Start a Green Municipal Aggregation Program

Introduction

Municipal aggregation (also known as community choice aggregation) allows a city or town to determine where its electricity comes from. In a green municipal aggregation (GMA) program, the municipality chooses to source its electricity in a way that will create demand for new renewable energy to be built, known as additionality, and thereby lower greenhouse gas (GHG) emissions.

Your electric utility is responsible for delivery and it buys electricity supply (called “basic service”) for everyone. However, under state law MGL c.164 §134, electric utility customers can choose an electricity supplier other than their utility. The utility will continue to deliver the electricity, maintain poles and wires, and provide other customer services (e.g. the delivery portion of your electric bill).

Municipal aggregation offers a vehicle to easily provide residents and businesses access to their own electricity supplier. Through aggregation, a municipality selects an electricity supply for the entire community. Residents and businesses who have not already selected a competitive supplier, meaning those who are on “basic service” with the utility, are switched into the program automatically (and can opt out or switch back at any time if they would like). The utility still provides the electric bill. The only difference residents will notice is a change in name and rate on the supply portion of the bill.

Advantages of GMA may include lower prices and better price stability compared to the utility’s basic service, protection from predatory offers, and reduced GHG emissions via increased renewable energy supply. Due to the benefits, the vast majority of participants choose to remain in the aggregation program.
Green Municipal Aggregation Program Models

GMAs can choose the quantity and source of renewable energy in their electricity supply. However, simply including a higher quantity of renewable energy than is required by state law does not necessarily make an aggregation green. A green aggregation will create demand for new renewable energy to be added to the electric grid via its electricity purchases or other activities.

The dominant GMA model in Massachusetts, pioneered by MAPC and the City of Melrose in 2015, is to include in the default rate at least five percentage points more Massachusetts Class I Renewable Energy Credits (RECs) than required by state law. The theory of change for this model is as follows:

- **MA Class I RECs** have been a major driver of growth of renewable energy in the region. MA Class I RECs come from new renewable energy projects built after 1997; the state’s Renewable Portfolio Standard (RPS) requires an increasing amount of MA Class I RECs each year in every electricity supply. As a result, the RPS drives electricity suppliers to demand new renewables be built so they can meet their higher RPS requirements. Additionally, MA Class I REC revenue is integral for developers to build economically viable renewable energy projects in New England.

- Including **five extra percentage points, or more**, of MA Class I RECs in the default rate of a GMA program can allow for competitive prices with cost savings compared to the utility’s basic service. Across the entire aggregation,

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1 One REC is created when an eligible renewable energy source generates one megawatt-hour (MWh) of electricity for the grid. A REC represents the environmental (e.g. non-energy) benefits of the energy generated. MA Class I RECs are from commercial renewable energy operations built after 1997 in New England that generate electricity using solar photo voltaic, solar thermal electric, wind energy, small hydropower, landfill methane and anaerobic digester gas, marine or hydrokinetic energy, geothermal energy, and eligible biomass fuel. For more information on Class I RECS in Massachusetts, please visit: https://www.mass.gov/service-details/program-summaries.
the extra five percentage point purchase can add up to a significant amount of renewable energy. For example, Medford’s program has generated an estimated 6,179 MWh of additional Class I renewable energy demand each year. Based on the U.S. Environmental Protection Agency’s Green Power Equivalency Calculator, this is equivalent to providing electricity to 574 homes for one year or five football fields full of solar power. Including extra MA Class I RECs in the default rate of the aggregation achieves far more impact than solely making extra renewable energy optional. Since aggregations are opt-out, typically 90 percent of customers or more remain with the default rate.

- As more cities and towns adopt this approach, the effect amplifies. In the MAPC region, over half the households served by an investor-owned utility now live in a city or town that has authorized GMA.
- Effectively, the approach raises the RPS, helping to build even more renewable generation that would have been built otherwise.

