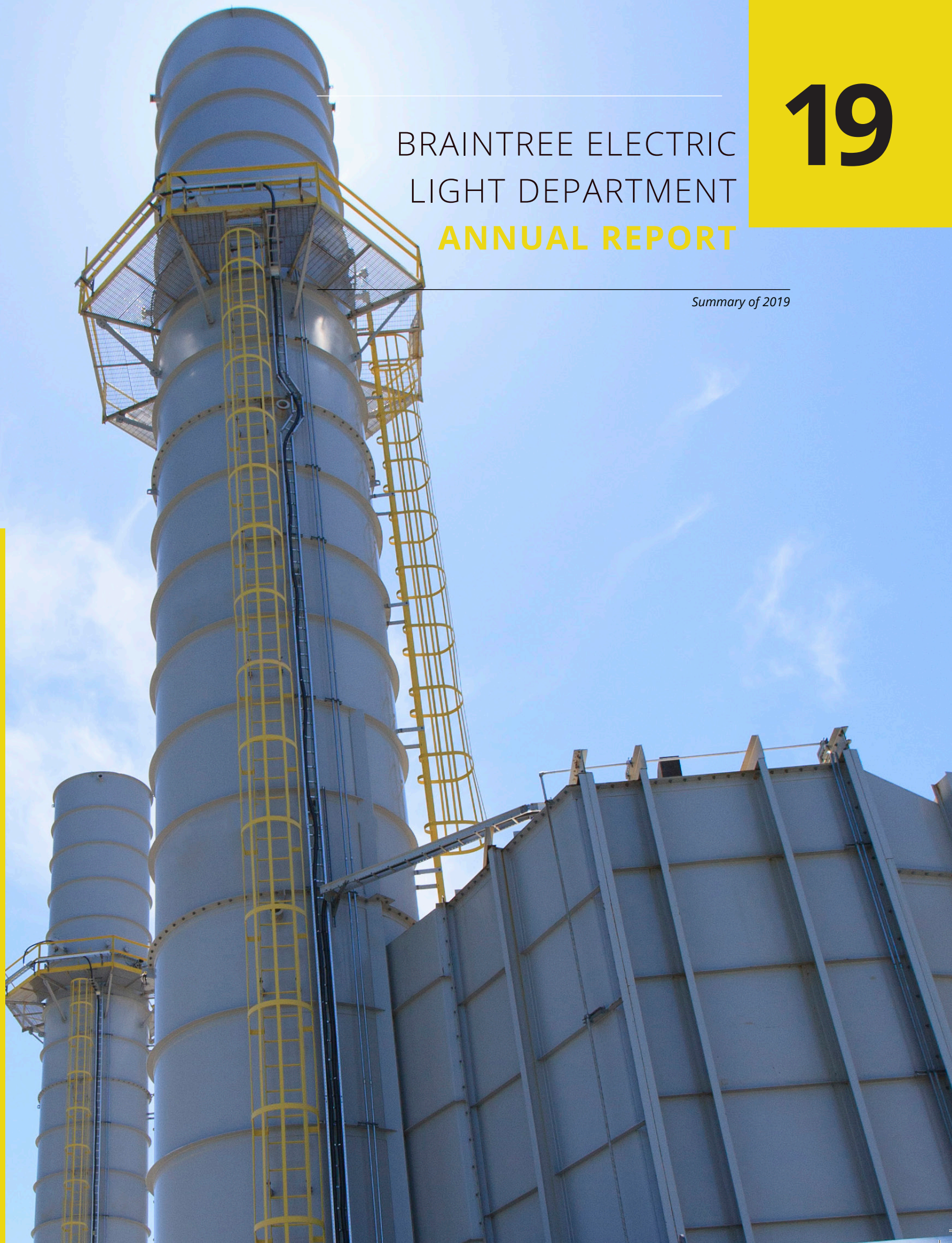


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BRAINTREE ELECTRIC  
LIGHT DEPARTMENT  
**ANNUAL REPORT**

*Summary of 2019*

BRAINTREE ELECTRIC LIGHT DEPARTMENT 2019 ANNUAL REPORT





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BRAINTREE **ELECTRIC**  
LIGHT **DEPARTMENT**

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150 POTTER ROAD  
BRAINTREE, MA 02184

BRAINTREE ELECTRIC LIGHT DEPARTMENT

A MESSAGE FROM  
**THE GENERAL MANAGER**

*William Bottiggi*



The Braintree Electric Light Department continued to focus on what we think is important to our residents and commercial businesses during 2019. Some of those efforts include: continued investment in our distribution and transmission systems, improvements to our generating plants, converting our Internet network—providing faster speeds, an all-of-the-above approach to helping our customers save on their electric bills, increasing our renewable energy supply and our exit from the cable TV business.

