

## Belmont Net Metering Working Group Meeting Minutes

8 July 2015

Town Hall Conference Room 2

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BELMONT, MA

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Present: Tony Barnes, Roy Epstein, Robert Gallant, Steve Klionsky & Henry Jacoby

The meeting was called to order at 7:45 p.m.

At the suggestion of the Town Clerk, a sign-up sheet was circulated among the public attendees at the meeting.

### **Review of Belmont Municipal Light Department (BMLD) Documents**

Committee Chair Epstein circulated three documents from BMLD:

Part of the BMLD report to the Massachusetts Department of Public Utilities for 2014

Part of the BMLD report to the Massachusetts Department of Public Utilities for 2011

BMLD brochure on its Green Choice program

Review of the two BMLD reports and Green Choice brochure covered many aspects of the BMLD's operations and accounting, including:

Sources, quantities and prices of purchased power,

A breakout of fixed expenses (e.g., transmission, distribution, sales, administration),

Sales to different customer classes, and details of prices and quantities,

Structure of the residential consumer bills,

Day and hour of Belmont's monthly peak load,

The structure of the Green Choice program, and the surprisingly low level of participation.

In the course of the discussion, several questions arose where the Committee seeks clarification from BMLD:

What is the form of contract with Energy New England, and how does it relate to power purchases from ISO New England and NYPA hydro?

What is done with contributions to the Green Choice program? Is it used to purchase SRECs?

Where do the capacity and transmission charges enter BMLD accounting, and how do these costs, plus the fixed BMLD internal costs, enter the \$10.60 monthly residential consumer charge and the line items for Distribution Usage, Purchased Power and Trans. Adj., and Transmission Usage?

Are there additional costs for the BMLD to manage solar installations?

Why is the BMLD price for street lighting (at \$0.24.kWh) so much higher than for other customer categories?

What is the BMLD Reserve Trust?

Does BMLD have an OPEB obligation, and is it included in the accounts?

### **Review of Solar Tariffs in Other Massachusetts Towns**

Committee Chair Epstein distributed information on the solar tariffs from four other Massachusetts towns, all with systems different in one way or another from existing and proposed tariffs in Belmont. Though some of the town descriptions were not easy to interpret, the Committee's understanding of each was the following

Concord Municipal Light Plant Rate Schedules. The Concord system appears include retail net metering (RNM), a payment of the locational marginal price (LMP) for solar exports to the system, and a fixed monthly charge.

Groton Electric Light: Residential Solar Rate Schedule—R2. The Groton document includes an RNM provision and appears to be similar to Concord, but without the fixed monthly charge. Chair Epstein stated that the language of the tariff was not clear to him, and he would follow up with the Groton department.

Peabody Municipal Light Plant Net Metering Policy. The Peabody system includes net metering, plus a system of carry-forward of any unused credited kWh's. Also, the tariff distinguishes between solar units of different size. The Peabody document contains a number of technical interconnection issues, and it was pointed out that they likely apply to any of the systems considered.

Town of Braintree, Tariff and Terms and Conditions for Residential Renewable Distributed Generation Facility Service. This tariff was read as essentially the same as the BMLD Phase II proposal.

In the course of this discussion Member Barnes suggested that a white board, and perhaps a projector, be provided for the Committee's use.

### **Review of Belmont Solar Installation Data**

Chair Epstein distributed a sheet of information, on the 16 month period March 2014 to June 2015, on Belmont solar activity: total accounts, solar kWh received, total system load, etc. Also included was the total system load (kWh) 12 p.m. to 1 p.m. for each month. Member Barnes pointed out that missing was information on system peak and BMLD peak, which are relevant to the discussion of capacity and transmission charges.

### **Public Contributions**

Chair Epstein asked the Committee if there were any questions it hoped the public comments would address, and Member Jacoby suggested the capacity and transmission charges as a topic of particular interest.

David Schlissel explained that BMLD pays a percentage of the ISO outlay for capacity, based on peak load with a two-year lag. The transmission charge is similarly based on the contribution to the monthly regional peak. Mr. Schlissel

offered a document, ISO New England Open Access Transmission Tariff, which the Committee Chair accepted. It is attached as an appendix.

Committee members then expressed a desire for data on these charges and their calculation from BMLD.

Tommy Vitolo clarified that the peak that matters is the N.E. Massachusetts regional peak.

John Abe, David Schlissel and Tommy Vitolo then added further clarifications of how capacity charges are determined.

Member Barnes asked about businesses that help customers manage their peak loads to minimize capacity and transmission charges. Tommy Vitolo said yes, they exist, but they are forward looking, whereas the BMLD charge is backward looking, computed with a two-year lag. Barnes countered that, if Belmont could exercise control, it could influence future charges.

David Schlissel then stated figures for the potential saving in BMLD capacity charges in 2018 for 5 kW solar system, and Travis Frank pointed out the number was for capacity only, not including transmission. Chair Epstein said that Belmont's share of the capacity charge would not change if all towns similarly reduced their demands, and Mr. Schlissel responded with a different interpretation.

Member Barnes asked if one-tenth of the electric bill is transmission, so there is an effect on all customers if there is a decline in usage, then what is the effect of solar?

Steve Sloan interjected that the Committee's decision will affect solar in Belmont, so we should consider what we want the *result* to be, and followed with a statement of a sustainability objective.

Member Klionsky responded that our objective is not to maximize solar but to set the right balance, to identify the correct public policy.