For the reasons listed above, this model for green municipal aggregation has a strong likelihood to cause new renewable energy to be built. Some Massachusetts municipalities are going even further than five percentage points extra renewable energy. Two communities that were among the first to adopt green municipal aggregation programs and have recently gone further include Brookline and Newton. The Town of Brookline’s green municipal aggregation’s default option includes 30 percentage points more renewable energy than the utility’s basic service, with RECs sourced from renewable energy generated in New England (for a total of 46 percent renewable energy in 2020). The City of Newton’s default option includes 46 extra percentage points renewable energy using MA Class I RECs for a total of 62 percent renewable energy in 2020. Motivated by competitive prices and meeting their community climate goals, many municipalities that are new to green municipal aggregation, or existing programs that are renewing contracts, are working to include more than five percentage points extra renewable energy in their programs.

In the green municipal aggregation program model, renewable energy purchases cannot be linked to any specific energy generation facility. Some municipalities are

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2 The EPA’s GHG equivalency calculator can be found at: [https://www.epa.gov/greenpower/green-power-equivalency-calculator](https://www.epa.gov/greenpower/green-power-equivalency-calculator)
beginning to explore options for their aggregation program to directly contract to develop a specific facility. While this would qualify as green municipal aggregation, it is a challenging task; developers typically need long-term contracts of ten years or more to be able to finance their projects. Since it can be difficult to predict longer-term pricing and market trends, aggregations typically contract for just one to three years. As another option, in its 2019-2021 electricity contract, the City of Cambridge’s aggregation is currently piloting a model that collects a small fee in the electricity rate and will use the sum of that fee to fund local renewable energy projects.³

³ For an example of the City of Cambridge’s program to build local solar power via an operational adder charge, please see: See “Operational Adder” in their plan on page eight: https://masspowerchoice.com/wp-content/uploads/2016/05/Cambridge-Aggregation-Plan__20170526_FINAL.pdf
Pricing

Utilities are restricted in terms of when they can buy electricity supply and for how long they can contract. Specifically, they are required to purchase half of their forecasted usage two times during the year – every six months – for residential and commercial accounts, and every three months for industrial accounts. This can lead to major price swings, as seen in recent Massachusetts winters.

When communities use their own supplier, the supplier can time the purchases for the best market conditions, and they can engage in longer-term contracting (at least one year) to get better rates and price stability. Customers in municipal aggregation programs on income-eligible rates can also participate and maintain their subsidized rates. Municipal aggregation programs, however, cannot guarantee that their rates will always be lower than the utility’s basic service.⁴

In the future, GMA programs might also consider dynamic or time-of-use pricing options that offer customers variable rates that can lower bills further by incentivizing energy use during times of lower demand. Variable rate structures would require customers to have smart meters to monitor their electricity usage and also approval from the Department of Public Utilities (DPU), which could potentially be achieved as part of the GMA program approval process (see the Implementation Process section below for more details).

⁴ The City of Arlington offers the following disclaimer related to price on their program’s website:

“Disclaimer: A goal of the CCA program is to produce savings for customers, but savings cannot be guaranteed compared to the utility’s basic service rate which changes every six months for residential and small business and lighting customers and every three months for large business customers. The aggregation program seeks to provide price stability and average savings over the full term of the program, but because future basic service rates are not known, there is no guarantee of savings.”
Benefits and Risks of Green Municipal Aggregation

There are many potential benefits of green municipal aggregation. Of note, some of the following benefits may not always be realized at the same time:

- **Lower rates** – Municipal aggregation rates can be lower than the utility’s basic service rates depending on when rates are locked in and the bids received. Lower rates are possible since municipalities can aggregate their community demand and secure longer-term and favorable rates from good market conditions, while utilities can only lock-in electric rates for six months at a time for residential and commercial customers.

- **Increased renewable portfolio** – Municipal aggregation gives communities the opportunity to purchase energy with a higher renewable content than the Massachusetts RPS, which requires electric suppliers to obtain a designated percentage of their energy content from renewable sources each year. The RPS requires utilities to purchase 16 percent Class I RECs in compliance year 2020, increasing two percentage points annually from 2020 to 2029, dropping back down to a one percentage point increase annually thereafter. The lower electricity supply rates that communities can secure via aggregation can also provide flexibility to add more renewable energy to the default offer at a competitive price.

