

## **Board of Selectmen**

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*Maryjane White, Vice-Chair*  
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# **TOWN OF MEDWAY**

## **COMMONWEALTH OF MASSACHUSETTS**

August 25, 2015

Dear Medway Resident,

In November 2014, representatives from Exelon Generation informed the Board of Selectmen of their intentions to seek an expansion of their existing power generation peaking facility here in the Town of Medway. This facility on Summer Street has been in operation for decades, and is immediately adjacent to a major electrical switching station owned by Eversource. The sights of this area are visible along Route 126, as well as West Street in that immediate area. In addition, the area is also home to a major natural gas pipeline. The so-called intersections of these major utilities and the location of an existing power generation facility, certainly in the opinion of facility developers, are the key characteristics that would identify this Exelon site as appropriate for additional expansion. To that end, the process that we are now part of commenced.

As noted above, Exelon is indeed a taxpayer and neighbor here in our Community. As we would with any taxpayer, be it a resident, business owner, or other property owner, the Board of Selectmen met with Exelon's team to learn more about their proposal and what it might mean for our Town. Beginning in February and March, they introduced Board members to the operations of the existing oil-fired facility, the design concepts for a new facility run primarily on natural-gas with an oil back-up, the challenges in constructing the plant to meet EPA and MADEP strict standards for power plant construction with specific emphasis on noise and air quality protections, the water volume and quality needs, and the positive financial impact that this facility would have in the Town of Medway. Nothing that was presented at that time, or since, has led us to a position where we would dismiss this project out of hand, but instead showed us that much work on our part would be required. Simply put, it became clear that this is a major undertaking for not only Exelon, but our Town as well and the development and full understanding of all facts, pro and con, would be an absolute requirement.

In early Spring, Exelon filed its proposed expansion application with the Energy Facility Siting Board (EFSB), a State agency that has the statutory authority to review and approve (or not approve) power generation facilities of this nature, including the ability to grant exemptions to state and local regulations and by-laws. Since that filing, your Board has been actively working to become as knowledgeable as possible on not only the Exelon proposal, but on such issues as water demands and system capacity, air quality impacts from the two types of fuel used, overall power grid operations, and the "tax" economics of these types of facilities. We have contracted with consultants to review the EFSB filing and to advise us on the best ways to protect the Community, as well as to advise us of

critical issues that could cause us to determine that the proposal would not be in the best interest of Medway. Most importantly, we have retained this team of technical and legal experts, unbiased professionals, to guide us and represent us in this most important process. As of today, we have the following firms on board:

- BCK Law to review the EFSB process and assist with local agreements negotiations;
- Michael Ernst, a former EFSB official, to provide technical and legal guidance on the permitting process;
- G. E. Sansoucy to review all projected project values and assist with financial projections;
- Kleinfelder Associates to conduct an analysis of project water demands and our system capacity;
- Air Quality Associates to review the EFSB permit application materials and report on air quality impacts and required mitigation; and
- Acentech to review and provide direction on noise impacts and necessary mitigation steps.

In addition, members of the Board, as well as Town staff, have spent many hours and days reaching out to a number of other external resources, including:

- Engineers with Independent System Operator (ISO-NE) to understand the electricity market and overall grid operations in our area as it applies to Exelon's place within the grid as well as system needs;
- Representatives from Bellingham & Franklin to fully understand the permitting and operational impacts, including impacts on property values, of the ANP Power Plant in Bellingham, a fifteen year old facility three-times the size of that proposed by Exelon located just two miles to the west of the Exelon site;
- Solar generation developers to best understand needs and requirements of renewable energy systems and options; and
- Officials from the Charles River Pollution Control District (CRPCD), as well as Bellingham and Millis to discuss sewer and water system capacity options and limitations.

In short, exceptional due diligence efforts have been made and are continuing as of this date to ensure that our Board and our Community has a complete picture of what this facility expansion would mean to Medway, and to allow this Board to make informed and unbiased decisions along the way.

The items below represent a sampling of what we have learned to date, and requirements that we believe must be part of any approval or agreement(s) to expand:

> Water: Medway will NOT provide the requested water capacity to the facility. Our ability to provide the average daily value of 95,000 gallons does not exist, and we will not commit to that. We believe water options from other communities or sources will be required for Exelon to meet its needs.

> Noise & Air Quality: Any agreement(s) will address the demands by the Town that strict adherence to MADEP noise mitigation and control, as well as the requirement for air quality cleaning, monitoring and testing.

> Fuel Usage: The Town discourages the use of diesel fuel as a power generation source and will explore options to prevent or penalize the use of that fuel. We encourage the use of natural gas only.