Prompted by Phil Thayer, Tommy Vitolo called attention to the full value of solar as argued in a number of solar studies, and stated that they show a value greater than \$0.20/kWh. Two studies were mentioned: one by the Acadia Center, April 2015, and one Clean Power Research, 1 March 2015. Mr. Thayer indicated that Mr. Vitolo was a paid consultant.

Member Klionsky pointed out that the Clean Power Research had been presented to a state task force, but not accepted. Phil Thayer implied that the failure to accept was due to particular members with special interests, and pointed out that the report was accepted in Maine.

Claus Becker argued that we review these studies, for they conclude that solar RNM does not convey a subsidy.

Phil Thayer said he hoped the Schlissel and Vitale contributions had been helpful and hoped the Committee would invite them back.

Chair Epstein reiterated that all are welcome to participate in the Committee time set aside for community input.

The meeting was adjourned at 9:35 p.m.

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ATTACHMENT

ISO New England Open Access Transmission Tariff

SECTION II

ISO NEW ENGLAND OPENACCESS TRANSMISSION TARIFF

## **II.21 Rates and Charges**

**II.21.1 Regional Network Service:** Each Transmission Customer which has a load in the New England Control Area and takes Regional Network Service for a month shall be subject to the applicable provisions of Part II.B. of this OATT and shall pay to the ISO for such month an amount equal to its Monthly Regional Network Load for the month times the applicable Local Network RNS Rate, and shall pay in addition any amount which it is required to pay for the service pursuant to Section II.18.3 of this OATT. It shall also be obligated to pay for any Direct Assignment Facilities and its share of any new facilities or upgrades required to provide the requested service including applicable study costs to the extent they are consistent with Commission policy and Schedules 11 and 12, and any ancillary service charges and other charges and/or costs required to be paid pursuant to the Transmission, Markets and Services Tariff. The applicable Local Network RNS Rate shall be the rate, determined in accordance with Schedule 9 to this OATT, which is applicable to (i) a delivery to load in the particular Local Network in which the load served by the Transmission Customer is located, or (ii) to the extent that the ISO, after consultation with the affected PTOs, at the request of a PTO who owns the Local Network where the Regional Network Load is located, recognizes Regional Network Load to be the responsibility of another PTO, the applicable Local Network RNS Rate shall be the Local Network RNS Rate of the PTO responsible for such Regional Network Load. In the event the Transmission Customer serves Regional Network Load located on more than one Local Network, the amount to be paid by it shall be separately computed for the Regional Network Load located on each Local Network.

**II.21.2 Determination of Network Customer's Monthly Regional Network Load:** Network Customer's "Monthly Regional Network Load" is its hourly load (including its designated Regional Network Load not physically interconnected with the PTF under Section II.18.3 of this OATT) coincident with the coincident aggregate load of all Network Customers served in each Local Network in the hour in which the coincident load is at its maximum for the month ("Monthly Peak"). For Regional Network Load located within the New England Control Area, the Monthly Regional Network Load of all Network Customers within a Local Network shall be calculated by the associated PTO. For Regional Network Load located outside of the New England Control Area, the Monthly Regional Network Load of all Network Customers shall be calculated by the associated PTO (in consultation with the ISO and the associated Balancing Authority).

## **II.22 Operating Arrangements**

**II.22.1 Network Customer Obligation:** The Network Customer shall plan, construct, operate and maintain all of its equipment and facilities connected to the New England Transmission System in a safe

and efficient manner and in accordance with manufacturers' recommendations, Good Utility Practice, applicable regulations, the ISO New England Operating Documents and requirements of the Electric Reliability Organization (ERO) as defined in 18 C.F.R § 39.1 and NPCC.

**II.22.2 General Network Operating Terms and Conditions:** The terms and conditions under which the Network Customer shall operate its facilities and the technical and operational matters associated with the implementation of Part II.B of the OATT are specified in Section II.22 of this OATT, and in the ISO New England Operating Documents. The ISO, the applicable PTO(s) and the Network Customer shall (i) operate and maintain equipment necessary for integrating the Network Customer within the PTF (including, but not limited to, remote terminal units, metering, communications equipment and relaying equipment), (ii) transfer data among the ISO, the PTO(s) and the Network Customer (including, but not limited to, heat rates and operational characteristics of Network Resources, generation schedules for units outside the PTF, interchange schedules, unit outputs for redispatch required under Section II.20 of this OATT, voltage schedules, loss factors and other real time data), (iii) use software programs required for data links and constraint dispatching, (iv) exchange data on forecasted loads and resources necessary for long-term planning, and (v) address any other technical and operational considerations required for implementation of Part II.B of this OATT, including scheduling protocols. The Network Customer shall satisfy its Control Area requirements by contracting with the ISO and all the applicable PTOs. In the alternative, the Network Customer may satisfy its Control Area requirements, including all necessary Ancillary Services, by contracting with another entity, consistent with Good Utility Practice, in a manner which satisfies ERO and NPCC requirements and receives any necessary ERO and NPCC approvals, subject to applicable federal and state regulatory approvals and subject to the development and implementation of a reasonable transition plan that, inter alia, satisfies applicable established system reliability criteria.

- (a) **Electrical Supply:** The electrical supply to the Point(s) of Delivery shall be in the form of three-phase sixty-hertz alternating current at a voltage class determined by mutual agreement of the ISO, the applicable PTO(s) and the Network Customer.
- (b) **Maintenance Outage Procedures:** The ISO and the applicable PTO(s) will utilize the ISO New England Operating Procedures with respect to the timing of scheduled maintenance of the New England Transmission System and Network Resources.
- (c) **Reporting Obligations:** The Network Customer shall be responsible for all information required by the ERO, NPCC, the applicable PTO(s) or the ISO. The Network Customer