

PRINCETON MUNICIPAL LIGHT DEPARTMENT  
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**BOARD OF LIGHT COMMISSIONERS**

**JULY 12, 2017**

**REGULAR MEETING MINUTES**

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**The meeting was called to order at 7:00 PM.**

**Present were: Commissioner/Chairman, Jim Whitman, Commissioner, Chris Conway, Commissioner Rick Rys and PMLD General Manager, Brian Allen.**

**Agenda:**

The Board voted unanimously in favor (3-0) to approve the July 12, 2017 agenda as presented.

**Meeting Minutes:**

The Board voted unanimously in favor (3-0) to approve the June 14, 2017 regular meeting minutes as presented.

Commissioner Rys asked the Board if he should give a verbal report about their May visit to the Sterling Municipal Light Department (SMLD) to tour the battery storage facility. The Board acknowledged that Commissioner Rys had summarized the visit in a written email. Commissioner Rys agreed with Mr. Allen and the other Commissioners statements from the past that there is no real beneficial incentive to invest in battery back-up for the Windfarm now because PMLD has in place a one-rate contract to purchase energy with no peak pricing through NextEra that has served Princeton well over the last 4 years. Commissioner Rys stated that Sterling's battery system does not operate like the "big generators" so they too don't have an incentive; and as Municipals we are not required to participate in peak-shaving like the Investor Owned Utilities (IOU's) are required to.

**PMLD Financials:**

- **Bank Balances** - The Board reviewed the bank balances report dated July 12, 2017 (a copy will be placed on file). The Citizen's Bank Operating account has a balance of \$230K, the Depreciation account has a total balance of \$745K, the MMDT Rate Stabilization account has a balance of \$813K, the Unibank Operating account has a balance of \$6K, the Meter Deposit account has a balance of \$35K. As of July 12, 2017, PMLD has \$108K listed for accounts payable and is waiting for \$246K in electric customer account receivables.

- **2017 Year-to-Date Operating Budget Review** – The Board reviewed the 2017 working budget analysis spreadsheet dated 07/11/2017 (a copy will be placed on file). The target measure for revenue and expenses through February is 41.70%. Revenues are currently at 44.52% and expenses are at 39.97%. Mr. Allen confirmed that the category of Truck & Transportation is being monitored closely by he and his foreman. Mr. Allen reminded everyone that PMLD will have additional expenses this year in the category. For example, a replacement snow-plow (est. cost \$5K) is needed and will be used to maintain the road to the windfarm site and PMLD parking lot. The PMLD staff do all the plowing at the PMLD building and windfarm site to minimize cost and insure accessibility. Mr. Allen had no other budget concerns to address.

