



HINGHAM MUNICIPAL LIGHTING PLANT

31 Bare Cove Park Drive
Hingham, MA 02043-1585
(781) 749-0134 FAX (781) 749-1396
www.hmlp.com

General Manager
Thomas Morahan
tmorahan@hmlp.com

Laura M. Burns, Chairman
Michael Reive, Vice-Chair
Tyler Herrald, Secretary

REGULAR MEETING
HINGHAM MUNICIPAL LIGHT BOARD
July 8, 2025

A regular meeting of the Board of Commissioners of the Hingham Municipal Light Plant (HMLP) was called to order by the Board's Chair, Laura Burns, at 4:00 pm on Tuesday, July 8, 2025, via Zoom.

Present:

Board Members:

Laura Burns, Chair
Michael Reive, Vice-Chair
Tyler Herrald, Secretary

HMLP:

Thomas Morahan, General Manager
Stephen Girardi, Engineer
Joan Griffin, Business Manager
Ellen McElroy, Customer Service
Brianna Bennett, Sustainability Coordinator

Meeting Called to Order

Ms. Burns read the following disclaimer into the record: *This meeting is being held remotely as an alternative means of public access pursuant to Chapter 2 of the Act of 2023 and all other applicable laws temporarily amending certain provisions of the Open Meeting Law. You're hereby advised that this meeting and all communications during this meeting may be recorded by the Town of Hingham in accordance with the Open Meeting Law. If any participant wishes to record this meeting, please notify the chair at the start of the meeting in accordance with M.G.L. c. 30A, § 20(f) so that the chair may inform all other participants of said recording.*

Ms. Burns asked if anyone other than HMLP wished to record the meeting. No one responded affirmatively.

Rebates – Mr. Reive

Mr. Reive requested that the Board revisit HMLP's rebate incentive plan, particularly regarding heat pumps and their use with resistive heat backup. He noted that there have been significant advances in heat pump technology. Many newer models are now cold-weather optimized and able to operate efficiently at increasingly lower temperatures—often without the need for a resistive heat backup system. He expressed concern that resistive heat backup may no longer be necessary in our region and suggested the Board consider adjusting our rebate program accordingly. Specifically, he proposed that customers choosing to install heat pumps be required to coordinate with Abode to determine whether resistive heat backup is truly needed.

Mr. Reive emphasized that resistive heat backup can drive up electricity usage, as these systems can default to that mode depending on user setting, effectively bypassing the efficiency benefits of the heat pump. This increased demand makes it more difficult for the Hingham Light Plant to maintain the lowest possible rates.

He asked that this topic be added to a future agenda for further research and discussion, with the goal of determining whether full incentives should continue to apply to heat pump units that include resistive heat backup.

Mr. Morahan stated that HMLP has spoken with Abode about this, and they do not recommend the use of resistive heat backup. While they won't prohibit customers from including it if they choose, Abode does not encourage it. Instead, they advocate for the use of cold climate heat pumps that are properly sized to meet the heating needs of the home.

Mr. Morahan also clarified that one thing we are not doing is requiring customers to remove their existing heating systems in order to qualify for the rebate.

Mr. Reive said he agrees with that point but questioned whether we should continue to incentivize customers who choose to include resistive heat backup, especially when a different heat pump model might eliminate the need for it in their particular situation. He supported Abode's efforts to guide customers toward cold climate heat pumps, noting that this is already a requirement for receiving our rebate. He added that there are now even more advanced cold climate models available, and we should promote those to avoid situations where, on the coldest nights, the heat pump defaults to resistive heating, essentially operating like standard baseboard heat.

Mr. Reive emphasized that today's technological advancements make these newer models a viable option for many homeowners. While it's ultimately up to the homeowner whether they keep a backup boiler or furnace, Mr. Reive said he sees no reason to discourage that choice, but he questioned whether our rebate structure should support systems that rely heavily on resistive heat.

Ms. Burns said she was a bit confused about where the discussion currently stands. She asked for clarification, specifically, whether the concern is about heat pump systems that are installed with integrated resistive backup, as opposed to whether homeowners who retain their existing backup

heating systems are still eligible for rebates. She admitted she wasn't even aware that some heat pumps come with built-in resistive heat as a backup option, and asked if that was what was being discussed.

Mr. Reive confirmed that many heat pump systems do include resistive backup. When the heat pump begins to struggle, the resistive heat kicks in at a certain set point. That can result in the system suddenly doubling its load, for example.

He went on to explain that newer refrigerants now available on the market allow heat pumps to produce more heat at lower temperatures, reducing or eliminating the need for resistive backup.

Ms. Burns then asked if these systems with resistive heat backup are still being sold today.

Mr. Reive responded that they are sold today and expected that will continue during the transition from older refrigerants to newer ones, as manufacturers gradually adopt the changes and gain regulatory approvals. He is asking HMLP and Abode in particular; to stay ahead of the curve so we can minimize the number of heat pumps with resistive backup being installed in our service area.

Ms. Burns asked whether Abode approves heat pump systems for rebates regardless of whether existing backup heating is removed or if the new system includes resistive backup. Ms. Bennett confirmed that systems are eligible as long as they are listed by NEEP (Northeast Energy Efficiency Partnership) and meet efficiency standards. She noted that NEEP inclusion is the current benchmark for rebate approval and agreed to follow up with Abode to confirm if systems with resistive backup are on the NEEP list.

Ms. Burns and Mr. Reive discussed the potential impact of newer propane-based heat pump systems, which may not require resistive backup due to improved technology. Mr. Reive suggested that the rebate program should eventually prioritize newer, more efficient models as they become available.

