

**Electric Utilities Task Group
Friday, August 19, 2011
Town Hall, Old Town Road
12:30 p.m.**

Present: Everett Shorey, Michael Ballard and Bill Penn. Barbara MacMullan arrived at 12:45 p.m. Also present were Bryan Wilson representing Deepwater Wind, Cliff McGinnes representing the Block Island Power Company, Dan West representing the Block Island Times, and Michael Delia. Assistant Clerk Bonny Ryan was present to take the minutes.

Meeting was called to order by Bill Penn at 12:30 P.M.

Approve minutes of July 29, 2011

Minutes were approved as written in a motion by Bill Penn and seconded by Michael Ballard.

Ayes 3 (Shorey, Ballard, Penn) Nays 0 Absent 1 (MacMullan)

Public Input – None

Deepwater Update

Bryan Wilson updated the group on the Federal Waters 1000 megawatt project.

Discussion of Community Forum on Electricity Alternatives

The first item discussed was the date for this forum. Although Council had approved Oct. 15; the Consensus Building Institute could not make that date. Clerk will ask the Council to approve either Oct. 1 or Oct 22.

Barbara MacMullan prepared the attached spreadsheet with items to be discussed. After discussion it was agreed to eliminate New Technologies, SmartGrid Technology and Combining Wind, Solar and Conservation as a separate item. Bill Penn will forward the list of items to be discussed to Stacie at CBI. It was decided to add the following items to the list for discussion:

Capital costs, physical size/appearance, operating costs, environmental effects, and location.

As soon as the date is firmed up; contacting local groups and advertising will begin. Michael Delia offered to sponsor ads in the Block Island Times.

Cliff McGinnes asked that for the next agenda there be a discussion about what the Task Group expects to get from a distribution upgrade of BIPCO.

Meeting was adjourned at 1:45 p.m. in a motion by Bill Penn and seconded by Michael Ballard and voted unanimously.

Minutes approved:

Bonny Ryan
Assistant Town Clerk

<u>Option</u>	<u>Costs</u>	<u>Benefits</u>	<u>Information Sources</u>
Do Nothing	Continuation of high electricity costs. Additional future costs related to environmental costs Estimates range from \$20 to \$50 million. Based on current estimates, costs will exceed energy savings unless shared with all RI ratepayers.	No capital investment required.	
Stand Alone Cable	600 kW Municipal turbine estimated at ~\$2.8 million.	Connection to mainland grid, with reduction in energy portion of electric rates by 1/3.	NREL Report, Peregrin Report, EUTG Analysis
Wind		Will reduce municipal energy costs by ~\$385 thousand/year	EUTG Analysis, Town Grant Application, NRE
Solar	Municipal: cost ~\$500 thousand Investment of ~\$550 thousand for residential conservation/weatherization and town energy efficiency investment	Aggregate savings: ~\$40 thousand	EUTG Analysis, Town Grant Application, NRE
Conservation/Efficiency Improvements		In combination, these can reduced electricity costs more economically than a stand alone cable	EUTG Analysis, Town Grant Application, NRE
Combination of Above 3			HDR Report, NREL rep
New Technologies--VAWT, Fuel Cell, etc.	Speculative at this time. Untested technologies	Speculative at this time. Untested technologies	Presentations to EUTG
Municipal/Ratepayer Ownership	Can be structured to be cost neutral to ratepayers	Modest immediate savings, long term benefit from aligning interests of customers and owners	EUTG Analysis
SmartGrid Technology	TBD	TBD	
Distributed Generation	TBD	TBD	

NOTES:

Costs&Benefits for Wind/Solar/Conservation taken from Grant application

Sources

A Preliminary Analysis of Block Island Pwer Company's Use of Clean Distributed Resources to Provide Power to Its Customers, T.E. Hoff, National Renewable Energy Laboratory, Golden CO, January 2000

Renewable Technologies and Energy Efficiency for Block Island Power Company, Peregrine Energy Group

Block Island Power Company Electric Resource Planning Study, Prepared by HDR Engineering Inc., September 2007

Recommendations on the Future of Electricity for Block Island, Report by Town of New Shoreham Electric Utility Task Group, Jan. 2008, Updated March 2010

Town of New Shoreham Application for USDA RUS Assistance to High Energy Cost Rural Communities Grant, March 2008

Block Island Power Company Application for USDA RUS Assistance to High Energy Cost Rural Communities Grant, October 2007

Block Island Power Company 2009 Voltage Conversion, CHA Inc. August 2009