



## Memorandum

To: Natick Select Board

CC: Melissa Malone, Town Administrator  
James Errickson, Deputy Town Administrator, Operations

From: Jillian Wilson Martin, Sustainability Coordinator

Date: September 9, 2020

Subject: Aggregation – New Contract

On August 19, 2020, the Select Board authorized the Town Administrator to procure a new supplier for Natick's Community Choice Electricity Aggregation Program. The Select Board voted on the following terms for the aggregation:

- Contract length of no more than 24 months
- 13% additional renewable energy content in 2021 and 16% in 2020

Town staff worked with Baystate Consulting and Peregrine Energy to solicit bids and received executable pricing on August 26, 2020. The Town received quotes from five bidders as part of this process. Direct Energy, the Town's current supplier, had the lowest bid and Natick signed a contract with the company for 24 months.

Starting with the first meter read in December 2020 and effective through November 2022, the aggregation will offer residents three options for electricity supply:

- Standard Green: ¢11.551 per kWh
- Basic Brown: ¢10.938 per kWh
- 100% Green: ¢14.22 per kWh

Natick electricity customers will automatically be placed into the Standard Green option unless they have previously opted up, down or out of the program. Customers may opt up, down or out at any time, at no penalty. The Town does not receive any financial benefit from residents participation in the aggregation and provides the program as a public service.

### Impact on Net Zero by 2050 Goal

The Board's decision to increase the amount of additional renewable energy content in the aggregation from 10% to 13% in 2021 and to 16% in 2022 is in support of the Town's goal to achieve 'net zero' greenhouse gas emissions by 2050. Transitioning to a greener grid is critical to realizing this goal, as society transitions from natural gas, oil and gasoline-fired systems to all-electric home heating and transportation.

In 2022, assuming electricity usage is similar to Natick's 2017 baseline for community-wide greenhouse gas emissions, the aggregation's 16% additional renewable energy requirements is expected to avoid 4,320 tons of carbon dioxide equivalent (CO<sub>2</sub>e) emissions. This should result in a 7% decrease in 2017 emissions from electricity and a 1% reduction in 2017 total emissions. In more tangible terms, the U.S. Environmental Protection Agency (EPA) estimates the avoidance of 4,320 tons of CO<sub>2</sub>e is the same as:

- Taking 933 passenger vehicles off the road for a year,
- Changing 164,115 incandescent lamps to LED, or
- Powering 731 homes with 100% solar electricity for a year.

Should additional residents switch to electric vehicles and electric heating, or opt up and select the 100% green option, Natick's emissions will decrease further. The Town encourages residents to visit [natickma.org/netzero](https://natickma.org/netzero) to learn more.