



HINGHAM MUNICIPAL LIGHTING PLANT

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

REGULAR MEETING
HINGHAM MUNICIPAL LIGHT BOARD
September 9, 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, Ms. Burns, at 4:15 pm on Tuesday, September 9, 2025, via Zoom.

Present:

Board Members:

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

HMLP:

Thomas Morahan, General Manager
Mark Fahey, Assistant General Manager
Joan Griffin, Business Manager
Ellen McElroy, Customer Service
Brianna Bennett, Sustainability Coordinator
Elaine Cusker, Hingham Advisory Board
Michael Herde, Hingham Advisory Board

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 2025 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.

Credit Card Charges - Joan Griffin

Ms. Burns opened the meeting by continuing a discussion from the last Board meeting on customer payment charges, focusing on whether to charge for credit card or bank withdrawal payments, the costs of these transactions, and their overall value to Hingham Light.

Ms. Griffin reviewed data from January 2025 through July of 2025. During this period, she reported there were a little over 23,000 credit card transactions and approximately 21,000 Electronic Funds Transfer (EFT) transactions, reflecting an almost even split. Credit card payments totaled roughly \$4 million, which was substantially higher than the amount collected through Automated Clearing House (ACH) transactions. She reported that the fees for credit card payments during this time were slightly over \$70,000. For the same January–July period, there were slightly over 21,000 lockbox transactions, consisting of checks mailed directly to Eastern Bank. The total fees for these transactions were a little over \$7,000, averaging approximately \$0.33 per transaction. Ms. Griffin compared this with other payment methods: credit card fees averaged about \$3.00 per transaction, while ACH transactions averaged about \$0.50 each.

Ms. Griffin also reviewed comparable data from the Town of Hingham. During the same period, the Town had approximately 14,000 transactions—fewer than HMLP—but with \$18 million in revenue, substantially more in dollar volume. Of these, 10,000 were EFT transactions and 4,000 were credit card transactions. The Town charges customers a 2.99% fee for credit card payments, resulting in customers paying approximately \$45,000 in credit card fees.

Finally, Ms. Griffin noted she had contacted Invoice Cloud regarding alternative fee structures. One option would be to implement a fixed, tiered fee. For example, transactions up to \$500 would incur a \$4.50 fee, with a maximum fee of \$4.95 for amounts up to \$600. Amounts over this limit would require multiple transactions.

Ms. Griffin outlined the options available: Adopt a fixed fee structure, keep the current approach, or implement a 2.99% fee for credit card transactions along with a \$0.50 fee for ACH/EFT payments. She noted that if the 2.99% credit card fee had been applied from January through July, customers would have paid just over \$132,000 in fees. By comparison, under the current structure, HMLP incurred a little over \$70,000 in costs for the same period.

Ms. Burns asked if Invoice Cloud would entertain a lower fixed fee. Ms. Griffin noted that when Invoice Cloud charges a fee, HMLP does not receive that revenue. Invoice Cloud retains all of its revenue and covers its own associated fees directly. Any difference between the fees charged to customers and the actual costs remains with Invoice Cloud. Ms. Burns clarified that the proposed structure would not allow HMLP to recoup its charges directly. Ms. Griffin explained that under the 2.99% model, Invoice Cloud would collect the customer fees (\$71,000) and retain the difference (\$61,000) after covering the charges. For example, if customers had paid 2.99%

during the January–July period, Invoice Cloud would have collected approximately \$132,000, while HMLP’s actual fees were about \$71,000. Ms. Griffin noted she had asked whether HMLP could instead receive the revenue and then pay the associated fees, but Invoice Cloud indicated this was not an option. Ms. Griffin added that Invoice Cloud had noted when utilities begin passing credit card fees on to customers, many customers typically shift to ACH/EFT payments instead.

Ms. Burns asked the Board whether, based on the information presented, there was any interest in considering a change to the current policy. Mr. Reive said he was not in agreement. He stated that, based on the information presented, HMLP should consider changing its approach. He emphasized the need for greater transparency so customers understand the fees being incurred and the potential savings if more people switch to ACH. He suggested that some costs should be passed on to customers, either through additional charges or as a condition for receiving the 15% discount. He noted that while customers should continue to have the option to pay by credit card, those costs should not be subsidized by ratepayers who use ACH. He concluded by recommending that the Board receive a proposal on how to improve the efficiency and fairness of the billing system.

Ms. Burns responded that, as she recalled from a prior discussion, the current billing system does not allow the early payment discount to be applied differently based on payment method. Mr. Reive asked about the timeline for implementing a new billing system and combining it with water bills. Mr. Morahan explained that the water billing conversion to the Cogsdale system is scheduled for July 1, 2026. Following the transition, both electric and water bills will be consolidated into a single bill, with a six-month period to ensure proper operation. Afterward, a decision will be made as to whether to continue with the current Cogsdale system or move to a new system. That decision is expected in the Spring 2027 after evaluating a new version of Cogsdale in December 2026.

Ms. Burns suggested delaying further discussion on payment fees until the capabilities of the new billing system are known. Mr. Reive emphasized the importance of promoting ACH payments to customers. Mr. Morahan agreed that a campaign could be launched to encourage voluntary ACH adoption, noting that credit card payments remain necessary for some customers who may struggle to pay their bill. Mr. Reive countered by stating that many of HMLP customers are not struggling to pay their bills and asked how feasible it would be to implement a 2.99% fee on credit card transactions, pointing to industry examples such as Verizon, where ACH payment is incentivized.

