

MARBLEHEAD MUNICIPAL LIGHT COMMISSION

Tuesday November 2, 2021

80 Commercial Street, Commissioner's Conference Room, Marblehead, MA

GoToMeeting: <https://global.gotomeeting.com/join/482259709>

Access Code: 482-259-709; (872) 240-3412

Minutes

Present for the meeting were:

MMLD Commissioners – Chairman Hull, Frechette, Homan, Johnson and Wolf, General Manager Kowalik

Chairman Hull opened the meeting at 4:30 PM

Minutes:

Vote #2021-33

Moved by Commissioner Wolf and seconded by Commissioner Homan to approve the minutes of September 28, 2021. **Unanimous**

Strategic Plan:

Commissioner Wolf and Commissioner Frechette disseminated a document highlighting their initial thoughts of forming a strategic plan for MMLD as follows:

Strategic Planning Committee Report

October 2021

Task 1: Review Strategic Plans of similar municipal electric plants

- Reviewed strategic planning documents from local utilities, including: Ipswich, Shrewsbury, S. Hadley, and Concord, MA
- Reviewed Clear Point Strategy article - Big Takeaways From 7 Electric Utility Strategic Plans
- Noted use of SWOT analysis (strengths, weaknesses, opportunities and threats) helpful in distilling and prioritizing strategic goals and initiatives
- A similar, but simpler, approach to a SWOT analysis is to start with a risk analysis - identifying risks, then classifying and prioritizing them by urgency

Task 2: Defining MMLD Risks

1. Transmission Interruption: Single trunkline/ fragile connection from Salem; increased frequency of severe weather
2. Legislation: Changing decarbonization mandates
3. Power Portfolio: Limited renewable options; Lack of control over portfolio
4. Strategic Electrification: Unplanned capital investment; Unknown timeline and future demand; Unplanned stress on distribution systems

5. Cybersecurity issues: Systems intrusion; Loss of customer data; Ransom-ware
6. Customer Satisfaction: No data
7. Customer Education: No venue to educate about rates, peak shifting, heat pumps, batteries, EVs, efficiency, demand-response
8. Metering: Outdated technology; limited demand-response, V2G capabilities
9. Corporate Conduct: Board training - Lack of on-boarding procedure/materials for new commissioners: governance documents, financials, portfolio information;
10. Damage / liabilities by outside contractors
11. Financial: Debt; Interest rate change; Retirement plan funding
12. Physical threat to facility
13. Succession planning: Employee turnover; loss of knowledge
14. Spot market volatility

Next Steps:

Task 3: Classify and Rank Risks

- Rank risks by magnitude of impact.
- Rank risks by probability of occurrence.
- Identify top priorities for strategic goals

Task 4: Develop initiatives for Priority Strategic Goals

The Commissioners and General Manager agreed to revisit the plan at its next meeting to assign priority by ranking risks in terms of probability and magnitude using the SWOT analysis, (strengths, weaknesses, opportunities and threats.

General Manager's Report:

October 26 – 28 Storm:

General Manager Kowalik updated the commissioners on the October 26 – 28 storm including storm costs and power outages.

Status of Macro Developments:

1. Energy bills in congress see little momentum
2. UN climate Change Conference will not radically alter the global landscape on climate change
3. Maine State referendum vote today on new transmission line from Quebec

Rate Study:

UFS, Utility Financial Solutions, LLC expects to have preliminary report to be discussed at the December meeting.

Mass CZM Grant:

A site study is scheduled for November 19.

80 Commercial Building Repairs:

DCAMM , Division of Capital Asset Management and Maintenance for the commonwealth approved MMLD's emergency waiver request. Vendor site visit is scheduled for November 14.

Village 13 Upgrade:

A quote from Environmental Partners was received for \$31K. Break out the wetland delineation and survey.

100% Carbon Free Rate Opt-in:

General manager Kowalik proposed a new carbon-free rate to customers who wish to have 100% of their electricity carbon free. The fee would be based on the customer's average monthly MW usage multiplied by the % of MMLD's carbon-free portfolio multiplied by Berkshire Wind's estimated REC selling price.

Vote #2021-34:

Moved by Commissioner Frechette and seconded by Commissioner Wolf to create a carbon-free tiered billing system with the intent to add a 100% renewable opt-in in the future. **Unanimous**

Vote #2021-35

It was moved by Commissioner Homan and seconded by Commissioner Johnson to adjourn at 6:25 P.M. **Unanimous.**