

# MUNICIPAL LIGHT DEPARTMENT

MEMBER OF  
AMERICAN PUBLIC POWER ASSOCIATION  
NORTHEAST PUBLIC POWER ASSOCIATION  
MUNICIPAL ELECTRIC ASSOCIATION OF MASSACHUSETTS  
MASSACHUSETTS MUNICIPAL WHOLESALE ELECTRIC COMPANY

The one hundred and fifth annual report of the Belmont Municipal Light Department is hereby submitted. Kilowatt hour (kwh) sales during the year 2004 totaled 124,476,426 kwh, an increase of 1,165,509 kwh over 2003 sales. The system peak demand of 27,644 KW occurred at 9pm on August 30, 2004.

The following chart illustrates the trend of the Municipal Light Department's business over the past ten years:

<i>Year</i>	<i>KWH Purchased</i>	<i>Peak Kilowatts</i>	<i>Gross Sales / \$</i>	<i>No. of Customers</i>
1994	115,860,480	24,728	10,077,694	10,601
1995	115,784,640	26,222	10,321,153	10,640
1996	113,782,082	23,561	10,260,912	10,636
1997	114,647,040	24,305	10,826,376	10,638
1998	115,819,200	24,012	10,876,616	10,629
1999	112,255,040	27,287	10,465,660	10,707
2000	123,506,880	25,074	11,266,974	10,789
2001	127,496,640	29,287	11,795,533	10,722
2002	128,435,580	30,320	12,044,965	10,780
2003	131,781,507	28,498	12,520,038	10,758
2004	130,573,725	28,100	12,465,020	10,800

In December 2004 the Municipal Light Department transferred \$650,000 to the Town's General Revenue Fund as an In Lieu of Tax payment.

The Municipal Light Department continues to furnish "other services" to the Town including electrical inspections, assistance with data processing systems management and maintenance, maintenance and construction of the fiber optic network, electrical maintenance, relamping of buildings with hard to reach lighting such as the Skating Rink and the Wenner Field House, etc. The Department also maintains the Town's traffic signals and the fire alarm call box system.

## POWER SUPPLY

On April 1, 2003, Dominion Energy Marketing, Inc. of Richmond VA. began supplying energy to the Municipal Light Department through a power supply contract that runs through December 2007. The Dominion agreement provides fixed prices that should allow us to maintain our rates at or below the current rates through the term of the contract.

The Dominion contract permits BMLD to replace up to 5% of the energy to be supplied by Dominion with energy from "green" or renewable resources. Belmont Municipal Light, along with thirteen other Massachusetts municipal light plants, has signed an agreement to purchase the output of the Berkshire Wind Turbine Project in Hancock, Massachusetts. The Berkshire project is scheduled to come on line in late 2005 and will fill the 5% renewable opportunity.

Belmont also gets 1.7 megawatts of low cost hydropower from the New York Power Authority's (NYPA) Niagara Falls project as our share of preference power allocated to the forty Massachusetts municipal light plants. Savings realized from the purchase of NYPA power are credited to our residential customers monthly.

## RATES

On average in 2004, a Belmont Municipal Light Department residential customer using 500 kwh / month paid \$53.52/ month while a Cambridge Electric Light Co. customer paid \$63.77/month and a Boston Edison / N-Star customer (residents of Arlington, Lexington, Waltham and Watertown) paid \$65.63 for the same 500 kwh.

In December 2003, the Municipal Light Board voted to approve a new rate schedule for our Town of Belmont accounts. The new rate schedule removed any rate of return (profit) from our municipal rates and saved the Town's schools, office buildings, libraries, etc. around \$130,000.00 in 2004.

## **OTHER PROJECTS**

Work continues on the installation of a new 15 KV feeder around the Belmont Hill section. This project will be completed this year and will provide increased capacity and reliability in the area.

The Department continues to investigate the feasibility of deploying a fiber optic network in order to provide various broadband communications services to residents and businesses in the town. We have retained a consultant to assist us on this project and we present the consultant's work product to the Municipal Light Board as the project progresses. The Town's Information Technology Advisory Committee (ITAC) has also assisted the Department in evaluating this project.

The Light Department is aggressively pursuing upgrades to our underground distribution system. Most of this work involves the removal of aging underground oil-filled switches. The switches are being replaced with more modern and safer products.

We continue the installation of new electric meters that can be read from the street via radio. As part of this meter modernization project we began reading both electric and water meters, eventually leading to a common electric/water bill for our customers.

Belmont Municipal Light was a sponsor of the Community Environmental Fair held at the High School in October 2004. Our new Honda Civic hybrid car was a featured attraction at the fair.

## **PERSONNEL**

Richard Vaccarello, our Line Superintendent, retired in June 2004 after more than thirty- two years of dedicated service. Dick was a hard working and energetic member of our staff and was always enthusiastically available during storms or other emergencies.

In August 2004 William Brennick, a veteran lead line worker, was promoted to the Line Superintendent position and Paul Hession was promoted to Lead Line Laborer.

Joseph Castagno, Darren Greeley and Niki Hebert joined our staff in November 2004, Castagno and Greeley as apprentice line workers and Ms. Hebert as an administrative assistant.

## **GENERAL**

The guidance and co-operation of the Municipal Light Board and the devotion to duty and good work of our employees is gratefully acknowledged.

The co-operation extended by other Town Departments is very much appreciated.

Attached are a Balance Sheet and a Comparative Income Statement for the Municipal Light Department for the Year ended December 31, 2004.

Respectfully submitted,  
Timothy L. McCarthy, General Manager