

**MINUTES
Of The
LIGHT BOARD ADVISORY COMMITTEE
Remote Meeting
Wednesday, May 12, 2021
7:30 A.M.**

**RECEIVED
TOWN CLERK
BELMONT, MA**

DATE: November 10, 2021
TIME: 3:01 PM

I. CALL TO ORDER

Mr. Franck called the meeting to order at 7:33am. Present were Chair Travis Franck, Vice Chair Michael Macrae, and Board Members Jonathan Abe, David Beavers, Bob Forrester, Ralph Jones, and Steve Klionsky.

Also present was General Manager Craig Spinale, Assistant General Manager Sam Osmanovic, Energy Resources Manager Becca Keane, Energy Specialist Ben Thivierge, Finance Manager Maria Makar-Limanov,, Communications Coordinator Aidan Leary, and Municipal Light Board (MLB) Liaison Adam Dash.

II. EXECUTIVE SESSION

a. To discuss trade secrets or confidential, competitively-sensitive or other proprietary information

Mr. Klionsky moved to enter executive session to discuss trade secrets or confidential, competitively-sensitive or other proprietary information. Mr. Beavers seconded the motion, which passed unanimously by roll call vote.

At 8:20am the regular open meeting resumed.

III. DISCUSSION AND POTENTIAL VOTE ON EXTENSION OF NYPA HYDROELECTRIC PROJECT

Mr. Franck moved to proceed with the potential opportunity contingent on changes on contractual obligations of cancellation clauses and other market conditions. Mr. Klionsky seconded the motion. It passed unanimously by rollcall vote.

IV. APPROVAL OF MINUTES

Minutes of December 16, 2020:

Mr. Franck moved to approve the minutes of the December 16, 2020 meeting. Mr. Beavers seconded and the motion passed unanimously by rollcall vote.

Minutes of February 3 2021: Mr. Beavers pointed out that Phil Thayer is shown as a committee member. Mr. Forrester said Page 4 should be \$200,000 not \$200. Page 2, comment by Mr. Abe was actually said by someone else. Mr. Franck asked that approval of these minutes be delayed until next meeting.

Minutes of March 10, 2021: should be March 10 not March 1 and correct Franck's name.

Mr. Franck moved to approve the minutes of the March 10, 2021 meeting, as amended. Mr. Beavers seconded and the motion passed unanimously by rollcall vote.

V. RECAP OF TOWN MEETING GOVERNANCE DECISION

Mr. Spinale summarized that Town Meeting voted to replace the existing governance of Belmont Light with a 5-member elected Light Board. He's looking forward to this change.

Mr. Franck pointed out that LBAC is a committee of the Light Board so it will likely go away in April 2022 once the new board is elected.

VI. TIME OF USE DISCUSSION

Mr. Spinale said they have been looking into how time of use (TOU) would impact Belmont Light's billing system. In discussions with Belmont Light's vendor, NISC, they discovered that the current data exchange was more of an Excel format exchange. For TOU (and for good practice) the programming format must be changed to CMEP. Luckily, Belmont Light was already in the process of doing this, although it won't be completed until late June. This is very close to the July goal for a TOU pilot. Because of this delay, the next time the vendor can schedule Belmont Light's "go live date" won't be until the Fall (September/October). Mr. Spinale feels this

will give Belmont Light plenty of time to make a recommendation to the MLB, hold Public Forums, and generally educate the public. Earliest start of TOU pilot probably October 1, 2021.

Mr. Franck asked if the fall is when the vendor will *start* working with Belmont Light or would that be the completion of the transition. Mr. Spinale confirmed that that would be when the vendor will start working on making the changes to the billing system, but it's a quick change on their part (about 4 weeks). He feels it's important that all the data is in the correct language and fully tested.

Mr. Spinale said this gives them time to ensure that the data is correct for TOU. He feels Belmont Light has everything they need to go forward and they just need to get public input and provide education. Ms. Keane said NISC requires a finalized rate before going forward. Mr. Spinale said he believes that with input from the public the rate can be determined for a fall start.

