

**Mansfield Municipal Electric Department
Minutes of Light Commissioners Meeting
April 2, 2018**

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

The meeting was held at the Mansfield Town Hall Room 3AB and called to order at 6:05 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.

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 from the January 29, 2018 Light Commissioners meeting (Schoonveld/Delvecchio) Passes 4/0

Motion: To approve the minutes from the March 14, 2018 Light Commissioners meeting (Schoonveld/Delvecchio) Passes 4/0

Financial Statements January 2018- Director Sollecito said in answer to Clerk Schoonveld's previous question about revenue credits, as of the end of February, MMED has returned \$1.65 million back to the ratepayers as planned. He said that people do ask why MMED just doesn't lower the rates but MMED is required to collect the full cost of the energy and the money goes back to the ratepayer anyway. Clerk Schoonveld would like to see this as a monthly line item. Director Sollecito said he will look into it.

Director Sollecito told the Board that the net operating income year-to-date through January is \$847,640 while in FY17 it was \$898,308. MMED's operating cash position through January 2018 is \$15,064,492. The energy sales for the month of January 2018 were down 3.1% from January 2017. Director Sollecito noted that MMED has restructured the rates since then.

Vice Chairman Delvecchio questioned the decline in revenue. Director Sollecito said that he did not think it was seasonal. One factor is that delivering the energy is costing more while another factor is the economy. He does believe that MMED is in line with everyone else.

Clerk Schoonveld wondered why the overall commercial numbers are down. Director Sollecito attributed it to the fact that MMED made a change in the rates and therefore certain customers were moved from one category to another.

2017 DPU Report- Director Sollecito told the Board that MMED is required to file an annual DPU report which MMED Staff Accountant Ken Thomson completes every year.

**Motion: To approve the MMED 2017 DPU report
(Schoonveld/Delvecchio) Passes 4/0**

Interruptible Rate- Director Sollecito explained that ISO New England and other providers charge MMED a premium at the peak hour which is where the biggest dollars are. MMED can provide industrial customers an incentive to go on the interruptible rate that he is proposing. Director Sollecito said this was very successful where he worked before and that he was instrumental in implementing it there. He said that he has been working with Mayhew Seavey of PLM on this interruptible rate.

Customers will have an opportunity to save a lot of money but it is a speculative process. The customer needs to reduce power at the peak hour each month. However, that is not exactly determined until 10 days after the month is over. Therefore, customers must understand there are some factors out of control to guarantee the predicted load is accurate. Director Sollecito then reviewed some charts and graphs showing examples of the peak and potential savings to the customer.

Chairman Aptowitz thinks it's great that a business can save money but would like to know the affect it would have on MMED. Director Sollecito responded that MMED will save money too but it will be based upon how the customers respond to the notice.

Clerk Schoonveld commented that MMED seems to do a good job with the distributive generator and wondered how much it matters what a business does with their load reduction. Director Sollecito answered that it is not a matter of one or the other but can be both methods.

Clerk Schoonveld wondered whether a company would have to change their hours of operation. Director Sollecito said that it could but it will depend upon the conversation he has been having with customers.

Vice Chairman Delvecchio questioned the new \$13 rate vs. the \$12.47 rate. Director Sollecito said that a customer cannot be on the interruptible rate and do nothing. The \$13, instead of \$12.47, is in case the customer does do nothing then MMED is still made whole.

**Motion: To approve the Interruptible Rate (DPU 142i)
(Delvecchio/Rhein) Passes 4/0**

ISO-NE Demand Response resources- Director Sollecito explained about the ISO New England process and how certain private agencies can register with the ISO to reduce individual customer loads so as to avoid peak power when ISO hits their peak. The problem was believed to be that if a load was registered with the ISO by these private agencies, then the ISO could reconstitute MMED's load back in. To prevent this, the municipal utility would need to file with ISO authorizing a private entity to be restricted in their service territory. Director Sollecito said that while no filing ever took place, it was found that MMED is not restricted. He said that he was planning on recommending that the Board vote to restrict MMED but upon an investigation done by MMWEC he has decided not to do that at this time. The investigation revealed there were five entities in Mansfield that are retired and no longer active. Director Sollecito said those five customers would get approximately a

thirty minute notice regarding the peak and changing work hours so it's no surprise that they are no longer in business. He said that he can restrict at any time he wants but is not recommending it as of now.

MMWEC Rate Comparisons- Director Sollecito said that he would like to bring to the Board's attention some MMWEC rate comparisons. There was then a discussion about how low MMED's rates are compared to surrounding communities. Chairman Aptowitz noted that MMED has some of the lowest rates in the state and thought these comparisons should be shared publicly.

DPW Complex Lighting Project- Director Sollecito brought a request to the Board from Mike Ahern of the DPW for MMED to supply the poles and foundations for the entrance to the new complex on East Street. Director Sollecito noted that there is a lot of flexibility in how MMED's money is spent. As manager, he can spend unappropriated earned surplus as he wants but said he would prefer if the Board makes this decision. He also told the Board that he is aware of another request that will be coming from the Town regarding lighting in the public parking lot on North Main Street.

