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| | | Do you have any recommendations regarding the length of the term of Program electricity supply agreements? Should the terms of such agreements be uniform duration? Should the term of such agreements vary? | | |
| Levin and Associates, Inc. | Procurement of Electricity Supply and Program RECs; Pricing | 13 | Please state your multiple supply agreements in place for discrete portions of the aggregate load that require at different times? | Y |
| Levin and Associates, Inc. | Procurement of Electricity Supply and Program RECs; Pricing | 14 | Please state your degree of confidence that, including the additional cost of the Program RECs, you will be able to deliver 5% of electricity generated from above the current RPS standard. How long of Program electricity can be maintained at a level equal to or less than the LDC's default \$/MWh. There are currently no other contracts that the City has entered into for electricity aggregation. Do you have a history or business practice that you believe would be able to deliver TOU Rates? Do you have a history or business practice that you believe would be able to deliver TOU Rates? Do you have a history or business practice that you believe would be able to deliver TOU Rates? | Y |
| Levin and Associates, Inc. | Other Municipal Electricity Aggregators | 4 | Are you aware of any municipal aggregators in states with TOU Rates that might provide experience that is relevant and useful? | Y |
| Local Power Inc. | Municipal Aggregation Program Implementation and Administration | 1 | Would you recommend that the City complete a feasibility study? If so, please describe the steps necessary to conduct a thorough feasibility study to assess the risks, costs, and potential benefits of providing electricity supply and related energy services to its residents and businesses via a municipal aggregation program (the "Program")? | Y |
| Local Power Inc. | Municipal Aggregation Program Implementation and Administration | 2 | Please describe both the required and recommended steps for implementing the Program, including the offering of related energy services. How would you assess the administrative costs to the City, measured in terms of the number of City employees needed to manage the program internally (expressed as a full time equivalent position) and other related costs? | Y |
| Local Power Inc. | Municipal Aggregation Program Implementation and Administration | 3 | Please provide a timeline or Gantt chart for implementation of the Program, indicating all milestones. Do not include dates unless you are certain of their occurrence. Please provide a brief description of each milestone. | Y |
| Local Power Inc. | Municipal Aggregation Program Implementation and Administration | 4 | Please list all required and recommended reporting requirements for the Program. Please describe a recommended organizational structure for the successful administration of the Program. If possible, please cite examples based upon your own experience. | Y |
| Local Power Inc. | Municipal Aggregation Program Implementation and Administration | 5 | Please describe the consultations, if any, with the Department of Energy Resources or Department of Public Utilities, or any other agency with jurisdiction over the Program, or Envrionment, the City's local distribution company (LDC), that are required or that you recommend to be required for the implementation phase of the Program. Please list all things that are required to be submitted to those agencies after the implementation phase or thereafter. | Y |
| Local Power Inc. | Municipal Aggregation Program Implementation and Administration | 6 | Please describe what you believe to be best practices for the sharing of customer information and data, between the City and the LDC. | Y |
| Local Power Inc. | Municipal Aggregation Program Implementation and Administration | 8 | Please state whether it would be possible for the City to receive account level usage data for its residents and businesses enrolled in the Program, and the purposes for which the City could use that data. | Y |
| Local Power Inc. | Municipal Aggregation Program Implementation and Administration | 9 | Do you recommend that the City retain primary responsibility for developing Program communications, or should primary responsibility for such communications be delegated to a contractor? | Y |
| Local Power Inc. | Municipal Aggregation Program Implementation and Administration | 10 | Please describe your recommendations regarding the scope and the methods for conducting a successful public outreach and education plan to ensure that residents and businesses are fully informed about the aggregation, and are equipped to make sound personal decisions regarding whether or not to join the aggregation based on that information. Be as in-depth as possible in terms of the City's geographic, and that the City's policy to provide communications to residents and businesses in no fewer than six languages. Please describe with specificity (frequency, content, etc.) the communications necessary to implement the Program, and the communication necessary to sustain it. | Y |
