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**MINUTES  
TOWN OF BELMONT  
BELMONT MUNICIPAL LIGHT BOARD  
CONFERENCE ROOM, BELMONT LIGHT  
40 PRINCE STREET, BELMONT  
Wednesday, April 22, 2015  
8:30 A.M.**

**I. CALL TO ORDER**

*Chair Baghdady called a regular meeting of the Municipal Light Board (MLB) to order at 8:37 A.M.*

Present:

MLB- Chair Baghdady, Vice Chair Paolillo, Member Williams

Municipal Light Advisory Board- Vice Chair Forrester, Member Jones (no quorum)

Belmont Light- General Manager Palmer, Staff Keane, Klubnichkina, Mancinelli, and Spinale, Legal Counsel Foskett

**II. GENERAL MANAGER'S REPORT**

Prior to Palmer's report, Baghdady confirmed that Williams recently was selected as the Light Board's new MLAB liaison.

**a. Update on substation and transmission project**

Palmer reported that momentum on the project continues. The project's permitting is now 95% complete, engineering 90% complete, procurement 85% complete, and construction 10% complete. The kick off meeting for the construction of the substation, an approximately \$6 million dollar contract, is scheduled for April 23rd. Bids for vendors interested in the construction of the transmission line are due back June 4, 2015, and the project team is awaiting final DPU approval on a filing submitted by Eversource. A short-term, taxable bond for \$26.4M was recently finalized. This bond will be repaid through the Joint Development Agreement with Eversource. Demolition work at 20 Flanders Road is expected to be completed by the end of May 2015. The substation building is expected to be fully constructed by late December 2015 and major equipment, including the switchgear and transformers, to be delivered on site by January 2016.

Though there remain some challenges, including interfacing with government agencies and managing complex construction contracts, Palmer is confident that the total \$53.7M capital bonding limit for the project will not be exceeded. He also stated that the project remains on target for a June 2016 energization date.

Williams asked whether there were documents available to keep board members and the public informed. Palmer responded that board members receive internal progress reports each month

and that Belmont Light keeps the public informed through quarterly newsletter updates, along with updates at public meetings. Palmer will also provide a progress update at Town Meeting on May 6<sup>th</sup>. Palmer and the Board then discussed logistics for the decommissioning of the downtown substation, which is expected to happen by 2022.

**b. Preliminary customer satisfaction survey results**

Palmer reviewed preliminary results of a Belmont Light customer satisfaction survey that was conducted in March and April 2015. The results are notably positive. For example, nearly 92% of respondents view themselves as having a favorable relationship with Belmont Light, describing themselves as advocates or loyal and satisfied customers. There were improvements in Belmont Light's perception as a progressive, reliable, and professional organization since the last survey was conducted in 2011. Most survey respondents also have confidence in the honesty and integrity of Belmont Light's staff, believe much is being done to keep rates low (despite a recent rate increase), and are very aware of Belmont Light's appliance rebate and home energy audit programs. Palmer reported that the survey also presented some areas of improvement for Belmont Light. These include that there is confusion amongst respondents over how Belmont Light is governed, that a significant percentage of participants have not visited the new website, and that Belmont Light needs to improve awareness of its Green Choice Program.

Williams asked why there was not a question about solar included in the survey. Keane explained that there were only a few customizable questions so many specific topics could not be addressed with individual questions. Paolillo suggested that a separate electronic survey could be done to address some of these topics.

More detailed survey results from the 2015 telephone survey will be presented at a future board meeting.

**III. SUPPLY SIDE-MANAGEMENT**

**a. Existing Solar PV Facility Qualifications**

Baghdady asked for an update on the implementation of Rate APV for solar DG customers. The new solar rate, approved by the Light Board and MLAB in December 2014, had an effective date of May 24th. Palmer stated that the rate had recently been filed with the DPU.

The Board and Belmont Light staff next discussed Existing Facility Qualification application documents that were sent to existing solar customers on March 2, 2014 to facilitate their participation in the program that was approved by the Light Board on December 15, 2014. The documents summarized the options available to existing solar customers under the new solar rate, namely an annual rebate and an exemption from the new Distributed Generation Charge; alerted customers that they need to submit an application by April 24, 2015 to qualify; and presented terms and conditions for the program. Baghdady stated that he appreciated that the application documents summarized the Existing Solar PV Facility Program for customers, but questioned why Belmont Light expected customers needed to sign what appeared to be a legal

contract in order for them to qualify. Palmer and Foskett explained that the terms and conditions presented with the application documents contained standard language from Belmont Light's requirements for electric service and Interconnection Agreement for solar customers. Mancinelli added that Belmont Light staff attempted to administer the Program in an organized, transparent manner and was also requesting vital distributed generation facility information that Belmont Light needs on record to manage the customers' accounts.

