



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
May 16, 2023

Zoom Meeting
<https://www.youtube.com/watch?v=2l0e-cocDLs>

Meeting Called to Order

A regular meeting of the Board of Commissioners of the Hingham Municipal Light Plant (HMLP) was called to order by the Board's Chair, Laura Burns, at 7:30 am on Tuesday, May 16, 2023, 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
Stephen Girardi, Engineer
Ellen McElroy, Customer Service
Brianna Bennett, Sustainability Coordinator

Other: Members of the Public

Call meeting 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 107 of the Act of 2022 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

4% Opt-Out Program

The Green Energy Fund is currently funded by the Renewable Energy Credits (REC) HMLP sells for approximately \$1.3 million per year. The proposed 4% Opt-Out Program is intended to supplement the green energy fund. Mr. Morahan sought advice from HMLP's Counsel, Deidra Lawrence, on how to implement the program. Ms. Lawrence advised that an Opt-Out program would be illegal. The Program would have to be advertised as a fund that would be used for a specific purpose, and customers would then be given the option to contribute.

Mr. Reive asked if there would be any ramifications if the Board didn't follow HMLP attorney's advice. Ms. Burns said a customer could potentially challenge the legality of the program; however, she feels that a customer should simply opt-out if they don't care to participate. Mr. Herrald wants to continue using the RECs to support the Green Energy fund, but wants to follow Counsel's legal advice. He suggested the Board find other creative ways to help support the renewable energy fund.

After further discussion, Ms. Burns proposed the Green Energy Fund be set up as an Opt-In program and suggested using a powerful publicity campaign to bring awareness to the program encouraging customers to contribute. Mr. Reive, on the other hand, wants to keep the Opt-Out program, because he believes an Opt-In program would decrease customer participation.

Board Reorganization

The Board has agreed to keep their respective seats for the next year. As is customary, in some three-person Boards, the Board member in their last year will be considered the Chairperson. Ms. Burns would like to establish this custom and revisit this every year.

Annual True-up of Solar Credit

Some solar customers run a credit on their accounts and the credit continues to build every year. Mr. Morahan proposed that HMLP pay off that credit so that the customer nets back to zero. The Board is in support of refunding solar customers, periodically, for electricity the customer has sold to HMLP in which they have not used, to bring the customers' balance to zero.

Motion: Ms. Burns entertained a motion to endorse the Solar Credit True Up

Roll Call Vote:

Mr. Reive: Aye

Mr. Herrald: Aye

Ms. Burns: Aye

Residential Collections

Residential Collections started in April. There were 356 customers having 60+ days past due on their Hingham Light bills which totaled approximately \$300,000 in overdue balances. The Customer Service Department was able to bring that number down to 77 customers by the time the shutoffs began.

Financials

Mr. Morahan reported that HMLP kWh sold in March were lower and revenues and expenses were higher with a net income of \$25,000. Net income year to date is \$653,000. The Power Cost Adjustment (PCA) has contributed to keeping the net income positive. The PCA is currently at 3 1/2 cents. The rate study suggests we lower the PCA to one cent, once all the rates have been changed.

In February, there was a positive net income of \$30,000. HMLP kWh sold and expenses were all in line. Typically, HMLP is at a negative net income in February because of the large payment made to the Watson Plant in Braintree. However, the PCA has contributed to keeping the net income positive this month. Year to date there was a positive income of \$627,000.

The rates will be changed on July 1, 2023, and HMLP is looking to publish them on or around June 1, 2023. The Board has given its' support for the proposal to raise rates by roughly 6% overall within the different rate classes. Once the rates change, there should be a reduce need for the PCA.

Updates: Transmission Line Project, EV chargers, HMLP Solar, Municipal Solar, Landfill Solar, Capital Projects

Transmission Project:

The transmission line project continues to move forward. HMLP plans to file with the Siting Board in July, 2023. Eversource has proposed using a GIS switch gear in Weymouth. A meeting between HMLP and Eversource will be scheduled to discuss and understand the financial implication behind this project.

EV Chargers:

The EV Chargers went out to bid and HMLP held a walk through. There will be one level-three charger installed at Lynch field, two installed at Station Street and as part of this package, a level-two charger will be installed at Town Hall. The bids are due back within the next couple of weeks.

Personal solar array at HMLP:

Plans to break ground on the HMLP Solar Array Canopy project will begin when all the materials are in. Ground breaking should start in late July or early August. The project is 225 KW and, coupled with the existing system, it will be a total of 270 KW. The cost per watt for a commercial install is approximately \$4.25. The cost is higher for this project because of the cost of steel to build the canopy.

Municipal solar committee:

Ms. Burns reported that the Municipal Solar Committee meets every other week. The structure of the project depends on the Boards' decision to use an Opt-Out or Opt-In green energy rate. The Opt-Out rate

versus the Opt-In rate (voluntary donations), may vary greatly in the amount of funds available for the green fund. The REC will continue to be a source of income for this fund.

The Town is most interested in the Municipal Solar program if the Light Plant is willing to provide engineering assistance to conduct engineering studies for the project. This would lower the cost to the Town to build the solar arrays on municipal buildings. The Town can then go to Town meeting for bonding to finance the project. However, Ms. Burns reported that HMLP's Counsel, Ms. Lawrence, is against the Light Plant providing engineering studies to the Town for this project. Ms. Lawrence advised that providing engineering services for one ratepayer and not all ratepayers would be discriminatory. Ms. Burns, however, disagrees with this thinking. Ms. Burns thinks that Hingham Light is looking at these customers who are installing solar arrays as "rate payers"; however, in their capacity as owners of distributed energy resources, Burns believes these customers are "generators", not rate payers. HMLP decides who they buy their generation from, Mr. Morahan, as General Manager, has the power to sign contracts in the best interest of the light plant; therefore, engineering services may be granted to those who are supporting distributed energy in Hingham. Ms. Burns said HMLP has very broad powers for acquiring generation. If HMLP wants to support distributed energy generation in town, the Board should develop a policy that says we are interested in projects that have these characteristics and if you have such a project, the Light Plant will consider, but not guarantee, supporting that project with an engineering study.

Landfill Solar:

HMLP is currently in negotiations with Industria Engineering to build the Landfill Solar. Counsel, Diedre Lawrence is reviewing the proposal and looking to make a few minor changes. Once those changes are made, the RFP process will begin. Hopefully the project will start sometime next year.

Capital Projects:

The Transmission Line project will be deferred to next year. The insulators are unavailable and are about a year out in ordering. The insulators should be available in the Spring, 2024. The Hersey street reconductoring project is ongoing.

A Board meeting was scheduled with Energy New England for June 6, 2023 and, a meeting with the auditors is scheduled for June 13, 2023.

Motion to Adjourn

Ms. Burns concluded the meeting and asked for a motion to adjourn.

Roll Call Vote:

Mr. Reive: Aye

Mr. Herrald: Aye

Ms. Burns: Aye

The meeting adjourned at approximately 9:10am.

