

**MINUTES OF THE  
MUNICIPAL LIGHT BOARD  
JUNE 24, 2019**

**PURSUANT TO** notice given the Wellesley Municipal Light Board (“Board”) met in the Municipal Light Plant (“MLP”) Gordon F. Kingsley Board Room, 4 Municipal Way, at 5:30 PM.

**PRESENT**

Those present included Chair Edward J. Stewart, III and Commissioners Paul L. Criswell, David A. T. Donohue, Ellen L. Korpi and Jeffrey P. Wechsler. Also in attendance were MLP Director Richard F. Joyce, staff members David M. Allen, Kevin P. Bracken, Ann G. Collins, Terrance J. Connolly, Debra J. Healy, Cynthia R. Lowe, William H. Marsh, Stephen G. Neshe, Donald H. Newell and Daniel J. Trant. In addition, Advisory Representative William Maynard and Wellesley residents Mary Gard and Ryan Pettigrew attended.

**APPROVAL OF MINUTES**

Upon a motion made by Mr. Donohue and seconded by Ms. Korpi, it was unanimously

**VOTED:** To approve the May 22, 2019 Public Session Minutes as written.

Upon a motion made by Mr. Donohue and seconded by Mr. Stewart, it was unanimously

**VOTED:** To approve the May 28, 2019 Public Session Minutes as written.

Upon a motion made by Mr. Donohue and seconded by Mr. Stewart, it was unanimously

**VOTED:** To approve the May 28, 2019 Executive Session Minutes as written.

**CITIZEN SPEAK**

The Chair provided everyone in attendance with an opportunity to speak on matters regarding the MLP. Ryan Pettigrew discussed his frustrations with the internet service in Town and asked when the MLP would be making service available to residents. The Board expressed the need to continue with the risk adverse strategy of providing internet service to commercial customers. Once the MLP has more experience and identifies staffing requirements, service will be expanded to residents. Mary Gard thanked the Board for purchasing renewable energy and retiring the renewable energy certificates. She reviewed the negative environmental and health effects of the proposed Palmer Bio-Mass Plant and asked the Board not to purchase power from this facility.

**DIRECTOR'S ITEMS**

**Commercial Internet Service.** Assistant Director Donald H. Newell reviewed the progress made since January 2019 when the MLP began offering internet service to businesses. The MLP initially targeted 391 commercial customers where fiber connectivity would be less expensive. In March the MLP expanded its marketing outreach by sending 631 brochures to potential customers. The next marketing effort will include a full page ad in *The Wellesley Townsman* identifying and “thanking” the first 50 businesses for supporting the MLP’s internet service. Mr. Newell reviewed the outside vendors the MLP is using and recognized the excellent troubleshooting and after hour services provided by Netegrity.

In July 2019 the MLP will be billing service to 54 internet customers. If the MLP continues to add 5 new customers per month, Mr. Newell expects the MLP's internet will become profitable in May 2020. Mr. Stewart asked the staff to provide a five year projected cash flow and combine this program with the income and cash flow from dark fiber leases. Mr. Stewart also explained that Wellesley businesses not taking service from the MLP were receiving financial benefits as current providers are matching the MLP's prices. Mr. Criswell asked about the quality of service and if there were any complaints. Mr. Newell and Mr. Bracken received two complaints and both turned out to be due to the customer's equipment. Overall the feedback has been very positive and no customers have terminated. Mr. Donohue recommended a marketing campaign that included testimonials from satisfied customers.

**Financial Statements.** The Director referred to Page 2, year-to-date Net Income Statement and noted revenue exceeded energy purchases by \$630,000. This difference is a good indication that Wellesley's rate structure is providing the intended results. On Page 3, Balance Sheet, the \$5,400,000 "Available Cash" at the end of May has the MLP on schedule to be a little below its Fiscal Year 2019 ("FY19") target of \$5,000,000. In June cash will be drawn down by \$250,000 to fund the final quarterly payment of \$250,000 to the Town in addition to funding health insurance. On Page 12, kilowatt-hour ("kWh") sales in FY19 increased by 6.4% compared to Fiscal Year 2018. The increase was primarily as a result of Wellesley College taking "all requirements" service from July through October. Excluding the College, kWh sales increased by 1.8%.

**Distributed Antenna System ("DAS").** The staff has notified American Tower Corporation ("ATC") that the MLP is pursuing individual relationships with cellular carriers to expand wireless coverage throughout Town. The existing neutral-host DAS network has not been expanded in four years. Based on prior meetings with Town Counsel, the staff has initiated a formal Request For Proposal in accordance with the following schedule:

- Ad placement in the *Central Register* and *The Wellesley Townsman*;
- June 24<sup>th</sup>, issuance of Request For Proposal;
- July 19<sup>th</sup>, deadline for submission of proposals;
- July 29<sup>th</sup>, week of meetings (if necessary) to receive proposal clarification; and
- August 9<sup>th</sup>, initiate wireless contract discussions with selected carrier(s).

