

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

**Hybrid Meeting via Zoom & BMLD Conference Room  
January 16, 2025**

**RECEIVED  
TOWN CLERK  
BELMONT, MA**

DATE: April 2, 2025  
TIME: 2:53 PM

**CALL TO ORDER.** Chair Michael Macrae called the Municipal Light Board meeting to order at 7:31am.

- **Present for the Municipal Light Board (MLB, Board)** were Chair Macrae, Vice Chair Andrew Machado, and Members David Beavers and Steve Klionsky. Member Travis Franck joined the meeting at 7:40am.
- **Present for Belmont Municipal Light Department (BMLD)** were General Manager Craig Spinale, Assistant General Manager Sam Osmanecic, Finance Manager Maria Makar-Limanov, Customer Care, Marketing, & Communications Manager Aidan Leary, Energy Resource Manager Kevin Bleau, and Executive Assistant Erin Lenzing.
- **Documents/exhibits used:** Draft minutes as outlined below, COS Decision Matrix, 2025 Budget Package and Memo, and Memo on Open Balance Issue & AMP

**APPROVAL OF MINUTES**

- Regular Session for November 6, 2024

*Mr. Machado moved to approve the minutes from the November 6th 2024 meeting of the Municipal Light Board. Mr. Beavers seconded, and the motion passed 4-0 by roll call vote. Mr. Machado, Mr. Beavers, Mr. Klionsky and Mr. Macrae all voted aye.*

**PUBLIC COMMENT** – There was no public comment.

**RATE DESIGN DISCUSSION**

This was an opportunity for the Board to discuss the findings from the Cost of Service (COS) study conducted by Daymark Energy Advisors and decide on next steps, if any.

Mr Spinale began by outlining some of the possible decision points, such as rate adjustments for 2026 revenue requirements, movement towards cost of service, or increasing the customer service fee while lowering the distribution charge. There was some discussion of the 2026 revenue requirements. The general feeling was that the Board was comfortable waiting and seeing what kind of adjustment might be needed as 2026 approached.

There was then an in-depth conversation on some of the other points, with topics including: if the Board was willing to raise the customer service fee, the impact of such a change to high users vs low users, comparative fees with other Municipal Light Plants (MLPs), what tools are available in case of a price shock in 2025, and the timeliness of the study's data.

Mr. Macrae suggested it might be best to make any changes to the Time of Use (TOU) rate first to see what the reception was. Mr. Spinale confirmed it could be changed separately from the other rates. This was followed by a discussion on the possibility of creating a municipal TOU rate and the streetlighting rate. Main points discussed were the size of the increase, the Town's current position, the timing of their budget cycle, and moving municipal rates towards 2026 revenue requirements. Mr. Spinale will have a conversation with the Town on the streetlight and municipal rates; the Board will revisit based on the results of that conversation.

The discussion then turned to next steps. Mr. Spinale advised that if the Board desired any changes to non-municipal rates, they should hold a rate hearing. Mr. Beavers suggested doing so at the next Light Board meeting for the TOU rate. There was some discussion about the timing for other changes, the lighting rate

formula, an evening forum for public education/feedback, which changes to TOU would be investigated at the rate hearing, and if the lighting rate should also be discussed then.

Mr. Spinale summed up the next steps as: “BMLD will continue the conversations with the Town over the municipal rate and streetlighting rate. At the next meeting we’ll have a rate hearing for TOU customers to move them towards allocated cost of service. If appropriate based on the conversations with the Town, we’ll include streetlights with that. If not, we’ll revisit before July 1st. Around May, we’ll have a public forum in the evening to discuss all the rate classes and why.” Mr. Beavers clarified that for TOU they would like to look at all four bullet points outlined in the meeting materials. The Board agreed to this summary.

## **2025 BUDGET PACKAGE**

Ms. Makar-Limanov gave an overview of the projected 2025 budget.

