

**Hingham Municipal Light Plant  
Regular Meeting held on January 19, 2012**

A regular meeting of the Board of Commissioners (Board) of the Hingham Municipal Light Plant (HMLP) was called to order by Chairman John Stoddard at 6:00pm on January 17, 2012.

The full Board, Walter Foskett, John Ryan, and John Stoddard, was present as well as the Interim General Manager, Paul Heanue.

The first order of business was to approve the minutes from the October 26, 2011 Board meeting. However Commissioner Foskett proposed that those minutes be tabled until he had a chance to review them.

The General Manager reported that he received a call from the Town of Hingham's (Town) attorneys, Murphy, Hesse, Toomey and Lehane requesting a copy of the minutes from the [October 26, 2011- HMLP Board meeting]. An Open Meeting Law complaint was filed against the Board of Selectmen relating to their attendance at the October 26 HMLP Board meeting and the State Attorney General's office requested the minutes as part of the investigation. The General Manager reported that he subsequently emailed a draft of the minutes to the attorneys' office.

The General Manager stated that the next order of business is to consider is the Status of Legal Cases and reported the following:

The settlement check from GRS bounced. HMLP's attorneys, Rubin and Rudman, called them and GRS wired the money to Rubin and Rudman who then then cut AHMLP a check. This matter is now closed.

The MBTA easement case is almost closed. The General Manager met with MBTA representatives and reached an agreement on resolving the dispute. The final paperwork should be completed in the next couple of weeks. There will be a warrant at the Town Meeting in April to vote on making a one time lump sum payment for non-exclusive rights to the easement.

The MWEC Arbitration is on hold until November, because newly installed financial software may generate information needed to resolve the dispute. However, it will take a few months before a final determination is made. There are six or seven other municipal utilities that are co-plaintiffs.

The General Manager stated that the next order of business is the proposed budget.

The General Manager informed the board that he multiplied 2011 Sales by Current Rates, which means that the number is flat in terms of kilowatt hours, but the PCA increase in dollars is about \$500,000. Kilowatt growth has historically been around

6-8%, but right now it is about 4%, which is not included in this number, so it is possible that revenue may be another \$1,000,000. The increase in transmission costs will start in the next three or so years, which will cause an approximate increase of 10%, which may be noticeable to the ratepayers. Commissioner Ryan asked when we would have the year end numbers. The General Manager responded that they are waiting for some information to come in. Commissioner Ryan said even approximate numbers would suffice.

A question was asked about the process for HMLP's PILOT payment to the Town. The General Manager explained that a minimum payment in lieu of taxes of \$450,000 is paid to the town every year, and then that number is adjusted once the annual audit is complete, and the final electricity purchase numbers have been calculated.

The General Manager stated that the next order of business is Tropical Storm Irene Reimbursements. He explained that Plymouth County was deemed by FEMA, to have been hit hard enough by the storm to warrant Federal Relief money and he is now in the process of applying for that. The plant's payroll doubled that week because of overtime and he feels that we will get some of that back.

The General Manager stated the next order of business is correspondence and reported the following:

Several years ago, John Tzimirangas promised the Town an annual letter pertaining to street lights. A count of all the street lights was taken as a result of a discussion between the General Manager and Ted Alexiades, the Town Administrator and the total charge to the Town was increased by some \$47,000.

A series of emails was exchanged regarding the Energy Action Committee, who are advocating the installation of Solar Panels on the new Middle School, which according to Ray Estes, the Chair of the Middle School Building Committee, could cost around \$350,000. It was suggested that the HMLP may be able to assist with additional PILOT monies. The last email in the chain is a response from the General Manager. In it he states that in the recent past HMLP had an energy initiative that could have saved the Town money but would have required them to spend a small amount. At the time, HMLP suggested they could use some of the "extra" PILOT money (the money above the budgeted \$450k) for this initiative. However the Town decided not to spend that money for the program. The General Manager feels that it is likely HMLP will be approached to pay for the solar installation on the new school.

A motion was duly made and seconded, it was

VOTED, to go into Executive Session.

The meeting reconvened out of Executive Session.

Upon a motion duly made to adjourn it was

VOTED, to adjourn.

Meeting adjourned at 7:00pm.

Attest:

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Walter A. Foskett, Secretary

## **January 19, 2012**

### **Executive Session**

The General Manager spoke of a customer with whom we have a billing dispute. The customer had both an electric hot water heater meter and a regular meter. He claims that he never used the electric hot water heater meter and that the HMLP owes him \$800 for fees that he was charged since 2001. The General Manager summarized the details and the rationale for offering to settle by crediting more than half the charges from April 2002 (when the meter in question stopped showing usage) to January 2008 (when we sent a letter to all our customers who had hot water meters with 0 use). The customer was not satisfied with that offer. He wants to appear and appeal that decision to the board. The General Manager was asked to instruct the customer to submit everything in writing before the meeting at which he appears.

Next to be discussed was the General Managers review.

Commissioner Foskett read out a list of projects that Paul Heanue had managed since he had been appointed General Manager. Commissioner Ryan asked if the General Manager had anything in mind for hiring requirements for a new Assistant General Manager. There then followed a discussion on past Assistant General Managers and their achievements and what the board felt was required from the new person hired to be Assistant General Manager.

Next to be discussed was the lease on the current building that HMLP offices are located in. Currently there are lease options through 2014. The General Manager stated that land needs to be bought for a new building.

Commissioner Stoddard brought up the subject of the town buying the water company and the possibility of HMLP running it.

Motion made by Commissioner Stoddard to come out of Executive Session and reconvene the general meeting. The motion was seconded and voted unanimously to resume the regular meeting.