

UPDATE ON PROPOSED POWER PLANT—2/17/2006

TO: Town Meeting Members and Officials

FROM: William Bottiggi, BELD GM

Braintree Electric Light Department (BELD) continues to make significant progress on its proposed power plant.

MAJOR MILESTONE ACHIEVED: We are pleased to announce that we have finalized our decision regarding the technology to be used for the proposed plant. A simple-cycle gas turbine manufactured by one of four companies will be chosen as the prime mover for this project. This technology will provide BELD with the ability to protect customers from the high electrical prices anticipated in the future. The purchase of this gas turbine now awaits funding approval at Town Meeting, scheduled for May 1, 2006.

CURRENT ACTIVITY: A number of efforts are in progress supporting BELD's anticipated Town Meeting presentation and request for bonding. These include:

- Finalizing the draft of the special legislation for this project, which will soon be on the Governor's desk for signing.
- Selecting the preferred gas turbine and manufacturer. Each manufacturer will be evaluated based on price, heat rate (efficiency), reliability and flexibility. Ultimately, the gas turbine that is the best fit for Braintree and the ISO-New England markets will be chosen.
- Issuing a Request For Qualifications and Proposal (RFQ/RFP) to potential environmental permitting consultants. These consultants will submit their qualifications and proposals for professional services to BELD by March 3. BELD staff will then review the proposals and select a consultant. The consultant's professional services will include involvement in the permit application process as well as securing the required environmental permits for the new proposed power plant.
- Submittal of qualifications by Engineering, Construction and Procurement (EPC) contractors. BELD has received qualifications from the interested EPC contractors, which we are now evaluating. Qualified EPC contractors will receive an RFP. We are currently preparing an RFP for the EPC contractors to bid on. It is anticipated that this RFP will be issued in early March with responses due in mid-April.
- Working with the Town of Braintree's Treasurer, bond counsel and financial advisors to determine how best to finance the power plant. These meetings have been productive, as they have been used to finalize the language for the warrant article.
- Initiating a public outreach program and developing a schedule for informational meetings. We are scheduling a number of meetings in April to inform Town Meeting members and create a forum where questions can be asked. The details of these meetings will be well publicized.

TOWN MEETING: A finalized estimate will be prepared for Town Meeting and used as the basis for the bonding request. A detailed presentation will be made at Town Meeting, clarifying how this power plant will help to stabilize electric rates in Braintree for years to come.

With this *Update* we have enclosed copies of a few articles we think you may find interesting. As you can see, having a sufficient supply of affordable electricity is at the top of many minds as we head into the future. We believe BELD's proposed power plant will address this issue for Braintree residents.