



OBSERVER CORPS REPORT

Marblehead Municipal Light Commission - 1/30/24

LWVM Observer: Maggie Smist

Members in Attendance:

Jean Jacques Yarmoff, Michael Hull. Simon Frechette, Adam Smith and Lisa Wolf (chair) Joe Kowalik, General Manager

There were also various representatives from AEGIS and Delorean at the meeting and the Marblehead Fire Chief.

1.Call to Order

Minutes approved, Reading of Land Acknowledgement and there were no Public Comments

2. Outstanding items and requests from previous meetings

a) Employee surveys

There was a discussion of having employee surveys and using benchmarking. Joe feels the MMLD should move forward. No board vote is needed to move forward with the survey.

b)Duracell battery proposal

Joe met with them last week. More information later in the meeting.

c)Village 13 upgrade timeline

Joe passed out the project plan, and Mike Barrett reported out on project. Major equipment is on order and the transformer will be delivered in May, and the switch gear will be delivered in August. Bid for site construction will go out in early April with work beginning in June. Once the project begins, they will work for remainder of 2024 and they may take break during the winter depending on weather. Plan is for completion in June, 2025. Discussion followed around delays with delivery of equipment.

3. Delorean Battery storage site and storage

a) AEGIS Insurance Agency Presentation - Mark Boone from AEGIS reported out.

AEGIS is a mutual insurance company focus on electric utility market. They are providing risk management services to MMLD.

He reviewed hazards of ION batteries, how to control the hazards and the current testing they are doing with the ION batteries. Historical data on events was reviewed.

More project reviews are being done and the systems are improving. Lithium ION is still the dominant technology. HMA's (Hazard Mitigation Analysis) are not being seen and AEGIS feels there should be a focus on HMA's and more testing. He discussed 'separation' – how far do containers need to be apart to avoid fire or explosion? He discussed how they work with underwriters on determining possible loss. There was a general discussion on concerns and challenges with the systems. Per Joe, this meeting is for AEGIS to meet Delorean. Joe wants to begin the relationship with the two groups and MMLD. The fire chief from Marblehead said the presentation covered all the issues with batteries.

b) Tioga Way site walkover update

Joe reviewed the plans and where a battery site would be located with the terrain. Location was walked recently and it was discussed how to get equipment into the site. Joe realizes they will need to properly grade property, and they will work with Delorean on the plan. Joe presented out an older Delorean site plan and it will possibly be updated. Lisa confirmed that the fire department will receive training from Delorean after site is installed with battery. The process will move forward and further updates are forthcoming.

4. Rate adjustments for households with two or more meters

Base rates are being increased. Residential, small commercial and large commercial rates were reviewed and discussed. There are a certain number of households falling into this (two or more meter) category, and each situation was discussed. All proposed rates were approved.

5. 2024 Budget and energy forecasts

The proposed Budget for 2024 is \$21.240 million. The commission received hard-copy financial documents and reviewed the budget. Joe said the introduction of hydro in 2023 has been part of the drop in energy costs later in 2023. They discussed 'bundling' and 'hedging' which are ways to decrease energy costs and the plan for the MMLD for the coming year.

Joe said we need to continue to watch offshore wind to see how it will affect prices. There was extensive discussion on budget and rate increases. The commission is not ready to take a vote on the budget until they have updated energy forecasts.

6. General Manager update

Joe discussed current grants outstanding:

a) Low income housing grant for heat pumps and energy efficiency for \$5.5 million for all single housing authority units.

b) US DOE Green Grid Resilient Energy Grant has been submitted along with 7 other municipalities.

c) Clean Energy/Carbon reduction and EV school bus grants

Grant has been filed with Public Schools and Highland Electric Fleets. There is a \$200,000 rebate that is available and size of the bus is to be determined. Joe discussed where a charging station site may be installed near the high school.

d) January storm response

\$30,000 spent on direct responses to the storm. Marblehead has submitted paperwork and we are waiting to see if MA qualifies for permanent FEMA funding. Major areas hit are Hammond Park and Crowninshield. Hammond proposal is for \$4 million for the sea wall.

e) Village 13 update

Schedule has already been discussed during this meeting. Meeting yesterday and the sewer pipe design is complete. The quote for the precast concrete has come in but the slow vendor response is a concern. Installation estimate has also been received.

7. Hiring Updates

There was a discussion about the open positions and Joe gave an update on the status of each position.

8. ISO Inventoried Energy Program – Wilkins enrollment

Joe discussed about MMLD participating in this program and the cost when they do participate.

9. Contracts

a) Premiere Fence – 80 Commercial and Gates

Grant dollars need to be spent on this project by this spring.

10. The commission went into Executive Session at 6:45 pm