

**MINUTES  
TOWN OF BELMONT  
MUNICIPAL LIGHT BOARD  
IN JOINT WITH MUNICIPAL LIGHT ADVISORY BOARD  
SELECTMEN'S MEETING ROOM  
TOWN HALL  
Monday, December 15, 2014  
8:30 A.M.**

RECEIVED  
TOWN CLERK  
BELMONT, MA

APR 27 AM 9:11

**I. CALL TO ORDER**

*Chair Rojas called a regular meeting of the Municipal Light Board (MLB or Light Board) to order at 8:37 A.M.*

*Chair Brown called a regular meeting of the Municipal Light Advisory Board (MLAB) to order at 8:40 A.M.*

Present:

Light Board- Chair Rojas, Vice Chair Baghdady, Member Paolillo

MLAB- Chair Brown, Vice Chair Forrester, Members DiOrio, Jones, Klionsky, McClain, and McVay

Belmont Light- General Manager Palmer, Staff Keane and Klubnichkina, Legal Counsel Foskett, and Consultant Joseph

**II. APPROVAL OF MINUTES DATED 9/23/14**

*Paolillo made a motion to approve the September 23, 2014 minutes. Chair Rojas seconded the motion, which was approved with a vote of two in favor (2-0) and one abstention.*

**III. DISCUSSION AND VOTE ON SOLAR DISTRIBUTED GENERATION**

Chair Rojas took an initial question from the audience before the board members began their discussion. A resident asked if the public would be able to take a vote on solar. Rojas responded that the Light Board will contemplate the idea, but that there has been plentiful public comment on the topic already.

Paolillo reminded the board members and the audience that at the November 24, 2014 Light Board meeting, MLAB member McVay was asked to leave because of an incorrect interpretation of the Open Meeting Law's rules on quorums. Paolillo asked to get on record that he found the entire situation inappropriate. As long as they are not involved in deliberations, advisory board

members can attend public meetings as audience members without contributing to a quorum. Rojas agreed, adding that it would be in everyone's best interest if the intentional mischaracterization of events by certain members of the public finally came to an end.

Chair Brown reported that the tariff for Belmont Light Rate APV was unanimously approved by MLAB on December 9<sup>th</sup>. The tariff includes an exemption from the distributed generation fee for existing solar customers for a period of six years and that excess energy sent back to the grid by solar customers will be credited at the average Locational Marginal Price for the monthly billing period. The tariff pertains only to non-emitting distributed generation (DG) sources; no other sources of DG are sanctioned.

Board members next discussed the solar issue with members of the audience. Topics discussed include:

- when Belmont Light pays more per kWh for wind energy than it does for solar DG energy, it is also often purchasing RECs, which offsets the overall cost;
- the rebate for existing customers was a compromise to help satisfy the concerns of Sustainable Belmont members;
- many residents and Sustainable Belmont members still do not see the new policy as solar DG-friendly;
- some residents were unhappy with the tariff that was filed with the DPU in 2011;
- unlike surrounding communities like Concord and Wellesley that have in excess of 1,000 commercial customers, Belmont only has a few commercial customers. Municipal utilities with larger customer bases can more easily accept the lost fixed costs associated with solar DG;
- the current breakdown of costs for customers contemplating residential solar; and
- concerns that the new policy caters to existing customers rather than encouraging new solar adoption. (Board members responded that they are prioritizing evaluating the possibility of offering rebates to customers who buy new solar PV systems.)

Light Board members next discussed the most recent version of the policy. Baghdady stated that although not everyone is happy with the approved policy, it is a step in the right direction. It includes a more modest fixed fee than originally proposed and helps take care of Belmont Light's system into the future. He and Paolillo agreed that no policy is static, so the policy will be revisited often to make sure that it is meeting its intent.

*Paolillo motioned to approve the proposed Residential Rate APV for interconnecting residential customers with solar photovoltaic distributed generation facilities that cancels the current Net Metering and Buyback Tariff for Emission-Free Renewable Generating Facilities Serving Customer Load effective November 28, 2011. Baghdady seconded and the motion was unanimously approved (3-0).*

The board then discussed the logistics for crediting existing customers with funds from Belmont Light's Energy Conservation budget. The rebates will be based on PV-system size, and subject to performance evaluations and an application process. They will be available only to existing solar customers for a period of 3 years. Belmont Light is still solidifying some of the details of the rebate program.

*Paolillo motioned to approve the transfer of an amount not to exceed \$18,000 from the Energy Conservation budget to fund a rebate, to be developed by Belmont Light staff, for residential solar photovoltaic distributed generation facilities interconnected and operating on the Belmont Light system on or before December 31, 2014. Baghdady seconded and the motion was approved unanimously (3-0).*

#### **IV. GENERAL MANAGER'S REPORT**

##### **a. Update on substation and transmission project**

Foskett and Palmer discussed an updated timeline for the project and each of the upcoming bids. The project team is in the midst of selecting a vendor for the construction of the substation building. The lowest bidder had to withdraw its proposal due to a clerical error. Much progress has been made on the project overall. Palmer reported that permitting work was at 80% complete, engineering 90% complete, procurement 80% complete, and construction 10% complete. Despite a few delays in the schedule because of some complications with the commuter rail and the MBTA, the project is still on target for the 2016 energization date.

##### **a. Update on billing system**

The project team is in the final states of its evaluation of two prospective billing system vendors: NISC and SEDC. Once the group finds the best solution for both the town's and Belmont Light's accounting processes, an award will be made.

#### **V. FINANCIALS**

##### **a. Quarterly financials**

Klubnichkina gave an overview of the preliminary financial results for the 3<sup>rd</sup> quarter of 2014. She said that revenue should allow for a transfer to the Rate Stabilization Fund. She will see where things stand after she closes the 11<sup>th</sup> month financials. Belmont Light is looking to build up this fund to make it more stable and protect against potential market fluctuations in the future. As a result of the 2014 rate increase, Belmont Light has also been able to build up its general funds for operational expenses.

##### **a. PILOT transfer approval**

Klubnichkina requested approval for Belmont Light to make its annual PILOT payment to the town.

*Paolillo motioned to approve the transfer of \$650,000 from Belmont Light's Operating Fund to the Town of Belmont's General Fund for its annual Payment in Lieu of Taxes. Baghdady seconded the motion and it was approved unanimously (3-0).*

## **VI. EXECUTIVE SESSION**

*The Boards moved: into Executive Session at 10:08 A.M.:*

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 Boards re-entered open session at 10:26 A.M. to adjourn.