

# Cape & Vineyard Electric Cooperative, Inc.

23H2 White's Path, Suite 2, South Yarmouth, MA 02664

774-722-1812 [www.cvecinc.org](http://www.cvecinc.org)

January 31, 2017

Barnstable County  
P.O. Box 427/SCH  
Barnstable, MA 02630

Dukes County  
PO Box 190. 9 Airport Road  
Edgartown, MA 02539

Town of Oak Bluffs  
56 School St.  
Oak Bluffs, MA 02557

Town of Chilmark  
PO Box 119  
401 Middle Road  
Chilmark, MA 02535

Town of Brewster  
2198 Main St.  
Brewster, MA 02631

Town of Chatham  
549 Main St.  
Chatham, MA 02633

Town of Provincetown  
260 Commercial St.  
Provincetown, MA 02657

Town of Yarmouth  
1147 Route 28  
South Yarmouth, MA 02664

Monomoy Regional School District  
425 Crowell Road  
Chatham, MA 02633

Re: *Omnibus Side Letter Agreement Regarding Payment Processing under  
Inter-Governmental Net Metered Power Sales Agreement*

Dear Counties of Barnstable and Dukes, Towns of Chilmark, Brewster, Chatham, Provincetown  
and Yarmouth and Monomoy Regional School District:

On behalf of the Cape & Vineyard Electric Cooperative, Inc. ("CVEC"), I am writing to  
request that you consider and confirm your agreement to a new policy for CVEC's processing of



payments due and owing under that certain Inter-Governmental Net Metered Power Sales Agreement between you and CVEC identified in Attachment A (the "PSA").<sup>1</sup>

Reference is made to Article V (Metering and Billing) of the PSA pursuant to which CVEC is to provide you with an invoice on or before the fifteenth (15<sup>th</sup>) day of each month for amounts due and payable for the projects in accordance with Exhibit A and Exhibit B of the PSA and you are to pay CVEC said amounts due under the invoice within twenty-one (21) days of receipt. Currently, CVEC provides you with an invoice for *each* DG Project set forth on Exhibit B, rather than one invoice for amounts due in the aggregate. However, this process results in CVEC sending you several invoices and a large amount of accounting for you and for CVEC on a monthly basis.

In an effort to make the accounting and payment processing under the PSA more efficient, CVEC would like to undertake a new procedure. This procedure is intended to be more in keeping with the timing of the ledger statement CVEC receives from the Distribution Company for the DG Projects, which is how CVEC and the DG Project owner review and confirm monthly kilowatt-hour ("kWh") production from the DG Project. The Distribution Company provides Net Metering Credits in the form of cash for certain of the DG Projects listed on Exhibit B ("Cash-out Projects"), and provides Net Metering Credits in the form of credit allocations to your designated electric accounts for others ("Allocation Projects"). The Distribution Company operates on a billing cycle basis according to the meter read for the DG Project. Each billing cycle is about one month, but each DG Project has a different billing cycle depending upon when its meter read occurs. The Distribution Company issues a ledger statement for each DG Project after a DG Project billing cycle that shows the total amount of Net Metering Credits generated during that billing cycle for the DG Project.

CVEC's proposal would allow CVEC to collect the Distribution Company ledger statement for the prior month's billing cycle for each DG Project before sending you a comprehensive statement that would reconcile all payments due and owing to CVEC for your share of all of the DG Projects listed on Exhibit B to the PSA for the prior billing cycle, with the cash credits due and owing to you from the Cash-out Projects listed on Exhibit B to the PSA for the prior billing cycle. Depending upon the season and total kWh production during a billing cycle, the reconciliation may result in CVEC sending you a check for the net amount due and owing to you, or the reconciliation may result in CVEC sending you an invoice for the net amount due and owing to CVEC. A detailed description of the process is set forth below for your consideration:

- CVEC will send out a comprehensive statement to you for the prior Distribution Company billing cycle for each DG Project listed on Exhibit B of your PSA on the first day of the next month following the close of the Distribution Company billing cycle for all such projects. By way of example only, for a November–December 2016 billing cycle, CVEC would send a comprehensive statement on February 1, 2017 reconciling the

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<sup>1</sup> Capitalized terms used but not defined in this letter have the meaning given them in the PSA.



crediting and invoicing for all of the DG Projects for the November–December 2016 billing cycle.

