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MEMORANDUM

EMD

TO: Eileen M. Donoghue, City Manager

FROM: Katherine Moses, Energy Manager

DATE: November 26, 2019

SUBJECT: MOTION OF 11/19/19 BY COUNCILOR LEAHY
REQUEST CITY MANAGER PROVIDE AN UPDATE REGARDING CITY'S AGGREGATE
ENERGY AGREEMENT

History:

On July 9, 2019 the City Council unanimously supported a motion to direct the City Manager to secure executable pricing and enter into a 26 month contract for the Community Choice Power Supply Program, also known as Community Choice Aggregation (CCA). The motion further specified that the CCA include an additional 45% Massachusetts-based Class I Renewable Energy Certificates (RECs) above the required Renewable Portfolio Standard (RPS), nearly quadrupling renewable content.

On July 30, 2019, the City Manager signed an Electric Service Agreement with Constellation Newenergy Inc. for a fixed price of **11.874** cents/kWh for a 26 month period beginning with meter reads on October 1, 2019. This pricing includes 45% additional MA Class I RECs. Residential, commercial, and industrial customers are all eligible to enroll in the City's CCA.

Notification for Various Customer Types:

Customers are notified in different ways about the program, depending on their current electricity supplier.

Existing CCA customers should have received a notification in September indicating the new supplier on the Supply Services portion of your National Grid electric bill. If you see "Constellation Newenergy (Lowell Agg)" listed on this portion of the bill, you are enrolled in the CCA and can enjoy the environmental and economic benefits associated with it.

Customers with an existing Competitive Supplier listed under the Supply Services portion of your bill do not receive notification of the CCA. National Grid does not supply the City or its Consultant with contact information for those with a Competitive Supplier. If a customer has a Competitive Supplier and would like to join the CCA, they may follow the steps outlined under the "Enrollment" section of this motion response. Please keep in mind that customers with Competitive Suppliers may incur a termination fee for canceling their existing supply contract. We highly recommend that the customer call the competitive supplier listed on their bill to confirm there isn't an exit fee before they join the City's Program.

Customers currently on National Grid's Basic Service plan may also receive notification of the program at a future point in time. Periodically, the City's Consultant requests an updated list of all Basic Service customers in the City. This list includes both new customers for National Grid and those that have previously opted out of the CCA. New Basic Service customers will receive notification about the CCA and have the opportunity to opt-out. Even without receiving formal notification, Basic Service customers may join the CCA at any time by following the steps outlined in the "Enrollment" section of this motion response.

Customers that have previously opted out of the CCA and went back to National Grid's Basic Service plan do not receive notification of the CCA. This is standard practice within CCAs in the Commonwealth in order to respect an individual customer's decisions regarding their energy supplier. If a customer has previously opted out of the CCA program and would like to rejoin the CCA in order to take advantage of the economic and environmental benefits of current rates, they may follow the steps outlined under the "Enrollment" section of this motion response.

Enrollment:

Existing CCA customers are automatically enrolled under the new rate and should have received opt-out notifications. For new customers who are either part of National Grid's Basic Service plan or are contracted with another Competitive Supplier, enrollment in the CCA is still possible. Customers may either:

1. Visit www.colonialpowergroup.com/lowell/ and click the OPT-IN button, then fill out and submit the Opt-In Form.
2. Call Constellation at (844) 979-0172 and ask to join the City of Lowell's Program.

For both of the above options, customers should have their National Grid bill in order to provide some required information (e.g. Account Number, Customer Name on Bill, Service Address). Enrollments can only be processed on meter reads so it may take up to two billing cycles before taking effect. Typically, in the first billing cycle, customers will see a notification on your electricity bill with language that indicates that National Grid records show you have recently switched your supplier. This notice includes a number to contact if the switch has been done in error. If it isn't an error, you should be enrolled in Lowell's CCA on the following billing cycle.

To reiterate information stated earlier, customers with Competitive Suppliers may incur a termination fee for canceling their existing supply contract. We highly recommend that the customer call the competitive supplier listed on their bill to confirm there isn't an exit fee before they join the City's Program.

This City's CCA encourages the development of local renewable energy facilities by providing a market for the environmental attributes of these generators. With its 167,000 MWh annually, Lowell is the largest CCA to procure this level of RECs, continuing its legacy of a renewable energy leader.

KM/ns

cc: Diane Tradd, Assistant City Manager/DPD Director
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Philip Ferreira, Housing and Energy Programs Manager