

Framingham Community Electricity Program

Municipal Aggregation Plan

March 29, 2023 - Draft

The City of Framingham (City) developed the Framingham Community Electricity Program (Program) to bring the benefits of renewable energy and electricity choice to its residents and businesses and to help the City achieve its sustainability goals. The Program will integrate additional renewable energy into the power supply and will offer a selection of supply options as well as the ability to leave the Program and return to utility Basic Service at any time with no penalty or fee.

This document, the Municipal Aggregation Plan (Aggregation Plan), sets forth the key components of the Program.

I. Key Features

The key features of the Program will include:

Renewable electricity: The City will seek to increase the use of power from renewable resources such as wind and solar.

Price stability: The City will seek to provide greater price stability when compared with utility Basic Service prices by entering into a series of competitively-bid electricity supply contracts for fixed-price periods such as one-to-three years.

Competitive pricing. The City will also seek to provide competitive prices and possible cost savings, but savings cannot be guaranteed.

Automatic enrollment and opting out: Eligible customers¹ will be automatically enrolled in the Program unless they opt out. Customers can opt out of the Program at any time, either before enrollment or after, with no fee.

II. Program Options

The City will give Program participants a choice in the percentage of renewable energy and price of their electricity supply by offering multiple Program Options. Because the integration of renewable energy into the City's power supply is a driving motivation for the Program, the City anticipates offering a level of renewable energy above the state minimum requirement, known as the Renewable Portfolio Standard (RPS), in some of the Program Options. Specifically:

¹ Eligible customers shall include (1) basic service customers; (2) basic service customers who have indicated that they do not want their contact information shared with competitive suppliers for marketing purposes; and (3) customers receiving basic service plus an optional green power product that allows concurrent enrollment in either basic service or competitive supply. Eligible customers shall not include: (1) basic service customers who have asked their electric distribution company to not enroll them in competitive supply; (2) basic service customers enrolled in a green power product program that prohibits switching to a competitive supplier; and (3) customers receiving competitive supply service. Order on Eligible Customers, D.P.U. 16-10, at 19 (2017).

1. Framingham Standard Green

The Program will provide a Standard, or default, option that includes a higher percentage of renewable energy content than is included in utility Basic Service. The additional renewable energy content will come from additional Renewable Energy Certificates (RECs)² over and above the RPS requirement. The additional RECs may be Class I RECs, or other types of RECs, or a combination. The City will conduct a competitive procurement and establish the price, type, and percentage of RECs after it receives price bids.

2. Framingham Green Plus

The Program will also offer an additional option that includes more renewable energy than Framingham Standard Green in order to give residents and businesses more freedom to make individual decisions about the price and environmental impact of their power supply. The additional renewable energy content will come from additional RECs over and above the RPS requirement. The additional RECs may be Class I RECs, or other types of RECs, or a combination. The City will conduct a competitive procurement and establish the price and type of RECs after it receives price bids.

3. Framingham Basic

In addition, the City will offer a third option, Framingham Basic, which is similar to the utility Basic Service currently offered by Eversource, the local electric distribution company serving Framingham. Framingham Basic includes no additional renewable energy above state minimum requirements. However, this option is expected to provide greater price stability than utility Basic Service, and may result in lower prices overall during the time of the contract than utility Basic Service, although savings cannot be guaranteed. The City will conduct a competitive procurement and establish the price after it receives price bids.

III. Procedural Requirements

The Municipal Aggregation Statute, [G.L. c. 164, § 134 \(Aggregation Statute\)](#), sets out the legal requirements for a municipal aggregation plan. Those requirements include procedural requirements, specified plan elements, and substantive requirements. The procedural requirements are discussed below, and the other requirements in the sections that follow.

1. Local Approval

The Aggregation Statute provides that a city may initiate the process to aggregate electrical load upon authorization by a majority vote of the city council with the approval of the mayor. The City obtained such authorization by vote at its City Council on March 15, 2022. A copy of the City Council vote is provided as Attachment A to Exhibit 3 of the City's Petition for Approval of Municipal Aggregation Plan (Petition).

