CITY OF MARLBOROUGH MEETING POSTING

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CITY OF MARLBOROUGH

2026 JAN 30 PM 3:09

Name: Municipal Aggregation Committee
Date: February 5, 2026
Time: 12:00 PM
Location: City Hall, 140 Main Street, Memorial Hall, 3rd Floor

1. Vote: Approve December 4, 2025 minutes – M. Ossing

2. Council Update – Review Council agenda items regarding municipal aggregation – M. Ossing
   - December 15, 2025, agenda item #6b – December 4, 2025 minutes
   - January 12, 2026, agenda item #4 – December 2025 Council Update

3. Review NGrid Summer Pricing – M. Ossing
   - Current city rate through November 2028 – 0.13782 $/kW-hr
   - NGrid winter pricing (August 2025 – January 2026) – 0.15484 $/kW-hr
   - NGrid summer pricing (February 2026 – July 2026) – 0.15372 $/kW-hr

4. Review projected forecast of NGrid rates – Colonial Power

5. Discuss impact of Day-Ahead Ancillary Services Initiative (DASI) impact on the 3 Year Contract with First Power – Colonial Power
   - June 25, 2025 Municipal Aggregation minutes agenda item 5
   - Review cost recovery options

6. Low Income Solar Program Update – Colonial Power

7. Next Meeting

Per order of: Councilor Ossing

Municipal Aggregation Committee

Meeting Minutes – December 4, 2025

The Municipal Aggregation Committee met on December 4, 2025, from 11:32 AM to 12:21 PM in the Mayor's Conference room. The following individuals were in attendance:

Municipal Aggregation Committee members:

- Chairman M. Ossing, Mayor Dumais, Councilor Navin, K. Holmi, and T. Scott
- Absent: None

Representing Colonial Power:

- M. Cappadona, D. Allard, J. Cappadona and S. Ormsbee

The following items were discussed:

1. **Minutes June 30, 2025 - Municipal Aggregation Committee meeting:**
   - The Committee approved the June 30, 2025, minutes with a 5 – 0 vote.
2. **City Council Update – in accordance with Council Order 25-1009358A item 4:**
   - The Committee was informed that the updates below were provided to the City Council since the last meeting in June 2025:
     - July 21, 2025, agenda item #19e – June 25 & June 30, 2025 minutes
     - September 25, 2025, agenda item #2 – September 2025 Council update
3. **New 3 Year Contract with First Point Power in Effect:**
   - The new contract with First Point Power went into effect in November 2025. The rate is 0.13782 $/kW-hr. This rate is lower than the last contract rate, which was 0.14150 $/kW-hr. The new contract is for 3 years through November 2028.
   - Postcards notifying individuals in the program of the new contract and lower rate were mailed on October 1, 2025. Colonial Power indicated no issues with the mailings however there were some issues with postcards being returned by the post office. This appears to be an issue with the addresses maintained by NGrid.
   - The current NGrid winter basic service rate is 0.15484 $/kW-hr which is higher than the Municipal Aggregation rate of 0.13782 $/kW-hr. Participants in the program will save money when compared to the NGrid winter basic service rate. The NGrid winter basic service rate will be in effect until January 2026.

- The NGrid summer basic service rate will be available later in December 2025 and will be effective in February 2026. The NGrid summer basic service rate will be in effect through July 2026.

