

# A VISIBLE MEANS OF SUPPORT

Braintree Electric Light Department 2007 Annual Report

# A VISIBLE MEANS OF SUPPORT

here are certain unique characteristics that distinguish municipal utilities from investor-owned utilities, among them an unwavering commitment to community. And that commitment has prevailed at Braintree Electric Light Department (BELD) for well over a century—since our founding in 1892.

BELD takes pride in its strong connections to the Town of Braintree, sharing its values and making a conscious effort to provide meaningful contributions to the betterment of the community. This year's annual report features just a few of the ways BELD employees are participating in that effort.

- Avon Walk for Breast Cancer
- Good NeighborEnergy Fund
- Red Cross Platelet Drive
- Braintree CommunityFood Pantry
- Marge Crispin Center "Adopt-A-Family" Program

community

## A MESSAGE FROM THE GENERAL MANAGER

ne of the great things about working for Braintree Electric Light Department is that we get to directly impact the lives of the people in the community we serve. We do it every day in our normal course of business—whether it's Electric Operations keeping the lights on, the Broadband Division going into customers' homes and helping them with new technology, or employees in the office answering questions.

Our 2007 Annual Report focuses on other ways our dedicated employees serve the community. They are helping those in need by participating in the Avon Walk for Breast Cancer, collecting blankets for the Good Neighbor Energy Fund, giving blood to the Red Cross, donating to the Braintree Community Food Pantry, and actively supporting The Marge Crispin Center. It is activities like these that set us apart and make us such a valuable part of the community.

As oil and gas prices continue to skyrocket, it becomes more of a challenge to keep the cost of electricity affordable to the community. We have an advantage over the big investor-owned utilities however—our ability to own and invest in power plants. BELD currently has an ownership

stake in the Potter II Combined Cycle
Power Plant and Seabrook Nuclear
Power Plant, and we're building
the new Thomas A. Watson Generating
Station. These assets will help
protect us as electricity prices
continue to increase.

The Thomas A. Watson Generating Station project continues on schedule. Major progress was made during 2007, including the selection and awarding of a contract to 0&G Industries, the EPC (Engineering, Procurement, and Construction) contractor who will be responsible for construction. Major progress was made permitting the power plant, which is an intensive process requiring permits from the Energy Facilities Siting Board, the Massachusetts Department of Environmental Protection, the U.S. Environmental Protection Agency, and other local agencies. Construction is scheduled to begin during the second quarter of 2008.

BELD Broadband had another excellent year, with significant growth seen in the area of Digital Phone service. At the same time, new competition was introduced as Verizon entered the cable TV business. There are now three choices for broadband service in Braintree: BELD Broadband, Comcast, and Verizon. Although we lost a number of cable TV subscribers to Verizon in 2007, our customer base continues to be loyal to us and appreciates the differences that set us apart from the competition.

Finally, 2008 is shaping up to be one of the most exciting years in our history with the construction of the new Thomas A. Watson Generating Station. All Braintree Electric Light Department employees will again be challenged to build upon our record of providing excellent service to the town.

William G. Bottiggi General Manager

# A VISIBLE MEANS OF SUPPORT FOR THE...

# AVON WALK FOR BREAST CANCER

t's early on a frigid March morning in Massachusetts, and JoAnn Stak
Bregnard, BELD's Marketing and
Programming Director, is loading her backpack with some contracts she'd reviewed at home last night, a hearty vegetarian lunch, and a business suit and shoes. She's about to make the 4.5-mile trek to Braintree Electric Light Department—on foot. And when she's ready to leave for home at the end of the day, she'll do it again.



Car in the shop? Glutton for punishment?
No. JoAnn was training for the 2007 Avon
Walk for Breast Cancer, May 19-20, to
mark her 40th birthday and being cancerfree for five years. She was one of
thousands of walkers across the country
who walked 39.3 miles—a marathon and
a half—to raise funds for the Avon
Foundation Breast Cancer Crusade,
supporting their mission of providing
access to care and finding a cure.

She was required to raise a minimum of \$1,800 to participate in the Walk, but she set out to at least double that amount—a goal she reached in April. She then bumped her goal to \$5,000. The weather in Boston refused to cooperate the weekend of May 19-20 (it was very wet), but by the time the Walk was over—and with the help of more than 100 donors—JoAnn had raised more than \$6,000 in support of a very worthy cause. Congratulations, JoAnn, on this huge accomplishment!