- **Consumer education** – Public meetings, posted notices, press releases, newspaper articles, and notifications enclosed in electric bills can lead to greater awareness of where consumers’ electricity comes from and what other suppliers exist, in addition to informing consumers of their ability to opt out of the aggregation by choosing basic service or a competitive supplier.

- **Consumer protection** – As more energy brokers enter the deregulated market, consumers are increasingly approached by predatory brokers attempting to sell them energy contracts. Aggregation programs offer municipalities a platform to vet brokers and suppliers for residents and businesses through government procurement procedures.⁵

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⁵ A recent report from the Massachusetts Attorney General’s Office found Massachusetts electric customers who individually switched to a competitive electric supplier (this does not include municipal aggregation...
• **Operational adder** – A municipality can choose to receive a fee from the supplier, often through adding a small fee to rates, that can be dedicated to funding energy efficiency or renewable projects, such as the purchase and installation of high-efficiency streetlights or solar photovoltaic panels. An adder can also be used to prioritize a community’s equity and sustainability goals by focusing on supporting local clean energy projects that benefit lower-income households. This funding could also further support staff time spent administering a green municipal aggregation program, though the large majority of municipalities have not needed this due to the services provided by energy brokers (see more on brokers below under Implementation Process).

• **Electric consumption information** – By forming a municipal aggregation, communities can more easily obtain data on their residents’ aggregate energy use. This data, which is extremely useful for energy reduction and climate change planning purposes, can otherwise be difficult to acquire from investor-owned utilities (IOUs).

**Rate stability** – Municipal aggregation programs can choose longer-term contracts (a year or more) in order to buffer customers from the volatility of the electricity market.

Possible risks of municipal aggregation include:

• **Higher rates** – After the aggregation supply contract has been executed, the utility’s basic service rates could drop below the municipal program rates for a period of the contract. The municipal aggregation will continue for the duration of the contract.

• **Temporary suspensions not allowed** – As of November 27, 2013, the Massachusetts Department of Public Utilities (DPU) has decided that aggregations cannot be temporarily suspended. If an aggregation program ends and puts its customers back on the utility’s basic service, it will need to

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programs), collectively paid $76.2 million more than if they remained with their existing service during the one-year period from July 2017 to June 2018. This new data brings the total net losses to $253 million for Massachusetts customers over the course of three years (July 2015 – June 2018). The AG’s report also showed that low-income residents and communities of color are disproportionately impacted. See the full report at: [https://www.mass.gov/doc/2019-ago-competitive-electric-supply-report/download](https://www.mass.gov/doc/2019-ago-competitive-electric-supply-report/download)
go through the full plan approval process again in order to return them to competitive supply.⁶

- **Administrative costs** – While brokers complete much of the research and paperwork for municipal aggregation programs, municipal employees must monitor the brokers and handle public inquiries and responses. Of note, the customer service that brokers provide can also be viewed as a strong advantage, as brokers provide resident education and field inquiries on behalf of the local government as part of their contract.

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⁶ While a community’s green municipal aggregation program cannot be suspended, individual customers always have the option to opt-out of the program and go back to their utility’s basic service offering at no penalty.
Data on Green Aggregation in Massachusetts

In the MAPC region, at least 28 municipalities have authorized or are running active green aggregations, representing over 56 percent of the households served by investor-owned utilities. As of February 2020, the list of MAPC communities with active green municipal aggregation programs includes:7

<table>
<thead>
<tr>
<th>Acton</th>
<th>Hamilton</th>
<th>Newton</th>
<th>Winchester</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arlington</td>
<td>Lexington</td>
<td>Rockland</td>
<td></td>
</tr>
<tr>
<td>Bedford</td>
<td>Lincoln</td>
<td>Scituate</td>
<td></td>
</tr>
<tr>
<td>Boston</td>
<td>Marshfield</td>
<td>Sharon</td>
<td></td>
</tr>
<tr>
<td>Brookline</td>
<td>Medford</td>
<td>Somerville</td>
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</tr>
<tr>
<td>Cambridge</td>
<td>Melrose</td>
<td>Stoneham</td>
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<tr>
<td>Cohasset</td>
<td>Millis</td>
<td>Sudbury</td>
<td></td>
</tr>
<tr>
<td>Dedham</td>
<td>Milton</td>
<td>Waltham</td>
<td></td>
</tr>
<tr>
<td>Gloucester</td>
<td>Natick</td>
<td>Watertown</td>
<td></td>
</tr>
</tbody>
</table>

