

**MINUTES
TOWN OF BELMONT
MUNICIPAL LIGHT BOARD
OPEN MEETING**

**Hybrid Meeting via Zoom & BMLD Conference Room
March 20, 2024**

**RECEIVED
TOWN CLERK
BELMONT, MA**

DATE: April 29, 2024

TIME: 9:09 AM

CALL TO ORDER. Chair David Beavers called the Municipal Light Board meeting to order at 7:30am.

- **Present for the Municipal Light Board (MLB, Board)** were Chair Beavers, Vice Chair Travis Franck, and Members Steve Klionsky, Andrew Machado, and Michael Macrae. No Board member was absent.
- **Present for Belmont Municipal Light Department (BMLD)** were General Manager Craig Spinale, Assistant General Manager Sam Osmanecic, Finance Manager Maria Makar-Limanov, Marketing & Communications Manager Aidan Leary, Energy Specialist Kevin Bleau, and Executive Assistant Erin Lenzing.
- **Other Town Staff or Officials Present:** Kelli King, Human Resources Manager
- **Documents/exhibits used:** Past minutes as outlined below, GM Review Summary, Memo Q&A on 360 Reviews, DSM presentation slide deck, draft Voluntary Pay Policy dated 3/4/24, and meeting memo.

APPROVAL OF MINUTES

- Regular and Executive Sessions for February 12, 2024
- Regular and Executive Sessions for March 6, 2024

Mr. Beavers moved to approve the minutes from the February 12th and March 6th 2024 Municipal Light Board meetings, Regular and Executive Sessions. Mr. Klionsky seconded, and the motion passed 5-0 by roll call vote. Mr. Klionsky, Mr. Beavers, Mr. Machado, Mr. Franck, and Mr. Macrae all voted aye.

PUBLIC COMMENT

Mr. Raffi Manjikian asked if BMLD uses Mass Clean Energy Council student interns. Mr. Spinale answered that BMLD had not worked with them to date but would be open to doing so in future. Mr. Manjikian suggested it would be a good resource to consider and offered to follow up with Mr. Spinale later.

Mr. Klionsky passed on a comment from a resident who had not heard about the Time of Use (TOU) rate and cited it as an example of the difficulty of getting information out to the public.

GENERAL MANAGER'S PERFORMANCE REVIEW

Ms. King presented the average ratings she had received from the Board on Mr. Spinale's performance. The overall average rating was a 4 out of 5 (consistently above expectations). The Board took turns thanking Mr. Spinale for his work. The Board then discussed what merit increase to offer Mr. Spinale, touching on his total compensation, the new tax-deferred match program, and general business norms. They also stressed the need to balance Mr. Spinale's positive review with public perception, particularly during an override year.

Mr. Machado moved to approve a 1% merit increase for Mr. Spinale for 2024, backdated to January 1, 2024. Mr. Beavers seconded, and the motion passed 4-1 by roll call vote. Mr. Klionsky, Mr. Beavers, Mr. Machado, and Mr. Macrae voted aye; Mr. Franck voted nay.

GENERAL MANAGER'S UPDATE

- **360 review:** Ms. King presented information from Town Counsel stating that a 360 review of the General Manager would be public record as it would be a document being used by a public board in its role as appointing authority to review a public employee. She then highlighted some of the differences

between the General Manager's review vs other BMLD staff and suggested alternatives for getting the same type of information. Ms. King left the meeting at 7:58am.

- **Power purchased:** Mr. Spinale advised that he had purchased a little over 51K megawatt hours of grid power from Next Era due to advantageous pricing. He increased the hedged amount for 2025 from 69% to 82%, for 2026 from 60% to 73%, and for 2027 from 51% to 64%. There was a short discussion about the next hedge to fill, Renewable Energy Certificates (RECs), pricing trends, and hedge targets.
- **Incinerator site:** Mr. Spinale explained that in addition to the planned energy park (battery storage, solar panels) BMLD was also looking at what other opportunities the site could provide, such as physical storage to free up space at the office. To that end, BMLD engaged a third party to look at the site and give advice on what else it might be used for. Mr. Spinale also raised the fact that the Town is looking for school bus storage and may wish to use the site for that, but he felt both projects could be done together. Mr. Macrae raised the possibility of the Town getting electric school buses which could then integrate with the energy park, and Mr. Spinale confirmed that was being discussed. There was also discussion of using the buses as the battery storage (vehicle-to-grid) and canopy solar, where the buses could park underneath.
- **Municipal Electric Association of Massachusetts (MEAM) annual meeting:** Mr. Spinale announced the MEAM annual meeting would be May 16-17 in Plymouth and highlighted a couple of the speakers.
- **McLean Hospital fuel cell:** Mr. Spinale said that he was continuing to speak with McLean Hospital about the gas-fired fuel cell they want to install, and that the primary issue was interconnection. He was going to meet with them again, but they had expressed an interest in coming before the Board. The Board stated they would be willing to meet but questioned if the fuel cell would need town approval.
- **Community events:** Mr. Leary announced that a heat pump store would be opening at 394 Trapelo Rd and was having a grand opening on Thursday April 4, 2024 from 5pm-7pm that BMLD will be attending. Mr. Spinale mentioned that BMLD would also be attending the Butler school STEM night on Friday March 22, 2024 from 6:30pm-8pm.