**Voluntary Renewable Energy Program ("VREP").** The Director reviewed the "new" VREP. In January 2019 when the Board voted to retire all renewable energy certificates ("REC") within the power supply portfolio there were no RECs available to retire under the "old" program. The VREP that goes into effect on July 1, 2019 purchases and retires RECs purchased at market prices. All RECs in the new VREP will comply with the Massachusetts Class I criteria and Global Warming Solutions Act requirements. To date only a few participants have withdrawn with many more increasing enrollment to 100% renewable. All current 10% and 25% participants will be re-enrolled at 50% while those at 50% and 100% will be re-enrolled at 100%. Given the reduction in renewable prices, from \$0.04/kWh to \$0.017/kWh all participants except those at 10% will realize a cost savings. Office Manager Terrance J. Connolly will provide an update at the July Board meeting.

**Mass Development-Devens ("Devens").** Mr. Newell reviewed the proposal submitted to provide engineering, operations, administrative and customer service to Devens. The MLP identified some "exceptions" primarily based on insurance requirements. On June 18, 2019 Ms. Healy, Mr. Newell, Mr. Bracken and Mr. Joyce met with Devens' representatives to review contract terms and conditions. Given the Devens-MLP partnership since April 1, 2004 there were very few issues requiring clarification.

Since the current Operations & Maintenance (“O&M”) Agreement expired on June 30, 2019 both parties agreed to pursue “conditional approval” from their respective Boards and/or authorized representative. The possibility and support for a short duration side agreement was also discussed. Mr. Newell recommended Board approval for the continuation of O&M services. After providing these services for fifteen years and with financial terms very similar to past years Mr. Newell was confident the MLP could fulfill the Devens responsibilities. Mr. Stewart asked Mr. Bracken if line operations personnel were in support. Mr. Bracken responded the vast majority were. Upon a motion made by Mr. Stewart and seconded by Mr. Wechsler, it was unanimously

**VOTED:** To authorize Donald H. Newell to finalize the Massachusetts Development Financing Agency Agreement For Electric Operations And Maintenance Services conditional upon retaining the financial and operational terms and conditions specified within the Municipal Light Plant’s June 14, 2019 proposal and presented to the Municipal Light Board on June 24, 2019.

**Director Employment Agreement.** Mr. Joyce reviewed the EMPLOYMENT AGREEMENT and informed the Board Mr. Newell has agreed to the employment terms and conditions. Ms. Korpi asked that the “absence” section within 7(a)(i) be removed. Mr. Joyce agreed to meet with Town Counsel to make the requested change and will circulate the revised sections to the Board. Upon a motion made by Mr. Criswell and seconded by Ms. Korpi, it was unanimously

**VOTED:** To approve the Municipal Light Plant Director EMPLOYMENT AGREEMENT with Donald H. Newell conditional upon acceptable revisions pertaining to the elimination of “repeated absence” language from Section 7(a)(i).

**FY19 Write-Offs.** Customer Billing and Collections Administrator William H. Marsh identified nineteen electric accounts that were uncollectible. The total recommended FY19 write-off amount was \$16,991.42, of which \$11,391.34 was residential and \$5,600.08 commercial. Mr. Marsh reviewed the Massachusetts Department of Public Utilities procedures and the volume of final bills processed during the fiscal year. Mr. Stewart asked how the FY19 write-offs compared to Fiscal Years 2008 and 2009. Mr. Joyce estimated FY19 uncollectibles were likely twice as much. Mr. Marsh referred to the large amount of write-offs attributable to bankruptcy filings. After further discussion and upon a motion made by Mr. Stewart and seconded by Mr. Criswell, it was unanimously

**VOTED:** To write-off fourteen residential electric accounts totaling \$11,391.34 along with five commercial accounts in the amount of \$5,600.08 in accordance with the itemized list presented to the Municipal Light Board on June 24, 2019.

**1,000 Safety Days.** Mr. Joyce informed the Board that on August 1<sup>st</sup> the MLP will have achieved 1,000 consecutive days without a Lost Time Accident. Given the priority the MLP places on safety the Director recommended an employee luncheon in August which would include the same financial incentives and recognition as past achievements. All Board Members were in agreement and suggested the second week of August for the luncheon.

**Election of Officers.** Mr. Joyce recommended that Mr. Donohue serve as Chair for Fiscal Year 2020 filling the position left vacant from Katharine Gibson’s re-location to Needham. The MLP will be transitioning to a new Director and Mr. Donohue’s experience from serving 25 years on the Board will be a valuable resource for Mr. Newell. Mr. Joyce recommended Mr. Criswell as

Vice Chair in order to maintain the past practice of alternating Chairs from the Board of Public Works and Board of Selectmen appointees every other year. After a brief discussion and upon a motion made by Mr. Criswell and seconded by Mr. Stewart it was unanimously

**VOTED:** To elect the following Municipal Light Board Officers for Fiscal Year 2020:

Chair, David A. T. Donohue;  
Vice Chair, Paul L. Criswell; and  
Secretary, Jeffrey P. Wechsler

**ADJOURNMENT**

The Board Meeting adjourned at 7:30 PM.

Respectfully submitted,

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Jeffrey P. Wechsler, Secretary