



# Public Facilities Committee Report

## City of Newton In City Council

**Wednesday, March 8, 2017**

**Present:** Councilors Crossley (Chair), Albright, Laredo, Lappin, Lennon, Brousal-Glaser, Danberg, Gentile

**Also Present:** Councilors Fuller, Leary, Rice, Harney, Cote, Hess-Mahan, Kalis, Norton, Schwartz, Baker

**City staff present:** Co Sustainability Director Andy Savitz, Co Sustainability Director Ann Berwick, City Engineer Lou Taverna

### Referred to Public Facilities and Finance Committees

**#42-17**

#### **Request to authorize a contract(s) to aggregate the electricity load**

COUNCILORS CROSSLEY, ALBRIGHT, BROUSAL-GLASER, LEARY AND NORTON

requesting the City Council authorize the Administration to direct the appropriate City departments to research, develop, and participate in a contract or contracts to aggregate the electricity load of residents and businesses in the City of Newton, and for the other related services, independently, or in joint action with other municipalities, and authorize the Mayor to execute all documents to accomplish the same. [02/13/17 @ 4:53 PM]

**Action:** Public Facilities Approved 8-0

**Note:** The Chair introduced the item and noted that authorizing the administration to pursue information about municipal aggregation is the first step in a long process which is regulated by the state. She noted that if we bring this month, the long public hearing and approval process may take until January of 2018 to implement a program, should Newton choose to do so.

Co-Sustainability Director Ann Berwick presented an overview of municipal aggregation. Eversource delivers basic service to all ratepayers who have not independently chosen a different supplier. Under Renewable Portfolio Standards, Eversource is required to buy 12% of energy from renewable sources. This 12% is Class 1 Renewable Energy Credits or 'RECs'. With a municipal aggregation contract, Eversource continues to deliver power and all ratepayers are automatically enrolled. Rate payers can opt out at any time with no penalties. Ms. Berwick noted that while not guaranteed, cost savings are likely based on the ability of the consultant to purchase energy according to market changes. Ms. Berwick noted that while there are 80 approved municipal aggregations in Massachusetts, and 40 additional communities in the process of considering aggregation to purchase green energy.

Ms. Berwick then introduced Patrick Roche of the Massachusetts Area Planning Council, MAPC. Ms. Berwick also noted that MAPC went through competitive procurement process to hire Good Energy as a consultant to work with municipalities. In communities where Good Energy has helped to implement municipal aggregation, there have been good experiences and success in

achieving cost savings, which may vary based on the level of green energy selected. MAPC Representative Patrick Roche provided an overview of the process to implement aggregation. He noted that the consultant chosen by the City assists in all aspects of the state's regulatory process including; plan development, public outreach, bidding and monitoring. He stated that the consultant typically works at risk until the program is operational at which point they are paid by the supplier. At no point is the City under any obligation to execute the plan. Mr. Roche noted that the process can take 3-9 months, including a thorough review by the Department of Public Utilities, Department of Energy Resources and the Attorney General's office. In response to a question about why the process takes so long, Mr. Roche noted that the variables range from understaffing at the DPU to a sometimes lengthy analysis from the Attorney General's office.

Mr. Roche confirmed that the City may recommend any level of green energy while providing different tiers for ratepayers to choose from. He noted that opt out rates typically range from 5-7%. It was noted that regardless of the opt out rate, municipalities are guaranteed the rate throughout the duration of the contract. Committee members noted that the City could go through an independent bidding process or through MAPC for the vendor. There are 3 consultants in Massachusetts. It was noted that some communities have had less success with municipal aggregation which could be attributed to the consultant selected.

Mr. Roche noted that once the Council authorizes the administration to pursue aggregations, the statute does not require further, that the Council approve the plan. Councilors expressed interest in municipal aggregation but emphasized the desire to collaborate with the administration in determining plan details. Councilor Albright moved approval of the item subject to presenting the plan to the Public Facilities Committee for approval, both prior to the public hearing and prior to submission to the state DPU. Committee members voted unanimously in favor, as conditioned.

