

2019 NOV -7 AM 8:59

FINAL

Light Board Advisory Committee Meeting Minutes

Minutes of Meeting held on October 16, 2019
Belmont Light Conference Room
7:30 am

Attending LBAC members: Chair Steve Klionsky, David Beavers, Travis Franck, Bob Forrester, Ralph Jones, Xiaoguang (Shirley) Wang, Michael Macrae

Belmont Light (BL) attending: General Manager Christopher Roy

Select Board member Roy Epstein

I. CALL TO ORDER

- Convened at 7:36 am.
- Roy provided a brief update on progress of storage at the incinerator site: nothing definitive at this point in time, but moving forward with discussions with storage vendors, coordinating the capping effort.

II. OVERVIEW OF THE ANALYSIS GROUP REPORT

- Klionsky had put forth the report for discussion as it highlighted a contrasting approach for MLPs when compared with Belmont Light's current approach. Specifically, the report argued against the importance of maintaining/retiring RECs; rather, MLPs should focus solely on 'steel-in-the-ground' direct investment projects.
- Roy had discussed the report with Becca Keane. They confirmed it was MEAM funded and had sent comments to the authors. Roy was skeptical of the renewable energy accounting presented in the report; Macrae agreed, arguing RECs are associated to usage claims versus direct investment claims.
 - This led to more in-depth discussion of the REC market and the meaning of RECs.
- Another element of the report that was highlighted was the fact that it lumped all MLPs together without considering individual circumstances. Roy discussed the example of Holyoke - relied heavily on hydro power and therefore had no interest in compliance with REC market. Other MLPs were focused solely on providing lowest rates to their customers. Roy pointed out the Belmont Light was in the minority with respect to its current approach on RECs among MLPs.
- General agreement among the Committee with the recent direction of Belmont Light to keep and retire RECs but also seek out physical projects for direct investment.

III. DISCUSSION ON LBAC APPROACH TO LEGISLATIVE ENDORSEMENTS

- In light of recent discussions on developing legislation at the State level, Klionsky raised the following questions for consideration: What should LBAC be doing with respect to legislation? What is the purpose of making endorsements / how best to leverage Belmont Light's influence? Are we concerned with MLPs generally or Belmont Light specifically (or even IOU related legislation)? When in the legislation process is it appropriate to weigh in, and for which types of legislation?
- Part of the concern about one of the recent bills was that it introduced an element of State regulation of MLPs – could potentially open the door for additional regulation/reporting requirements down the road.
 - Beavers advocating for being proactive, e.g. propose limiting regulatory body to DPU (don't go down the path of rulemaking); put forth a simplified reporting mechanism to be used as template.
- Roy explained his current messaging was that Belmont Light is a successful MLP model - therefore no need to change the model.
- Klionsky thought it would be useful to put forth some general principles going forward to expedite discussions around legislation in the future.

IV. INTRODUCTION TO UPCOMING RATE PROPOSALS

- Roy shared that consultant UFS (had conducted the Cost of Service Study) was preparing several scenarios, expected to be finalized in the coming months, for proposed rate design changes. The changes were aimed at better aligning the rates charged to customers with the costs incurred by Belmont Light. Thus far, two scenarios involved time-of-use varying rates – charging different rates for on/off peak, and on/off/critical peak. The other scenarios, still under development, would explore adding fixed customer charges.
 - Associated with the proposal would be analysis showing the impact different types of customers – see who is most impacted by potential rate changes.
 - A main goal of the time-of-use proposals was to reduce system costs (capacity/transmission costs) associated with peak demand energy use.
 - The scenarios in preparation could be taken and implemented as is, or simply serve as a jumping off point for further discussion with LBAC / Light Board.
- Roy commented that an important component of implementing rate design would involve educating customers, getting people on-board. There were different possible approaches to consider with respect to participation - mandatory vs voluntary, opt-in vs opt-out.
- Macrae asked whether heat pumps would be taken into consideration with the time-of-use design, i.e. was it possible to be appliance specific? (Charging higher rates for on-peak use of heat pumps would cut against the Heat Smart green energy initiative.)
- Franck suggested a useful marketing strategy would be to send out two bills for a period of time so customers can see the impact of possible rate design changes.

- Forrester questioned whether Belmont Light had the required technology and staffing resources to implement the proposed rate changes; Roy confirmed this was the case.

V. APPROVAL OF MINUTES

- September 11, 2019: Chair Klionsky has several minor corrections. Minutes as amended were approved unanimously.

VI. FUTURE MEETINGS

- November 6, 2019 @ 7:30am.
- December 4, 2019 @ 7:30am.
- January 8, 2020 @ 7:30am.

VII. ADJOURNMENT

- Adjourned at 9:28am.