



Massachusetts Municipal Association

MMA BEST PRACTICES SERIES

Recommendations for Effective Local Government Administration and Management from MMA Policy Committees

2025 • Volume 7 • Number 5

MMA Policy Committee on Energy and the Environment

Best Practice Recommendation: Ensuring Compliance with Municipal Aggregation Guidelines, Strengthening Program Operations

BEST PRACTICE: Adopt a municipal electric aggregation program to use bulk purchasing power to negotiate electric supply on behalf of residents and businesses.

As volatility affects energy costs across Massachusetts communities, municipal officials can advocate for methods to ensure that residents have steady, stable, and affordable access to critical electric services. Municipal aggregation programs, also called community choice aggregation, are a tool to provide electric supply through the aggregation of customers' electrical load to procure a competitive supply of energy.

Aggregation enables cities and towns to take proactive steps to:

- Navigate the complicated relationships between electric utility companies, brokers, residents, the municipality, and local businesses
- Provide rate stability through longer term contracts and greater flexibility in the timeline for electric supply procurement
- Purchase energy with a higher renewable content than the Massachusetts Renewable Portfolio Standard

Steps for Municipal Aggregation Implementation

1. Engage Consultants and Prepare for Launch:

- Retain licensed consultants familiar with Massachusetts aggregation guidelines.
- Notify the Department of Public Utilities (DPU) when engaging new consultants.

2. Obtain Local Approval:

- Secure majority votes from town meetings or city councils.
- Gain formal approval from city mayors or managers where applicable.

(continued, next page)

3. Consult with key stakeholders:

- Collaborate with the Massachusetts Department of Energy Resources (DOER).
- Review DOER-recommended best practices and ensure compliance with clean energy goals.

4. Develop a Draft Plan:

- Address universal access, reliability, rate setting, customer class equity, and opt-in/opt-out options.
- Organize draft plans using DPU templates to streamline review processes.

5. Submit for Public Review and Feedback:

- Facilitate at least 30 days of public feedback using diverse communication channels such as local websites, social media, and public meetings.

6. File Plan with the DPU:

- Include all required elements (e.g., petition, plan evidence, local approval documentation).
- Standard 120-day review period.

7. Operationalize the Plan:

- Notify the Electric Distribution Company upon final approval.
- Initiate customer enrollment with transparent opt-out procedures and ongoing updates about renewable energy options.

Additional Best Practices for Successful Aggregation

Community Education: Use multimedia campaigns to inform residents about the benefits and options under municipal aggregation programs.

Energy Management Sustainability Fund: Establish a fund to finance sustainability initiatives like electric vehicle infrastructure and energy efficiency projects, or to support an energy management position.

Performance Monitoring: Regularly report program outcomes, including renewable energy content, rates, customer participation metrics, and cost savings compared to Basic Service. Inform both residents and elected officials to increase awareness.

Opt-Out Awareness: Inform residents of their ability to opt out of the municipal aggregation program at any time.

(continued, next page)

Indicative Pricing: Engage consultants to periodically obtain energy pricing. Update your community's internal team to consider potential increases to renewable energy content. The volatility of the energy market requires communities to continually monitor energy prices (every three months or when market conditions change significantly) to determine the potential to blend or extend their current contracts. This is critical when the current term of the contract is set to expire for community evaluation.

Resources

- Department of Public Utilities [Municipal Aggregation Guidelines, website](#), and [list of Approved Municipal Aggregation Programs](#)
- Department of Energy Resources [Recommended Best Practices for Advancing Clean Energy in Municipal Aggregation Plans](#)
- Massachusetts Sierra Club's [Community Choice Energy Program](#)
- [Energy Switch Massachusetts website](#)
- The city of Beverly's [Program Overview](#) and the [Beverly Community Electric Launch Mailing](#) (including a cover letter from the mayor and program notification)
- [Municipal Aggregation Implementation Overview, created by the MMA Policy Committee on Energy and the Environment](#)