More than 2,800 of us donned all sorts of rain gear and took to the streets of Beantown for a life-changing two days. We met new friends, braved port-a-potty lines, and dragged soggy gear to our overnight tent homes—and every minute was worth it!

JoAnn Stak Bregnard BELD Marketing and Programming Director







# A VISIBLE MEANS OF SUPPORT FOR THE...

# GOOD NEIGHBOR ENERGY FUND

he Eva Booth House Shelter is a program for homeless women and others who come in off the street seeking assistance. This fall they were running out of blankets, and Susan Wentworth from Customer Service and Barbara Curtin from Human Resources wanted to do something about it. So they asked their fellow employees to go out and purchase a new, unused blanket and donate it to those in need. The result was an outpouring of good will—and 74 brand new blankets for the shelter.

The Eva Booth House Shelter is run by The Salvation Army, as is the Massachusetts Good Neighbor Energy Fund (GNEF), which provides financial assistance to families who need help paying their monthly







Since 1985, the Massachusetts Good Neighbor Energy Fund has raised more than \$14.6 million and assisted over 69,000 needy families.

Massachusetts GNEF—2007

# caring

electric bill. BELD is a sponsor of GNEF, and both Susan and Barbara serve on the GNEF Committee.

The Good Neighbor Energy Fund is maintained through voluntary contributions from sponsoring utilities and their customers and employees. Along with other committee members, Susan and Barbara volunteer at The Salvation Army Headquarters, opening and processing these contributions. In March they processed \$42,572 in donations in just one day!

The Massachusetts Good Neighbor Energy Fund expects to raise \$600,000 during the 2007-08 winter season and help more than 2,225 Massachusetts families. And Susan Wentworth and Barbara Curtin will continue to enthusiastically support the effort—donating their time to "Give the Gift of Warmth."

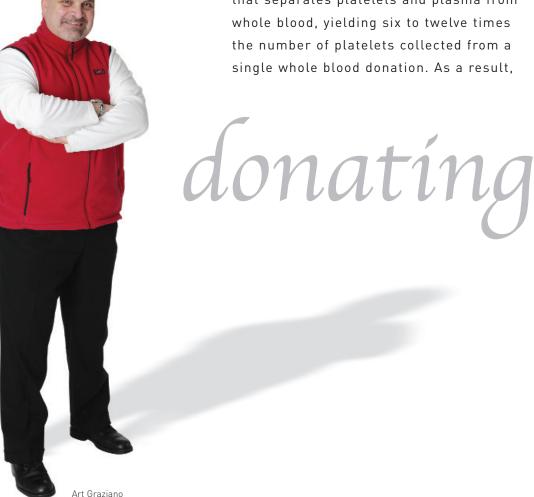


# A VISIBLE MEANS OF SUPPORT FOR THE ...

# **RED CROSS PLATELET DRIVE**

n any given Friday afternoon, a group of BELD employees can be found relaxing in comfy easy chairs, enjoying a slice of pizza and watching television or catching up on the latest office gossip. What makes this scene unique, however, is that these people are apheresis donors—spending a couple of hours at the Braintree Red Cross Donor Center.

Apheresis is a special donation procedure that separates platelets and plasma from whole blood, yielding six to twelve times the number of platelets collected from a



patients who receive apheresis products—such as those undergoing chemotherapy or bone marrow transplants—require fewer donations for a single transfusion.

Art Graziano, BELD's Human Resources
Director, was motivated to suggest a BELD
apheresis donor program when his brotherin-law was diagnosed with Acute Myelogenous
Leukemia and had to undergo a bone
marrow transplant. The BELD program—
coined "500 Pints for Life"—was launched
in March, and 19 participants have donated
a total of nearly 200 units of platelets this year.

BELD is truly proud of each and every member of this special group of employees.

#### **BELD's Platelet Donors**

Joe Antonellis	Art Graziano
Karen Bonatti	Marie Hynes
Bill Bottiggi	Weijun Li
Frank Catarius	Sean Murphy

Donna Clapp	Ruth Slater

John Price

Gail Cohen	Jim Smith
Kevin Crawford	Ken Stone

Matt	Doren	Ste	ve	Tatro

Mike Ford

Gwen Chiappini

Thank you for giving the gift of life.