Paolillo and Baghdady stated that they did not agree that the Terms and Conditions document needed to be so complicated. The discussion about the denseness and complexity of the agreement continued until several members of the Belmont Light staff excused themselves from the room.

*The Board moved into recess at 9:20 A.M.*

*The Board resumed the meeting at 9:40 A.M.*

Baghdady stated that the tension and divisiveness around the solar DG issue is not healthy. Even if some residents do not agree with the updated policy, everyone involved needs to work together as a community to find an acceptable policy. Baghdady said that in light of the turmoil around the new policy, he proposes that Belmont Light defer implementation of the new rate and the Existing Facility Qualification Program. According to this proposal, the April 24<sup>th</sup> application deadline for existing solar customers will no longer be applicable and Belmont Light will check with the DPU on rescinding the filing of Residential Rate APV.

*Baghdady moved to defer the implementation of Residential Rate APV and the Existing Facility Qualification Program until further notice. Paolillo seconded and the motion was unanimously approved (3-0).*

Baghdady said that even though the community is divided on the net metering issue, the Light Board supports Belmont Light employees. Paolillo explicitly asked certain residents to stop personally attacking employees and members of MLAB as doing so is not productive.

#### **IV. UPDATE FROM MLAB**

Forrester reported that MLAB had finished its evaluation of Palmer and will officially present their recommendations to the Light Board soon. He said that going forward, MLAB hopes to have joint meetings with the Light Board on prescheduled topics. MLAB would like to avoid spending too much time on single issues because both boards need to cover more topics. The next joint meeting is scheduled for May 21st and the main topic is Belmont Light financials. After that, a June 23rd meeting will focus on demand-side management and a fall meeting will address Belmont Light's capital budget.

Forrester next explained that at the April MLAB meeting, the Board discussed power supply. He summarized that energy prices for December 2014 through March 2015 were 30 to 50 percent lower than the previous year despite the fact that New England's natural gas supply is currently constrained. However, winter energy prices were still much higher than what is expected for the

rest of 2015. The Purchased Power Adjustment Charge, which is currently at about 1 cent per customer, can be used to account for high winter pricing.

Belmont Light's power contracts are staggered across periods of 5 years. Forrester stated that the community should be aware that details of power supply contracts are confidential for competition purposes and need to be exempt from public discussion. Foskett and Palmer confirmed that this is true according to Chapter 164, Section 47D. Forrester also stated that MLAB and Belmont Light's power supply contractors agree that Belmont's power supply portfolio is very well situated and compares well with those of other towns.

When an audience member asked about incentives for new solar customers, Jones stated that he is actively exploring the possibility of a community solar challenge with the Energy Committee.

## **V. 2015 ANNUAL TOWN MEETING DISCUSSION**

### **a. Article 9 – Non-binding resolution on solar power**

The board next discussed whether the Light Board would endorse Town Meeting Article 9, a non-binding resolution that would instruct Belmont's state representative and state senator to vote in favor of legislation—should it at some point be introduced—requiring Belmont Light to 1) adopt net metering rates and 2) adopt rates and policies that do not discriminate against solar distributed generation (DG) customers. Foskett offered that from a legal perspective, the language used in the resolution is quite vague. Baghdady agreed that the language was confusing. He also cautioned that using the word “discriminatory” in the resolution insinuates that Belmont Light's current policy is this way, which is an unproductive accusation that might cause even more tension in the community. Paolillo, Jones, and Foskett expressed concern about the Light Board's backing a resolution that would essentially relinquish some of Belmont Light's municipal autonomy to a state body. Williams appreciated the opportunity to discuss the issue of solar power at Town Meeting, and stated that in this way, the resolution is useful. The Board also discussed the possibility of amending the language of the resolution with audience members.

## **VI. APPROVAL OF MINUTES**

*Paolillo moved to approve Light Board minutes from December 15, 2014; January 29, 2015; and February 24, 2015. Baghdady seconded and the motion was approved with a vote of two in favor and one abstention.*

The Board required additional time to review draft minutes from November 25, 2014.

## **VII. ADJOURNMENT**

*The Board moved to adjourn at 10:32 A.M.*