*"efforts include continued investment in our distribution and transmission systems, improvements to our generating plants, converting our internet network—providing faster speeds, an all of the above approach to helping our customers save on their electric bills, increasing our renewable energy supply and our exit from the cable TV business."*

Some highlights from these efforts include:

- The upgrade of an overhead feeder on Liberty Street increasing its capacity and interconnection ability.
- The replacement of 120 poles which were at the end of their useful life helping in maintaining high reliability.
- Promotion of our electric vehicle incentive program educating customers about the benefits and cost savings associated with the purchase of these vehicles.
- The addition of renewable energy projects to our power supply increasing our renewable energy to 16% of our power supply portfolio. Coupling this with other non-greenhouse gas emitting resources brings our total environmentally friendly supply to over 40%.
- Converting our network to 32 channels enabling us to offer Internet speeds up to 940 Mbps, giving residents what they need for new technologies in their homes.

The decision to exit the cable TV business was made over a series of months and meetings. After hearing from our customers about the high cost of cable TV and the ever-increasing programmer fees we realized that there was an opportunity to save residents significant money every month if we lowered our Internet costs, invested in the future and improved our high-speed Internet service along with helping residents in converting to a streaming video service. We announced this transition during the fall and are happy to report that most of our customers were able to convert to video streaming and have been very happy with it and the savings.

*"we realized that there was an opportunity to save them significant money every month if we invested and upgraded our high-speed internet business and helped them convert to a streaming video service."*

Finally, I would like to thank our employees for their commitment to BELD and the town of Braintree. It's their hard work and dedication that earns the appreciation, trust and continuing support of our community. Our people are our most important resource and it's really great to have built such a strong group over the years, we couldn't do any of this without them.

A handwritten signature in black ink that reads "William Bottiggi". The signature is fluid and cursive.

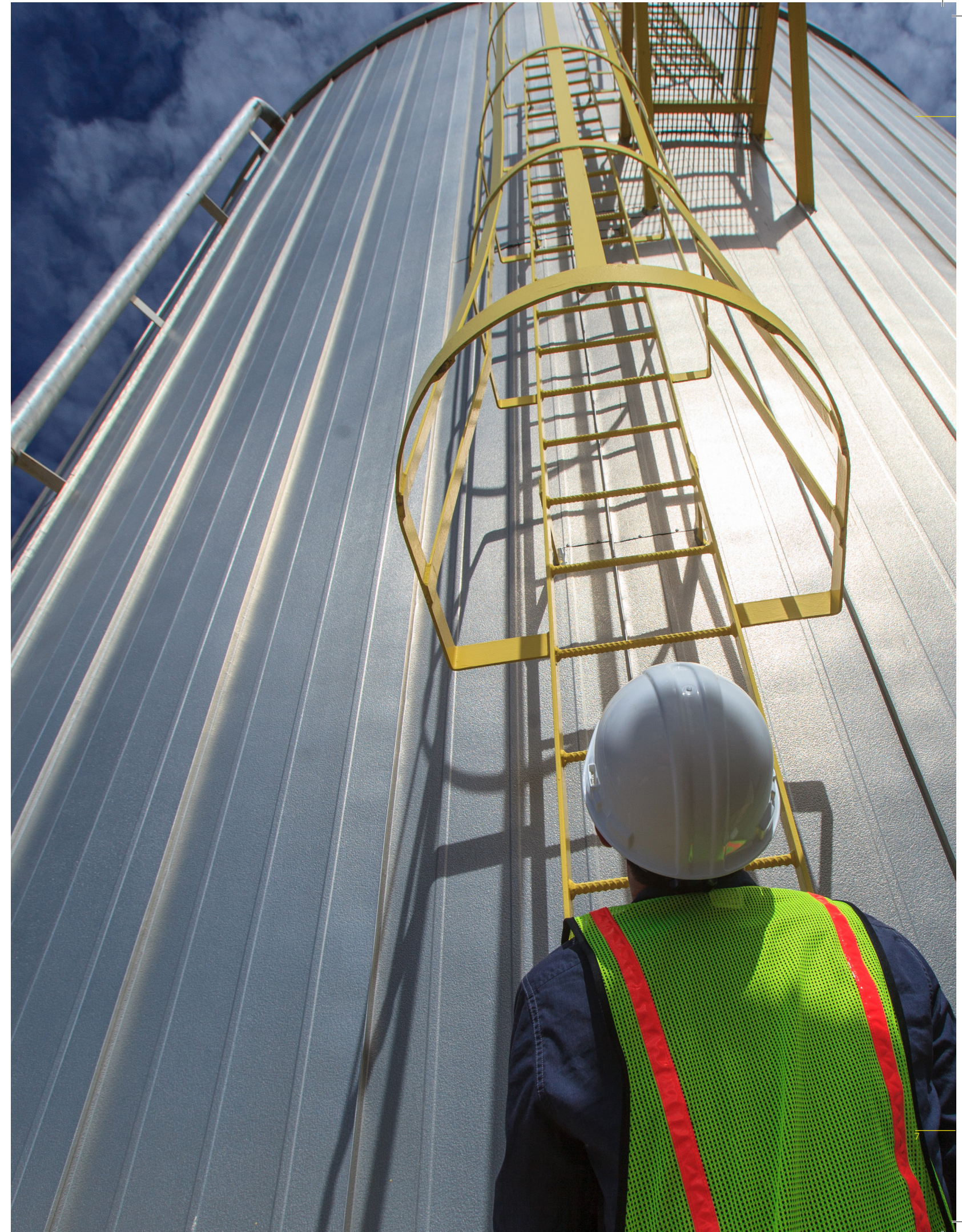
WILLIAM BOTTIGGI  
General Manager  
Braintree Electric Light Department

