only receive remuneration pursuant to a consumption-based charge to be reflected in the energy charge to Plan consumers. See Plan, §§ 2.4, 3.0. This fee structure was an important feature to the Town in its election to pursue the Plan.

IV. WAIVER OF CERTAIN INFORMATION DISCLOSURE REQUIREMENTS

The Town or any Competitive Supplier to the Town may be obligated to disclose to participating consumers a range of information regarding prices, collective bargaining agreements, fuel sources and air emissions, under M.G.L. c. 164, § 1F(6) and 220 C.M.R. 11.06.

Competitive Suppliers have indicated that requiring the disclosure label to be inserted into the Local Distributor’s paper bills would be costly for the supplier, and thereby drive up the bids offered to the Town. An additional burden would be placed on the Local Distributor to determine how to send the disclosure label to those customers who are on electronic billing.

The Town or its Competitive Supplier can provide much of this the information required by the statute, M.G.L. c. 164, § 1F(6), especially the information regarding the fuel sources, emissions characteristics and labor characteristics, more effectively and at lower cost by using means other than those specified in the regulation, 220 C.M.R. 11.06(4) (see Attachment H for the Town’s Education Plan). The Town therefore requests a waiver, both for itself and any Competitive Supplier, of certain of the requirements of 220 C.M.R. 11.06, under the Department’s authority for good cause, to grant an exception to the requirements of 220 C.M.R. 11.00. See 220 C.M.R. 11.08. Specifically, the Town requests that the Department waive the requirements of 220 C.M.R. 11.06(4)(c) that a Competitive Supplier provide an information disclosure label directly to retail consumers on a quarterly basis. The Department has allowed this exemption in all Department approved Municipal Aggregation Plans to date.

As an alternative to providing the quarterly information disclosure label directly to participating consumers, the Town and CPG respectfully request that the Department allow that the Town may provide the information regarding fuel sources, emissions and labor characteristics by alternative means. Based upon information available to it, the Town and CPG believe that other means are as likely, if not more likely, to effectively deliver the information required by the

statute and regulations. These alternative measures include press releases, public service announcements on cable TV, newsletters of civic, business and religious organization, postings at Town Hall, discussions at meetings of the Town's Board of Selectmen (which are televised and reported in the press), and postings on the websites of the Town or CPG. In the case of all current Community Choice Power Supply Programs administered by CPG, no participating consumers have objected to the change in delivery formats.

Importantly, the Town's and CPG's waiver request is narrow. The Town and CPG are not seeking any waiver of its obligations under M.G.L. c. 164, § 134 to provide written notice to inform all ratepayers of the automatic enrollment process, their rights to opt-out of the Plan, and of their other rights under Section 134. The Town and CPG are also not seeking any waiver of any Competitive Supplier's obligations to provide written Terms of Service to each ratepayer (220 C.M.R. 11.06(3)), and to provide to all participating consumers a toll-free telephone number for customer service and complaints (220 C.M.R. 11.06(2)(c)). Any Competitive Supplier will also provide, prior to the initiation of service, the price information required by 220 C.M.R. 11.06(2)(b).

V. CONCLUSION

WHEREFORE, the Town, with the support of CPG, respectfully requests that the Department find that the Town's Plan and related procedures meet all of the requirements of M.G.L. c. 164, § 134 and approve the Plan, issue the specific waiver requested in Section IV above, and take such other actions as may be necessary and appropriate.

Respectfully submitted,
TOWN OF BILLERICA
By its Town Manager,

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