

MARBLEHEAD MUNICIPAL LIGHT COMMISSION

Tuesday November 30, 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 4:34 PM

Minutes:

Vote #2021-36

Moved by Commissioner Johnson and seconded by Commissioner Wolf to approve the minutes of November 2, 2021. Unanimous

Barbara Warren, Coastal Zone Management Project Manager:

Barbara Warren, Project Manager of Coastal Zone Management Grant, made a detailed presentation of the coastal resilience implementation, expanded analysis and design for Marblehead Harbor, Commercial St. Plant and adjoining public property. Barbara displayed graphs and pictures with predictions of coastal shallow flooding for 2030 and 2050. She looked at three strategies to address potential impacts: Natural Resource with an emphasis on ecosystem health and resilience, Protection with an emphasis on protection of current infrastructure and use, and Transform with an emphasis on a balance of use now with a vision of potential transformation of future flood prone areas. Barbara will follow up with the Commission to address near term flood proofing readiness

Matt Ide, MMWEC Executive Director, Energy & Financial Markets:

Matt Ide joined the meeting to discuss the road map to 2050 net zero. Matt showed MMLD's portfolio position, currently having 38% non-carbon emitting electrical Sales for 2020. Each MLP must adopt a policy with a minimum requirement of 50% non-carbon emitting by 2030, 75% by 2040 and net-zero by 2050. Matt presented a graph showing a forecast portfolio composition by resource including expected contract extensions and new renewable resources.

Strategic Plan:

Commissioner Wolf and Commissioner Frechette disseminated a document and template survey to be used to establish the departments strategic plan. As follows:

Internal

<p>Strengths</p> <ul style="list-style-type: none">● High customer approval● Reliability/responsiveness● Professional line crew● Rates lower than IOUs● Strong financials	<p>Weaknesses</p> <ul style="list-style-type: none">● Transparency● Leadership development● Staffing constraints● On-boarding for new commissioners● Employee communications● Career path development (?)● RPS baseline● Meter limitations● Succession plan for critical employees● Marketing/Branding products and services
<p>Opportunities</p> <ul style="list-style-type: none">● Coordination of key initiatives with Green Marblehead Committee; School Committee● Essex County MLP partnership for regional collaboration and building generation● Community engagement/education● New Transmission from Swampscott● Battery storage for flattening peak● Heat pump contractor training● Update website● Customer survey● Strategic electrification● V2G, demand response, distributed resources● Access to clean energy, resiliency grants● Access to financing (MMWEC)● Expand reach of MMLD through strategic partnership with infrastructure contractors● Develop in-house capabilities for strategic initiatives● Rate change	<p>Threats</p> <ul style="list-style-type: none">● Regulatory and legislative uncertainty● Limited regional renewable opportunities● Transmission interruption/Extreme storm events● Mainline vulnerability● Changing demand: strategic electrification; efficiency● Cybersecurity● Spot market vulnerability● Debt; interest rate change; retirement plan funding● Limited transmission from outside NE

External

Evaluation of opportunities

The Commissioners and General Manager agreed to use the SWOT analysis, (strengths, weaknesses, opportunities and threats to develop the departments strategy.)

General Manager’s Report:

Marblehead Green Choice:

General Manager Kowalik disseminated a new green choice motion as follows:

A motion to offer a new “Marblehead Green Choice” opt-in charge on MMLD customer’s monthly bills.

Customers who opt-in to this charge agree to pay an agreed-upon incremental amount for one year, with an option to annually renew. The annual total of the agreed-upon monthly payments represents an *estimated* payment amount required for MMLD to certify that the customer’s energy use has been 100% Carbon-free over the prior year. MMLD will accomplish that by retiring Berkshire Wind RECs or purchasing and retiring comparable RECs on behalf of the customer.

The customer’s monthly Green Choice payment will be a fixed amount for one year, based on:

- (1) the customer’s average monthly energy usage in the prior year (in KWH), and
- (2) the estimated carbon-free percent of MMLD’s portfolio in the prior year, as defined by then current Mass DOER/DEP regulations.
- (3) Actual prices of Mass Class 1 REC otherwise sold quarterly by MMWEC on behalf of Marblehead and other Berkshire Wind Co-op-member MLDs.

In the event of an annual estimated payment shortfall, assuming the participating customer has made 12 timely payments, MMLD will pay the shortfall amount. Any customer surplus payments will be applied to the purchase of additional RECs.

All customers making 12 Green Choice payments in a year will receive written confirmation from MMLD that their prior year energy usage was in fact 100% Carbon-free and to be included in “Green Choice Customer” recognition on the MMLD website. Customers can opt-out of Green Choice Customer recognition.

After a lengthy discussion, the Commission decided to table the new proposal until the rate study is completed and implemented.

Project 2015A:

General Kowalik updated the Commissioners on the 2015A Project. MMWEC will Close on December 1. \$61 million was raised and the rate came under the pro forma assumption. Green hydrogen planning is continuing.

Vote #2021-38

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