- The comprehensive statement will provide an accounting of the amounts due and owing to CVEC/DG Project owner, including any operational adder or revenue sharing in accordance with Exhibits A and B of the PSA, for each DG Project.
- The comprehensive statement will provide an accounting of the Net Metering Credits due and owing to you from each Cash-out Project.
- Rather than require you to issue multiple checks for payments or require CVEC to issue multiple invoices for the DG Projects, with the comprehensive statement, CVEC will either remit to you one check for the net amount of cash due to you or one invoice for the net amount due to CVEC after reconciling the amounts due to CVEC for all of the DG Projects and the Net Metering Credits due to you for the Cash-out Projects.
- You will continue to receive Net Metering Credits allocated to your designated electric accounts by the Distribution Company for the Allocation Projects.
- In addition to the comprehensive statement, CVEC will continue to send you a full accounting report for each DG Project that identifies the cash-out savings and/or credits for each individual electric account.

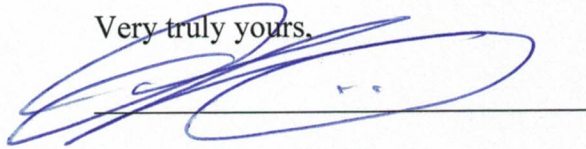
An illustrative comprehensive statement showing the new payment processing is set forth in Attachment B. This invoice is for illustrative purposes only. Please contact Liz Argo, CVEC's Manager, Programs & Administration at 774-722-1812 if you have any questions regarding the process set forth above and illustrated in Attachment B. If you are in agreement with the process set forth above, please sign the letter below and send one original signature page of this letter agreement to Liz Argo at the address set forth above.

This letter agreement is intended to be binding and enforceable by both CVEC and the party named above in respect of such party's PSA identified in Attachment A. By signing this letter you agree that the process set forth herein shall supersede the process set forth in Article V (Metering and Billing) of the PSA. This letter agreement will become effective upon execution by all parties set forth below and CVEC. Please note that CVEC will not commence the new payment processing procedure until all parties have executed this side letter. CVEC will notify you when the new processing procedure will commence so that you may plan accordingly.

This letter agreement may be executed in counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement. A scanned or electronically reproduced copy or image of this letter agreement bearing the signature of the parties hereto shall be deemed an original and may be introduced or submitted in any action or proceeding as competent evidence of the execution, terms and existence of this agreement notwithstanding the failure or inability to produce or tender an original, executed counterpart of this agreement and without the requirement that the unavailability of such original, executed counterpart of this agreement first be proven.

Thank you for your timely attention to this important matter.

Very truly yours,



Leo Cakounes, President  
Cape & Vineyard Electric Cooperative, Inc.

**AGREED AND ACCEPTED THIS \_\_ DAY OF \_\_\_\_\_, 20\_\_ BY:**

**BARNSTABLE COUNTY**

By:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

By:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

By:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**AGREED AND ACCEPTED THIS \_\_ DAY OF \_\_\_\_\_, 20\_\_ BY:**

**DUKES COUNTY**

By:

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**AGREED AND ACCEPTED THIS \_\_ DAY OF \_\_\_\_\_, 20\_\_ BY:**

**TOWN OF OAK BLUFFS**

By:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**AGREED AND ACCEPTED THIS \_\_ DAY OF \_\_\_\_\_, 20\_\_ BY:**

**TOWN OF CHILMARK**

By:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

By:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

By:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**AGREED AND ACCEPTED THIS \_\_ DAY OF \_\_\_\_\_, 20\_\_ BY:**

**TOWN OF BREWSTER**

By:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**AGREED AND ACCEPTED THIS \_\_ DAY OF \_\_\_\_\_, 20\_\_ BY:**

**TOWN OF CHATHAM**

By:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**AGREED AND ACCEPTED THIS \_\_ DAY OF \_\_\_\_\_, 20\_\_ BY:**

**TOWN OF PROVINCETOWN**

By:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

By:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

By:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

By:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

By:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**AGREED AND ACCEPTED THIS \_\_ DAY OF \_\_\_\_\_, 20\_\_ BY:**

**TOWN OF YARMOUTH**

By:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**AGREED AND ACCEPTED THIS \_\_ DAY OF \_\_\_\_\_, 20\_\_ BY:**

