

November 18 2021 meeting began at 6:30 PM at town hall in Hull, MA.

Hull MLP board meeting minutes

Attendees: Pat Cannon, Jake Vaillancourt, Stephanie Landry, Phil Lemnios, Mike Schmitt, Dan Ciccariello, Panos Tokadjian

Noteworthy comments:

Opened up the meeting at 6:32 PM EST.

Pat Cannon stated Hull light is at the 60% carbon free power mix and working hard to move farther towards the 100% goal.

Matt Ayde from MMWEC.

MMWEC's function is to be an extension of the staff of the light departments that they work for. Their job is to serve as the governing body of the light departments. MMWEC is not imposing any authority on any individual light department. 2015A is a peaking plant. In the course of a day, ISO New England runs the power group. A commodity is generally stored and released as needed. Electrical energy cannot be stored, except for the more recent utility scale batteries. But in the aggregate you really cannot store it yet. So as demand increases throughout the day you have to increase production. A peaking plant is designed to meet and balance the peak demands. It is a Peaker because of its ability to generate electricity very quickly (within ten minutes or less).

Specifically to project 2015A. The goal of the peaker plant is specifically just to run during those peak demand moments in the system when ISO New England needs them. As a peaking plant, it fulfills that role. The real value 2015A has as a project is in the capacity market.

According to the climate bill in the commonwealth, Hull's power supply actually meets the 2030 mandates for power mix.

Hull's power supply is made up of three components. There is energy, transmission, and capacity. Matt explained capacity as if you were thirsty and you were to go out for a run know that you're going to need a pint of water. Capacity is essentially that pint plus a little bit more than you thought you were going to need. Capacity is designed to make sure that there is the ability to make energy when were going to need it.

Pat Cannon asked what the history on the other peaker plants that we have and how often do they run that we know of?

Stony Brook is another asset that Hull has, and 2015A is designed to be another one. The peaking plant creates an economic.

Phil Lemnios wanted to talk about the nature of the peaking plant (fuel source). Also asked why can we not use something that is more green / non-carbon emitting?

Matt explained that we are looking at the capacity portfolio. Phil explained and Matt agreed that if we do not participate in this project we are instead paying for the capacity on the open 'spot' market price.

The capacity amount that MMWEC members needed to secure was 55 megawatts, and it is for 14 member communities. Eastern Massachusetts has historically been highly volatile for the cost of capacity.

Ron from Peabody explained that the siting is not quite as described. Peabody was decided upon strictly because Peabody already has gas lines and peaking power plants on site. The reason they don't want to go to batteries is because ISO New England will not pay for capacity that comes from batteries. They "ISO New England" will only pay for capacity from coal, oil, natural gas, and nuclear, according to Ron.

Susan Smaller from Peabody, MA mentioned an important factor, that is what is going to happen if they build this. Peabody and Danvers will get all of the health costs. There are 12 communities that would be receiving power from the project. Most people in their communities that learned about this project only in the spring of 2021. These communities already have eight environmental justice zones, largely from the two peaker plants. There are 15 schools within the air emission zone of the proposed peaker plant. Breathecleannorthshore.org is their website. The project is slated to be in place for 30 years.

There are certain auction rules for capacity, what Ron was referring to is that the ISO rules for battery storage gives it for a certain price. There is speculation that the price for the battery storage systems capacity bid prices do not have the same financial attractiveness or value as older capacity systems.

There are battery operated peaker plants.

Mike H. from eversource is their lead engineer and he said it cost \$50,000,000 for 20 megawatts of the battery that was just installed in Provincetown, Massachusetts.

According to Matt's statement, Hull's capacity is over 20 Megawatts.

Judeth stated that the climate damages to Hull are higher than other communities. She mentioned the area between Gunrock and the hill and near the highschool were totally transformed by the blizzard of 1978 storm. Phil Lemnios mentioned that we are doing that type of work through various grants and the emergency management agencies.

Adian Lahey asked how long is the peaker plant intended to be used in terms of hours per year? They expect it to run 239 hours per year. It is permitted to operate up to 1,250 hours per year.

Mike H. from eversource asked how many ratepayers are 6,200 and how many are fixed income. It is about 40% that are at the age of fixed income.

Sarah Dooling who is the executive director of MCAN. She stated the discussion could move is to share some clean energy of Vermont reports. She explained that peaker plants are primarily revenue generators. It would be fantastic if the community could provide insight into the assumptions behind a peaker plant like this making financial sense as we move into the future with more sustainable energy sources and legislation requiring the transition to non-carbon emitting sources.

Holyoke and Chicopee have requested to withdraw from the 2015A project. Matt stated pursuant to the contract, you request MMWEC to take your interest in the project to effectively sell their interest in the project to another community. The cost to leave is incalculable at this moment because MMWEC has to attempt to sell their interest, and the market value of this project is unknowable.

The MMWEC portion of the meeting ended at 8:12 PM.

Operation managers report:

Generators are in, in the next two weeks we will work to test them. The testing will be scheduled for during daylight hours.

Onshore wind turbines have costs of \$1,000,000 per megawatt, smaller ones get down to \$800,000 to \$900,000 per megawatt + installation cost. Turnkey is about \$2,000,000 per megawatt. We would be looking at \$5,000,000 to replace it. Everything being bid is coming in higher than we anticipated in terms of labor type construction work in town right now.

We are planning to be at the minimum of 70% by 2025 which is beyond the state goals, and the management indicated they are always planning to stay 10 to 15 years ahead of the state energy mix requirements.

The engineering manager gave Panos contact information for a third party engineering opinion / report on Hull wind I.

Managers report:

Regarding the back charge to the A street marina:

There was a new transformer installed. There is a conversion factor on all meters. The meter was installed and the conversion rate was not properly captured in Hull's billing. We are required to recapture the revenue, the law requires that. The current operators of the marina paid up, but they had a relatively short tenancy. The previous owner / operator was displeased with the situation. He owes \$89,000.00 and was billed that amount, he has normal billing period to pay and then it starts to accrue interest after he goes past due from when the bill was sent. They were underbilled by about 1,000,000 kWh's. Commercial rate.

We filed with the DPU against National Grid for request of investigation. We expect the DPU to answer us by January 2022.

438' is the height of Hull wind II to the top of the tip at the height of its rotation.

Bill trust, our bill printing company cannot / will not accommodate the balanced budget.

Approval of minutes from September 23, 2021 meeting. Jacob made the motion to accept, and Stephanie seconded, Pat Cannon voted to approve and Dan Ciccariello abstained from the vote.

Stephanie Landry asked for an update on the gift certificate concept. We want to avoid doing this because of the burden of creating manual bills.

We are going to put up holiday lights for the 2021 – 2022 holiday season.

We have written a note to Max Horne thanking him for his services on the light board and Janis will mail it to him.

Dan Ciccariello motioned to adjourn at 9:24 PM, Stephanie seconded, and the board approved unanimously.

Our next meeting is January 20, 2021 at 6:30 PM