2. Consultation with the Department of Energy Resources

The Aggregation Statute also requires the City to consult with the Department of Energy Resources (DOER) in developing its aggregation plan. The City submitted a draft of its Aggregation Plan to DOER, and City officials

² A REC represents the environmental attributes associated with electricity generation. RECs are part of an accounting system that enables generators to sell, and customers to buy, renewable electricity. Class 1 RECs, also known as "premium" RECs, come from generators that are fueled by renewable sources such as the sun and wind, began operating after 1997, and are located in, or deliver power to, New England.

discussed the draft with DOER on _____. DOER’s consultation letter is provided as Attachment B to Exhibit 3 of the City’s Petition.

3. Citizen Review

The City made the Aggregation Plan available for review by its citizens by posting this Plan for comment and holding a public meeting on _____. For more detail about the citizen review process, please see Attachment A, the Framingham Education and Outreach Plan. Comments received are attached as Attachment G to Exhibit 3 of the Petition.

IV. Elements of the Aggregation Plan

The Aggregation Statute requires that the Aggregation Plan contain the following elements:

- Organizational structure
- Operations
- Funding
- Details on rate setting and other costs to participants
- The method of entering and terminating agreements with other entities
- The rights and responsibilities of Program participants
- The procedure for termination of the Program

Each of those elements is discussed in turn below.

1. Organizational Structure

The organizational structure of the Program will be as follows:

Mayor and City Council: The Program will be overseen by the Mayor and City Council, the elected representatives of the citizens of Framingham. The Mayor and City Council authorized the initiation of the process of municipal aggregation. The Mayor approved the aggregation plan with input from the City Council and Framingham citizens, manages the consulting team, and will sign the Competitive Electric Service Agreement.³

Consultants: The City’s aggregation consultant (Consultant) will manage the aggregation under the Mayor’s direction. The Consultant’s responsibilities will include managing the supply procurement, developing and implementing the public education effort, interacting with the local distribution company, monitoring the ESA, maintaining the aggregation website, providing customer service, and producing required reports. The City has selected MassPowerChoice, LLC to provide these services for an initial term.

Competitive Supplier: The Competitive Supplier will provide power for the aggregation, provide customer support including staffing a toll-free number for customer questions, and fulfill other responsibilities as detailed in the ESA.

2. Operations

Following approval of the Aggregation Plan by the Department of Public Utilities (DPU), the key operational steps will be:

³ The Competitive Electric Service Agreement (ESA) serves as the binding contract between the City of Framingham and the Competitive Supplier.

- a. Issue a Request for Qualifications (RFQ) and Request for Prices (RFP), and select a winning Competitive Supplier
- b. Implement the public education effort for the approved Aggregation Plan, including notice of the specific features and prices for Program options and of the opt-out period, and resources to obtain additional information and implement consumer choices
- c. Enroll customers and provide service, including required information disclosures
- d. Submit reports to the DPU and DOER

a. Issue a Request for Qualifications and Request for Proposals and select winning Competitive Supplier

After the DPU approves the Aggregation Plan, the next step is to procure the electricity supply.

The City will issue an RFQ to leading competitive suppliers, including those currently supplying aggregations in Massachusetts and other states. The RFQ will require that the supplier satisfy key threshold criteria, including:

- Licensure by the DPU
- Strong financial background
- Experience serving the Massachusetts competitive market or municipal aggregations in other states
- Demonstrated ability, supported by references, to provide strong customer service

In addition, suppliers will be required to agree to the terms and conditions of a Competitive Electric Service Agreement, substantially in the form of the model ESA. The agreement requires the supplier to:

- Provide all-requirements service
- Allow customers to exit the Program any time with no penalty or fee
- Agree to specified customer service standards
- Comply with all requirements of the DPU and the local distribution company

The City will not enter into an ESA with a competitive supplier unless the ESA is fully consistent with its Department-approved Plan.

The City will issue an RFP for price bids from suppliers that meet the threshold criteria and agree to the terms and conditions prescribed in the ESA. If none of the bids are satisfactory, the City will reject all bids and repeat the solicitation as often as needed until market conditions yield a price that is acceptable to the City.

The City will solicit bids for power supply that meets the Massachusetts Renewable Portfolio Standard (RPS) requirements and for a supply containing additional renewable energy over and above the RPS requirements. The City will seek a variety of bids that include renewable electricity from different sources, and will choose the proposal that offers what the City determines to be the best combination of environmental benefit and price.