**MONOMOY REGIONAL SCHOOL DISTRICT**

By:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**ATTACHMENT A**

**List of Net Metered Power Sales Agreements**

The Intergovernmental Agreement between the Cape & Vineyard Electric Cooperative and  
Barnstable County

The Intergovernmental Agreement between the Cape & Vineyard Electric Cooperative and  
Dukes County

The Intergovernmental Agreement between the Cape & Vineyard Electric Cooperative and the  
Town of Oak Bluffs

The Intergovernmental Agreement between the Cape & Vineyard Electric Cooperative and the  
Town of Chilmark

The Intergovernmental Agreement between the Cape & Vineyard Electric Cooperative and the  
Town of Brewster

The Intergovernmental Agreement between the Cape & Vineyard Electric Cooperative and the  
Town of Chatham

The Intergovernmental Agreement between the Cape & Vineyard Electric Cooperative and the  
Town of Provincetown

The Intergovernmental Agreement between the Cape & Vineyard Electric Cooperative and the  
Town of Yarmouth

The Intergovernmental Agreement between the Cape & Vineyard Electric Cooperative and the  
Monomoy Regional School District



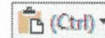
## ATTACHMENT B

## Illustrative Invoice – Pages 1 &amp; 2

Sample is for Town of Brewster - one month of Brewster as offtaker for net metering credits from its 7 offtaker projects. The Comprehensive Statement would trigger a check to Brewster of \$144.16 for the month of January.

## Monthly Comprehensive Offtaker Statement – page 1

**Offtaker** **Month**  
Brewster January 2017



Invoice # \_\_\_\_\_

## SUMMARY

Check # 357666

## Monthly Offtaker Transactions Totals Summary

Total Monthly  
Costs for  
Projects  
(PPA, Adder and  
Rev Share Costs)

Offtaker's Share  
of Monthly Cash  
Sent to CVEC for  
the Projects with  
Cashed-Out NMC

Total Remaining Monthly  
Cost or Cash Due to Offtaker  
after Pay All Projects' Costs –  
- Will trigger either an invoice or a  
check from CVEC –  
For Projects' Details, see page 2

(\$12,853.92)

\$12,998.08

\$144.16

## Note:

Offtaker's Total Monthly Net Benefit, Including Allocated NMC as Benefit on Electric Bills = **\$3,928.47**

## Monthly Comprehensive Offtaker Statement - page 2

**Offtaker**
**Month**

Brewster

January 2017

**DETAIL**


Project Yellow Projects are Allocation Projects - Others are Cash-out Projects	Participant Share of Project	Month's kWh Share to Offtaker	NMC Share to Offtaker - As either Allocation or Cash- out	Developer Cost (PPA)	CVEC Adder Cost	Rev Share Cost to Host	Total Costs	Cash Due to Town from Share of Cash-Out NMC	Total Cost or Cash Remaining per Project after Pay All Project Costs	Offtaker Net Benefit Including Allocated NMC
Eastham Landfill	1.02%	307,091	\$52.31	(\$21.71)	(\$1.54)	(\$15.30)	(\$38.55)		(\$38.55)	\$13.76
Fire District	16.05%	18,643.68	\$3,175.95	(\$1,137.26)	(\$279.66)	(\$1,019.34)	(\$2,436.26)		(\$2,436.26)	\$739.69
Harwich Landfill	12.20%	47,170.08	\$8,068.11	(\$3,349.08)	(\$235.85)	(\$2,359.52)	(\$5,944.44)	\$8,068.11	\$2,123.67	\$2,123.67
Nunnepeg Well	13.71%	24,102.18	\$4,109.42	(\$2,376.47)	(\$120.51)	(\$866.47)	(\$3,363.46)	\$4,109.42	\$745.96	\$745.96
Tisbury Landfill	3.06%	4,813.99	\$820.54	(\$439.52)	(\$24.07)	(\$190.51)	(\$654.10)	\$820.54	\$166.44	\$166.44
West Tisbury Landfill	4.24%	3,264.74	\$556.05	(\$212.86)	(\$32.65)	(\$171.59)	(\$417.10)		(\$417.10)	\$138.95
Wixom School (Summer only)	16%	-	-							-
<b>Total</b>				(\$7,536.90)	(\$694.27)	(\$4,622.74)	(\$12,853.92)	\$12,998.08	\$144.16	\$3,928.47