Mr. Franck urged that Belmont Light have a policy for when there is a discrepancy between meter data or if it's missing. Mr. Spinale said they have this as part of the plan and explained how the data moves through the system and options if there is a problem. He doesn't feel there will be problems with the data, but they do want to be prepared.

VII. 2020 AUDITED FINANCIAL STATEMENTS

Ms. Makar-Limanov said the statements and reports compare to the previous year, and this year Belmont Light is pretty close to those numbers. The report looks at the numbers from different perspectives.

Mr. Spinale reminded the Committee that the only difference in this presentation from the one in December is that the December numbers have been finalized, and there were no surprises from the estimates.

Ms. Makar-Limanov gave the following details from the Summary Report:

- *Sales of Electricity* was about the same from last year
- *Operating Revenue* was slightly lower, but this relates to the non-disconnect charges and a moratorium on late fees and shut offs. These caused lower revenues. Overall, the difference is not that significant. It is also slightly lower than the revised budget.
- *Operating Expenses* were a little higher mostly because there were fewer capital projects because of the pandemic, as well as standby expenses for the linemen.
- *Operating Income* is a little lower than last year and the budget, but still within expected levels.

Ms. Makar-Limanov pointed out in the MD&A section prepared by GSA, there are notes to the financial statement provided by the auditors including accounting policy, rate stabilization fund, fixed assets, etc. and that the last few pages provide more details. She feels Belmont Light is in good shape even though it was a challenging year.

Mr. Jones asked who owns the Municipal Light Building at 450 Concord Avenue. Mr. Spinale said Belmont Light owns the building. Mr. Jones asked if it is a depreciated asset or market based. Ms. Makar-Limanov said it is a depreciated asset. The value is shown on the DPU report on page 17 under Structures & Improvements, although this includes a substation and equipment. Mr. Spinale said the building must be declared surplus by Belmont Light to be transferred to the Town. This has not been officially done even though it has been used by the Town.

Mr. Forrester said that the Permanent Audit Committee had reviewed the report. They discussed the customers with medical waivers, as well as customers who are significantly in arrears. Mr. Spinale acknowledged that greater than 90 days receivables has increased because of the pandemic. Belmont Light may reach out to legal counsel to help put together a plan on how they will approach receivables and will get MLB's approval before going forward. He said it's not a widespread problem since the greatest amount of the receivables are being held by just a few customers. They will work to incentivize customers who can pay the outstanding amounts and help those who have no hope of catching up.

Mr. Forrester outlined some of the other items the PAC discussed, including the increased PILOT payment to the Town. The PAC suggested that the footnote might be reworded (it implies the Town has a financial problem). Mr. Spinale has contacted MLB about the language.

Mr. Abe asked if Belmont Light was taking any specific actions to help vulnerable populations. Mr. Spinale answered that they are reviewing existing programs that can support that population so they can provide guidance as part of the receivables program.

Mr. Klionsky asked about renewable energy certificates (RECs) and Renewable Energy. He asked if the RECs used to achieve the 2019 level of 50% were purchased in 2020, which Ms. Makar-Limanov confirmed. He then asked if the \$448,849 was the cost of those RECs. Ms. Makar-Limanov explained that the \$444,849 includes 1st and 2nd quarter actual RECs cost and 3rd and 4th quarter assumptions. Ms. Keane added that they had just executed their final purchase for Q4 which was a little higher than expected. Ms. Makar-Limanov pointed out that these *are* the final numbers for 2020 financials, and that any alternations will affect 2021 numbers.

Mr. Klionsky asked if Belmont Light purchases Massachusetts Class I RECs. Ms. Keane clarified that they purchase Mass Class I and Maine Class II. He then asked if RECs are getting more expensive. Ms. Keane said they are around \$45 which is similar to last year. Offshore wind makes future prices murky as the market may be flooded with Class I resources. Mr. Klionsky asked for some explanations relating to the Energy Supply Mix Chart. Ms. Keane provided the explanations.

