Canton Electricity Choice Part One - Overview By Tom Birmingham, Chair, Canton Energy Advisory Committee



This is the first in a three-part series of articles to appear in the *Canton Citizen*. These articles have been written to help readers familiarize themselves with what *Canton Electricity Choice* is all about. In sum, it is an optional form of group electricity purchasing that provides several benefits as discussed below. These benefits are not otherwise available to most consumers on their own. Think "buyer's club" for electricity with no hidden fees or penalties. You can see all three articles along with other helpful information at CantonElectricityChoice.com.

Part One provides an overview of the *Canton Electricity Choice* program. This includes a high-level description of the six-step program approval process necessary to bring this type of electricity choice program to Canton.

Part Two takes a deeper dive into Step 4 of this six-step program approval process. This is the critical "Competitive Procurement" phase, which the town entered in early February 2024.

Part Three details what decisions residential and business customers will need to make to participate, or not, in this voluntary program. It also explains by when these decisions will need to be made.

Background

At the May 2021 Town Meeting, Canton residents approved a warrant article initiated by the Select Board, authorizing it to bring a municipal electricity aggregation program to town. This was Step 1 in the six-step process necessary to bring this type of electricity choice program to Canton. Every electric customer has the option to participate in this group electricity purchasing program.

Since that time, the Canton Energy Advisory Committee, along with the Select Board, Town Administrator, Town Planner, and Canton's hired consultant, MassPowerChoice (think of this as Canton's "competitive procurement team"), have all been working hard to move through Steps 2 and 3 of this six-step approval process mandated by the MA Department of Public Utilities. This is a rigorous, lengthy process to ensure consumer protection. As explained below, Canton entered Step 4 of this process in February 2024.

The good news - the option for bringing this type of program to Canton has been around since 1997, when the Massachusetts legislature first approved this policy. So, it is a well-traveled road that we have been able to learn from. According to the MA Division of Energy Resources, today over 165 municipalities across Massachusetts already provide this type of program to their communities. As of July 2022, 43% of MA residential electricity consumers participated in municipal aggregation for their electricity supply.

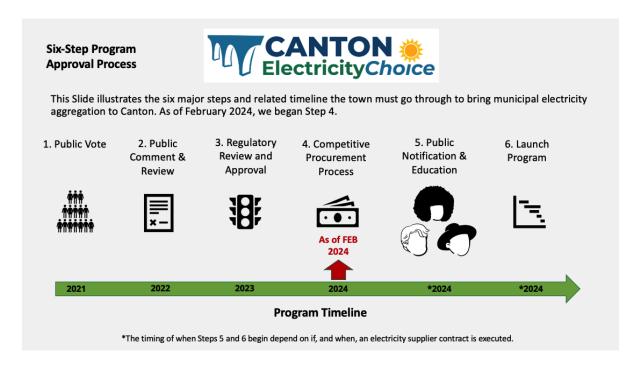
Six Step Program Approval Process

The following is a list of the six major steps the town needs to go through to make *Canton Electricity Choice* a reality in town and Canton's status for each step (as of February 12, 2024):

- 1. Public Vote Completed May 1, 2021
- 2. Public Comment and Review Completed January 24, 2023
- 3. Regulatory Review and Approval February 7, 2024

- 4. Competitive Procurement Process Began February 2024
- 5. Public Notification and Education Pending outcome of Step 4*
- 6. Program Launch Pending outcome of Step 4*

*See the below diagram for an illustration of this timeline. As noted, the timing of when Steps 5 and 6 commence is dependent on if, and when, the town signs a competitive municipal electricity aggregation supply contract during Step 4. The important point here is that if *Canton Electricity Choice* is unable to offer a comparable rate option (i.e., Canton Basic), that is less than or equal to Eversource's Basic Service rate, then we will wait for market conditions to change. This detail is addressed further in Part Two of this three-part series of articles on this topic.



Program Benefits

Canton Electricity Choice, which applies to both Eversource's residential and business customers, provides several important benefits that most consumers would not otherwise be able to achieve on their own. These benefits include:

- Providing more clean electricity from local renewable energy projects than required by state law;
- Creating new electricity choices by offering three pricing options: Canton Basic, Canton Standard Green, and Canton Plus Green;
- Providing more stable, competitive electricity supply prices in lieu of Eversource's Basic Service price, which changes every six months or less; and
- Ensuring consumer protections by avoiding hidden fees and the freedom to opt out of the program at any time with no penalties.
- NOTE: Because Eversource's prices change and their future prices are not known, savings cannot be guaranteed.

Learn more about *Canton Electricity Choice* at <u>CantonElectricityChoice.com</u> or by calling 1-844-202-6101, including optional translation services.