

JULY 2024 PRESS RELEASE FROM DAILY HAMPSHIRE GAZETTE

Valley Green Energy scheduled to launch in November

By ALEXANDER MACDOUGALL, Staff Writer

Long in the planning stages, a new electricity service in Northampton, Amherst and Pelham is set to launch this fall in what officials promise will mean more affordable and renewable electricity for residents.

The three communities inked a deal with electricity supplier First Point Power to launch the new electricity service called Valley Green Energy. The regional group electricity buying program is designed to provide the dual benefits of cleaner electricity and stable prices to residents and businesses in all three communities, officials said.

“Lower prices and greener electricity ... those were the goals of the program and we have achieved them in this initial offering,” Amherst Town Manager Paul Bockelman said in a statement. “We built an excellent partnership with Northampton and Pelham and are proud to bring this unique multi-community approach along with a larger market share to this initiative.”

Residents will automatically be enrolled into the program, which switches the supplier to First Point Power, the Cranston, Rhode Island company that outbid four other energy suppliers to be a part of the deal. Energy companies that operate in the towns — National Grid in Northampton and Eversource for Amherst and Pelham — remain responsible for the delivery of the electricity.

Though residents have the option to opt-out from switching to First Point Power, the Valley Green Energy program also attempts to help residents save on energy costs. At its launch, residents will be paying 13.994 cents per kilowatt hour for their electricity supply, compared to the expected National Grid rates of 16.005 cents per kilowatt hour and the Eversource rate of 14.023 cents per kilowatt hour, according to officials in Northampton and Amherst.

Two additional program options will be available by request. Participants can choose to receive electricity with 100% renewable energy content at 16.474 cents per kilowatt hour or the minimum amount of renewable content required by law at 13.594 cents per kilowatt hour.

The only people who will not be automatically enrolled are residents who already receive power from a third party supplier, said Ben Weil, the interim director for Northampton's Climate Action and Project Administration (CAPA) department.

“Part of my effort over the next few months is we need to reach out to those people who have third party suppliers who may be paying more, or paying for less green energy,” Weil told the Gazette. “They have to take action to opt-in, but everybody else is automatically opted in.”

Weil also explained the somewhat complicated process on how Valley Green Energy can ensure that it provides more sustainable electricity. Although there is no way to determine whether electricity delivered to a home originates from a cleaner energy source, such as solar or wind

power, utility companies in Massachusetts must hold to the Renewable Energy Portfolio Standard that requires a certain percentage of the state's electricity to come from renewable energy.

If utility companies do not have the resources to build their own wind or solar farms for sustainable resources, they can instead buy renewable energy certificates (RECs), a kind of credit that represents one megawatt of electricity from a renewable resource.

Weil said the RECs are key to Valley Green Energy's guarantee of 10% more renewable energy.

"What it means is Valley Green Energy will be spending roughly 0.5 cents per kilowatt hour to buy and retire renewable energy credit on the market," Weil said. "In theory, that influences the market to have more actors and build more renewable energy installations."

Overall, Weil said that the "program proves that together we can save people money while making real progress addressing the challenges of climate change."

Though the origins of the Valley Green Energy date to before 2020, the service did not receive state regulatory approval until April. Prices under the initiative will remain fixed for two years, with customers not expected to receive rate fluctuations until November 2026. Similar programs already exist across the commonwealth, including in the nearby municipalities of Greenfield, Leverett, Hatfield and Northfield.

"This effort has been years in the making, and I'm proud we're about to be able to offer these lower prices and cleaner energy to Northampton residents," Mayor Gina-Louise Sciarra said in a statement. "I am deeply grateful to our partners in Amherst and Pelham for their hard work in building this partnership and program."

Alexander MacDougall can be reached at [amacdougall@ gazettenet.com](mailto:amacdougall@gazettenet.com).