4. Low Income Solar Program

- Colonial Power provided an overview of the Low Income Community Shared Solar program approved by the Department of Energy Resources (DOER) – see Attachment 1. The program allows municipalities to provide a reduction in the supply side portion of the electricity bill to low income residents identified by NGrid as R2 electricity users.
- The reduction can be in the order of a 2 cent reduction in the supply side rate. Actual reduction will be determined in 2026. The current R2 user pays 0.13782 $/kW-hr. A two cent reduction could lower the R2 rate to 0.11782 $/kW-hr. If the R2 user uses 600 kW-hr of electricity per month, this could result in an approximate $12 per month savings in the electricity bill.
- Colonial Power indicated that the 2024 R2 users were in the order of 873 residents.
- The funding for this program is part of the State's SMART program that electricity users fund as part of their distribution portion of their bill.
- Colonial Power indicated several municipalities are in the process of signing up for the low income solar program. Municipalities include Boston, Ashland, Holliston, Kingston, Plympton, Plymouth, Leverett, Auburn, Clarksburg, Franklin, Lenox, Monterey, Salisbury, Ashby and Lunenburg. West Brookfield and Sheffield have signed onto the program.
- For Marlboro to provide low income residents the potential rate reduction, the City needs to sign a 20 year Memorandum of Understanding (MOU) and Administrative Services Agreement (ASA). The Committee discussed any risks with the program.
- During the discussion, the Chief Procurement Officer (CPO) noted that the proposed MOU and ASA would expand Colonial Power's role beyond its traditional brokerage and administrative functions under the municipal aggregation program. Before the vote on the motion, the CPO added that legal review should be a necessary step prior to execution of any long-term agreement, and the Committee incorporated this clarification into the motion.
- A motion was made to have the City participate in the low income solar program by signing the MOU and ASA subject to review by the City Solicitor. Approved with a 5 – 0 vote.
- The low income program will still be subject to DOER review which is expected in 2026. It is anticipated that the program would be in place later in 2026.

- The Committee acknowledged the need for a public awareness campaign. This will be discussed in 2026 as the low income solar program moves through the approval process.

5. **Next Meeting:**
   - The next meeting will be scheduled in the first quarter 2026 timeframe. Potential topics include:
     - Review NGrid 2026 summer rates
     - Review the results of the first contract with First Point Power to document savings.
     - Update on Day Ahead Ancillary Services (DAAS) impact on rates
     - Update on Low income Solar Program and public awareness campaign
     - Approve December 4, 2025 minutes

Attachment 1: June 13, 2025 Department of Energy Resources letter to Colonial Power approving the Low Income Community Shared Solar Program

COMMONWEALTH OF MASSACHUSETTS
EXECUTIVE OFFICE OF
ENERGY AND ENVIRONMENTAL AFFAIRS
DEPARTMENT OF ENERGY RESOURCES
100 CAMBRIDGE ST., 9TH FLOOR
BOSTON, MA 02114
Telephone: 617-626-7300
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Maura T. Healey
Governor

Kimberley Driscoll
Lt. Governor

Rebecca L. Tepper
Secretary

Elizabeth Mahony
Commissioner

June 13, 2025

Via Electronic Mail

Stuart Ormsbee
Colonial Power Group, Inc.
5 Mount Royal Avenue, Suite 5-350
Marlborough, MA 01752
Email: sormsbee@colonialpowergroup.com

Dear Stuart Ormsbee,

The purpose of this letter is to respond to a request (Request) from Colonial Power Group, Inc. (Aggregator), dated May 8, 2025, concerning the potential qualification of Solar Tariff Generation Units (STGUs) as Low Income Community Shared Solar (LICSS) through an Alternative LICSS Program under 225 CMR 20.00 and the *Guideline Regarding Alternative Programs for Community Shared Solar Tariff Generation Units and Low Income Community Shared Solar Tariff Generation Units* (Guideline). The Department of Energy Resources (Department) has reviewed the Request.

As prescribed in 225 CMR 20.00, LICSS STGUs may receive the corresponding Compensation Rate Adder under 225 CMR 20.07(4)(b) by participating in a program through which electricity or bill credits are allocated through a municipal load aggregation program. Pursuant to 225 CMR 20.06(1)(f)4.:

> 4. **Electricity or bill credits may be allocated through a municipal load aggregation program established pursuant to M.G.L. c. 164, § 134,** or through a low income community shared solar program established and administered by a Distribution Company. **Low Income Community Shared Solar Tariff Generation Units that qualify through such eligible programs must submit satisfactory documentation to the Department** as detailed in the Department's Guideline … (emphasis added)

Acting in accordance with 225 CMR 20.00 and the applicable Guideline, the Department has concluded that an STGU participating in the Alternative LICSS Program, as proposed by the Aggregator, likely does meet the criteria set forth in 225 CMR 20.00 to be eligible for the LICSS Compensation Rate Adder. Each STGU that intends to participate in the Alternative LICSS Program will need to submit satisfactory documentation to the Department and receive its own pre-determination letter from the Department.

