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**MEETING NOTES
TOWN OF BELMONT
MUNICIPAL LIGHT BOARD
TOWN HALL
SELECTMEN'S MEETING ROOM
Monday, March 12, 2018
5:30 P.M.**

I. CALL TO ORDER

Chair Dash called to order a regular meeting of the Municipal Light Board (MLB) at 5:45 P.M.

Present:

MLB – Chair Adam Dash, Vice Chair Mark Paolillo, Member Jim Williams

Belmont Light (BMLD) – Acting General Manager Craig Spinale, Staff Aidan Leary

Town Administrator Patrice Garvin

Light Board Advisory Committee (LBAC) – Chair Steve Klionsky, Member Bob Forrester

Energy Committee (EC) – Chair Roger Colton

II. GENERAL MANAGER SEARCH UPDATE

Dash stated that there had been a meeting of the General Manager Screening Committee, during which Steve Klionsky was elected Chair and Roger Colton was elected Vice Chair. The Committee would interview candidates and send a list of finalists to the Light Board. The Light Board would then interview the candidates and the entire process would hopefully be concluded by April 23, 2018.

III. GENERAL MANAGER'S REPORT

a. Winter Storm Recap

Spinale reported that there had been extensive damage from two winter storms the previous week. He said from March 2-3, there were nine broken utility poles throughout town that were mostly caused by fallen trees. The Department of Public Works had reported forty-six fallen trees throughout town. A total of 750 customers were without power at the height of that storm. On March 7, another storm caused four broken poles. Fewer customers were out during the second storm but there was still great damage.

Spinale compared the response and restoration times of Belmont Light to those of neighboring towns in investor-owned utility (IOU) territory. Whereas Belmont Light had all customers restored to full power by 3:00 pm on Thursday, March 8th, surrounding towns in IOU territory had outages in the thousands lasting through the weekend.

Spinale also reported that Belmont Light had been receiving numerous calls for downed wires since the storm. He said that most, if not all, of these calls had been for Verizon telecommunications wires. In these instances, Belmont Light could only notify Verizon of the issue, as Verizon handles the maintenance of those wires. Spinale said that Belmont Light would still respond to every wire call to ascertain safety, but that there was not much else to do. Williams suggested having the Cable Advisory Committee contact Verizon. Garvin said that she would call Verizon directly about maintenance of the wires. Williams noted that the Town has a tree trimming program and is in pretty good shape.

IV. EXECUTIVE SESSION

The Board moved to go into executive session to conduct contract negotiations with non-union personnel at 5:57 P.M. (Paolillo aye, Williams aye, Dash aye).

The Board moved to return to open session at 6:14 P.M. (Paolillo aye, Williams aye, Dash aye).

V. VOTE ON AGREEMENT WITH FORMER GENERAL MANAGER

Dash announced that the Board would not take up a vote on an agreement with the former General Manager during the meeting.

VI. GENERAL MANAGER'S REPORT (CONTINUED)

b. Purchased Power Update

Spinale said that Belmont Light had received a rebate on one of its existing power contracts of over \$43,000. He said that the contract is specially designed to give Belmont Light a rebate of \$3 per MWh for meeting certain criteria. The rebate was intended to bring in purchasers and this was a two-part contract; a heat rate contract and a managed load contract.

VII. DISCUSSION AND VOTE ON PURCHASED POWER POLICY

Dash recalled that the Board had tasked LBAC with advising the Board on drafting a new Purchased Power Policy, which are the terms under which Belmont Light buys power. LBAC brought in the Energy Committee for joint meetings to discuss the policy. Klionsky and Colton were present to discuss the policy.

Klionsky said that the new policy recognizes the Town's Climate Action Plan (CAP). He said Belmont Light has committed itself to meeting the goals of the CAP, looking for renewable and non-carbon sources of power, and meeting the standards of the State's Clean Energy Standards (CES). According to Klionsky, the work of fulfilling the power supply portfolio will be done in collaboration with the Light Board, LBAC, and the public. Power supply documents will also be publicly available when possible.

Colton agreed with Klionsky and added that both substantive and process issues were addressed with the new policy. He said the substantive issues were addressed by Belmont Light's commitment to meet the CES. The process issues were addressed by the transparency initiatives previously stated. Colton credited the update process with outlining the relationship between Belmont Light, the Light Board, LBAC, and the Energy Committee. He said that the biggest steps forward was the recognition that saving energy is one of the best ways to ensure reduction in emissions.

Dash noted that when the update process began, there was no policy on the books. He said Spinale had found a document from 2008, but it was unclear whether the Light Board had ever voted to approve the document.

Paolillo asked how different the proposed new policy was from what was already being done. Klionsky said that since Spinale took over, he has tried to do most of the things in the policy, but those steps hadn't been put into writing. Paolillo asked if the new policy would have any effect on rates. Klionsky replied that, because the cost of continually becoming more green is unknown, that was a reason to revisit the policy in the future. Colton said that meeting the CES goals can be done now without much impact on the rates, but that an annual review would be part of the policy to determine the impact on rates in the future.

