



## HINGHAM MUNICIPAL LIGHTING PLANT

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John P. Ryan, Chairman  
John A. Stoddard Jr., Vice Chairman  
Roger M. Freeman, Secretary

REGULAR MEETING  
HIGHAM MUNICIPAL LIGHT BOARD  
August 1<sup>st</sup>, 2019  
7:30 A.M. – HMLP offices  
**MEETING NOTES**

### **Meeting Called to Order:**

A regular meeting of the Board of Commissioners of the Hingham Municipal Light Plant (HMLP) was called to order at 0730 on Thursday, August 1, 2019 at the Hingham Municipal Light Offices at 31 Bare Cove Park Drive, Hingham, Massachusetts.

### **Present:**

John P. Ryan, Chairman; John A. Stoddard Jr., Vice-Chairman; Roger M. Freeman, Secretary; Paul Heanue, General Manager (GM); Tom Morahan, Assistant General Manager (Assistant GM); Laura Burns, Hingham resident, former Selectman and current Senior Intern to Representative Joan Meschino.

### **Approval of Previous Meeting Minutes:**

The GM presented the meeting minutes for the June 26, 2019 meeting to the Board for their consideration.

### **MOTION**

**A motion was duly made by the Vice-Chairman to accept the minutes of the June 26, 2019 meeting. The Chairman seconded and they unanimously voted to approve the minutes of the June 26, 2019 meeting.**

### **PILOT amount**

The PILOT amount that HMLP paid to the Town was \$504,081.58. The formula adopted by the Board about 12 years ago calls for multiplying the total kWh sold (201,632,234 in 2018) by 0.25%.  
 $201,632,234 \times .0025 = \$504,080.58$ .

### **Financials:**

The GM presented the Board with financial statistics for June 2019.

- kWh sold in June 2019 (15.1m kWh) was lower than both June 2018 (16.0m kWh) and June 2017 (16.1m kWh).
- Revenue for June 2019 was \$2.4m, June 2018 was \$2.1m and June 2017 was \$2.4m.
- Expenses for June 2019 was \$2.0m and June 2018 was \$2.1m and June 2017 was \$2.3m.
- Net income for June 2019 was \$386k, June 2018 was (\$46k) and June 2017 was \$96k.

- YTD kWh sales for June 2019 was 91.6m kWh, for 2018 was 95.4m kWh and 2017 was 93.0 kWh.
- Revenue YTD June 2019 was \$14.5m, \$12.4m for 2018 and \$13.9m for 2017.
- Expenses YTD June 2019 were \$14.2m, \$13.7m for 2018 and \$12.6m for 2017.
- Net Income YTD for June 2019 was \$510k, for 2018 was \$(1.1m) and for 2017 was \$1.4m. The difference is due to the net effect of increase in capacity and transmission, plus the rate increase.

### **Palmer Bio-Mass Plant**

Currently Investor Owner Utilities (IOUs) are required to have certain percentages of their supply portfolio be renewable or purchase renewable energy credits (RECs) to “make them clean” under the Clean Energy Standard (CES) law. HMLP and all municipal light plants (munis) are currently exempt from the CES and the Renewable Energy Portfolio Standard (RPS). In January, the Municipal Electric Association of Massachusetts (MEAM), an organization that represents Massachusetts munis, filed a bill in the legislature to require munis to follow those same percentage requirements with some variations. The major differences between the existing “IOU CES/RPS” and what was proposed by MEAM are munis would be able to count existing “green” power contracts and other non-carbon supply sources such as hydro and nuclear to get them to the required percentages, munis could continue to sell RECs, and, lastly, pay a “fine” similar to IOUs if the required percentages of power were not met. Those dollars would go into a fund from which munis could borrow to invest in green projects.