This conclusion is also contingent on the Department receiving the following documentation for each STGU prior to the STGU receiving a Final Statement of Qualification:

1. Executed contract between the municipality and/or municipal aggregator and the Owner of the STGU, outlining the responsibilities for complying with each of the regulatory and Guideline provisions and for ongoing reporting to the Department;
2. List of off-takers, their respective allocation amounts, and proof of low-income eligibility where applicable;
3. Consumer disclosure information to be distributed to off-takers;
4. Documentation of the municipality's approved municipal load aggregation plan.

Pursuant to 225 CMR 20.06(1)(f)2 and Section 2)c) of the Guideline, the Aggregator and/or STGU Owner (Applicant) must also provide an updated list of off-takers and demonstration of compliance with the savings requirement by December 31st of each year, for the duration of the STGU's tariff term.

Please be advised that a pre-determination of an Applicant's Alternative LICSS Program is not a final agency decision, and is not binding on the Department, and does not give rise to any appeal right under M.G.L. c. 30A, or any other law. The Department will make a final determination on the eligibility of a Generation Unit's status as an LICSS STGU at the time it issues a Statement of Qualification under 225 CMR 20.06. Such final determination may be different from a pre-determination if information provided by you is materially inaccurate or incomplete. For any material changes to the Program design, you will need to submit additional information to the Department for review. Please contact the Department if you have questions about what constitutes a material change.

If you have any questions regarding this pre-determination of eligibility, please contact Grace Fletcher at grace.fletcher@mass.gov.

Sincerely,

Samantha Meserve

Samantha Meserve
Director, Renewable and Alternative Energy Division

Municipal Aggregation Committee

Meeting Minutes – June 25, 2025

The Municipal Aggregation Committee met on June 25, 2025 from 4:07 PM to 4:50 in Memorial Hall. The following individuals were in attendance:

Municipal Aggregation Committee members:

- Chairman M. Ossing, Mayor Dumais, K. Holmi, and T. Scott
- Participating via Teams: S. Navin (joined at 4:28)

Representing Colonial Power:

- M. Cappadona
- Participating via Teams: D. Allard and S. Ormsbee

The following items were discussed:

1. **Minutes January 30, 2025 - Municipal Aggregation Committee meeting:**
    - The Committee approved the January 30, 2025 minutes with a 4 – 0 vote.
2. **Council Update – in accordance with Council Order 25-1009358A item 4:**
    - The Committee was informed that the updates below were provided to the City Council since the last meeting in January 2025:
        - February 10, 2025, agenda item #15b – January 30, 2025 minutes
        - February 10, 2025, agenda item #2 – Amend Municipal Aggregation Order
        - March 24, 2025, agenda item #5 – March 2025 Council update
        - March 24, 2025, agenda item #15 – Council approved amended municipal aggregation order
        - June 23, 2025, agenda item #5 – June 2025 Council update
    - The Committee was informed that the City Council approved the revision to the Municipal Aggregation order that will focus on obtaining rates that are lower than the NGrid basic service rates.
3. **Review NGrid winter pricing:**
    - Colonial Power provided the NGrid winter basic service rate for the period of August 2025 to January 2026 as 0.15484 $/kW-hr.

- The NGrid winter rate of 0.15484 $/kW-hr is higher than the NGrid summer rate of 0.14672 $/kW-hr that is currently in effect until July 2025.
- The Committee noted that the City's rate of 0.14150 $/kW-hr is less than both the NGrid summer and winter rates.
- Going forward, NGrid will be announcing their winter rate in June and the summer rate in December.

