



86 Bridge Street, P.O. Box 20, Baldwinville, MA 01436-0020

TEL: 978-939-5323

FAX: 978-939-4309

John M. Driscoll, *General Manager*

**Light Commissioners' Meeting
June 3, 2014**

Members present were: Dana Blais, Gregg Edwards, Chris Stewart

Employees present were: John Driscoll

The meeting was called to order at 6:00 p.m. by Dana.

The agenda was approved on a motion by Chris, seconded by Gregg, 3-0 in favor.

Old Business:

The Manager reviewed with the Board some facts about what had transpired in recent weeks as it was relevant to the September 24, 2013 Agreement between the Town and Ten K Energy AND the May 19, 2014 ATM vote to reject said agreement. For meeting materials the Manager had distributed copies to the Board of his May 23, 2014 letter to the Select Board and the Agreement of September 24, 2013 between the Town and Ten K Energy. He had stated to the Board that these were the only two (2) documents enclosed within their board packages that were appropriate for the Open Session portion of tonight's meeting.

The Manager expressed his frustration at what had transpired on the second night of the Town's May 2014 Annual Town Meeting (ATM). One (1) of the Town's Selectmen, Julie Farrell, apparently w/o any forewarning to the other four (4) members, took it upon herself to address the town meeting attendees and convey to them that the agreed-upon \$5,634 per AC Megawatt per Year as a PILOT from Ten K Energy to the Town was not enough money, and that the Town should hold out for a better deal. This theory was supported by one Representative Denise Andrews, Democrat of Orange, who took it upon herself to address the town's selectmen in private on-stage. The substance of this discussion is not known by the Manager, the Board or the Light Plant as a whole, but it was clear that a conversation between Julie Farrell and Denise Andrews must have occurred in advance of this night's town meeting segment.

The Manager was confident that both the elected town representative and the elected state representative were using solar generation facilities in surrounding towns such as Athol and Winchendon to compare some of these other PILOTs with the one that the Town had supposedly already agreed to. The Manager reminded the Board and those in attendance that these were National Grid territories and that they would have signed a Purchased Power Agreement (PPA) with the solar generation facility owners to purchase solar electricity wholesale at 2-3 times the rate per kilowatt-hour than any municipal light plant would. These solar generation facility owners would be able to fund a larger PILOT to their corresponding host towns since they were bringing in 2-3 times the revenue that a solar developer might in Templeton. The Manager stated that National Grid would pay whatever they had to for solar electricity in order to meet the state's renewable Portfolio Standard (RPS) by the year 2020, and added that it helped them to have 2.3M customers to spread the cost over for this high-priced solar electricity.

The Light Plant would never pay 2-3 times what solar electricity would be worth just to meet the state's RPS by 2020, mostly because we don't have to. The Manager stated that the Light Plant is already 13% green/renewable in their power supply portfolio and the addition of this proposed 3-Megawatt facility on Farnsworth Road would put them right at 20%; a full 6 years in advance of the state-mandated deadline of 2020. He firmly believed that Templeton was already one of the greenest if not *the* greenest communities in the state w/o its even being designated as a **green community**.

The Manager went on to state that time was of the essence and that he needed to plan for wholesale electricity purchases for the calendar year 2015 long before any possible future special town meeting that may occur in the fall. He also stated that the \$813K that was to be lost in savings to the town's electric ratepayers would make it more difficult to maintain the fuel adjustment charge of \$0.0000 per kilowatt-hour and that in the summer months, replacement market power to account for this lost solar electricity would cost anywhere from 2.5 to 4 times as much. The Manager stated that with this kind of volatile pricing there might as well be a coal- or oil-fired plant on Farnsworth Road because those were the two sources that would fuel any replacement power for Templeton in the summer months, NOT natural gas.

The Manager had read through the original September 24, 2013 Agreement between the Town and Ten K Energy and saw no provision which deemed the agreement valid only after some affirmative town vote to be taken at a later date. The negative town vote, if made to be the final decision by the town, would negate any efforts previously made by the Light Plant to bring affordable renewable electricity to its light customers. The Manager had concluded by stating that it would not be necessary to expel any other legal funds of the Light Plant's to deal with this issue; he felt that the attorneys for both the Town and for Ten K Energy were already working overtime to arrive at a solution.

At this time a motion was made in the Open Session by Gregg, seconded by Chris, 3-0 in favor for the Board to enter into an Executive Session for the purpose of addressing proprietary information associated with a potential solar generation project in town that could potentially lead to a purchased power agreement for the Light Plant and the Light Commission believed that if it were to conduct such a discussion in the Open Session that it would adversely affect the Light Plant's ability to effectively negotiate a purchased power agreement. A roll call vote was taken at 6:15 in the following manner:

GREGG – Aye CHRIS – Aye DANA - Aye

There being no other Open Session business to discuss, on a motion by Chris, seconded by Gregg, 3-0 in favor the Light Commissioners' Meeting adjourned at 6:15 p.m.

Respectfully Submitted,

John M. Driscoll
General Manager