

**MINUTES
TOWN OF BELMONT
BELMONT MUNICIPAL LIGHT ADVISORY BOARD
BELMONT LIGHT CONFERENCE ROOM
40 PRINCE STREET
Thursday, January 8, 2015
7:15 PM**

RECEIVED
TOWN CLERK
BELMONT, MA

2015 MAR 11 PM 2:19

I. CALL TO ORDER

Chair Ashley Brown called a regular meeting of the Municipal Light Advisory Board (MLAB) to order at 7:17 PM.

Present:

MLAB- Chair Brown, Vice Chair Forrester, Members DiOrio, Jones, Klionsky, McClain, and Rojas

Belmont Light- General Manager Palmer, Clerk Williams

Absent:

Member McVay

II. APPROVAL OF MINUTES DATED 10/15/14

Chair Brown made a motion to approve the minutes from October 15, 2014. Forrester seconded the motion, which was approved unanimously.

III. EXECUTIVE SESSION

Brown suggested that the General Manager's Report be suspended to move into Executive Session. Forrester seconded and the Board moved into executive session at 7:20 PM:

To protect trade secrets, confidential, competitively sensitive or other proprietary information provided in the course of proceedings when a municipal lighting plant board determines that such disclosure will adversely affect its ability to conduct business in relation to other entities making, selling or distributing electric power and energy pursuant to section 47D of chapter 164.

The Board recommenced Open Session at 7:44 PM.

IV. GENERAL MANAGER'S REPORT

a. substation and transmission project

Palmer noted that Belmont Light is still reviewing bids for the building of the substation and is finalizing the demolition agreement with the current tenant. Palmer stated the I39, a system

impact study for the new transmission line, was recently completed by an NStar contractor. The study is in the late stages of review and Belmont Light is expecting a final decision from MA DPU at some point in January. Belmont Light believes the decision will be favorable.

The engineers are in the final stages for the design of the transmission line. There were delays because of changes in the management of the commuter rail system. Training in November and December was successful, and the project team expects a procurement package for the transmission line work by January. Palmer also explained that once a vendor is selected to construct the substation, the contractor will mobilize by March or April 2015. The last segment of the project is having the distribution tie into existing substations, but this part of the project will be addressed once the transmission line and substation project is closer to completion. Overall, Palmer sees the project as going well. It is on schedule and expected to be fully completed by March 2016.

b. billing system

Palmer stated that Belmont Light, in collaboration with town staff, has narrowed down the billing system procurement process from four to two candidates, NISC and SIDC. The project team hopes to select the final candidate soon. Forrester and Rojas noted they were pleased that all those who are working together. Kliensky inquired about any cost differences between the two finalists' bids. Palmer explained that the cost difference between the two final candidates was mainly because one has an iCloud solution. Ultimately though, there were other off-setting differences which resulted in the bids being roughly equal.

V. RATES AND PURCHASED POWER COSTS

Forrester explained that the Town of Belmont and Belmont Light recently underwent a Department of Revenue audit related to transactions between the Town and the Department. The audit was triggered by an incorrect reporting of those transactions by the Town. The process of reconciling billing between Belmont and the Town needs improvement. This can be addressed and management is confident the revenue audit will not cause Belmont Light any significant problems.

Forrester next discussed the impacts of Belmont Light's purchased power and transmission adjustment. Forrester noted that in the first quarter of the year, the purchase power adjustment tends to be three times greater than in the rest of the year. The Department expects a spike in purchased power adjustment charges in the first quarter of 2015. After that, they expect that there will be a reduction in purchase power costs, not an addition. DiOrio suggested that the price spikes may not be as bad as in 2014 because the price of natural gas and oil are low. Palmer noted Belmont Light plans to continue alerting customers about any changes to their bill throughout 2015, utilizing the company website, bill inserts, and other methods.

VI. CARBON REDUCTION PROGRAMS

The Board discussed incentive programs to encourage customers to engage in activities, both energy efficiency and renewable energy, and to try to prioritize the incentives based on the cost effectiveness in reducing system costs and reducing carbon emissions.

VII. EXECUTIVE SESSION

The Board moved into executive session at 8:15 P.M.:

To protect trade secrets, confidential, competitively sensitive or other proprietary information provided in the course of proceedings when a municipal lighting plant board determines that such disclosure will adversely affect its ability to conduct business in relation to other entities making, selling or distributing electric power and energy pursuant to section 47D of chapter 164.

VIII. FUTURE MEETING DATES

The Board plans to meet on February 4, 2015 at 7:15 PM at 40 Prince Street.