TOWN OF GILL

MASSACHUSETTS



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SELECTBOARD MEETING MINUTES February 25, 2015

Call to Order: The Selectboard meeting was called to order at 3:30 PM.

<u>Members Present:</u> Randy Crochier, John Ward, and Greg Snedeker <u>Members Absent:</u> none <u>Others Present:</u> Ray Purington, Admin. Assistant; Gus Bakas, Joe Dalton, Ronnie LaChance, and Gene Beaubien

Gus Bakas, Director of Massachusetts Hydro for FirstLight Power Resources, and Joe Dalton, Director of Government & Regulatory Affairs for GDF Suez Energy North America met with the Selectboard and other Town officials. Bakas is newly responsible for operations at the Northfield Mountain Pumped-Storage Project and Cabot Station, and has attended similar introductory meetings in Northfield, Erving, and Montague. GDF Suez is the parent company of FirstLight.

Bakas mentioned the ongoing Appellate Tax Board case between his company and the Town of Gill over the FY14 assessed values for FirstLight's land and other assets in Gill. The ATB case is a process that was initiated by FirstLight's tax attorneys in Houston, Texas and will need to play itself out. Bakas expressed a hope to work more directly with the Town and its Board of Assessors on future tax values. He offered the idea of a PILOT (payment in lieu of taxes) agreement instead of taxable values determined by costly appraisals. His company has PILOTs for properties in Bellingham, Blackstone, and Milford Massachusetts. Bakas will work with Ray to arrange a meeting with Gill's Board of Assessors.

There was a discussion of natural gas pipelines that have been proposed for the state and region. Bakas noted that FirstLight is not in favor of installing a new pipeline that is only needed on 30-40 days of peak period energy demand in the winter. There are other creative ways to meet the peak demand, including better utilization of existing infrastructure, and adding more storage capacity for natural gas and liquefied natural gas. The economics of pipeline construction and operation was discussed.

When asked about the status of FirstLight's application to the FERC (Federal Energy Regulatory Commission), Bakas replied that it is still ongoing and nearing the middle of what is expected to be a 4-year process. There are still a number of environmental, operational, recreational, and other studies to be conducted as part of the renewal process. He suggested that John Howard, the former station manager who is heading up the relicensing project, could provide more details.

It was pointed out that the December 2014 shutdown of the Entergy Vermont Yankee Nuclear Plant has produced a lot of ice on the river, and FirstLight has been learning how to adjust its operations to compensate for the new experience. It was guessed that this is the first winter in over 40 years where the Connecticut River has frozen solid from shore to shore. There is ice on the river from Barton's Cove up to Grist Mill Road, at least.

Bakas explained that FirstLight wants to be an integral part of the surrounding community, and will help out the towns when there is a mutual benefit. The may be opportunities for FirstLight to provide financial support to town projects and needs. Ray asked Bakas to look at the fenced lawn area next to the river along Riverview Drive, and whether there could be more access as an open space for the Riverside neighborhood.

It was also suggested that given recent changes in ownership next to the State Boat Ramp, it might be time to petition the State to have the boat ramp open earlier each day for public access and stay open later. Perhaps the boat ramp could even be open 24x7. During boating season a FirstLight employee is responsible for opening and closing the gate at the boat ramp. Longer hours of public access would presumably help FirstLight to better meet its FERC mandate to provide recreational access to the river.

Ray asked for insight from Dalton on electricity rates and the wisdom of locking in now for 12- or 24-month fixed price contracts from electricity suppliers. Dalton indicated that the current high electricity rates were driven by fear of a winter energy shortage that so far hasn't materialized. He expects rates to come down. One of GDF Suez's companies offers electricity supply contracts; Dalton will have the appropriate person contact Ray with information.

Bakas explained that FirstLight has plans to experiment with dredging operations in the upper reservoir later this year. The tests will help them to better understand sediment deposition and movement in the reservoir, and to develop a plan to regularly remove sediment. This is necessary to avoid a repeat of what happened in 2010 when the mile-long tunnel between the upper reservoir and the Connecticut River was plugged solid by sediment that was flushed out of the reservoir during what should have been a short shutdown for routine maintenance. Instead, the shutdown lasted for months.

The meeting adjourned at 4:50 PM.

Minutes respectfully submitted by Ray Purington, Administrative Assistant.

Greg Snedøker, Selectboard Clerk