### **Referred to Programs & Services, Public Facilities and Finance Committees**

**#58-17**      **Authorize submittal of Lincoln Eliot statement of interest to the MSBA**  
**SUPERINTENDENT FLEISHMAN** requesting a vote of the City Council to complement the vote of the School Committee to authorize the Superintendent of Schools to submit to the Massachusetts School Building Authority (MSBA) they FY 17 Statement of Interest no later than April 7, 2017 for the consideration of Lincoln-Eliot Elementary School as a major school Building project after Cabot Elementary School. [02-17-17 @ 9:29 AM]

**Programs and Services Approved 3-0-2 (Baker, Hess-Mahan abstaining)**

**Action:**      **Public Facilities Approved 7-0-1 (Gentile abstaining)**

**Note:**      The Public Facilities Committee met jointly to the Programs & Services Committee to review the request to resubmit the Lincoln Eliot Statement of Interest to the MSBA for consideration. School Committee member Diana Fisher Gomberg presented the request, noting that the statement of interest is hardly changed. Committee members questioned why the submission might be more successful this year. Ms. Fisher Gomberg stated that the MSBA encouraged the City to reapply this year. She noted that while the submission from last year emphasized building condition, this year's submission also includes emphasis on enrollment; a

major factor considered by the MSBA. While it was suggested that acceptance of Lincoln Eliot by the MSBA will depend on which and how many other school communities apply, Ms. Fisher Gomberg confirmed that there are no negative impacts of reapplying.

Ms. Fisher Gomberg noted that the plan detailed in the SOI currently proposes moving the Lincoln Eliot community into a renovated Aquinas. The existing Lincoln Eliot could then be used as swing space. The cost of the renovation at Aquinas was estimated to be approximately \$60 million dollars. Councilors shared concerns that the cost estimate for Aquinas seemed high and questioned if that estimate included the cost of acquisition or renovations recently made for the preschool. Ms. Fisher Gomberg confirmed that estimates could be provided for the Finance Committee meeting.

Committee members questioned the appropriateness of requesting funds in order to renovate Aquinas and create swing space and whether the MSBA would be supportive of the plan. Ms. Fisher Gomberg noted that funding would be subject to the MSBA's standard procedure which includes a thorough review of all possible locations for the school.

Committee members asked if renovations to Lincoln Eliot are contingent upon MSBA funding. Ms. Fisher Gomberg noted that if not accepted, the City could reapply next year or investigate alternate funding options. It is anticipated that the City will have a response from the MSBA in December 2017. Councilor Laredo moved approval of the item in Public Facilities which carried 7-0-1. Councilor Rice moved approval of the item in Programs and Services which carried 3-0-2 with abstentions from Councilors Baker and Hess-Mahan abstaining.

### **Referred to Public Facilities and Finance Committees**

**#57-17**      **Appropriate \$400,000 for design of street improvements along Newtonville corridor**

HIS HONOR THE MAYOR requesting authorization to appropriate four hundred thousand dollars (\$400,000) from Free Cash for the purpose of designing streetscape improvements to the Walnut Street/Newtonville corridor. [02/27/17 @ 2:42 PM]

**Action:**      **Public Facilities Approved 8-0**

**Note:**      City Engineer Lou Taverna presented the request for funds to prepare final design documents for streetscape improvements in Newtonville Village along Walnut Street. Environmental Partners was selected to design the improvements, including wider sidewalks and bikes lanes, based on their familiarity and prior work in the area. Environmental Partners designed the Harvard and Washington Street intersection. DPW hopes to complete preliminary design by June in order to proceed to final design and construction by the end of the construction season. Committee members observed that this is an aggressive timeline and could be delayed. Public Works held a community meeting to solicit feedback from the public with a second meeting to be held in April.

Mr. Taverna noted that the plans are designed under the assumption that previously approved projects, such as the Austin Street mixed development, would be built. He confirmed that DPW would continue to monitor pending developments and incorporate design changes, if

necessary. A Committee member suggested that performance of the contractors should be evaluated for future reference. Councilor Albright moved approval of the item which carried unanimously.

### **Referred to Public Facilities and Finance Committees**

**#56-17 Request to increase the Public Works Department by one full-time position**

HIS HONOR THE MAYOR requesting authorization to add one full-time employee within the Public Works Department to manage all detail requests submitted to the Police Detail Coordinator. [02/27/17 @ 2:42 PM]

**Action:** **Public Facilities Held 7-0 (Laredo not voting)**

**Note:** City Engineer Lou Taverna presented the request for an additional full time employee within the Department of Public Works' Engineering Department to primarily prioritize and coordinate police details with the police department. He stated that currently, each contractor contacts the police department to schedule details on a first come first serve basis. He noted that the police details are not prioritized according to the urgency of the work, or the relative condition of the roadway, and can result in the delay of essential construction. Mr. Taverna stated that having a staff person who understands the scope of work, contractors and the construction path would be beneficial when prioritizing and coordinating police details.

