

Community Choice Electric Aggregation Program
By Gregory T. Federspiel
January 22, 2025

Efforts continue to secure a competitive rate from an electrical supplier that residents will be able to utilize should they choose. Voters gave the green light to move forward with the state law that allows a municipality to seek competitive rates for its residents. We are still a few months out from implementing the program, but an important milestone has been reached in presenting for public comment the draft plan for the program.

Manchester's draft "Community Choice Power Supply Aggregation Plan" closely follows the requirements of the state law and the regulations that the Department of Public Utilities developed. The plan can be accessed through the Town's web site. A hardcopy is also available at the Town Clerk's Office or Library. The 30 day comment period runs through 5PM on Friday, February 28. This comment period is made available to the public prior to submitting the plan for approval to the Department of Public Utilities. Comments can be sent to the Select Board's Office at Town Hall.

A community electric aggregation program deals only with the supplier of electrical energy. Everything else, from maintaining the electric lines to billing, to repairs, remains in the hands of our electric company, National Grid. The single bill you will receive from National Grid will note the supplier on your bill. By aggregating the electricity needs of all residents in Town, an aggregation plan typically secures a more stable and competitive price for all electricity users. The program also can offer higher renewable energy supply options as well including sourcing electricity from 100% renewable generation. Participation is voluntary. A resident can decline the supplier provided through the Plan and choose an alternative supply option (either through National Grid or some other supplier) by declining to enroll or stopping enrollment at any time with no penalty.

The Town has teamed up with Colonial Power Group (CPG) to administer the program. CPG has assisted over 100 Massachusetts communities with their aggregation programs, handling all aspects from DPU compliance to community outreach about the program and managing the enrolment process. Most importantly, CPG will seek competitive bids from electricity suppliers and help the Select Board decide which offer will be the most advantageous for Manchester residents.

Unlike when an individual seeks a supplier on their own, a community aggregation plan secures a fixed price usually for 1 to 3 years through a competitive bidding process. While anyone can unenroll at any time, the supplier cannot alter their price for the duration of the contract. Having a fixed price offers stability that National Grid cannot offer. 'Grid sets its prices twice a year with winter prices typically higher than summer prices. An aggregation plan seeks a more competitive price over the duration of the contract though with volatile energy prices there is no guarantee that the aggregation plan will always be less expensive than the default rate through National Grid.

The draft plan details how the aggregation plan is to operate. Again, this is highly dictated by state law and DPU regulations. The plan lays out the process. Once the plan is formally approved by the state, our consultant will solicit quotes from various suppliers for various electricity generation sources. These quotes will be reviewed by the Select Board and a selection will be made. With supplier and specific rates in hand materials will be prepared and

sent to all households. Residents will have the aggregation rates to compare with the current National Grid rates and will need to decide whether to opt out of the aggregation option. The timing of various approvals, decisions and what the energy market is doing will determine when the program will be available but it should be within the next 6 months. As the roll out of the program draws nearer additional information will be available and information sessions planned.