Encouragingly, active programs have overwhelmingly demonstrated that GMAs do not need to come at a price premium. Melrose and Dedham were the first active green municipal aggregations in the state, starting in winter 2016. Figure 1 shows Dedham’s default rate compared to basic service with Eversource between 2016 and 2019. Even with five percentage points more MA Class I RECs, both of Dedham’s supply contracts have been lower than basic service on average over the contract term.

7 The Department of Energy Resources provides a full listing of all communities with municipal aggregation program at: https://www.mass.gov/info-details/municipal-aggregation
Figure 2 shows similarly successful results for Arlington, Brookline, Somerville, Sudbury, and Winchester, all of which have been active since summer 2017. Notably, Brookline has 25 percentage points more MA Class I RECs, and the plan’s rates have often been below the cost of basic service.

The City of Melrose offers a more complicated, yet still successful story. As shown in Figure 3, the city ran its GMA program for 1.5 years at a rate that was below
National Grid’s basic service rate on average. When seeking to procure its next electricity supply contract, Melrose found that market prices would not support a competitive rate compared to the utility’s basic service for at least the next twelve months. With this foresight, the city opted to terminate the program and returned city ratepayers to basic service, with a plan to restart the aggregation once market conditions improved. In 2019, the city went through the plan approval process again, as required by DPU, and restarted its program. The program has a rate slightly below National Grid’s – a rate that will remain fixed until the end of 2021. Melrose provides a strong example of how thoughtful aggregation management can anticipate and proactively manage potential market challenges.

Figure 3. Melrose Green Municipal Aggregation Program Rates
Implementation Process

It can take about a year and half to two years to start a green municipal aggregation program for communities that are starting the process for the first time. This section provides details on implementation steps.

<table>
<thead>
<tr>
<th>Implementation Steps</th>
<th>Objectives</th>
<th>Key Implementers</th>
<th>Estimated Time Frame</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Conduct initial research</td>
<td>Learn about municipal aggregation and the potential role it could play in your community.</td>
<td>Town Administrator, Relevant Municipal Staff, or Relevant Committee Members</td>
<td>2-3 months</td>
</tr>
<tr>
<td>2. Authorize program</td>
<td>Prepare for and authorize development of an aggregation plan by majority vote in city council or town meeting.</td>
<td>City Council or Town Meeting</td>
<td>2-3 months</td>
</tr>
<tr>
<td>3. Issue solicitation for energy broker (optional, but recommended)</td>
<td>Hire a broker for assistance in the design, implementation, and ongoing monitoring of the aggregation plan.</td>
<td>Town Administrator or Relevant Municipal Staff</td>
<td>2 months</td>
</tr>
<tr>
<td>4. Develop aggregation plan with the Department of Energy Resources (DOER)</td>
<td>Draft a plan with the input of DOER that meets the goals of the community and the requirements of the Department of Public Utilities (DPU).</td>
<td>Broker, Town Administrator, or Relevant Municipal Staff</td>
<td>2 months</td>
</tr>
<tr>
<td>5. Approve aggregation plan</td>
<td>Approve plan to be filed with the DPU.</td>
<td>City Council or Board of Selectmen</td>
<td>1 month</td>
</tr>
<tr>
<td>6. Submit aggregation plan to DPU</td>
<td>Petition the DPU to authorize the program.</td>
<td>Broker</td>
<td>6-9 months</td>
</tr>
<tr>
<td>7. Issue RFP for competitive supplier</td>
<td>Solicit competitive bids for the municipal aggregation contract.</td>
<td>Broker</td>
<td>1 month</td>
</tr>
<tr>
<td>8. Execute contract with supplier</td>
<td>Choose supplier for the aggregation.</td>
<td>Town Administrator or Relevant Municipal Staff, with support of Broker</td>
<td>Varies based on market conditions</td>
</tr>
<tr>
<td>9. Notify customers of opt-out period</td>
<td>Inform customers about the program and the opt-out period.</td>
<td>Broker with Town Administrator or Municipal Staff support</td>
<td>2 months</td>
</tr>
</tbody>
</table>
Green Municipal Aggregation Program Implementation Steps

