

TOWN OF BUCKLAND
MASSACHUSETTS



Sept. 26, 2023

To: The Honorable Jeffrey N. Roy
House Chair, Joint Committee on Telecommunications, Utilities, and Energy
State House Room 43

The Honorable Michael J. Barrett
Senate Chair, Joint Committee on Telecommunications, Utilities, and Energy
State House Room 109D

Dear Chair Roy, Chair Barrett, and Members of the Committee,

As municipal leaders committed to helping our residents access affordable electricity, and providing options to combat the global climate crisis at the local level, we write to you today to voice our support and call for the advancement of H.3852, *An Act supporting electrical load aggregation programs in the Commonwealth*, sponsored by Representative Tommy Vitolo of Brookline.

H.3852 will empower municipalities with existing electrical load aggregation programs (also known as municipal aggregation programs) to more effectively update and operate their programs and foster the expansion of these programs to other cities and towns throughout the Commonwealth.

This bill was informed by a diverse group of municipal leaders and aggregation program administrators with years of experience operating aggregation programs in our state. It was first filed as H.3219 by Representative Roy and S.2145 by Senator Lewis, and it was then refined into H.3852 filed by Representative Vitolo.

Electrical load aggregation programs allow cities and towns to procure power for their own residents, often at a lower cost and with a higher clean energy percentage than what residents would otherwise receive through the default utility basic service. As a result, aggregation programs, especially those considered “green” because of their higher percentages of renewable energy, represent a vital tool for municipalities to advance local environmental goals in a cost-effective manner for their communities. Many communities with active programs achieved significant cost savings over this past winter when basic service rates reached historic highs. While we recognize that future savings cannot be guaranteed, we are proud of this accomplishment, and know that we can do so much more.

The legislature created load aggregation as part of the Electric Utility Industry Restructuring Act of 1997, and by 2013 the DPU had established a review process that effectively authorized local officials to operate programs without regulatory impediments, provided that programs comply with specific consumer protections. Now, however, unwarranted barriers are hindering communities from taking full advantage of the opportunity presented by aggregation.

Nearly half of the cities and towns in the Commonwealth do not yet have a program at all. Twenty-two of these municipalities have submitted aggregation plan proposals to the DPU for review, only to get stuck in the queue, often waiting well over a year, and in some cases for over four years, for a response. This excessive delay has deterred many of the remaining municipalities from even pursuing a program.

Under H.3852 and subject to review and approval by the DPU, aggregation plans would be required to describe the structural elements of the proposed programs: how they will be organized, how they will make decisions, and how they will set their rates. Any changes to these structural items would require a plan amendment and approval by the DPU. The implementation elements, such as specific renewable energy levels, electricity supply options, and format of letters to consumers, would be governed by the local decision-making process outlined in the plan, and changes would not require an amendment. This clarification of responsibilities and authority would provide municipal leaders with the much-needed flexibility to adapt program operations more effectively and reduce the regulatory burden for DPU. Importantly, H.3852 also retains all the critical consumer protections and adds additional provisions that promote program transparency and protect consumer data.

It is important to note that the DPU opened a proceeding in August 2023 to address some of the issues H.3852 seeks to solve, such as reducing review time and clarifying rules for aggregations. However, the proposal falls short because it codifies the DPU's current interpretation of the statute. As an example, without H.3852, if every aggregation program desired to add the same, simple new offering (say, a discount to low-income customers from Community Shared Solar), the DPU would have to review and approve over 150 amendments. Without H.3852, therefore, we can expect an ever-expanding approval backlog at DPU and continued restrictions on municipal decision-making. The result is that our aggregation programs will be unable to adapt to the needs of our communities or the market.

As communities across the Commonwealth feel the real-time environmental and economic consequences of the climate crisis and as we work to hit our statewide climate goals and transition to a just clean energy economy, it is more important than ever that Massachusetts electricity consumers have access to energy options that are as sustainable, reliable, and cost-effective as possible.

We, the undersigned municipal officials, join our colleagues in the Legislature in wholeheartedly and enthusiastically supporting H.3852 and respectfully request that you advance the bill favorably out of committee. Thank you for your support and consideration.

Sincerely,

Select Board, Town of Buckland

Clint Phillips

Larry Wells

Joan Livingston

