

**General Government/Town Council**  
**Minutes for 1/18/23**

**1 & 2. Attendance:** Clrs Gus Steeves (late), Jasmin Rivas (late); Cit Mem Denise Clemence, Martena Shea. Others: Clrs Dave Adams (chaired until item #5), Mike Marketti, Scott Lazo; Julie Pena, Pam Leduc, George Chenier, TM Michael McCall. Good Energy rep John O'Rourke.

**3. Minutes of Jan 3:** Approved unanimously.

**4. Retiree COLA increase to 5%:** Leduc said the legislature approved doing this for one year in light of Social Security and other inflation. It covers first \$14,000, so would equal an increase of \$280/year per retiree retroactive to 7/1/22. Some older (pre-1986) retirees are not Medicare eligible, and there's a 2/3 Social Security offset for people getting pensions.

Motion to recommend: Rivas/Clemence. Approved 4-0 (Steeves arrived halfway through).

**5. Good Energy presentation/action:** O'Rourke said his firm would make Southbridge an account within the Good Energy Consumers' Alliance re: promoting additional renewable energy and lower overall costs. Mass is the largest of their municipal aggregation states, with 59 clients, 7 starting in March, 3 pending, 4 in development and 8 in talks.

Aggregation law started in 1990s, sparked by deregulation giving residents choice of electric suppliers, with National Grid still being the overall transmission entity and providing maintenance/emergency service & ISO-New England being the ultimate supplier in all cases. Good Energy is not a generator and has no fiscal interest in generators; it gets paid a small fee (1 mil, or 1/10 of a cent per kWh) by the providers, not the users. Contracts generally 2-3 years to promote stability when rates change every 6 months, but “can't always guarantee that” (He noted the DPU requires that disclaimer, but they've so far always had lower rates than National Grid. Grid's current rate = .33891 per kWh, and most recent contracts about half that.) Aggregations typically see 80-85% participation, but it's not required. People can opt out and later opt back in without penalty, but suppliers generally don't like seeing a lot of mobility. Small businesses identified as G-1 accounts can also opt-in, but larger ones (G-2) are at the behest of the supplier. (Clemence later noted most of those already aggregate.)

He said the process starts with a council vote to negotiate for aggregation, and his firm “does all the heavy lifting” – getting resident use info from National Grid, drafting a plan, seeking DPU approval (which has recently taken up to 2 yrs; a current bill aims to maximize that at 180 days. Approval process originally took 75 days; in some states, it's just 2 weeks). Council has to vote at certain times. Upon DPU approval, there's a 30-day customer outreach period with automatic enrollment except if people opt-out by mail. The bids typically get 3-4 potential suppliers for 12-36 mos and town chooses best option; towns can reject and/or bid with other towns (one group is 25 towns). Lately, they've been delaying towns up to 18 months to “get the best rate in the best market we can.”

He noted there are three firms doing this in MA: Good Energy (59 towns), Peregrine (28, including Worcester) and Colonial (many small Berkshire towns plus Boston). Aggregation offers three options: town can set level of renewable energy it wants as standard option, have the “basic” be the state's required level, and 100% renewable. Natural gas prices are “precursor” to electricity costs b/c most electricity here is gas-fueled, and gas prices recently “crashed.” He predicted electricity costs will also fall.

Pena said she's received several calls asking about aggregation in light of current high costs. O'Rourke agreed, saying they were normally getting 4-6 calls a week, but now see 20-30 a day. Marketti observed it's become very difficult to pay the bills. McCall said he's looking for economies of scale for other utilities as well, including town's own use (the next agenda item).

Clemence moved to recommend town negotiate aggregation with Good Energy; Shea seconded. Steeves asked about whether we should look into the other two firms first, but consensus was that they had not approached Southbridge expressing any interest. Approved 4-0.

**6. Competitive Energy negotiation:** McCall said this is the same firm we got gas prices from last year, and aims to devise “a matrix” of available electricity prices for town's own use. Current contract ends in June; they get paid same way Good Energy does above.

Motion to recommend approval: Shea/Rivas. Approved 4-0.

**7. Manager's vacation payout:** Clemence said she wished the finance department were here to talk about this and argued in favor of having future contract language that calls for a prorated payback, but agreed it's contractual and therefore we have to do it. Motion to recommend: Clemence/Shea. Approved 4-0.

Before adjournment, Marketti asked about the fact an item was accidentally forgotten (to vote on capital committee's requested change), but since it wasn't posted, we sent it to next meeting. Meeting adjourned 8:05 PM.