1. Conduct Initial Research

- **Conduct independent research** – Consider conducting independent research on GMAs, as well as meeting with multiple energy brokers for expertise and guidance. Many Massachusetts communities have started GMA programs as well and can be strong sources of information (see list of communities with GMA programs above).\(^8\)

- **Contact DOER** – Municipalities should reach out to the DOER as early in the process as possible through the Green Communities Regional Coordinator for their region, even if the community has not received a Green Community Designation.\(^9\)

- **Conduct Initial Outreach and Education** – To help build awareness about GMA, how it works, and its advantages, conduct internal outreach to speak with relevant community boards and municipal officials. This internal education can help build understanding of and support for the program.

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\(^8\) Although the Department of Energy Resources (DOER) aggregation guide recommends feasibility studies, which outline potential savings, analyze power supply information, and provide engineering evaluations of the distribution network, they are not required. Brokers often include this information in their formal bid to the municipality or in informational sessions prior to release of the broker RFP. Therefore, paying for a formal feasibility study is typically viewed as an unnecessary expense. See the DOER Municipal Aggregation Guide for more details on feasibility studies: [https://www.mass.gov/doc/department-of-energy-resources-municipal-aggregation-guide/download](https://www.mass.gov/doc/department-of-energy-resources-municipal-aggregation-guide/download)

\(^9\) A list of Green Communities Coordinators can be found at: [https://www.mass.gov/service-details/contact-gc-coordinator](https://www.mass.gov/service-details/contact-gc-coordinator).
2. Authorize Program

- **Vote in city council or town meeting** – Before a municipality can design an aggregation plan, there must be an affirmative vote at city council or town meeting to authorize the program. If two or more municipalities decide to pursue a joint municipal aggregation, they must individually authorize it by majority vote.

3. Issue Solicitation for Energy Broker (optional, but recommended)

- **Hire a broker** – Massachusetts General Law does not require municipalities to contract with an energy broker to facilitate the municipal aggregation process. However, due to the significant time investment and technical knowledge brokers provide, municipalities generally have hired brokers for assistance in the design, implementation, and ongoing monitoring of their aggregation. Brokers also assume the majority of the upfront risks for the process, including legal and Department of Public Utilities (DPU) filing fees. They do not receive compensation until after the competitive supplier has been selected. Brokers are paid by the supplier and included in the contract price for power, and in Massachusetts have historically received $0.001 (a mil adder) per kWh consumed in the program. The broker helps develop the aggregation plan, assists in the DPU approval process, and issues the RFP for a competitive supplier once the aggregation plan has been approved by DPU. The broker can also facilitate the customer opt-out notification process (typically paid for by the supplier) and provides ongoing customer support. Additionally, the broker monitors competitive supply and utility rates on an ongoing basis.

- **Bid out contract** – Broker contracts are exempt from standard procurement procedure (M.G.L. Ch. 30B), but a procurement of some form may provide transparency and defend the validity of the municipality’s ultimate choice, particularly if those consulting services are obtained through a competitive Request for Proposals (RFP). Using the competitive process outlined in M.G.L. Ch. 30B, even for exempt contracts, is considered a best practice by the Massachusetts Office of the Inspector General.
4. Develop Aggregation Plan with Department of Energy Resources

- **Draft plan** – The plan needs to demonstrate how the municipal aggregation will provide universal access, reliability, and equitable treatment of all classes of customers. The broker typically designs the plan based upon the specific needs of the municipality. The plan should include the municipality’s intention to pursue a green municipal aggregation, product options, and any proposed operational adder. Each municipality is required to consult with DOER prior to submitting the plan to the DPU. This consultation is intended to help streamline the DPU approval process by identifying areas in the plan that are unclear, that have previously caused delays for other municipal aggregations, or that may otherwise be flagged by the DPU or the Attorney General.