The renewable energy in the power supply will be documented using RECs. The RECs used for RPS compliance will be created and recorded in the New England Power Pool Generation Information System (NEPOOL GIS). RECs in excess of the RPS requirements will be certified as having been retired and not re-sold, either through the NEPOOL GIS, another regional tracking system, or third-party certification.

b. Implement public education effort, including notice of the pre-launch opt-out period

Once a winning supplier is selected, the City will implement a comprehensive public education effort.

The delivery of a public education effort and associated materials are pivotal to ensuring clarity, participation, and enthusiasm for the aggregation. The City will use a variety of channels to communicate the Program's objectives,

the primary terms and conditions of the contract, the right to opt out of the Program, and the related Program options.

The public education plan will include both broad-based efforts and an Opt-Out Notice to be mailed to every eligible customer.

Please see Attachment A for the City's Education and Outreach Plan, which sets forth in detail the efforts the City will undertake.

Opt-Out Notice

As a part of the City's public education and outreach efforts, an Opt-Out Notice will be mailed to every eligible customer after the electricity supply contract is signed and before Program launch. The notice will be an official City communication, and it will be sent in an envelope clearly marked as containing time-sensitive information related to the Program. The notice will: (1) introduce and describe the Program; (2) inform eligible customers of their right to opt out and that they will be automatically enrolled if they do not exercise that right; (3) explain how to opt out; and (4) prominently state all Program charges and compare the price and primary terms of the City's competitive supply to the price and terms of utility Basic Service.

The direct mailing will include a language access document, an opt-out reply card, and a postage-paid return envelope. The language access document will provide instructions in 26 languages to have the Opt-Out Notice translated. The reply card will identify the date by which the return envelope must be postmarked in order for the customer to be opted out prior to being enrolled.

The Opt-Out Notice and reply card will be designed by the City and printed and mailed by the Competitive Supplier, who will process the opt-out replies. An exemplar Opt-Out Notice is provided with this Plan as Attachment B-1. An exemplar language access document cover sheet is provided as Attachment B-2. An exemplar opt-out reply card is provided as Attachment B-3. An exemplar opt-out reply card return envelope is provided as Attachment B-4.

The City has requested a waiver of the requirement to provide a Contract Summary Form directly to customers that receive the Opt-Out Notice, because the documents are duplicative. Summary forms for each Program Option (Program Summary Form) are available on the Program website and on file at City Hall.

c. Enroll eligible customers that do not opt out and provide service, including information disclosure

After the completion of the opt-out period, the Competitive Supplier will enroll into the Program all eligible customers that did not opt out. Customers whose Opt-Out Notices are returned to the Competitive Supplier as undeliverable will not be automatically enrolled.

The enrollments shall commence no sooner than 37 days after the mailing of the Opt-Out Notice. All enrollments and other transactions between the Competitive Supplier and the local distribution company, Eversource, will be conducted in compliance with the relevant provisions of DPU regulations, Eversource's *Terms and Conditions for Competitive Suppliers* (as amended or superseded from time to time), and the protocols of the Massachusetts Electronic Business Transactions Working Group.

Once customers are enrolled, the Competitive Supplier will provide all-requirements power supply service. The Competitive Supplier will also provide ongoing customer service and process new customer enrollments, ongoing opt-outs, opt-back-ins, and customer selections of Program Options. As explained below under Section V.2. Reliability, the local distribution company remains responsible for and is the contact entity related to outages and other local delivery issues.

As new eligible customers move into the City, they will have an opportunity to join the Program. New eligible customers will initially be placed on utility Basic Service. They will then receive an Opt-Out Notice and will be enrolled in the aggregation unless they choose to opt out within the opt-out period.

Customers may proactively enroll by contacting the Program. Customers that proactively enroll in the Program will be sent a Program Summary Form⁴ for the option they selected. As part of its ongoing service, the City will provide the disclosure information required by G.L. c. 164, § 1(F)(vi) and 220 C.M.R. § 11.06. Like the other Massachusetts aggregations, the City has requested a waiver from the requirement that the disclosure label be mailed to every customer and seeks permission instead to provide the information through alternative means, including press releases, postings at City Hall, and postings on the Program website. Please see Attachment A for the City's Education and Outreach Plan which provides greater detail about the City's alternative disclosure strategy.

