

**Mansfield Municipal Electric Department
Minutes of Light Commissioners Meeting
June 5, 2017**

Present: Chairman Jess Aptowitz, Vice Chairman Frank Delvecchio, Clerk Steve Schoonveld, Commissioner Michael Trowbridge, Director Joseph Sollecito and Financial Assistant Jacqueline Lee

The meeting was held at the Mansfield Town Hall Room 3AB and called to order at 7:00 PM followed by the Pledge of Allegiance. Chairman Aptowitz stated that this meeting is being televised and taped for future broadcast and asked if anyone in the audience was intending to record the meeting to please state their intentions. No one did so.

Chairman Aptowitz stated that Commissioner Trowbridge is the representative to the MFN and is at a MFN meeting in Norton and would be arriving late to this meeting. Commissioner Dentino had some personal business to take care of and would be unable to attend tonight's meeting.

A complete copy of the Board packet containing all documents that are referenced in the minutes is on file at the Mansfield Municipal Electric Department office.

Citizens Comments: none

Motion: To approve the minutes of the April 19, 2017 Light Commissioners meeting (Schoonveld/Delvecchio) Passes 3/0

Financial Statements for April 2017-Director Sollecito reported that the net operating income year-to-date through April is \$894,785 while the non-operating income is \$92,593. In total, net income through the month of April is \$987,378. The amount owed to customers in the form of a Generation Charge payable is \$143,971. MMED's operating cash position through April 2017 is \$12,862,725. Director Sollecito also reported that the energy sales for the month of April 2017 were up 1.2% from April 2016. He then clarified that the evaluation of the Depreciation Fund balance that is mentioned on the hand-out has already been completed and that the rate will remain at 5%.

Review and Request for Approval of Revised Electric Rates-Director Sollecito told the Board that with the newly revised electric rates, some commercial customers will see an increase in their bills while some will see a decrease. He said that MMED has reached out to those companies that will see the highest increases. MMED is also proposing a change to the streetlight rates. Director Sollecito explained to the Board that Staff Accountant Ken Thomson does a calculation for this streetlight rate every year.

Motion: To approve the revised Electric Rates: Commercial-MDPU 140 and Street Light Formula Rate-MDPU146 (Delvecchio/Schoonveld) Passes 3/0

Review and Request Approval of Job Descriptions-Director Sollecito stated that his predecessor had drafted job descriptions for all of the MMED positions. Director Sollecito

said that he gave these job descriptions to those in charge of the unions for their review and some small changes were made.

Chairman Aptowitz asked if duties had been added or changed to job descriptions that could be used by employees for bargaining purposes during negotiations. Director Sollecito answered no, that is why he ran them by the union leadership.

**Motion: To approve the MMED job descriptions as presented pending the Human Resources block to be filled in at a later date
(Schoonveld/Delvecchio) Passes 3/0**

Key Accounts Breakfast Meeting-Director Sollecito said that MMED wanted to reach out to the top 50 Commercial Industrial accounts for the Key Accounts Breakfast to assist them in controlling energy costs. MMED proactively called the people within these organizations and asked who would be interested in attending the breakfast meeting on Thursday, June 8. Thirty five invitations went out and ten companies will have representatives attending.

Matt Ide from MMWEC will present the power supply requirements of MMED. He will be the first presenter at the breakfast and will talk about how MMWEC manages the portfolio; MMED's fiscal position and thirdly, the rates.

Director Sollecito pointed out that even if a customer is going to see a reduction in their bill there are still opportunities for them to save more but it is up to the customer. He said they will be given the opportunity to talk and ask questions at the breakfast.

Chairman Aptowitz stated that this breakfast is being posted as a meeting because there may be more than three Board members there.

Net Metering-Mayhew Seavey from PLM was in attendance to help review the Net Metering Rate Recommendations. Director Sollecito began by explaining to the Board that they are proposing a net metering surcharge. Current solar customers will be grandfathered while new customers will have to take this surcharge into consideration. This is to make things more equitable so that ratepayers are not subsidizing the solar customers.

