

ELECTRIC LIGHT DEPARTMENT (ELD) SUBCOMMITTEE  
Wednesday February 9, 2022

Meeting was held virtually due to public health concerns related to COVID-19

Subcommittee Members Present: James Engel, William Craft, Whitney Hatch, Michael Schaaf, Tammy Jones, Sarah Player

Staff Present: Jonathan Blair (Electrical Manager), Ray Leczynski (Business Manager), Dylan Lewellyn (Business Manager), Ashley Wilson (Customer Services Specialist)

Citizens Present: Mike Johnson

With a quorum in virtual attendance, the meeting was called to order at 7:00 p.m.

**I. Citizen Queries**

No queries were presented, no citizens were in attendance

**II. Minutes:**

November 10, 2022- Passes unanimously

December 15, 2022- Passes unanimously

**III. Green Development Wind Turbine Proposal:**

Jon Blair starts by saying the proposal is fair, if the town feels that it is important to be a two-turbine town. It is not important to our town identity, values, or future to have two working turbines. There are better ways to dismantle the defunct Wind 2 and increase the percentage of carbon free power in our portfolio. Based on the last meeting, Mr. Blair's read off the room, there isn't sufficient enthusiasm from this committee to move the project forward or recommend to the Select Board to move it forward. Mr. Blair believes Ipswich does not need to be a two-turbine town to be a leader in the environmental space or that we are taking our power sourcing seriously. If Mr. Blair is wrong, this is the time and place to discuss this, but if he is not the Subcommittee could put it to a vote and pass it on to the Select Board so they can decide which option is best.

Jim Engel brings up that Mr. Blair was tasked to speak with Green Development and ask them to separate the task of removing Wind 2, and to give us a proposal without it. The response Mr. Blair received was basically Green Development is not interested in going forward with installation of the turbine, if it doesn't include the removal of the current turbine. Though thankful for the quick and clear response from Green Development, Mr. Engel feels it didn't show much of a cooperative spirit on their part and raised concern that this may not be a company we want to do business with.

Dr. Jones adds that this is an expensive rate that makes sense in the beginning, because no money would need to be put up front, but it gets expensive from year five onward. Dr. Jones asks Mr. Blair if Green Development expressed any interest in putting one up if they didn't take ours down? Mr. Blair says that they may look at it but as Mr. Engel mentioned they were not very cooperative. Their interest in the site was because we have an inoperable turbine, and they could leverage existing features of the site like FAA license, electrical infrastructure, and a lack of neighbors to push back on the proposal.

Dr. Jones asks if we would want to see if another company is interested in putting a turbine there and having us debundling it between different contractors. Mr. Blair brings up that there has been healthy inquiry about that, and the first preference was to take Wind 2 down and build a second General Electric (GE) turbine, which we would own and operate. To have one under one contract and the second under another, does not provide an economy of scale. Mr. Blair reached out to GE trying to get something that would fit on the Wind 2 site, and they are not doing it. The unit we have is the last of its kind and everything is being built for ocean or open field turbines.

Jim Engel adds as a subcommittee they should look at this from two different angles, one is to just take down Wind 2, second what to do with the site after. Mr. Engel believes that separating the two is the best option. Michael Schaaf echoes Mr. Blair's thoughts of Ipswich not needing to be a two-turbine town, he believes what is more important is the greening of the portfolio. It is a fair proposal, considering the negative position we are in now, but regardless we must address the removal of the turbine.

Jim Engel makes a motion that the Subcommittee recommend to the Select Board as Commissioners that they reject the Green Development proposal, and that the Town and ELD develop a plan to remove Wind 2. Whitney Hatch seconds the motion William Craft wants the plan to have active elements from both the Town and the ELD. Jon Blair adds that he has spoken with the Town Manager, and that there are ambitions of trying to market the tower as a possible revenue opportunity to cellular carriers.

Tammy Jones suggests that the motion be adjusted to say they reject the Green Development proposal and come up with a plan to remove or repurpose the tower. This modification was seconded by Michael Schaaf, who adds that he would like to see a time frame for this- 90 days. Jon Blair believes a settlement agreement could be reached within 60-90 days, after which ownership and control of the turbine would transfer from the tenant to the Town as the landlord on the property lease.

*Motion by Jim Engel, seconded by Michael Schaaf: Reject the Green Development proposal and for the Town and ELD to come up with a plan to remove or repurpose the tower.*

*Motion Passes unanimously*

#### IV. FY23 Budget and Rate Discussion

The ELD's budget is built differently than any other budget in town; it is funded entirely from electric rates, uses accrual based accounting, and is organized through the Federal Energy Regulatory Commission (FERC) system of accounts. The budget will be impacted by current supply change struggles which cause delays in capital projects and purchases, like vehicles and transformers. Staffing is another important element of the budget. Key highlights include:

- Hire a new Assistant General Manager position ahead of anticipated retirements, and a back up to the General Manager.
- Hire a "Utilities Systems Specialist" to manage internal platforms and processes.
- Building a system which allows for cross training and build within the department, a hierarchy and progression path for clerical roles and responsibilities
- Replacement of the metering platform (AMI) for electric and water. Original intent was to be spread out over 3 years at a cost of 1.2 M but due to supply chain delays it's looking more like the second quarter of FY23, trying to turn it into a single year project, funded by the depreciation fund.

Tammy Jones adds she would like to see a supervisor tree, to see what the structure is now and what is looking to be changed including having a new full-time employee, the overlap with the water department, and if there is any overlap with town hall and HR.

Jon Blair moves on to rates and where they would like to be in 2030 with the rates, including indifference to customer usages, resiliency, and stability. These are all proposed changes and are still up for debate. Raise the fixed, monthly "customer" charge:

- o Residential: Proposed increase from \$4/month to \$19.85/month
- o Commercial: Estimated increase from \$4/month to \$28/month
- o Industrial: Estimated increase from \$44.48/month to \$/112month

The ELD also proposes to eliminate the prompt payment discount, saving the Department over \$300,000 annually while simplifying our rate schedule and customer service logistics. Most of the Subcommittee believes the bill should be clear and transparent, which will start to supply education, and can change behaviors based on education.

## **V. Managers update**

- Customer survey closed out last week with these noted, preliminary insights:
  - 87% approval rating from customers
  - 75% of customers look for information about utilities from their bills
  - 30% of report they are willing to pay \$30/month for renewable energy
- EV DC Fast Charger
  - Awarded \$200k from MassDEP to install four fast EV chargers
- MMWEC is moving forward discussions regarding bulk procurement for a variety of battery projects – both at the utility and customer level

## **VI. Long Range Agenda**

Layout of monthly meetings broken down by dates and agenda was presented

## **VII. New/old/other Business**

No new business was presented.

There being no regular meeting further business, and after a motion for adjournment was made by William Craft and seconded by Whitney Hatch, it was

Voted: To adjourn the meeting at 10:21pm. The motion passed unanimously.