



WMGLD
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Peter D. Dion, General Manager

Philip Courcy, Chair
Thomas Boettcher, Secretary
Kenneth J. Chase, Jr.
Jennifer Kallay
John J. Warchol

**WAKEFIELD MUNICIPAL GAS & LIGHT DEPARTMENT
BOARD OF GAS & LIGHT COMMISSIONERS MEETING**

March 3, 2021

MINUTES

IN ATTENDANCE: Commrs. Phil Courcy, Chairman
Thomas Boettcher, Secretary
Jennifer Kallay
John J. Warchol
Ken Chase

Peter Dion, General Manager, WMGLD

Mark Cousins, Financial Manager
Sylvia Vaccaro, Office Manager

Julie Smith-Galvin, Town Liaison

Members of the Public

Elton Prifti 18 Partridge Ln.

PLACE: ZOOM MEETING

CALL TO ORDER:

Commr. Courcy called the meeting to order at 6:30 P.M. and informed the Board the meeting is being recorded.

Chair Remarks:

Commr. Courcy commented on the failure of the Texas Grid system that led to 80 deaths. He stated that this serves as a reminder of how important the safety aspect of

our business is. He also mentioned the construction accident in Boston where two workers were killed when they were struck by a truck and knocked into a trench. He noted that OSHA will be investigating, and we will follow-up on this as trench work is part of our work processes. He also noted that there was another construction accident in Cambridge where a stairway collapsed resulting in one injury and one death.

Commissioner Remarks:

Commr. Kallay provided an update on the Green Communities meeting. They are moving forward with setting up utility data that will provide the foundation for the energy consumption and reduction plan. A tool called Mass Energy Insight will be used enabling the utility to upload monthly data by customer/meter number into the tool for electricity and natural gas, then the DPW will add the fuel being used on their end to the tool. This will provide a comprehensive picture of energy used by the municipal on an annual basis. Commr Kallay noted that this is restricted to government and municipal assets, such as town buildings and vehicles. Fiscal year 2019 was determined to be the baseline year. Going forward it will be by every fiscal year. Pete stated that once you establish a baseline year part of being a Green Community is committing to reductions in major areas including municipal buildings. Commr. Boettcher inquired if utilities could pick the base line year. Commr. Kallay said there was some flexibility, but you would not be allowed to pick an advantageous year.

Commr. Boettcher indicated that Nest & Honeywell thermostats are now eligible for the Connected Homes Program. He inquired if there would be a campaign to promote this. Pete replied that he was waiting on clarifications from MMWEC on the program. He stated that Nest is putting some restrictions on the program. Commr. Boettcher commented that NEST is only for the summer months(cooling) whereas Honeywell is for year-round.

Commr. Boettcher commented that a customer reached out to him about the gas pressure in Greenwood on Spring Street. He thanked Pete for the update and stated the customer was appreciative for the information. Pete said the upgrades on both sides of the intersection of Main street have been completed, as well as Spring Street and both sides of Greenwood Street. The section in the middle of Main Street still needs to be completed and hopefully that will resolve the issue.

Commr. Chase commented that he placed a routine gas service in to WMGLD this past month and wanted to commend gas personnel, Victor Saviano and John Davis on their professionalism during the call.

Public Remarks:

No remarks

Town Council Comments:

Julie Smith-Galvin joined the meeting a few minutes late and wanted to comment that the Green Communities meeting was held. Commr. Boettcher noted that Commr. Kallay did mention the meeting details earlier in the meeting.

Secretary's Report

Approval of minutes from the February 3, 2021 meeting was before the Board for approval.

Commr. Courcy noted that the fourth paragraph on page 9 should be corrected to read Elton Prifti not Allen Prifti. On page 10, paragraph 4 the second sentence the word in should be changed to; replaced by.

Commr. Kallay noted the following corrections:

In paragraph 4 on page 10 the word peekers should be replaced with peakers.

On page 11 third paragraph, fifth sentence, the word injustice should be replaced with justice.

The next paragraph on that page should read Commr. Kallay commented that she wants to be sure that this will not take away from our ability to invest in customer side resources.