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## BRAINTREE ELECTRIC LIGHT DEPARTMENT AT A GLANCE

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Braintree Electric Light Department (BELD) is one of 41 municipal light departments organized under Massachusetts General Laws chapter 164, and one of more than 2,200 municipally owned light departments in the country. BELD is recognized locally and nationally as an innovator in technology and new services. In 2000, after running a new hybrid fiber coax network throughout the town, the department began offering High-Speed Internet service to Braintree residents. Over the following years, many enhancements have been made to the network and now residents have the option for speeds of up to 1 Gigabyte.



## MUNICIPAL LIGHT BOARD 2019

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



**THOMAS J. REYNOLDS**  
CHAIRMAN

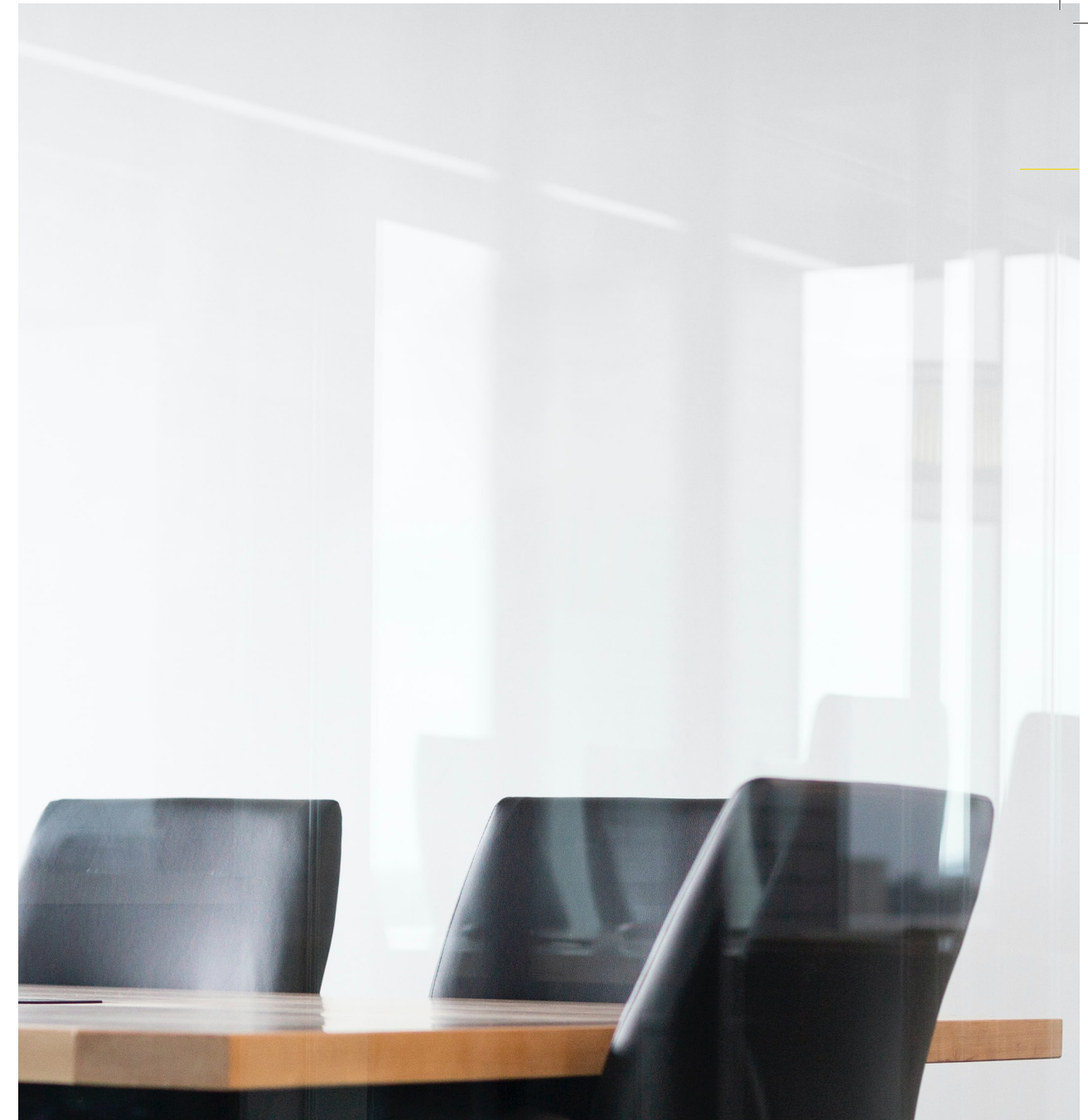


**ANTHONY L. AGNITTI**  
VICE CHAIRMAN



**JAMES P. REGAN**  
SECRETARY

*The Municipal Light Board meets monthly at BELD's administrative offices. These meetings are always open to the public; Braintree residents are encouraged to attend these meetings.*