Thanks to Braintree Electric Light Department, local hospitals have on hand in a given week nearly one dozen additional units of platelets. BELD has been a great supporter of our Braintree Red Cross program—I can't say enough good things about the commitment we've received from the BELD donors.

Matthew Alford American Red Cross Blood Services, Massachusetts Region









# BRAINTREE COMMUNITY FOOD PANTRY

ob Forde, Senior Electric Operations Supervisor, knows an opportunity when he sees one. The guys in his department were always looking for snacks—a bag of chips, a candy bar—and an idea began to take shape. Why not make a trip to the local wholesale club, purchase bags of snacks in bulk, and make them available for a donation to the "money jar" for the Braintree Community Food Pantry?

BELD's long-standing relationship with the Braintree Community Food Pantry began in 2004, when BELD's customers and employees were invited to donate a non-perishable food item. The response was overwhelming—more than 20 cartons of food were delivered to the Pantry for distribution to needy Braintree residents.

# collecting









BELD has sponsored several other food drives since then and has set up numerous raffles to collect monetary donations.

Marketing's Jennifer Shawles is in charge of collections, and she does everything from getting the word out, collecting and keeping track of the money, and personally delivering the donations to the Pantry.

The Food Pantry fed 720 people during 1993, its first year of operation, and that number has more than doubled since then. The organization is run entirely by volunteers who give unselfishly of their time and energy. Countless individuals, organizations, businesses, and schools have shown their support through donations of food, finances, and time. And BELD is proud to be counted among them.





Your commitment to the Braintree Community Food Pantry is sincerely appreciated. Many thanks to you for your faithful support; you help us to achieve our mission, making sure no child or adult in Braintree goes to bed hungry.

Agnes Lynch Director Braintree Community Food Pantry

Jennifer Shawles and Rob Forde

# assistina

# MARGE CRISPIN CENTER "ADOPT-A-FAMILY" PROGRAM

pink DVD player...Aeropostale PJs and socks...Love Spell perfume. A Braintree mother of three weeps tears of joy as her daughters rip open holiday-wrapped packages to squeals of delight. It's Christmas morning, and the girls are digging into a pile of gifts that came from an unlikely source—their municipal light department.

BELD had "adopted" the family through the holiday Adopt-A-Family program at The Marge Crispin Center, founded in the 1970s to assist needy residents in the Town of Braintree. Diagnosed with a serious illness and scheduled for major surgery, the single mother had been having difficulty making ends meet, and she knew she couldn't afford to buy holiday gifts for the girls, aged 9, 13, and 15.

Our holiday Adopt-A-Family program is only successful because of compassionate people like you. You offered a mom and her girls a very special Christmas during a difficult and financially challenging time. Please know that your kindness was truly exceptional and very much needed.

Debbie Simpson Development Director The Marge Crispin Center







BELD was given the girls' "wish lists," and employees were asked to purchase items from the lists or make cash donations. Once the purchases had been made (there were numerous trips to Victoria's Secret, Bath & Body Works, and Macy's), employees volunteered their time to wrap them. And there was enough cash remaining to make a substantial payment on the family's electric account!

The Adopt-A-Family program is just one of many services offered through The Marge Crispin Center. Others include adult social day care, a food pantry, a holiday food basket program, and emergency aid to residents needing help with utility bills. We at BELD hope our small contribution has helped brighten the lives of a family in need.



Representing the many BELD employees who participated in the Adopt-A-Family project are (left to right): Donna O'Keefe, Sherri Hoey, Gail Cohen, and Marie Hynes of BELD's Customer Service Department

# **FINANCIAL STATEMENTS**

CONSOLIDATING STATEMENTS OF NET ASSETS AND LIABILITIES December 31, 2007 (audited)

