



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
Paul G. Heanue
pheanue@hmlp.com

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

REGULAR MEETING HINGHAM MUNICIPAL LIGHT BOARD

May 2nd, 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 0741 on Thursday, May 2, 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; Paul Heanue, General Manager (GM); Mark Scribner of Energy New England (ENE).

Approval of Previous Meeting Minutes:

The GM presented the meeting minutes for the March 14, 2019 meeting to the Board for their consideration.

MOTION

A motion was duly made by the Vice Chairman to accept the minutes of the March 14, 2019 meeting. The Chairman seconded and they unanimously voted to approve the minutes of the March 14, 2019 meeting.

Financials:

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

- kWh sold in March 2019 (14.8m kWh) was higher than both March 2018 (14.1m) and March 2017 (13.9m kWh).
 - Revenue for March 2019, after the rate increase, was \$2.4M, March 2018 was \$1.8M and March 2017 was \$2.1M.
 - Expenses for March 2019 and 2018 were \$2.3m and March 2017 was \$2m.
 - Net income for March 2019 was \$87k, March 2018 was (\$456k) and March 2017 was \$15k.
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- YTD kWh sales for 2019 was 49m kWh, for 2018 was 49.4 kWh and 2017 was 49.2 kWh.

- Revenue YTD March 2019 was \$7.6M, \$6.5m for 2018 and \$7.3m for 2017.
- Expenses YTD March 2019 were \$2.3m, \$2.3m for 2018 and \$2m for 2017.
- Net Income for 2019 was (\$137k), for 2018 was (\$1.2m) and for 2017 was \$611k.

The YTD 2019 Operating Budget statistics were:

- projected kWh sales at 49.3 kWh vs 49m kWh actual
- projected revenue was \$7.7m vs \$7.6m actual
- projected expenses were \$8.7m vs \$7.8m actual
- projected net income was (\$-1.014m) vs (\$-137k) actual

By way of an explanation for the \$900k+/- variance in the YTD projected expenses and net income (we used 2018's numbers to build the budget): power supply expenses were \$300k below the budgeted expense and distribution operations and maintenance expenses were \$500k below budget. If you recall February and March 2018 were very busy months due to stormy weather. March was especially difficult as there was a storm every weekend that caused us to have staff on the property and all, with the exception of me, on overtime.

Hingham Green Portfolio Modeling:

The GM explained that currently Investor Owned 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 MA law. The law is referred to as The Clean Energy Standard (CES). HMLP and all municipal light plants (munis) are currently exempt from the CES. Environmental advocacy groups have been and continue to pressure the legislature to require munis to have to follow those same requirements. Presuming that happens and depending on what the ultimate legislation looks like, HMLP might have to receive 80% of its energy from renewable or non-carbon sources by 2050. ENE started looking for suppliers that could get HMLP and the rest of their clients to 80% by that date. Currently 50% of HMLP's energy supply is carbon-free. If ENE's plan works out as designed HMLP should be 70% carbon-free by 2024. A large part of that plan would require off shore wind farms to come online as expected.

Electric Vehicle (EV) Program:

Mark Scribner, Program Manager of Electric Vehicles (EV) at Energy New England (ENE), joined the meeting. Mark presented the Board with an overview of the EV Awareness and Incentives Program that ENE will be launching on June 1, 2019. Mark explained the best practices for EV infrastructure, including the benefits of using electricity as fuel, how to raise awareness to the public, how to encourage off-peak charging and reduce on-peak charging, and how to build an EV community. Benefits of developing a managed EV program include a decreased rate of charging EVs at peak times and increased revenue. It's estimated, depending on the rates being charged, a single EV could result in \$520 of revenue per year per vehicle. A concentration of EVs require monitoring and load control. To reduce risk and control expenses, Mark suggested implementing behavioral incentive programs, incentivizing off-peak charging and Level 2 charging, and implementing monitoring and dynamic load control where possible.

Mark then presented the Board with the Hingham Drives Electric program incentives and demo of Hingham Drives Electric website. The first incentive is an up to \$10 Off Peak Charging Program Incentive. Under this incentive, EV Drivers program their vehicles to start charging from off-peak (10 PM); EV Drivers receive a \$5/month Level 1 or \$10/month Level 2 incentive (as an electric bill credit); and EV Drivers receive a \$50 signing bonus (for a limited time) to attract existing EV drivers currently charging on-peak. The second incentive is the \$300 Level 2 Charging Install Rebate. Under this incentive, EV Drivers first enroll in the off-peak charging program to ensure they will start charging at optimal times; EV Drivers purchase and install Level 2 charging, which shortens the time for a re-charge to “Full”; and EV Drivers receive a \$300 rebate towards the equipment and/or installation costs.

Appliance Rebate Program:

The GM has been working with ENE's Energy Efficiency & Renewables Program Manager to possibly revamp HMLP Is Going Green program as it relates to appliance and other rebates. In the near future the GM will present recommendations to the Board for their review.

Updates:

Solar array at the landfill: Part of the DEP application process for permitting a solar array at a landfill requires test pits be dug around the site. They have been 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 GM has been told that the DEP has assured Omni-Navitas that the Town's failing to address this will not hold up HMLP's project but the DEP continues to talk about it and have not yet issued a permit to Omni-Navitas. The developer has been trying to speak to the Town Administrator about this situation with no success.

Solar canopies at the T's commuter rail lots: The solar canopies at the West Hingham and Fort Hill Street MBTA commuter rail lots still have not started generating electricity yet as the developer continues to have issues coming to an agreement with the T.

Motion to Adjourn

On a motion duly made by the Secretary and seconded by the Chairman it was unanimously approved to adjourn the meeting at 0932.