Mr. Herrald questioned whether all systems include resistive backup due to performance limits in cold weather. Mr. Reive acknowledged that while this has been true, newer refrigerants are expanding operational efficiency in lower temperatures, reducing the need for resistive heating.

Mr. Reive noted that Cold Climate 2 technology, emerging internationally, may eliminate the need for resistive backup altogether. He expressed a desire to eventually phase out rebates for systems with outdated designs in favor of newer, more efficient units.

Credit Card Charges – Michael Reive

The Board discussed the costs and policies around customer credit card payments. Mr. Reive raised concerns about the high fees HMLP pays to process credit card transactions, noting it could total nearly \$50,000 annually. He suggested encouraging customers to use ACH (automated checking withdrawals), which are cheaper and more efficient. Ms. Griffin explained that credit card fees vary by card type and that she is awaiting more information from Invoice Cloud and the Town Treasurer to better understand the costs. Although she does not have

specific figures at this time, she confirmed that HMLP has not experienced any issues with cash flow. Accepting credit cards provides a convenient payment option for customers, which helps ensure steady and timely payments. She added that higher fees could burden customers already struggling to pay their bills.

General Manager Performance Goals

The next agenda item was the General Manager's performance goals for the next two years. Mr. Morahan had previously shared a draft of the goals, but Ms. Burns apologized for not having had time to review them in advance due to a busy month. She suggested either reviewing them now or allowing more time for Board members to provide feedback offline and revisiting the item at the next meeting.

Board members agreed that it would be best to review the goals more thoroughly and discuss them at the next board meeting. Mr. Morahan confirmed that he is open to revisions, and the draft was only a starting point. The Board decided to revisit the discussion at the next meeting after allowing time for input.

Approve Meeting Minutes 6/10/25

Mr. Morahan reported that the meeting minutes from June 10, 2025 are not yet ready and will be reviewed at a future Board meeting.

Financials:

month/year	kwh sold	revenue	expenses	net income
May-25	13,547,928	2,704,538	2,532,618	171,920
May-24	12,930,300	2,481,682	2,078,905	402,777
May-23	12,346,323	2,440,739	2,322,518	118,222
YTD/year				
May-25	79,036,585	16,682,617	14,040,164	2,642,453
May-24	73,262,813	13,872,030	11,953,037	1,918,992
May-23	72,487,971	14,073,724	12,782,046	1,291,678

Mr. Morahan reported for May 2025, kilowatt-hour sales were up, likely due to slightly warmer-than-average weather. Revenue came in at \$2.7 million, which was as expected, and expenses were \$2.5 million, resulting in a net income of \$171,000. Based on current performance, Ms. Griffin believes we're still on track to reach our 8% return target for the year.

However, Ms. Griffin provided an update as she just received the fourth-quarter RECs (Renewable Energy Credits) which showed revenue of about \$438,000, higher than projected. This unexpected increase may lead to a PCA (Power Cost Adjustment) revision once June's numbers are finalized.

Ms. Burns said there was some discussion about why REC prices might have jumped, especially after lower returns in previous quarters. Mr. Herrald noted that earlier price drops in carbon and RECS were likely due to political uncertainty in the wholesale markets. As that uncertainty eased, both carbon and REC prices recovered. Ms. Griffin said we're still waiting for a formal explanation from ENE (Energy New England).

Ms. Burns said this revenue uptick is particularly important because we're counting on it to help fund the upcoming meter replacement project without needing a rate change. Lastly, there was a reminder that once the transmission project is complete, our capital plant value will increase significantly, which could affect the 8% earnings cap we are required to stay under.

Updates: Transmission Line Project, Capital Projects

Transmission Line Project:

Mr. Morahan reported that a meeting with the Massachusetts Energy Facilities Siting Board is scheduled for Friday afternoon, July 11, 2025. The purpose of the meeting is to review the process moving forward and determine the timeline for hearings. HMLP submitted its discovery questions by the required deadline of June 25, 2025. Additional updates will follow once information is received from the Siting Board after this week's meeting.

Capital Projects Update:

- **Circuit 9 (Pleasant Street):**
Work began on Circuit 9 but was temporarily paused due to a failure in one of the circuit riser terminations. An inspection of all risers across the system—many dating back to the 1980s and 1990s—revealed similar issues. All affected terminations were proactively replaced as a safety and reliability measure. This work was completed last week, and work on Circuit 9 is expected to resume next week.
- **Elm Street Project:**
This project is pending installation of new telephone poles. HMLP is awaiting the completion of pole setting, which is expected in the coming weeks before work can proceed.
- **System Reclosers:**
Four new reclosers will be installed as part of this year's system reliability improvements. These devices will reduce the number of customers affected during an outage by limiting exposure to no more than 500 customers per incident, down from 800–900 in certain areas.

Route 3A Undergrounding Project

Mr. Morahan reported that HMLP has received approval to install underground infrastructure from North Street to near Summer Street as part of the state-led transportation project. The project is currently in the 75% design phase.

A concern was raised regarding a large utility box on the sidewalk at the corner of North Street that obstructs pedestrian access. While the box is believed to be unrelated to HMLP infrastructure (possibly a streetlight control box), it is expected that ADA compliance measures associated with the state project will address this issue.

Other New Unforeseen Business

Mr. Morahan confirmed that the transfer of customer service and billing responsibilities from Weir River Water Systems to HMLP has been postponed until July 1, 2026. This decision was due to unresolved contractual issues with Veolia.

Ms. Burns noted that, given current public dissatisfaction with water service, particularly regarding water discoloration issues, the delay may allow time for improvements to be implemented before the transition occurs.

Motion to adjourn the meeting

Mr. Reive - Aye
Mr. Herrald -Aye
Ms. Burns - Aye

Meeting adjourned at approximately 4:55 pm