| Local Power Inc. | Municipal Aggregation Program Implementation and Administration | 11 | How have you typically engaged residents of the communities as part of the municipal aggregation process? | Y |
| Local Power Inc. | Municipal Aggregation Program Implementation and Administration | 12 | What metrics have you used to measure the success of your community engagement efforts? For example, in measuring the percentage of residents that were contacted, the percentage of residents responding to an inquiry, the percentage of residents attending a community meeting, or one or more other metrics? | Y |
| Local Power Inc. | Municipal Aggregation Program Implementation and Administration | 13 | What results were you able to achieve measuring against the metrics described in the previous response? | Y |
| Local Power Inc. | Municipal Aggregation Program Implementation and Administration | 14 | The City has approximately 673,000 residents and a high expectation for community involvement or public interest. The City has approximately 191,000 commercial accounts, approximately 2,000 small commercial accounts, and approximately 7,000 large commercial accounts currently receiving Basic Service from the LDC. The total annual Basic Service electric load for those accounts is approximately 1,782,286 MWh. How would you measure the success of a municipal aggregation program designed to provide Basic Service? | Y |
| Local Power Inc. | Municipal Aggregation Program Implementation and Administration | 15 | A successful program will retain 80% of residential customers, 80% of small commercial accounts, and 80% of large commercial accounts receiving Basic Service from the LDC. How would you measure the success of a municipal aggregation program designed to provide Basic Service to competitive suppliers to approximately equal to the program, up to about 80% of "active" energy demand? | Y |
| Local Power Inc. | Municipal Aggregation Program Implementation and Administration | 16 | An effective program will offer DER products to the majority of residents, who are low and middle-income, and small and medium-sized businesses, in contrast to traditional energy marketplace programs that target high-income, high-net-worth individuals, and large commercial and industrial customers. This is a diverse, complex program design that is key to engaging the majority of customers in these traditionally neglected categories of community members. For example, such a program design that offers actual equity benefits (as opposed to premium pay) to participants in a retail portfolio is a critical element of effective engagement, so that participants realize economic benefits from participation. Energy efficiency programs focused on low-income and middle-income customers will well be able to achieve the greatest impact. At the same time, large customers should also be engaged with energy products and facilities not being offered by others, and programs that encourage sharing and cooperation, such as microgrids and dynamic EV. | Y |
| Local Power Inc. | Municipal Aggregation Program Implementation and Administration | 17 | Would a program design that involves greater consulting costs in the first phase of work under our proposed schedule in Question #3 above. The additional work will be approximately \$500K in the first phase of work under our proposed schedule in Question #3 above. The additional work will be approximately \$500K in the first phase of work under our proposed schedule in Question #3 above. The additional work will be approximately \$500K in the first phase of work under our proposed schedule in Question #3 above. | Y |
| Local Power Inc. | Municipal Aggregation Program Implementation and Administration | 18 | An effective communication strategy will be centered in a sophisticated City of Boston web website that is an interface with a City of Boston on-base office and billing system, highlighting the ability of customers to sign up to their account and view their usage data and DER product self-analysis and an educational tool to evaluate forecasted and actual cost effectiveness. The website will also include a self-analysis tool to evaluate forecasted and actual cost effectiveness. The website will also include a self-analysis tool to evaluate forecasted and actual cost effectiveness. The website will also include a self-analysis tool to evaluate forecasted and actual cost effectiveness. | Y |
| Local Power Inc. | Municipal Aggregation Program Implementation and Administration | 19 | Please list all principal terms (i.e., materials, meetings, website, etc.) that are required to be included, or that you would like to be included, in a comprehensive education plan regarding the Program. Please estimate, if you can, the cost of the education, outreach, and related communications necessary to implement a City Program. Please also estimate the annual cost of communications post-implementation, or list all the average cost of similar activities you've done in the past, (if any), which you may reference the final table to Appendix 1 to this RFP. | Y |