Mr. Macrae felt that claiming that 50.6% of our grid mix is renewable but at the same time making specific claims about Belmont Light's renewable attributes retirement is not good policy because all of the RECs across New England are retired and owned by other parties. He questioned presenting that Belmont Light has claim to that power. Ms. Keane said they are not making any claims to the grid power itself. This shows the RECs to cover the grid power mix that Belmont Light buys. Mr. Macrae asked if Belmont Light's estimated energy supply mix Belmont Light is buying 50% power – owning, claiming, and retiring the RECs for it? Ms. Keane said yes and explained that Belmont Light is about 80% hedged in any given year. But a portion of that is grid power, so she only used the term 'renewable grid mix' to cover the part of the grid power that Belmont Light bought RECs to offset.

Mr. Macrae then asked why the report breaks out wind, hydro, and the other categories? Ms. Keane explained that those are the actual direct contracts with suppliers. Mr. Macrae suggested that the name be changed to something like "Grid Mix Covered by RECs" to clarify the item. Ms. Keane said there is more detail on the website.

VIII. BATTERY STORAGE OPPORTUNITIES

Mr. Franck wished to discuss how to continue with storage opportunities but will table this until the next meeting and asked Ben & Becca to consider this, including state grant opportunities.

IX. NATIONAL GRID GEOTHERMAL DEMO PROGRAM – DPU PETITION 21-24

Mr. Beavers wanted LBAC to know about this docket. They are seeking a 5-year approval for a geo-thermal project which will serve 20-30 clients. They are looking for places that might work for the program and Belmont might have something appropriate.

He feels this is their answer to lower gas sales and that it's an interesting model. It might be possible to leverage the gas company to help National Grid customers transition to this.

X. GM UPDATE

a. ISO-NE decision on Substation & Transmission Line Project

Mr. Spinale reported that Belmont Light finally got final word that there are no local costs for this.

b. Chenery Solar Project update

Mr. Osmancevic reported that they are looking at the construction details with SunBug Solar. Some issues remain with the design, including the mounting method on the metal roof. The vendor previously said the mounts would clamp to the roof, not penetrate it. However, now their engineering team has advised against this method because of possible uplift wind forces. They are now recommending a different method which penetrates the roof. Mr. Osmancevic is concerned about this, and he has asked the vendor to consider other methods.

Mr. Osmancevic explained that the final design illustrated that the vendor was not aware of the Town bylaw that the panels be at least 1 foot away from every edge, so he has asked the vendor to review the design keeping this in mind to avoid problems with the Site Plan Review. This might result in a reduction in size of the array (which might impact the grant because of it's kW requirements).

Once Belmont Light has a final recommendation from the vendor, they will put together a package for Office of Community Development and then the Planning Board for a site plan review.

c. Home Electrification Event with Energy Committee

Mr. Spinale said there was an event hosted by the Energy Committee on this topic in terms of technologies available. Belmont Light shared what rebates are available and highlighted what they're doing.

d. Air-Source Heat Pump 101 Event – May 26, 6:30 P.M.

Mr. Spinale reported that there will be an air source heat pump 101 program. Flyers will be inserted in bills and the event will be advertised on social media. Basics of the technologies, what questions to ask of contractors, cost analysis, etc. This has been a very successful webinar in other towns. Belmont Light hopes this will help promote the use of heat pumps. It will be hosted on Belmont Media Center with recordings available after that date.

e. Summer business hours

Mr. Spinale said that on Monday, May17 through October 1st Belmont Light will go to a summer hour schedule mimicking the town hours. They will be open

8:00am-6:00pm Monday
8:00am-4:30pm Tuesday-Thursday
8:00am-noon on Friday.

f. Mr. Spinale reminded the Committee of the GreatBlue survey. Calls will start the end of May/early June. The survey is slightly shorter this year.

XI. FUTURE MEETINGS

- a. June 16, 2021 | 7:30am
- b. July 14, 2021 | 7:30am

XII. ADJOURNMENT

Mr. Franck moved to adjourn the meeting, Mr. Macrae seconded and the motion passed unanimously by rollcall vote. The meeting was adjourned at 8:50 am.

Respectfully submitted by,
Susan Peghiny