

FINAL

Light Board Advisory Committee Meeting Minutes

Minutes of Meeting held on March 11, 2020
Belmont Light Conference Room
7:30am

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BELMONT, MA**

DATE: June 11, 2020
TIME: 9:25 AM

Attending LBAC members: Chair Steve Klionsky, Vice Chair Travis Franck, David Beavers, Bob Forrester, and Michael Macrae.

Select Board Member Roy Epstein.

Belmont Light (BL) attending: General Manager Christopher Roy, Rebecca Keane, Aidan Leary.

I. CALL TO ORDER

- Convened at 7:33am
- Roy gave a brief update on developments related to the Coronavirus.

II. EVALUATION OF APPROACH TO TOU RATES

- Epstein led a discussion on a set of slides he had circulated showing hourly peak wholesale prices (ISO 2019 at Alewife), broken down by season.
 - Summer pattern differed noticeably from winter – peak was more diffuse in the summer and there were actually two peaks in the winter (morning and evening).
 - Average prices were higher in winter vs summer.
 - Key takeaways: 1) Seasonal component of TOU rates are as, if not more, important that hourly. 2) Elasticity is a central question – unclear the best way to model.
 - Epstein described possible tensions between realizing the full benefits of TOU whilst maintaining BL's profit constraint. Higher rates for peak periods should be accompanied by lower rates for other periods.
 - Franck suggested overlaying Belmont's local peak demand onto the charts presented by Epstein.
- With respect to the question of elasticity, Beavers pointed out that TOU was not just about saving energy / cutting the peak, but also an issue of fairness, e.g. spreading out the capacity charge over the year to make something like heat pumps more attractive.
- Beavers said that typically weekends are ignored in terms of defining the peak period for TOU rates; however, for Belmont specifically, this may be a dangerous thing to do. Recent data suggests that a peak event on a weekend was not out of the question
 - Klionsky commented more broadly about the need to clarify the criteria for definition of the peak period, and determine the probability that such a definition will capture the actual peak.
 - Franck argued the definition of peak time has to be convenient for people to shift their behavior, e.g. would customers wait until 10pm to run a dishwasher?
- Forrester cited the example of Burbank, where TOU rates are limited just to EV chargers.

- This led to discussion about a TOU scenario with just an overnight rate – would be simple to implement/understand, promote high-load device usage such as EV charging overnight.
- This was followed by a discussion on the role of Virtual Peaker in accomplishing TOU related goals. Keane confirmed the technology had the ability to shift demand from certain appliances to off-peak hours, in real-time. The tradeoff was that this capacity was limited to smart appliances only, adoption of which may be slow compared with a TOU rate approach, which could take effect immediately. Macrae said that while smart devices may have low penetration, customers using these devices would be highly responsive.
- Epstein requested a review of the goals for TOU rates, which was provided by Beavers based on the framework document he had proposed:
 - 1) align customer savings from reduced energy use with saving for BL; 2) support strategic electrification; 3) protect low income customers; 4) support energy efficiency / solar; 5) ensure BL revenue sufficiency / stability; 6) provide for easy implementation.
 - Roy noted these goals closely aligned with feedback given from the Light Board on what they would want to see from a potential TOU rate scheme.
 - Klionsky thought that the goals may not be compatible with one another.
 - Keane proposed adding a goal specifically addressing emissions reduction. She also questioned whether the goals addressed equity clearly enough.
- In order to move the discussion forward, Franck proposed the Committee should come to general agreement on the framework proposed by Beavers, and pick a handful of scenarios to analyze using real data. There was consensus on this approach. Beavers proposed a few scenarios, and he and Keane would work together on a first draft of the model for discussion at the next TOU dedicated meeting.
- Macrae raised the question of the solar buyback rate and whether it should be revisited within the context of TOU rate design. There was some voiced push back and a clear need for future discussion on this topic.

III. APPROVAL OF MINUTES

- February 12, 2020: Minutes were approved unanimously.

IV. FUTURE MEETINGS

- March 26, 2020: Regular business.
- April 8, 2020: TOU discussion.

V. ADJOURNMENT

- Adjourned at 9:18am.