### MUNICIPAL LIGHT BOARD ESTABLISHED 1909

BELD is governed by an elected Municipal Light Board that appoints a General Manager. BELD's three-member Board is charged with overseeing the strategic direction of the light department.

The Braintree Electric Light Department was established in 1892. 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.

### MUNICIPAL LIGHT BOARD MEMBERS LISTED BY SEAT THROUGHOUT THE YEARS

#### CHAIRMAN

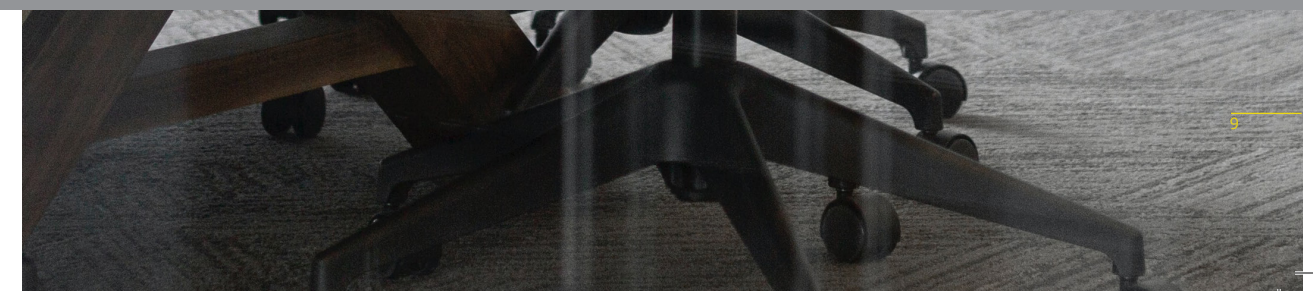
1909–1956 Norton P. Potter  
1956–1960 James H. Dignan  
1960–1961 Raymond A. Nagle  
1961–1967 Ernest S. Reynolds  
1967–1968 Gordon E. Trask  
1968–1974 William J. Dignan  
1974–1977 Anthony J. Mollica  
1977–1983 Dennis M. Corvi  
1984–1993 Joseph W. Aiello  
1993–1999 James M. Casey  
1999–present Thomas J. Reynolds

#### VICE CHAIRMAN

1909–1938 Alexander Carson  
1938–1957 Shelley A. Neal  
1957–1983 Walter J. Hansen  
1983–1989 Michael J. Joyce  
1989–1995 James E. Wentworth  
1995–1995 Paul E. Caruso  
1995–2004 Darrin M. McAuliffe  
2004–present Anthony L. Agnitti

