

MMWEC Questions Reliability Agreements, Suggests Resiliency Options To FERC

As ISO New England seeks permission to enter into reliability must run (RMR) agreements with generators to address the fuel security risks it identifies in comments to the Federal Energy Regulatory Commission (FERC) as “the most significant resilience challenge” facing New England, MMWEC suggests a different approach in its resiliency comments to the FERC.

MMWEC’s comments reflect upon the use of RMR agreements to ensure reliability prior to establishment of ISO-NE’s Forward Capacity Market (FCM) in 2006, “at great and difficult-to-justify expense to consumers.

“In fact, the FCM was established in part to eliminate the need for RMRs, so the reinstatement of RMRs begs the question: Are we moving forward or backward in assuring reliability and resiliency through the FCM?” MMWEC states.

Forward-looking strategies are needed to integrate the new energy technologies, renewable resources and evolving public

policies that are driving change in the energy industry. Moving forward “should exclude expanded use of RMR agreements except as a short-term bridge to new market rules that address new technologies, divergent state policy goals and a level of grid resiliency that support national security,” MMWEC states.

Instead, MMWEC suggests “a market-based initiative to compensate fuel security on a fuel-neutral basis over the long term. Such an effort starts with a definition of fuel security that includes secure, on-site fuel but also recognizes the infrastructure, delivery and storage constraints of natural gas and oil units, as well as the intermittency constraints of renewables, which are diminished when coupled with storage.

MMWEC also sees a need for greater fuel diversity and expresses concern over the lack of infrastructure to support New England’s growing reliance on natural gas.

MMWEC emphasizes “the ever-present and overriding need to balance benefits

and costs” to ensure that the cost of electricity is within the reach of all consumers. Costs should not bar access to this essential public service for those with a limited ability to pay, MMWEC states.

It will be important to embrace flexibility and integrate the capability to rebalance the resource mix as technology, infrastructure and other aspects of the marketplace change, MMWEC states. As individuals and communities take actions to ensure resiliency at a local level, it also will be important for the Commission to respect and enable the local decision-making process.

MMWEC understands and respects the tireless work and many actions that FERC has taken in conjunction with ISO-NE to address reliability and resilience issues, even in the absence of that term. ISO-NE has implemented many changes in market design and operating procedures to ensure reliability, and MMWEC supports a process that addresses related stakeholder concerns.∞

MMWEC Conference Highlights use of Joint Action in Turning Risks into Opportunities

Adapting to emerging technologies and evolving public policy goals while addressing impacts on the power portfolio was the theme of the 2018 Massachusetts Municipal Wholesale Electric Company (MMWEC) Annual Conference. The conference, entitled “Joint Action—Adaption,” was held May 2 and 3 at the Stonehedge Inn and Spa in Tyngsboro, Mass.

The first day of the conference, aimed at policymakers, included a presentation on MMWEC’s proposed peaking power plant, which secured a capacity supply obligation for 2021 in ISO New England’s recent Forward Capacity Auction. The peaking plant will serve as a hedge against capacity costs for participating municipal utilities and support the increasing amount of renewables coming onto the grid. Other topics focused on MMWEC’s Emerging Technologies Initiative, which helps members integrate electric vehicles, battery storage, microgrids, reciprocating engines, and smart home technologies. It also helps members develop and implement strategies that

can turn risks associated with new technologies into opportunities. Doug Alderton of NEC Energy Solutions presented on the future of energy storage in the region.

The evening’s keynote speakers were Dennis Murphy of Ventry Associates, who provided updates on pending state legislation with potential impacts on municipal utilities; and MMWEC’s Washington D.C. counsel Scott Strauss of Spiegel McDiarmid, who addressed developments related to the ISO New England markets and the Federal Energy Regulatory Commission.

MMWEC recognized two individuals and a municipal light



Doug Alderton of NEC Energy Solutions

MMWEC Conference Highlights.....continued from page 1

department with awards presented at the conference.

The Holden Municipal Light Department received the 2018 Francis H. King Leadership Award, named in honor of one of the founders of MMWEC. This award recognizes exceptional leadership and dedication to public power joint action, demonstrated by a long-term commitment to the ideals of public power and the philosophy of MMWEC.

H. Bradford “Brad” White, retired manager of the West Boylston municipal utility, received the 2018 James E. Baker Service Award, named after the influential former manager of the Shrewsbury municipal utility. This award recognizes distinguished service to the MMWEC organization, including service as a director, officer or member of an MMWEC committee for at least five years.

West Boylston Municipal Light Plant Commissioner William “Denny” Smith received the 2018 Philip W. Sweeney Public Service Award, named in honor of the former director of MMWEC and chairman of the Marblehead Municipal Light



Scott Strauss of Spiegel McDiarmid

Board. This award recognizes exceptional service to the public or in the public arena that advances the goals of public power.

The second day of the conference began with a presentation from Patrick Luckow of market analysis firm IHS Markit.



Dennis Murphy of Ventry Associates

Luckow offered his insight into market trends and the outlook for peak demand, load growth and wholesale power prices.

