

What are the concerns about CCA?

Here's some explanations to the more difficult questions we've heard in Arlington.

1. Is it possible that CCA could actually cost residents more than sticking with Eversource?

Yes. Entering into a CCA contract is taking a risk—betting against the electricity market. It locks us into a certain price for a certain amount of time. Since Eversource's Basic Service rates change every 6 months, and there is not much we can do to predict how they will change, there is a possibility that during any 6 month period during the CCA we might not have the lower rate. But even if our rate is higher during one 6 month period, it is still likely we will experience savings over the life of the CCA when compared with Basic Service prices.

Some data shows that people who use air conditioners may use more electricity in summer than in winter. Basic Service rates are often lower in summer than in winter, so it is possible that if Eversource's rates beat ours in one summer, people may pay more money in bills overall.

These potential risks, however, are small. In most communities that have undertaken CCA (in Massachusetts and other states with similar laws), savings are proven. **It is the job of the broker we hire, a professional with experience in the market and in procuring good prices for other communities, and the Town of Arlington to responsibly choose the best rate for Arlington residents, and to consider both summer and winter Basic Service rate fluctuations by comparison when locking in our price.** The broker will not advise us to buy until they see a market that will allow us to safely hedge our bets against Basic Service rates.

In addition, the most important thing about CCA is that it can get more renewable energy into our electricity mix, pushing off the need for fossil fueled electricity. CCA will afford residents a fair, stable electricity price—and even if the savings aren't substantial, it will still be making a big impact to curb climate change.

2. Why should the Town determine my electricity price? I don't want government in my electricity bill.

Government regulation is already a big part of your electric bill. Eversource is regulated by the state in many ways. One way that Eversource is regulated is that they must lock in Basic Service rates for 6 months by going out to bid for electricity on a specific day each period. This means that we are at the mercy of whatever fluctuations in the market affected electricity rates that day. Eversource does not get to wait for a good market then lock in a rate, as we can with CCA.

By enacting CCA, we are actually taking more control of our electricity prices, and trusting our Town government to act in our best interests in choosing a price. We have more control over the actions of our Town government, and they bear more accountability to us, than Eversource.

3. Why shouldn't residents be able to choose their own electricity supplier?

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They can. Residents who have chosen their own competitive supplier do not get automatically opted into CCA. Residents who do get opted into CCA but want to choose their own supplier later on can do so at any time. CCA does not prevent residents from making their own supply choices.

However, most residents in Massachusetts don't benefit greatly from individual contracts with competitive suppliers. This is because without the buying power of a larger electricity user, they aren't usually able to lock in a price that is competitive with Eversource for long. Hidden fees and unclear contract terms, as well as deceptive marketing practices, are also common complaints about competitive suppliers. CCA is more likely to produce savings for residents, and is much more transparent.

4. How would we know that the generation of our electricity is coming from fewer fossil fuels?

The Town will include the purchase of Class I renewable energy certificates (RECs) in our CCA to guarantee that electrons from new renewable energy sources went onto the grid on our behalf. RECs, however, are a market mechanism to help develop renewable energy, and are different from actual electrons needed to keep the lights on (you can learn more about Class I RECs by [reading this blog](#)). The Town will work with a broker to procure a supply of electrons from various sources, including fossil fuels. The Town will have the ability to work with the broker to determine what these sources are, and will listen to input of residents if offered. But the Town will also be price-sensitive.

The important part is that each resident will be contributing to buying an increased amount of RECs. This is really what drives the development of renewable energy and decreases the need for fossil fueled generation on the grid.

5. Are Arlington residents being forced into CCA?

No. By law, CCA is optional. All residents on Eversource's Basic Service will be automatically given the CCA price, but the Town will undertake a 30-day educational period to make sure they are aware of that. The customer has the choice to return to Eversource's Basic Service rates, which are procured with little thought about market conditions, or stay with the rates that the Town and its broker have procured, which are carefully selected through market examination.

Based on other communities, it is likely that most people will not opt out of CCA for various reasons, including that they will neglect to pay attention to the Town's educational outreach on CCA. It is therefore the job of the Town and the broker to ensure that if CCA is enacted, the rate is in the very best interests of the residents of Arlington.