



MUNICIPAL ELECTRIC POWER ADVISORY BOARD

Minutes
April 23, 2019

HMLD

6:00 p.m.

Members present: Scott Carlson, Peter Elkas, Gary Harrington, Tom Rundstrom, Steve Sendrowski, John Shepherd and Joe Sullivan.

Staff present: Jane Parenteau, General Manager – HMLD
Barry Tupper, Assistant General Manager – HMLD

Public present: Denis Mahoney, Jane Dye, Ken McDonnell, Russell Aney, Jennifer Lish

The meeting was called to order at 6:00 p.m. and determined there was a quorum.

Meeting minutes

On a motion by Mr. Sullivan, seconded by Mr. Sendrowski, the minutes of the meeting of February 26, 2019 were approved.

Cost of Service Study (COSS) Update

Ms. Parenteau indicated that the proforma for the 2019 COSS is being developed by PLM and based on budget information. HMLD has been providing the consultant with data to allow for the following:

- Unbundling of rates
- Restructuring rates for commercial customers based on usage
- Determine the impact of implementing a Low Income Rate
- Develop an Electric Vehicle Rate
- Analyze existing Municipal LED rate and develop Protective Lighting LED rate

Ms. Parenteau explained that because HMLD bills for Electric, Water & Sewer, and Trash that there are limitations with the existing billing system. She stated the goal is to have the ability to maintain a one page bill. Mr. Sullivan voiced some concern with potentially working with an aging and archaic system. Ms. Parenteau explained that she is familiarizing herself with the NDS billing system which is a necessary step in evaluating whether or not HMLD should investigate alternative systems. Mr. Rundstrom asked about the licensing and Ms. Parenteau replied that HMLD renews the software license annually.

Ms. Parenteau discussed restructuring the commercial rates. HMLD currently has a small commercial rate and a General Service Rate. The criteria for a small commercial rate is a demand of 5kW or less. Since not all commercial customers have a demand meter, the COSS is considering changing the criteria to customers with average usage of 10,000 kWhs per month. This will make billing for large customers more uniform and consistent. Additionally, changing this criteria will involve moving approximately 15 customers to the General Service Rate from the small commercial rate with minimal revenue impact.



Ms. Parenteau indicated that the COSS was exploring the development of a Low Income Rate. Currently Private Utilities have Low Income rates that are mandated by the Commonwealth. HMLD would need to create its own eligibility criterion but could utilize the Commonwealth's Low Income Home Energy Assistance Program (LIHEAP) as a guideline. Mr. Sullivan suggested the department work with the Holden Council of Aging and develop some synergies with them as well as the Worcester Community Action Council (WCAC). Ms. Parenteau indicated that HMLD's customer service representative Rob Gorton is planning on reaching out to both organizations. HMLD customer Jennifer Lish suggested the department determine eligibility and have customers opt-out rather than opt-in.

Ms. Parenteau stated that a main objective of the COSS is to develop a five year financial projection. HMLD needs to set rates sufficient to cover expenses, provide for necessary capital investments and provide for necessary cash reserves. By looking at a five year period this will allow HMLD:

- Look at long-term sustainability of any rate changes put in place
- Create a budget for investments in new and replacement plant
- Establish cash reserves to meet unexpected expenses

The final update on the COSS related to the existing Net Metering Rate. Ms. Parenteau stated that she has provided PLM with the spreadsheet used to track consumption and bill net metering customers. She reiterated that the review of the net metering rate will address the administrative inefficiencies, the manual billing as well as a lack of a distribution component.

Mr. Carlson left the meeting at approximately 6:47 pm.

2019 Summer Peak Reduction Opportunities

Ms. Parenteau reviewed information regarding the development of an educational pilot program on Shave the Peak which she is collaborating with the CHEF (Citizen's for Holden's Energy Future) group. Mr. Rundstrom stated that he is concerned about Climate Change and supports programs that educate consumers on energy savings. Mr. Sullivan suggested that HMLD could partner with a student from WPI to assist in calculating potential savings based on individual curtailment such as the benefit of increasing temperature to reduce peak demand.

Ms. Parenteau proceeded to outline a voluntary commercial demand response pilot program. She stated that she had met with customers from the Industrial Park and was approached by Intertite who indicated that they are very interested in potentially participating in a demand response program.

Mr. Parenteau explained that she is pursuing a portfolio approach to demand response and would like to partner with MMWEC to participate in a Summer Generator Rental Program in order to Shave the Peak this summer. She state that HMLD's capacity payment is calculated based on the highest summer peak and by developing programs to reduce this peak would have an effect on future power supply costs. MMWEC's summer rental program has the potential to achieve approximately \$140,000 of net savings.