| Local Power Inc. | Municipal Aggregation Program Implementation and Administration | 20 | It is critical that the City retain primary responsibility for developing program communications, or should primary responsibility for such communications be delegated to a contractor? The City should not seek a waiver, and should provide full and conspicuous disclosure of its pricing and power content. It is merely a power and content labeling requirement prior to the customer's final choice of mix (i.e., etc.). We see no reason to label disclosure, and lists of reasons for such as program credibility, customer engagement based on active disclosure and education about options and payback(s). | Y |
| Local Power Inc. | Municipal Aggregation Program Implementation and Administration | 21 | What information should City seek approval to waive requirement for quarterly distribution of the disclosure table is specified in 220 CMR 11.06(2)(f)? No, please describe a suitable, complete alternative disclosure strategy. | Y |
| Local Power Inc. | Municipal Aggregation Program Implementation and Administration | 22 | What process do you recommend for creating and clearing accounts within the Program? After the Program has been implemented, what process do you recommend for the enrollment of residents and business owners who are initiating new service accounts? Would electricity customers continue to contact the LDC to request new service? | Y |
| Local Power Inc. | Municipal Aggregation Program Implementation and Administration | 23 | End-of-term residents and businesses who are initiating new service accounts will be enrolled automatically on an opt-out basis. All residential and business customers participating in Boston's CCA program will enjoy the protections of law afforded to consumers as they currently enjoy or as they may be afforded from time to time. Customers with questions regarding enrollment status and other small issues should be able to contact the City of Boston for DER product support. All residential and business customers participating in Boston's CCA program will enjoy the protections of law afforded to consumers as they currently enjoy or as they may be afforded from time to time. Customers with questions regarding enrollment status and other small issues should be able to contact the City of Boston for DER product support. All residential and business customers participating in Boston's CCA program will enjoy the protections of law afforded to consumers as they currently enjoy or as they may be afforded from time to time. Customers with questions regarding enrollment status and other small issues should be able to contact the City of Boston for DER product support. | Y |
| Local Power Inc. | Municipal Aggregation Program Implementation and Administration | 24 | Please describe the rights and responsibilities of those residents and businesses that would participate in the Program. Please note this table by your rate class. | Y |
| Local Power Inc. | Municipal Aggregation Program Implementation and Administration | 25 | We strongly recommend that the City of Boston, as a large city with significant human resources and internal capacity, avoid utilizing the "broker" candidate model used by many small municipalities in Massachusetts, due to their limited local capacity and resources during the startup period. Because this approach will severely hinder the development of open power in Massachusetts, the Commonwealth's development of a great CCA has been much weaker than other states. However, the Cape Light Compact is clearly the only CCA in Massachusetts that offers local benefits like local business development and local job creation. These benefits take what breaks simply cannot provide. Instead, Boston should look to the nation's first CCA, the Cape Light Compact in Cape Cod, as its administrative model, as a Program Administrator, to use the program rather than a broker. Hiring a consultant to design the program, define a budget for a City of Boston program, and to provide a list of General Funds and recovered from operating revenue after launch, and to staff during launch. It is important that Boston recognize the program is for its residents and to be controlled by its residents and to be controlled by its residents and to be controlled by its residents. | Y |
| Local Power Inc. | Procurement of Electricity Supply and Program RECs; Pricing | 1 | Would firms providing energy and other consulting services related to the Program be compensated directly by the City, or would they be compensated by one or more of the participating suppliers and their electricity and renewable energy offerings. What are the compensation and other terms and conditions that, in your opinion, should be included in a competitive procurement for electricity supply for the Program. Please describe the criteria you recommend for evaluating potential suppliers and their electricity and renewable energy offerings. What are the tradeoffs of different approaches? | Y |