Following Luckow’s talk, MMWEC staff walked through a power portfolio strategy for members, tying industry impacts to the overall MMWEC outlook on the power markets. This in-depth presentation offered a detailed examination of how power market changes today and in the future can present opportunities for municipal utilities and MMWEC.

The conference concluded with a presentation on the value of MMWEC’s new quantitative reports, forward-looking reports and new monthly power cost portfolio reports soon-to-be available to members. ∞

Leadership and Service Awards Presented at MMWEC Annual Conference

MMWEC recognized two individuals and a municipal light department with awards presented at the 2018 MMWEC Annual Conference.

The Francis H. King Leadership Award, the James E. “Jim” Baker Service Award, and the Philip W. Sweeney Public Service Award were bestowed on recipients during the evening event.

The 2018 Francis H. King Leadership Award, named in honor of one of the founders of MMWEC, was presented by Wakefield Municipal Gas & Light Department General Manager Peter Dion to the Holden Municipal Light Department (HMLD).

Francis “Frank” King served MMWEC as president, chief executive officer, gubernatorial appointee to the Board of Directors and president emeritus. King worked for the Holyoke Gas & Electric Department for 38 years, including 32 years as general manager. This award recognizes exceptional leadership and dedication to public power joint action, demonstrated by a long-term commitment to the ideals of



Jim Robinson of Holden

public power and the philosophy of MMWEC.

HMLD Manager Jim Robinson accepted the King award on behalf of the Holden utility. HMLD is a founding member of MMWEC, and representatives of the Holden utility have served in many different roles in support of MMWEC. Holden Manager Neil Murray joined the MMWEC Board in 1977 and served 10 years as a director and a year as president of MMWEC. Holden Manager Edla Bloom also served 10 years



Brad White of West Boylston

on the MMWEC Board, including three years as Chairman of the Board and a year as MMWEC’s first female president.

MMWEC’s Washington D.C. counsel Scott Strauss of Spiegel McDiarmid presented H. Bradford “Brad” White, retired manager of the West Boylston municipal utility, with the 2018 James E. Baker Service Award.

The Baker Award is named after the influential former manager of the Shrewsbury municipal utility who helped lead to the establishment of municipal systems as utilities in their own right,

Continued on Page 4

Officers, Director Elected to MMWEC Board

Several officers and one director were elected to new terms at May 3 meetings of the MMWEC membership and Board of Directors.

Peter D. Dion, general manager of the Wakefield Municipal Gas & Light Department, was re-elected by the MMWEC membership to his tenth one-year term as president of MMWEC.

Michael J. Flynn, a gubernatorial appointee and Town of Wilbraham representative to the MMWEC board, was elected by the board to his sixth one-year term as chairman.

Representatives of MMWEC's 20 member municipal utilities also voted to fill one, three-year term on the MMWEC board.

They elected Kevin P. Kelly, manager of the Groton Electric Light Department.

Additional MMWEC officers for the coming year, as elected by the board, are Ronald C. DeCurzio, chief executive officer and secretary; Matthew J. Ide, treasurer; Stephen J. Smith, assistant treasurer; Peter H. Barry, general counsel; and Nancy A. Brown, assistant secretary.

Other MMWEC directors, elected previously by the membership, are Glenn Trueira, general manager of the Peabody Municipal Light Plant; James M. Lavelle, general manager of the Holyoke Gas & Electric Department; John Driscoll, general manager of

Continued on Page 4

Three MMWEC Members Recognized for Reliable Performance

Three MMWEC members have been recognized by the American Public Power Association for reliable performance.

Holyoke Gas & Electric Department, Mansfield Municipal Electric Department and Sterling Municipal Light Department were among a select group of public power utilities awarded with a "certificate of excellence" by APPA. These utilities were ranked among the top quartile nationwide for reliability.

These utilities track their reliability data with APPA's web-based subscription service known as eReliability Tracker. eReliability Tracker allows utilities to collect, categorize and summarize their outage information. The program demonstrates, by comparing their outage records against nationwide data gathered by the Energy Information Administration, that the municipal utilities in Holyoke, Mansfield and Sterling offer exceptional reliability.

Utilities use eReliability Tracker to store their outage and restoration data and to run reports throughout the year. The system performs various calculations, including system average

interruption frequency, average interruption duration by customer and average service availability. Each year, APPA compares subscribers' data against national statistics from the Department of Energy's Energy Information Administration.

Joseph Sollecito, Director of the Mansfield Municipal Electric Department, said he and his staff are proud to receive this award from APPA.

"This recognition is an important benchmark for us at Mansfield Electric," Sollecito said. "All the resources and efforts we invest daily in our electrical infrastructure and staff professional development is aimed at providing exceptional, reliable service to the customers of Mansfield."