Chairman Aptowitz pointed out that the requests will just keep coming and they have to say no at some point. Clerk Schoonveld stated that municipal projects can become dicey. Vice Chairman Delvecchio said that he also has an issue with it. He said you want it to look nice but doesn't understand why MMED should provide the poles for the DPW complex. Commissioner Rhein said he is all for more aesthetically pleasing and wondered if they could see a difference in what these lights would look like.

Chairman Aptowitz said that as a Selectman he has brought up in the past that any work done by electric or water should be reimbursed. Clerk Schoonveld wondered why MMED should gift this. It was decided to request further information from the DPW and not make a motion and vote at this time.

DOER Solar Draft Proposal- Director Sollecito reviewed with the Board the DOER Solar Draft Proposal and is encouraged that Municipal light departments will have the full authority for solar programs and incentives. In the past there was a moratorium on any new solar developments but with the new rate structure, costs are allocated to protect ratepayers. While there is still a restriction as to how much renewables you could put on the power circuits, MMED can handle approximately 3 megawatts of renewables on its circuits.

Chairman Aptowitz reiterated his previous concerns about MMED covering its fixed costs. He pointed out that if everyone has solar then MMED would have difficulty doing that.

APPA 2017 Annual Benchmarking Report – Director Sollecito stated that MMED is at the top of the list for reliability and reviewed the APPA report with the Board. He said that MMED's SAIDI which is the average interruption duration in service during a specific time period is 20 while other are at 161. MMED's SAIFI which is the average number of times a utility will experience an interruption during a specific time period is .2248 while others are at .8515. CAIDI is the average duration of an interruption during a specific time. For MMED that number is 91.3939 and the average is 321.6103 minutes. Director Sollecito said this

speaks to the dedication of MMED employees and to the credit of the Board for supporting the infrastructure improvements.

Review of Workplace Safety Solutions Inc. – Director Sollecito said that workplace safety has been on his radar and he has been wondering about how best to manage this. He noted that overall MMED employees take safety seriously. Director Sollecito stated that he is not trained as a Lineman, so he had an evaluation done by Workplace Safety Solutions, Inc. and MMED got an excellent report. He thinks more of these evaluations should be done in the future.

Comments from Commissioners – Commissioner Rhein requested that the topic of solar at the landfill be put on the next agenda.

Vice Chairman Delvecchio commented there was a lot of good news to hear and thanked Director Sollecito.

Clerk Schoonveld asked if Director Sollecito could provide before and after pictures of LED lighting. He said he has had residents reach out to him complaining that it is like daylight in their front yard at night with the LED lights.

Chairman Aptowitz stated he was 90+% pleased with the service provided during the Noreasters and said kudos to everyone. He asked that a letter of thanks be sent to those who came from Vermont to help out during that time.

Chairman Aptowitz would also like MMED to contact the Branch Street solar farm as the neighbors are complaining about how it looks and the landscaping needs to be addressed.

Chairman Aptowitz stated that the next Light Commissioners meeting will be held on Monday, April 30.

Director Sollecito reminded the Board that MMWEC will want an answer regarding the Berkshire Wind II project by the end of April.

Director Sollecito said that last year MMED had a key accounts breakfast where 60 companies were invited; 20 sent a rsvp of yes and 10 of them actually came. He said this is a good opportunity and suggested they have one again. Chairman Aptowitz thought it was a good idea. Commissioner Rhein suggested including Kevin Dumas. Vice Chairman Delvecchio also thought including Kevin Dumas was a good idea and thought the last breakfast went very well.

Director Sollecito gave an update on the new energy fund which will be replacing the Salvation Army fund and will benefit more Mansfield residents. He said he is working on a press release and that donation envelopes will go out twice during the year in the customer's bills.

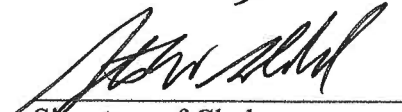
Motion: To enter into Executive Session at 7:40 for the following reasons and to not return to open session:

- A) To approve Executive Session minutes of January 29, 2018 at which the Chairman invoked Exemption 2, to conduct strategy sessions in preparation for negotiations with nonunion personnel or to conduct collective bargaining sessions or contract negotiations with nonunion personnel related to MMED Director.
- B) Pursuant to M.G.L. Ch. 164, Section 47D and M.G.L. Ch. 30A, Section 21, Exemption 10, to discuss trade secrets or confidential, competitively sensitive or other proprietary information related to contract negotiations with Lightower, the disclosure of which will adversely affect the Commission's ability to conduct business in relation to other entities and the Chair so declared.

Roll Call Vote: Rhein-aye; Delvecchio-aye; Schoonveld-aye and Aptowitz-aye

Respectfully submitted: Jacqueline Lee

Motion (Schoonveld) M.



Signature of Clerk

4/30/2018

Date of Approval