



# Marblehead Municipal Light Board Meeting

November 24, 2025

# Agenda Board meeting November 24, 2025

3:30 Call to Order

Executive session to discuss strategy with respect to litigation

4:00 Open session

- Public Comments
- Calendar: next board meetings
- Minutes of previous meetings
- General Manager Jon Blair: Report
- Voluntary payments policy draft
- Toward an MMLD strategic plan: next steps

Adjourn

# Executive Session

- Motion to meet in Executive Session to discuss strategy with respect to litigation as an open meeting may have a detrimental effect on the litigation position of the board
- Return to Open Session by 4:00 pm

Executive Session in progress  
Public meeting will resume at 4:00 pm

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- **Minutes of previous meetings**
- General Manager Jon Blair: Report
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Adjourn

# Meetings Calendar: regular board meetings

- |                           |                      |                |
|---------------------------|----------------------|----------------|
| • <b>December meeting</b> | <b>Tuesday 12/16</b> | <b>4:00 pm</b> |
| • January 2026 meeting    | Tuesday 1/27         | 4:00 pm        |
| • February meeting        | Tuesday 2/24         | 4:00 pm        |
| • March meeting           | Tuesday 3/31         | 4:00 pm        |
| • April meeting           | Tuesday 4/28         | 4:00 pm        |
| • May meeting             | Tuesday 5/26         | 4:00 pm        |

Usually on the last Tuesday of the month at 4:00 pm

# Minutes of previous meetings

## Minutes of

- September 22 meeting
  - Public session
  - Executive session
- September 24 meeting
  - Public session
  - Executive session
- October 28 meeting
  - Public session
  - Executive session

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# General Manager Update

Board of Electric Commissioners Meeting  
November 24, 2025



MMLD

# Updates Overview

- Thanksgiving holiday hours
  - Wednesday, 11/26, 7:30am-12:30pm
  - Thursday, 11/27, closed
  - Friday, 11/28, closed
- Safety minute
- Long range agenda
- Lightshift battery energy storage system (BESS)
- Financial update

# Safety Minute – Slips, Trips, & Falls



- #2 common cause of workplace injury
- ~25% of workplace falls result in a moderate or severe injury like deep bruising, broken bones, or concussions
- Nearly 700 workplace fatalities per year (15% of all workplace deaths)
- Seasonal hazards include:
  - Slips due to ice, wet leaves, or spilled gravy
  - Trips on debris hidden by leaves, snow, or poor visibility
  - Falls while working aloft on holiday decorations

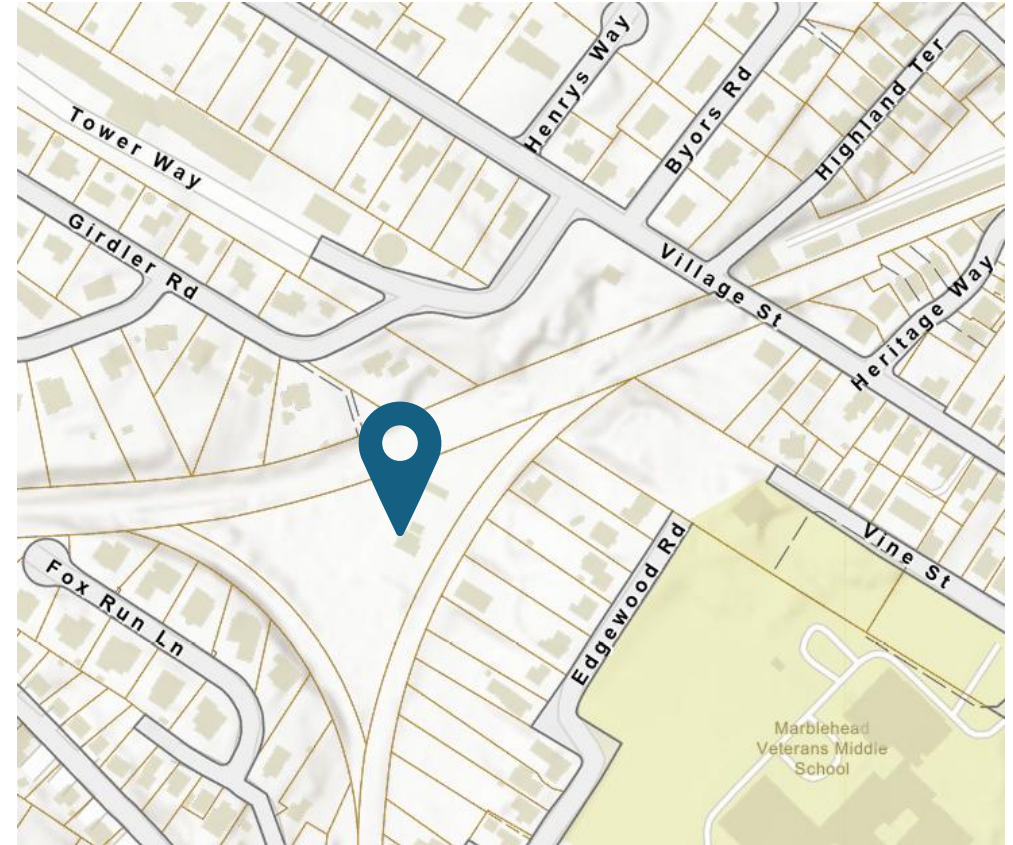
# Long Range Meeting Schedule (Draft for Discussion)

