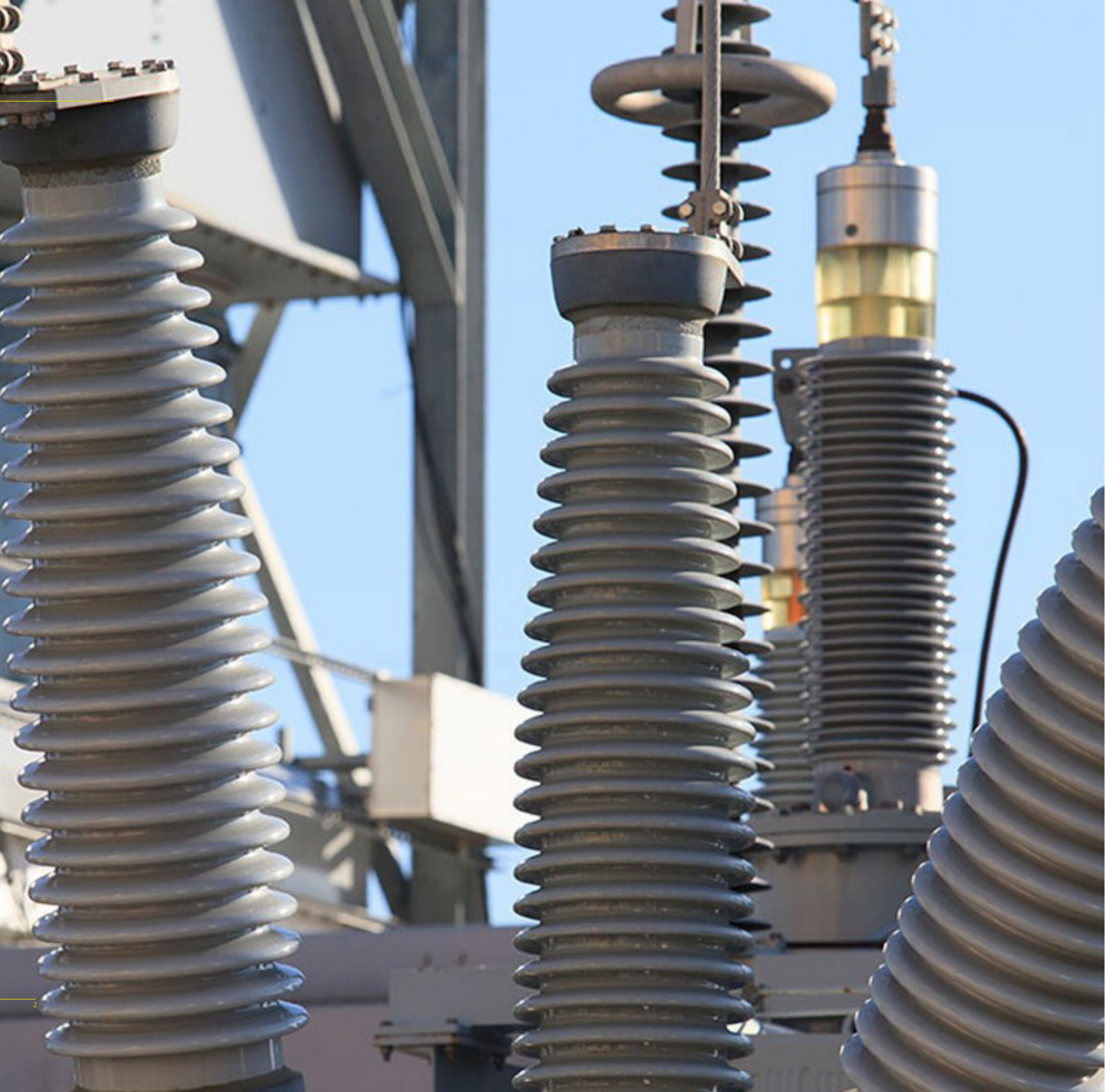


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BRAINTREE ELECTRIC
LIGHT DEPARTMENT
ANNUAL REPORT

Summary of 2020



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



150 POTTER ROAD
BRAINTREE, MA 02184

BRAINTREE ELECTRIC LIGHT DEPARTMENT

 A NOTE FROM THE
GENERAL MANAGER
William Bottiggi



2020 was a different kind of year for the Braintree Electric Light Department just like it was for everyone. The coronavirus pandemic has touched all our lives in many different ways. At BELD our first priority was and is the well-being of our people and doing what we can to limit any spread of the virus. Our second was continuing a high level of service and support for the residents and businesses of Braintree. Keeping everyone's lights on

"... At BELD our first priority was and is the well-being of our people ..."

and keeping them connected is always our main focus. We have thrown ourselves into achieving both objectives—and I'm happy to say everyone came together and did a fantastic job.

Despite the virus affecting our operations and people working remotely at times, we managed to accomplish the majority of our capital plan: upgrades to our distribution system, relay upgrades at our substations and our utility pole replacement program, all while maintaining the high reliability of our Watson generating units. One unexpected event was the failure of the Potter II gas turbine engine during the summer. Equipment failure caused significant damage to the point that retirement of the Potter II plant was necessary. Potter II served the Town of Braintree for well over 45 years, but given the age and outdated technology it didn't make financial sense to spend the millions of dollars it would have cost to repair it.

Looking forward to 2021, BELD's operations have pretty much returned to normal. Employees are coming to work every day, implementing our capital plan and performing the maintenance necessary to keep the reliability of the electrical distribution system at the high standards we have set. BELD continues to look to the future and invest in renewable energy with an eye toward playing our role as environmental stewards. The latest climate bill requires us to have our power supply be at least 50% renewable by the year 2030. I am pleased to report we are well on our way to achieving that goal.

"... BELD will be required to have our power supply be at least 50% renewable by 2030. I am pleased to report we are well on our way to achieving that goal."

Thank you for your trust in us at Braintree Electric Light Department. Your continued support is what keeps us always pushing to serve you and reinvest in the town.

WILLIAM BOTTIGGI
 General Manager
 Braintree Electric Light Department

BRAINTREE ELECTRIC LIGHT DEPARTMENT **AT A GLANCE**

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 per second.



MUNICIPAL LIGHT BOARD 2020

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.

BELD 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 Light 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