| Local Power Inc. | Procurement of Electricity Supply and Program RECs; Pricing | 2 | Please recommend a strategy to minimize the net demand load (plus BAAV) of electricity offered through the Program. State what other strategies you recommend, to avoid BAAV escalation in the price of the electricity supply offered to Program participants. For example, do you recommend that the entire aggregated Program load of a single BAAV? Do you recommend being "locked" or the aggregated load at various times throughout the day? Do you recommend that the City set the BAAV to be set at the City's annual market? Do you recommend that the City set the BAAV to be set at the City's annual market? Do you recommend that the City set the BAAV to be set at the City's annual market? | Y |
| Local Power Inc. | Procurement of Electricity Supply and Program RECs; Pricing | 3 | Would firms providing energy and other consulting services related to the Program be compensated directly by the City, or would they be compensated by one or more of the participating suppliers and their electricity and renewable energy offerings. What are the compensation and other terms and conditions that, in your opinion, should be included in a competitive procurement for electricity supply for the Program. Please describe the criteria you recommend for evaluating potential suppliers and their electricity and renewable energy offerings. What are the tradeoffs of different approaches? | Y |

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| | | | | Would firms providing energy and other consulting services related to the Program be compensated directly by the City, or would they be compensated by one or more utility addres to the SWM for electricity delivered pursuant to the Program (an "Adder")? If the latter, would the City compensate such firms directly, during the pre-implementation phase of the Program, with ongoing services compensated by the Adder post-implementation? | | |
| MassPowerChoice, LLC | Municipal Aggregation Program Implementation and Administration | 24 | | Would firms providing energy and other consulting services related to the Program be compensated directly by the City, or would they be compensated by one or more utility addres to the SWM for electricity delivered pursuant to the Program (an "Adder")? If the latter, would the City compensate such firms directly, during the pre-implementation phase of the Program, with ongoing services compensated by the Adder post-implementation? | Y | Consulting firms are compensated through an adder included in the price of electricity. Typically, the municipality does not compensate the firm for services provided during the pre-implementation phase. |
| MassPowerChoice, LLC | Municipal Aggregation Program Implementation and Administration | 25 | | Please describe any charges or costs the LDC will charge the City or its contractors arising from or related to the implementation of the Program. | Y | There are no charges from the LDC to the City. The LDC does charge the supplier model fees in connection with setting up the aggregation. |
| MassPowerChoice, LLC | Procurement of Electricity Supply and Program RECs; Pricing | 9 | | Please describe all costs associated with such procurement for electricity supply for the Program, and state how those costs are generally calculated. If procured separately, rather than through the electricity supply agreement, please describe all costs associated with such procurement of Program RECs, and state how those costs are generally calculated. | Y | The costs of the procurement are covered through the adder for the additional renewable energy above the price of electricity. We are currently supplying several aggregators that are providing 5% consistent collected energy above the RPS requirement at a price below Basic Service. We expect that Boston could achieve the same result. |
| MassPowerChoice, LLC | Procurement of Electricity Supply and Program RECs; Pricing | 14 | | Please state your degree of confidence that, including the additional cost of the Program RECs required to deliver 5% of renewable generated power above the then current RPS standard, the SWM of Program electricity can be maintained at a level equal to or less than the LDC's default SWM. | Y | It is important to recognize that aggregations typically have a flat price year-round whereas Basic Service prices change six months. Basic Service prices are typically higher in the winter and lower in the summer. While our current aggregations are beating both the summer and winter Basic Service prices, the more realistic goal for the aggregation would be to beat the average Basic Service price over the term of the supply contract. |
| MassPowerChoice, LLC | Other Municipal Electricity Aggregations | 1 | | Please state, based on your experience with other municipal aggregations, what the opt-out rates for those other programs have been. If possible, without identifying the specific program, and providing the number of participants originally solicited for the program, please state the opt-out rates by customer rate class. | Y | In our experience, opt-out rates range from 3-8%. |
