

BARNSTABLE COUNTY ASSEMBLY OF DELEGATES
Standing Committee on Telecommunications and Energy
DRAFT Minutes
January 6, 2016

The Standing Committee on Telecommunications and Energy met at the Assembly Chamber Hall on January 6, 2016 at 3:00 p.m. to discuss Barnstable County electric rates and economics, the supplier market, and the Cape Light Compact aggregation plan with Chris Powicki, President of Water Energy Ecology, Information and Design Services, Inc.

Committee members present: Chairman James Killion, Deborah McCutcheon, Patrick Princi and alternate member Suzanne McAuliffe. Absent: John Ohman and Teresa Martin.

Chairman James Killion announced that Chris Powicki prepared a PowerPoint presentation for the committee and others present that will present his view regarding the energy market on Cape Cod. The presentation materials will be considered an attachment to the minutes of this committee meeting.

Chris Powicki reference the presentation made by the Cape Light Compact at a previous committee meeting that was helpful but his focus was on the customer's bill and how it relates to the compact. Power delivery rates are higher on Cape Cod because we are paying for a year-round delivery system that is oversized because of the summer demand.

Chris Powicki felt that progress has been made by the Assembly and citizens over the past several years to bring issues to the foreground regarding the electric supply program on Cape Cod. Towns and Counties have no authority over Cape Light Compact as administered. Frequently, Cape Cod electric bills are higher than others around the state and in his opinion there are several factors that contribute to a higher bill. In 2006 the use of "best terms and conditions" started to impact rates for residential consumers. This was an approach made by choice and not required by law. For the entire time the aggregation program has been (2006) in effect he estimates the adverse impact on residential ratepayers has been approximately 40 million dollars or \$315 per consumer. There are now more options for consumers and they can leave the compact if they choose. The interest of individual rate payers may be different from municipal rate payers – cheaper monthly electric bills versus fixed stability.

The presentation included a review of the supply and procurement of Renewable Energy Certificates and Renewable Energy Practices. The County negotiates agreements with ConEd Electric, Cape Vineyard Electric Cooperative, and towns. Chris Powicki indicated that concerns and issues were raised, discussed and uncovered by the Assembly's special committee. He said that renewable energy credit contracts were used to manipulate pricing and launch the Cape Light Compact municipal aggregation. Many of these transactions have not been publically disclosed. Questions were raised regarding who would be liable for wrongdoing.

An explanation was presented to the committee regarding the \$520,000 grant receipt explored by the special committee. Chris Powicki indicated that the explanations are very confusing and well answered. The energy efficiency pool is used by rate payers for energy audits. Consumers are not aware of this opportunity and unaware they are already paying for this service. The presentation also states that businesses and other commercial and industrial ratepayers face higher rates to subsidize municipal energy efficiency upgrades.

There have been power supply opt-outs over time. The initial enrollment was approximately 180,000. It is currently at approximately 121,000 residential and 12,700 commercial. There is now a state website available for consumers to use and them with choices that are available on Cape Cod electric suppliers.

Suggestions were made to the committee regarding what could be done to improved communication and protect the rate payers and reforms relating to municipal aggregation.

James Killion stated that the committee is seeking to compare Cape region rates and off Cape rates.

Suzanne McAuliffe indicated that residents in Yarmouth are made aware of the opportunity to receive a free energy audit but what is missing is the fact that they have already paid for this service and should request it.

The meeting was adjourned at 3:55 p.m.

Submitted by:
Janice O'Connell, Clerk
Assembly of Delegates