

**Sudbury, MA, Energy and Sustainability Committee
Meeting Minutes October 15, 2014**

OPENING:

The October 15th, 2014 meeting of Sudbury’s *Energy and Sustainability Committee* was opened by Chairman Bill Braun at 7:35pm in the DPW conference room.

ATTENDANCE:

Committee Members	Attending
Rami Alwan	X
William Braun – Chairman, Energy and Sustainability Committee	X
Jim Cummings	X
Edward Lewis	X
Joe Martino	X
Robert Morrison	
Kurt Reiss	X
Mark Sevier	X
Facilities Director, Town of Sudbury	
James Kelly	X
Guests	
John Shortsleeve – Bay State Consultants	X
Paul Gromer – Peregrine Energy Group	X

AGENDA:

1. Aggregation Presentation
 - a. Bay State Consultants / Peregrine Energy Group
2. LS PV Update
3. Approval of meeting minutes
4. Other business?

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1 Aggregation Presentation

John Shortsleeve from Bay State Consultants and Paul Gromer from the Peregrine Energy Group presented on Municipal Energy Aggregation.

Bay State Consultants and the Peregrine Energy Group are partnering to offer bulk aggregation of a community's residential and small business electricity supply accounts. By purchasing electricity in bulk and having flexibility with the procurement cycle an aggregator can offer a fixed long term (up to three years) electricity supply rate generally with a lower cost and greener sourcing than individuals can get thru their local utility.

Bay State and Peregrine have already been hired to provide residential aggregation services to Natick, Greenfield and Salem.

Aggregation of electrical accounts and bulk electricity purchase has long been common for municipalities and larger business clients; however it is just starting to become more widely available for residential customers and small businesses.

Aggregation also offers access to many varieties of renewable energy so a community can select to purchase a set percentage of their electricity from renewable sources, or can have a two tier electric rate system where the resident can choose a basic rate or slightly higher cost, but much greener supplied, electricity.

The high level aggregation process is to place a warrant for town meeting vote and if approved a committee of stakeholders would work with a consultant to determine the contract terms desired. This includes the term, the percentage and type of green energy and a single or a two tiered rate. The desired terms would put out to bid (through a consultant chosen by RFP by the stakeholder committee) and if the terms are acceptable residents would have the choice to purchase their electricity under the aggregation or they could continue to purchase from NSTAR or any of the other energy companies offering electric supply in Sudbury.

As they currently do residents would continue to receive a single bill from NSTAR with one line for transmission and delivery (paid to NSTAR) and one line for electricity supply paid (thru NSTAR) to the electricity supplier.

Residents can opt out of the program at any time and they will be switched to the supplier of their choice at the next meter read. There is no charge to opt out of the program.

This was the energy committee's second presentation on municipal aggregation and it was an informative and lively conversation.

Much of the after presentation conversation centered on the volatility of electricity pricing in Mass and the major increase in electricity supply charges already announced by NGRID for this winter. NSTAR rates will be announced soon and it is anticipated they

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will also announce a significant increase. It is projected that overall electricity supply charges could climb over 30% this winter.

Much of this price increase is driven by the lack of supply of natural gas for electricity production. Generators in New England have been converting many of the older oil and coal fired generating plants to natural gas. This is environmentally sound as natural gas is significantly cleaner than coal or oil plants; however New England has pipeline constraints that choke natural gas delivery in the winter heating season. In times of short supply natural gas is diverted from generating plants to provide domestic heating. In addition New England has closed, or is in the process of closing, several coal fired generating plants further constraining electricity supply.

Several pipeline and transmission lines projects are in the planning stages, but none are assured of obtaining approval and it is believed that the supply situation (and electricity prices) will remain volatile for quite some time.

One of the major advantages of aggregation is the ability to provide a long term fixed price. Per federal and state regulation the utilities can only provide a six month rate window. In aggregation terms of one, two or three years are not uncommon and that can significantly reduce the price volatility for the end user. Additionally utilities can only purchase energy at specific times vs. an aggregator who has much more flexibility in procurement terms. This is what allows the aggregators to provide less volatile terms to the residents.

Their presentation was informative and the Energy Committee will discuss at our next meeting to decide if the committee wants to support residential aggregation and determine the next steps.

ACTIONS:

Joe - send the committee the link to the *MPAC Guide to Municipal Aggregation*

Energy committee members – review the *MPAC Guide* before our next meeting

Rami - check with LSRHS aggregator to see if they offer residential aggregation

Disclosure – Bay State Consultants has worked with the town of Sudbury for many years to purchase the electrical aggregation for municipal buildings and the (K-8) public schools. Should Sudbury voters decide go forward with residential aggregation and should Bay State be chosen thru the bidding process, the residential aggregation contract would be totally separate from Sudbury’s municipal electricity purchase contract and there would be no additional cost, or cost benefit, to the town contract.

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2 LS PV Update

Rami provided an update on the LSRHS solar canopy project. Work is well underway, with footers, steel framing and decking being assembled. The project is targeted to be completed with an NSTAR interconnect date in mid-November.

An interesting outcome of the limited parking facilities has led to a vast increase in car pooling to and from LSRHS. This has been organized by the students themselves and has led to a decrease in the overall drop-off and parking traffic and certainly a decrease in school transport carbon footprint. Some ideas were discussed to try to keep this wonderful side benefit going after completion of the solar canopy.

3 Approval of meeting minutes

Minutes from the September 24th energy committee meeting were unanimously approved.

4 Other business?

Jim K. and Bill are working with NSTAR to adjust the Schedule Z which determines exactly which town electrical accounts the Net Metering credit from the landfill solar farm is applied against.

Scheduled Energy Committee Meetings: (DPW Building conference room - 7:30 p.m.)

- November 18th, 2014
- December 17th, 2014
- January 21st, 2015

Adjournment: The Energy Committee meeting was adjourned at 9:55pm.

Minutes submitted by: Edward Lewis, October 23, 2014