| MassPowerChoice, LLC | Other Municipal Electricity Aggregations | 2 | | What expenses do you or does your firm have providing services or commodities to aggregated communities here in the Commonwealth? In addition to providing the number of such aggregations, please provide the aggregate annual kWh for each aggregation, the number of customers served, and the number of low income customers served. | Y | We are providing aggregation services to 20 communities across Massachusetts. |
| MassPowerChoice, LLC | Other Municipal Electricity Aggregations | 3 | | Please describe whether in your prior experience the SWM has been the same for all of the rate classes comprising an aggregation, or whether different SWM were offered to different rate classes. If different pricing was used for different rate classes, please explain the basis for the price differentiation. | Y | In most aggregations, the price has been the same for all rate classes. Where pricing has varied by rate class, the electricity suppliers were asked to bid separate prices by rate class and the prices to consumers reflected those bids. |
| MassPowerChoice, LLC | Other Municipal Electricity Aggregations | 4 | | There are currently no time-of-use rates (TOU Rates). Would participation in a municipal aggregation by a resident or business preclude their ability to receive TOU Rates when those TOU Rates become available? Are you aware of municipal aggregations in states with TOU Rates that might provide experience that is relevant and useful? | Y | It would be possible for an aggregation to provide time-of-use rates. |
| MassPowerChoice, LLC | Other Municipal Electricity Aggregations | 5 | | Please state whether any municipal aggregation to which you have provided services or commodities has been terminated. Please describe the circumstances that led to the termination of the aggregation. The focus of your response should be on such factors as failure of the terminated program that made post-implementation fulfillment difficult, adverse electricity or REC pricing, escalating administrative costs, etc. | Y | None of the aggregations to which we provide services has been terminated. |
| SourceOne | Municipal Aggregation Program Implementation and Administration | 1 | | Would you recommend that the City complete a feasibility study? If so, please describe the steps necessary to conduct a thorough feasibility study to assess the risks, costs, and potential benefits of providing electricity supply and related energy services to its residents and businesses via a municipal aggregation program (the "Program"). | Y | We recommend that the City do preliminary research and analysis to familiarize itself with the risks, benefits, and major programmatic questions associated with the program. This may involve both internal and external resources but it should be done before the City develops its Plan. We have no opinion as to whether or not this process is formalized as a feasibility study. |
| SourceOne | Municipal Aggregation Program Implementation and Administration | 2 | | Please describe both the required and recommended steps for implementing the Program, including the offering of related energy services. How would you assess the administrative cost to the City, measured both in terms of the number of City employees needed to manage the program internally (excluding all full-time equivalent positions) and/or related costs? | Y | Annual reports are required by the Department of Public Utilities and the DCEP. |
| SourceOne | Municipal Aggregation Program Implementation and Administration | 4 | | Please list all required and recommended reporting requirements for the Program. | Y | Annual reports are required by the Department of Public Utilities and the DCEP. |
| SourceOne | Municipal Aggregation Program Implementation and Administration | 6 | | Would you recommend that the City retain primary responsibility for developing Program communications, or should primary responsibility for such communications be delegated to a contractor? | Y | Consultation with DCEP is required by Massachusetts General Laws Part 1, Title XXII, Chapter 154, Section 134. Eversource should be engaged early in process to address any concerns. The City will facilitate approval of the plan under the code. The Plan must be approved by the Department of Public Utilities. However, once it is filed with the Department, communication with the DPU will be restricted due to ex parte laws. Therefore, we would advise a preliminary advisory meeting with the DPU and staff to seek guidance on potentially controversial or problematic aspects of the envisioned Plan. |
| SourceOne | Municipal Aggregation Program Implementation and Administration | 8 | | Please state whether it would be possible for the City to receive account level usage data for those residents and businesses enrolled in the Program, and the purposes for which the City could use that data. | Y | Yes. The City and its suppliers would receive EDI flat file with all usage, capacity, kWh, account numbers, etc. for all accounts that are on already on 3rd party supply. Eversource may be amenable to other non-flat file reporting structures. |
