

Chairman Thomas Reynolds called the meeting to order at 5:01 p.m. in the BELD Board Room. Those present at the meeting included Chairman Reynolds, Secretary James Regan and General Manager William G. Bottiggi, all of BELD. Vice Chairman Anthony Agnitti was not in attendance.

**I. Minutes of Prior Meetings**

**i. November 1, 2022 Open Meeting**

Voted: on motion of Mr. Regan, to accept the minutes of November 1, 2022 Open Meeting as written. Mr. Reynolds stepped down and seconded. So voted.

**II. Items for Action**

**i. GM Review**

Mr. Bottiggi went over the highlights of his self assessment that he had sent to the Board. He answered some questions from the Board. After discussion, Mr. Bottiggi requested an increase of 5% due to the cost of living being haven risen 7-8%.

Voted: on motion of Mr. Regan, to increase Mr. Bottiggi's salary by 5%. Mr. Reynolds stepped down and seconded. So voted.

**III. Items for Discussion**

**i. 2023 Budget**

Mr. Bottiggi said we had a great year with the Forward Reserve Market (FRM) and we got \$2.5 million for the summer. He reminded the Board that this is the market where we have to commit to be able to start up in under 10 minutes. We have another \$2 million for going into the winter FRM.

Transmission and Distribution got a lot of work done this year with reconductoring feeders, relay upgrade and we finished the pole replacement project with the exception of 1 pole. That 1 pole is not in that bad a condition but there will more to this situation and we will schedule a time as there will be an outage for the building nearby that pole. There was discussion. We will wait until the spring to do this project. We continue to do pole inspections – we bought a specialty drill and the employees have been trained on it. The drill measures the integrity of the wood to help us determine if we need to replace the pole. There was discussion.

Mr. Bottiggi reported the budget has increased by \$4.7 million over 2021 but that is because the MBTA project is \$1.9 million and the primary reason is we plan on completing that in 2023 and the Watson Gas Turbine Overhaul is another \$2.5 million. If you take that out of the \$4.7 it goes to \$4.4 – so there is no big change in the budget.

He continued those 2 big projects will be the focus this year. The second Watson unit should be back by in April so maybe we will install it before the summer and then those units should be good for at least 15 years. So, we will be in great shape. We are using Rate Stabilization money for the turbine overhaul and the MBTA will be reimbursing us for our construction costs – we will invoice

them as we go. Mr. Bottiggi gave the groups from MBTA and National Grid a tour of Station 10 and they were thoroughly impressed. There was discussion.

Mr. Bottiggi continued with the budget presentation. The Forward Capacity Market (FCM) revenue decreased – it goes down every year. Coupled with that loss of revenue and everything else we are going to increase our electric rate by 1% which is better than the surrounding towns. That will bring the electric rate to 15½ cents – this compares favorably with Eversource who will be around 41 cents and National Grid will be 48 cents. Our hedging plan is why we are so low. We are hedged out to the late 2020s and we are always looking. Currently we are looking at 4 projects now that are all green and will go out to 2035 or 2040 so our rates will be good for a long time. The state had passed the Greenhouse Gas Emissions Standard last year and we need to be at 50% by 2030 and we are 58% now and it will be up by 80% in 2025.

The rate increase, coupled with the MBTA reimbursement and the Watson rate stabilization revenue results in an increase in revenue of \$4.4 million. We will put \$550,000 into Rate Stabilization and Other Postemployment Benefits (OPEB). We have been putting \$500,000 a year into OPEB for the last 10 years and in 2024 we will have fully funded it. So, then it will start paying us back. Parker Elmore, who does the Town's actuarial study explained to Mr. Bottiggi that BELD will be getting around \$400,000 per year – starting in 2025. We also have put \$150,000 into a major storm contingency project which is usually enough to cover us.

Mr. Bottiggi anticipates ending 2022 with approximately \$30 million in cash reserves. We ended last year with \$28 million in cash reserves. We did get \$4.5 million from New Hampshire Electric Coop (NHEC) when they opted to leave the Watson project and we budgeted to reduce our cash reserves by \$3.7 million last year. In the end our cash went down about \$1.5 million in 2022 which is good. We wanted that to come down a little bit so we didn't have to have a big rate increase. There was discussion.