#### SECRETARY

1909–1925 Charles T. Crane  
1925–1936 Charles G. Jordan  
1936–1954 Frank P. Lloyd  
1954–1955 Ernest T. Fulton  
1955–1980 Carl W.R. Johnson  
1980–1981 Guy F. Luke  
1981–1982 Joseph W. Aiello  
1982–2006 Guy F. Luke  
2006–present James P. Regan





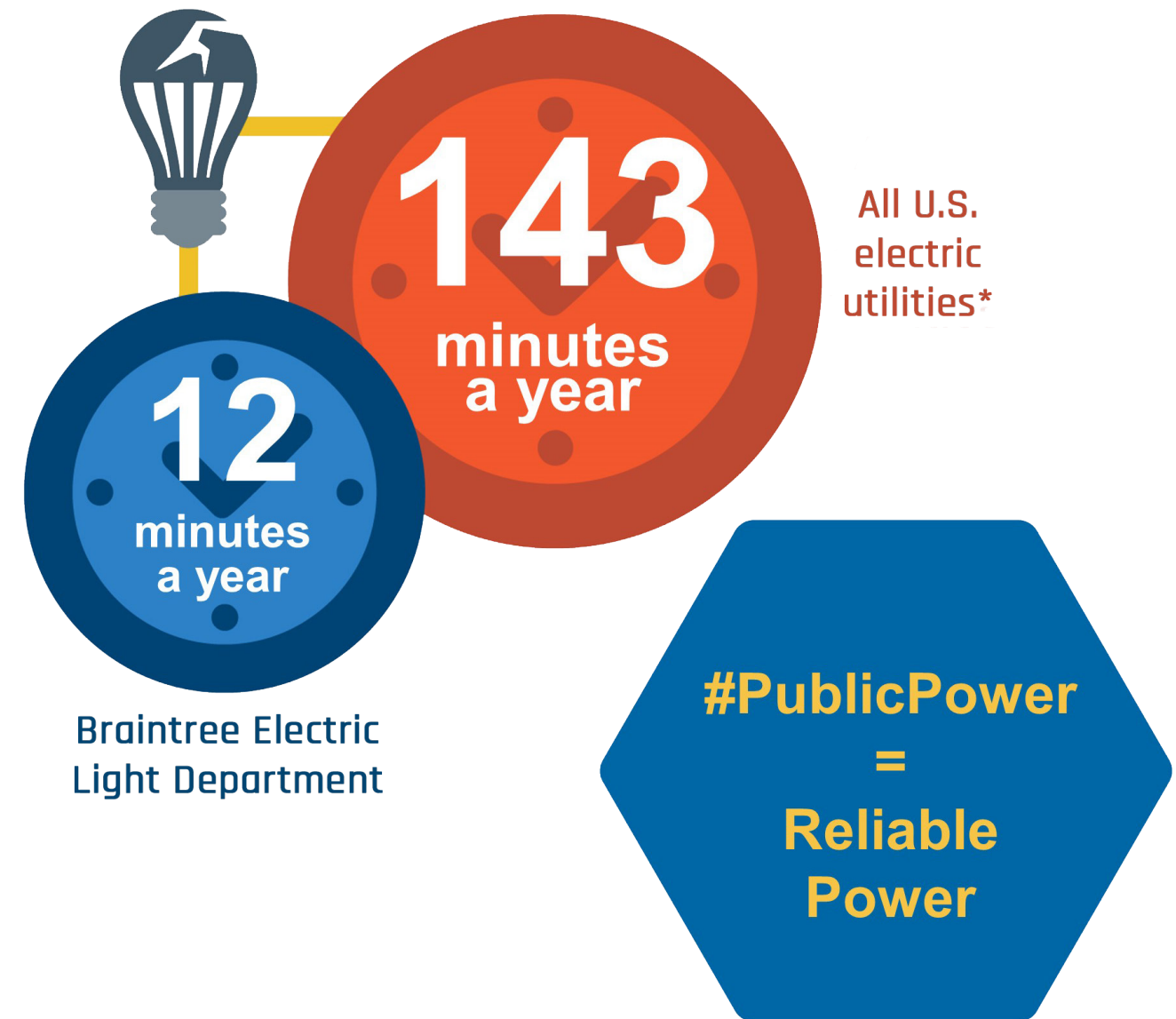
BRAINTREE ELECTRIC LIGHT DEPARTMENT

RELIABLE  
ELECTRIC SERVICE 2019

BELD received national recognition for achieving exceptional electric reliability in 2019. The recognition comes from the American Public Power Association, a trade group that represents more than 2,000 not-for-profit, community-owned electric utilities.