In a prominent location on the City's website, the City will provide an appropriate link to the dedicated Program website, in addition to basic information about the Plan. The Plan and supporting documents will be available and updated on the Program website.

d. Submit reports to the DPU and DOER

As specified by the DPU and DOER, the City will report on the status of the Program, including all information requested by the DPU or DOER.

e. Community Shared Solar

The City may allocate credits from a Community Shared Solar Program or a Low-Income Community Shared Solar Program pursuant to 225 CMR 20.00, if and to the extent available.

3. Funding

The costs of the Program will be funded primarily through the supply charge paid by Program participants through the supply contract.

The principal Program cost will be the Competitive Supplier's charge for the power supply. This charge will include the costs of RECs and will be established through the competitive solicitation for a supplier.

The administrative costs of the Program will be funded through a per kilowatt-hour adder that will be included in the supply price and paid by the Competitive Supplier to the Consultant, as specified in the Competitive Electric Service Agreement. This fee will cover the services of the Consultant, including developing and implementing the Aggregation Plan and Education and Outreach Plan, managing public outreach efforts, managing the DPU approval process, managing the supply procurement process, providing customer support, interacting with the local distribution company, monitoring the supply contract, and providing ongoing reports. This charge has been set for the initial term of the Consultant's contract at \$0.001 per kilowatt-hour.

In addition, the City may direct the Competitive Supplier to include in the supply price an Operational Adder to be payable by the Competitive Supplier to the City. Funds collected through the Operational Adder shall be used to support the operational costs of the program, including, for example, 1) personnel costs associated with a staff

⁴ The Program Summary Form will be the same as the Contract Summary Form that the DPU specifies for competitive retail suppliers, with minor text edits to make the form appropriate for participants in a municipal aggregation program. For example, because aggregation program participants do not sign a contract, the term "contract" will be replaced by "Program" or "Option" as appropriate.

position, one of the responsibilities of which is to assist with the aggregation program; 2) REC purchases; 3) enhanced customer education regarding energy bills and the environmental impacts of electricity use; and 4) other forms of support for energy initiatives that create benefits for program participants.

4. Rate Setting and Other Costs to Participants

As described above, the Program’s electricity supply charge will be set through a competitive bidding process and will include the administrative adder and other approved adders. Additionally, the power supply charge may include credits or discounts applicable to certain rate classes (for example, from a low-income community shared solar program). Prices, terms, and conditions will vary by Program Option and may differ among the rate classifications established in the tariffs of the local distribution company. For each rate class, prices will be fixed for periods at least as long as the utility Basic Service price period for the class.⁵

If there is a change in law (i.e., “regulatory event” or “new taxes” per Article 18 of the ESA) that results in a direct, material increase in costs during the term of the ESA (see Article 18 of the ESA), the City and the Competitive Supplier will negotiate a potential change in the Program pricing. At least 30 days prior to the implementation of any such change, the City will notify Program participants through a direct mail notice and by issuing a media release and posting a notice in City Hall and on the Program website (Consumer Notification). The City will notify the DPU Consumer Division prior to the implementation of any change in Program pricing related to a change in law. Such DPU communication shall occur no less than ten days prior to the Consumer Notification and include copies of all media releases, City Hall and website postings, and other communications the City intends to provide to customers regarding the change in price.

The Program affects only customers’ electricity supply charges. Delivery charges will be unchanged and will continue to be charged by the local distribution company in accordance with tariffs approved by the DPU. Also, low-income discounts provided by the local distribution company will continue to be applied.

Participants will continue to receive one bill from their local distribution company that includes both the electricity supply-related charge and their local distribution company’s delivery charges. Required supply-related taxes will be included as part of the electricity supply charge. Customers are responsible for identifying and requesting an exemption from the collection of any tax by providing appropriate documentation to the Competitive Supplier.

5. Method of Entering and Terminating Agreements with Other Entities

The City’s process for entering, modifying, enforcing, and terminating all agreements associated with the Aggregation Plan will comply with the City’s charter, federal and state law and regulations, and the provisions of the relevant agreement.

The process for the City entering into an ESA with the Competitive Supplier is described above in Section IV.2.a.

If the City determines that it requires the services of an aggregation consultant after the expiration of the currently applicable agreement with MassPowerChoice, the City will solicit proposals for and evaluate potential aggregation consultants using a competitive procurement process or alternative procedure which the City determines to be in the best interest of its residents and businesses and consistent with all applicable local, state, and federal laws and regulations.

