

BRAINTREE ELECTRIC LIGHT DEPARTMENT

Braintree's hometown electric and broadband department

ELECTRIC
BROADBAND

BELED

2018 ANNUAL REPORT

BELD IN 2018

The staff at Braintree Electric Light Department (BELD) accomplished quite a bit in 2018, while maintaining the high reliability and low electric rates our customers have come to expect. Case in point: BELD's residential rate is now a full 10 cents per kilowatt-hour lower than the rates charged by investor-owned utilities in the towns that surround us. That works out to about \$75 a month or \$900 a year for the average resident. The employees at Braintree Electric achieve this by focusing on a number of key areas, including:

- **Investing approximately \$4 million a year in capital improvements.** In 2018 we focused on replacing a major substation transformer at our Mahar Highway substation and installing an energy storage unit (battery) at our Grove Street substation.
- **Improving our Potter II and Watson generating units on a continual basis.** The Watson units have been in service for 10 years and when called upon to run are successful more than 95% of the time.
- **Purchasing power over the long term to stabilize energy costs, while at the same time investing in renewable energy when opportunities arise.** During 2018 we also added a number of solar and wind projects to our portfolio, helping to "green up" our power supply.

BELD is always innovating and 2018 was no different. Our electric vehicle incentives and residential thermostat program continue to help our customers keep the cost of electric service down while helping the environment.

Finally, in order to keep up with rapidly changing technology, we began analyzing our broadband business to determine how best to continue serving our customers. Providing traditional video service is a challenge for small operators across the country, with intense competition from behemoth providers, ever-increasing programming fees, and the move toward streaming video content. BELD Broadband will continue exploring options to provide state-of-the-art service at affordable prices.



William G Bottiggi
General Manager

MUNICIPAL LIGHT BOARD

2018

BELD'S THREE-MEMBER BOARD IS CHARGED WITH OVERSEEING THE STRATEGIC DIRECTION OF THE LIGHT DEPARTMENT



THOMAS J. REYNOLDS

CHAIRMAN



ANTHONY L. AGNITTI

VICE CHAIRMAN



JAMES P. REGAN

SECRETARY

BRAINTREE MUNICIPAL LIGHT BOARD

ESTABLISHED 1909

(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				

ENERGY STORAGE SYSTEM



BELD received a grant from the Massachusetts Clean Energy Center through the Advancing Commonwealth Energy Storage (ACES) program to construct an energy storage system at a Braintree substation. The project had two main goals: one, to reduce capacity and transmission costs and provide value to ratepayers, and two, to showcase the energy storage system's ability to support increased renewables generation while maintaining grid reliability and reducing peak load. The biggest challenge to achieving these goals was the strict timeline, as the project needed to be operational starting in May 2018 to provide cost reductions to ratepayers for the summer 2018 capacity season. BELD executed the site construction, installation, and wiring of the system and selected Borrego Solar to lead the design of the solar portion of the project.

At the ribbon cutting ceremony in October 2018, Judith Judson, commissioner of DOER, noted that the BELD project is the first of more than two dozen projects around the Commonwealth to test energy storage under the ACES program.

BELD is one of the largest municipal light departments in Massachusetts, serving more than 16,000 customers, including 14,000 residential customers. BELD is recognized locally and nationally as an innovator in technology and new services.

CONSOLIDATING STATEMENTS OF NET ASSETS

December 31, 2018 (audited)

CURRENT ASSETS	Light division	Broadband division	Consolidated
Funds on Deposit with Town Treasurer			
Operating Fund	\$10,375,303	\$1,461,008	\$11,836,311
Customer Accounts Receivable, Net	2,689,315	40,358	2,729,673
Accounts Receivable - Related Party	17,607	0	17,607
Other Receivables	823,724	0	823,724
Materials and Supplies	3,673,605	0	3,673,605
Unbilled Revenue	4,347,783	14,164	4,361,947
Purchased Power Working Capital	1,162,012	0	1,162,012
Prepaid Expenses	476,777	47,671	524,448
TOTAL CURRENT ASSETS	\$23,566,126	\$1,563,201	\$25,129,327
NONCURRENT ASSETS			
Funds on Deposit with Town Treasurer			
Depreciation Fund	\$2,518,360	\$6,384	\$2,524,744
Rate Stabilization Fund	8,382,355	0	8,382,355
Customer Deposits	902,286	0	902,286
Investment in Energy New England	1,788,578	0	1,788,578
Other Investments	225,184	0	225,184
Preliminary Services	0	0	0
Investment in Affiliate Company	496,796	(496,796)	0
Plant Assets, Net	136,094,512	849,198	136,943,710
TOTAL NONCURRENT ASSETS	\$150,408,071	\$358,786	\$150,766,857
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to Pension	\$5,023,492	\$886,499	5,909,991
Deferred Outflows Related to OPEB	280,519	49,503	330,022
Deferred Loss on Refunding	6,544,726	0	6,544,726
	11,848,737	936,002	12,784,739
TOTAL ASSETS & DEFERRED OUTFLOWS OF RESOURCES	\$185,822,934	\$2,857,989	\$188,680,923

CONSOLIDATING STATEMENTS OF NET ASSETS

December 31, 2018 (audited)

