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**BOARD OF LIGHT COMMISSIONERS
FEBRUARY 13, 2019
REGULAR MEETING MINUTES**

The meeting was called to order at 6:02 PM.

Present were: Commissioner/Chairman - Jim Whitman, Commissioner - Chris Conway, Commissioner - Rick Rys and PMLD General Manager - Brian Allen. Also present were EAC Members – Phil Gott & Claire Golding.

Agenda:

The Board voted unanimously in favor (3-0) to accept the agenda as presented.

Meeting Minutes:

- **January 9, 2019 Public Meeting Minutes** - The Board voted unanimously in favor (3-0) to amend the minutes to change the word ‘would’ to ‘may’ in the “Selling & Purchasing Wind Energy through MMWEC” summary. A copy will be placed on file and will be available online at www.pmlld.com.

General Manager’s Report:

- **Current Bank Balances** – Mr. Allen presented the Board with the bank account balances report dated February 12, 2019. A copy will be placed on file. The Citizen’s Bank Operating account has a balance of \$416K, the Depreciation account has a total balance of \$1M, the MMDT Rate Stabilization account has a balance of \$837K, the Unibank Operating account has a balance of \$10K, the Meter Deposit account has a balance of \$35K. As of February 12, 2019, PMLD has \$132K listed for vendor accounts payable and is waiting for \$299K in electric customer account receivables. All bills are paid in a timely manner.
- **2018 Operating Budget Review** – Mr. Allen presented the Board members with the final copy of the 2018 working budget analysis spreadsheet dated 02/12/2019. A copy will be placed on file. The cashflow figures were for January-December 2018 with a target of 100%. Mr. Allen stated that revenues ended at 105.6% and expenses ended at 100.5%. Mr. Allen informed the Board that the reimbursement from Tallahassee FL for storm work (\$47K) was received. Mr. Allen informed the Board that PMLD saw a 2% increase in kilowatt hour sales to residents in 2018 compared to 2017. This increase was the first in 8 years. The Board had no other questions or concerns.

2019 Operating Budget Review – Mr. Allen presented the Board with the first copy of the 2019 approved budget detail dated 01/14/2019. PMLD has an estimated budget set at \$4M, of which \$1.8M is for power purchases, \$843K is for the Wind Farm and just over \$1.3M is budgeted for

department line item expenses to run the department (outside vendors, contractors, insurers, consultants, employee benefits & payroll, training, safety, community services, inventory, building & office equipment and maintenance, truck & transportation, depreciation).

- ***Forward Capacity Market Update*** – Mr. Allen explained that the 13th forward capacity auction was held on Monday, February 4th. The clearance price came in at \$3.80 per kw/month for years 2022-2023.
- ***PMLD Road Work Police Detail Issue*** – Mr. Allen and his Foreman Chris Courville met with Police Chief Powers, Nina Nazarian and representatives from the Police Union on February 1st to discuss their grievances with PMLD performing their own road safety details with certified flaggers. Mr. Allen explained that the laws were discussed in detail and PMLD does have the ability to exercise their legal right to put certified flaggers on roadside jobs. However, PMLD would like to come to a written agreement with the Police Department on best practices that won't have a significant impact financially but will satisfy all party's needs. The Police Union was asked to provide a list of roads in town they consider highly traveled and would like to see official Police Details so that PMLD can continue to hire Police Details for those roads and use certified flaggers to perform their road detail work on the lighter traveled back roads in town. The Police Union will develop a list of roads for the Police Chief to review and present to PMLD. The Police Chief has the final say and oversight of the town's public safety on the roads.
- ***Municipal Solar Incentive Program*** – Mr. Allen is still waiting on the DOER's roll out of the program.
- ***Horizon EV Chargepoint for Electric Cars*** – Mr. Allen explained that the Audubon Society is considering an EV charging station on their Goodnow Rd property. Mr. Allen was invited to a meeting to discuss the requirements for electricity. Mr. Allen invited the Horizon salesperson to meet with him a week later to explore the idea and feasibility to install additional charging stations in and around town in various public areas (Town Hall, Library, PMLD). Everyone acknowledged that others would have to get involved before any town-owned property could be approved. The charging unit was discussed in detail regarding technology, use-ability, cost, etc. The Board thought it was a good idea to investigate. Commissioner Rys suggested contacting other vendors for information. Mr. Allen shared his thoughts that the Mountainside Market or Mountain Barn may want to consider one of their own for their patrons. Mr. Gott shared his plans to recommend a commuter parking lot in town which could include a charging station in the future. Horizon will draw up some numbers which Mr. Allen will share once received.
- ***Tree Truck Replacement*** – Mr. Allen shared that he and his foreman are waiting on the purchase that was planned in 2018 due to low inventory.