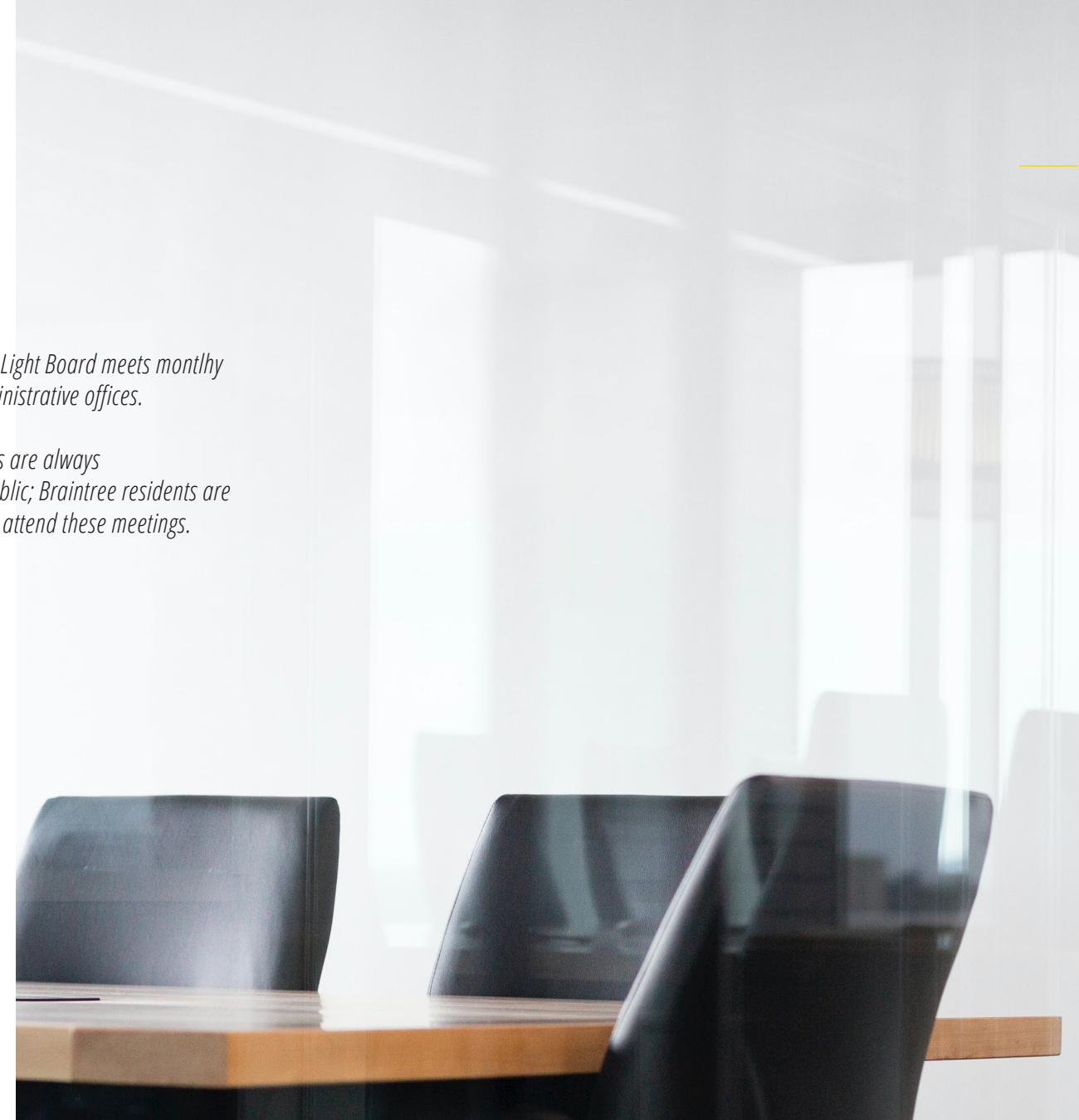
1909–1956 Norton P. Potter
1956–1960 James H. Dignan
1960–1961 Raymond A. Nagle
1961–1967 Ernest S. Reynolds
1967–1968 Gordon E. Trask
1968–1974 William J. Dignan
1974–1977 Anthony J. Mollica
1977–1983 Dennis M. Corvi
1984–1993 Joseph W. Aiello
1993–1999 James M. Casey
1999–present Thomas J. Reynolds

