

Memorandum



To: Natick Board of Selectmen
CC: Melissa Malone, Town Administrator
William Chenard, Deputy Town Administrator, Operations
From: Jillian Wilson Martin, Sustainability Coordinator
Date: April 18, 2019
Subject: New Electricity Aggregation Contract

Per the Board's decision on April 1, 2019, the Town of Natick solicited bids for its Community Choice Electricity Aggregation program. Bids were received on April 17, 2019 from five companies for a variety of terms.

Town Administration awarded the contract to the lowest bidder, Direct Energy, for a term of 17 months beginning with July 2019 meter reads and ending with December 2020 meter reads. Customers can opt out at any time with no penalty.

The contract provides fixed pricing for three offerings, including:

- Brown at ¢11.026
- Standard Green at ¢11.263
- All Green at ¢13.063

Note, the Standard Green product includes 10% more Class I renewable energy than required by the state's Renewable Portfolio Standard and is the default offering that all customers will automatically be enrolled into. The Brown offering meets the state's requirements and the All Green offering provides a 100% Class I renewable option. Residents may opt up or down to the Brown or All Green options.

It is also worth noting that the pricing for all of the offerings in Natick's new aggregation contract are lower than the current Eversource Basic Service price of ¢13.588. The Standard Green and Brown rates are also lower than the Town's current Standard Green rate of ¢11.427, meaning residents will experience a decrease in the cost of electricity beginning with July meter reads.

While savings cannot be guaranteed, we are hopeful the Standard Green and Brown offerings will deliver savings over the course of the new contract to Natick customers. Should savings occur, we expect the majority will be realized during the winter period of January 2020 – June 2020.

Information on program pricing and our new supplier will be communicated to the public via in-person meetings at the Community Senior Center, news alerts on the Town's website, e-newsletters and via community outreach events, including efforts at the upcoming Natick Earth Day festival.

Please do not hesitate to reach out with any questions. I can be reached directly at 508-647-6555 or via email at jwmartin@natickma.org.