Topic	Date
FY 2026 Budget Review	Tuesday December 16, 4:00 pm
Peak Demand Management (Wilkins & BESS)	Tuesday January 27, 4:00 pm
Rate Planning Discussion	Tuesday February 24, 4:00 pm
Phase 1 Strategic Planning Discussion, GM Goals Review	Tuesday March 31, 4:00 pm
Cyber/Tech Discussion; Audit & DPU Report Review	Tuesday April 28, 4:00 pm
Energy Programs Discussion	Tuesday May 26, 4:00 pm
Power Portfolio Discussion; Board Assignments Review	<i>June</i>
Capital, Strategic, and Succession Planning Discussion	<i>July</i>
	<i>August</i>
System Projects and Reliability Discussion	<i>September</i>
GM Performance and Goals Review	<i>October</i>
	<i>November</i>
FY 2027 Budget Review	<i>December</i>

# Utility-Scale Battery Energy Storage System (BESS)









- Developer: Lightshift (via MMWEC)
- Size: 5MW/20MWh
- Location: Village Substation
- Anticipated value for MMLD customers: ~\$500k/year





# LEGEND

-  MV TRANSFORMER
-  PCS
-  MAIN METERING AND SWITCHGEAR
-  AUXILIARY TRANSFORMER
-  COMMUNICATIONS ENCLOSURE AND AUX PANEL
-  BATTERY ENCLOSURE

Proposed BESS location

Active substation area

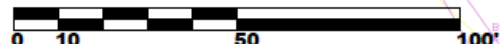
SYSTEM RATING
4,999 MW
INTERCONNECTING VOLTAGE
13.8 KV
PLANT POWER AT P1
4,999 MW
PLANT ENERGY AT P1
23.2 MWH
SITE AID
—
INTEGRAL MANUFACTURE
EPC POWER
SYSTEM MANUFACTURE
TRINA
No.
Revision/Issue
Date