VICE CHAIRMAN

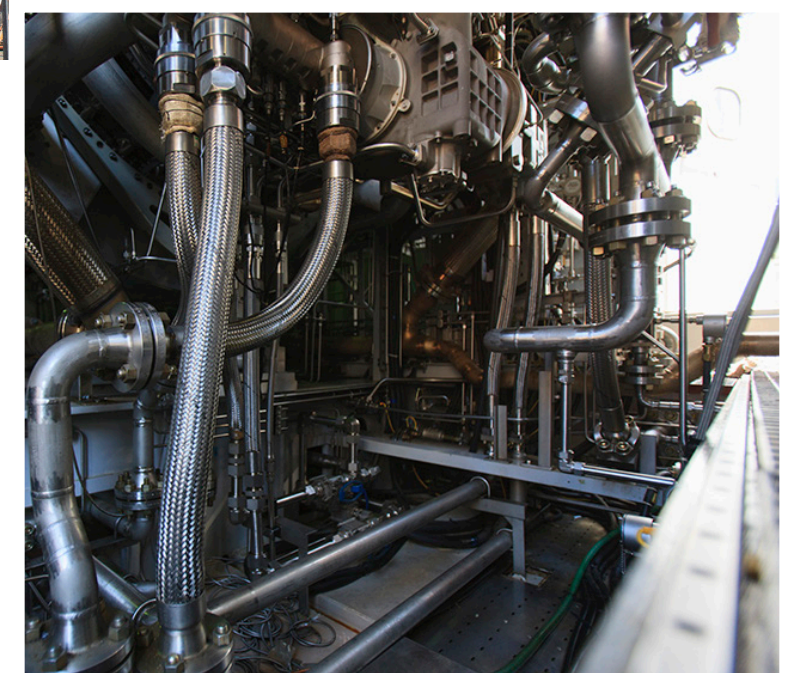
1909–1938 Alexander Carson
1938–1957 Shelley A. Neal
1957–1983 Walter J. Hansen
1983–1989 Michael J. Joyce
1989–1995 James E. Wentworth
1995–1995 Paul E. Caruso
1995–2004 Darrin M. McAuliffe
2004–present Anthony L. Agnitti

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



POWER SUPPLY



Day-ahead energy prices for 2020 averaged 25% lower than 2019, decreasing from \$31.51/MWh to \$23.57/MWh. BELD's energy and fuel costs for 2020 were lower than 2019; this year's costs totaled \$14.3 million as opposed to \$16.1 million for 2019. The lower average energy price was one of the two significant factors in the overall power supply cost decrease. The other was a notable drop in town load, primarily due to the pandemic; a lower load means fewer power supply purchases required to cover that load.



The "Internet for Braintree Public Schools" program was launched in the fall of 2020.

BRAINTREE ELECTRIC LIGHT DEPARTMENT

FOCUSED ON QUALITY 2020

Braintree Electric Light Department is a department focused on quality customer service and providing to the community it is privileged to serve. BELD performed services for the town of Braintree, including our in lieu of tax payment, electrical safety education and Internet services to our schools.

The "Internet for Braintree Public Schools" program was launched in the fall of 2020. Approximately 75 families qualified for this program due to their financial situation. Families received the Internet at either a reduced cost or no cost while in-home learning was in place. The program continued into 2021 until students were back in schools.

In the interest of public safety, BELD also participated in the NEPPA mutual aid program.

FINANCIAL REPORT BREAKDOWN 2020

CONSOLIDATING STATEMENTS OF NET POSITION

		2020
CURRENT ASSETS Funds on Deposit with Town Treasurer	Operating Fund	\$10,700,569
	Customer Accounts Receivable, Net	3,053,599
	Accounts Receivable - Related Party	105,086
	Other Receivables	1,513,316
	Unbilled Revenue	3,414,948
	Materials and Supplies	4,976,440
	Purchased Power Working Capital	5,265,051
	Prepaid Expenses	532,660
	TOTAL CURRENT ASSETS	29,561,669
	NONCURRENT ASSETS Funds on Deposit with Town Treasurer	Depreciation Fund
Rate Stabilization Fund		5,962,351
Customer Deposits Fund		1,094,146
Investment in Energy New England, LLC		2,382,889
Other Investments		225,184
Utility Plant Assets, Net		127,666,228
TOTAL NONCURRENT ASSETS		144,154,088
TOTAL ASSETS	173,715,757	
DEFERRED OUTFLOWS OF RESOURCES	Deferred Outflows Related to Pension	4,225,811
	Deferred Outflows Related to OPEB	643,244
	Deferred Loss on Refunding	5,123,247
	TOTAL DEFERRED OUTFLOWS OF RESOURCES	9,992,302
	TOTAL ASSETS & DEFERRED OUTFLOWS OF RESOURCES	\$183,708,059

