



# Peabody Municipal Light Plant

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## PEABODY MUNICIPAL LIGHTING COMMISSION MINUTES OF REGULAR MEETING JUNE 24, 2021

A regular meeting of the Peabody Municipal Lighting Commission was called to order on Thursday, June 24, 2021 at the Peabody Municipal Light Plant, 201 Warren Street Ext., Peabody, Massachusetts at 6:30 p.m.

Present for the meeting were Commissioners William Aylward, Charles Bonfanti, Thomas D'Amato, Thomas Paras and Robert Wheatley; Manager Charles Orphanos, Assistant Manager Bryan Howcroft, Attorney Philip Durkin and Recording Secretary Barbara Previte.

Chairman D'Amato asked if there were any additions to the agenda and Manager Orphanos stated that there are none.

Chairman D'Amato requested that we take a moment of silence for the COVID 19 victims.

- Agenda Item A: Approval of Agenda:

MOTION BY COMMISSIONER AYLWARD, SECONDED BY COMMISSIONER BONFANTI AND UNANIMOUSLY VOTED (5-0):

MOVE TO APPROVE THE AGENDA.

- Agenda Item B: Announcement:

Chairman D'Amato acknowledged that this is an open meeting and informed the public that the meeting is being recorded by hand, via recording as well as being televised by Peabody Access Television.

- Agenda Item C: Approval of Minutes:

MOTION BY COMMISSIONER AYLWARD, SECONDED BY COMMISSIONER BONFANTI AND UNANIMOUSLY VOTED (5-0):

**21-36** MOVE TO APPROVE THE REGULAR MEETING MINUTES OF May 27, 2021.



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MOTION BY COMMISSIONER AYLWARD, SECONDED BY BONFANTI AND UNANIMOUSLY VOTED (5-0):

**21-37** MOVE TO APPROVE AND NOT RELEASE THE EXECUTIVE SESSION MINUTES OF MAY 27, 2021.

- Agenda Item D: Appointments:

- **REMARKS OF THE GENERAL PUBLIC:**

- **BREATHE CLEAN NORTH SHORE, REQUESTED BY SUSAN SMOLLER** – Chairman D’Amato called on Susan Smoller who has requested to come before the Commission regarding Project 2015A. Ms. Smoller asked for an explanation of the two changes in Project 2015A: 1) elimination of the new 200,000-gallon ultra-low sulfur diesel (ULSD) storage tank; and 2) the use of urea as opposed to ammonia. Manager Orphanos answered by stating that during the pause, Massachusetts Municipal Wholesale Company (“MMWEC”) reassessed the needs of Project 2015A regarding the new tank and worked with Peabody Municipal Light Plant (“PMLP”) to assure all needs would be met. From the PMLP perspective, run hours have decreased on ULSD and PMLP reassessed the need for additional ULSD storage based on history. Therefore, there was no longer a need to increase the ULSD storage capacity with a new tank. As far as the ammonia vs. urea as a NOx scrubbing agent, MMWEC reviewed that change during the pause as well. Once reviewed, MMWEC and PMLP worked together on the necessary changes. Urea is not hazardous as compared to ammonia. PMLP listened to the concerns of people and environmentally this is a better approach. Smoller asked another question: how much money has PMLP invested in this project? Manager Orphanos stated if Project 2015A is canceled now, PMLP would incur about \$10 million in sunk costs, with the total cancellation costs estimated to be approximately \$30 million for all 14 participants in Project 2015A. The next question Ms. Smoller asked: what is the arrangement between the City of Peabody and MMWEC for the use of City-owned land? Manager Orphanos explained that PMLP does not own the land at Waters River where Project 2015A will be located. The City of Peabody owns the land and PMLP has care and custody of those properties. Manager Orphanos explained that there is a License and Use Agreement between City of Peabody and MMWEC, which allows for the use of this land. Was the City Council involved, Ms. Smoller asked? Manager Orphanos stated that there is no special permit required that would require City Council approval. However, there is something called a Payment In Lieu of Taxes (PILOT) Agreement between MMWEC and the City. Orphanos stated that as for PMLP, PMLP feels it is the



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right thing to do. A question arose about if the City Council did not want PMLP to use this land for that purpose could they cancel the project? Manager Orphanos stated that is a legal question that he cannot answer. Ms. Smoller asked if PMLP will conduct a comprehensive health assessment as has been called for by numerous Boards of Health? Manager Orphanos responded that was addressed through MMWEC and he believes MMWEC received all the necessary permits for Project 2015A. In response to another question, Manager Orphanos stated there is no new infrastructure required and that is why this site was picked. However, all the licenses, permits and approvals related to Project 2015A are new. MMWEC sent required information to at least five city agencies and you would have to talk to them about that, Orphanos stated. The site conforms with existing use. Ms. Smoller then asked if there are there any plans in place to retire of the 53-year-old generators? Orphanos responded that they are paid for and have tremendous value to PMLP ratepayers in the form of a capacity revenues. Currently PMLP plans to use those generators as long as they remain safe, reliable and economic for our rate payers. Susan Smoller yielded the floor to Ron Smoller. Ms. Smoller thanked all for the time and responses.