⁵ Basic Service pricing periods vary by customer class. For residential and small business customers, the prices change every six months. For medium and large business customers, prices change quarterly.

6. Rights and Responsibilities of Program Participants

All participants will have the right to opt out of the Program at any time without charge. They may exercise that right by any of the following: 1) calling the Competitive Supplier's toll-free number; 2) submitting the opt-out form on the Program website; 3) contacting their local distribution company and asking to be returned to Basic Service; or 4) enrolling with another competitive supplier.

All participants will have the consumer protection provisions of Massachusetts law and regulations, including the right to question billing and service quality practices. Customers will be able to ask questions of and register complaints with the City, the Consultant, the Competitive Supplier, the local distribution company, and the DPU. As appropriate, the City and Consultant will direct customer complaints to the Competitive Supplier, their local distribution company, or the DPU.

Participants will be responsible for paying their bills, for providing access to metering and other equipment necessary to carry out utility operations, and for complying with all applicable laws, regulations, and tariffs.

7. Extension or Termination of Program

Prior to the end of the term of the initial Electric Service Agreement, the City will solicit bids for a new electricity supply and plans to continue the Program with the same or a new competitive supplier. When the City determines that it is timely to solicit bids, it will repeat the procurement steps described in Section IV.2.a. If the City receives a satisfactory price bid, it will enter a new ESA with the winning bidder.

At least thirty days prior to the effective date of a new ESA, Program participants will be informed of the ESA and any price or program changes through postings on the Program and City websites, media releases, social media, and a physical posting in City buildings. Additionally, Program participants will be mailed the automatic renewal notification prescribed by the DPU for competitive retail suppliers. The notification will comply with all Department language access and design requirements, and will inform Program participants that they may opt out of the Program at any time and return to utility Basic Service at no charge. The notification will be sent in a clearly marked envelope indicating that it contains important information from the City regarding customers' participation in the Program.

If the City seeks to change the voluntary renewable energy content for any option, it will notify Program participants of the change as described above. Customers enrolled in an opt-in option that will change voluntary renewable content will be informed that they must affirmatively re-enroll in the new option (or affirmatively enroll in another option or opt-out) or they will be enrolled in Framingham Standard Green. Customers enrolled in Framingham Standard Green (or an opt-in option where the renewable energy content does not change) will be notified that they will be renewed in their current option unless they opt out.

Although the City is not contemplating a termination date, the Program could be terminated upon the termination or expiration of the Competitive Electric Service Agreement without any extension, renewal, or negotiation of a subsequent supply contract, or upon the decision of the Mayor to dissolve the Program effective on the end date of any outstanding supply agreement or for other legal or contractual reason. In the event of termination, customers would be returned to their local distribution company's Basic Service via Electronic Data Interchange (EDI) by the Competitive Supplier in accordance with the rules set forth in the Electronic Business Transactions (EBT) Working Group Report unless the customer chooses an alternative competitive supplier.

The City will notify the local distribution company of the planned termination or extension of the Program. In particular, the City will provide notice to the local distribution company: (1) 90 days prior to a planned termination

of the Program; (2) 90 days prior to the end of the anticipated term of the Program’s ESA; and (3) four business-days after the successful negotiation of a new electricity service agreement.

The City will notify its residents and businesses of Program termination by issuing a media release and posting a notice on the City website. In addition, customers will receive notice of a supplier change on their bill from their local distribution company.

The City will notify the Director of the DPU’s Consumer Division 90 days prior to a planned termination of the Program. Such communication shall include copies of all media releases, City clerk and website postings, and all other communications the City intends to provide to its residents and businesses regarding the termination of the Program and the return of participants to utility Basic Service.

V. Substantive Requirements

The Aggregation Statute also requires that the aggregation plan satisfy three substantive requirements:

- Universal access
- Reliability
- Equitable treatment of all customer classes

The City’s Program will satisfy all three requirements, as discussed below.

1. Universal Access

The Aggregation Plan provides for universal access by guaranteeing that all customer classes will be included in the Program under equitable terms.

Most importantly, all customers will have access to the Program. All eligible customers will be automatically enrolled in the Program unless they choose to opt out.