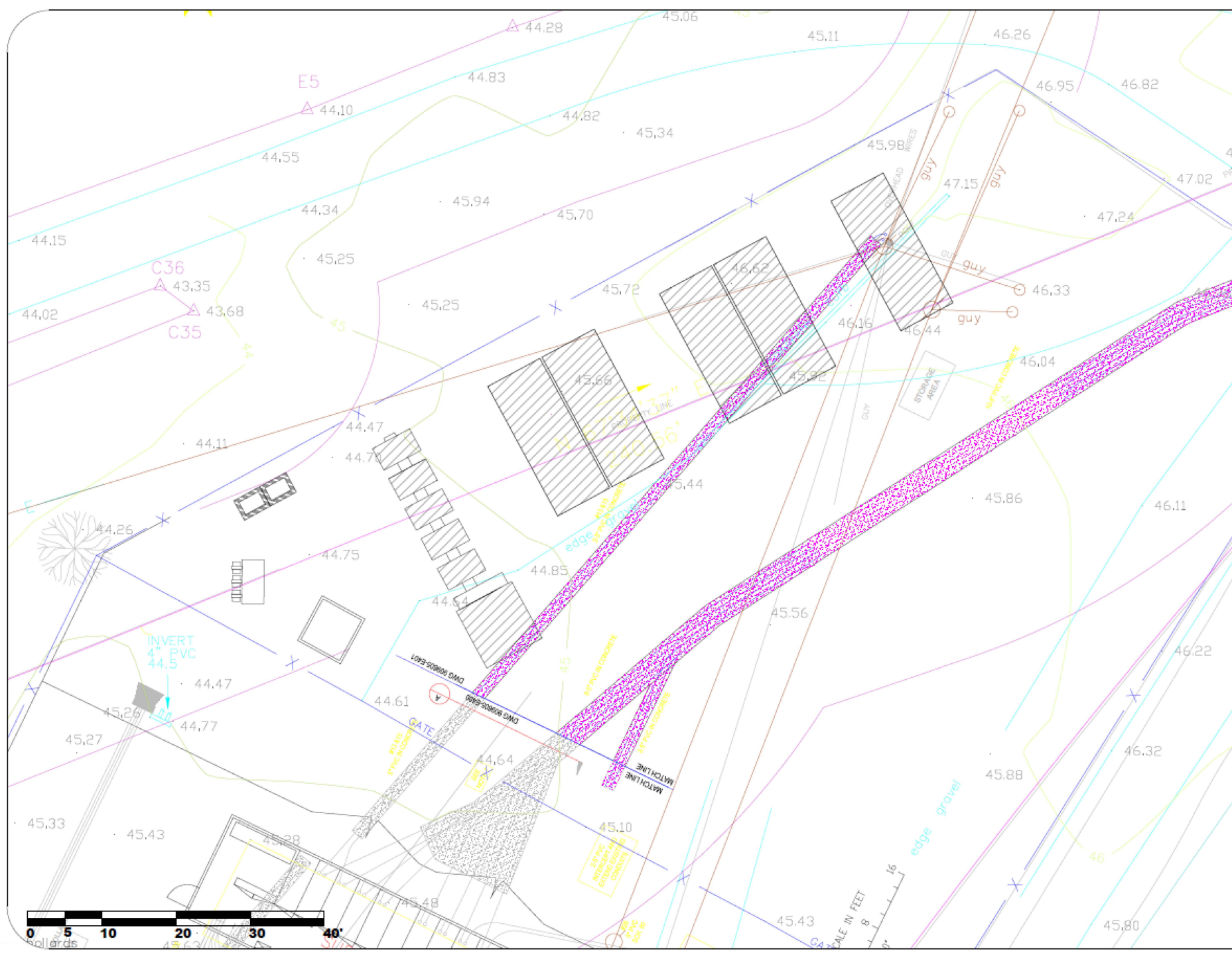
**LIGHTSHIFT**  
  
 1201 WILSON BLVD, FL 27  
 ARLINGTON, VA 22209  
 571-447-9180

Project Name and Address  
 Marblehead MA BESS 1  
 25 Maverick St  
 Marblehead, MA 01945  
 42.4993, -70.8645

Drawing Number  
 DWS-2024-01  
 Date  
 11/10/2025  
 Title  
 01

LOT 7  
 9,592 ± S.F.  
 0.22 ACRES





General Notes

1. PRELIMINARY DRAWING; NOT FOR CONSTRUCTION. FINAL SITE LOCATION, LAYOUT AND DESIGN SUBJECT TO ENGINEERING DESIGN AND REVIEW.
2. LAYOUT SHOWS GENERAL FOOTPRINT REQUIRED FOR FACILITY. SITE LOCATION AND DETAILED LAYOUT AND CONSTRUCTION DRAWINGS TO BE DEVELOPED LATER.

