

CHANGE IN CLEAN ENERGY LAW NECESSITATES SLIGHT PRICE ADJUSTMENT IN MUNICIPAL ELECTRICITY PROGRAMS

Municipal program rates to remain lower than local utilities' Basic Service rates

FRANKLIN COUNTY, MA – A change in state law is necessitating minor price adjustments in the municipal electricity programs developed earlier this year by 12 Franklin County communities. The electricity programs' goals of adding to the region's renewable energy capacity, reducing carbon emissions, and striving to cost less than the local utility remain in place.

The Clean Energy Standard Expansion, developed by the Massachusetts Department of Environmental Protection and finalized in July 2020, now requires that utilities and suppliers annually demonstrate that they have sourced an increasing amount of clean energy. This change in law adds slightly to the overall cost of supplying electricity.

Given average electricity usage of 600-kilowatt hours per month, consumers' bills are expected to increase by approximately 61 cents a month compared to the program rates announced earlier this year. The minimal rate change of an additional \$0.00102 per kilowatt hour for all programs – standard, optional green, optional basic, etc. – will occur with the January 2021 meter reads and remain fixed through the remainder of the contract term, which ends on January 2024.

All retail electricity suppliers operating in Massachusetts, including Eversource and National Grid, are subject to this regulation change and the associated price impact. **All of the Franklin County municipal electricity programs are expected to remain below both Eversource's and National Grid's Basic Service rates this winter.**

To provide more local control and increase the use of renewable energy, the Franklin County Aggregation group entered into a 41-month contract with municipal energy consultant Colonial Power Group to develop and manage the Community Choice Power Supply Programs and with Dynegy Energy Services to supply electricity. The communities' individual programs were initially implemented in August 2020.

Franklin County communities participating in the Franklin County Aggregation group include Buckland, Charlemont, Colrain, Conway, Deerfield, Gill, New Salem, Northfield, Shelburne, Sunderland, Warwick, and Whately.

The towns' municipal electricity programs were designed to help provide savings opportunities, price stabilization, and local control. The programs also have consumer protections built in, including no hidden fees and the ability to decline participation or opt-out at any time with no penalty. Many competitive electricity suppliers do not provide these types of protections for area residents.

The Basic Service rates for Eversource and National Grid change twice a year or more, depending on rate class. As a result, municipal aggregation rates may not always be lower than the Basic Service rate. The goal of the aggregations is to deliver savings over the life of the programs against Basic Service. However, such savings and future savings cannot be guaranteed.

For more information regarding the Franklin County Aggregation group's collaborative effort, residents may visit www.colonialpowergroup.com/our-communities and select their community's name, or call (866) 485-5858 ext. 1.