



2015 ANNUAL BRAINTREE ELECTRIC LIGHT DEPARTMENT REPORT

ELECTRIC
BROADBAND

BELD

2015 ANNUAL REPORT

ABOUT COMPANY'S

MUNICIPAL LIGHT BOARD

The Braintree municipal lighting plant was established in 1893. The plant operated under the jurisdiction of the Selectmen until 1909 when the growing importance of electricity made a separate Municipal Lighting Board necessary. The following year, the Electric Light Department boasted 908 customers, and was more than self-sustaining financially.

At the close of the year 1916 the service included 725 street lights, for which the town paid \$6,282, and 1,600 private customers. According to the report of the town treasurer, the total income of the plant was \$41,890.94. During the year nearly fifteen thousand dollars were expended in the purchase of new machinery, making the estimated value of

the equipment at the close of the year over one hundred thousand dollars. Few towns in the state had a better lighting system than Braintree, and the cost of light to the consumer was much lower than in many of the large cities. F. B. Lawrence, manager of the municipal lighting department, closed his report for 1916 by saying: "Prices on pole-line, hardware, poles, wire and fuel have increased considerably over 1915, yet our manufacturing cost has been well within our income. With increased business and greater generating efficiency, we expect to make an even better showing for the coming year."

"The plant operated under the jurisdiction of the Selectmen until 1909 when the growing importance of electricity made a separate Municipal Lighting Board necessary."



WILLIAM G. BOTTIGGI *BELD General Manager*

BELD GENERAL MANAGERS HISTORY

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



MESSAGE FROM THE

GENERAL MANAGER

After overcoming a series of snow storms in early 2015, BELD employees spent the year improving the Town's electric infrastructure to continue providing the high reliability Braintree residents have come to expect. We commenced work on some major jobs, including the upgrade of equipment located at Station 4 (at the intersection of Grove Street and Mahar Highway), as well as the installation of a new oil pumping station at Station 9 on Grove Street. In addition, we upgraded a number of overhead distribution feeders and began a Town-wide project to replace deteriorating utility poles purchased from Verizon.

In early 2015 Potter II's main transformer failed and required major repair. The transformer was shipped by rail to Ohio, repaired and returned to our facility, when the power plant was put back in service. Our electric generation staff continues to pursue the development of a new gas turbine to replace the aging Potter II power plant. This long-term project is subject to approval by ISO New England and would be completed in mid-2020 at the earliest.

Lastly, BELD Broadband continued to compete with Verizon and Comcast, holding its own in 2015. Our business is solid with additional offerings such as online Watch TV Everywhere video content, increased Internet speeds and a popular wireless offering.



➤ **“ For 119 years BELD has been a nonprofit public power utility owned & operated by the citizens of Braintree ”**



THOMAS J. REYNOLDS
Chairman



ANTHONY L. AGNITTI
Vice Chairman



JAMES P. REGAN
Secretary

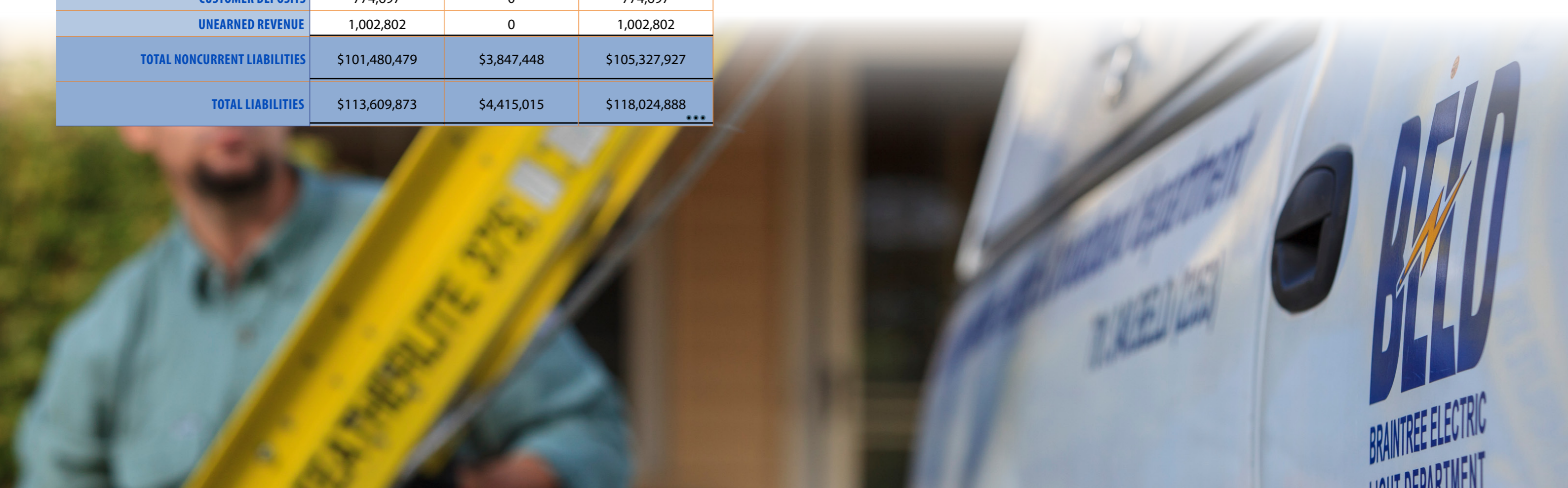
BRAINTREE MUNICIPAL LIGHT BOARD
(Members listed by seat)