- Ron Smoller asked what efforts are being made by PMLP regarding new clean renewables? Manager Orphanos stated we need to do a better job at promoting ourselves. PMLP has 6% of the Berkshire Wind Project as well as 8% of its energy supplied by hydro and solar that we just purchased. PMLP also recently purchased additional energy by using transmission rights through Hydro Quebec. Manager Orphanos stated that as of today, PMLP provides about 48% carbon-free energy. We have been doing a lot of work adding non-carbon emitting resources into PMLP's portfolio, he said. PMLP works with an organization comprised of all municipal light departments called MEAM to help PMLP navigate greenhouse gas initiatives through the state. Through MEAM, PMLP supported a bill which was signed into law, S9, which provides a roadmap for renewables and establishes compliance milestones for all municipal light departments. Mr. Smoller asked why there is no solar on City buildings. Manager Orphanos stated that PMLP tried to put solar on City owned property, and ran into public resistance in the form of "not in our backyard".
- Jerry Halberstadt spoke next. He stated that he has the greatest respect for the PMLP. You do a great job. He stated that he understands PMLP has ISO and FERC regulations to meet but wanted to address benefits and costs. What are our options, he asked? We are here to work with you he said. Manager Orphanos explained the peak (highest one hour of the year) sets capacity costs. PMLP is required to have available 140% of its peak in available capacity under ISO rules. Manager Orphanos explained that Project 2015A helps meet that



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140% requirement and that the plant was to be operational for June of 2021. The unit is now planned to be available by June 2022.

- Stuart Lazarus, Conservation Commission spoke next. It is important to promote the future, he said. Does PMLP plan to give the Conservation Commission a Notice of Intent? Environmental impact? Plot Plan, Buffer information; wetlands. How will this affect the environment? Manager Orphanos stated he believes MMWEC did speak with the Conservation Commission, but you will need to address MMWEC for the details since Project 2015A is MMWEC's responsibility.
- Chairman D'Amato thanked the speakers for coming to the PMLC meeting and expressing their concern. D'Amato stated that as elected board members who oversee your municipal light plant, we are wholly unaccustomed and quite uncomfortable in the spotlight. As an entity, we prefer to maintain a low profile and do what we do quite well as a matter of course. That is, the PMLC oversees the PMLP's provision of safe, reliable and economically efficient power to the ratepayers and citizens of Peabody. D'Amato stated that while the PMLC certainly pledge to continue adding renewable resources to our power portfolio in compliance with decarbonization thresholds put forth by the Commonwealth, our board firmly believes at this point in time that Project2015A is fundamentally sound, well-grounded and vital to fulfilling our statutory obligation as a load serving entity. Thank you.

- Agenda Item E: Correspondence

- There being none the meeting continued.

- Agenda Item F: Manager's Reports:

**STATUS REPORTS:**

- **REOPENING PMLP** -- Manager Orphanos stated that as of May 29, the State has lifted all COVID-19 restrictions and the State of Emergency ended on June 15. Here in Peabody, Mayor Bettencourt recently signed an order lifting our own State of Emergency and returning City Hall to normal operations on June 21. Per CDC order, masks continue to be mandatory in public transportation systems, healthcare facilities, and congregate care settings. The MA Department of Public Health still advises that unvaccinated residents continue to wear masks in indoor settings when they can't socially distance.

Beginning on Monday, June 28, PMLP will transition back to "normal" operations while leaving a few safeguards in place. Signage will remain advising that unvaccinated visitors should wear masks. Stickers to encourage social distancing will remain on the floor in the lobby. Plexiglass screens will remain in the customer service rooms. We will continue to



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encourage, whenever possible, that customer service be handled through our drop box and web forms, as has become the norm over the last year.

He thanked our staff for stepping up during the pandemic in helping to keep each other safe while maintaining a high level of service to our customers.

- Agenda Item G: Committee Reports:

- **POLICY COMMITTEE** – Commissioner Aylward stated that he will work with Attorney Durkin over the summer to come up with a policy regarding donations.
- **BUILDING COMMITTEE** – Commissioner Paras stated that the front foyer renovation is nearly complete. Business is accepting quotes on repairing/replacing the cement walk way outside the building as well as replacing the lighting for the flagpole with new LED light fixtures.

- Agenda Item H: Award of Bids:

There being none the meeting continued.

- Agenda Item I, General Business:

- **MMWEC (\$34,884.42)** – Manager Orphanos stated that this check is for Hydro Quebec flow rights (\$34,884.42) which will be deposited in the rate stabilization fund.
- **NATIONAL GRID CHECK (\$18,966.83)** – Manager Orphanos stated that this is the monthly transmission refund for April which will be deposited in the rate stabilization fund.
- **REMARKS OF COMMISSION –**

Commissioner Wheatley appreciated the discussion on the 2015A Project. However, we already voted on this project.

Commissioner Aylward wished everyone a happy, healthy summer break.

Commission Bonfanti stated we answered their questions and he's glad they came.

Commissioner Paras stated that it was a good meeting and follow-up. He is proud of his fellow Commissioners.

Commissioner D'Amato stated he is proud of our board and the employees that run this place. We are the crown jewel of the City. We do what is best for the ratepayer.

**MOTION BY COMMISSIONER AYLWARD, SECONDED BY COMMISSIONER BONFANTI AND UNANIMOUSLY VOTED (5-0):**

**MOVE TO ADJOURN.**



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Chairman D'Amato declared the Regular portion of the Meeting of June 24, 2021 adjourned at 7:50 p.m.

A TRUE RECORD

Attest: Charles Bonfanti  
Charles W. Bonfanti, Secretary  
Peabody Municipal Lighting Commission