5. Approve Aggregation Plan

- **Review and approve** – A municipality must make the plan available for review by its citizens through a public posting or hearing, and the plan must be approved by the board of selectmen or city council.

6. Submit Aggregation Plan to DPU

- **File for DPU review and approval** – The municipality, with the help of the energy broker, needs to petition the DPU to officially authorize the municipal aggregation. This is typically the longest part of the process. It includes an initial filing with DPU, comment periods in which other parties may intervene with questions or concerns (such as the Attorney General or the IOU in the service area), information request and discovery periods, and a public hearing. Electronic copies of DPU filings, comments, and any additional documentation are available on the DPU website, and municipalities or their brokers should review the proceedings of previous municipal aggregation program plans to avoid delays caused by questions that have been addressed in prior filings. If a plan is found to be in compliance with regulation, it will be approved by a formal order.
7. Issue RFP for Competitive Supplier

- **Set parameters for supply bids** – The RFP for competitive supply should articulate the specific energy needs of your community identified in the municipal aggregation plan, including percentage points of renewable energy beyond the Massachusetts RPS minimum to be in the default offering. Suppliers may be asked to bid on multiple supply and term options. For example, municipalities can offer residents an option to add 50 percent or 100 percent renewable energy options. Many RFPs ask for six, nine, twelve, 24, and 36-month options. Municipalities can also add additional priorities to their RFP, such as prioritizing renewable energy generated within Massachusetts or from minority-owned energy generators. The energy broker is typically responsible for issuing the RFP for competitive supply on behalf of the municipality.

8. Execute Contract with Supplier

- **Choose competitive supplier** – The energy broker helps the municipality to evaluate bids according to the specific parameters for the bid set by the municipality, and the broker recommends a supplier based on these criteria. The municipality ultimately chooses the supplier and executes the contract.


- **Detail opt-out choices** – By law, the municipality must inform basic service customers by mail at least 30 days prior to automatic enrollment that their electric supply will be switched to the chosen competitive supplier and the new rate. They must also notify affected customers that they have the right to opt out of the municipal aggregation within 180 days without an exit charge and anytime thereafter (historically, also without an exit charge). The notification must also disclose the utility’s basic service rate and detail how customers can opt out or choose another competitive supplier. The customer may also opt out or into the program at any point by contacting the broker or supplier. The opt-out process is generally funded by the supplier and administered by the energy broker. Customers can typically opt out by
returning the initial opt-out postcard, by phone, or online by visiting the broker’s website, created on behalf of the municipality for the program.

10. Begin Automatic Enrollment

- **Enroll basic service customers** – All ratepayers on the utility’s basic service who do not opt out of the municipal aggregation will be automatically enrolled in the plan. They will continue to receive an electricity bill from their utility, which displays separate delivery and supply charges. Delivery charges (distribution, transmission) will remain with the utility, but the supply section (generation charge) will list the new competitive supplier. Customers will pay one bill directly to the utility, and supply charges will be passed through the utility to the supplier. For all intents and purposes, the consumer experience will be unchanged.

11. Monitor Market

- **Watch rates** – The broker continues to monitor the electricity market, secures rates when they are favorable, and notifies the municipality if utility basic service rates have dropped below competitive rates.

12. Submit Annual Aggregation Status Report

- **Compile program performance data** – A municipal aggregation must submit an annual program status report to the DPU. The status report should include the number of participants by customer type (residential, commercial, industrial), the number of customers opting out by type, load served, contractor costs, and savings data.

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10 Sample GMA websites for MAPC communities using different brokers include Natick (https://masspowerchoice.com/natick) and Medford (https://medfordcea.com/).

11 More information on reporting requirements can be found at: https://www.mass.gov/infodetails/municipal-aggregation-annual-reports
**Sample Authorization Language**

MAPC recommends that the following article text be used nearly verbatim to authorize an aggregation program and avoid potential issues during DPU review. The Background/Comment language offered here is suggested text. Note that the article text does not specifically mention renewable energy. Some municipalities have chosen to add language or to have another article to specify this, for example: “The intent is to pursue aggregation with an amount of Massachusetts Class I renewable electricity sources that is greater than the Massachusetts Renewable Portfolio Standard requires.”