> Property Value Protection: Similar to the efforts used in the permitting of ANP Bellingham, we will pursue a so-called safety net and protective measures for property owners closest to the plant to address any direct value loss from the new plant.

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> Fire & Public Safety Protection: We will look to Exelon to provide added equipment, training and staff resources to ensure that our ability to respond to any incident at the facility is addressed.

> Construction and Operations Truck Traffic: Our goal will be to limit any and all truck traffic away from Medway streets.

> Stack & Wall Heights and Visual Impacts: At a proposed 160-foot height each, these two stacks are 20-feet lower than those located just over the line in Bellingham, and are roughly the same height as the highest utility tower (159') at the current switching station adjacent to the Exelon site. We have travelled the immediate area and extended perimeter streets around ANP Bellingham recognize that limited visibility, primarily to the southeast of the Exelon site, will occur. However, based upon topographical conditions in Medway, the view of the stacks from the overwhelming portion of our Town is unlikely. We will continue to demand visual renderings and representations from Exelon through the EFSB process to further confirm this belief. Further, we will look to require natural buffers of the site for immediate abutters.

> Renewable Energy Solutions: Some have suggested that the site would be better used as a solar generation facility. This expansion site property is roughly seven acres and will generate approximately 200 megawatts of power. Compare that to a 19-acre solar site in this area that generates only 3 megawatts and it is clear that the use of solar at this location is not economical nor sufficient. We have learned that with the decommissioning of an older, environmentally unfriendly coal plant in southeastern Massachusetts, the power generated from Exelon's peaking plant expansion is needed by ISO to power the overall grid, including that which serves Medway, on demand days. That said however, we will look to Exelon to support energy awareness and conservation programs and education here in Medway on an annual basis.

During our Board meetings over the last several months, we have made it clear to those present that our decisions would not be developed or influenced by finances alone. Rather, with safety and Community protection as our main focus, we believe that the end result will in and of itself be strong. However, we cannot overlook the actual economic impact that this expansion would create. Early on, it was suggested that the potential tax revenue from this expansion would be two million dollars (\$2,000,000) per year. After our investigations and reviews, we believe that number is conservatively low. In fact, we are currently negotiating a package that could substantially benefit Medway every year for the next twenty years. Major enhancements to our Schools, our public safety, our roads, our sidewalks, our public facilities, and our overall service delivery are very possible and likely if this plant is deemed safe and approved by the Commonwealth. The benefit to Medway would be substantially better than even that approved by this Community in 2001 when Sithe, the predecessor of Exelon, was proposing a similar expansion. Again, the objective is not simply revenue, but in pure reality these potential financial benefits cannot, and should not, be overlooked or dismissed.

In recent weeks, the Board has become aware of a level of opposition to this expansion proposal. Among the concerns raised have been water use, stack height, use of diesel fuel, air quality, and quality of life here in Medway. As you can see above, we too share those concerns and are working to be certain that they are addressed. Further, we have secured a seat at the EFSB table having filed for and been selected as an intervener in the process. We are actively using that status to further demand information from the applicant that will guide us in our decision making, and will allow the EFSB to better understand the wishes and needs of our Town. We have a positive level of confidence in the EFSB that they will act judiciously to protect the health, safety and well-being of our residents in whatever decision they may render, yet we always intend to protect our rights. And we too commend

and applaud those who have come forward and raised concerns and asked questions. It is this civil and respectful process that we appreciate and look to further enhance **through a town-wide Public Forum that our Board will hold on October 21, 2015 at 7:00PM at the Medway High School Auditorium.** We intend to bring our team of consultants to that forum to help answer and address additional questions and concerns residents and business owners may have. By that date, we expect to have received the reports of each consultant, and will make those available for public viewing. And, we believe that we will have proceeded along sufficiently with our fact finding to present detailed information on the proposal at hand.

Medway is an outstanding Community with much to offer its residents and businesses alike. It has fostered an attractiveness to those from near and far to set up shop or raise families here, all done amid the existence of the current Exelon plant. If done properly, effectively, and safely, that attractiveness will surely continue if not be enhanced following the proposed Exelon expansion. And be assured, that is indeed the mission of your Board of Selectmen. Like each of you, we too call this Community our home, and under no circumstances would we permit any person or corporation to bring harm to our Medway. We must look to remove the emotion and fear from the argument, and in their place be certain that facts alone guide our progress. As this process proceeds forward, we commit to a thorough and vigilant review of all components of this proposed project, and the dedication of our time, effort and resources to protect our Town. As stated before, that is our obligation, our responsibility, and our promise to you.

We thank you very much for your dedication to our Community, we appreciate your consideration, and we invite you to our public forum on **October 21.**

Very truly yours,

**MEDWAY BOARD OF SELECTMEN**

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