

Light Board Advisory Committee Meeting Minutes

Minutes of Meeting held on December 14, 2017
Belmont Light Conference Room
7:15 pm

2018 FEB 27 AM 8:55

Attending members: Chair Steve Klionsky, Bob Forrester, Ralph Jones, Roy Epstein, Travis Franck

Non-attending members: Sarah Jackson, Mark McVay

Belmont Light (BL) attending: Acting General Manager Craig Spinale, Aidan Leary, Maria Makar-Limanov

I. CALL TO ORDER

- Convened 7:15pm

II. APPROVAL OF MINUTES

- Approval of November 16 minutes, with changes.

III. BELMONT LIGHT 2018 BUDGET/THIRD QUARTER 2017 RESULTS

- Topic: Review of the financial spreadsheets of the Q3 2017 Budget and the budget for 2018.
- Maria Makar-Limanov: For Q3 (memo dated November 1, 2017), Purchased Power Expenses were lower than estimated due to lower market costs. Also, there was a one-time reclassification of some expenses into their proper categories, such as reclassifying customer billing expenses, that is possible after implementing the new billing software package.
- Maria Makar-Limanov: The PPTA over-collection (discussed at recent LBAC meetings) that was expected to be credited back to customers in November and December, will instead be transfer to the Rate Stabilization Fund (by vote of Light Board on 12/4/17). The transfer amount will be the PPTA balance as of Dec 31, 2017.
- Maria Makar-Limanov: Regarding the Memo dated Nov 29 on "Fund Transfers and Reserves": This memo details the Belmont Light suggested amounts to transfer to the three main funds. The Light Board voted to transfer the suggested amounts laid out in the memo. (12/4/17 LB vote)
- Maria Makar-Limanov: The Cost of Service Study is underway. The study results are expected to be the basis for the next five-year budget. Currently BL has built a budget for 2018, but it will likely be updated after the COS is completed.

IV. PURCHASED POWER AND TRANSMISSION ADJUSTMENT CHARGE ADJUSTMENT/LIGHT BOARD VOTE RESTABILIZATION FUND

- Topic: Update to LBAC on the previously discussed PPTA over-collection.
- (This topic was discussed above, as the budget was reviewed.)

V. BRIEFING ON DEPT. OF ENVIRONMENTAL PROTECTION'S CLEAN ENERGY STANDARDS — LIZ STANTON

- Guest: Liz Stanton from the Applied Economics Clinic, a non-profit consulting group at Tufts on energy environment and equity.
- Stanton was invited by LBAC to talk about recent State-level policies, focusing on the Clean Energy Standard (CES).
- Stanton: The Global Warming Solutions Act calls for Massachusetts to reduce its GHG by 80% below 1990 by 2050, with interim targets. The 2020 target is 25% reduction. The State's implementation of the targets has been litigated because advocates believed there needed to be more concrete implementation. The State was then required to issue new regulations including the CES.
- Stanton: Currently the State has a renewable portfolio standard that applies to IOUs.
- Stanton: The CES is similar to RPS but additional with different energy source requirements. The CES has larger percentage targets than the RPS. Qualifying RECs can be applied to both the RPS and the CES. IOUs are expected to meet the RPS requirements and then obtain MA Class 1 RECs or other eligible Clean Energy Certificates (CECs) to meet the CES.
- Stanton: MA Class 1 RECs need to be generated within New England or Deliverable to New England (e.g., from New York). It is expected that a forthcoming large hydro project from Canada will also meet the CES requirement but not the RPS (because large hydro is not MA Class 1 eligible).
- Stanton: The new certificates for the CES are "CECs", which are for new generation that whose emissions are no more than half that of new natural gas. RECs come from wind, solar and small new hydro, but CECs could come from other sources. CES MA Class 1 RECs need to be new from 2016.
- Stanton: Pending amendments:
 - Allow for some existing generation (pre-2016)
 - MLP participation: slower target time table
- LBAC thanks Liz Stanton for her presentation.

VI. BRIEFING ON DEPT OF ENERGY RESOURCES SMART ENERGY PROGRAM — DAVID BEAVERS

- Guest: Dave Beavers worked at Cadmus and tracks the solar sector and solar for low income.

- Beavers was invited by LBAC to talk about the State's upcoming SMART solar incentive program, which is replacing the SREC II incentive.
- Beavers: The SMART tariff will likely be through the DPU sometime during the Summer of 2018.
- Beavers: SMART is a replacement for the Solar Carve Out program (SREC program).
- Beavers: Muni's can't participate but the DOER might be doing some other program for MLPs in the future.
- Epstein: Once SREC2 is over, there will not be a program for residential solar in Belmont.
- Epstein: The proposed solar farm at the Town's incinerator site also does not qualify for SMART incentives.
- Phil Thayer (resident): Inquired about incentives for solar on Belmont's forthcoming new high school building. Currently there doesn't appear to be a lot of incentives for this project, but hopefully solar prices go down.
- Beavers: Bonding is likely the cheapest financing option for this type of project.
- LBAC thanks Dave Beavers for his presentation.

VII. PROPOSAL TO INSTALL FUEL CELL IN BELMONT

- Topic: McLean Hospital would like to install a natural gas-powered fuel cell on-site, to cover 90% of their peak.
- Spinale: Current policy limits onsite power generation to 250kW. McLean is asking about a 1.3MW fuel cell, so policy would need to be changed or an exception made.
- There isn't strong guidance about fuel cells in the Policy on Emissions Free Renewable Energy. Spinale is looking for input from LBAC.
- It would be a large hit to the financial stability of BL as it would reduce revenue from the BL's largest customer.
- Spinale thinks that maybe a battery would be an interest option; allow for peak shaving. Could be coupled with solar installation that McLean has also considered in the past.
- Klionsky believes that there should be a battery policy because battery requests will be more frequent in the future.
- Outcome: Request more information from McLean about the fuel cell, but no change to the interconnect policy (therefore not allowing the fuel cell). Also suggest they consider a project with renewable generation.

VIII. RATE COMPARISONS WITH OTHER MLPs

- Postponed to a future meeting.

IX. FUTURE MEETINGS

- Joint meeting with the Energy Committee on Jan 18th; place and time to TBD.

X. ADJOURNMENT

Adjourned 9:37pm