4. **Review projected forecast of NGrid rates:**

- Colonial Power provided Attachment 1 that illustrates the projected NGrid basic service rates through July 2028. The graph illustrates that the current First Point Power contract rate (0.14150 $/kW-hr that runs through November 2025) will be less than the NGrid basic service rates.
- The projected NGRid rates from the fall 2025 through July 2028 are above 0.14000 $/kW-hr.

5. **Discuss Day-Ahead Ancillary Services Initiative DASI):**

- Colonial Power described the new initiative introduced by ISO New England called Day-Ahead Ancillary Services Initiative (DASI). In simple terms this is a pass-through cost that ISO New England requires in order to compensate generators that are in a standby status that may need to be called upon. Basically, charging customers to pay for generators to be in standby mode (because the generator is in standby mode they are not making money by supplying energy to the grid). The new DASI charge is in place as of March 2025.
- Colonial Power mentioned that the current fixed price for electricity may be adjusted to account for the DASI charges. Full impact is not known. Based on the first four months of DASI charges, the charge is anticipated to be in the order of .003 $/kW-hr and will impact bills at some point in the future.
- Colonial Power will continue to monitor, and a communication will go out to the participants in the municipal aggregation programs when details are available.

6. **Review 2025 Projected Savings:**

- The first quarter 2025 savings were $210,576 versus the projected $211,104. Looking forward to the remainder of the year, the residents can anticipate savings of $600,000 for 2025.

7. **Review the savings with the First Point Power contract:**

- The First Point Power contract started in January 2024 and runs 22 months through October 2025. The first 15 months of the contract saved residential participating in the program over $2,600,000.

8. **Discuss indicative Pricing from February 2025 through June 2025:**

   - Colonial Power provided Attachment 2 that is a summary of the indicative pricing received from February 2025 through June 2025.
   - The Committee discussed that the 100% renewable 24 and 36 month prices were below 14 cents/kW-hr which would provide savings to residents over the current NGrid summer rate (0.14672 $/kW-hr) and NGrid winter rate (0.15484 $/kW-hr) as well as being lower than the current First Point Power rate of 0.14150 $/kW-hr.
   - The Committee also discussed the uneasiness with world events with the Russia/Ukraine conflict and the Isreal/Iran conflicts and potential impact on energy prices.
   - The Committee voted 5-0 to request Colonial Power obtain executable pricing for Monday June 30, 2025. Ther Committee will then review the pricing and decide whether to enter into a new contract.

9. **Discuss the timeline for a new contract:**

   - The Committee was informed that the current First Point Power contract expires in October 2025. In order to have a new contract in place, the Committee will have to vote on a new contract on or before August 31, 2025.

10. **Next Meeting:**

   - The next meeting will be Monday June 30, 2025

Attachment 1: June 28, 2025 graph illustrating the projected NGrid residential basic service rates

Attachment 2: Indicative Pricing – February 2025 to June 2025

ISO-NE Day Ahead Ancillary Services Market ("DASI" or "DAAS")

ISO-NE's market objectives:

- Procure enough physical supply in the day ahead market to meet the ISO's hourly load forecast.
- Compensate physical resource generators (natural gas, nuclear, hydro) for being online, providing reliability.
- Reduce reliance on fast-start generation.
- Facilitate intermittent resources (wind, solar) to come online without causing reliability concerns.

ISO-NE's original cost projections:

- $120 to $150 million/yr, or $1.00 to $1.25/MWh
- Referencing the ISO's cost analysis, the Federal Energy Regulatory Commission (FERC) approved the ISO's program in Jan 2024 stating, "...we find that [ISO-NE's] DASI proposal is **just and reasonable** and not unduly discriminatory or preferential,...")

Who pays for DASI costs?

- <u>All</u> electricity suppliers in New England are assessed DASI costs at the same $/MWh rate. This includes basic service suppliers, suppliers contracting directly with individual customers, and suppliers serving aggregations.

How did Marlborough's supply contracts with First Point Power ("FPP") address DASI?

