Cape Light Compact

Update to Wellfleet Board of Selectmen

May 16, 2017

Compact Background

- The Cape Light Compact (CLC) was formed in 1997 to advance the interests of electricity consumers in the wake of the Restructuring Act through its:
  - Power supply program
  - Energy efficiency programs
  - Consumer advocacy at the state level
- Cape Light Compact (CLC) operates under an Intergovernmental Agreement (IGA) between 21 towns and 2 counties of Cape Cod and Martha’s Vineyard in accordance with MGL c. 40, s. 4A
Why form a Joint Powers Entity (JPE)?

Governance
- Member Towns/Counties appoint a Representative to Governing Board
- Goals of Compact identified within DPU approved Aggregation Plan
- Members appoint a Director to Board of Directors
- Same

Financial
- Treasurer functions are performed by Board member
- Treasurer functions cannot be performed by a member or staff – must be a separate entity

- Compact's current Intergovernmental Agreement (IGA) expires in 2022
- Goal is for the Compact's member towns to transition from the existing IGA to a Joint Powers Entity through a Joint Powers Agreement (JPA)
- JPE is a separate legal entity

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Why form a Joint Powers Entity (JPE)?

Fiscal
- Although not required under IGA statute, Compact has performed annual financial audits through a 3rd party
- Required to report to the Dept. of Revenue
- Although not required, Compact has been providing members with annual reports since 2013
- Required to perform annual audits and provide annual reports to members

Liability
- Requires Governing Board to select a fiscal administrator
- Can perform fiscal and administrative services or contract for the services
- Protects member towns/counties from liability, including employee/pension & OPEB liabilities

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