ASSETS:	<b>Light Division</b>	<b>Broadband Division</b>	Consolidated
Current Assets:			
Funds on Deposit with Town Treasurer			
Operating Fund	\$6,133,192	\$95,017	\$6,228,209
Customer Accounts receivable, Net	3,882,127	142,629	4,024,756
Accounts Receivable—related party	634,377	0	634,377
Other Receivables	307,629	0	307,629
Materials and Supplies Unbilled Revenue	955,528 1,866,292	54,354 17,772	1,009,882 1,884,064
Prepaid Working Capital	792,454	0	792,454
Prepaid Expenses	252,961	171,123	424,084
Total Current Assets	14,824,560	480,895	15,305,455
Noncurrent Assets:			
Funds on Deposit with Town Treasurer			
Depreciation Fund	1,696,643	6,193	1,702,836
Rate Stabilization Fund	2,260,877	0	2,260,877
Construction Fund	50,471,233 121,359	0	50,471,233 121,359
Customer Deposits Investment in Energy New England	472,712	0	472,712
Investment in Hydro-Quebec Phase II	91,338	0	91,338
Other Investments	132,000	0	132,000
Other Noncurrent Assets	322,324	0	322,324
Investment in Affiliate Company	895,092	(895,092)	0
Plant Assets, Net	57,957,273	3,671,464	61,628,737
Total Noncurrent Assets	114,420,851	2,782,565	117,203,416
Total Assets	\$129,245,411	\$3,263,460	\$132,508,871
LIABILITIES: Current Liabilities:			
Accounts Payable	\$4,792,935	\$331,523	\$5,124,458
Accounts Payable—related party	20,450	2,432	22,882
Accrued compensated absences	122,977	15,563	138,540
Other Accrued Expenses	541,074	12,486	553,560
Note Payable	103,906	0	103,906
Bond Anticipation Note Bond Payable	65,719,794 0	500,000	65,719,794 500,000
Capital Lease	16,425	0	16,425
Deferred Revenue	25,773	0	25,773
Total Current Liabilities	71,343,334	862,004	72,205,338
Noncurrent Liabilities:		,	, ,
Note Payable, Net of current portion	0	1,650,000	1,650,000
Bonds Payable, Net of current portion	0	0	1,000,000
Capital Lease, Net of current portion	0	0	C
Rate Stabilization Reserve	2,260,877	0	2,260,877
Customer Deposits	92,020	0	92,020
Deferred Revenue	369,801	0	369,801
Total Noncurrent Liabilities	2,722,698	1,650,000	4,372,698
Tabal I labilities	\$74,066,032	\$2,512,004	\$76,578,036
Total Liabilities			
NET ASSETS: Invested in Capital Assets, Net of related debt	41,886,690	2,021,464	43,908,154
NET ASSETS:	41,886,690 13,292,689	2,021,464 (1,270,008)	, ,
NET ASSETS: Invested in Capital Assets, Net of related debt			43,908,154 12,022,681 <b>55,930,835</b>

# CONSOLIDATING STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS December 31, 2007 (audited)

OPERATING REVENUES:	<b>Light Division</b>	<b>Broadband Division</b>	Consolidated
Sales to Ultimate Customers Other Operating Revenues	\$55,883,760 1,298,509	\$6,364,239 153,597	\$62,247,999 1,452,106
Total Operating Revenues	\$57,182,269	\$6,517,836	\$63,700,105
OPERATING EXPENSES:			
Purchased Power Fuel for Generators Signal Fees Maintenance Distribution	36,723,373 1,745,933 0 3,948,743 1,857,048	0 0 2,402,808 556,028 962,498	36,723,373 1,745,933 2,402,808 4,504,771 2,819,546
General & Administration Depreciation Expense	6,660,671 2,861,856	1,793,484 592,120	8,454,155 3,453,976
Total Operating Expenses	\$53,797,624	\$6,306,938	\$60,104,562
OPERATING INCOME:	3,384,645	210,898	3,595,543
NONOPERATING REVENUES (EXPENSES)	:		
Investment Loss—ENE Interest and Dividend Income Interest Expense	142,424 143,351 (32,292)	0 485 (103,667)	142,424 143,836 (135,959)
Total Nonoperating Revenues (Expenses)	\$253,483	(\$103,182)	\$150,301
Income Before Contributions and Transfers	3,638,128	107,716	3,745,844
NET ASSETS—JANUARY 1:	51,920,325	643,740	52,564,065
Claims & Judgements Transfers Out—Payment in Lieu of Taxes	697,438 (1,076,512)	0	697,438 (1,076,512)
NET ASSETS—DECEMBER 31:	\$55,179,379	\$751,456	\$55,930,835