**ii. Watson December Capacity Supply Obligation**

Mr. Bottiggi explained: at the recommendation of Energy New England (ENE) we entered the reconfiguration auction in November for December to sell off our obligation. The concern is if we get very cold weather there could be a shortage event and that could potentially cost us \$368,000 an hour if our units didn't respond to it. Therefore, we sold off our capacity supply obligation for \$57,000 for the month of December. We would have received \$400,000 in capacity but now we will only get \$341,000 for December but we do not have the risk. There was discussion. We have also bid into January but it has not cleared yet.

**iii. Watson Oil Supply**

Mr. Bottiggi informed the Board that BELD bought 100,000 additional gallons of oil which makes our reserves 550,000 gallons. We burned 55,000 gallons of oil in October. There was discussion.

**iv. Watson Gas Turbine Upgrade Status**

Mr. Bottiggi gave a report on the status: Engine 40 which was in Unit 2 is Montreal and dismantled right now. The refurbished Engine 39 which was in Unit 1 is in Unit 2 running and will stay there.

**v. MBTA Bus Maintenance Facility Update**

Mr. Bottiggi reported that the MBTA has told BELD they expect up to a 1 year delay on this project. They have hired a construction project manager in hopes of lowering the cost. They may also build a smaller facility.

**vi. Storage Battery at St. Catherine's**

Mr. Bottiggi said we finally have found another area to have a big battery storage like the one at Station 9. It will be at St. Catherine's Greek Church on Common Street. We came to an agreement with them. Convergent will own the battery and we are doing a shared savings agreement with them. It is projected we will save \$13.5 million over 20 years. We anticipate that being in by early 2024. We are in negotiations with Convergent right now. There was discussion.

**vii. Heat Pump Rebate – Gas vs. Oil**

Mr. Bottiggi reported that currently we give a rebate of \$1,000 per ton up to \$6,000 regardless of whether the customer has oil or gas heat. If you are a gas customer you can get up to \$10,000 from the state in addition and a 0% loan for about 7 years. He continued he would like to lower the rebate to our gas customers to \$750.00 per ton up to \$4,500 and raise the rebate for oil customers to \$1250 per ton up to \$7,500 because the oil customers cannot get a rebate from the state. There was discussion.

Mr. Bottiggi explained in order to get the state rebate you need to get a Mass Save audit and be a gas customer. They will give you a certificate and you look at the state's list of qualified installers. We have our own program and we use a company called Abode – they make sure that the customer is being taken care of by a qualified installer. The customer gets a quote from the installer and gives it to Abode so that they can it approved. Once that is done BELD will give our rebate to the customer. So, if you have gas you would start with Mass Save and then to Abode, via BELD and if you are an oil customer you would call us directly. There was further discussion.

**viii. Former Light Board Commissioner Guy Luke**

Commissioner Regan asked for this to be put on the agenda. He explained Commissioner Luke passed away recently and he attended the wake and saw Mr. Luke's family. The family remembered that BELD had wanted to name a substation after Mr. Luke but he had not wanted it at the time. Mr. Regan discussed with the family if they would be interested in naming a substation at this time and they would be. There was discussion.

Mr. Bottiggi reported that there is an issue which is that the official name *Plain Street Substation* is imbedded in all the ISO-NE records and our records as well. Every circuit that leaves there references Plain Street so it would be a huge undertaking to change officially. However, we could do a ceremoniously renamed substation – as the Guy Luke Plain Street Substation. BELD would recognize it as the Guy Luke Substation but the records need to say Plain Street Substation. Mr. Regan said he would like to do something – Mr. Luke was a 25 year member of the Light Board. Mr. Reynolds said he is 100% behind this idea. There was discussion. Mr. Bottiggi will look into a sign. We will do this in the spring so the weather will be better for the family to attend.

**IV. Personnel Update**

Mr. Bottiggi reported we hired an intern in engineering.

**V. Old Business (As Determined/Needed)**

**i. Podway**

Mr. Bottiggi reported the rep for this company met with Mayor Kokoros. There was discussion. The decision to go with this would be the Mayor's. We will wait to hear from the Town on this.

**VI. New Business (As Determined/Needed)**

None.

**VII. Public Participation (As Determined/Needed)**

None.

**VIII. Tabled Items**

None.

**IX. Next Regular Meeting – Upcoming Meetings**

**i. January 10, 2023 at 5:00 p.m.**

**X. Executive Session (As Determined/Needed)**

Not needed.

**XI. Adjournment**

Voted: on motion of Mr. Regan to adjourn the meeting at 5:57 p.m. Mr. Reynolds stepped down and seconded. So voted.

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James P. Regan  
Secretary