

**MINUTES
TOWN OF BELMONT
MUNICIPAL LIGHT BOARD
CONFERENCE ROOM, BEECH STREET CENTER
266 BEECH STREET, BELMONT
Thursday, October 30, 2014
8:30 A.M.**

RECEIVED
TOWN CLERK
BELMONT, MA

2015 FEB 26 AM 8:56

I. CALL TO ORDER

Chair Rojas called a regular meeting of the Municipal Light Board (MLB or Light Board) to order at 8:33 A.M.

Present:

MLB- Chair Rojas, Vice Chair Baghdady, Member Paolillo

Belmont Light- General Manager Palmer, Staff Klubnichkina and Keane

Belmont Municipal Light Advisory Board (MLAB)- Chair Brown and Vice Chair Forrester (no quorum)

Belmont Director of Facilities Boyle

II. UPDATE FROM MLAB ON SOLAR DISTRIBUTED GENERATION

MLAB Chair Brown stated that he and MLAB Member Diorio (not present) would be meeting with Sustainable Belmont representatives that evening to discuss the solar distributed generation (solar DG) policy and pricing structure. This would be the third meeting between Brown, Diorio, and a group of Sustainable Belmont members. The overall plan was for MLAB to finalize a proposal so that MLAB members could vote on it at an MLAB meeting the week of November 24th and present it to the Light Board that same week. Paolillo asked for clarification on Sustainable Belmont's involvement in the solar DG policy issue. He wanted to know what exact type of organization Sustainable Belmont is, who from the group is meeting with MLAB, and who the folks involved in discussions represent.

Brown responded that the Sustainable Belmont members involved in discussions with MLAB included Alix Van Geel, Roger Wrubel, Mark Davis, David Schlissel, and Jonathan Abe. He explained that Sustainable Belmont's most recent proposal included a recommendation that anything that happens behind the meter, or whatever solar customers self-consume, should be irrelevant to Belmont Light. Sustainable Belmont members also proposed that any excess energy solar customers sell to Belmont Light should be given retail value. Brown explained that he and

Diorio saw problems in this proposal in that it doesn't recognize the fixed costs associated with a customer's always being connected to the grid even if they are generating their own electricity. Brown added that MLAB thinks it is important that the price that Belmont Light pays for energy coming from residential solar generators should reflect both market value and carbon reduction impacts.

Sustainable Belmont member Alix Van Geel, who was in the audience, asked for the opportunity to present Sustainable Belmont's most recent proposal to the Light Board. Rojas responded he was worried that though it is always important to hear resident input on town issues, what seems to be happening recently is that a few members of a non-appointed group are taking up negotiations with the town. The proposal from this group should not be treated as the same as a proposal from MLAB.

From the audience, Sustainable Belmont Member Phil Thayer stated that many non-members of Sustainable Belmont attended the September public forum on solar. He also said that a significant number of emailed comments were submitted in opposition to MLAB's proposals. To him, this shows that a substantial percentage of the community wants simplicity, certainty, and financial viability surrounding solar. Board members pointed out that the effort around most of the submitted emails was orchestrated by Sustainable Belmont—they came from a form stack template generated by a few people that other people could just sign their names to. It is not certain that these emails accurately represent the will of the town.

Van Geel then pointed out that according to a state survey, a majority of Massachusetts residents support sustainability. Rojas said that the town of Belmont has done much to align with those goals, including applying for Green Communities designation, passing a Climate Action Plan, and purchasing a lot of green energy.

III. GENERAL MANAGER'S REPORT

a. Update on Belmont Light financials

Finance Manager Klubnichkina stated that based on the preliminary results of 2014's third quarter financial reporting, Belmont Light is requesting the transfer of \$400k to the Rate Stabilization Fund and \$400k to the Construction (Depreciation) Fund. These transfers are necessary to 1) stabilize rates in the face of extreme winter electricity costs and market volatility, and 2) to build up Belmont Light's construction fund so that old substations can be decommissioned before the new substation comes online. Palmer explained that decommissioning substations is an important part of modernizing the grid. Though the retiring of substations will not happen immediately, Belmont Light must work to build up reserves now. Forrester added that this plan was strategized in collaboration with the Town Treasurer's Office.

Paolillo moved to approve the 3Q financial results as presented by Belmont Light, including the transfers of \$400k to the Rate Stabilization Fund and \$400k to the Construction (Depreciation) Fund. Baghdady seconded the motion and it was approved unanimously (3-0).

b. Update on billing system

General Manager Palmer stated that the RFP for Belmont Light's new billing system was released on October 2nd. Proposals are due back November 6th and vendor selection should happen around December 4th. The Belmont Light team worked collaboratively with the town on the project. Thus far, the RFP stimulated a lot of interest among prospective bidders. Rojas confirmed that David Kale (not present) and the DPW department informed him that they were satisfied that the RFP covered their needs.

IV. UPDATE ON COST OF SERVICE STUDY

Palmer mentioned that a cost of service study would be completed after the substation project is done in 2017.

V. GREEN COMMUNITIES APPLICATION

Chair Rojas introduced Director of Facilities Boyle to discuss how town staff and Belmont Light should collaborate on Belmont's Green Communities application. Boyle explained that as part of the application and following designation, the town needs to coordinate with Belmont Light, especially regarding a potential LED street light project. Palmer and Brown expressed concern about the budget for the Green Communities projects, cautioning that if the streetlight project gets charged to the Belmont Light, this might impact electric rates. Forrester said that he and Palmer had recently met with Town Administrator Kale and they agreed that installing LED lights could be a good idea taking into account neighboring communities' experiences. Paolillo stated that this is important information and that the town must consider all of this when prioritizing projects. Boyle said that if Belmont received Green Communities designation, an in depth audit will inform the decisions of how to fund the street lighting project. The Board of Selectmen will be made privy to potential decisions before they happen so everyone can collaborate on a project that is best for the town.

VI. EXECUTIVE SESSION

The Board moved: into Executive Session at 9:38 AM:

To protect trade secrets, confidential, competitively sensitive or other proprietary information provided in the course of proceedings when a municipal lighting plant board determines that such disclosure will adversely affect its ability to conduct business in

relation to other entities making, selling, or distributing electric power and energy pursuant to section 47D of chapter 164.

VII. ADJOURNMENT

The Board re-entered open session at 9:56 AM to adjourn.