

Merrimack Valley Planning Commission: Clean Energy Action Plan

June 2013

Haverhill, MA
Population: 325,000
Size: 270 square miles
www.MVPC.org
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The **Merrimack Valley Planning Commission** (MVPC) is comprised of fifteen communities along the Merrimack River in the northeastern corner of Massachusetts. The region is bounded by New Hampshire, the sea and the Boston metropolitan area, and has a diverse mix of urban, coastal and rural development. MVPC is the region's federally designated metropolitan planning organization (MPO) and has served as the area's regional planning commission for over 50 years.



Going Green Regionally

In 2008, The Merrimack Valley Planning Commission (MVPC) conducted an assessment of their regional challenges to economic growth in updating their Comprehensive Economic Development Strategy (CEDs). Based upon this assessment, MVPC identified the need to support the region's growth areas and energy needs by developing plans to reduce the region's carbon footprint, the creation of model ordinances to guide alternative energy development and assist Municipalities pursuing renewable energy projects. In response to these needs, MVPC created the Merrimack Valley Clean Energy Action Plan. The Plan identifies energy challenges, resources, energy strategies for each community in the region, and creates an action plan on how these communities can work together to reduce the region's carbon footprint.

Energy Challenges

MVPC's first step was to establish a Regional Energy Manager Program. Through this program, MVPC brought on the expertise needed to assist the communities by recommending how they could best conserve and generate energy. The Regional Energy Manager monitored each participating communities' energy use and expenses and then recommended corresponding changes to reduce their energy usage. To assist the Program, MVPC contracted with Peregrine Energy Group to provide strategic technical services

and support. Peregrine learned that most communities were interested in identifying and implementing energy savings improvements in their older municipal buildings, and suggested considering using Energy Performance Contracting to address this need.

Energy Performance Contracting is a special procurement tool, allowing Massachusetts cities, towns, school districts, and other public agencies to purchase a bundle of energy management services from qualified energy vendors (ESCO). In such agreements, the selected energy vendor guarantees that implemented projects will result in specified, measurable savings, and the savings can then be used to finance the cost of a project. To date, six communities (Lawrence, Haverhill, Merrimac, Methuen, North Andover, and Salisbury) have entered into an Investment Grade Audit Agreement with Ameresco, the selected ESCO provider. Preliminary estimates suggest that Ameresco will undertake approximately \$15M in improvements, which will result in over \$1.3M of energy savings each year for the six communities participating.

In addition to energy savings improvements, communities wanted to explore their renewable energy options. MVPC conducted a "Fatal Flaws" analysis for nine communities that identified eleven landfills, which could potentially be developed into solar farms. The analysis confirmed that five communities were candidates for installing solar on their landfills. Despite this analysis, the five communities still needed assistance in advancing these projects, developing Power Purchase Agreement (PPAs) RFPs and monitoring the project's implementation. MVPC procured the services of Meister Consultants Group to act as Regional Energy Managers and assist each of the five participating communities in developing these projects as well as identifying other solar development opportunities.



Photo Credit: Salisbury Solar Farm

Green Communities

In 2008, the Commonwealth passes the Green Communities Act, which encouraged communities to reduce energy consumption and costs. To encourage the development of solar energy, Massachusetts allows municipalities to purchase power from solar developers. Using the ESCO effort as a model, MVPC solicited proposals from solar developers to sell power to participating communities. Communities have various pricing options to choose from, but preliminary estimates indicate that the four participating communities will save over \$600,000 in the first year alone. This latest MVPC renewable energy initiative will allow communities to buy power directly from power suppliers at rates lower than retail, producing savings at a minimum of 10 percent.

Lessons Learned

Through its extensive efforts to create a truly “Green” region, MVPC learned that regionalization is not a government structure but more of an approach of how communities can work together to address common challenges. While there has been great interest in the region to implement green initiatives, there is still a need to bring collective capacity, share experiences, solicit available resources, create efficiencies, and maximize community benefits. MVPC found that through offering various energy efficiency project options, each community can tailor the program to meet their needs, while collaborating with others on shared issues. MVPC has achieved success in working toward reducing the region’s carbon footprint, and continues to seek new initiatives to save energy and invest in innovative renewable energy projects.

More information on MVPC’s Clean Energy Action Plan can be found here:
<http://mvpc.org/news/2012-merrimack-valley-clean-energy-action-plan/>



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About the National Association of Regional Councils

The National Association of Regional Councils (NARC) serves as the national voice for regionalism by advocating for regional cooperation as the most effective way to address a variety of community planning and development opportunities and issues. NARC’s member organizations are composed of multiple local governments that work together to serve American communities – large and small, urban and rural. For additional information, please visit www.NARC.org.