CURRENT LIABILITIES	Light division	Broadband division	Consolidated
Accounts Payable	\$3,492,418	\$260,889	\$3,753,307
Accounts Payable - Related Party	582,305	106,836	689,141
Accrued Compensated Absences	294,180	24,884	319,064
Other Accrued Expenses	396,169	230,510	626,679
Bonds Payable	7,293,852	0	7,293,852
Participant Advances & Reserve	1,150,029	0	1,150,029
Capital Leases	0	147,912	147,912
Deferred Revenue	87,137	0	87,137
TOTAL CURRENT LIABILITIES	\$13,296,090	\$771,031	\$14,067,121
NONCURRENT LIABILITIES			
Bonds Payable, Net of Current Portion	\$68,665,378	\$0	\$68,665,378
New Lease, Net of Current Portion	0	120,815	120,815
Net OPEB Obligation	4,861,684	1,317,073	6,178,757
Net Pension Liability	19,259,772	3,398,783	22,658,555
Customer Deposits	991,735	0	991,735
Unearned Revenue	2,082,140	0	2,082,140
TOTAL NONCURRENT LIABILITIES	95,860,709	4,836,671	100,697,380
TOTAL LIABILITIES	\$109,156,799	\$5,607,702	\$114,764,501

CONSOLIDATING STATEMENTS OF NET ASSETS

December 31, 2018 (audited)

DEFERRED INFLOWS OF RESOURCES	Light division	Broadband division	Consolidated
Contribution in Aid of Construction	\$1,114,610	\$0	\$1,114,610
Rate Stabilization Reserve	8,382,354	0	8,382,354
Deferred Inflow or Resources Related to Pensions	1,742,522	307,504	2,050,026
TOTAL DEFERRED INFLOWS OF RESOURCES	\$11,239,486	\$307,504	\$11,546,990
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	\$60,135,282	\$849,198	\$60,984,480
Net Position Restricted for Depreciation	2,518,360	6,384	2,524,744
Unrestricted	2,773,007	(3,912,799)	(1,139,792)
TOTAL NET POSITION	65,426,649	(3,057,217)	62,369,432
TOTAL LIABILITIES AND NET ASSETS	\$185,822,934	\$0	\$188,680,923



CONSOLIDATING STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

December 31, 2018

OPERATING REVENUES	Light	Broadband	Consolidated
Sales to ultimate customers	\$51,051,804	\$5,385,741	\$56,437,545
Sales for Resale	13,356,451	0	13,356,451
Other Operating Revenues	1,337,591	0	1,337,591
TOTAL OPERATING REVENUES	\$65,745,846	\$5,385,741	\$71,131,587
OPERATING EXPENSES			
Purchased Power	\$24,673,872	\$0	\$24,673,872
Fuel for Generators	3,670,339	0	3,670,339
Signal Fees	0	2,456,341	2,456,341
Maintenance	9,834,706	509,170	10,343,876
Distribution	1,653,432	764,903	2,418,335
General & Administration	11,768,754	1,592,851	13,361,605
Depreciation Expense	7,521,581	213,828	7,735,409
TOTAL OPERATING EXPENSES	59,122,684	5,537,093	64,659,777
OPERATING INCOME	\$6,623,162	\$(151,352)	\$6,471,810
NONOPERATING REVENUES (EXPENSES)			
Investment Loss - ENE & SSEC	\$257,464	\$0	\$257,464
Interest and Dividend Income	91,000	18	91,018
Grant Income	700,000	0	700,000
Loss on Broadband Equipment	0	(19,815)	(19,815)
Interest Expense	(2,461,444)	(25,231)	(2,486,675)
TOTAL NONOPERATING REVENUES (EXPENSES)	(1,412,980)	(45,028)	(1,458,008)
Income Before Contributions and Transfers	5,210,182	(196,380)	5,013,802
NET ASSETS - JANUARY 1	61,941,917	(2,860,837)	59,081,080
Transfers In - Payment in Lieu of Taxes	0	0	0
Transfers Out - Payment in Lieu of Taxes	(1,725,450)	0	(1,725,450)
NET ASSETS - DECEMBER 31	\$65,426,649	\$(3,057,217)	\$62,369,432

STATEMENT OF KILOWATT HOUR SALES, LIGHT DIVISION

December 31, 2018 & 2017

	2018	2017
KILOWATTS		
RESIDENTIAL SERVICE	120,250,378	113,658,507
COMMERCIAL SERVICE	192,398,192	188,865,292
INDUSTRIAL SERVICE	21,272,164	19,115,350
MUNICIPAL SERVICE	12,291,861	12,611,183
AREA LIGHTING	937,595	914,767
SALES TO OTHER UTILITIES	27,946,494	28,452,322
TOTAL KILOWATT HOUR SALES	375,096,684	363,617,421

	2018	2017
REVENUE		
RESIDENTIAL SERVICE	\$16,740,908	\$16,132,582
COMMERCIAL SERVICE	\$29,292,137	\$28,646,769
INDUSTRIAL SERVICE	\$2,896,516	\$2,559,805
MUNICIPAL SERVICE	\$2,008,529	\$2,029,578
AREA LIGHTING	\$113,714	\$114,954
SALES TO OTHER UTILITIES	\$13,356,451	\$12,225,834
TOTAL KILOWATT DOLLAR SALES	\$64,408,255	\$61,709,522

EV HYBRID TRUCKS

BELD WELCOMED TWO NEW EV HYBRID TRUCKS TO OUR FLEET IN 2018



**YOUR HOMETOWN ELECTRIC
AND BROADBAND DEPARTMENT**

WWW.BELD.COM

These new vehicles will help BELD operate more efficiently and reduce the department's impact on the environment. The engines run on diesel, but once crews get to the job site, they turn off the engines and run all the aerial equipment, hydraulic tools and exportable power from the Altec Inc. JEMS integrated plug-in hybrid system. The energy storage is recharged either by plugging in the trucks at night or by the truck's internal diesel engine.

These trucks will reduce fuel consumption, lower maintenance costs, decrease the carbon footprint of BELD's fleet, lessen idle times and noise pollution at job sites, and provide a safer and healthier work environment.



Braintree Electric Light Department
150 Potter Road, Braintree, MA 02184
www.beld.com | 781.348.BELD (2353)