- The prior supply contract ending Nov2025 did not anticipate DASI and therefore Marlborough owes FPP for all DASI costs incurred (a contract "Change in Law"). Consequently, Marlborough owes FPP for DASI costs from Mar2025 through Nov2025.
- FPP agreed to defer collection for the underpayments to the new supply contract that started Nov2025.
- Due to the newness of DASI and difficulty in projecting costs, the parties included a cost *estimate* of $6.00/MWh ($0.006/kWh) in the program rate with contract language to fully reconcile the estimate to actual costs once known.
- The DASI cost estimate was set to cover both prior contract underpayments and all go-forward costs. The parties believed this number to be fully sufficient at the time.

Actual DASI costs to date:

- **See Charts 1 and 2**
- Average rate 3/1/2025 to 1/29/2026 ~$9.50 /MWh
- Average rate for Dec2025 ~$17.70/MWh
- Average rate for Jan2026 ~$48.00/MWh
- Two years of expected cost incurred over two days: Jan 26: $293.00/MWh and Jan27: $471.00/MWh.

- On 1/29/2026, FPP estimated Marlborough's cumulative net undercollection by end of Feb2026 will = $1.29 million. This equates to ~1.16 cents/kWh over 12 months.

Current situation:

- The market extremities of this past week were unimagined and akin to an F5 tornado.
- Converting Marlborough's contract to a fully fixed rate is not an option **at this time** (asking an insurance company for a quote the day after a tornado is not ... practicable).

Immediate action item:

- Discuss increasing the program rate starting with March 2026 meter reads
- As of 1/29/2026, FPP's suggested new DASI cost estimate, *inclusive* of cumulative under collections is $0.01737/kWh

Current Program Rate	New DASI Cost Adder	Rate Adjustment	New Program Rate	Customer Cost Impact* ($/month)
$0.13782	$0.01737	$0.01137	$0.14919	$6.82

*based on 600 kwh/month

Time Period	New Program Rate	National Grid Basic Service	Customer Savings ($/kWh)	Customer Savings vs NGRID* ($/month)
3/1/2026 – 7/31/2026	$0.14919	$0.15372	$0.00453	$2.72
8/1/2026 – 1/31/2027	$0.14919	$0.16900**	$0.01981	$11.89

Note: NGRID basic service rates are expected to rise dramatically as a result of DASI – **See Chart 3**
*based on 600 kW/month
**CPG's projection

- Marlborough/FPP would retain the DASI cost reconciliation language in the contract in which case there will likely be another rate adjustment, higher or lower prior to the end of the contract in Nov2028. There may be an opportunity at the second rate adjustment to convert the contract to a fully fixed price.
- CPG will bring any updated numbers to the meeting.