SYSTEM RATING

4,999 MW

INTERCONNECTING VOLTAGE

13.8 KV

FACTORY POWER AT FE

4,999 MW

PLANT ENERGY AT FE

23.2 MWH

SITE AREA

—

INVERTER MANUFACTURER

EPC POWER

INVERTER MANUFACTURER

TRINA

No. Revision/Issue Date

**LIGHTSHIFT**  
**ENERGY**

1201 WILSON BLVD, FL 27  
ARLINGTON, VA 22209  
571-447-9180

Plant name and address

Marblehead MA BESS 1  
25 Maverick St  
Marblehead, MA 01945  
42.4995, -70.8645

Working Number

DWG-004

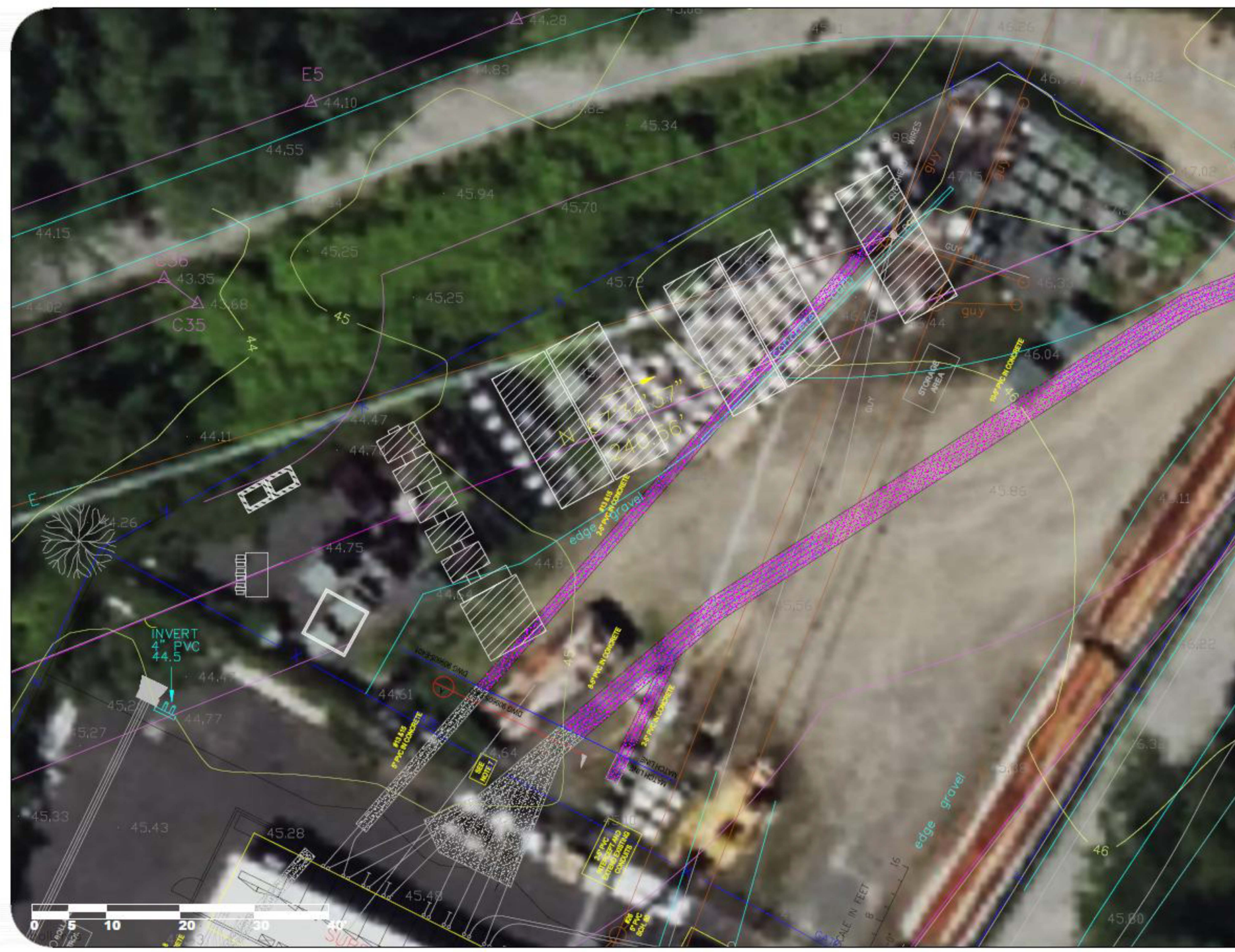
Date

11/10/2025

Sheet

02





#### General Notes

1. PRELUMINARY DRAWING: NOT FOR CONSTRUCTION. FINAL SITE LOCATION, LAYOUT AND DESIGN SUBJECT TO ENGINEERING DESIGN AND REVIEW.
2. LAYOUT SHOWS GENERAL FOOTPRINT REQUIRED FOR FACILITY. SITE LOCATION AND DETAILED LAYOUT AND CONSTRUCTION DRAWINGS TO BE DEVELOPED LATER.