The GM committed that HMLP would buy two (2) mega-watts of power from Palmer Bio-Mass Plant in order for HMLP to help it comply with the proposed bill and its target dates. The Secretary again expressed his concern regarding this commitment to Palmer Bio-Mass Plant due to studies regarding the damage these bio-mass plants cause to air quality and resulting health problems. As requested by the Secretary at the previous meeting, the GM looked in to whether they can terminate the commitment with Palmer. The GM believes they can terminate the commitment at this point without suffering any financial penalty as Palmer does not yet have its permits. There was another discussion around whether the GM’s commitment falls into the category of policy (which is the purview of the Board) or day to day operations (which is the purview of the GM). Does the GM have the authority to enter into supply agreements without getting the go-ahead first from the Board. The GM again pointed to the language in Ch. 164 granting the GM that right.

### **Municipal Electric Association of Massachusetts (MEAM) study and legislation, H. 2863**

For several years, various legislators and environmental activist groups have been trying to force municipal light plants (munis) to fall under the same requirements as IOUs. In January, the Municipal Electric Association of Massachusetts (MEAM) met and wrote a piece of to be proposed legislation which would require munis to have to follow those same percentage requirements as IOUs (above), but also be able to count existing contracts and nuclear, continue to sell RECs and pay a fine if the percentages were not met. The legislation was sponsored by the House Chair that oversees utilities and each of Hingham’s legislative representatives co-signed. There was a discussion whether the GM’s voting to support the “muni CES” bill falls into the category of policy (which is the purview of the Board) or day to day operation (which is the purview of the GM). The GM again explained he has the right by statute to make operations calls and the tight time constraints between the MEAM meeting to discuss language for the proposed bill on January 16<sup>th</sup> and the deadline to file the bill on January 18<sup>th</sup>.

The Secretary expressed his concern with the bill in regard to continuing to sell RECs and still claim that energy to be renewable. The Secretary presented another option to the MEAM bill – Legislation, H. 2863, the bill proposed by Joan Meschino and others. At the next Board meeting, the GM will present the Board with the summary of the differences between the MEAM bill and Legislation, H. 2863. At that time, he hopes Board will vote to support H2863.

### **HMLP strategy, re. carbon free energy**

In November 2017, the Board voted to take the steps necessary to allow HMLP to be able to describe all of its supply as carbon-free. At that time HMLP voted to retire Renewable Energy Credits (RECs) it “owns” and to buy replacement RECs to cover the rest of its fossil fuel supply. In its 2017 action, the Board also voted to revisit this decision in 2019. The Secretary suggested creating a strategy to become 100% carbon-free that would allow HMLP to do more than just buy RECs and still allow it to be “carbon free”. He said he is working with other companies to develop their strategies to become “carbon free” and would assist ENE to help HMLP do the same. The GM will ask the “GM” from Concord how they developed a plan.

### **Updates:**

**electric vehicles (EV):** The Hingham Drives Electric website is up and running. HMLP is reaching out to customers regarding charging their electric vehicles off-peak.

**additional transmission supply line status:** The new development of Hingham in the Industrial Park area will dramatically change the size of HMLP’s load and necessitate another sub-station and additional transmission supply much earlier than earlier anticipated.

**battery storage:** HMLP will send out the Request for Proposals (RFPs) for battery storage shortly.

**landfill:** Part of the DEP application process for permitting a solar array at a landfill requires test pits be dug around the site. HMLP’s developer has had them dug with no negative findings. It has been known for many years, by the DEP and the Town, there has been/is a PCB collection at the landfill. While it is not close to our proposed solar array or where its supporting infrastructure will actually be located it is on the landfill’s footprint. The Town never got their final use closure permit because of that issue. The developer, Omni-Navitas, is filing permits with the DEP notwithstanding the presence of PCBs at the site. Tom Mayo, Town Administrator, directed Randy Sylvester, DPW Superintendent and who is responsible for the landfill’s operation, to hire a company, TetraTech, to develop a plan for remediating the PCBs. They are hopeful the DEP will accept the plan and allow HMLP’s project at the landfill to go forward before they are remediated.

**solar canopies.** The solar canopies at the West Hingham/Fort Hill Street MBTA lot still have not come online.

### **Motion to Adjourn**

**On a motion duly made by the Vice-Chairman and seconded by the Secretary it was unanimously approved to adjourn the meeting at 0859.**