#### **Other General Manager Updates:**

- **Sherriff's Department Community Outreach Program** – Mr. Allen shared that the PMLD building exterior was painted by inmates over the course of 4 days in June; and finished up over another 4 days by PMLD staff who concentrated on high peaks and touch-up as needed. The total cost of the task was just over \$2,000. Mr. Allen reminded the Board that this is the second time PMLD was awarded help through the Sherriff's department in the past 6 years. Mr. Allen had the building's interior and exterior painted by the inmates back in 2012. The PMLD building should be good for another 5 years. The Board thanked Mr. Allen for being very diligent in maintaining the plant. Mr. Allen will send a thank you note to Sherriff Lewis Evangelidis.
- **Grow Lane Upgrade Project** – Mr. Allen reminded the Board that Grow Lane and Thompson Rd were the two roads in town that were not part of the make-ready project as it related to Broadband/Cable. The Broadband committee had consciously left them off the plan because the costs could not be justified. PMLD is now upgrading the utility poles on Grow Lane. Once the poles are replaced Verizon will reimburse PMLD for 50% of the cost. The Thompson Rd upgrade is far more involved and expensive - it involves 30 poles and ledge to be core-drilled for service to one home. PMLD has no plans to upgrade Thompson Rd this year, what is in place right now is sufficient for PMLD to provide electric service.
- **Meter Change-Out Project** – All meters in town have been replaced, with the exception of polyphase meters and net meters which are on order. The project is 98% done. Mr. Allen has done the meter reading for the last two months and is putting together a map and action plan for the employee who will read the meters in the future. It takes approximately 9 hours to read the entire town, which includes a list of meters that still need to be read manually until they are replaced. The cost of the project is currently at \$78,000 and Mr. Allen anticipates hitting the budgeted cost of \$80,000.
- **LED Street Lights Upgrade** – This project is 70% complete. The new LED street lights will shine a bright white, replacing the amber glow that the old fixtures provided (100 watts of incandescent light will be replaced with 24 watts of LED light). 59 street lights were part of the upgrade project. 50% of the cost was awarded to PMLD through the grant. The Town will get a 25% decrease in the Street Light bill for the new year (July 2017-June 2018). Private project light fixtures are still in place and will not be changed out. Mr. Allen hopes the State will roll out another level of LED lights so private property lights (approx. 100) can be replaced in the future at a reduced bulk cost.
- **Inspector of Division of Labor Industries** – Mr. Allen explained that other Municipals are being inspected and written up on violations through the Division of Labor, so Mr. Allen and his foreman, Christopher Courville, decided to be proactive and coordinate an inspection of the PMLD plant by

an inspector who could provide a comprehensive evaluation. The inspector spent 3 hours walking through the building, garages and windfarm site to insure all proper industry standards are being met and new regulations would be implemented. A hit list of items to improve upon were provided as a courtesy, which included replacing 3-pound fire extinguishers with 20-pound extinguishers and mounting them in a specific way, replacing first aid kits with Class B first aid kits and weatherproof first aid kits in the wind turbines. Employee acknowledgement sign-off on understanding the proper use of all equipment at PMLD was another regulation that PMLD will implement. The Board agreed that it was wise to proactively contact them.

- ***Wind Turbine Converter*** – Mr. Allen shared that American Superconductor contacted him about a broken converter that was stored at their facility in Devens MA and offered it to PMLD. Mr. Allen decided to take the converter and have it shipped out to Austria/Romania and get it repaired and sent back to PMLD to have in-stock should we ever need one again. The cost is estimated at \$15,000. Mr. Allen reminded the Board that PMLD lost a converter 1 ½ years ago and the lead time for a new one is 29-weeks. The Board agreed with Mr. Allen's plan.

#### **Discussion on Letter of Agreement with NextEra Energy regarding the proper administration of section 9.13 of the Full Requirements Agreement:**

The Board reviewed the June 23, 2017 email and drafted letter provided by NextEra Energy (copies will be placed on file) to further define the Full Requirements Agreement terms specific to the 3-year period and a fixed threshold amount equal to 90% of the benchmark PMLD load. The 3-year period would roll with the contract and be recalculated each year. The Board acknowledged that distributed generation like solar has the potential to decrease PMLD load each year. With this clarification, it defines better the 90% real number to aid the Board in decision-making actions that can affect load and PMLD's energy contract with NextEra. The Board had no changes to make to the draft letter of clarification as written and supported Mr. Allen's efforts to finalize the letter and sign off on the clarification to be included as part of the energy contract.

#### **Final Discussion and Vote relative to the PMLD Interconnected Generation Policy regarding battery storage systems and their installation to existing systems and new installations:**