Mr. Sullivan asked if it was necessary to vote on participation and Ms. Parenteau indicated that she was soliciting feedback from board members and that no vote was required. Mr. Shepherd asked where the unit would be located. Mr. Tupper indicated that he had met with Milton Cat and two potential sites are being reviewed by PLM with the most likely location at the Chaffin substation. Members of the board commented that the Chaffin substation appears to be an ideal location based on the commercial area. Mr. Tupper also stated that the department met with the Town Manager who endorsed the participation in the program. Ms. Lish stated she was concerned with the department participating using a diesel generator. Mr. Shepherd requested that Ms. Lish discuss her concerns during the public comment portion of the meeting.

Ms. Parenteau discussed the contribution of renewable energy to the Peak Demand Reduction opportunities. She reviewed the current photo voltaic installations in the service territory and explained that as a result of the number of installations throughout New England, the summer peak has shifted from between 2:00pm- 4:00pm to 3:00pm – 6:00pm. The result lowers the contribution to peak reduction.

Reliability Study Update

Mr. Tupper discussed the objectives of the reliability study being conducted by PLM. The study will address the following:

- Report on existing system conditions
- Updated circuit maps showing system configuration including conductor size, branch fuse size, additional line extensions and transformer data.
- Develop a model of the town electric power system
- Verify all facilities are operating within recommended thermal loading limits
- Verify that customers voltage is within guidelines at all points of the system
- Forecast of capacity constraints
- Identify major electrical equipment that is approaching end of useful life
- Evaluate power factor improvement
- Evaluate opportunities for distribution circuit reconfiguration
- Prioritize necessary system upgrades
- Develop a schedule for the implementation of recommended plans with input on budget and resource availability
- Prepare a study report containing all pertinent analysis, drawings, project schedules and estimates

Operations Update

Mr. Tupper updated the MEPAB on the following projects:

- Protective Lighting LED conversion – Complete
- Begin framing new poles along Reservoir St for the upcoming re-conductoring project
- Completed the programming and installation of new capacitor bank control boxes
- Continue re-conductoring Valley Hill, Terrie Ln and Greenwood Parkway
- Continue to remove old double poles throughout various areas in town.



- Removal of dead/dangerous trees at various locations in town from the tree wardens/DPW tree removal list
- ROW and road way /canopy trimming of Rt 31/ South Rd
- Continue work on generating a spec to replace truck 25(Service Bucket Truck)
- Awaiting EPA grant to help pay for the new truck 25(Service Bucket Truck)
- Converted 4 Main St decorative lights to LED in front of town hall
- Begin the process of replacing the flags on Main Street
- Personal changes:
 - CSR - Kim Brunell gave birth to a healthy baby boy, on leave until August
 - Construction Foreman Nate Campaniello resigned to work for Eversource as a trouble shooter last day (4-19-19)(9 years 10 months)
 - 1st Class Lineworker Joe Hand was promoted to construction foreman start date (4-22-19)(2 applicants)
 - 1st or 2nd class lineworker job posted (4-22-19)

Public comment

Mr. Shepherd then opened the meeting up for public comment. Russell Aney who owns Avid Solar located at 789 Wachusett Street, Holden MA stated that he is interested in what the MEPAB does with the net metering rate. He indicated that he has extensive experience in rate design, energy efficiency, and distributive generation. Mr. Aney appreciates the opportunity to work with HMLD in regards to distributed generation. Mr. Aney would like to make a presentation to the board on how to design a net metering rate. Mr. Aney also commented on the residential Shave the peak pilot program. He stated that there are consumption monitors that are fairly inexpensive and would be a good tool for customers who are interested in understanding their electrical usage. Mr. Shepherd suggested that Mr. Aney reach out to Ms. Parenteau and provide any information that he feels would be helpful to the board.

Ms. Parenteau stated that the auditors, Goulet, Salvidio & Associates would like to present the 2018 Financial audit to the MEPAB and that based on their availability, the tentative date is May 30, 2019 at 6:00pm. She also spoke to the Town Manager to see if the Board of Selectmen/Light Commission would be interested in attending. Once the date is finalized Ms. Parenteau will inform the Town Manager.

There being no further business, on a motion by Mr. Sullivan, seconded by Mr. Sendrowski, the meeting of the Municipal Electric Power Advisory Board was adjourned by consensus at approximately 7:37 pm.

Prepared by: Jane Parenteau, General Manager – HMLD

Approved: 5/30/19