CHART 1

(only through 1/25/2026; does not include the extreme days of 1/26 and 1/27)**

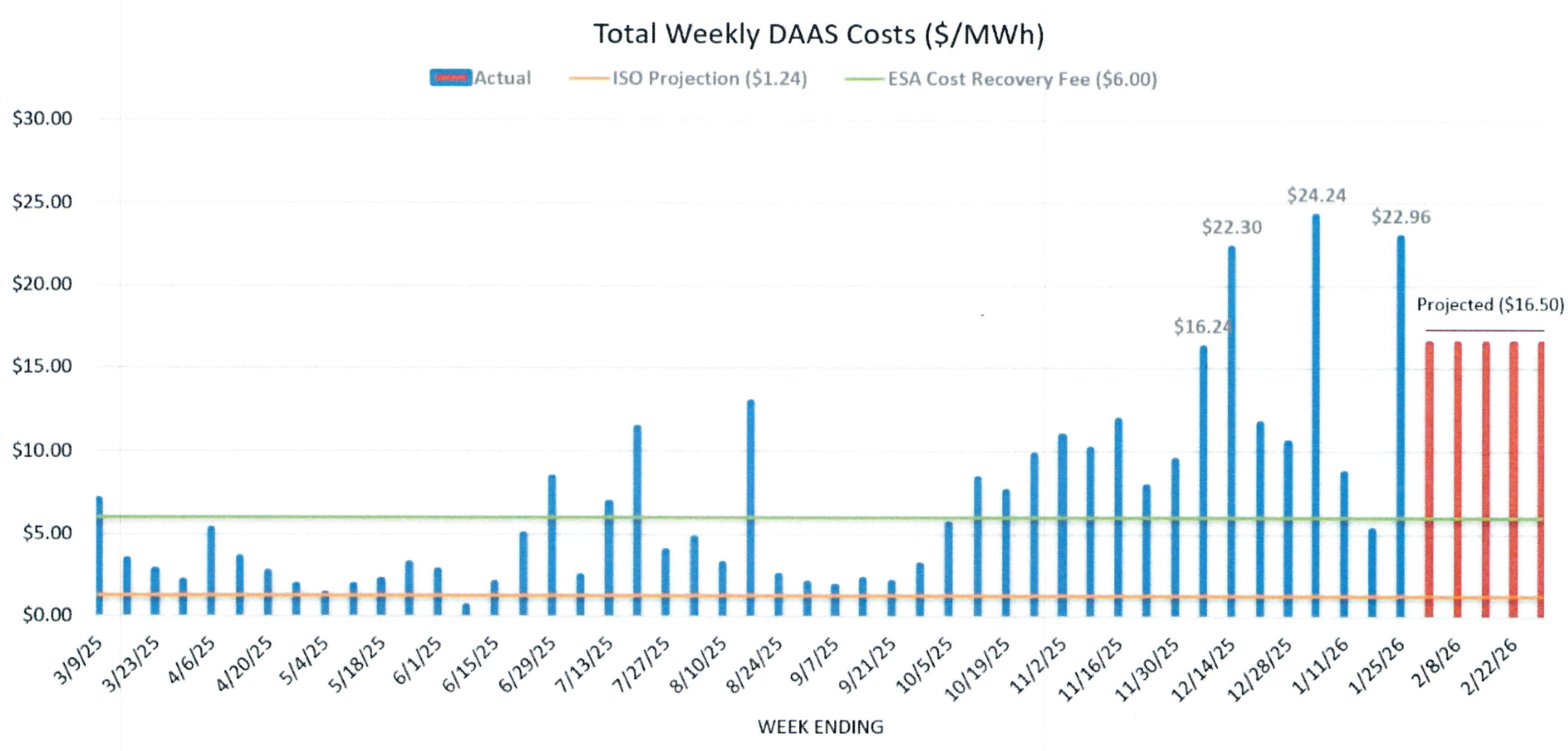


