



Move to Lower Energy Costs

By Christopher Walsh

August 15, 2019

The Southampton Town Board has authorized Supervisor Jay Schneiderman to execute a contract with Joule Assets, a Katonah, N.Y., energy company, to serve as administrator of the town's new "community choice aggregation" program.

The resolution, for which the board voted unanimously on Tuesday, represents the next step in the town's move toward procuring its electricity needs from renewable sources.

The community choice aggregation, or C.C.A., model replaces the utility as the default, monopolistic supplier of electricity or natural gas, and gives municipalities the opportunity to seek lower prices from alternative suppliers. It also allows municipalities to choose locally based renewable energy projects for their electricity supply, such as wind, tidal, solar, battery storage, demand response, and microgrid projects. C.C.A. programs in seven states now serve more than five million customers.

A C.C.A. administrator, which can be a municipality, a development corporation, a nonprofit organization, a private firm, or another third party, is tasked with developing and administering the program and procuring the energy for participating consumers, who are able to opt out of the program. The board's vote followed adoption of a resolution to enable the establishment of a C.C.A. program in February, and a request for proposals issued in April. Town staff members analyzed proposals submitted in response to that competitive bid and recommended Joule Assets' proposal.

The contract will be in effect for one year, and Southampton will have the option to renew it for a duration deemed necessary to complete implementation. Once it has been signed, Joule Assets, working with town staff, will prepare an implementation plan, which will be submitted to the State Public Service Commission. Once approved, the administrator will begin discussions with the Long Island Power Authority to implement the plan.

Southampton set a goal last year of meeting all of its energy consumption needs through renewable sources by 2025. "We see C.C.A. as a big part of that, if it pans out as advertised," Councilman John Bouvier said yesterday. The town has two goals in mind, he said. "The first is to drive down our cost per kilowatt hour," which he said is among the highest in the country. "But there are people who really want to do the right thing," and are "willing to pay more to be assured the power they receive comes from alternative sources." Joule Assets will "search for sourcing at the best possible price," he said, while also accommodating customers who choose to use alternative sources only.

C.C.A. "fits with the larger goal of trying to reduce carbon emissions, trying to wean us off fossil fuels as soon as possible," Mr. Bouvier said. "It's critical to the planet, but also to our local goals."

"Southampton is headed down the path of doing the heavy lifting and has taken a leadership position," Lynn Arthur, the energy chairwoman of the town's sustainability committee, said Tuesday. "You could also say they're the 'anchor tenant' in this contract," as Joule Assets is likely to solicit other municipalities to participate. The implementation plan, Ms. Arthur said,

“will specify the duration of the contract; whether or not — and how much — renewable energy is in the mix, and the price.”

Earlier this year, County Legislator Bridget Fleming sponsored a resolution establishing a community choice aggregation task force to examine the feasibility of utilizing C.C.A. as an energy procurement strategy. Its second meeting is to take place next month.

The East Hampton Town Board voted in June to hold hearings to consider establishing a community choice aggregation program and further agreed to explore, in those hearings, the opportunity for increasing its competitive buying power for electricity and natural gas by combining its efforts with Southampton and other East End municipalities. A public forum may be held in the fall.

“Other municipalities are expressing interest,” Ms. Arthur said. “It would be great if East Hampton were to adopt the enabling legislation so they might join Southampton’s C.C.A. program.”

“By its very name,” Mr. Bouvier said of C.C.A., “the ‘aggregation’ part is, you want to have a good customer base. We’ve been approached by Brookhaven and other municipalities to work together.” But discussion of partnerships, however advantageous, is premature, he said, until the Southampton Town Board makes a final decision to implement a C.C.A. program. “Part of the task force’s job is to help guide municipalities in that regard. It’s a complicated subject.”