| SourceOne | Municipal Aggregation Program Implementation and Administration | 9 | | Would you recommend that the City retain primary responsibility for developing Program communications, or should primary responsibility for such communications be delegated to a contractor? | Y | Yes. Municipal Aggregation and energy supply alternatives are generally an inherently confusing for the majority of customers. The City should maintain tight control over communications, the number of named parties that will interact with the public, and ultimately present that as the major interface. We do think it is wise to have professional resources, either internal or external, dedicated to the development of marketing and outreach materials. |
| SourceOne | Municipal Aggregation Program Implementation and Administration | 16 | | Does the program described in the response to question 14 above come at an additional cost? If so, how much more would it cost? Please provide detail on what this difference in cost would be on a flat-cost basis. | Y | Not materially. The costs to administer the program will not be fundamentally different than in other cities or towns, assuming the City follows a similar path. In other words, most of the administrative costs incurred by new administrators and/or consultants are fixed, not volumetric. Those that are volumetric, such as the requirement to mail an "opt-out" notice, are typically borne by the commodity supplier. We anticipate that marketing and outreach will primarily be in digital format. |
| SourceOne | Municipal Aggregation Program Implementation and Administration | 20 | | In your opinion, should City seek DPU approval to waive requirements for quantity distribution of the disclosure label as specified in 220 C.M.R. § 11.04(4)(f)? If so, please describe the rationale, compare alternative disclosure strategies. | Y | Yes. This would be an unnecessary cost burden. Reference to a URL on the City website would be a perfectly acceptable fulfillment. This is standard practice in MA. This is entirely at the City's discretion. Historically, towns have had to provide a separate disclosure label to a sole aggregation consultant, who typically in turn is the supply rate and are compensated directly by the prevailing electric supplier once the aggregation begins. These consultants may incur fixed cost from subcontractors, such as attorney fees for the DPU regulatory process or marketing fees. Due to its size, resources, and level of sophistication, we think it would be in the best interest of the City and its customers to remain in control of the administrative charge associated with management of the Program, and then pay a consultant's fee from that fund, either at a fixed rate or as a designated percentage, once the City is ready to engage a supplier. It does engage a consultant. The City should have a clear idea about what it will do and what the consultant would do. |
| SourceOne | Municipal Aggregation Program Implementation and Administration | 23 | | Please describe how firms providing energy and other consulting services to municipal aggregators are compensated. For example, are they compensated on a volume basis or an agreed, fixed contract price? If compensation is set volumetrically please describe how those charges are generally determined and billed. Please list other consultant charges, if any, that are separately reimbursed. | Y | Firms providing commodity service in fulfillment of the program (aggregation) will be contracted by the City and the City itself would have no commodity exposure pursuant to that contract. The end-use customer and the utility remain the financial intertie to the supplier. The party or parties responsible for the other costs (non-commodity) in support of the program can be established by the City in its own discretion. The City can either self-administer the program, hire a consultant or procure a private model. The City and its consultant would be responsible for direct non-commodity costs related to the program but those costs can be recovered from a volumetric administrative fee imposed on all customers in the program. This fee is collected by the chosen commodity supplier and then allocated to the Administrator. Aggregation consultants typically prefer to maintain 100% control of this fee because it continues indefinitely as long as the program is in operation, despite the fact that there may be very little work required to maintain the program. We think this is clearly in the interest of the City's customers due to the excessive fees typically charged by Aggregation Consultants, the inflated cost across the City's customers, and the market power conferred by the small number of Aggregation firms that operate in this space. |
