



Cape & Vineyard Electric Cooperative, Inc.

23H2 White's Path, Suite 2, South Yarmouth, MA 02664

774-722-1812 www.cvecinc.org

6.30.17

**ATTENTION: Your community stands to lose substantial Net Metering Credit Savings
Future town budgets will be affected**

Dear CVEC Member/Participant,

On January 17, 2017, Eversource, the region's local electric utility, filed a petition with the Department of Utilities seeking approval of increases in base distribution rates. Since then, the Cape & Vineyard Electric Cooperative, Inc. (CVEC) has participated as a non-intervenor in the hearings. On May 3rd, CVEC spoke at the DPU hearing to strenuously voice our members' concerns about any changes to the Net Metering Credit (NMC) value, citing the enormity of ramifications to towns' budgets should any change cause a negative impact on Net Metering Credit rates. We also submitted our statement at that time.

On June 7th, 2017 CVEC sent an email to all CVEC member and participants to alert them of the release of revised proposed changes from Eversource and advising a Cape and Island-wide "call to action". While CVEC awaits further calculations from non-CVEC member projects, the projected grand total loss is over \$1,000,000 annually. A chart of the calculated loss to each CVEC project's current level of NMC savings is at the end of this letter as Attachment A.

Yesterday the CVEC Board met in emergency mode and, due to the very real loss to the value of Net Metering Credits should Eversource prevail, the Board voted unanimously to retain legal representation in order to file the request that CVEC be granted intervenor status in the DPU hearing by July 10th, 2017.

The DPU hearing process is fast-moving with evidentiary proceedings beginning in July and a DPU decision scheduled for September. CVEC's intention is to retain legal counsel to facilitate CVEC's participation as an intervenor on behalf of our members.

In addition, CVEC will schedule three informational meetings to give members and participants an opportunity to learn more about the threat of the Eversource proposed changes, as well as information on CVEC actions to counter. One meeting will be on Martha's Vineyard, one on the lower Cape and one on the upper Cape; dates and locations to come.

Please feel free to email CVEC's manager, Liz Argo, at largo@cvecinc.org or call the CVEC offices at 774-722-1812 for further understanding and information on the matter.

Yours Truly,

Leo Cakounes
President
The Cape & Vineyard Electric Cooperative, Inc.

ATTACHMENT A

CVEC REVIEW OF VALUE REDUCTIONS FROM PROPOSED REVISED EVERSOURCE RATE CHANGES



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Note; starred projects involve CVEC offtakers. The loss in NMC value will affect the CVEC offtakers: COMM Water District, Cotuit Water Department, Monomoy School District, Dukes County, Barnstable County, Barnstable, Provincetown, Chatham, Chilmark, Oak Bluffs, Brewster, and Yarmouth.

Compare Current CVEC Projects NMC Benefits to Benefits Under Proposed Revised Rate Changes

PROJECT	Net Benefit in 2016 or 2017	PROPOSED NET	Reduced by	Reductions
BARNSTABLE AIRPORT*	\$591,155	\$465,485.29	0.21258	\$125,669.71
DY HIGH GM*	\$59,661	\$45,624.38	0.23527	\$14,036.62
EASTHAM	\$55,125	\$44,815	0.18703	\$10,309.84
ME SMALL*	\$88,861	\$68,893	0.22471	\$19,967.53
WEST TISBURY*	\$75,280	\$55,857	0.25801	\$19,422.90
BARN 1	\$263,686	\$193,369	0.26667	\$70,317.27
BARN 2	\$170,772	\$125,992	0.26222	\$44,780.31
BREWSTER	\$115,497	\$79,559	0.31116	\$35,937.69
CHATHAM	\$207,472	\$152,620	0.26438	\$54,851.87
HARWICH*	\$501,832	\$366,901	0.2689	\$134,931.00
KATAMA	\$109,915	\$70,529	0.3583	\$39,385.91
NUNNEPOG*	\$116,980	\$67,496	0.4230	\$49,483.99
TISBURY*	\$108,174	\$71,033	0.3433	\$37,141.10
WIXON*	\$8,997	\$6,195	0.3114	\$2,801.75
ORLEANS	\$56,636	\$40,116	0.2917	\$16,519.52
BARN FIRE DISTRICT*	\$109,803	\$70,457	0.3583	
PTOWN TRANSFER			* * Skewed by BTM	
DY RM	\$48,570	\$32,476	0.3314	\$16,094.29
TOTAL	\$2,688,415	\$1,957,418.09	0.28873 Average	\$730,997.27

Compare NMC Benefits from non-CVEC Projects (Owned by CVEC Members)

PROJECT				
DUKES COUNTY AIRPORT				
BOURNE				
DENNIS	\$697,855	\$529,702.47	0.240956258	\$168,152.53
SANDWICH				
YARMOUTH WATER TANK				
FALMOUTH				
ORLEANS				
TOTAL	\$697,855	\$529,702.47	0.24096 Average	\$168,152.53

Compare Expected NMC Benefits from Projects in Start-up Under Proposed Revised Rate Changes

PROJECT	Expected Net Benefit in 2018	Under Revised Rate	Reduced by	Reductions
Marie's Way (Syncarpha)*	\$107,614	\$66,924.00	0.3781	\$40,690.00
Nexamp*	\$36,211	\$22,519.44	0.3781	\$13,691.89
Future Generation Wind*	\$14,117	\$7,078.59	0.4986	\$7,038.12
TOTAL	\$157,942	\$96,522.03	0.41826 Average	\$61,420.01

	Expected Net Benefit in 2018	Under Revised Rate	Reduced by	Reductions
GRAND TOTALS	\$3,544,212	\$2,583,643	0.35010 Average	\$960,570