1909–1956	Norton P. Potter	1909–1938	Alexander Carson	1909–1925	Charles T. Crane
1956–1960	James H. Dignan	1938–1957	Shelley A. Neal	1925–1936	Charles G. Jordan
1960–1961	Raymond A. Nagle	1957–1983	Walter J. Hansen	1936–1954	Frank P. Lloyd
1961–1967	Ernest S. Reynolds	1983–1989	Michael J. Joyce	1954–1955	Ernest T. Fulton
1967–1968	Gordon E. Trask	1989–1995	James E. Wentworth	1955–1980	Carl W.R. Johnson
1968–1974	William J. Dignan	1995–1995	Paul E. Caruso	1980–1981	Guy F. Luke
1974–1977	Anthony J. Mollica	1995–2004	Darrin M. McAuliffe	1981–1982	Joseph W. Aiello
1977–1983	Dennis M. Corvi	2004–present	Anthony L. Agnitti	1982–2006	Guy F. Luke
1984–1993	Joseph W. Aiello			2006–present	James P. Regan
1993–1999	James M. Casey				
1999–present	Thomas J. Reynolds				

	LIGHT DIVISION	BROADBAND DIVISION	CONSOLIDATED
CURRENT ASSETS			
FUNDS ON DEPOSIT WITH TOWN TREASURER			
OPERATING FUND	\$6,278,570	\$1,068,499	\$7,347,069
CUSTOMER ACCOUNTS RECEIVABLE, NET	2,989,699	115,584	3,105,283
ACCOUNTS RECEIVABLE - RELATED PARTY	89,739	0	89,739
OTHER RECEIVABLES	651,223	0	651,223
MATERIALS AND SUPPLIES	4,893,491	8,372	4,901,863
UNBILLED REVENUE	3,517,026	0	3,517,026
PURCHASED POWER WORKING CAPITAL	2,865,464	0	2,865,464
PREPAID EXPENSES	795,004	74,008	869,012
TOTAL CURRENT ASSETS	\$22,080,216	\$1,266,463	\$23,346,679
NONCURRENT ASSETS			
FUNDS ON DEPOSIT WITH TOWN TREASURER			
DEPRECIATION FUND	\$5,032,146	\$6,353	\$5,038,499
RATE STABILIZATION FUND	5,668,058	0	5,668,058
CUSTOMER DEPOSITS	753,698	0	753,698
INVESTMENT IN ENERGY NEW ENGLAND	934,435	0	934,435
OTHER INVESTMENTS	150,309	0	150,309
PRELIMINARY SERVICES	1,712,656	0	1,712,656
INVESTMENT IN AFFILIATE COMPANY	907,574	(907,574)	0
PLANT ASSETS, NET	139,237,238	1,075,283	140,312,521
TOTAL NONCURRENT ASSETS	\$154,396,114	\$174,062	\$154,570,176
Deferred Outflows of Resources	2,228,117	393,197	2,621,314
TOTAL ASSETS & DEFERRED OUTFLOWS OF RESOURCES	\$178,704,447	\$1,833,722	\$180,538,169

LIABILITIES	LIGHT DIVISION	BROADBAND DIVISION	CONSOLIDATED
CURRENT LIABILITIES			
ACCOUNTS PAYABLE	\$4,083,918	\$335,803	\$4,419,721
ACCOUNTS PAYABLE - RELATED PARTY	502,568	0	502,568
ACCRUED COMPENSATED ABSENCES	215,114	17,021	232,135
OTHER ACCRUED EXPENSES	408,221	110,264	518,485
BONDS PAYABLE	5,708,355	0	5,708,355
PARTICIPANT ADVANCES & RESERVE	1,173,052	0	1,173,052
CAPITAL LEASES	0	104,479	104,479
DEFERRED REVENUE	38,166	0	38,166
TOTAL CURRENT LIABILITIES	\$12,129,394	\$567,567	\$12,696,961
NONCURRENT LIABILITIES			
BONDS PAYABLE, NET OF CURRENT PORTION	\$79,393,673	\$0	\$79,393,673
NEW LEASE, NET OF CURRENT PORTION	0	79,618	79,618
NET OPEB OBLIGATION	5,106,382	1,084,961	6,191,343
NET PENSION LIABILITY	15,202,925	2,682,869	17,885,794
CUSTOMER DEPOSITS	774,697	0	774,697
UNEARNED REVENUE	1,002,802	0	1,002,802
TOTAL NONCURRENT LIABILITIES	\$101,480,479	\$3,847,448	\$105,327,927
TOTAL LIABILITIES	\$113,609,873	\$4,415,015	\$118,024,888

