

**MINUTES
TOWN OF BELMONT
MUNICIPAL LIGHT BOARD
Remote Meeting via Zoom
Monday, January 24, 2022
5:30pm**

**RECEIVED
TOWN CLERK
BELMONT, MA**

DATE: March 2, 2022
TIME: 2:53 PM

- I. **CALL TO ORDER.** Chair Mark Paolillo called a meeting of the Municipal Light Board to order at 5:30pm.

Present for MLB was Chair Mark Paolillo, Vice Chair Roy Epstein, and member Adam Dash.

Present for Belmont Light was General Manager Craig Spinale, Assistant General Manager Sam Osmanecvic, Communications Coordinator Aidan Leary, Energy Specialist Ben Thivierge, Energy Resources Manager Becca Keane, and Finance Manager Maria Makar-Limanov.

II. **APPROVAL OF MINUTES**

Motion: *Mr. Epstein moved the approve the minutes of the **November 15, 2021 Regular & Executive Sessions** of the Joint Meeting of the Municipal Light Board and the Light Board advisory Committee as amended. Mr. Dash seconded, and the motion passed unanimously by rollcall vote.*

Motion: *Mr. Epstein moved to the approve the minutes of the **December 20, 2021 Regular Session** of the Municipal Light Board. Mr. Dash seconded, and the motion passed unanimously by rollcall vote.*

III. **DISCUSSION OF VENTANA MODEL**

Mr. Spinale reintroduced the Ventana modeling tool to the Board. He updated the Board about the development of the model with Ventana Research.

Mr. Spinale outlined the goals of the Town's Climate Action Roadmap and Belmont Light's incorporation of those goals in its strategic plan.

Ms. Keane explained what Belmont Light wanted to achieve with the project, specifically how it would help them to start moving toward the Strategic Plan goals. She outlined how they approached this effort.

Mr. Thivierge explained how the model works, and how it can be manipulated to allow Belmont Light to see how different actions will impact the achievement of the goals. Mr. Thivierge shared a recording of Mr. Fiddaman from Ventana providing more details about the tool and its impact.

Mr. Paolillo said it appears that the tool works in an interconnected way, rather than a linear way. Mr. Thivierge agreed with this.

Mr. Paolillo said his understanding is that the tool is not static so that policies could be put in place and then monitored to see how they would affect the achievement of the goals. Mr. Thivierge confirmed this.

Mr. Thivierge went on to say it was clear that there is no "silver bullet" to achieve the goals, but rather there needs to be policies that work together. He said action must be taken quickly on certain things, like encouraging electric vehicles and heating systems, which have a long life cycles. He explained that even while making those choices, Belmont Light can also maintain healthy finances and not increase rates too heavily. He outlined some actions that have already been instituted. He also talked about how rates will need to evolve, and how the tool will help Belmont Light do that.

Mr. Thivierge said that they were surprised to find that heat pumps can be very cost-effective even with very high incentives from Belmont Light and explained how this was discovered.

Mr. Thivierge shared a short video that explained how to reduce all emissions in the town. He then shared the conclusions (shown below).

- Coordination and complementary policies are needed at regional or federal levels.
- Ensure that local actions add up to a health grid.
- Provide technology and price incentives.

- Impact of regional carbon pricing.

Mr. Dash suggested that a brochure about heat-pump rebates be given to people who are applying for a permit from Community Development and pointed out that the data being discussed is available at Community Development. There was a general discussion of accessing the data.

When asked, Ms. Keane explained that the tool uses proprietary software but Belmont Light bought the model, so it can be looked at deeply. There was a discussion of how the model can help Belmont Light.

IV. 2021 YEAR END ESTIMATED FINANCIALS

Ms. Makar-Limanov reviewed the estimated financials and explained that there will be changes during the auditing cycle.

Revenues came out slightly higher than the budget (less than 1%), which is 3.2% higher than 2020. She explained some of the details that contributed to these numbers.

Expenses overall were a little over 5% higher than the budget and 4.8% higher than 2020. Purchased power and distribution expenses contributed to this greatly. Ms. Makar-Limanov outlined other expenses that had an impact. There was a discussion of increased distribution expenses.

Mr. Dash noted the industrial and municipal revenues in 2021 were up versus 2019. He asked why, since 2019 was pre-COVID, and street lights were converted to LED since 2019 which should have reduced municipal revenues. Ms. Keane said the new high school is a big part of the increase (they added about 30% to their typical load) but that some other unusual things are happening that she is looking into.

Mr. Dash pointed out that pension and benefits are up, and Ms. Makar-Limanov said this cost typically grows each year but is subject to year-end adjustment. Mr. Dash said it appears to be 21% which is a big jump.

Mr. Dash asked why the maintenance expense is down 49%. Ms. Makar-Limanov they budgeted some things that never happened, plus some bookkeeping corrections were made.

Ms. Makar-Limanov explained that Customer Accounts & Collections are up 46% because of upgrades to the billing modules, including adding online bill payment service. This was discussed.

Mr. Epstein asked if it was going to be necessary to draw from the Rate Stabilization Fund this year, and Ms. Makar-Limanov said she does not think so. She then explained the Power Cost Adjustment and how it impacts these numbers. This was discussed with Ms. Makar-Limanov explaining how she works with these numbers.

There was a discussion of the increased cost of power, and the small rate increase to rebuild the Stabilization Fund. Mr. Paolillo asked that a notice be included in the bills to explain this.

Mr. Epstein asked if Ms. Garvin will be notified if there is a PCA that will extend into 2023. Mr. Spinale confirmed that this would happen.

V. PUBLIC COMMENT

There was no public comment.

VI. FUTURE MEETINGS

February 28, 2022

March 28, 2022

VII. ADJOURNMENT

Mr. Dash moved the adjourn the meeting of the Municipal Light Board. Mr. Epstein seconded, and the motion passed unanimously. The meeting was adjourned at 6:46pm.

Respectfully submitted by,

Susan Peghiny
Recording Secretary