

Agenda Item - 03

**SHREWSBURY ELECTRIC
&
CABLE OPERATIONS
COMMISSION MEETING**

**October 12, 2017
7:00 PM**

MINUTES

**PRESENT: R. HOLLAND – Chairman
M. LEMIEUX
K. MARSHALL
M. REFOLO
A. TRIPPI**

ABSENT: NONE

**OTHERS
PRESENT: M. HALE
N. LUDOVICO
J. MALAVER
M. QUITADAMO
J. LAVERTY
M. IDE – MMWEC
J. VIADERO - MMWEC
B. MOSS – Shrewsbury Resident (Part-time)**

- 1. Meeting Called to Order – 7:13 PM**
- 2. Review and Consider Approval of Bill Schedules**

The Commission reviewed and approved the bill schedules.

3. Review and Consider Approval of September 14, 2017 Commission Meeting Minutes

A motion:

Approve the minutes of the September 14, 2017 Commission meeting with a correction to “September 14, 2016” which should read “September 14, 2017.”

Motion made by R. Holland and seconded by M. Refolo.

Without further discussion, the motion was approved unanimously.

4. Review and Consider Approval of the August 2017 Electric Cash Statements

M. Quitadamo presented and reviewed the August 2017 Electric Cash Statements.

- Year to date Cash Receipts were \$23,113,454, 2% less than 2016 and approximately 3% below budget projection.
- Cash Expenditures were \$20,924,657, 7.4% less than 2016 and about the same percentage below budget projection.

M. Hale noted that \$933,000, reserve from the Seabrook Debt Service, was transferred from General Cash to the Construction Fund.

- Total Available Funds were \$14,786,718, 19% more than 2016 and about 8% ahead of projection.

A motion:

Accept the August 2017 Electric Cash Statements as presented.

Motion made by M. Lemieux and seconded by M. Refolo.

Without further discussion, the motion was approved unanimously.

5. Review and Consider Approval of the August 2017 Cable Cash Statements

M. Quitadamo presented and reviewed the August 2017 Cable Cash Statements.

- Year to date Cash Receipts were \$13,610,057, 4% greater than 2016 and even with budget.
- Cash Expenditures were \$10,621,809, 6% greater than 2016 and 6% less than budgeted.
- Total Available Funds were \$15,398,778, 34% greater than 2016 and 9% greater than forecast.

A motion:

Accept the August 2017 Cable Cash Statements as presented.

Motion made by A. Trippi and seconded by K. Marshall.

Without further discussion, the motion was approved unanimously

6. Operating Brief

M. Hale presented and reviewed highlights of the Operating Brief.

- Year to date SELCO-Cable added 47 new business/commercial customers.
- SELCO-Light have replaced over 1,000 of existing light pole fixtures with LED fixtures.
- SELCO-Cable continues to make progress expanding the fiber optic plant through Town.

7. Review and Consider Approval of Gas Peaker Unit

Bryan Moss, a Shrewsbury resident, requested an opportunity to address the Commission. Although he stated that he is in full support of the concept of peak shaving, he would like the Commission to discuss other energy options.

Included in Mr. Moss' presentation was a time line of climate change, the financial impact of climate change, catastrophic climate change, climate mitigation adaptation, financial risks, fossil fuel risks, carbon free renewables i.e. solar energy, battery storage, and a 30% tax credit. He invited the Commission to ask questions.

Mr. Moss reported that UMass has recently divested themselves of all fossil fuels - oil, natural gas, and coal quoting a UMass representative as saying "these investments are not viable for the future."

In closing, Mr. Moss requested that the Commission delay their vote authorizing the installation of a gas peaker plant until all discovery information can be righted on; economic viability of energy storage or vote to proceed with the gas peaker plant solution agnostic so the RFP is open to both natural gas and energy storage companies to bid allowing more competition. He quoted the Sterling Electric General Manager, "Battery storage, in the next ten to fifteen years, is going to be an almost mandatory thing to have; it's an absolute no brainer to put this type of system in place now to protect yourself from the rising cost of capacity."

Mr. Moss thanked the Commission for the opportunity to present his views.

M. Hale recommended that the Commission vote to authorize the expenditure of funds for the purpose of installing a 2.5 MW natural gas fired generator for the purpose of improving reliability and reducing transmission and capacity payments.

He said that SELCO has been investigating different energy alternatives to control capacity including solar, battery storage, and natural gas peaker units since 2012. Most customers, residential and commercial, are not interested in voluntary load shedding/peak shaving programs. Sterling received a substantial subsidy for their battery storage project which has worked very well.

The Commission reviewed a financial analysis that was prepared comparing battery storage and natural gas peaker of which the economic results clearly pointed to investing in the natural gas peaker.

M. Hale stated that, at this time, he recommends proceeding with a 2.5MW gas peaker and delay the second 2.5MW investment for a few years. He added that the proposed natural gas peaker unit is expected to run an average of twenty hours per month.

Following further discussion,

A motion:

Accept the recommendations of the General Manager to provide for a gas peaking plant on terms set forth.

Motion made by M. Refolo and seconded by A. Trippi.

Following a brief discussion, the motion was approved unanimously.

R. Holland requested that it be noted in the minutes that SELCO will continue to also actively pursue battery storage options.

The Commission thanked Mr. Moss for his presentation.

8. Meeting Adjourned – 8:46 PM

A motion:

Adjourn the meeting.

Motion made by M. Refolo and seconded by A. Trippi.

Without any further discussion, the motion was approved unanimously.

The next SELCO Commission meeting is scheduled for Monday, November 27, 2017 at 7:00PM.

Respectfully submitted,



Anthony Trippi, Clerk
SELCO Commission

Referenced Documents and Authors

Commission Meeting Minutes –September 14, 2017 – M. Refolo, Acting Clerk
Electric August 2017 Cash Statements – M. Quitadamo
Cable August 2017 Cash Statements – M. Quitadamo
October Power Cost Adjustment (GTA) – M. Quitadamo
Gas Peaker Unit – M. Hale
Operating Brief – M. Hale, R. Iaccarino, N. Ludovico, M. Quitadamo, J. Pratt, G. Onorato,
J. Malaver, J. Covey