This agenda item had originally been planned for the 12/12/24 meeting, so she noted that the materials had been updated since then with new numbers on purchased power costs. She then reviewed some key revenue and expense types—what they cover, the methodology or philosophy behind how they are budgeted, etc. Based on her findings, she estimated that there will be a small overcollection of about \$200K, although she stressed this number may change. She also called out that the new 1 penny allocation for RECs/electrification was included in the budget but the \$1M transfer to the rate stabilization was purposefully left out.

Overall, the projected 2025 income was forecasted at about \$304K before contributions and transfers. There was a projected negative rate of return as per the Department of Public Utilities (DPU) formula, but that was explainable, and Ms. Makar-Limanov felt BMLD was in fair shape regarding all the other usual parameters. As an example, she called out the rate stabilization fund, which has approximately 4.1 months’ worth of coverage.

In response to a question from Mr. Machado on the 2024 rate of return, Ms. Makar-Limanov explained she didn’t have final audited results for 2024 yet, but she expected it to be OK. There was some discussion about the depreciation fund, and how it being healthy was partially driving an increase to the 2025 budget (vs 2024) along with anticipated increases in transmission costs. There was also a brief conversation about the voltage conversion project funds, which BMLD felt confident about. In response to questions, Mr. Spinale and Ms. Makar-Limanov also confirmed some details about suppliers and how land valuation is recorded in the budget.

## **ANNOUNCEMENT**

Mr. Franck announced that he would not be running for re-election in April. The Board and BMLD expressed their appreciation for the work he has done with the Board.

## **OUTSTANDING RECEIVABLES**

Mr. Spinale explained that BMLD’s auditors have had a standing comment about the outstanding receivables being larger than they would like. BMLD has taken actions to address this, such as implementing the Arrears Management Program (AMP), but a small group of medically protected customers are still in arrears for significant amounts, and the open question is what to do next.

Mr. Leary gave some background on the number of customers, the AMP, and progress made so far. Two customers had been successfully taking part in AMP, but others had either not participated or dropped out. BMLD had researched how other MLPs handle the same issue and found a few possible options: write off, send the amount to collections, take the customer to small claims court, have a stricter certification process for medical protection, install load limiter devices (this one is still being explored), and/or implement a deposit for all residential accounts. Mr. Spinale expanded on these points and added that BMLD would be creating a new template for the medical certification. His recommendation would be a collections process.

The Board then took turns asking follow-up questions and voicing their opinions. The main topics raised were: commending the two customers who were participating in AMP, asking about the follow up to customers, asking if the auditors had any suggestions (they had advised collections), the Water Division’s process (to lien, which is not applicable here), if BMLD was cross-checking against rebates (yes), the possibility of reaching out to social workers or Belmont Housing Authority, an assistance fund, and shortening the timeline for AMP.

Mr. Macrae left the meeting at 9:30am during the discussion. Overall, the Board members were uncertain about collections, with some feeling it was fairer to the customers who were participating in AMP and others expressing concern about the impact to customers' credit ratings. BMLD will continue to look at options.

## **GENERAL MANAGER'S REPORT**

Mr. Spinale updated the Board on the following:

- Jordan Webster was hired as the new Energy Specialist.
- There is a scheduling conflict with the Board's 3/20/25 meeting. The suggested alternative is 3/13.
- The replacement fence is now up at Substation One.
- Tesla Powerwalls have been added to the Connect Homes Program.
- To send any thoughts on his 2025 goals to himself or Mr. Machado.
- That an executive session would be called in the future to discuss a pay and compensation study that was part of union negotiations.

## **ADJOURNMENT**

*Mr. Beavers moved to adjourn the meeting of the Municipal Light Board. Mr. Franck seconded, and the motion passed 4-0 by roll call vote. Mr. Klionsky, Mr. Beavers, Mr. Franck, and Mr. Machado all voted aye. The meeting was adjourned at 9:53am.*

Respectfully submitted by,

Erin Lenzing  
Executive Assistant