CONSOLIDATING STATEMENTS OF NET POSITION

		2020
CURRENT LIABILITIES	Accounts Payable	\$ 5,401,091
	Accounts Payable - Related Party	353,903
	Accrued Compensated Absences	504,475
	Other Accrued Expenses	321,287
	Bonds Payable	7,512,185
	Participant Advances & Reserve	1,151,351
	Capital Leases	19,671
	Unearned Revenue	87,137
	TOTAL CURRENT LIABILITIES	15,351,100
NONCURRENT LIABILITIES	Bonds Payable, Net of Current Portion	53,811,007
	Capital Lease, Net of Current Portion	7,785
	Net OPEB Obligation	5,381,122
	Net Pension Liability	21,168,551
	Customer Deposits	1,032,125
	Unearned Revenue	2,129,901
	TOTAL NONCURRENT LIABILITIES	83,530,491
	TOTAL LIABILITIES	98,881,591
	DEFERRED INFLOWS OF RESOURCES	Contribution in Aid of Construction, Net
Rate Stabilization Reserve		11,571,966
Deferred Inflow or Resources Related to OPEB		530,084
Deferred Inflow or Resources Related to Pensions		4,250,917
TOTAL DEFERRED INFLOWS OF RESOURCES		17,437,657
NET POSITION	Net Investment in Capital Assets	66,315,580
	Net Position Restricted for Depreciation	6,823,290
	Unrestricted Net Position	(5,750,059)
	TOTAL NET POSITION	67,388,811
	TOTAL LIABILITIES, DEFERRED INFLOWS OF RE-SOURCES AND NET POSITION	\$183,708,059

CONSOLIDATING STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	Consolidated
OPERATING REVENUES	
Sales to ultimate customers	\$48,097,460
Sales for Resale	11,636,570
Other Operating Revenues	1,655,653
TOTAL OPERATING REVENUES	61,389,683
OPERATING EXPENSES	
Purchased Power	23,520,471
Fuel for Generators	915,547
Signal Fees	0
Maintenance	8,537,837
Distribution	1,536,164
General & Administration	15,030,106
Depreciation Expense, Net or Amortization	7,802,571
TOTAL OPERATING EXPENSES	57,342,696
OPERATING INCOME	4,046,987
NONOPERATING REVENUES (EXPENSES)	
Investment Loss - ENE	378,250
Interest Income	41,999
Insurance Income	1,850,000
Loss on disposal of Broadband Equipment	0
Interest Expense	(2,017,962)
TOTAL NONOPERATING EXPENSES	252,287
Income (loss) Before Contributions and Transfers	4,299,274
NET POSITION - JANUARY 1	64,814,987
Broadband Division Transfer	0
Transfers Out - Payment in Lieu of Taxes	(1,725,450)
NET POSITION - DECEMBER 31	\$67,388,811

