

## Minutes

### Joint Meeting of Belmont Light Board and Belmont Energy Committee, July 20, 2023

Present from the Light Board: Andrew Machado, Mike Macrae, Travis Franck, Steve Klionsky, Dave Beavers. Present from Belmont Light: Craig Spinale, Aidan Leary, Maria Makar-Limanov. Present from the Energy Committee: Marty Bitner, James Booth, John Kolterman, Brian Kopperl, Ellie Lesser, Greg Piotrowicz, Roger Wrubel.

The primary goal of the meeting is to discuss Belmont Light's plans to update its Power Supply Policy.

Currently BL is following the CES schedule on RECs. All of them are NE-based. If BL stays with current policy, cost will increase since it's mainly class I MA RECs.

Two questions:

- 1) what does "consistent with a modest rate impact" [wording from PSP] mean?
- 2): Should we contract for nuclear?

In most recent year, BL covered 75% of RECs with stand-alone NE RECs while 18% came from bundled contracts.

The "Willingness to pay" (for green energy) question on customer satisfaction survey resulted in a median of ~\$4-5 a month. In 2022, a typical customer paid ~\$7/month.

Belmont Light has been spending ~\$2 million for RECs, ~\$500K for programming such as incentives.

In 2019, public forum feeling was against nuclear. Board has passed on nuke opportunities in the past.

Mike Macrae asked: What do we *mean* by "zero" emissions, noting that our underlying grid use doesn't change with REC purchases. So, if residents say they are "willing to pay" for green energy, do they know what they're paying for?

Steve Klionsky noted that it is confusing, but the standard for "green" has always been buying RECs; there are people out there who like that. He expressed concern that stepping back from that goal will raise questions.

James Booth noted that there are different ways of thinking about "modest"; one would be in absolute terms (cents/kWh), another would be by comparison with what people in IOU territories have to pay.

Travis Franck asked whether the EC has thoughts about targets (e.g. from the Roadmap)

James: our goals still center on maximizing electrification. Roger: battery storage also an issue.

Roger asked about the definition of "green" electricity; Steve Klionsky reiterated that it has always meant "buying enough RECs". Roger raised the question about how efficient REC purchases are in terms of working toward overall goals.

Marty noted that the Roadmap envisions both electrification and clean electricity. If he had to prioritize between these, he would prioritize electrification, since new fossil fuel infrastructure locks in decades of emissions.

Question: how does per kwh rate affect electrification? Use funds to support that instead?

Brian noted that including storage to shave peak would be great (and would reduce use of dirtiest plants).

Roger noted ambivalence about new nukes, but supportive of existing.

Existing nukes have long contracts, no risk of retirement; we could therefore buy their power from nukes.

Craig Spinale noted that right now, paying REC costs of ~8\$, this is right around the median of the willingness to pay range.

Should we stick with Renewable (class I) or allow “non-emitting” (class II)? We could sustain non-emitting status by continuing with class II RECs. Are we following the CES standard? (which requires class I) – it is going to go up in big leaps in upcoming years.

Travis noted that under the new GGES, MLBs now have an obligation to be 50% renewable by 2030 but 75% by 2040.

Class II = mostly hydro (a bit more volatile price wise, right now a lot cheaper than Class I).

Question for Craig: how do our costs compare to other utilities? We have fallen down the list of MLPs. Lots of other MLPs use PCA (price adjustment) instead of having in the rates (but ratepayers end up paying it anyway). Relative to IOUs? They adjust rates every six months. IOUs have community aggregation, we’re comparable to that.

Roger noted that Will Brownsberger has done analyses by which he concludes the cost/ton of carbon abated from heat pumps is very high. Mike explained that this is because Brownsberger is assuming all electricity is produced with natural gas.

Dave Beavers posed a hypothetical question: if we had the opportunity for a nuke contract – would you take it? A few strong yeses, a strong no from Mike.

Dave: if it doubled cost for customers, ~3 cents/kWh. Too much? Seems that overall the consensus was that > 10% increase is more than “modest”.

Greg asked: if we don’t pay for RECs, can we easily repurpose \$? Craig: we would have to change rates.

Mike raised the issue: would people be ok with paying the 10% extra if we’re really not getting anything from it in terms of actual GHG emissions reductions? He noted recent work from Princeton (Jesse Jenkins and coworkers) that shows (in the context of looking at hydrogen production) that annual matching of electricity use with RECs (which is essentially what we are doing) has no effect.

Claus raised the point of maintaining perspective by noting the cost of electricity relative to the overall cost of living in Belmont (e.g. property taxes)

Andrew asked: does nuclear count toward non-emitting? Counts toward CCES. Not sure on others.

Claus raised the issue of whether we could we have a consulting company come in.

Travis brought the conversation back to prioritization: if we had a million \$ to spend, how we would do it? (for example, choosing between purchasing RECs, incentives for electrification, or battery storage) An informal poll of the EC seemed to show more enthusiasm for battery storage and incentives and less for REC purchases. Mike Macrae noted he would object to spending money on RECs at all.

**Request from Dave Beavers to the Energy Committee:** can the Energy Committee look into this question of “quality” of RECs and the state of latest research on whether REC purchases are truly impactful. Mike noted that he is in frequent contact with the modelers at Princeton and could make connections.