Paolillo pointed to Section #10 in the policy, the item referring to a periodic review. He suggested inserting a responsible party to the item. The Board decided to amend item #10 with the statement, "by the Light Board in consultation with the Energy Committee and the Light Board Advisory Committee" at the end.

Spinale said that the update process went smoothly and that everyone got what was needed out of it. He said the flexibility is there for Belmont Light to do the day-to-day work in purchasing power. He said the new policy is a good roadmap toward an increase in green energy.

Williams asked about measuring risk and whether the Light Board will be able to view power contracts. Colton answered that two inquiries were included in the policy; 1) what the impact on rates would be with an increase in purchasing green attributes, and 2) given the impact on rates, how much green attributes could we purchase. Williams said that, where previously it was solely up to the General Manager to purchase power, the new policy and process is far less risky.

The Board continued the discussion on whether the power purchase contracts will be available to be viewed. Dash noted that Gil Myette from Energy New England (ENE) made a presentation at a previous LBAC meeting on Belmont Light's portfolio, including the contracts. Paolillo said the Board is walking a fine line on M.G.L., Ch. 164, which gives the General Manager authority to enter into purchased power agreements. But, he said, from a policy point of view, the Board determines risk, rate issues, and sets policy on purchasing the power. He said not getting into the middle of what the General Manager has to do under Ch. 164 would be important.

Williams said that he was viewing the issue from the standpoint that the Board should know what is being done. Kliensky added that ENE works with numerous municipal light plants across New England and has a good sense of all of these issues. Colton pointed to Section #8, which states that Belmont Light commits to making all information that is not considered confidential public.

Paolillo moved to approve the Belmont Light Power Supply Policy, dated March 2018, with changes to Section #10 as discussed. Williams seconded the motion and the motion was approved with a vote of all in favor (3-0).

VIII. GENERAL MANAGER'S REPORT (CONTINUED)

c. 115kV Substation Update

Spinale said that Belmont Light wanted to provide a recap of the 115kV Substation Project and that he would also be presenting on the project at the May Town Meeting.

Bob Forrester, Member of LBAC, provided a “refresher” on a presentation he had given the Board in March 2017 (See below). He said that a few figures are missing from his presentation and that Belmont Light would need input from the Board to complete those figures.

Forrester reviewed the approval process of the project. He said the substation project (Project A) was completed in December 2016 and the transmission agreement with Eversource was terminated in September 2017. The reconfiguration of the system (Project B) is continuing in 2018. Spinale said that the three existing substations on Concord Avenue, Oakley Street, and Hittinger Street are all being fed from the new substation at Blair Pond but that there is additional infrastructure being put into place for the permanent configuration.

Forrester went over the use and dispensation of the \$45 million payment from Eversource for the transfer of the 115kV transmission line. A balance, previously estimated at \$3.3 million, could be used for Belmont Light's Decommissioning Project/Master Plan (Project C).

Forrester said that the cost of Project C was uncertain at that time. Paolillo asked when the plan for Project C would be completed and whether it would call for tearing up pavement and other street work. Spinale responded that the plan is underway but that it would be some time before it was 100% done. He said that he would be presenting to Town Meeting on the project in May. He said that there will not be much street work for Project C; that work would be done with the completion of Project B.

The main uncertainty, Forrester said, was the timetable for the project and the staging of the decommissioning of the substations.

Garvin asked whether the Town Meeting presentation will include any costs that the Town might have to bear for Project C. Spinale said that it would depend on the schedule. He said that whatever was left over from the Eversource payment (for Project A) would be applied to Project

C, depending on the final cost of Project B. That total was estimated to be \$3.3 million. Belmont Light has also been putting money aside in its Depreciation Fund and would continue to put \$500,000 per year in that fund to be used to pay for the work on Project C.

Spinale said that the plan all along had been to decommission and move out of Station 1 (455 Concord Avenue) first. He said that recently, he had learned that the design for the new Belmont High School Project included the property that Station 3 (Hitinger Street) sits on. He said that if Station 3 must be decommissioned on an accelerated timeline, the cost for Project C might go up. Dash said that without the solid figures in front of them, the Board couldn't decide yet.

The Board asked Spinale and Forrester to provide more details on the costs of Project C and what it would take to accelerate the decommissioning of the existing substations.

d. APPROVAL OF MINUTES

a. Regular session minutes dated 2/26/18 and executive session minutes dated 2/26/18

Paolillo moved to approve the regular session minutes and the executive session minutes for the Light Board meeting dated February 26, 2018. Williams seconded the motion and the motion was approved with a vote of all in favor (3-0).

e. ADJOURNMENT

The Board moved to adjourn at 7:05 P.M.