The Association helps members track power outage and restoration data through its subscription-based eReliability Tracker service and then compares the data to national statistics tracked by the U.S. Energy Information Administration for all types of electric utilities.

### Average Annual Outage Time Per Customer



\*When there are NO major events

[www.PublicPower.org/reliability-tracking](http://www.PublicPower.org/reliability-tracking)



BRAINTREE ELECTRIC LIGHT DEPARTMENT

2019

AMERICAN PUBLIC POWER ASSOCIATION  
**SMART ENERGY PROVIDER**

BELD is honored to be one of sixty-seven public power utilities that have earned the 2019 Smart Energy Provider (SEP) designation from the American Public Power Association.

The SEP designation, which lasts for two years, recognizes public power utilities for demonstrating commitment to and accomplishment in smart energy program planning, energy efficiency and distributed energy resources, environmental and sustainability programs, and communication and customer experience.



[www.publicpower.org/smart-energy-provider](http://www.publicpower.org/smart-energy-provider)



BRAINTREE ELECTRIC LIGHT DEPARTMENT

2019

**BEST INTERNET PROVIDER 12 YEARS IN A ROW**  
RELIABILITY, SERVICE, COMMITMENT, VALUE

For the 12th year in a row, you've named BELD the "Best of Greater Braintree" for the Internet Provider category! Each year, Market Surveys of America conducts this online survey.



[www.bestofsurveys.com](http://www.bestofsurveys.com)



**BRAINTREE ELECTRIC LIGHT DEPARTMENT**

**240.5 WATT-HOURS PER CUSTOMER**  
INTERCONNECTED CAPACITY IN 2018

“

*The utilities in the Top 10 are truly spearheading the progress*

**BRAINTREE ELECTRIC LIGHT DEPARTMENT**

SMART ELECTRIC POWER ALLIANCE

**2019 TOP 10**

Braintree Electric Light Department has been named as one of a select group of utilities that connected the most energy storage capacity to the grid in 2018, earning it a spot on the annual Top 10 utility industry list compiled by the Smart Electric Power Alliance (SEPA).

In survey results, Braintree Electric Light Department ranked No. 4 nationally on the utility energy storage list, with 240.5 Watt-hours Per Customer installed in 2018.

The 12th Annual Utility Market Survey collected figures from over 500 utilities across the country.

“The utilities in the Top 10 are truly spearheading the progress we’ve seen in the electric sector this past year,” said Julia Hamm, SEPA’s President and CEO. “It goes beyond just energy storage - they are implementing replicable business models and paving the way to a clean and modern energy future, something that won’t be possible without utilities’ leadership and cooperation.”



## FINANCIAL REPORT BREAKDOWN 2019

### CONSOLIDATING STATEMENTS OF NET POSITION

	2019
<b>CURRENT ASSETS</b> Funds on Deposit with Town Treasurer	
Operating Fund	\$10,001,186
Customer Accounts Receivable, Net	2,675,729
Accounts Receivable - Related Party	262,642
Other Receivables	481,348
Unbilled Revenue	3,613,776
Materials and Supplies	4,989,175
Purchased Power Working Capital	2,251,175
Prepaid Expenses	509,849
<b>TOTAL CURRENT ASSETS</b>	<b>24,784,880</b>
<b>NONCURRENT ASSETS</b> Funds on Deposit with Town Treasurer	
Depreciation Fund	4,302,744
Rate Stabilization Fund	9,343,990
Customer Deposits Fund	1,010,048
Investment in Energy New England, LLC	2,004,639
Other Investments	225,184
Utility Plant Assets, Net	132,441,914
<b>TOTAL NONCURRENT ASSETS</b>	<b>149,113,339</b>
<b>TOTAL ASSETS</b>	<b>174,113,399</b>
<b>DEFERRED OUTFLOWS</b> <b>OF RESOURCES</b>	
Deferred Outflows Related to Pension	8,234,283
Deferred Outflows Related to OPEB	502,121
Deferred Loss on Refunding	5,833,986
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>14,570,390</b>
<b>TOTAL ASSETS &amp; DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$188,683,789</b>