Chairman Aptowitz wanted it clarified that anyone can put in a solar panel but it's when they want MMED to purchase back energy that it becomes an issue. Director Sollecito said that was correct.

At 7:35 Commissioner Trowbridge joined the meeting.

Mr. Seavey reviewed with the Board the example in the hand-out showing a customer's bill with solar and without solar. Chairman Aptowitz said he has concerns about not earning enough revenue to offset fixed costs. Mr. Seavey explained that the money MMED would lose with the solar customer would be recovered through the fixed charge they were proposing and the customer would still be saving a significant amount of money.

Mr. Seavey reported that research shows significant increases in usage by customers after they install solar generation. The median customer increased over 20%. He said that there is

a loss of income to the utility of \$25 a month for one typical residential installation. This could be recovered with a fixed charge of \$3.15/kW which would reduce the customer's gross savings by 25%. Mr. Seavey said he is not recommending the \$3.15/kW surcharge but instead is recommending \$2.00/kW at this time.

Chairman Aptowitz said first they had to decide if they're going to lift the existing cap because if it is a no vote on lifting the cap then the surcharge is a moot point. If they vote in favor of lifting the cap then they would need to decide the amount of the surcharge.

Clerk Schoonveld wanted to make sure the existing solar customers stand as is and questioned the possibility of revisiting the amount of the surcharge. Mr. Seavey said that is not something you would want to do every year. Clerk Schoonveld wondered if the surcharge could end up being understated forever. Mr. Seavey said the intent of the surcharge is to recover your revenue.

Commissioner M
~~Chairman~~ Delvecchio had concerns that they had no sense of how many customers they may be looking at or how much energy they would be purchasing and wondered the effect the surcharge may have.

Commissioner Trowbridge felt they should not be obstructing residents from using solar but wondered if Director Sollecito could come back and re-set the rates if necessary. Director Sollecito said administratively, yes, but they probably would not want to do that.

Clerk Schoonveld questioned charging the customer for infrastructure even if they don't sell MMED any power. Mr. Seavey said they are still using the infrastructure even if they don't sell back any power.

Chairman Aptowitz questioned what would happen to the cap if the Board voted on a surcharge tonight. Mr. Seavey answered that the cap would go away. Director Sollecito stated that while the financial surcharge would allow new solar there would still be a technical limitation of solar cap based upon the report by David Columbo, P.E.

Mr. Seavey then reviewed the additional net metering tariff changes that are being proposed. Class III which has customers with between 1 and 2 MW of capacity would be eliminated. Class I is a residential or commercial customer with less than 20kW and they would be assessed a surcharge of \$2.00 per kW of installed solar capacity of the array. Class II are customers with greater than 20kW but less than 1 MW and they would pay \$1.15 per kW of billed demand.

**Motion: To officially retire the Net Metering Rate MDPU 134 and to adopt the new Net Metering Rate MDPU 147 effective July 1, 2017
(Schoonveld/Trowbridge) Passes 4/0**

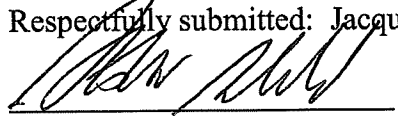
Motion: I move that the Board of Light Commissioners enter into executive session for the purposes of discussing the purchase, exchange, lease or value of real property and interests in real property where an open meeting may have a detrimental effect on the Town's negotiating position, and the Chair has so declared, pursuant to section 21 (a)(6) of chapter 30A of the General Laws.

(Schoonveld/Delvecchio)

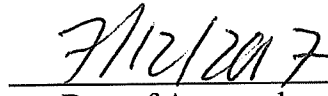
Roll Call Vote: Trowbridge-yes; Delvecchio-yes; Schoonveld- yes; Aptowitz-yes

At 8:20pm Chairman Aptowitz declared the Open Session closed; they are in Executive Session and will not be returning to Open Session.

Respectfully submitted: Jacqueline Lee



Signature of Clerk



Date of Approval