Other Business:

- ***Legislative Bill – Municipal Light Plant (MLP) Green House Gas Emission*** – Mr. Allen discussed the 2-page legislative bill that was created by Municipal Electric Association of Massachusetts (MEAM) on behalf of MLPs to participate in the Commonwealth's goal in reducing green house gas emissions while acknowledging and preserving the statutory scheme of Chapter 164 which places municipal lighting plant operations, finances and rates under local control. At the January 16th

meeting 39 of the 41 members of MEAM were present to discuss the bill and voted unanimously in support of the legislative bill that was drafted; it was then sent to the State House for consideration. Additionally, Mr. Allen sent a letter to Representative Ferguson asking for her support of the bill. State House Representative Golden and Senator Gobi sponsored the bill to move it through process. Copies were provided to the Commissioners and placed on file. Commissioner Rys expressed his dissatisfaction with the bill and stated that he contacted Representative Ferguson and Senator Chandler to express his concerns and opinions that the bill allows MLPs lower standards than what Investor Owned Utilities (IOUs) are required to meet. Rys went on to state that he feels regulations work best when everyone has to meet the same regulations and are measured the same. Mr. Allen reminded Rys again that MLPs do not have the same business model as IOUs. A few significant ways the business model for MLPs differ from IOUs is that they can own and manage electric generation facilities, they manage their operations, rates and finances through local town/city government officials, and they are not-for-profit departments. Commissioner Conway reminded everyone that the bill has a lengthy process to go through at the State House before it changes the law for MLPs. Mr. Allen said that the bill addresses the regulations and outlines for MLPs ways that are attainable for each to be responsible without disrupting the unique way MLPs were set up to conduct business in the 41 towns and cities in the Commonwealth. Each MLP has local control parameters that cannot be ignored; the bill needs to be all inclusive and is what was taken into account by those professionals who worked on it and have a greater understanding of how the MLP business model works. Mr. Allen reminded Rys again that if he wants PMLD to be greener PMLD can retire the Wind RECs and keep them in Princeton instead of selling them to pay off the wind turbine debt. The retirement of the Wind RECs would not adversely affect the power purchase contract with NextEra, but it would reduce revenue that is used to offset the wind farm debt.

- ***What's The Score? Comparative Analysis of Massachusetts Municipal Light Plants' Clean Energy and Climate Action Performance by the Massachusetts Climate Action Network (MCAN)*** – Mr. Allen provided copies of the 42-page document that was sent out to all MLPs last week. A copy will be placed on file. Rys stated that he presented the idea to MCAN to develop a score card for all MLPs and reminded everyone that he also advocated that PMLD purchase their own wind energy back from the grid to increase their rating on the score card. Rys will be posting this MCAN report to Nextdoor and already gave copies to the Board of Selectmen and the Environmental Action Committee (EAC) members. Chairman Whitman acknowledged that the Barr Foundation funds the MCAN group. Chairman Whitman stated that the information leans heavily in favor of solar and challenged the information in the report and expressed concern with the way the report card scores each MLP and how towns and cities were compared. The term 'clean energy' and MCAN's definition of dirty energy was heavily debated and challenged as it related to nuclear energy and solar energy generation installations that MLPs own or are involved in. Chairman Whitman cited the 2017 nationalreview.com article "*A Clean Energy's Dirty Little Secret*" that he pulled during his research on the matter which shares The Berkley-based group's report that solar panels create 300 times more toxic waste per unit of energy than nuclear power plants. He raised questions as to why MCAN did not address the mitigation of hazardous solar waste materials or lack thereof that each MLP or Town has in place stating that this is a significant flaw in their score cards as a risk factor that should negatively impact scores and he would like MCAN to recognize and address that. Rys stated that new technology supports less hazardous solar materials like silicone. Whitman reminded everyone that existing older PV systems in place now have an immediate need for disposal plans that are environmentally safe for all. He expressed concern that Princeton should be concerned right now, considering that well water is the only water supply for residents in Princeton and suggested that

hazardous materials could be leaking into the ground today or yesterday if not inspected regularly or disposed of correctly and poses a real threat to many if it continues to be ignored. This is something the Princeton's EAC has not addressed at all either or part of any town report. Wind energy was ranked the cleanest energy in the research but MCAN only awarded PMLD 7 points out of 40 in the clean energy score. The Board would like MCAN to score PMLD more favorably for installing and managing a wind generation facility in Princeton MA regardless of where the wind energy is sold – the reality is it is produced in Princeton. Mr. Gott shared that MCAN does not have in-house experts on staff, but rather relied on research groups they commissioned to bring in the information that they asked for to develop this report. Rys stated that MCAN's report is the first of its kind but it's likely they will do a follow-up to hold MLPs accountable for improvements.

At 7:25 PM the Board voted unanimously in favor (3-0) to adjourn the meeting.

*Respectfully Submitted,
Christine Trudeau
Recording Secretary*