#### SYSTEM DATA

4.999 MW

#### INTERCONNECTING VOLTAGE

13.8 KV

#### FACILITY POWER AT PSE

4.999 MW

#### FACILITY ENERGY AT PSE

23.2 MWH

#### SITE AREA

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#### INVERTED MANUFACTURER

EPC POWER

#### SYSTEM MANUFACTURER

TRINA

No.	Revision/Issue	Date

**LIGHTSHIFT**  
-// ENERGY

1201 WILSON BLVD, FL 27  
ARLINGTON, VA 22209  
571-447-9180

#### Project Name and Address

Marblehead MA BESS 1  
25 Maverick St  
Marblehead, MA 01945  
42.4995, -70.8645

Drawn by  
DWG-004-A

Date  
11/10/2025

Sheet

03



# Financial Update

- Projected revenue: \$500k more than original budget
- Projected expense: \$1M more than original budget, due mostly to higher power costs
- Projected operating income: ~\$100k
- Projected net income: \$869k, mostly due to interest earnings
- Pending adjustments to net income include PILOT payment and yearend adjustments (e.g., pension and OPEB)

- Key takeaway: The operating budget of MMLD is very lean; net income has risk due to influence of below-the-line influences

# Thank you

Contact Info:

[jblair@mhdld.com](mailto:jblair@mhdld.com)

(781) 584-5472



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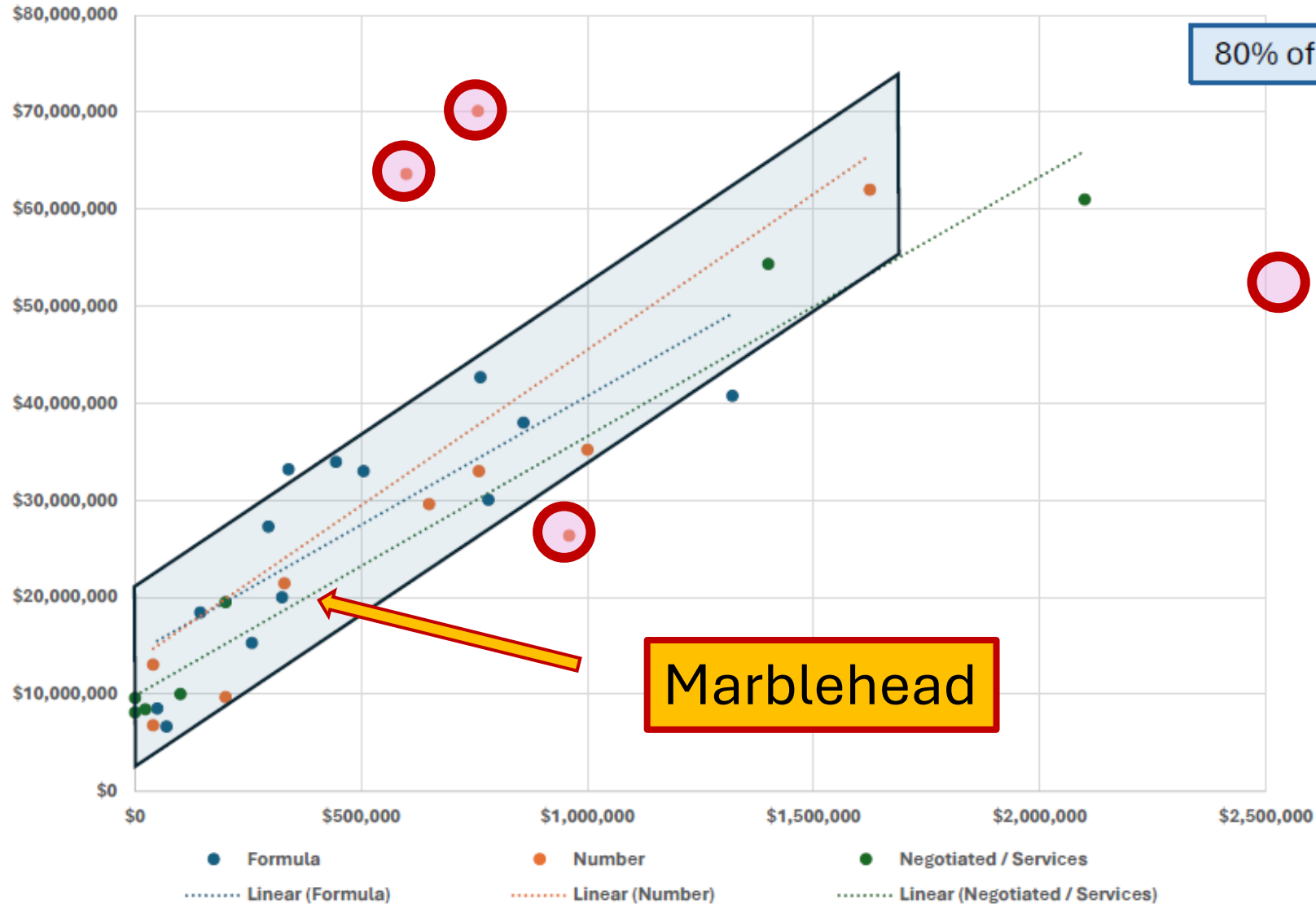
# Voluntary Payments Policy draft (1/3)