CHART 2

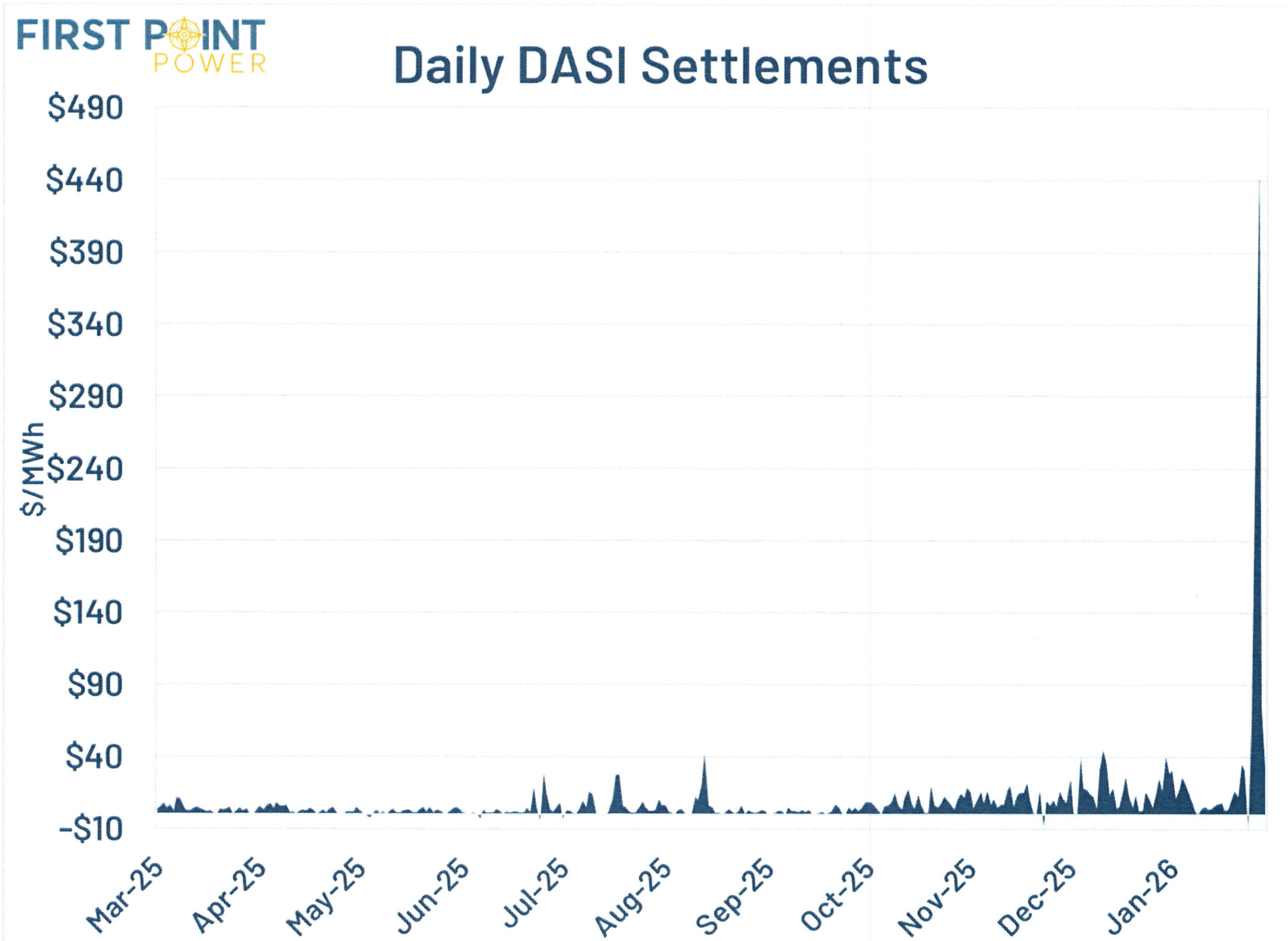
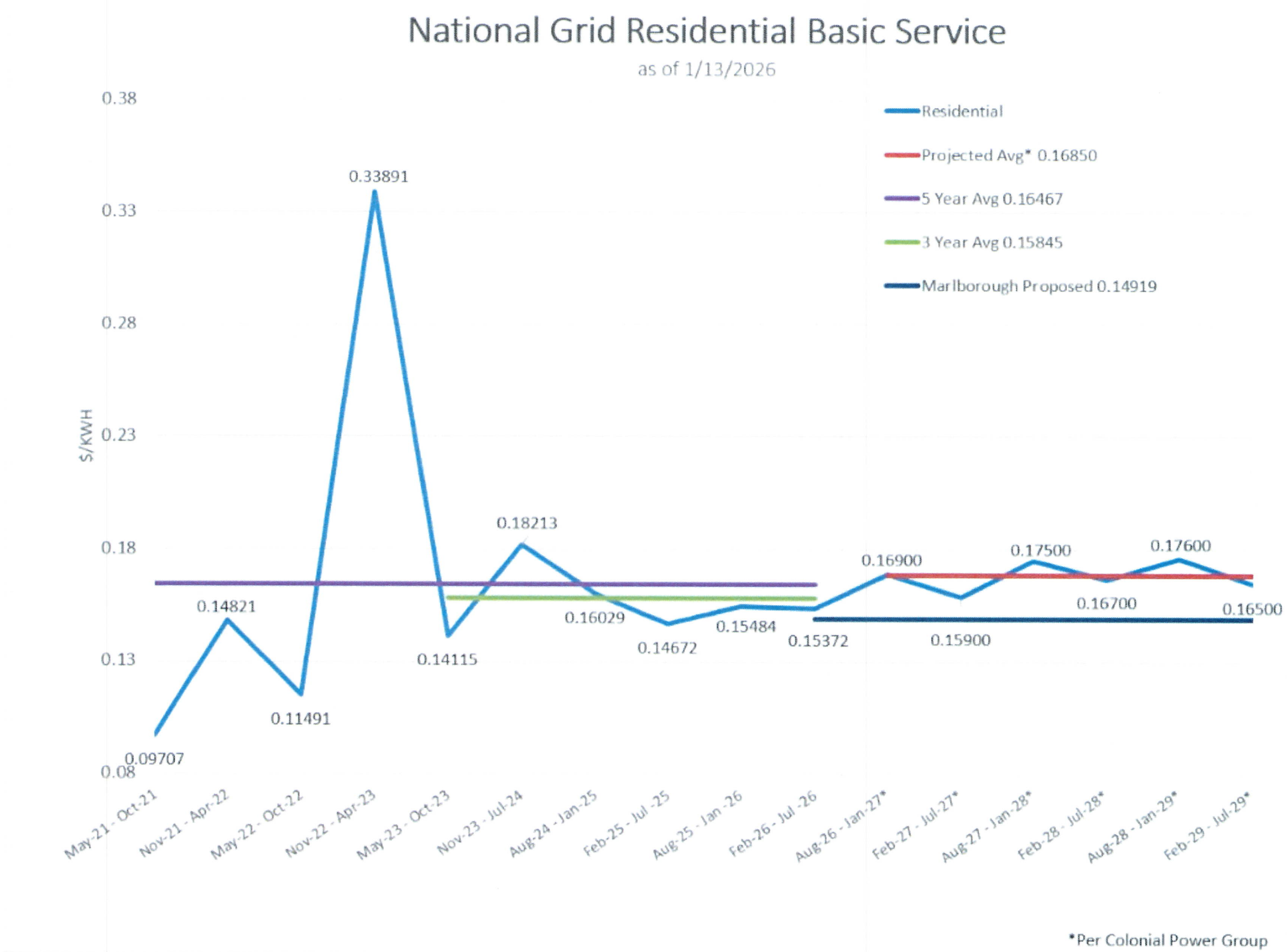