DEMAND SIDE MANAGEMENT PROGRAMS PRESENTATION

Mr. Bleau presented on BMLDs demand side management programs, summarizing the funding, current programs, changes from 2023, 2023 actual costs, and projected 2024 budget. Points he highlighted were:

- **Changes from 2023:** All types of air-source heat pump conversions are now eligible for rebates and at increased amounts, the commercial budget increased, and Connected Homes can now communicate directly with electric vehicles (EVs).
- **Costs in 2023:** Heat pump rebates were about half of the budget, due to their large positive effect for all stakeholders. For commercial customers, rebates are about 76% of the budget, followed by lighting/inspection (16%), and then energy audits (8%).
- **Projected 2024 Budget:** The initial budget was created by a former employee with a 26.3% increase compared to 2023. Her figures included a decrease of about \$31K for heat pumps, a \$36K increase for demand response programs, and a \$87K increase for commercial programs. Mr. Bleau recommended investing in heat pumps instead of demand response programs and keeping the higher budget for commercial/large projects.

There was a pause in the presentation for Q&A and recommendations from the Board. The discussion was far-ranging, but the main topics were heat pump water heaters, the town's push to create more commercial development and how that could be supported, looking at leakage in yard equipment rebates, helping commercial spaces move from oil heating to heat pumps, measuring the cost effectiveness of demand response programs (per Mr. Bleau they lost about \$14K in 2023), using the TOU rate to drive demand awareness, and what demand response would look like in the commercial sector.

Mr. Bleau then continued the presentation with case studies he had done for existing 2023 programs to see if the budget was being spent in the right place. He reviewed the criteria used to judge the programs (popularity, customer savings, reduction in fossil fuel, CO2 avoided, effect on gross revenue, and return on investment), assumptions that were made for calculations, and gave a short overview of each program.

Overall, he found that heat pump incentives were the most beneficial program for all stakeholders, the home energy assessments and weatherization had a positive impact on customers but no benefit to BMLD, and that

Energy Star appliance rebates lost some money but were popular with customers. There was some discussion on the calculations, assumptions, and potential future programs such as battery storage and solar incentives.

DISCUSSION AND POSSIBLE VOTE ON VOLUNTARY PAYMENT POLICY

This was a continuation of an item that was discussed by the Board in the January 10, 2024 open session. Mr. Beavers stated that he had drafted a policy based on that discussion that he had shown to both Mr. Spinale and the Chair of the Town's Select Board, Roy Epstein. The two main points he had discussed with Mr. Epstein were the payment amount and the proposed timing.

Mr. Beavers reported that Mr. Epstein had not expressed any issues with those points although he had raised that in the past this payment was seen as risk-free, and the proposed policy states that if BMLD were to have a difficult year, the amount would change. But Mr. Beavers talked this point over with Mr. Epstein and in the end, they understood this scenario would be a rare event. Mr. Spinale pointed out that the proposed policy would be better for BMLD when working with rating agencies.

Mr. Beavers moved that the Municipal Light Board adopt the proposed Voluntary Payment policy to the Town of Belmont. Mr. Klionsky seconded, and the motion passed 5-0 by roll call vote. Mr. Klionsky, Mr. Beavers, Mr. Machado, Mr. Macrae, and Mr. Franck all voted aye.

FUTURE MEETINGS

There was no discussion of this item. The next meetings are scheduled for:

- April 22, 2024 | 7:30 a.m.
- May 15, 2024 | 7:30 a.m.
- June 17, 2024 | 7:30 a.m.
- July 17, 2024 | 7:30 a.m.

EXECUTIVE SESSION to conduct strategy sessions for collective bargaining (SEIU, Local 888)

Mr. Beavers moved to enter into Executive Session to discuss strategy with respect to collective bargaining with SEIU Local 888, as an open meeting may have a detrimental effect on the bargaining position of the body, and to adjourn in Executive Session. Mr. Klionsky seconded, and the motion passed 5-0 by roll call vote. Mr. Klionsky, Mr. Beavers, Mr. Machado, Mr. Macrae, and Mr. Franck all voted aye.

The Municipal Light Board went into Executive Session at 9:13am. The Board adjourned in Executive Session.

Respectfully submitted by,

Erin Lenzing
Executive Assistant