- Formalize policy to ensure predictability
- **Voluntary** payments
  - 4 MLPs make **NO** payment to their towns
  - **Payment is from surplus** which may not exist
- Last Year's payment of \$360K consistent with other MLPs payments

# Data from 32 systems

\$ Sales

Vol. Payment vs Sales \$ (80/20)



\$ Payment

# Voluntary Payments Policy draft (3/3)

- Formula based on MWh sold
  - Simple
  - Measurable
- Aligns objectives of Town and Light Department
- Policy distributed for comments
- Vote at next Board meeting

## Purpose and Background

The Marblehead Municipal Light Department (“MMLD” or “the Department”) is a municipal light plant operating pursuant to Massachusetts General Law, Chapter 164. As a locally owned not-for-profit utility, MMLD exists to provide safe, reliable, clean and reasonably priced electricity to the residents and businesses of Marblehead. Consistent with common practice among public power utilities nationwide, municipal light plants often provide voluntary financial contributions to their host communities as a recognition of the community benefits of public ownership. National analysis from the American Public Power Association notes that approximately 91% of public power utilities make such voluntary payments.

Under Massachusetts law, any transfer of funds from a municipal light plant to its host municipality is strictly voluntary. The Department of Public Utilities (DPU) has consistently held that (a) municipal light plants have no legal obligation to make in-lieu-of-tax payments, and (b) any such payments must be funded only from below-the-line surplus, defined as the plant’s income remaining after accounting for all statutory expenses and up to an 8% return on net plant.



MMLD has historically provided to the Town a flat annual Expected PILOT amount of \$330,000; in 2025 the Actual PILOT was \$360,000.

<u>Year</u>	<u>Electric Sales (MWh)</u>	<u>PILOT Payment</u>	<u>PILOT Payment (\$/MWh)</u>	
2020	100,625	\$330,000	\$3.28	
2021	102,374	\$330,000	\$3.22	
2022	100,689	\$330,000	\$3.28	
2023	96,828	\$330,000	\$3.41	
2024	98,811	\$330,000	\$3.34	
2025	99,865	\$360,000	\$3.60	<i>Estimated</i>



### 3. Legal Framework

PILOT payments must comply with Massachusetts General Laws and DPU precedent, including the following principles:

1. PILOT payments are not required and cannot be treated as taxes or utility operating expenses. They must be made, if at all, from below-the-line surplus funds
2. MMLD may not raise rates or include PILOT as an above-the-line cost for the purpose of generating funds to support such payments.
3. The Board must exercise prudent management discretion, ensuring that any PILOT does not impair MMLD's ability to maintain reliable service, invest in infrastructure, and meet future financial obligations
4. The Department may adjust the PILOT in any year in which sufficient surplus is not available.

## **4. PILOT Determination Method**

MMLD intends to maintain a simple, transparent, and predictable PILOT structure based on power sales of the prior fiscal year.

### **4.1 Actual PILOT Amount**

- The actual PILOT shall be calculated as \$3.60/MWh of power sales occurring in the previous fiscal year, unless explicitly modified by the Board through a policy update.
- The actual PILOT shall not be less than \$360,000 annually, unless explicitly directed by the Board.
- Any modification to the actual PILOT shall be communicated to the Town Administrator.

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# MMLD Strategic Plan

- MMLD needs a framework to guide decision making
  - Over the next ~18 months
  - Long term investment decisions

# MMLD Strategic Plan

- Work in two phases
- Phase 1: Priorities for next 18 months
  - January – February: priorities for the next 18 months
  - Open and participatory process, Community involvement welcome
  - Review and adopt during February 24, 2026 Board Meeting
- Phase 2: Framework to 2050
  - From April, Open and Participatory, with Community involvement

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**Any other Business?**

**Adjourn**