#### FINANCIAL STATEMENTS

STATEMENT OF KILOWATT HOUR SALES, LIGHT DIVISION December 31, 2007 and 2006

	2007	2006
KILOWATTS:		
Residential Service Commercial Service Industrial Service Municipal Service Area Lighting Sales To Other Utilities	112,846,350 225,270,695 31,017,032 14,137,882 863,867 1,145,281	110,941,494 227,060,465 30,203,016 13,804,726 856,229 1,026,914
Total Kilowatt Hour Sales	385,281,107	383,892,844
REVENUE:		
Residential Service Commercial Service Industrial Service Municipal Service Area Lighting Sales To Other Utilities	\$15,413,995 \$33,521,774 \$4,232,305 \$2,069,493 \$96,640 \$549,553	\$14,502,943 \$32,488,731 \$3,947,604 \$1,967,863 \$98,105 \$495,556
Total Kilowatt Dollar Sales	\$55,883,760	\$53,500,802

#### Notes to financial statements: December 31, 2007

- The general laws of the Commonwealth of Massachusetts under Chapter 164 require "utility plant in service" to be depreciated using a 3% rate. Approval must be given by the Massachusetts Department of Public Utilities before the rate can be changed. Rates used in depreciating "utility plant in service" are based on financial factors relating to cash flow for plant expansion, rather than engineering factors relating to estimates of useful life.
- BELD adopted the provisions of Governmental Accounting Standards Board (GASB) Statements
   No. 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and
   Local Governments, in 2002.
- Braintree Electric Light Department operates in two divisions: the municipal Electric Division
  and the Broadband Division. The Electric Division generates, purchases and distributes
  electricity to residents of the town. The Broadband Division provides Internet, cable television
  and digital phone services to residents of the town. Because BELD is owned by the town and
  not by investors, our net profit is returned to our customers in the way of stable rates, better
  service and increased assets.
- The financial results presented for 2007 are audited.

# **SERVICES CONTRIBUTED TO THE COMMUNITY DURING 2007**

Public power utilities measure success by how much money stays within the community through low rates and contributions to the town budget. During 2007 BELD continued its practice of providing many additional services to the Town of Braintree. Some of those services and their approximate values are listed here.

Donations and Broadband discounts for nonprofits  Installation of new electric service at Highway Department barn and antenna Hosting of Neighborhood Link website  GIS (Geographic Information System) benefits to town departments  Braintree Re-leaf program (tree planting)  Work on the municipal fiber-optic network  IT work for town departments  Engineering software for town Engineering Department  Pickup truck donated to Building Department  Electrical work for Braintree Schools (Flaherty and Hollis)  Installation of poles and netting for Parks Department at French's Common Support of Global Positioning System (GPS)  Installation of electric auto transfer switch at 90 Pond Street  Replacement of banners in South Braintree Square  Installation of fiber cable for Police satellite office at South Shore Plaza .  Scholarships  SCADA work for Water and Sewer Department at Common Street Pumping S  Relocation of CAT 6 network cables for Council on Aging	a pole
Fiber cable work for relocation of Retirement Board to 74 Pond Street General work for Parks Department	
Payment in Lieu of Taxes	\$486,380 <b>856,000</b>



**Grand Total** 





\$1,342,380

## BRAINTREE ELECTRIC LIGHT DEPARTMENT

MANAGERS AND BOARD



Thomas J. Reynolds, Chairman



Anthony L. Agnitti, Vice Chairman



James P. Regan, Secretary

raintree Electric Light Department is a public power utility—one of over 2,000 in the country. Operated as a not-for-profit public service, BELD is overseen by a publicly elected Municipal Light Board. Braintree residents are not only consumers, but owners as well—with a role in deciding how BELD will be operated. We appreciate the support you've given the Light Board and BELD's management and staff as we've worked together over the past year to serve the Town of Braintree.

