

2018 DEC 13 AM 9:05

FINAL

Light Board Advisory Committee Meeting Minutes

Minutes of Meeting held on November 8, 2018
Belmont Light Conference Room
7:15 pm

Attending LBAC members: Chair Steve Klionsky, Ralph Jones, David Beavers, Travis Franck

Non-attending LBAC members: Mark McVay, Bob Forrester, Roy Epstein

Belmont Light (BL) attending: General Manager Christopher Roy

I. CALL TO ORDER

- Convened at 7:19 pm

**II. UPDATE ON DEPARTMENT OF ENERGY RESOURCES PROGRAM
OPPORTUNITY NOTICE FOR A MUNICIPAL LIGHT PLANT SOLAR PROGRAM**

- Roy described the terms of the program: participants would be reimbursed \$1.20/W (50% by participating utility and 50% by DOER) for arrays up to 25kWh. Roy recommended that ENE administer the program and have BL dedicate \$100k for matching funds.
- *Motion: To support the adoption of the DOER Municipal Light and Solar Program with administration by ENE and participation by Belmont Light, and allocation of \$100,000 for matching funds. (Motion passed unanimously)*
- Roy will notify the Light Board.

III. ADDITIONAL POWER SUPPLY HEDGE PROCUREMENT FOR 2019/2020

- Roy recalled that the last procurement from July got up to 60% hedge. Forecasted prices for the winter were trending higher than expected, so it was important to hedge now.
- *Motion: To endorse Belmont Light's plan to get up to 80% hedge for 2019 and 60% for 2020. (Motion passed unanimously)*

IV. FOLLOW-UP TO COST OF SERVICE STUDY: RATE ADJUSTMENT APPROACH

- Roy explained the background behind why rate increases were necessary.
- Roy presented a plan for raising rates the full amount at the beginning of the period versus incremental adjustments over a three year period. The Committee discussed the advantages of such an approach with respect to credit rating and financial stability, developing a strategic plan, and implications for meeting renewable energy targets in the climate action plan.
 - With respect to the strategic plan, the approach would allow BL to meet financial targets while allowing time to more thoroughly discuss/analyze fixed costs, time of use rates, etc.

- Roy explained he would like to phase out the PPTA and transition to a more standard use of the Power Cost Adjustment (PCA).
- The committee discussed three scenarios proposed by Roy for rate increase strategies.
- Next steps:
 - Roy will make adjustments to the scenarios to show the Light Board.
 - Roy will confirm some of the calculations the committee highlighted as possible mistakes.

V. CONTINUED DISCUSSION ON POWER SUPPLY POLICY UPDATES

- Roy explained that REC composition would have an impact on the budget. The changes discussed reflected previous discussions and the current REC procurement strategy.
- Beavers stressed the need to clarify that any REC purchases were voluntary and not mandated by state law as is the case with Massachusetts Investor Owned Utilities. This distinction may help secure Zero Net Energy (ZNE) certification for the new the high school using RECs purchased by BL to otherwise meet voluntary renewable energy goals.
- The proposed strategy: Use Class 1 RECs to meet the minimum non-emitting percentage targets set forth by DEP; then use mix of Class 1 and 2 RECs from New England to meet targets set by Belmont.
 - Chair Klionsky proposed revisions to the wording of the sentence describing the strategy.
- *Motion: To recommend that the Light Board adopt the discussed amendments to the Power Supply Policy. (Motion passed unanimously)*

VI. FUTURE MEETINGS

- December 6, 2018.
- Discussion of moving to 7:30am start time:
 - Roy explained this would encourage Belmont Light employees to attend, weigh in on issues related to the strategic plan development, and increase interaction with LBAC.
 - It was agreed to move the December 6, 2018 to December, 5 @ 7:30am.

VII. APPROVAL OF MINUTES

- September 13, 2018 minutes were approved unanimously.
- October 11, 2018 minutes were approved unanimously.

VIII. ADJOURNMENT

- Adjourned at 9:31pm.