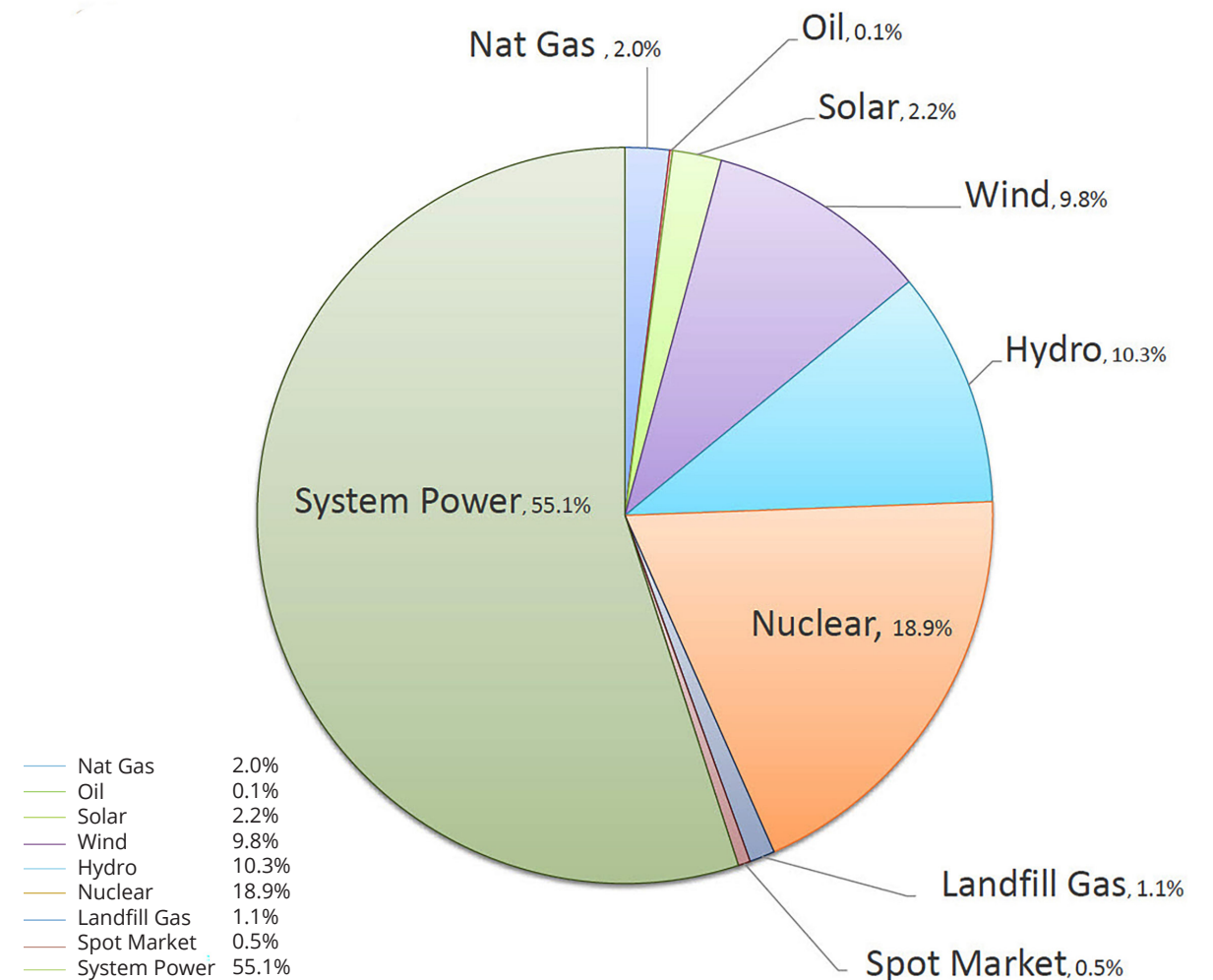
STATEMENTS OF KILOWATT HOUR SALES, LIGHT DIVISION

	2020	2019
KILOWATT HOUR SALES		
RESIDENTIAL SERVICE	119,809,135	113,299,501
COMMERCIAL SERVICE	166,531,764	186,342,878
INDUSTRIAL SERVICE	13,470,772	21,311,586
MUNICIPAL SERVICE	11,859,245	12,129,079
AREA LIGHTING	967,509	949,445
SALES TO OTHER UTILITIES	14,486,810	7,982,235
TOTAL KILOWATT HOUR SALES	327,125,235	342,014,724
REVENUE		
RESIDENTIAL SERVICE	\$17,122,056	\$16,211,152
COMMERCIAL SERVICE	\$25,424,136	\$28,509,920
INDUSTRIAL SERVICE	\$1,850,926	\$2,937,146
MUNICIPAL SERVICE	\$1,910,184	\$1,996,230
AREA LIGHTING	\$117,790	\$115,694
SALES TO OTHER UTILITIES	\$11,636,570	\$11,220,527
TOTAL KILOWATT DOLLAR SALES	\$58,061,661	\$61,990,669

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 two power plants and bids these plants into the ISO New England market system.

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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WWW.BELD.COM