On page 7, second paragraph should read Peabody does not post their meeting notes.

On page 8 middle section the sentence should read, As one of the originators of Berkshire Wind I we voted to expand Berkshire and Berkshire II three years ago.

On page 14, the percentages should be listed as follows:

Safety 20%
Operational 20%
Customer Service & Website 19.5%
Financial 20 % Leadership 19.5%
Total 99.0%

A motion was made by Commr. Warchol to approve the February 3, 2021 Board minutes with the amendments discussed and seconded by Commr. Courcy

Roll Call Vote:	Commr. Boettcher	Aye
	Commr. Chase	Aye
	Commr. Courcy	Aye
	Commr. Kallay	Aye
	Commr. Warchol	Aye

The motion was approved unanimously.

General Manager, Pete Dion informed the board that the DPU (Department of Public Utilities) clarified that Municipals are not included in the extension of the shut-off moratorium of July 1st. Although we are not included in this, Pete recommended that WMGLD delay shut offs until July 1st and begin sending out past due notices on April 1st. Commr. Kallay asked for clarification as to which customers would be shut-off and what

the thresholds would be. Mark Cousins stated that if you are 60 days past due you would be eligible for shut-off. Commr. Warchol stated the DPU states that after 30 days a 15-day late notice goes out then after 15 days is over, a final 72 hour shut-off notice is sent. Mark stated that by the time the account is shut off it is approaching 90 days. He continued to say that normally we target accounts over \$500 which are 90 days or older. Unfortunately, in this COVID environment we are looking at more delinquent accounts. We are going to concentrate on the oldest absolute dollar amount. Commr. Warchol wanted to clarify that once a 72- hour notice goes out we do not go over that 72 hours. Mark agreed, however there may be times we go over due to weather or other unforeseen circumstances and if that is the case, we will issue another 72- hour notice. Pete mentioned that we do not shut-off on Friday, Saturday, or holidays. He noted that we usually shut-off on Wednesdays and Thursdays. Mark stated that we usually target for Thursdays because we are open until 6:00pm.

Commr. Kallay inquired if the threshold is the same for commercial customers as it is for residential customers. Mark noted commercials are exempt from this process, as the DPU does not have regulations regarding commercials. Mark went on to clarify that we do not shut-off in the winter because of freezing conditions. Commr. Kallay suggested that it may be beneficial if we had a written shut off policy for commercial customers so that it is transparent for everyone. Mark said that we can post Mass Reg. CMR 220 25.00 on our website.

Commr Boettcher inquired if anyone has ever questioned that we do not have a policy on C & I (Commercial & Industrial) customers as there is not a DPU regulation concerning C & I's. Pete stated there has not been any instances to date. We do send out past due notices to C & I customers and work with them. He continued to say that the people that do get shut off are the ones that do not reach out to us. Mark said what is great about being a municipal is the that because we do not have a regulation or policy in place, it allows us the flexibility to work with the C & I customer. A policy or regulation could work to the detriment of the C & I customer. Commr. Boettcher agreed but was concerned that our good will and flexibility could be used against us. Commr. Kallay stated that she would feel more comfortable with something written down and believes you can incorporate flexibility into a policy. She is concerned that without a policy one might think there is bias against an individual and is concerned about the perception. Commr. Courcy stated that any time you create a system you create the ability for people to game that system. If we put something in writing that we do not need we may lose our ability to negotiate.

Pete noted we have kept the process like this because we are in accordance with the DPU regulation. If we are questioned, we can point to this regulation. He went on to state that we far exceed the regulation in our flexibility in working with our customers. If we put additional criteria on this it will only be used against us. We follow the criteria set by the State and strongly encourage customers to contact us, if they are having difficulty paying.

Commr. Kallay said that would be fine and putting it online or in the paper as a heads up would be helpful given the economic environment we are in now.

Pete stated that during this COVID environment, we did send out a press release and publish on Facebook to have customers reach out to us if they are having financial

difficulties. He noted that we will get the message out again to our customers. Commr. Boettcher stated he sees this step as a protection for the utility.