**For Town Meeting:**

**Article Text:**

To see if the Town will vote to grant the Board of Selectmen authority to research, develop and participate in a contract, or contracts, to aggregate the electricity load of the residents and businesses in the Town and for other related services, independently, or in joint action with other municipalities, retaining the right of individual residents and businesses to opt-out of the aggregation, or take any other action relative thereto.

**Background/Comment:**

The Commonwealth of Massachusetts, by enacting Chapter 164 of the Acts of 1997, has established a competitive marketplace through deregulation and restructuring of the electric utility industry. The residents and businesses of our Town have substantial economic, environmental, and social interests at stake and are interested in reducing their electricity rates. If an aggregation of electricity load is implemented in our Town, individual residents and businesses would retain the right to opt-out of the aggregation with no penalty and to choose any other competitive supplier or stay with the default utility.
For Town or City Council:

Article text:

That it be ordered that the Town/City Council authorize the appropriate department(s) to research, develop and participate in a contract, or contracts, to aggregate the electricity load of the residents and businesses in the Town/City and for other related services, independently, or in joint action with other municipalities, and authorize the Town/City Manager/Mayor to execute all documents necessary accomplish the same.

Background/Comment:

The Commonwealth of Massachusetts, by enacting Chapter 164 of the Acts of 1997, has established a competitive marketplace through deregulation and restructuring of the electric utility industry. The residents and businesses of our Town/City have substantial economic, environmental, and social interests at stake and are interested in reducing their electricity rates. If an aggregation of electricity load is implemented in our Town/City, individual residents and businesses would retain the right to opt-out of the aggregation with no penalty and to choose any other competitive supplier or stay with the default utility.
Sample Green Municipal Aggregation Plans

City and town GMA plans are available online and the state has links to all active programs on its site: [https://www.mass.gov/info-details/municipal-aggregation](https://www.mass.gov/info-details/municipal-aggregation). Here are several examples:

**City of Gloucester:** This plan offers five extra percentage points beyond the state minimum requirements, for 21 percent total renewable energy: [https://gloucester-cea.com/wp-content/uploads/2018/10/Gloucester-Community-Choice-Aggregation-Plan.pdf](https://gloucester-cea.com/wp-content/uploads/2018/10/Gloucester-Community-Choice-Aggregation-Plan.pdf)

**City of Somerville:** Starting in January 2020, Somerville’s default option includes ten percent extra percentage points renewable energy and offers an example of a GMA program that has pursued higher levels of renewable energy: [https://cce.somervillema.gov/wp-content/uploads/2019/11/cos-cca1.pdf](https://cce.somervillema.gov/wp-content/uploads/2019/11/cos-cca1.pdf)

**City of Cambridge:** The city’s program includes a small operational adder (0.2 ¢/kWh) to fund the development of new and local renewable energy projects that add more renewable electricity to the grid: [https://masspowerchoice.com/wp-content/uploads/2016/05/Cambridge-Aggregation-Plan_20170526_FINAL.pdf](https://masspowerchoice.com/wp-content/uploads/2016/05/Cambridge-Aggregation-Plan_20170526_FINAL.pdf)

**How MAPC Can Help**

Staff at MAPC are available to provide guidance, resources, and technical assistance to our communities looking to start a new GMA program or renew an existing program. MAPC can help your community design a program that increases the percentage points of MA Class I renewables, builds local renewables, or pursues other innovative models to meet your community’s climate and clean energy goals. Please contact cleanenergy@mapc.org for assistance and also visit our website on GMA for more information: [https://www.mapc.org/our-work/expertise/clean-energy/green-municipal-aggregation/](https://www.mapc.org/our-work/expertise/clean-energy/green-municipal-aggregation/).
Further Resources and Reading


“Load Aggregation Programs.” M.G.L. Chapter 164 Section 134. http://www.malegislature.gov/Laws/GeneralLaws/PartI/TitleXXII/Chapter164/Section134