

Light Board Advisory Committee Meeting Minutes

Minutes of Meeting held on June 14, 2018
Belmont Light Conference Room
7:15 pm

2018 SEP 14 AM 10: 08

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

Non-attending LBAC members: Mark McVay, Sarah Jackson

Belmont Light (BL) attending: General Manager Christopher Roy, Aidan Leary, Maria Makar-Limanov

Light Board: Adam Dash

I. CALL TO ORDER

- Convened 7:19 pm

II. APPROVAL OF MINUTES

- No minutes ready for approval.

III. DISCUSSION OF FUTURE PLANNING MEETING WITH THE LB

- Topic: What is LBAC's role given the current arrangement of Light Board and Belmont Light?
- AD: The LB will be selecting the dates for the Light Board meetings for the rest of year.
- AD: Would like a joint meeting between LB and LBAC to discuss with LBACs role with future purposes. How best to organize LBAC to work with the LB and BL.
- BF: Suggest reviewing a list of LBAC topics that were generated for the Light Board's December 2016 meeting.
- SK: Should LBAC be reviewing the Budget since LB also reviews the budget? Franck thought it was useful for expert opinion to weigh-in and also so LBAC members have a sense of the budget when discussing other issues.

IV. DISCUSSION OF CURRENT NO CHARGE LIGHT BULB DISTRIBUTIONS

- TOPIC: Discussion of Belmont Light's no-cost light bulb program and whether it should be continued.
- CR: Giving away free light bulbs without knowing if there is any benefit or how they are used.
- He suggests eliminating the program because that would align with the push for paperless billing.

- RE: The online billing fees are too high and the user interface is hard to use.
- CR: The online bill pay system is a pain point for BL.
- CR: Could use the current light bulb funds for smart thermostats instead.
- CR: Would like to use the bulb funds (\$17K) and the Sagewell funding (\$50k) to hire and in-house Energy Specialist. The Energy Specialist would administer the DSM and EE programing and also interface with the Community for data requests. Marketing EV, auditing program and HP programs. Becca would be doing the Energy Analyst to look at longer-term contracts. Goal would be increase the in-house capabilities.
- SK: Clarified that some events would still be giving out light bulbs (e.g., Meet Belmont) and also during home energy audits.
- RE: Agrees with the initial point that the current light bulb program doesn't make sense.
- SK: Would the Energy Specialist be able to do what Sagewell does right now? RC: yes, it would be new a staff hire for that purpose.
- RE: Terminate Sagewell completely? RC: Yes, that would be the plan.
- Phil Thayer: Would love to working Becca and would like someone comparable to be community facing. Is there someone on staff to do the big data analysis that is coming out of the smart meters?

V. UPDATE ON SOLAR PLANS/FEASIBILITY AT PROPOSED HIGH SCHOOL/INCINERATOR SITE

- TOPIC: Update on the various solar site topics in Belmont.
- RC: Recapped the 2012 CDM Smith document on the Incinerator Site. Parcel B will in every case have a cap that can support land-mounted solar array. Parcel A will is getting a new site map and will likely have a smaller useable area than currently estimated. Need a finished capping plan before getting a more detailed solar design.
- RC: The anaerobic digester could be a good idea but need to know more about the role of emitting renewables, both the Town's preferences and MA regulations. Where does the investment money go from the Community to supporting various renewable energy projects?
- RE: New Bedford recently built a digester but there is a lot of liquid input and output that they have to handle. Is this a problem for the Incinerator Site?
- Digester energy would likely be classified as APS Class 3 RECs.
- AD: there is a lot of State money and the State would like to have a digester within Route 128. The State Funds and the possibility of having a digester company covering the capping costs is attractive for the Town, given current financial considerations.
- High School solar options:
 - Part of the High School budget project (behind the meter application)
 - PPA style arrangement
 - Belmont Light ownership
- The estimated cost of solar on the high school is about \$3mil.

- The 1MW roof mounted array was estimated to cover about 1% of Belmont's portfolio.
- Jacob: Long-term value of solar to enter into the MLP version of SMART? Is there a current policy for the net-meter structure for the financial certainty of the high school project?
- Jon Abe: Forthcoming MLP SMART program will likely be small dollars. Can we come up with a business model for the high school project that would be cash flow positive for the town with 30-year debt? He believe the rooftop solar would be a well-design.?? Needs BL to take leadership position on this before the high school project. Net metering rate doesn't apply to projects over 250kW.
- RE: If the Town is maxing the MSPA matching funds without solar, then the solar project could be an add-on that should stand on its own.
- Abe: Cost of doing it during construction is 20-25% less than doing with retrofitting.

VI. DISCUSSION OF POSSIBLE MEMBERSHIP IN ENE STRATEGIES

- TOPIC: Subscribing the ENE Strategies, which would be a policy advocacy arm of ENE. This would provide BL with a seat at the table in policy discussions.
- CR: there are many different policy topics being discussed now and in the future during this energy transition period (i.e., transforming to cleansing energy sector).
- SK: Seems like a good idea.
- BF: Is this is another service of ENE, but BL is not an owner, right? CR: yes, it is a service. BF: What about MEME? CR: MLPs are still member of MEME but MEME might not be taking positions that BL supports; ENE is currently more forward-thinking than MEME.

VII. PRESENTATION OF 1ST QUARTER FINANCIALS

- TOPIC: Review of 1st Quarter Financials for Belmont Light.
- MML: Reviewed the memo distributed to LBAC.
- Projections of sales will now be flat, after discussions with ENE, when estimating the PPTA rate.
- PPTA rate increase is suggested to be \$0.0108. There are options to reduce the PPTA amount and use the Rate Stabilization Fund to ease the cost to the customers.
- RE: how long will be a new PPTA be instigated? Maria: The ~1cent rate would be through the end of December, since the PPTA can be changed at any time.
- BF: This seems like a case that BL should use the Rate Stabilization Fund.
- RJ: Is the \$800k higher cost normal? Maria presented a historical analysis of the capacity and transmission charges. Transmission costs had a relatively steady increase, but the capacity market had a large increase in capacity charges that were extremely high; well above recent historical prices.
- LBAC agreed that using the Rate Stabilization Fund would be appropriate and maybe the PPTA should be set at \$0.001 or \$0.002. This would allow for slower adjustment and not cause a rate shock for customers.

VIII. PRELIMINARY DISCUSSION — MOVING FROM COSS TO RATE DESIGN

- TOPIC: What will be the process and timeline for moving from the Cost of Service Study (COSS) to a new rate design?
- CR: The COSS study looks at aggregate cash flow (income equals expenses), but doesn't break out the actual costs so they could be identified and deliberated upon. BL is working to do more detailed cost study, to make sure the accounting classification can support a new discussion on rate design.
- SK: What about an increasing rate for residential, 12-month ratchet for commercial, discount for large municipals accounts, can we reduce our capacity cost and/or energy usage by rate design?
- RE: How likely is that there might be an increase the municipal rate?
- TF: Will there be a rate increase and then another rate design change down the road? Yes, when the COSS is done there will (likely) be a rate increase. Subsequently there will be a rate design conversation.

IX. ADJOURNMENT

- Adjournment at 9:28pm.