



Eye Path to Energy Choices

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A program that is getting increasing attention on the South Fork could allow local municipalities to band together and leverage their pooled demand to choose their energy supply and possibly negotiate lower prices for electricity.

All five members of the East Hampton Town Board as well as members of the town's Natural Resources Department and Suffolk County Legislator Bridget Fleming were on hand on Friday for a discussion of what is called community choice aggregation, or C.C.A. Linda James, chairwoman of the town's energy sustainability advisory committee, hosted the event at her house in East Hampton.

The community choice aggregation model replaces the utility as the default supplier of electricity, and gives municipalities the opportunity to find potentially better prices from private suppliers. It also allows municipalities to choose locally based renewable energy projects, such as solar, demand response, and microgrid projects, for their electricity supply.

The Southampton Town Board has discussed a local law establishing a framework for a C.C.A., and Lynn Arthur, a member of Southampton's sustainability committee, attended Friday's meeting.

Joan McGivern, of East Hampton's energy sustainability committee, told the gathering that a model that East Hampton could emulate, perhaps in tandem with Southampton, is Westchester Power, a C.C.A. that is intended to lower costs and increase the use of renewable energy. Its participating municipalities have realized \$15 million in savings, she said. Sustainable Westchester, a collaboration of local governments of which Westchester Power is one of several energy programs, has achieved flat electricity rates over a two-year period.

Communities exercising home rule can enact legislation enabling residents to opt into the pool, with the provision that they can opt out without penalty, Ms. McGivern said. That would likely follow a lengthy public awareness campaign and public hearings, she said. Once legislation is enacted, the electric utility would then have to provide data with which to determine demand, and the C.C.A. could seek bids. The process typically takes 18 months to two years.

Sustainable Westchester encourages the development of microgrids and solar farms, and has even negotiated bulk discounts for electric vehicles purchased by residents, Ms. McGivern said.

Can Westchester's model be replicated on the South Fork? Not yet, said Gordian Raacke, executive director of Renewable Energy Long Island. "It's only applicable to the service territories of the private, investor-owned utilities in the state," he said. While the New York State Public Service Commission has approved community choice aggregation upstate, the Long Island Power Authority is a state authority that would have to adopt the rules and regulations of the Public Service Commission's 2016 order authorizing a framework for a C.C.A. and its opt-out program. "We would need to get LIPA to adopt a C.C.A. regime," he said.

Nonetheless, an excerpt Mr. Raacke read from the commission's order suggests that community choice aggregation could happen here. "C.C.A. offers residential and small nonresidential customers an opportunity to receive benefits that have not been readily available to them," he read. "C.C.A. programs can result in more attractive energy supply terms than can be obtained by individual customers. . . . More importantly, the C.C.A. construct provides substantial positive opportunity for meaningful and effective local and community engagement on critical energy issues and the development of innovative programs, products, and services that promote and advance the achievement of the state's energy goals."

Moreover, a conversation about community choice aggregation with Tom Falcone, LIPA's chief executive officer, was encouraging, Mr. Raacke said. Mr. Falcone, he said, seemed open to allowing community choice aggregation, as the utility's revenue is derived from delivery; its own power purchase costs are passed through directly to customers. That, Mr. Raacke said, "doesn't mean we have that regulation in place, but I was very surprised." (A LIPA spokesman did not respond to a voice-mail or email message seeking comment.)

Ms. McGivern, however, tried to dampen any expectation that South Fork residents would see lower rates under this model. Delivery costs are high, in part, because "the Shoreham debt is baked into the delivery costs."

When LIPA took over part of the Long Island Lighting Company, Mr. Raacke said, it assumed 100 percent of the debt associated with the shuttered nuclear power plant at Shoreham, "an asset that didn't provide any service to Long Island. . . . We are saddled now with the entire cost of that Shoreham nuclear power plant, even though it doesn't provide a single kilowatt-hour of electricity," he said, a cost that is collected through LIPA's delivery and other charges.

Whether or not a South Fork community choice aggregation can negotiate a lower supply cost cannot be known until it has been tried, Mr. Raacke said. It would have to be formed and seek bids to determine if the market is sufficiently competitive to offer rates lower than what LIPA customers pay now. A C.C.A. could also seek multiple proposals comprising different ratios of fossil fuel and renewable energy sources and determine the best, based on criteria such as cost and environmental concerns.

Perhaps more relevant for a region threatened by climate change, he said, is the opportunity for self-determination community choice aggregation could allow. "If we were to go this route, we're taking over the power procurement and power planning function of the utility," half of the utility's function. "It gives us the power to determine our energy future." East Hampton could enter into contracts with renewable energy suppliers, or negotiate bulk rates for electric vehicles, he said. Ideally, as much of the supply would be sourced locally from renewable energy producers, he said, providing jobs and other, indirect economic benefits.

Ms. Fleming told the gathering that she had recently submitted a bill that would establish a task force to examine community choice aggregation as an energy procurement strategy in the county. It is to issue a written report of its findings and recommendations with respect to the feasibility of a C.C.A. to each member of the Legislature.

About the Author

Christopher Walsh

Senior Writer

631-324-0002 ext. 120

cwalsh@ehstar.com

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