#### **BELD GENERAL MANAGERS**

1892-1895	Thomas A. Watson (3 years)
1895-1902	Ansel O. Clark (7 years)
1903-1911	Daniel Potter (8 years)
1911–1939	Fred B. Lawrence (28 years)
1939-1954	Ernest T. Fulton (15 years)
1954-1977	Alban G. Spurrell (23 years)
1977-1985	Donald H. Newton (8 years)
1985-2002	Walter R. McGrath (17 years)
2003-present	William G. Bottiggi

# BRAINTREE MUNICIPAL LIGHT BOARD ESTABLISHED 1909 (Members listed by seat)

#### Norton P. Potter, Chair

1909-1956	Norton P. Potter (47 years)
1956-1960	James H. Dignan (4 years)
1960-1961	Raymond A. Nagle (1 year)
1961–1967	Ernest S. Reynolds (6 years)
1967–1968	Gordon E. Trask (1 year)
1968-1974	William J. Dignan (6 years)
1974-1977	Anthony J. Mollica (3 years)
1977–1983	Dennis M. Corvi (6 years)
1984-1993	Joseph W. Aiello (9 years)
1993-1999	James M. Casey (6 years)
1999-Present	Thomas J. Reynolds

#### Alexander Carson, Chair

1909-1938	Alexander Carson (29 years)
1938-1957	Shelley A. Neal (19 years)
1957-1983	Walter J. Hansen (26 years)
1983-1989	Michael J. Joyce (6 years)
1989-1995	James E. Wentworth (6 years)
1995–1995	Paul E. Caruso (1 year)
1995-2004	Darrin M. McAuliffe (9 years)
2004-Present	Anthony L. Agnitti

#### Charles T. Crane, Chair

Charles T. Crane (16 years)
Charles G. Jordan (11 years)
Frank P. Lloyd (18 years)
Ernest T. Fulton (1 year)
Carl W.R. Johnson (25 years)
Guy F. Luke (1 year)
Joseph W. Aiello (1 year)
Guy F. Luke (24 years)
James P. Regan

## BRAINTREE ELECTRIC LIGHT DEPARTMENT

2007 EMPLOYEES

Ellen M. Anderson William J. Antonellis Robert H. Beatson, Jr. Timothy J. Bedard Dorian L. Belfort Philip J. Berardinelli Patricia A. Boddie Karen Bonatti William G. Bottiggi Stephen E. Buker Richard J. Campbell Francis C. Catarius Gwen R. Chiappini Thomas F. Chisholm Donna Clapp Maryann L. Cody Gail J. Cohen Mary L. Comlin Nancy J. Cox Charles Coyne, Jr. Kevin P. Crawford Denise R. Crowley Ann M. Curran John E. Currie Barbara A. Curtin Gregory F. Cusack Charles F. Dibble Matthew W. Doren Peter G. Dunlea

John F. Feeney, Jr. Teresa Fico Allan M. Fitzsimmons James M. Flaherty Gregory J. Flynn Michael J. Ford Robert Forde Peter M. Gomez Arthur M. Graziano Richard W. Grey Jason R. Haber Richard A. Hall Scott D. Henderson Robert M. Henriksen Daniel M. Heraty John J. Herlihy Donald L. Hetherington Mary M. Hobart Sherilee Hoey Marie J. Horgan Marie E. Hynes Joseph L. Kelly Kevin P. Kiley John W. Kirkland Mary Ky Weijun Li Kevin M. Lyons Steven W. Lyons

Darron T. MacDonald

Kenneth A. MacDonald Christopher B. Malatesta Brett L. Markham Joan A. Marson John J. Martin Edward A. McCroken Brett L. McGrath John F. McKinley Sean E. McLaughlin Carol J. Morley H. Joseph Morley Mildred J. Mulvaney Sean E. Murphy Cindy Nascarella Donna M. Needham John-Erik J. Nelson Joseph M. O'Brien Thomas M. O'Connor Donna O'Keefe James D. Okerfelt John H. Orpen Brian M. Ostiguy Gail A. O'Sullivan Christopher A. Parker John B. Perry John H. Price James B. Ritchie. Jr. Arthur J. Roberts Richard C. Sandstrom

Michael D. Sardano Robert J. Sargent Donna L. Sellgren Easton G. Shakespeare Jennifer E. Shawles Kimberly A. Silva Marianne Singer Ruth M. Slater James E. Smith, III John G. Spada Jeffrey P. Spencer JoAnn M. Stak Bregnard Kathleen O. Steele Kenneth E. Stone Stephen P. Tatro Raymond L. Taylor Jason P. Tedeschi Rose R. Teele David Tetreault Christopher C. Thoener Ralph B. Toye Bruce W. Turner Yvonne V. Twitty Daniel T. Uhlman Jack N. Walker Susan A. Wentworth Kevin G. Wiles Bruce M. Williams





