

WEST BOYLSTON MUNICIPAL LIGHTING PLANT

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Board of Light Commission, Regular Session Meeting Minutes, 1:30pm, January 20, 2023

Present: Commissioners Win Handy, Jim Pedone, and Tony Meola were present. GM Fitch, Assistant GM Allen and MMWEC Staff were present.

The meeting starting at 1:30pm.

Agenda: The Board approved the agenda without any changes or corrections.

MMWEC Energy & Transmission Reserve Trust: MMWEC staff and the Board reviewed the investments and performance of the rate stabilization fund. The rate stabilization fund is approx. 6 months energy/transmission supply costs in event of emergency, fuel supply disruption, transmission constraints, unscheduled plant closure, terrorism, unfunded legislative mandates. Balance as of December 31, 2022, was \$4,137,814.70.

MMWEC OPEB Trust: MMWEC staff and the Board reviewed the investments and performance of the OPEB fund. The OPEB liability includes funding of employer contribution to retiree health and life insurance premiums. The balance as of December 31, 2022, was \$1,225,521.17.

New Garage Project Financing: The GM, Assistant GM, and Board discussed and reviewed the project cost of \$3,792,700. The Board discussed how to pay for the project. The GM suggested using the depreciation account to fund \$2M. This savings account is reserved for capital projects such as trucks, buildings, larger electrical apparatus, etc. Depreciation account balance as of December 31, 2022, was \$3,888,750.86. The Board and GM discussed the following options to fund the rest of the project:

Option 1: Finance the remaining \$1.8M through MMWEC's Pooled Loan program. Pooled Loan interest rates are estimated to be 3-5% for 10-15 year terms.

Option 2: Borrow from our own Reserve Trust fund and repay with a lower interest rate. The reserve trust fund balance as of December 31, 2022, is \$4,137,814.70

The Board discussed the MMWEC pooled loan program as one of the options to fund the project. Commissioner Handy made a motion to vote on the attached pooled loan reimbursement resolution as a placeholder for this option. Commissioner Pedone seconded the motion. The Board voted 3-0 approving the motion and pooled loan reimbursement resolution.

Battery Energy Storage System (BESS): The Board and GM discussed the BESS project. MMWEC prepared the contract documents between DeLorean Power and WBMLP for a new 3MW/9MWh BESS worth \$4.3M in NPV over 20 years. Delorean and WBMLP will share 52/48% the transmission and capacity cost savings generated from this projected.

The Board discussed voting to authorize WBMLP's participation in MMWEC's BESS program and approval of the necessary agreements. Commissioner Pedone made a motion to participate in the MMWEC BESS project and allow the GM to execute the necessary documents. Commissioner Meola seconded the motion. The Board voted 3-0 approving participation in the MMWEC BESS project and authorized the GM to execute the necessary documents.

The meeting adjourned at 3:00pm.

Winthrop Handy, Chairman

Anthony Meola Jr,

Jim Pedone