



Town of Reading Meeting Minutes

2018-09-22 LAG

Board - Committee - Commission - Council:

RMLD Board of Commissioners

Date: 2023-09-15

Time: 9:00 AM

Building: Reading Municipal Light Building

Location: Winfred Spurr Audio Visual Room

Address: 230 Ash Street

Session: Open Session

Purpose: General Business

Version: Final

Attendees: **Members - Present:**

Board of Commissioners: Philip Pacino, Chair; David Talbot, Vice Chair; Robert Coulter, Commissioner; Marlena Bitá, Commissioner; Pamela Daskalakis, Commissioner.

Members - Not Present:

Others Present:

Citizens' Advisory Board Vivek Soni, Chair (Reading); Ken Welter, Vice Chair (Lynnfield); George Hooper (Wilmington); Dennis Kelley (Wilmington); Jason Small (North Reading).

RMLD Staff: Gregory Phipps, General Manager; Erica Morse, Executive Assistant; Bill Bullock, Erin MacDonough, Operational Assistant.

Minutes Respectfully Submitted By: Philip B. Pacino Secretary Pro Tem

Topics of Discussion:

Call Meeting to Order

Chair Pacino called the RMLD Board of Commissioner's (BoC) meeting to order at 9:01 AM and announced that the meeting would be held remotely on Zoom.

Chair Soni called the Citizens' Advisory Board meeting to order at 9:01 AM.

Opening Remarks and Introductions

Chair Pacino read the RMLD BoC Code of Conduct and asked all remote attendees to identify themselves. Chair Pacino served as Secretary at the meeting.

All participants attended the meeting remotely. All votes were taken as roll call.

Public Comment

There was no comment from the public at this meeting.

Power Supply Update

Materials: Power Supply Update (attachment 1)

Mr. Bullock presented a Power Supply update to the Boards.

Gravel Pit III / IV Solar Project

Mr. Phipps provided background on the Gravel Pit III / IV Solar Project.



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- Emphasized that RMLD continuously works on power supply, with a focus on adding solar and wind to the portfolio.
 - Highlighted progress in wind energy procurement over the past eight months.
 - Reported that solar projects have been more challenging to complete (several delayed or cancelled).
 - Explained that this Gravel Pit solar project is an extension of (Gravel Pit 3 and 4), noting that the developer acquired additional land adjacent to the existing site.
 - Mentioned that Gravel Pit 5 was established as a separate contract from Gravel Pit 3, rather than an extension.
 - Clarified that a group of Municipal Light Plants (MLPs) are involved in the project, alongside Investor-Owned Utilities (IOUs) like Eversource and Grid.
- Mr. Bullock presented the Gravel Pit III / IV Solar Project to the Boards.

- Introduced Phase 5 of the Gravel Pit project, located in East Windsor, Connecticut, to the north and east of Hartford.
- Highlighted that the new phase will supply 30 MWs. This is in addition to the 120 MWs that are currently under construction.
- Noted that the developer of the project is DE Shaw, who RMLD has worked with in the past.
- Reported that the project is expected to be commissioned in 2025.
- Clarified that RMLD's share of Gravel Pit 3 is 16% of the total output, equating to ~ 10K MWs per year.
- Highlighted that this production represents about 1% of the expected load in 2025.
- Noted that RMLD is planning to take 22% of the project expansion output.
- Explained that the annual energy yield of about 10,000 MWs is considered low, due to the lower capacity factors typical of solar plants.
- Mentioned that the project involves a long-term contract spanning 25 years, which aligns well with the department's net-zero goal.
- Highlighted that the project will generate Class One certificates, which are renewable and non-carbon in nature.
- Explained that these certificates will be sold until they are needed to comply with compliance policies.
- Explained that the price for this energy is slightly higher than the average for 2025, but it has the advantage of having no escalation, making it more affordable over the term of the 25-year contract.
- Highlighted that RMLD's current solar portfolio mainly consists of energy from three community solar installations within the service territory.



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- Stated that by 2026, with the inclusion of Gravel Pit 3 and 5, solar energy is expected to constitute 11% of the portfolio.
- Stated that based on predicted load growth and the electrification drivers in the territory, RMLD recognizes the need to meet increasing supply demands, particularly with non-carbon resources.
- Emphasized that this project is an important part of the overall strategy to meet the 2050 net-zero goal, including the intermediate targets set for 2030 and 2040.
- An inquiry was raised on whether the chart presented reflected current contracts or projections.
- Responded confirming it included current contracts and explained the strategic approach to long-term contracts.
- A question was raised about the total capacity of the project, understanding it to be 150 MWs by 2025.
- Responded confirming 120 MWs by 2024 and an additional 30 MWs by 2025.
- A question was raised about RMLD's specific share of the project.
- Responded clarifying it to be 16% of 50 MWs net, equating to 14 MWs net out of 150 MWs.
- A question was raised about the involvement of brokers in such deals and if they incurred fees.
- Responded that the department typically does not work with brokers and actively uncovers opportunities, often in collaboration with Energy New England.
- A question was raised on the strategy for Connecticut Class One Certificates.
- Responded by discussing the strategy to meet the non-carbon goal by 2030, detailing the gradual increase in retiring Renewable Energy Certificates (RECs) and the implications for rate adjustments.
- Commissioner Bitá suggested exploring strategies to exceed minimum requirements, considering the department's advantageous position.
- Mr. Bullock acknowledged the point and highlighted RMLD's role in supporting the energy transition through such contracts.
- Responded to the suggestions by proposing an analysis to potentially accelerate the adoption of the 3% increase in RECs retirement.
- Confirmed that a presentation of this proposal will be done at the December meeting.
- A question was raised about the expected time when output from the project would be lower than market rates and requested a calculation on the total savings impact.



