

Electric Sub-Committee

**03/30/2016
7:00 PM to 9:05 PM
Ipswich Utilities Office
Meeting Room
272 High Street
Ipswich, MA**

Type of meeting: Monthly Meeting, Open Session

Attendees: Ed Rauscher, Jim Engel, Charles Surpitski, Michael Schaaf, Whitney Hatch, Karen Repucci (Business Mgr) and Don Newell (ELD Dir.). Cindy Quinn (Minutes Secretary), Mike Johnson (ICARE representative), Carolyn Britt and Steve Manley were present. The Town Manager arrived later in the meeting.

Agenda

Citizen queries	Chair	5
Acceptance of Minutes	Chair	5
Conservation Program Goals Discussion	Chair/ICARE Representative/Group	30
Conservation Consultant RFP Discussion	Donald Newell	10
FY2017 Budget Review and Vote	Don Newell/Karen Repucci	15
2015 DPU Report Review and Vote	Karen Repucci/ Don Newell	15
PPFA Review and Discussion	Don Newell/	30
Solar Update	Don Newell	10
Other Business	Donald Newell	5

Additional Information

E. Rauscher called the meeting to order at 7:00 pm with 7 members present and several others noted above.

Handouts:

Packet for 3/30/16 and Bulleted Agenda

Budget FY2017 Book

ELD Sub-Committee 2 Mar 16 draft from E. Rauscher, 1 pg.

Wind Analysis, 1 pg.

FY2016 PPFA Surplus Discussion, 2 pgs.

PPFA FY 2016 and FY 2017, 2 pgs.

Abbreviations used: BOS = Board of Selectmen DPU = Dept. of Public Utilities ELD = Electric Light Department
 ATM = Annual Town Meeting CAP = Climate Action Plan ICARE = Ipswich Citizens Advocating Renewable Energy
 IMLD = Ipswich Municipal Light Department KWH = kilowatt hour MMWEC = MA Municipal Wholesale Electric
 Company OPEB = Other Post Employment Benefits PPFA = Purchase Power Fuel Adjustments PV = Photovoltaic
 SREC = Solar Renewable Energy Credit

Citizen queries

Chair

5

Discussion: Mike Johnson, ICARE representative, asked the subcommittee to consider holding meetings at Town Hall to engage the public in climate change. There was a conversation about videotaping, educating the public, and making important decisions about electric issues.

Jim commented on the differences between subcommittee and Room A meetings with a camera. Further discussion centered on changing the furniture setup here, meeting quarterly at Town Hall, the availability of Room A or C, and having the public hear more about the energy portfolio and other important concerns. Don reminded the group how this is just an advisory group for the BOS and for him.

Conclusions: For ELD subcommittee meetings, change the current setup and consider using Town Hall for some of those.

Action items:	Person responsible:	Deadline:
Change the setup of the furniture at ELD for meetings	D. Newell	

Acceptance of Minutes

Chair

5

Discussion: There were no minutes.

Conclusions:

Action items:	Person responsible:	Deadline:

Conservation Program Goals

Chair/ICARE Rep/Group

30

Discussion

Discussion: Five years ago, the BOS voted on the Climate Action Plan, and Mike noted that it was presented at the ATM 2011. Jim suggested using the CAP with over 200 recommendations and develop a matrix to relate the items to the Conservation Fund budget. There are a number of ways to get to the targets but also be flexible.

There are about 13 critical items, and Whitney inquired about adding some new ones from the past 5 years. Carolyn Britt, Shagbark Woods, informed the committee about Article 22 on the Town Meeting warrant, which would propose setting up a committee to review the CAP to meet measurable goals. She agreed to send the information to Jim and work with Mike. They may wish to add energy storage to the listing.

Don mentioned that the ELD budget goes to the BOS 4/19/16 and requested a vote on the budget tonight, and Ed suggested refining the plan with the help of ICARE. The BOS can modify the conservation draft plan later when the goals are defined, and activities are added to the list. Using the ELD Sub-Committee handout, Ed presented a draft with a mission statement, goals, and other items.

Steve Manley of Main St. believes there has been a lot of talk in the past 10 years, and the need to implement is still there. Because no one is in charge of CAP, Jim spoke about sustaining this process by going to the BOS and Town Manager's level. The responsibility for following through with this and hiring as needed falls to the Town Manager, according to Ed.

Conclusions: The committee should send changes and comments on the draft to D. Newell and focus on goals and educating the public once there is authorization to implement the CAP.

Action items:	Person responsible:	Deadline:

Conservation Consultant RFP Update Don Newell

10

Discussion: After talking with MMWEC about conservation, Don reported that they charge for time and materials. The committee is recommending that we consider utilizing MMWEC and a consultant.