DEFERRED INFLOWS OF RESOURCES	LIGHT DIVISION	BROADBAND DIVISION	CONSOLIDATED
DEFERRED FINANCE GAIN	\$2,732,788	\$0	\$2,732,788
CONTRIBUTION IN AID OF CONSTRUCTION	925,002	0	925,002
RATE STABILIZATION RESERVE	6,810,293	0	6,810,293
TOTAL DEFERRED INFLOWS OF RESOURCES	\$10,468,083	\$0	\$10,468,083
NET ASSETS			
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	\$54,135,210	\$1,075,283	\$55,210,493
NET POSITION RESTRICTED FOR DEPRECIATION	5,032,146	6,353	5,038,499
UNRESTRICTED	(4,540,865)	(3,662,929)	(8,203,794)
TOTAL NET POSITION	\$54,626,491	\$(2,581,293)	\$52,045,198
TOTAL LIABILITIES AND NET ASSETS	\$178,704,447	\$1,833,722	\$180,538,169

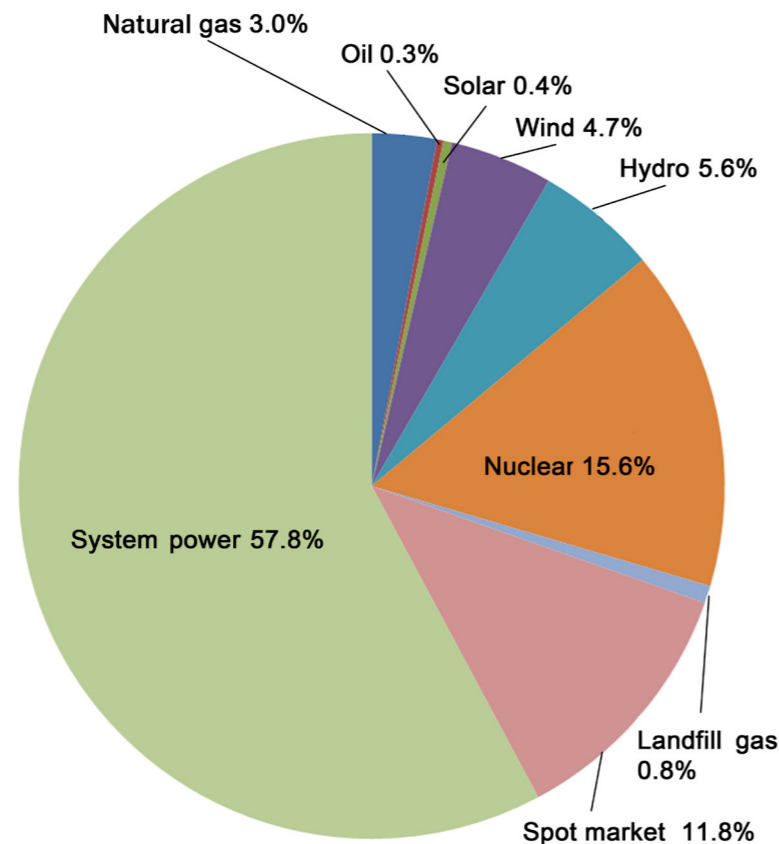


WHERE DOES THE ENERGY COME FROM?

Braintree Electric Light Department currently owns and operates four power plants and bids these plants into the ISO New England market system. We also receive power from many other units in New England. They include a 96 megawatt (MW) combined-cycle power plant (Potter II), the two Thomas Watson 58 MW quick-start simple-cycle turbines, and a 2 MW diesel unit.

