

Marblehead Municipal Electric Light Department 80 Commercial Street

Marblehead, Massachusetts 01945

April 26, 2021

To: Lauren Morris, Hearing Officer <u>Lauren.Morris@mass.gov</u> <u>DPU.efiling@mass.gov</u>

RE: MMWEC, D.P.U. 21-29

Marblehead Municipal Light Department letter of support for Project 2015A

Dear Ms. Morris,

My name is Joseph T. Kowalik. I write to you as General Manager of the Marblehead Municipal Light Dept. (MMLD). For 127 years MMLD has provided electric power to the residential, commercial and industrial customers of Marblehead, Mass. We are a member of the Massachusetts Municipal Wholesale Electric Company (MMWEC) and a Project Participant in Project 2015A.

MMLD provides electricity to the 20,000 residents of Marblehead (10,400 meters). We are an ISO-NE participant and recognized as a load serving entity. In 2020 our peak load was 31.6 megawatts. As such, we're obligated to obtain capacity equal to our peak load plus a reserve margin.

In open session at an MMLD Board meeting on January 25, 2017, the five-member MMLD Board voted unanimously to approve participation in Project 2015A. The Board vote included language authorizing "the General Manager to execute and deliver the PSA and effectuate the transactions contemplated by this vote".

In my view today, as General Manager, Project 2015A will help:

- (1) MMLD meet our future capacity obligations as required by ISO-NE. We expect our capacity obligations will <u>grow</u> in the future as we implement new strategic electrification policies for personal transportation and building thermal management, as outlined in the newly signed Next Generation Roadmap for Climate Policy state law.
- (2) Reduce harmful greenhouse gases as we meet our required capacity obligations. Given the 37% lower Project 2015A CO₂e emission rate versus the 2016-2018 fleet of capacity resources in the market today, Project 2015A can <u>reduce</u> CO₂e emissions by more than 4500 metric tons annually. See the attached chart for details.
- (3) Provide cost-effective <u>rate stability</u> by reducing MMLD's exposure to capacity market price volatility in future years, as we bring more intermittent renewable energy online.
- (4) Ensure reliability of capacity resources and electric service to our customers, with a fast start capacity resource, further enabling us to more aggressively pursue our renewable energy policies and goals

Therefore I urge the DPU to provide the necessary authorization of MMWEC's Project 2015A financing.

Regards,

Joseph T. Kowalik General Manager

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CC: Marblehead Municipal Light Dept. Board members: Michael Hull, Chair Walter Homan Karl Johnson Lisa Wolfe Nathanael Burke Nicholas Scobbo, Esq.

Project 2015A emission reduction compared to a baseline mean output of fossil fuel capacity plants today (2016-2018)*

		144 1 14 1		
		Weighted		
		average	REDUCTION of	
		CO2e	CO2e emissions	
		emissions	with Project	
		of current	2015A	
		New	displacing the	
		England	emissions of the	
		Fossil	weighted	
Project		Generators	average	
2015A		*	generator	%
1,200	lbs. per CO2e/MWh	1,900		
60	MW plant capacity	60		
	lbs. CO2e running at full			
72,000	capacity/hr.	114,000		
2,205	lbs./metric ton	2,205		
33	metric tons/hr.	52	19	
	annual runtime forecast			
240	in hours	240		
7,837	metric tons CO2e/year	12,408	 4,571	37%

^{*} Based on chart data presented in Paul Hibbard testimony, Attachment 3

[&]quot;New England Fossil Generator Emission Rates, by Cumulative Capacity"