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**MINUTES
TOWN OF BELMONT
MUNICIPAL LIGHT BOARD
TOWN HALL
SELECTMEN'S MEETING ROOM
Monday, October 15, 2018
6:00 P.M.**

I. CALL TO ORDER

Chair Caputo called to order a regular meeting of the Municipal Light Board (MLB) at 6:07 P.M.

Present:

MLB – Chair Tom Caputo, Vice Chair Mark Paolillo, Member Adam Dash

Belmont Light (BMLD) – General Manager Chris Roy, Staff Aidan Leary

Town Administrator Patrice Garvin

Light Board Advisory Committee (LBAC) – Chair Steve Klionsky, Member Ralph Jones

II. GENERAL MANAGER UPDATE

Roy reminded the Board that several meetings ago, he had talked about an opportunity for a contract with the Granite Wind project. He said that the contract had been vetted through legal and signed last week. The contract was in line with the guidelines that the Board had set out, the pricing was competitive and the contract boosts Belmont Light's renewable percentage by 1%.

Roy attended an Energy New England (ENE) energy forum the previous week, during which there was discussion on new energy opportunities with options in wind, solar, biomass, and nuclear. He said it would be important to update the Power Supply Policy later that night in order to align it with those available options.

Roy met with Standard & Poor's the previous week to provide information relevant to Belmont Light's credit rating. He said S&P is interested in Belmont Light's Cost of Service Study results and its written policies. Paolillo said that the Town uses Moody's and asked whether the Permanent Audit Committee could discuss whether Belmont Light can use Moody's as well. Dash asked if the Board could get a printout of the ratings. Caputo asked whether S&P will be updating their rating. Roy said the answer was yes and that the rating agencies had recently updated their standards for municipal power entities.

Roy reported that he had been a panelist on the Belmont High School Building Committee Energy Summit. He had discussed strategic electrification and the role that Belmont Light can play for zero net energy on a broader basis.

Belmont Light held an ice cream social and energy forum at the Beech Street Center recently that was well attended and produced some interesting questions from customers.

Roy said he would be in Worcester the upcoming Saturday presenting for the Massachusetts Climate Action Network on strategic electrification and how it will help address climate goals.

Roy reported finally that Belmont Light had sent four line workers, Tom Ricci, Tom Costello, Darren Greeley, and Nick Kacoyanis, to Tallahassee, Florida for relief work following Hurricane Michael. Caputo said it was terrific that we're doing this and that it is not only helping a community in need, but also getting the advantage of the reciprocity. Roy and the Board discussed the mutual aid process.

III. DISCUSSION AND VOTE ON UPDATE TO POWER SUPPLY POLICY

Caputo stated that the idea of aligning the Power Supply Policy with the actual methods for supplying power came up a few months prior. Dash said that the Board had updated the policy in March, prior to Roy becoming General Manager, so it was good that Roy was able to put his stamp on the policy.

Klionsky said that the impetus for this update was that there was some confusion about some of the terminology in the policy. Roy said that the big change was the last sentence of the first paragraph. He said that although the policy referred to energy and capacity costs, participation in the renewable energy certificate (REC) market is what will allow Belmont Light to bridge the gap. The Board and Roy discussed the purchasing of RECs to reach Belmont's climate goals. Roy said that the purchasing and retiring of RECs would be a short term solution until Belmont Light's power portfolio can be sourced entirely from renewable energy producers.

Roy continued to review the proposed changes to the policy, including changes the limit of the power that the General Manager can purchase without Board approval from 8 megawatts (MW) to 50 megawatt-hours (MWh). He said there may also be a second round of updates to simplify the policy, which were discussed at the previous LBAC meeting.

Klionsky said that LBAC had reviewed the proposed update and had voted to support it at its last meeting.

Paolillo moved to approve the BMLD Power Supply Policy, effective October 2018. Dash seconded the motion and the motion was approved with a vote of all in favor (3-0).

IV. DISCUSSION OF INCINERATOR SITE GENERATION OPTIONS

Caputo introduced the topic by saying that there was a meeting that Thursday to discuss future uses of the incinerator site in town. He said the Board wanted to discuss possibilities with Roy before that meeting.

Roy said there were a few key points. First, most school building projects are in investor-owned utility (IOU) territory, so comments regarding revenue streams and impacts to the community are biased to how things work under IOUs. He said that is important for the incinerator site because, whereas under an IOU, the community has one chance to get the project right before the developer takes control, in Belmont, Belmont Light would control the developer itself. The incinerator site requires \$700,000 to cap, so there must be some revenue generation unless the Town is able to pay for the cap. Roy said there were two documents for any generation source on the site that produce revenue for a general fund; the ground lease and the tax payment. He introduced the idea of energy storage, which would contribute to peak shaving and rate savings for the customers through participation in the ca. Solar generation alone would not be sufficient to make the site feasible; storage would also be necessary. Roy said this was because the REC market is changing for solar, so the revenue source from storage was needed.

Dash raised the idea of having a 100% storage installation at the site. Roy said that was possible, although he did not have the numbers for it. Paolillo suggested that storage wouldn't preclude other uses at the incinerator site

Town Administrator Garvin said there were three locations at the incinerator site that a solar and storage installation could go. She asked how much acreage would be required. Roy said the ideal minimum was ten acres. Garvin said that would put the solar and storage installation on Site A and would leave the other sites for other uses. She added that storage allows for a multi-use site.

The Board asked Roy if the vendor, Solar Design Associates, could have a study done over the next few weeks.

The Board and Roy next discussed the proposed anaerobic digester at the incinerator site. Roy said that the size of the digester is a big consideration. He said without Project C being completed, there are constraints on the substation capacity to handle a digester.

V. DISCUSSION ON ELECTRIFICATION AND STRATEGIC PLAN

Roy recalled that there had recently been a Cost of Service Study presentation. Stemming from that presentation was how to implement rate discussions. Roy said that having an umbrella plan for all discussions would be helpful in having any discussion and programs advancing certain goals. He presented a Strategic Plan document from the Concord Municipal Light Plant. He said much of the work to be done in the Concord plan had already been done by Belmont Light.

The Strategic Plan would also tie together the efforts of the Energy Committee, the mission of Belmont Light, and the Town's Climate Action Plan (CAP).

The Board agreed this would be a lot of work but that the Strategic Plan would be a useful tool.

VI. APPROVAL OF MINUTES DATED SEPTEMBER 17, 2018

Dash reviewed changes to the wording of one paragraph in the regular session minutes and a typo in the executive session minutes, both dated September 17, 2018. The Board agreed to his proposed changes.

Paolillo moved to approve the regular session minutes and executive session minutes dated September 17, 2018 as amended. Dash seconded the motion and the motion was approved with a vote of all in favor (3-0).

VII. FUTURE MEETINGS

The next meetings of the Light Board was stated as November 19, 2018 and December 17, 2018.

VIII. ADJOURNMENT

Board moved to adjourn at 6:57 P.M.