| SourceOne | Municipal Aggregation Program Implementation and Administration | 24 | | Would firms providing energy and other consulting services related to the Program be compensated directly by the City, or would they be compensated by one or more utility addres to the SWM for electricity delivered pursuant to the Program (an "Adder")? If the latter, would the City compensate such firms directly, during the pre-implementation phase of the Program, with ongoing services compensated by the Adder post-implementation? | Y | Consulting firms are compensated through an adder included in the price of electricity. Typically, the municipality does not compensate the firm for services provided during the pre-implementation phase. |
| SourceOne | Municipal Aggregation Program Implementation and Administration | 25 | | Please describe any charges or costs the LDC will charge the City or its contractors arising from or related to the implementation of the Program. | Y | We are not aware of any direct costs imposed by the LDC to administer Municipal Aggregation. |
| SourceOne | Procurement of Electricity Supply and Program RECs; Pricing | 2 | | Please describe the pricing alternatives and terms and conditions that, in your opinion, should be utilized by a competitive procurement for electric supply for the Program. Please describe the criteria you recommend for evaluating prospective suppliers and their electricity and renewable energy offerings. What criteria do you recommend using to evaluate the financial stability of potential suppliers? What are the tradeoffs of different approaches? | Y | Evaluation of supplier creditworthiness should factor into the City's evaluation/prequalification. The prospect of a supplier default for such a high profile aggregation would be a public relations disaster. |
| SourceOne | Procurement of Electricity Supply and Program RECs; Pricing | 3 | | Please recommend a strategy to minimize the per kilowatt hour price (SWM) of electricity offered through the Program. State what other strategies you recommend, to hedge against escalations in the price of the electricity supply offered to Program participants. For example, do you recommend fixing the entire aggregated Program load at a single SWM? Do you recommend fixing "blocks" of the aggregated load at various times at different SWM to create an electric, blended SWM? Do you recommend allowing the SWM of a portion of the aggregated Program load to float—and, if so, to be set as the City Ahead market—with the SWM of the balance of the aggregated load hedged with fixed price blocks? Do you recommend the use of financial instruments to hedge the risk of SWM increases above a specified level? | Y | There are many factors that would weigh into this decision, such as the prevailing market price at the time the City goes out to bid, the number of suppliers bidding on the bid, and the specific default option the City wishes to pursue. Generally it will be cost disadvantageous for the City to be 100% of its requirement without providing the supplier with the mechanism to recover costs related to customer migration. There are various ways to implement this. |
| SourceOne | Procurement of Electricity Supply and Program RECs; Pricing | 6 | | Please list Program activities that must be, in your opinion, managed by the Program's electricity supplier. | Y | (a) Historically, consultants have typically should the responsibility of mailing the mandatory opt-out letter on the supplier. This is a good way to manage administrative costs and leverage bulk invoice systems of the supplier. (b) Supplier should be primary point of contact for addripio transactions. (c) Commodity supply. (d) Provide information disclosure labels. (e) All risks and responsibilities pursuant to 220 CMR 11.00 (f) Establish mandatory reporting protocols back to the City to enable management reports and annual reports to MA Department of Public Utilities. |
| SourceOne | Procurement of Electricity Supply and Program RECs; Pricing | 7 | | Please state your criteria for determining whether the Massachusetts Class 1 REC that would be offered through the Program and bid obtained from electricity suppliers or REC brokers. If this is a matter of opinion, please state why you prefer one source over another. | Y | It will be most administratively efficient for the commodity supplier to also facilitate the purchase of REC to present a uniform rate obligation to the end-user, but the City and/or consultant could establish terms of engagement for this aspect of the purchase to improve price discovery. |
| SourceOne | Procurement of Electricity Supply and Program RECs; Pricing | 8 | | What strategies do you recommend to verify the "additionality" of the renewable generated power that would be offered through the Program? That is, how would you recommend that the City verify that new sources of renewable energy were constructed as a direct result of the implementation of the Program? | Y | Additionally a generally related to the functionality of a clean energy project, however an additioanlly claim does not convey actual environmental benefits. If a REC purchase in Massachusetts, state law requires that addripio and load serving parties purchase RECs pursuant to the Renewable Portfolio Standard. This demand for RECs has caused Massachusetts RECs to be among the highest priced in the nation. Because of their value, Massachusetts compliant RECs are a key component of project finance throughout New England. If the City were to engage in a REC purchase agreement with a project developer, they could more tangibly claim additioanlly for the project. |