Just 128 public power utilities nationwide received this APPA recognition for reliability. ∞



Hull Municipal Light Plant Receives State Grant for Microgrid Study

The Hull Municipal Light Plant has received one of 14 state grants for microgrid development projects, aimed at improving resiliency, reducing greenhouse gas emissions and lowering energy costs. The light department is receiving the \$75,000 award to help fund a feasibility study under the Massachusetts Clean Energy Center's (MassCEC) Community Microgrids program. MMWEC applied for the grant on HMLP's behalf.



Microgrids are defined areas of interconnected buildings or energy loads, including critical facilities, powered by distributed energy resources that can interconnect with the broader electric grid, or operate independent of the grid. They help to integrate clean energy technologies and battery storage, and also help keep critical facilities such as hospitals and police

operational during long power outages.

Hull's location along a coastal peninsula with a single point of connection to the regional power system puts it at higher risk for power outages. Its location also results in increased likelihood for high winds and flooding - potential threats to the local electric distribution system.

The microgrid would be used to ensure that critical services such as police, fire and public works would remain online during an extended power outage. The microgrid would serve Hull's town hall and the vulnerable population living in the senior housing complex across the street.

Current plans call for the use of an existing 1.8-megawatt wind turbine, backup diesel generators, a new energy storage system and solar, to fuel the microgrid.

The microgrid grants are part of a collaboration between MassCEC and the Baker-Polito Administration to diversify Massachusetts' energy portfolio and increase resilience to prepare for the impacts of climate change. ∞

MMWEC Members, Staff, Meet with FERC, DOE During APPA Rally

Massachusetts municipal utilities were well represented at this year's APPA Legislative Rally, held February 25-28, 2018. Member managers and staff met with Federal Energy Regulatory (FERC) commissioners, staff from the Department of Energy's (DOE) Office of Nuclear Energy, and several congressmen and staff during the three-day event.

Sean Hamilton, General Manager of the Sterling Municipal Light Department, and Joe Sollecito, Director of the Mansfield Municipal



Left to right—Joe Sollecito, Kate Roy and Sean Hamilton, at FERC

Electric Department, joined MMWEC Director of Communications & External Affairs David Tuohey and MMWEC Communications Supervisor Kate Roy in a meeting with FERC Commissioner Richard Glick. Topics of discussion included the ISO-New England Fuel Security Analysis and its relation to the FERC docket related to resiliency, as well as the value of nuclear energy to the grid.

MMWEC staff also met with DOE Principal Deputy Assistant Secretary Ed McGinnis and staff. Discussions focused on the attributes nuclear power brings to the grid, including fuel security, diversity, emissions reductions and reliability.

Additional meetings were held with several members of the Massachusetts Congressional delegation and/or their staff. This included meetings with Reps. Kennedy and Keating and Sen. Markey, as well as staff for Reps. Capuano, McGovern and Neal, and Sen. Warren. Among other topics, meeting attendees discussed the fuel security study, grid resiliency issues, the value of nuclear resources, the need for additional natural gas infrastructure and the FERC docket on resiliency. ∞

Leadership and Service Awards.....continued from page 2

entitled to purchase power from wholesale suppliers. Jim Baker became a key figure in the creation of MMWEC. He was a founder of MMWEC and served as the organization's chairman from its inception in 1969 until 1983. This award recognizes distinguished service to the MMWEC organization, including service as a director, officer or member of an MMWEC committee for at least five years.



William "Denny" Smith

Brad White has served the MMWEC organization and public power in many capacities during his career, serving with several municipal utilities before retiring in 2011. Beginning in 1997, White served 14 years on the MMWEC Board of Directors, including eight years as chairman and three years as

president of MMWEC. He also served as president of the Berkshire Wind Power Cooperative, overseeing the development and operation of the Berkshire Wind Project through to completion in 2011.

West Boylston Municipal Light Plant General Manager Jon Fitch presented the 2018 Philip W. Sweeney Public Service Award to his commissioner, William "Denny" Smith. The Sweeney Award is named in honor of the former director of MMWEC and chairman of the Marblehead Municipal Light Board. This award recognizes exceptional service to the public or in the public arena that advances the goals of public power.

Smith was recognized for his extensive service to public power. He has been an elected commissioner on the West Boylston Municipal Light Plant Board of Commissioners for 16 years, and has worked actively to advance the goals and tout the benefits of public power. ∞

Directors, Officers Elected.....continued from page 3

the Templeton Municipal Light & Water Plant; Sean Hamilton, general manager of the Sterling Municipal Light Department; Jeffrey R. Cady, manager of the Chicopee Electric Light Department, and Joseph M. Sollecito, director of the Mansfield Municipal Electric Department. Charmaine White of Springfield is a

gubernatorial appointee to the MMWEC board. Other town representatives on the board are Luis Vitorino, representing the Town of Ludlow; and Cornelius Flynn, representing the Town of Hampden. ∞

Massachusetts Municipal Wholesale Electric Company

MMWEC

A non-profit, public corporation and political subdivision of the Commonwealth
 Joint Action and economies of scale for Massachusetts municipal utilities

327 Moody Street, Ludlow, MA 01056

(413) 308-1392

mmwec@mmwec.org

www.mmwec.org

