

Concord Municipal Light Board
January 15, 2020
Final

Pursuant to a notice duly filed with the Town Clerk, a meeting of the Municipal Light Board was held on Wednesday January 15, 2020, at 7:30AM, at the Light Plant Public Meeting Room. Present were Board Members: Wendy Rovelli, Gordon Brockway, Alice Kaufman and via phone Lynn Salinger. Also in attendance were David Wood, CMLP Director; Laura Scott, CMLP Power Supply and Rates Administrator; Matt Cummings, CMLP Finance Manager; Jan Aceti, Energy Conservation Coordinator; Carole Hilton, CMLP Customer Service Administrator; Stephen Crane, Concord Town Manager; Karin Farrow, CMLP Admin; Louise Berliner, Karlen Reed, David Allen, Eugene Chang, Pamela Dritt, Brian Foulds, Sheldon Hines, Virginia Hines, and Katia Winchell.

Note definitions for acronyms and technical terminology used in these minutes:

- CARES: Conservation and Renewable Energy Services
- CMLP: Concord Municipal Light Plant
- Degree Days – the difference between the daily temperature mean and a fixed, mild temperature.
- EV: Electric Vehicle
- kWh: Kilowatt hour
- MWh: Megawatt hour
- OMS: Outage Management System
- REC: Renewable Energy Credit
- RFP: Request for Product
- RCS: Residential Conservation Service
- TM: Town Manager
- TOUR: Time of Use Rate

Meeting handouts: Reference sheet for 2020 Purchase Power Budget.

CALL TO ORDER

Ms. Rovelli called the meeting to order at 7:30AM.

FUTURE MEETINGS and MINUTES

February 12, 2020, March 11, 2020, April 8, 2020, May 13, 2020, June 10, 2020, July 8, 2020, August 12, 2020, September 9, 2020, October 14, 2020, November 18, 2020, December 9, 2020.

Schedule conflict for Ms. Kaufman for 2/12 and Ms. Rovelli on 3/11. Mr. Wood to poll Board for possible change. Note Nov. meeting date was changed. Minutes drafted for Sept.-Dec. Decision from Board to take approval votes at next meeting.

DIRECTOR'S REPORT

Mr. Wood reported on the status of ongoing projects:

- **LED Conversion Project** - All Metal Halide street lights replaced with LED lights. This will result in operation cost reduction of an estimated 50%.
- **EV Charging Stations** in service at Gerow Park and Rideout. CMLP has seven stations in operation now.
- **Tree Trimming** – Due to no bidders, project to conduct winter tree trimming is being re-bid to complete work this winter (north of Route 2).
- **Library Project** – Distribution circuit rebuild complete.
- **Annual Report** – CMLP contribution is complete and needs CMLP Board photo. Telecom portion of the annual report to be scheduled for completion today.
- **OMS** is live. Next step is to implement a customer notification/education program.
- **Conduit Installation Progress** –Cambridge Turnpike on hold for winter. Experiencing difficulty in coordinating with Verizon. Meeting to be scheduled with Verizon to resolve concerns.
- **Recruitment** – Telecom Director Position in the reference check phase. New Customer Service Rep scheduled to start 1/21/20. Network Engineer Position candidate pool has been narrowed down to nine. Telecom Tech position has received 19 applications. Grade 3 Line worker candidate pool includes three candidates that have already completed Line School.
- **FYI** – Concord has received a grant for an additional Electrical Bus.

2020 Budget Presentation

Mr. Cummings, Mr. Wood and Ms. Scott provided a slide presentation of the proposed 2020 Budget, which allowed for line item discussions and questions throughout. The presentation and the budget were discussed for 90 minutes.

Highlights of the Budget –

- The Light Plant revenue forecasted for \$29.4 million with expenses of \$28.9 million. The increase in net income from 2019 being forecast for 2020, anticipates the daily temperature average difference (plus or minus) from 60 degrees to return to a historically normal level. 2019 revenue reflects a low load year due to a 2% lower than average number of expected degree-days.
- Additionally, the Rate Stabilization credit phasing out during the first half of the year increases net operating revenue by \$0.03 million.
- With decrease of \$0.56 million in power supply costs, a \$0.3 million increase in Operating & Maintenance costs and a Debt Service interest, due to the projected AMI deployment expenses, cost increase of \$0.15 million overall expense total is relatively unchanged.
- Net result is \$0.4 million greater net income for 2020 than 2019.
- Debt Service – W.R. Grace Debt is retiring.
- Capital Plan: Smart meters, underground conduit, plan is to begin work to draw wires into conduit already in ground.
- 1992 vintage conductors at substation are aging --\$1.5 million over several years to upgrade and convert to copper cable.

- General Plant: includes replacement of utility vehicles, some passenger vehicles and smart meter purchases.
- REBATES: RCS is requiring weatherization rebates be agnostic of fuel type.
- Deferred to future meeting discussion of rate increase to cover REC purchase from \$.01 to \$.015/kWh

Telecom revenue is forecast for 2020 at \$1.1 million, which reflects 18% growth. 2019 had a 12% increase of customers over 2018. Additional staffing is the primary reason expenses are expected by \$0.1 million.

Ms. Aceti added, during the discussion of the CARES portion of the budget, that interns would be hired to promote/educate the public on Heat Pumps.

A few typos and graphs adjustments will be made prior to a Vote on Board approval at the next meeting.

A redacted version (minus power supply volumes and dollar amounts) of the approved version to be posted on the CMLP website.

Board members expressed support of the format of the budget that included a number of graphs and charts that made the budget easier to understand.

Liaison & Public comments

Ms. Winchell requested comparative benefit analysis on Smart meters as well as wired vs. wireless as a decision making tool. *A Consultant will be hired to address this issue in the crafting of the RFP for the Smart meters.*

Mr. Hines asked if a community group contracted services for a baseline of the current radiation levels would CMLP cost share? *CMLP cannot fund what does not go through the town's bid and approval process.*

Mr. Hines commented that at a recent meeting a speaker said that there was no connection possible with existing appliances and Smart meters. *Mr. Wood reported that a load control installation on the circuit would be needed to achieve the connection.*

Clarification was made that a Time of Use Rate Structure was not designed to reduce energy consumption but to shift usage for an energy cost reduction.

Ms. Kaufman reported that the Select Board will sponsor the Town Meeting article that would require new construction and large additions to existing buildings (where the increase is greater than 50% of the current building) be fossil fuel free.

It was noted that the Planning Board had recommended to the Zoning Board that 1440 Main Street Development be allowed to move forward with a condition that homes be built without need for fossil fuels. The Zoning Board of Appeals has not yet made their decision.

Mr. Brockway moved to adjourn the meeting. Ms. Kaufman seconded and with a unanimous roll call vote, the meeting adjourned at 9:20 AM.

Respectfully submitted,

Alice Kaufman, Clerk