Councilors agreed that more information relating to the position would be necessary prior to approving the additional staff person. While Committee members agreed that coordination of police details requires more attention, they questioned the need for a full time staff person. Mr. Taverna stated that while the staff person's primary function would be to coordinate police details; they would also provide general office support. Committee members noted that the request may need amending to reflect the actual job description, which must be written, and salary grade should be part of the Committee's review. Mr. Taverna confirmed that he is working out the details of the position and will provide them for the next Public Facilities meeting. The Finance Chairman noted that this can only go to Finance in late March so will not slow down the schedule. Councilor Danberg motioned to hold the item which carried unanimously.

### **Referred to Programs & Services, Public Facilities, PS&T and Finance Committees**

**#59-17 Appropriate \$350,000 for construction of a Parks & Recreation/Police building**

HIS HONOR THE MAYOR requesting authorization to appropriate three hundred fifty thousand dollars (\$350,000) from Overlay Surplus for the purpose of funding the construction of a new combined Parks & Recreation and Police Department facility to be located at the Elliot Street DPW yard. [02-17-17 @ 9:29 AM]

**Action:** **Public Facilities Held 7-0 (Laredo not voting)**

**Note:** The Chair noted that the proposed plan is to locate a pre-engineered building at the Elliot Street site. After discussions with Public Buildings and Public Works Commissioners, it was determined that there may be more effective ways of organizing the Elliot Street yard. The Chair suggested that a comprehensive review of the City's sites and how they are utilized would be beneficial to better plan for City Operations. It was noted that there are underutilized buildings on the Elliot Street site and thoughtful planning could eliminate the need for an additional building.

The Chair stated that Commissioners of Public Works and Public Buildings are working to create a plan to better utilize the space.

A Committee member noted that redesign of the site could result in a recommendation to appropriate funds for a feasibility assessment of physical needs for City Operations including DPW, Parks & Recreation and Public Buildings Operations. Councilors agreed that the relocation of Parks & Recreation from the Crescent Street site is a priority. Councilor Lappin motioned to hold the item which carried unanimously.

### **Referred to Finance and Appropriate Committees**

**#257-12**      **Review of Fees, Civil Fines/Non-criminal Disposition in Chapter 17 of the ordinances**  
**RECODIFICATION COMMITTEE** recommending (1) review of the Fees, Civil Fines/Non-Criminal Disposition contained in Chapter 17 LICENSING AND PERMITS GENERALLY and Chapter 20 CIVIL FINES/NON-CRIMINAL DISPOSITION CIVIL FINES to ensure they are in accordance with what is being charged and (2) review of the acceptance of G.L. c. 40 §22F, accepted on July 9, 2001, which allows certain municipal boards and officers to fix reasonable fees for the issuance of certain licenses, permits, or certificates.

**Finance Voted No Action Necessary 7-0 on 12/14/15**

**PS&T Voted No Action Necessary 7-0 on 01/20/2016**

**Programs & Services Voted No Action Necessary 6-0 on 02/08/2017**

**Action:**      **Public Facilities Voted No Action Necessary 7-0 (Laredo not Voting)**

**Note:**      As recodification is beginning, a new item should be docketed to address a review of fees in Chapter 17. With a motion from Councilor Danberg, the Committee unanimously voted no action necessary.

**#100-15**      **Discussion on pursuing municipal aggregation of energy purchasing**  
**ALD. NORTON, SANGIOLO, LEARY, AND ALBRIGHT** requesting that the Administration pursue municipal aggregation of energy purchasing with the goals of reducing and/or stabilizing electricity costs for resident, businesses and the City; and requiring the purchase of Class 1 RECs at some percentage above the level required by the Massachusetts Renewable Portfolio Standard. [04/06/15 @ 9:12 AM]

**Action:**      **Public Facilities Voted No Action Necessary 7-0 (Laredo not voting)**

**Note:**      Committee members voted unanimously to NAN the item with a motion from Councilor Danberg.

The Committee adjourned at 9:40 pm.

**Respectfully submitted,**

**Deborah J. Crossley, Chair**

# Municipal Aggregation

Patrick Roche – MAPC  
Newton Public Facilities Committee  
March 8, 2017

## Agenda

- Intro to MAPC
- Electricity supply basics
- Aggregation details
- Implementation process

## Metropolitan Area Planning Council

- ▶ 101 cities and towns
- ▶ 80+ employees
- ▶ Planning services:
  - Land use/zoning
  - Transportation
  - Environmental
  - Housing
  - Public health
  - Clean energy



## MAPC & Aggregation

- Green aggregation procurement for Melrose
- Dedham followed suite
- Green aggregation procurement on behalf of entire MAPC membership
  - Selected Good Energy as consultant
  - Launched on-going green aggregation program

**Community Electricity Aggregation**





## Aggregation


**Definition:** A city or town contracts with an electricity supplier to provide electricity to any rate payer that is still on Basic Service supply with their electric utility (i.e. Eversource).