### CONSOLIDATING STATEMENTS OF NET POSITION

	2019
<b>CURRENT LIABILITIES</b>	
Accounts Payable	\$ 4,450,772
Accounts Payable - Related Party	282,889
Accrued Compensated Absences	397,375
Other Accrued Expenses	351,123
Bonds Payable	7,342,186
Participant Advances & Reserve	982,056
Capital Leases	81,364
Unearned Revenue	87,137
<b>TOTAL CURRENT LIABILITIES</b>	<b>13,974,902</b>
<b>NONCURRENT LIABILITIES</b>	
Bonds Payable, Net of Current Portion	61,322,618
Capital Lease, Net of Current Portion	21,769
Net OPEB Obligation	5,767,399
Net Pension Liability	27,446,641
Customer Deposits	1,090,545
Unearned Revenue	2,085,809
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>97,734,781</b>
<b>TOTAL LIABILITIES</b>	<b>111,709,683</b>
<b>DEFERRED INFLOWS</b> <b>OF RESOURCES</b>	
Contribution in Aid of Construction, Net	1,122,171
Rate Stabilization Reserve	9,343,990
Deferred Inflow or Resources Related to OPEB	334,766
Deferred Inflow or Resources Related to Pensions	1,358,192
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>12,159,119</b>
<b>NET POSITION</b>	
Net Investment in Capital Assets	63,777,110
Net Position Restricted for Depreciation	4,302,744
Unrestricted Net Position	(3,264,867)
<b>TOTAL NET POSITION</b>	<b>64,814,987</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RE-SOURCES AND NET POSITION</b>	<b>\$188,683,789</b>

**CONSOLIDATING STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**

		Light Division	Broadband Division	Consolidated
<b>OPERATING REVENUES</b>	Sales to ultimate customers	\$49,770,142	\$4,883,378	\$54,653,520
	Sales for Resale	11,220,527	0	11,220,527
	Other Operating Revenues	1,660,481	0	1,660,481
	<b>TOTAL OPERATING REVENUES</b>	<b>62,651,150</b>	<b>4,883,378</b>	<b>67,534,528</b>
<b>OPERATING EXPENSES</b>	Purchased Power	23,931,411	0	23,931,411
	Fuel for Generators	1,195,747	0	1,195,747
	Signal Fees	0	2,042,059	2,042,059
	Maintenance	8,571,786	443,959	9,015,745
	Distribution	1,616,272	747,790	2,364,062
	General & Administration	12,999,855	1,883,970	14,883,825
	Depreciation Expense, Net or Amortization	7,696,503	185,808	7,882,311
	<b>TOTAL OPERATING EXPENSES</b>	<b>56,011,574</b>	<b>5,303,586</b>	<b>61,315,160</b>
	<b>OPERATING INCOME</b>	<b>6,639,576</b>	<b>(420,208)</b>	<b>6,219,368</b>
	<b>NONOPERATING REVENUES (EXPENSES)</b>	Investment Loss - ENE	216,061	0
Interest Income		108,121	25	108,121
Grant Income		0	0	0
Loss on disposal of Broadband Equipment		0	(131,843)	(131,843)
Interest Expense		(2,223,768)	(16,934)	(2,240,702)
<b>TOTAL NONOPERATING EXPENSES</b>		<b>(1,899,611)</b>	<b>(148,752)</b>	<b>(2,048,363)</b>
Income (loss) Before Contributions and Transfers		4,739,965	(568,960)	4,171,005
<b>NET POSITION - JANUARY 1</b>		<b>62,369,432</b>	<b>(3,057,217)</b>	<b>62,369,432</b>
Broadband Division Transfer	(3,626,177)	3,626,177	0	
Transfers Out - Payment in Lieu of Taxes	(1,725,450)	0	(1,725,450)	
<b>NET POSITION - DECEMBER 31</b>	<b>\$64,814,987</b>	<b>\$0</b>	<b>\$64,814,987</b>	