When the dialogue turned to energy credits, the committee wanted to know how we are spending the conservation money and how it compares within the state. Other items are the marketing and rebates as well as the effectiveness of the rebates. The Town Manager, Robin Crosbie, joined the meeting at 7:54 pm. Some concerns are that we have budgeted too much in the Conservation Fund and solar panels at the High School may not be the best way to spend money. Don proceeded to say how ground mounted solar is more efficient than rooftop ones, and ratepayers do not benefit from PV systems on personal residences.

The discussion returned to the consultant, and Michael spoke about articulating the steps and implementation. Once the new program is in place and we have chosen providers, the consultant would evaluate. Some of the other things to consider include establishing standards, financing, and increasing rates.

In April, Don announced that demand notices will be sent out.

Conclusions: Develop a CAP/ELD matrix, review this, create an activity list, hire a consultant, and determine how to implement the plan.

Action items:	Person responsible:	Deadline:
Find some consultants	D. Newell	

Discussion: Using the PPFA FY 2016 and FY 2017 charts, Don went over the February PPFA surplus of \$622, 835, which is a result of high sales and low energy rates. As of end of FY 2016, the surplus was \$495K, and Karen tried to level it. The subcommittee is interested in utilizing the funds and considered the wind turbine account, OPEB, and the rate stabilization fund, which is also considered cash on hand. Another option is to accelerate payments on the catalyst.

Don reviewed the three options on the FY2016 PPFA Surplus Discussion handout, which included OPEB, rate stabilization, moving some to FY2017, and Wind I extraordinary expense account. The committee discussed the various choices, and the staff recommended option 1 with some money going to OPEB in FY16 and FY17, some to rate stabilization accelerating the catalyst repayment loan, and some to FY2017 PPFA. This choice would favor OPEB and improve the cash position of ELD. The Wind I gearbox is not in these options...

Conclusions: Jim moved that Don go with option 1, and Charlie seconded the motion. The vote was unanimous.

Action items:	Person responsible:	Deadline:

FY2017 Budget Review and Vote	Don Newell/Karen Repucci	15
<p>Discussion: Don mentioned that the only changes to the budget were on the new sheet where PPFA changed. When asked if most utilities offer discounts, Don answered yes, if they are municipals. There were some suggestions for wording changes. Income seems sparse as the group studied the Profit and Loss statement. One area to improve is the base rate, which probably means an increase.</p> <p>On a different note, Don has an interview with a candidate next week and hopes to have an Ops Manager by July.</p>		

<p>Conclusions: Jim moved to support the budget to support Option 1 as presented with modifications, and Whitney seconded. Michael pointed out that, after the Rate Study, there may be identified problems or examples of poor use of funds to be discussed. The vote was unanimous.</p> <p>At 8:59 pm, Ed left the meeting, and Jim took over as Chair.</p>		
Action items:	Person responsible:	Deadline:
Present the budget to BOS	D. Newell	

2015 DPU Report Review and Vote	Karen Repucci/Don Newell	15
<p>Discussion: Karen talked about the comprehensive DPU report and thanked those who assisted her. Wind I is not included as it was not purchased through MMWEC. There was a conversation about transformers, and the possible need for an extra, but there are some in the yard.</p>		
<p>Conclusions: Michael moved that the Light Commissioners (BOS) sign the report. Charlie seconded the motion, and the vote was 4-0.</p>		
Action items:	Person responsible:	Deadline:
Have the BOS review and sign.	D. Newell	
Inform MMWEC know and start the Cost of Service Study	K. Repucci	

Solar Update**Don Newell****10**

Discussion: The preliminary report from Tighe and Bond is in, and the DEP had closed the Transfer Station area in 1985. None of the documentation suggests changing the cap, and the Town Manager and the DPW Dept. Head do not support building at the landfill. There is some risk at that site. Once the site is reopened, it would have to be brought up to today's standards at great cost.

There was some dialogue about some of the missing documentation and consulting G. Howe and J. Chase. Within the CAP, there is a suggestion to provide land for solar, but the conservation group would like the land for open space. Another option might be the land at Pony Express, but that property may have limitations on it.

The State has finished their SREC2 program, but it could begin SREC3, which will have less funding. At the High School, Don is working with the school system, and the proposed grant would not fund a solar project but could pay for the roof.

Don updated the subcommittee on the Town Farm Rd. property, which may not work for the Town. Robin suggested meeting with the Open Space committee next. Some other options for solar could be the schools, the police station, or other land up to \$1 million.

Conclusions:

Action items:

Person responsible:

Deadline:

Other Business

Donald Newell

5

Discussion: Usually the next meeting would be May 4th, but both Don and Karen would be at another meeting, so the group will meet May 11th. Mike Johnson should be on the distribution list.

Conclusions:

Action items:

Person responsible:

Deadline:

Add M. Johnson to the email distribution

D. Newell

Additional Information

It was moved and seconded to adjourn the meeting at 9:27 pm. Unanimous.