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- Responded by acknowledging the need for a sensitivity analysis around energy market inflation and committed to performing scenario modeling to address this inquiry.
- Confirmed that a review of analysis on retiring vs. not retiring or selling vs. not selling certificates will be presented.
- Discussed the fixed-rate program and energy cost updates.
- A query was raised on the fixed rate in comparison to market rate expected in 2025.
- Responded that relative to the solar portfolio, the fixed rate is about 10% higher; relative to the total contracted portfolio, it is about 70% higher.
- Confirmed that the current average energy cost is around 10 cents per kilowatt-hour.
- Outlined the cost breakdown, which includes energy, capacity, transmission, and certificate retirements.
- Commissioner Coulter suggested revisiting using brokers for identifying solar field deals.
- Acknowledged the challenges in acquiring solar projects and the absence of a formal policy for using brokers.
- A question was raised relative to contract comparison and price increase.
- Responded that the increase is primarily due to panel availability and cost.
- An inquiry was raised about the process and market dynamics of selling RECs.
- Responded by explaining that the market-driven pricing and the types of purchasers.
- Confirmed that a presentation of REC transactions will be prepared.
- Discussion on the renewable choice program allowing customers to opt-in for more certificate retirements.
- Discussion the importance of affordability in the current economic context.
- Noted low participation rate in the program and the potential for future discussion.
- Mr. Kelley entered the meeting at 9:23 AM Erica confirms time
- Commissioner Coulter left the meeting at 9:29 AM and recorded his vote as "in favor".

Citizens' Advisory Board: Mr. Hooper made a **motion**, seconded by Chair Soni, that the Citizens' Advisory Board recommend that the Board of Commissioners vote to accept the General Manager's recommendation to contract with DE Shaw for a portion of energy and attributes, including Class1 certificates, from a to-be-built 30 MW expansion to the currently contracted 120 MW Gravel Pit III / IV solar project in central Connecticut, including environmental due diligence. **Motion carried: 5:0:0** (5 in favor, 0 against, 0 absent) *Roll*



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Call Vote: Chair Soni, Aye; Vice Chair Welter, Aye; Mr. Hopper, Aye; Mr. Kelley, Aye; Mr. Small, Aye.

Board of Commissioners: Vice Chair Talbot made a **motion**, seconded by Commissioner Daskalakis, that the Board of Commissioners, on the recommendation of the Citizens' Advisory Board, vote to accept the General Manager's recommendation to contract DE Shaw for a portion of energy and attributes, including Class1 certificates, from a to-be-built 30 MW expansion to the currently contracted 120 MW Gravel Pit III / IV solar project in central Connecticut, including environmental due diligence. **Motion Carried: 5:0:0** (5 in favor, 0 against, 0 abstained) *Roll Call Vote: Chair Pacino, Aye; Vice Chair Talbot, Aye; Commissioner Coulter, Aye; Commissioner Bita, Aye; Commissioner Daskalakis, Aye.*

Adjournment

Citizens' Advisory Board: Mr. Hooper made a motion, seconded by Chair Soni, that the Citizens' Advisory Board adjourn regular session. **Motion carried: 5:0:0** (5 in favor, 0 against, 0 absent) *Roll Call Vote: Chair Soni, Aye; Vice Chair Welter, Aye; Mr. Hopper, Aye; Mr. Kelley, Aye; Mr. Small, Aye.*

The meeting adjourned at 9:35 AM

Board of Commissioners: Vice Chair Talbot made a motion, seconded by Commissioner Daskalakis, that the Board of Commissioners adjourn regular session. **Motion Carried: 5:0:0** (5 in favor, 0 against, 0 abstained) *Roll Call Vote: Chair Pacino, Aye; Vice Chair Talbot, Aye; Commissioner Coulter, Aye; Commissioner Bita, Aye; Commissioner Daskalakis, Aye.*

The meeting adjourned at 9:36 AM

A true copy of the RMLD Board of Commissioners minutes
As approved by a majority the Commission.

Philip B Pacino
Philip B Pacino (Dec 19, 2023 08:56 EST)

Philip B. Pacino, Secretary Pro Tem
RMLD Board of Commissioners

As approved on December 13, 2023