



HINGHAM MUNICIPAL LIGHTING PLANT

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General Manager
Paul G. Heanue
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John P. Ryan, Chairman
John A. Stoddard Jr., Vice Chairman
Roger Freeman, Secretary

Meeting Called to Order:

A regular meeting of the Board of Commissioners of the Hingham Municipal Light Plant (MHLP) was called to order at 0730 on Tuesday, September 12, 2017 at the Hingham Municipal Light Offices at 31 Bare Cove Park Drive, Hingham, Massachusetts.

Present: John P. Ryan – Chairman, John A. Stoddard – Vice Chairman, Roger Freeman – Secretary, Paul G. Heanue – General Manager, Laura Burns.

Approval of Meeting Minutes:

The meeting minutes from the June 27, 2017 meeting were presented and the Chairman made a motion to approve. The Secretary thought a change to the minutes would be appropriate as the version being considered was more detailed than necessary. The General Manager suggested amending the last paragraph in the section on the peak shave generator to read as follows: “The General Manager discussed potential locations of the trailer which included the transfer station. An alternative to the transfer station would be to put it in the Industrial Park on land we have rights to use. The General Manager is working with legal to ascertain our ability to use this location. We are also checking into other locations in the Industrial Park.” A motion to accept was made by the Vice-Chairman and it was seconded by the Secretary.

MOTION

A motion was duly made by the Vice-Chairman to accept the minutes as amended. The Secretary seconded and it was unanimously voted to approve the amended minutes of the June 27, 2017 meeting.

Audit

The General Manager commented that at the last meeting during the discussion on the 2016 audit a question was posed regarding whether the Town of Hingham forces active employees to go on to Medicare at age 65 regardless of employment status. The General Manager explained that he’d checked with the Town who said that employees are not forced onto Medicare at 65, rather they get to stay on Town insurance until they retire.

Self-Insurance Trust Fund Vote

The General Manager described that for matters that require a vote related to the Self-Insurance Trust he is currently the voting representative and John Stoddard, Vice-Chairman, is the alternate. The General Manager suggested Business Manager Joan Griffin replace the Vice-Chairman as the alternate voting representative since the meetings are most generally held during business hours and that could prove to be problematic for the Vic-Chairman.

MOTION

A motion was made by the Secretary to appoint Joan Griffin as the alternate voting member to the Self-Insurance Trust. The motion was seconded by the Chairman and it was unanimously voted to appoint Joan Griffin as the alternate voting member to the Self-Insurance Trust.

Private REC Purchase Program:

The General Manager began by describing how at the previous Board meeting the Secretary asked him to have ENE quantify how much we have realized to date by selling RECs. The General Manager distributed a July 26th email from ENE that responded to this question. He reported since the 4th Qtr. of 2011 we have sold RECs totaling \$1.7M. The Secretary asserted that when we sell RECs we lose the right to say that energy is renewable. The Secretary said we need to fully disclose what we are doing and our web site does not accurately describe it. A discussion ensued as to whether if you sell RECs you can claim those attributes are renewable and whether those requirements apply to municipal light plants since we do not fall under those regulations. The Chairman said we can change what our web site says regarding what percentage of our energy is renewable even if the rules around what is the technical definition of what is renewable or not does not apply to us. The Chairman observed we own and are supporting generation that is producing green or renewable power. There was a continued discussion regarding what HMLP declares on its website. The Secretary explained that if HMLP is selling RECs it is selling the right to say we are using renewable energy. The Secretary suggested that HMLP stop selling the RECs we own rights to and buy replacement RECs for all our "brown" energy so that we can be the first municipal light plant in Mass to be able to claim it is 100% renewable. The Chairman states that one of HMLP's responsibilities is to keep the price of electricity low and selling RECs help with that, there are peculiarities in the way REC system is set up and we are better off putting HMLP's money towards supporting renewable projects vs buying RECs to offset our fossil fuel generation. The Secretary suggested HMLP should be the first municipal light plant Massachusetts to be 100% green. The Chairman stated this is not HMLP's role. Its role is to buy something tangible for customers which could be more green power. The Chairman characterized the Secretary's viewpoint as philosophical. The Secretary stated that legally HMLP would be correct describing its "renewables" as such if HMLP buys replacement RECs for the ones it sells. By doing so HMLP will bring itself in line with what we are telling customers and where he thinks the country should be going. We will be the front runner. The General Manager asked if people with solar panels on their houses and selling their RECs lose the right to describe their energy as renewable. The Secretary says this is an issue for them as well. The Chairman explained that HMLP has a responsibility to its customers to provide low cost power and selling RECs reduces the net cost. HMLP will be fully upfront on its website and to its customers. The Chairman suggested Attorney Diedre Lawrence advise HMLP what it should say on its website regarding renewables and be fully transparent with those disclosures. The Secretary offered that Deidre isn't an expert in this and HMLP needs an expert. The General Manager stated MGL ch. 164 gives him the authority to hire attorneys and to make power supply decisions. The Secretary said he is concerned with HMLP's public disclosures and contractual obligations with parties to whom they sold RECs.

MOTION

At 0759, a motion was duly made, seconded and it was unanimously voted to go into Executive Session.

PASSED

MOTION

A motion was duly made, seconded and it was unanimously voted to return to Public Session (0813)

Financials:

The General Manager distributed a handout displaying HMLP's financials for July. Net income for the month was \$305k. The net income year to date is \$1.75M. YTD kWh sales are down appreciably from 2015 and 2012. Chairman points out that we are \$250K down from last year.

Personnel: The General Manager said he hired a customer service representative and a lineman. The Board discussed who will replace the General Manager when he retires in a couple of years.

Motion to Adjourn the Regular Meeting

On a motion duly made and seconded it was unanimously voted to adjourn the meeting at 0848.