



Cape Light Compact
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March 29, 2016

Chilmark Board of Selectmen
PO Box 119
Chilmark, MA 02535

RE: EVERSOURCE GRID MODERNIZATION PLAN, DPU 15-122

Dear Board of Selectmen:

As you may recall, during my annual briefing on the Compact last fall, I included a few slides to alert you to the major transformation ahead with “Grid Modernization” or the “Smart Grid.” The plans for that transformation are being reviewed by the Massachusetts Department of Public Utilities, and public comments on the plans are due on April 14, 2016.

The Chilmark Board of Selectmen will soon receive a letter from Eversource announcing its “Grid Modernization Plan.” The five-year, \$496 million plan outlines major changes in electric infrastructure that will have long-term impacts on our region’s economy, environment, energy use, and reliability. It is vital that all of our towns, businesses, and residents be made aware of, and have an opportunity to review and comment on, this plan.

The “big picture” perspective is that the electric system will shift away from a century-old design of centralized plants producing power and transmitting it in one direction to consumers. The new “smart” system will have interactive digital intelligence that allows consumers to produce power, store it, and choose when to use it. The transition will take time, but the infrastructure developed as part of these plans will determine the course of events, the costs we pay, and what benefits we ultimately receive.

In the past, the Cape Light Compact has successfully intervened in cases at the Department of Public Utilities and saved consumers millions of dollars. Given the significant costs and benefits at stake in the Eversource Plan, the Compact plans to intervene in this case (DPU 15-122) with several goals, including:

- **Ensuring Cost Efficiency.** Under the plan, spending is pre-authorized and will appear on our bills for a long period of time. This means making sure that the amounts being charged are fair, costs are properly allocated, and Cape and Vineyard consumers do not end up subsidizing improvements in Boston or other areas that provide us with little or no benefit.

Working Together Toward A Smarter Energy Future

- Ensuring Reliability At Desired Levels And At Problem Locations. Inappropriate costs for standard maintenance (such as tree-trimming), as currently proposed by Eversource, should not be part of this plan. And possible overbuilding for minimal gains in reliability should be evaluated.
- Ensuring Continued Opportunities for Distributed Generation Development. Technological capacity needed to accommodate more distributed generation such as solar needs to be evaluated, as well as the cost of proposed enhancements.
- Ensuring Consumer Access to Smart Grid Technology at the Level Desired. Eversource has proposed that anyone wishing to have a “smart meter” enroll in Eversource’s power supply, rather than the Cape Light Compact or other independent suppliers. This issue severely limits customer choice, and needs to be fully examined.

The Eversource Plan marks the most significant transformation in the way we receive and use electricity in the past century. The process for reviewing and commenting on the Eversource Plan should not be rushed.

Within these roles, we would ask that you consider submitting a comment letter to the Department of Public Utilities expressing your concern that all issues related to the Eversource “Grid Modernization Plan” be thoroughly examined, and that extensions of deadlines be granted in order to allow for a process of stakeholder engagement and education.

Eversource stated that it developed a plan “that puts the customer at the center of its grid modernization efforts.” It’s vital that we make sure this remains the case.

I have attached a model comment letter that you are free to utilize. If you have any questions, I would be happy to meet with the Board of Selectmen to discuss specific questions. Thank you for your consideration of this very important matter.

Sincerely,

Margaret T. Downey
Administrator

Cc: Tim Carroll, Executive Secretary/Cape Light Compact Board Member

Enclosure

April 14, 2016

**VIA ELECTRONIC MAIL
ORIGINAL BY U.S. MAIL**

Mark D. Marini, Secretary
Department of Public Utilities
One South Station, 5th Floor
Boston, MA 02110

Re: D.P.U. 15-122, Eversource Grid Modernization Plan

Dear Secretary Marini:

We are writing to let you know that the Board of Selectmen support the efforts of the Massachusetts Department of Public Utilities to examine the modernization of the electric grid. This subject is of critical importance to residents and businesses on Cape Cod and Martha's Vineyard because we represent the outermost portions of the Eversource Electric grid. The Cape Light Compact brought the Eversource Grid Modernization Plan to our attention several months ago and identified several issues that we believe warrant further dialogue with electric ratepayers of Cape Cod and Martha's Vineyard before the Department of Public Utilities takes action on Eversource's Grid Modernization Plan. Below is an overview of the key issues that will have long-term economic and environmental impacts for Cape Cod and Martha's Vineyard.

- Time Varying Rates (TVR) – eligibility for customers within municipal aggregation service territories, associated fees and who pays those fees, requirements on how long a customer must commit to participate;
- Ensuring geographical equity in capital improvements that are designed to improve reliability, and ensuring equity in how those costs are allocated;
- How customers will pursue renewable energy and other smart technologies (meters, energy storage, and appliances);
- Whether normal maintenance of power line rights of way should be eligible for accelerated cost recovery. How are these costs appropriate in a Grid Modernization Plan cost recovery?

It is our understanding that the Cape Light Compact intends to intervene in this proceeding and raise the issues above, and other issues that impact Cape Cod and Martha's Vineyard electric ratepayers. We respectfully request that the schedule for this

proceeding allow for sufficient time to engage the electric rate payers on Cape Cod and Martha's Vineyard in robust discussions on how they wish to see their electric grid be modernized, including what technologies do they want to see pursued; where will infrastructure improvements be located; and how much are they willing to pay for these items. To date, Eversource has not engaged residents on Cape Cod or the Vineyard on its Grid Modernization Plan, and as a result there has not been enough local discussion on these subjects. We ask the Department to allow time for these discussions to occur.

Sincerely,

Cc: Danielle Winter, Eversource Counsel (dwinter@keeganwelin.com)
Tina Chin, DPU Hearing Officer (tina.chin@state.ma.us)
Cape Light Compact