Mark Cousins informed the Board that the receivable trend is improving compared to the last few months and directed the Board to pages 19,20, & 21 in the Board book.

Pete noted that it is in our best interest to communicate that even though we do not have to follow the state's moratorium extension we will be following the extension. He also mentioned that the IOUs (Investor-Owned Utilities) are anticipating some support from the State or Federal Government for lost receivables either in their rate base or receive some form of Federal aid. The municipals have not heard that they will be included in this program.

Commr. Boettcher inquired if MMWEC & ENE will have a seat at the table if Municipals are included in these discussions. Pete said they will be in attendance.

Pete stated there are projects in various states of planning totaling 1000 units which will be electric heat of some sort over the next 2-3 years.

Old Business:

Project Updates

COVID 19

Everyone has remained healthy and following safety rules and procedures. Our mask mandate will remain in effect.

Commr. Boettcher inquired if some personnel were able to obtain their vaccine. Pete said that they were and thanked Todd Bowden and Tom Walsh for their assistance.

National Grid Project

We are refreshing all our Dig Safe mark outs. United Civil will be back in April to start work again.

McGrail Substation Upgrades

The transformers were removed. We are now converting the 13.8 circuits in the tan building, then we will remove that building from the site. It should be wrapped up this summer.

Climate Bill

On January 5, the Legislature passed the bill and sent it to the Governor. He pocket vetoed it and sent it back with comments. When the Legislature returned the week of January 20th, they resubmitted the same bill to Governor, this time he sent it back formally with comments. The bill has gone back to the Telecommunication, Utility, and Energy Committee. These committee assignments changed with the new session, so there may be some delays with new members getting up to speed on the bill. We are hopeful that this will move along quickly. It is important to note the concerns with the bill have nothing to do with the MLP language.

Electric Vehicle Charger Update

Pete reviewed the details of the Residential EV Charging Program. When a customer purchases an electric vehicle, they submit an application for a free level II charger and also sign the load management agreement. This obligates them to participate in the EV load management program run by MMWEC. WMGLD requires the customer's electrician to sign for and pick up the charger at our office.

A detailed analysis of the Residential Electric Vehicle Charging Program by Jason Viadero of MMWEC was provided to the Board for review. Pete also shared Joe Collins' analysis that residential EV charger usage varies greatly but may not have a dramatic impact on the load per household because of other variables. Commr. Boettcher suggested bringing to Town Council information about the average length of charging especially the Lincoln Street charger, as well as the Americal charger which may be tied to economic activity. Pete noted that most charging is under 3 hours. Commr. Boettcher said one important piece of information is the 3-minute idle time, so people are leaving soon after their vehicle is finished charging which frees it up for the next person.

Julie Smith-Galvin stated that one question Town Council will have is if we set the pricing correctly so it will cover the town's cost. Pete stated that it did break even this year. Next year there will be two additional costs. The first is the renewal of the ChargePoint's network interconnection with ChargePoint second, is the extended warranty. WMGLD will pick up the 5-year warranty, but the town will need to cover the \$1700.00 yearly cost of the network cost. Pete stated that if we continue to see an increase in usage it will probably cover the \$1700.00 cost. He recommends holding the pricing a little longer to see if the increase in usage will cover this. The first few months after these public chargers were installed, we were in the COVID environment, so hopefully the second part of last year and the beginning of this year will provide more consistent data. Pete stated that he will provide these slides as a Power Point presentation for Town Council. Commr. Boettcher inquired if a WMGLD customer purchased their own charger and wanted to enroll into the program they would be enrolled in the Connected Homes program. Pete noted that when a customer enrolls in our program, they commit to 3 years and then are encouraged to enroll in Connected Homes after the 3-year period.