All customers will have the right to opt out of the Program at any time. Customers that opt out will have the right to return to the Program at any time. Customers that opt out and then return to the Program will be offered a price that reflects market conditions at the time of their return.

2. Reliability

Reliability has both physical and financial components. The Program will address both of these components through the ESA with the Competitive Supplier. From a physical perspective, the ESA commits the Competitive Supplier to provide all-requirements power supply and to use proper standards of management and operations (ESA, Article 7). The local distribution company will remain responsible for delivery service, including the physical delivery of power to the consumer, maintenance of the delivery system, and restoration of power in the event of an outage. From a financial perspective, the ESA requires the Competitive Supplier to pay actual damages for any failure to provide supply at the contracted rate (i.e., to pay the difference between the contract rate and the utility supply rate). The ESA also requires the Competitive Supplier to maintain insurance (ESA, Article 16). Accordingly, the Program satisfies the reliability requirement of the Aggregation Statute.

3. Equitable Treatment of all Customer Classes

The Aggregation Statute requires “equitable” treatment of all customer classes. The DPU has determined that this does not mean that all customers must be treated “equally,” but rather that similarly-situated classes be treated

“equitably.” In particular, the DPU has allowed variations in pricing and terms and conditions among customer classes to account for the disparate characteristics of those classes.

The Program makes several distinctions among groupings of customers. First, the Program may distinguish among rate classes by soliciting separate pricing for each of those classes. The Program will use the rate classes established by the local distribution company.

Second, the Program will distinguish among customers receiving different Program Options. Customers will be charged the price associated with the Program Option they receive.

Third, the Program makes distinctions according to customers’ enrollment scenario. Those distinctions are described in the two tables below:

Enrollment procedures

Enrollment scenario	Residential	Small C&I	Medium C&I	Large C&I
Eligible customer at program initiation	An Opt-Out Notice will be mailed to all eligible customers before Program launch. After the completion of the opt-out period, the Competitive Supplier will enroll eligible customers that did not opt out. The enrollments shall commence no sooner than 37 days after the mailing of the Opt-Out Notice.			
New eligible customers identified after Program initiation	An Opt-Out Notice will be mailed to all new eligible customers identified after Program initiation. After the completion of the opt-out period, the Competitive Supplier will enroll eligible customers that did not opt out. The enrollments shall commence no sooner than 37 days after the mailing of the Opt-Out Notice.			
Competitive supply customers at Program initiation who wish to enroll in the Program after their competitive supply contract ends	Customers may request enrollment by contacting Program customer support or the Program’s electricity supplier.			
Customers who opt out and subsequently wish to enroll	Customers may request enrollment by contacting Program customer support or the Program’s electricity supplier.			

Pricing procedures

Enrollment scenario	Residential	Small C&I	Medium C&I	Large C&I
Eligible customer at program initiation	Standard Program pricing ⁶			
New eligible customers identified after Program initiation	Standard Program pricing		Market-based pricing ⁷	
Competitive supply customers at Program initiation who wish to enroll in the Program after their competitive supply contract ends	Standard Program pricing		Market-based pricing	
Customers who opt out and subsequently wish to enroll	Market-based pricing			

VI. Planned Schedule

Milestone	Day Estimate
RFQ for competitive supplier issued	Day 1
RFP for final supply prices issued	Day 30
Electricity Supply Agreement executed	Day 44
Broad-based educational campaign begins, including the announcement of supply contract and pricing and an update of Program web site, and including an opt-up campaign for greener power.	Day 45
Opt-Out Notice mailed to customers	Day 55
Opt-out postmark deadline	Day 88
Earliest date program enrollment may begin	Day 92

⁶ Standard Program pricing is the price set in the ESA.

⁷ Market-based pricing is a price based on market conditions at the time the customer seeks to enroll in the program.

The planned schedule is presented for illustrative purposes. The final schedule will be established when the City receives DPU approval.⁸

VII. Conclusion

The Program meets all of the requirements of the Aggregation Statute, including universal access, a reliable power supply, and equitable treatment of all customer classes, and will bring the benefits of renewable energy and electricity choice to the City's residents and businesses.

⁸ The planned schedule is designed to give the Competitive Supplier sufficient time to satisfy EDI testing requirements. However, the schedule will be adjusted if additional time is needed to meet those requirements.