BELD gets its power from so many resources because the utility industry's motto is "Don't put all your eggs in one basket." Here's why:

- Reliability—Individual units can and do fail sometimes, but groups of units increase overall reliability
- Fuel diversity—Individual fuel prices swing widely over time, so it pays to use many different fuel types
- Economy—Base, intermediate, and peak loads are most economically served by different types of generators



2015 Braintree Electric Light Department

	LIGHT DIVISION	BROADBAND DIVISION	CONSOLIDATED
OPERATING REVENUES			
SALES TO ULTIMATE CUSTOMERS	\$52,454,399	\$5,452,865	\$57,907,264
SALES FOR RESALE	12,760,028	0	12,760,028
OTHER OPERATING REVENUES	3,186,505	0	3,186,505
TOTAL OPERATING REVENUES	\$68,400,932	\$5,452,865	\$73,853,797
OPERATING EXPENSES:			
PURCHASED POWER	27,008,013	0	27,008,013
FUEL FOR GENERATORS	2,704,778	0	2,704,778
SIGNAL FEES	0	2,322,269	2,322,269
MAINTENANCE	8,509,896	500,326	9,010,222
DISTRIBUTION	1,513,837	732,554	2,246,391
GENERAL & ADMINISTRATION	10,227,966	1,450,400	11,678,366
DEPRECIATION EXPENSE	7,053,245	252,630	7,305,875
TOTAL OPERATING EXPENSES	\$57,017,735	\$5,258,179	\$62,275,914
OPERATING INCOME	\$11,383,197	\$194,686	\$11,577,883
NONOPERATING REVENUES (EXPENSES):			
INVESTMENT LOSS — ENE & SSEC	\$30,524	\$0	\$30,524
INTEREST AND DIVIDEND INCOME	(18,164)	6	(18,158)
LOSS ON BROADBAND EQUIPMENT	0	(511)	(511)
INTEREST EXPENSE	(3,220,024)	(19,170)	(3,239,194)
TOTAL NONOPERATING REVENUES (EXPENSES)	\$(3,207,664)	\$(19,675)	\$(3,227,339)
INCOME BEFORE CONTRIBUTIONS & TRANSFERS	8,175,533	175,011	8,350,544
NET ASSETS - JANUARY 1	48,178,023	(2,756,304)	45,421,719
TRANSFERS IN — PAYMENT IN LIEU OF TAXES	-	0	0
TRANSFERS OUT — PAYMENT IN LIEU OF TAXES	(1,727,065)	0	(1,727,065)
NET ASSETS — DECEMBER 31	\$54,626,491	\$(2,581,293)	\$52,045,198

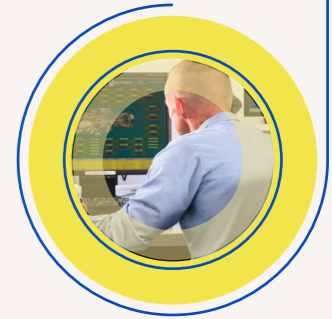
STATEMENT OF KILOWATT HOUR SALES LIGHT DIVISION
DECEMBER 31, 2015 & 2014

KILOWATTS	2015	2014
RESIDENTIAL SERVICE	120,727,382	118,086,306
COMMERCIAL SERVICE	201,846,611	203,518,161
INDUSTRIAL SERVICE	23,067,168	24,967,694
MUNICIPAL SERVICE	14,549,184	14,194,439
AREA LIGHTING	923,884	886,677
SALES TO OTHER UTILITIES	28,238,163	52,870,426
TOTAL KILOWATT HOUR SALES	389,352,392	414,523,703

REVENUE	2015	2014
RESIDENTIAL SERVICE	\$16,744,556	\$15,402,459
COMMERCIAL SERVICE	\$29,706,690	\$29,055,405
INDUSTRIAL SERVICE	\$3,098,399	\$3,223,735
MUNICIPAL SERVICE	\$2,088,615	\$2,057,604
AREA LIGHTING	\$112,809	\$106,687
SALES TO OTHER UTILITIES	\$12,760,028	\$14,984,724
TOTAL KILOWATT DOLLAR SALES	\$64,511,097	\$64,830,614

HELPFUL & KNOWLEDGEABLE STAFF

94.6%



RELIABLE SERVICE

97.5%



RESPONSIVENESS TO CUSTOMERS

94%



HONESTY/INTEGRITY

96.5%



HELPING CUSTOMERS CONSERVE ELECTRICITY

92.7%



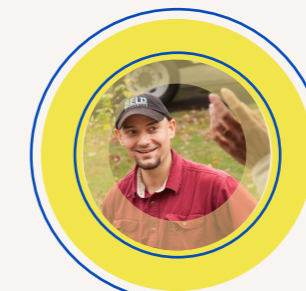
COMMUNITY SERVICE

95.7%



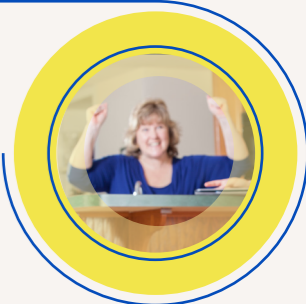
CUSTOMER COMMUNICATIONS

94.5%



RATES

91.8%





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LIGHT DEPARTMENT
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