| SourceOne | Procurement of Electricity Supply and Program RECs; Pricing | 10 | | If separate brokers are employed to assist with the procurement of electricity supply or Program RECs, how are such brokers generally compensated? Are they compensated on a volume basis or an agreed, fixed contract price? | Y | While the City may wish to leverage external resources, there is no reason to engage separate brokers for commodity and RECs. Expertise in commodity should extend to RECs and the procurement of commodity and REC will likely be done in the context of the same procurement and/or contract. It would be in the City's best interest to remain in control of the administrative charge associated with management of the Program (recovered from volumetric SWM fee), and then pay the consultant/broker a fee, either fixed or as a designated percentage on the proceeds of that fund (when the City is paid by the supplier). |
| SourceOne | Procurement of Electricity Supply and Program RECs; Pricing | 11 | | Please state how, in your experience, the per-megawatt-hour price of RECs (SWM) varies by quantity. Does the SWM decrease as the quantity purchased increases, or is the SWM price linear? | Y | Large volumes of RECs will be priced at a discount to small volumes but only to a degree. Beyond a certain \$ contract value, which will be the tier in which the City will remain, price variance will be fairly small compared to the prevailing wholesale market price. The City should consider broker quotes for price discovery or REC prices. |
| SourceOne | Procurement of Electricity Supply and Program RECs; Pricing | 14 | | Please state your degree of confidence that, including the additional cost of the Program RECs required to deliver 5% of renewable generated power above the then current RPS standard, the SWM of Program electricity can be maintained at a level equal to or less than the LDC's default SWM. | Y | This depends on many different factors. The current price for Class 1 MA RECs (2019) is \$22. At 5%, this equates to a premium of \$11 per MWh or 1.3% on a leveled cost of supply that is likely to be in the range of \$80. If the City were to purchase Green E RECs, these could be as cheap as \$0.75 per REC, or 0.04% of the price. |
| SourceOne | Other Municipal Electricity Aggregations | 1 | | Please state, based on your experience with other municipal aggregations, what the opt-out rates for those other programs have been. If possible, without identifying the specific program, and providing the number of participants originally solicited for the program, please state the opt-out rates by customer rate class. | Y | SourceOne has provided commodity service consultation to large public-private buying groups and various large municipal customers across New England. It has also been retained to provide strategic guidance on the development Chapter 16A, Section 134 Municipal Aggregation Plans, including the more detailed aspects of commodity price deviation and TOU price capabilities. |
| SourceOne | Other Municipal Electricity Aggregations | 2 | | What expenses do you or does your firm have providing services or commodities to aggregated communities here in the Commonwealth? In addition to providing the number of such aggregations, please provide the aggregate annual kWh for each aggregation, the number of customers served, and the number of low income customers served. | Y | SourceOne has provided commodity service consultation to large public-private buying groups and various large municipal customers across New England. |
| SourceOne | Other Municipal Electricity Aggregations | 4 | | There are currently no time-of-use rates (TOU Rates). Would participation in a municipal aggregation by a resident or business preclude their ability to receive TOU Rates when those TOU Rates become available? Are you aware of municipal aggregations in states with TOU Rates that might provide experience that is relevant and useful? | Y | TOU Rate derivation is primarily a function of the enabling meters and the back-end billing capability that support the process. It requires coordination between EDI and settlement procedures of the utility, the supplier, and ISO New England. All of these restrictions are currently in place in EverSource's territory. |

| <i>Category</i> | COUNTA of Respondant |
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| Municipal Aggregation Program Implementation and Administration | 125 |
| Other Municipal Electricity Aggregations | 33 |
| Procurement of Electricity Supply and Program RECs; Pricing | 92 |
| Grand Total | 250 |