FIRST POINT
POWER
Daily DASI Settlements
$/MWh
$490
$440
$390
$340
$290
$240
$190
$140
$90
$40
-$10
Mar-25
Apr-25
May-25
Jun-25
Jul-25
Aug-25
Sep-25
Oct-25
Nov-25
Dec-25
Jan-26

CHART 3


National Grid Residential Basic Service
as of 1/13/2026
$/KWH
0.38
0.33
0.28
0.23
0.18
0.13
0.08
Residential
Projected Avg* 0.16850
5 Year Avg 0.16467
3 Year Avg 0.15845
Marlborough Proposed 0.14919
0.09707
0.14821
0.11491
0.33891
0.14115
0.18213
0.16029
0.14672
0.15484
0.15372
0.16900
0.15900
0.17500
0.16700
0.17600
0.16500
May-21 - Oct-21
Nov-21 - Apr-22
May-22 - Oct-22
Nov-22 - Apr-23
May-23 - Oct-23
Nov-23 - Jul-24
Aug-24 - Jan-25
Feb-25 - Jul-25
Aug-25 - Jan-26
Feb-26 - Jul-26
Aug-26 - Jan-27*
Feb-27 - Jul-27*
Aug-27 - Jan-28*
Feb-28 - Jul-28*
Aug-28 - Jan-29*
Feb-29 - Jul-29*
*Per Colonial Power Group