



ATTORNEYS AT LAW

The firm has attorneys also admitted
to practice in District of Columbia,
Idaho, New York and Vermont

ONE GATEWAY CENTER, SUITE 809
NEWTON, MASSACHUSETTS 02458
617.244.9500

FACSIMILE: 802.419.8283
E-MAIL: bckboston@bck.com
WEBSITE: www.bck.com

January 29, 2014

VIA EMAIL ONLY

Mr. Michael Judge
Department of Energy Resources
100 Cambridge Street, Suite 1020
Boston, MA 02114
Email: DOER.SREC@state.ma.us

Re: Proposed Regulatory Changes to 225 C.M.R. § 14.00 RPS Class I

Dear Mr. Judge:

On behalf of the Cape Light Compact (the "Compact"), I am submitting this letter in response to the request of the Department of Energy Resources ("DOER") for written comment on DOER's proposed regulatory changes to 225 C.M.R. § 14.00 RPS Class I ("RPS Class I"). The Compact appreciates the opportunity to provide feedback to DOER on this important matter.

The Compact is a governmental aggregator under G.L. c. 164, §134 and consists of the twenty-one towns in Barnstable and Dukes Counties (Aquinnah, Barnstable, Bourne, Brewster, Chatham, Chilmark, Dennis, Edgartown, Eastham, Falmouth, Harwich, Mashpee, Oak Bluffs, Orleans, Provincetown, Sandwich, Tisbury, Truro, West Tisbury, Wellfleet, and Yarmouth) as well as the two counties themselves. It was originally formed in 1997 and is organized through a formal Inter-Governmental Agreement signed by all of the towns, as well as Barnstable and Dukes counties, pursuant to G.L. c. 40, §4A, as amended from time to time (the "Compact Inter-Governmental Agreement").

The purposes of the Compact include, among other things: (1) to negotiate the best terms and conditions for the supply and distribution of electricity for consumers on Cape Cod and the Vineyard; (2) to advance consumer protection and interests for the residents of Cape Cod and the Vineyard; (3) to improve quality of service and reliability; and (4) to utilize and encourage renewable energy development. Compact Inter-Governmental Agreement at Article I.

VERMONT OFFICE:
P.O. Box 205
Woodstock, Vermont 05091
Telephone: 802.457.9050
Facsimile: 802.419.8283
E-Mail: bckvt@bck.com

MOUNTAIN STATES OFFICE:
P.O. Box 1527
Ketchum, Idaho 83340
Telephone: 208.727.9734
Facsimile: 802.419.8283
E-Mail: bckidaho@bck.com

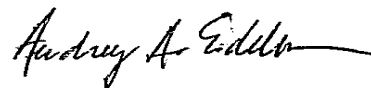
The Compact presently operates a municipal aggregation competitive supply program, which offers electric power supply on an opt-out basis to all customer classes who are located within the Compact's service territory and would otherwise be served as basic service customers.

On January 24, 2014, the Compact attended the public hearing held by DOER on DOER's proposed regulatory changes to RPS Class I. During the verbal testimony, a representative from National Grid referenced the proposed clause in 225 C.M.R. § 14.07(3)(b) that exempts competitive Retail Electric Suppliers from application of the Minimum Standard to the portion of electrical energy sales that were subject to a contract executed or extended prior to the effective date of the regulation (as such terms are defined in RPS Class I). The National Grid representative asked that the same exemption apply to electrical energy sales for basic service load (and in so doing made reference to sales through 2015).

The Compact does not support the application of the exemption to basic service electrical energy sales because there are notable differences between basic service and competitive supply. Distribution companies procure energy to meet basic service requirements as proscribed by the Department of Public Utilities ("DPU") and independent of such purchases set basic service prices, as required by DPU, every six months for residential customers and more frequently for commercial and industrial customers. In addition, distribution companies procure renewable energy certificates necessary to comply with RPS Class I separately from energy and at various times. For these reasons, the expansion of the exemption to basic service electrical energy sales is not necessary because the price impacts from additional solar renewable energy certificate II purchases can be reflected in future basic service prices, whenever such prices are reset.

Thank you for your consideration of this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Audrey A. Eidelman", with a long horizontal flourish extending to the right.

Audrey A. Eidelman
Counsel to the Cape Light Compact

cc: Margaret T. Downey, Cape Light Compact (via email only)