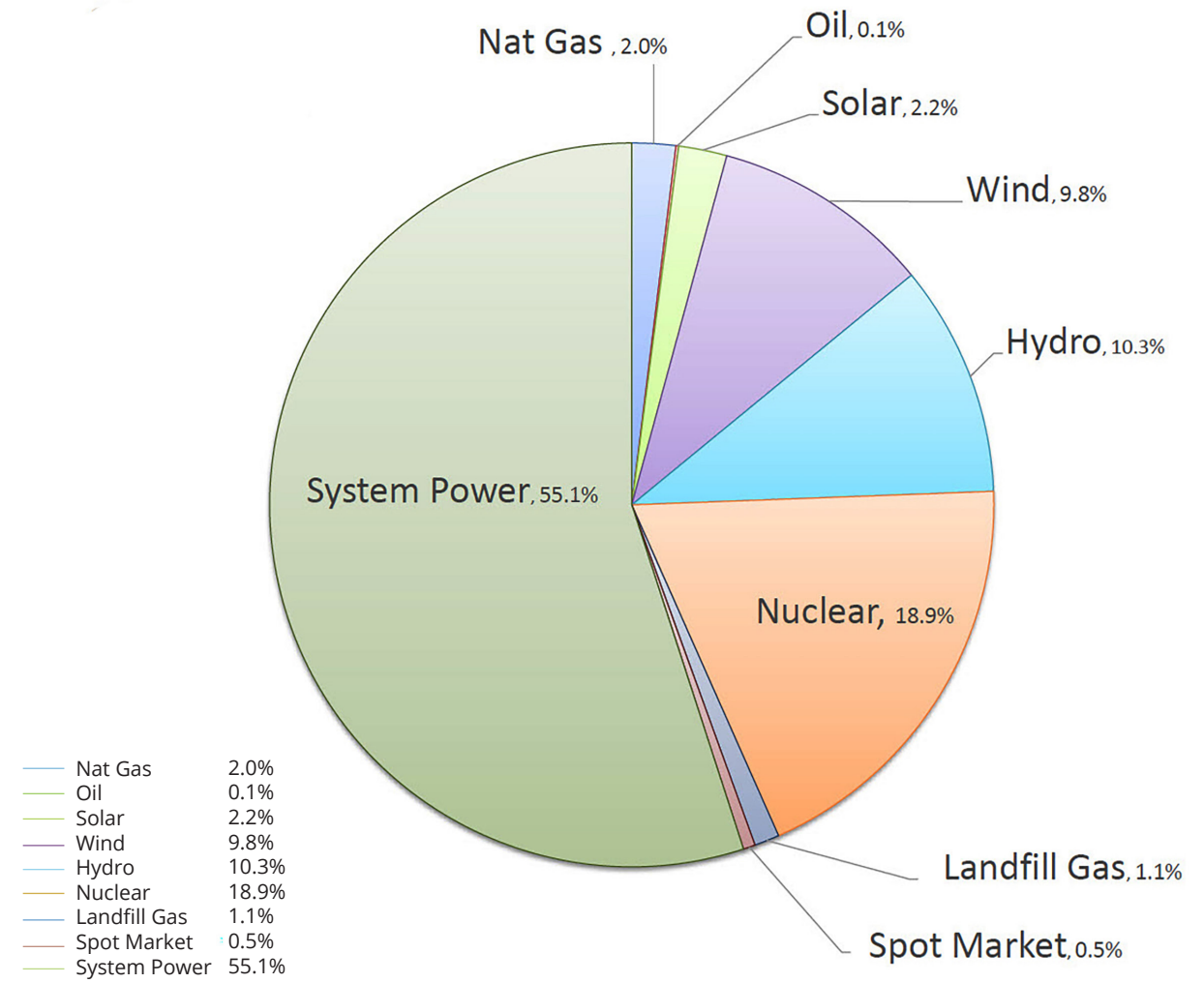
**STATEMENT OF KILOWATT HOUR SALES, LIGHT DIVISION**

	2019	2018		
<b>KILOWATT SALES</b>	RESIDENTIAL SERVICE	113,299,501	120,250,378	
	COMMERCIAL SERVICE	186,342,878	192,398,192	
	INDUSTRIAL SERVICE	21,311,586	21,272,164	
	MUNICIPAL SERVICE	12,129,079	12,291,861	
	AREA LIGHTING	949,445	937,595	
	SALES TO OTHER UTILITIES	7,982,235	27,946,494	
	<b>TOTAL KILOWATT HOUR SALES</b>	<b>342,014,724</b>	<b>375,096,684</b>	
	<b>REVENUE</b>	RESIDENTIAL SERVICE	\$16,244,301	\$16,740,908
		COMMERCIAL SERVICE	\$28,509,920	\$29,292,137
INDUSTRIAL SERVICE		\$2,937,146	\$2,896,516	
MUNICIPAL SERVICE		\$1,996,230	\$2,008,529	
AREA LIGHTING		\$115,694	\$113,714	
SALES TO OTHER UTILITIES		\$11,220,527	\$13,356,451	
<b>TOTAL KILOWATT DOLLAR SALES</b>		<b>\$61,003,818</b>	<b>\$64,408,255</b>	

# WHERE DOES THE ENERGY COME FROM?

“*Don't put all your eggs  
in one basket*”

## BELD'S POWERMIX



Braintree Electric Light Department currently owns and operates three power plants and bids these plants into the ISO New England market system. They include a 96 megawatt (MW) combined-cycle power plant (Potter II) and the two Thomas Watson 58 MW quick-start simple-cycle turbines.

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

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