Aggregation allows residents and small businesses to access the same benefits that large commercial accounts do by getting their own supplier.

## Electricity Bills 101

**There are two charges on each electricity bill:**

1.  **Delivery - Getting Electricity to You**
2.  **Supply - The Actual Electricity**

Eversource will always provide  **Delivery**

Eversource provides  **Supply by default, called Basic Service**  
 But customers can choose their own  **Supply**

1



Account Number: [REDACTED]  
 Statement Date: 01/23/17  
 W SOMERVIL MA 02144-2420

**Total Amount Due by 02/17/17** **\$45.69**

Amount Due On 01/15/17	\$51.80
Last Payment Received On 12/29/16	-\$51.80
Balance Forward	\$0.00
<b>Total Current Charges</b>	<b>\$45.69</b>


**Electric Usage History - Kilowatt Hours (kWh)**



Average Temperature

**Current Charges for Electricity**


<b>Supply</b>	<b>\$18.76</b>	<b>Delivery</b>	<b>\$26.93</b>
Cost of electricity from Eversource		Cost to deliver electricity from Eversource	



Your electric supplier is  
 Eversource  
 247 Station Drive  
 Westford, MA 02196

**Electric Usage Summary**

This month your average daily electric use was 6.3 kWh	This month you used 14.0% more than the same time last year
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14.5%  USAGE

## Basic Service Supply

- Vast majority of residents and small business accounts still on "Basic Service" with Eversource
- Most large commercial accounts already have switched to another supply
  - Includes city government's accounts!

### Basic Service Supply

- Changes price every 6 months
- Utilities cannot choose when to go to bid
- Result is a variable price that can is not necessarily the best
  - Often big winter price spikes
- Basic Service also has just the minimum amount of renewable energy

### Municipal Aggregation

- Bulk purchase of all your community's residential and business electric accounts currently on the utility's basic service.
- Sign 1 to 3 year fixed price agreement

Continue to receive a **single bill** from Eversource  
 Continue to contact Eversource with any service issues

### Municipal Aggregation

- Automatic enrollment for basic service customers
- No-penalty opt-out at any time
- There will be a default electricity supply rate
- Can offer optional supply rates
  - Usually have more or less renewables

### Aggregation Benefits & Risks

Benefits Include:

- Save residents and businesses money over contract term
- Provide long-term price stability
- Access affordable local renewable energy through bulk purchasing
- Consumer education and increased awareness
- Self-determination for your electric rates and renewable energy mix

Risks Include:

- Savings are not guaranteed
- Some use of administrative time



## Renewable Energy

- With aggregation, you can leverage the community's buying power to help build new, renewable energy facilities in New England
- Powerful strategy to combine with on-going efforts to build renewables in Newton and address energy efficiency

## Community Electricity Aggregation **PLUS**

- MAPC's green aggregation program designed to affordably allow city or town to build new renewables through aggregation
- Melrose & Dedham finished 1 year of implementation
- In 2017: Over 100,000 households will implement
  - Arlington
  - Brookline – 25% more MA Class II
  - Gloucester
  - Hamilton
  - Somerville
  - Sudbury
  - Winchester

## Implementation

- Municipality contracts with a consultant to conduct most or all of the functions of the aggregation program:
  - Brokering the electricity supply
  - Drafting the Aggregation Plan
  - Achieving state regulatory approval
  - Conducting public outreach and education
  - Monitoring the market
- Consultants typically work at-risk until program is operational
  - Paid by the electricity supplier through a fee per kWh used in the program

## The Process – Part I

- City Council authorizes City to investigate aggregation and develop a plan
- Select a consultant
- Develop aggregation plan
- Provide opportunity for public review and comment
- May have City Council approve whether to send on for state approval

## The Process – Part II

- Submit for plan to Dept. of Energy Resources for consultation
- Submit plan for by Dept. of Public Utilities for approval
- Bid/contract for electricity supply (1-3 year terms)
- Conduct 30 day min. public education and awareness, including opt-out notice
- Launch program – electricity begins flowing at the new price
  - ▶ Automatically enroll any rate payer that 1) is still on Basic Service and 2) has not already opted out
  - ▶ Individuals can opt-out at any time without penalty and return to Basic Service

## Q&A

- Bulk purchase of all your community's residential and business electric accounts currently on the utility's basic service.
- Sign 1 to 3 year fixed price agreement
- Continue to receive a single bill from Eversource
- Continue to contact Eversource with any service issues
- Automatic enrollment for Basic Service customers
- No-penalty opt-out at any time
- There will be a default electricity supply rate
- Can offer optional supply rates
  - Usually have more or less renewables