New Business

Texas Electric System

Pete began a discussion about the recent failure of the Texas Power Grid. He cited that obviously there were many layers of what happened. The gas supply issue, the steel in the ground generators, as well as renewable generators that led to the problem. He noted that WMGLD is similar to Texas as far as the fuel mix. We both heavily rely on gas. The renewable section of our portfolio is approximately the same, with Texas at 13% wind turbines and WMGLD at 11% renewable with more than half of that being wind turbines. The difference is that we are much colder resilient. The concerning issue that mirrored the most to WMGLD is the gas supply issue. If we are relying on generators and our gas supply is constrained and it almost did in 2017 when we had polar vortex, it is a scary proposition for the region. The regulators in New England will have to look at this. A major difference is that ERCOT is its own entity. It is separated from other Grids and regions. It does not have a capacity market. There is no financial penalty or incentive to stay at a spinning reserve level ready to run or a financial penalty when you do not run. Unlike in New England, if you say you are available, and you receive a capacity payment you need to be available and if you are not there is a huge penalty. ERCOT felt on a peak day if the cost of energy rose because of demand, it would incent the generators to be ready. It was not incenting them to be ready for the extreme. Commr. Warchol asked Pete what he meant that ERCOT is its own entity as ISO New England is its own entity. He explained that ERCOT is not interconnected to any GRIDS. They do not bring in power from anywhere else. They are truly independent, so they do not fall under FEMA rules. Whereas ISO New England is connected to PJM, New York ISO, and Canada. We have interconnections that cross boundaries. Most of the other ISOs are interconnected, so they fall under the rules of FEMA.

Commr. Boettcher inquired if the gas supply in Texas had an impact on our gas pricing and if extreme winter conditions would affect our wind turbines. Pete stated the prices went up slightly but because of our layering strategy we are protected a little more. He also stated at that time we were experiencing milder temperatures, so there was little impact. Pete noted that in any extreme weather condition our wind turbines would not be any different than Texas. If it got to the level of icing that they had in Texas, our wind turbines would be locked out. We are more susceptible to hurricanes in this area which can cause the turbines to be locked down due to the high winds. Pete noted as we grow our reliance on offshore wind, we will have to consider these weather conditions when looking at our power supply mix and realize that every type of generation has restrictions. He explained that this is why you do not receive a huge capacity value from renewables in terms of allocation to your overall portfolio. You can not guarantee them to be available 100 percent of the time. You need to account for the time they will not be available.

Commr. Courcy stated that part of the Texas issue was that they did not have basic freeze protections resulting in losing units. They were within minutes or even seconds from losing the entire grid. He indicated that they will have to perform major structural grid work.

Commr. Kallay stated good points have been about climate change and the comparison of benefits and costs. We are seeing more of the impacts of climate change. These are costly and really aren't being factored into our investment decisions. It is very cost effective to do some of these basic measures to avoid or prevent these issues. Pete stated that having a diverse portfolio that does not rely on a single source but a wide variety of sources that protects us in the short and the long-term. The early discussions were that it was the renewables' fault however they only made-up 13 percent, but they were not the answer either. There needs to be a balance. Pete noted that we need to be smart as a region as we increase our use of renewables over the next twenty years that we make sure we are making smart decisions and have protections because the vitality of the grid needs to be maintained through out the entire time as we change our supply mix. Commr. Boettcher said the Texas situation was a good lesson and reference for all of us to look at when we are talking about resiliency and planning our projects and layering the protections in all the things we do. Not only loss of property but more importantly the loss of life that happened because the utility was not there. Heat and electricity are basic tenets of living life especially in colder climates. We need to keep these things in mind as we discuss talk about policy and the things we do.

Executive Session

A motion to enter executive session at 7:46 PM to discuss union collective bargaining, returning to open session at its conclusion to report on and vote for adjournment was made by Commr. Courcy and seconded by Commr. Boettcher.

Roll Call Vote:	Commr. Boettcher	Aye
	Commr. Chase	Aye
	Commr. Courcy	Aye
	Commr. Kallay	Aye
	Commr. Warchol	Aye

A motion to adjourn was made at 8:10 pm by Commr. Warchol and seconded by Commr. Courcy.

Roll Call Vote:	Commr. Boettcher	Aye
	Commr. Chase	Aye
	Commr. Courcy	Aye
	Commr. Kallay	Aye
	Commr. Warchol	Aye

The motion was approved unanimously.