Ms. Burns recommended that Mr. Reive work with Ms. Griffin to develop a formal proposal for potential changes and add the proposal to next month’s agenda.

Approve Meeting Minutes - August 14, 2025

The next agenda item was the approval of the August 14, 2025 meeting minutes. Mr. Reive noted that he had questions regarding the math and rationale behind the credit card charges and was reluctant to approve the minutes as written until those issues were clarified.

Mr. Morahan suggested that Mr. Reive and Ms. Griffin review the relevant section to ensure accuracy. Mr. Reive emphasized that the minutes should reflect information that can be clearly verified by reviewing customer bills. Ms. Burns agreed but said the problem is that the minutes of a Board meeting are a record of what has already happened but understands why he would not want to put something out there that is not quite accurate and proposed deleting the section on credit card charges from the minutes until it could be confirmed, with the intention of revisiting it later. Mr. Morahan confirmed that they could delete whatever they wanted from the minutes and it could be sent out again for approval after the review.

Mr. Reive also mentioned a separate point regarding the Price Cost Adjustment (PCA) section of the minutes, which he would review with Mr. Morahan to ensure his thoughts and comments were accurately represented.

The Board agreed to postpone approval of the August minutes until these clarifications were made.

Financials: July 2025

month/year	kwh sold	revenue	expenses	net income
Jul-25	20,280,441	4,285,330	3,400,337	884,993
Jul-24	19,082,812	3,384,645	3,153,088	231,558
Jul-23	17,497,184	3,466,625	2,867,624	599,001
Year to date				
Jul-25	113,312,699	23,723,214	20,484,501	3,238,713
Jul-24	107,569,178	20,210,666	17,741,255	2,469,412
Jul-23	104,757,703	20,350,364	17,839,618	2,510,747

Mr. Morahan reported that July was a warmer month, which was reflected in HMLP's revenue. Net income for the month was \$884,000, compared to the budgeted \$486,000, due in part to REC revenue of \$439,000. Year-to-date net income was \$3.2 million, approximately \$1 million higher than the same period in 2023 and 2024.

Ms. Griffin noted that efforts have been made to keep our revenue below 8%, including eliminating the PCA for the remainder of the year and reducing energy costs. She emphasized that the actual impact will be observed over the coming months as these adjustments take effect. Ms. Griffin said she will continue to monitor it. Mr. Reive asked for clarification on when the PCA is adjusted versus rate changes. Mr. Morahan explained that PCA changes typically occur quarterly, with REC revenue variability sometimes necessitating additional adjustments. Ms.

Griffin added that PCA flexibility is necessary because actual fuel and power costs cannot be precisely predicted at the time rates are set.

Mr. Reive discussed how PCA adjustments impact customers, especially those using electricity for heating, and the potential need for annual adjustments to better align with seasonal energy usage. Mr. Reive suggested that PCA zeroing should remain visible on bills to reflect transparency, noting that future bills could include the PCA again. Ms. Griffin confirmed that displaying a zero PCA is feasible with template modifications, but will come at a cost. Ms. Burns shared an insight from the previous meeting, noting that adding \$100 million (sic 1 million) to the physical plant would cause the 8% threshold to more than double. She added that with this increase, frequent PCA adjustments may no longer be necessary, which is desirable. Maintaining a steady PCA rate would help customers better predict their bills. She also noted that this change may occur before the DPU addresses the 8% threshold issue.

Updates: Transmission Line Project, Capital Projects

Ms. Morahan reported that responses to the Siting Board and interveners' questions regarding the transmission project have been submitted. Evidentiary hearings are scheduled for September 29, 30, and October 1, 2025 during which expert witnesses will be questioned. Following the hearings, project approval is expected around August 2026. Ms. Burns suggested that Ms. Cusker and Mr. Herde (Hingham Advisory Board) email Mr. Morahan to arrange a project overview meeting from the beginning.

Mr. Fahey provided updates on other capital projects: Transmission line insulator change-out: Pre-construction work is underway. The main variable is coordinating contractor availability with MBTA flaggers. The work is targeted for completion in October 2025. The contractor will de-energize one side of the line at a time while the other side remains live to maintain service. Some corner poles may require alternate sequencing. The 6-9 tie on distribution side: New wire has been energized; customer cutovers and removal of old wire will occur in the coming weeks. Elm Street project: Progress is limited by telephone company scheduling for pole installations. The Board discussed safety procedures, including contractor training to work alongside railroad tracks, and confirmed that all major projects remain on schedule. Mr. Reive asked for clarification about load management during the insulator replacement, and Mr. Fahey assured him that there would be sufficient capacity to serve all customer. Completion of the transmission line project is expected by the end of October 2025, barring unforeseen issues. No further questions were raised, and Ms. Burns thanked the team for their updates.

Other New Unforeseen Business

Before adjourning, Mr. Morahan noted that the Hingham Light Open House is scheduled for October 4, 2025. Ms. Bennett will begin advertising the event.

Motion to Adjourn

Mr. Reive - Aye

Mr. Herrald -Aye

Ms. Burns - Aye

Meeting adjourned at approximately 4:55 pm