The Board members shared their fact-finding efforts and knowledge on the history and advancements of generator battery back-up systems for solar panels and how they would impact the PMLD distribution system to non-interconnected generator customers (no solar panels) and existing & future interconnected generator customers (with solar panels). The Board acknowledged inquiries made by existing interconnected generator customers on allowability of battery installations. Mr. Allen shared the report he got from PMLD's consulting engineer, David Columbo after his review of the current policy. The Board members and Mr. Columbo acknowledged that PMLD has a comprehensive policy in place with measures/requirements that keep PMLD's distribution system secure and would allow for any size battery back-up installation desired by a customer. The Board members agreed that no changes to the policy need to be made at this time; however, they would like notification sent to existing interconnected generator customers with solar that battery back-up systems are allowed and would not void the purchase power agreements for those customers that PMLD purchases solar energy from (solar customers prior to June 2014). Mr. Allen will notify all solar customers via a written letter of the Board's decision. The Board and Mr. Allen discussed generally the uncertainty of what the future holds in regard

to advanced technologies, opportunities and impact to distributed energy. They acknowledged the efforts of others in the industry who are trying to keep up with the fast-changing environment and manage electricity needs for all types of customers. Mr. Allen and the Board agreed they will continue to monitor distributed generation so PMLD can manage customer needs fairly, effectively and provide the best opportunities for all non-solar and solar customers of Princeton.

**Discussion and possible Vote regarding adding an additional fee of \$200.00 to Interconnected Generation Applications relative to the cost of providing a bidirectional meter at the installation:**

Mr. Allen shared prices of traditional meters and bilateral net meters with the auto-read capability that were recently purchased for the meter change-out project. A traditional meter is approximately \$50, and the net meters used for interconnected generator installations (solar) are \$250. Mr. Allen recommended that a \$200 fee (less the \$50 cost for a traditional meter) be added to the fee schedule for the installation of future net meter applications. Each board member discussed their position on the fee and fairness of subsidizing the additional cost. Commissioner Conway made a motion to add a \$200 fee for a net meter. Commissioner Whitman seconded the motion. Commissioner Rys opposed it. The vote passed 2-1.

**Discussion and Vote regarding the funding of community relations events:**

Chairman Whitman reminded everyone of the \$15,000 that was acquired with the sale of the two retired vehicles and proposed that \$7,500 would be a fair and reasonable budget amount to spend this year and next to fund community events in Princeton and for Princeton residents. The Board members discussed the need and value of getting PMLD's name and staff more involved in community events. Mr. Allen shared tips and advice he took from a recent NEPPA sponsored marketing seminar he attended and agreed with the need to promote the value of a town-owned and operated municipal light department. Mr. Allen shared some concerns with sharing too much information on social media venues like Nextdoor and recent discussions he has had with folks in the industry about social media putting neighborhoods at risk during power outages in National Grid territory. Everyone agreed that PMLD will not get involved with social media marketing/publishing for now. Commissioner Conway suggested an Open House in the fall to give residents an opportunity to see the facility and show off all the hardwork and effort the staff puts into the place to keep it looking and running great. Commissioner Conway made a motion to use receipts of the sale of retired vehicles in the amount of \$15,000 over the next two years (\$7,500 per year) to fund community relations events within and for Princeton. Commissioner Rys seconded the motion. All were in favor (3-0). Mr. Allen shared the list of events he and his staff or working on this year, which include a July Senior Ice Cream Social, a September Senior Luncheon, an October Energy Distribution Presentation to 5<sup>th</sup> Graders at Thomas Prince School, the Princeton Farmer's Market and the September Princetonfest. Each event will include relevant information and education about energy, conservation, emergency action, HELPS program and small incentives/giveaways for folks who are present at each.

**Other Business:**

- ***Agenda Items for Future Meetings*** – Chairman Whitman reminded the Board to submit new business items to consider for discussion at an upcoming meeting to Christine Trudeau a least a

week prior to the meeting so the Chairman can review and finalize the meeting agenda in a timely fashion (the agenda must be posted no less than 48 hours before the actual meeting date).

- ***Police Department / PMLD Protocol for Emergencies*** – Commissioner Whitman has a meeting with Chief Powers and will remind her of PMLD's desire to address emergency protocol so a decision can be made on training.

**At 8:20 PM the Board voted unanimously in favor (3-0) to adjourn.**

***Respectfully Submitted,  
Christine Trudeau  
Recording Secretary***