



HINGHAM MUNICIPAL LIGHTING PLANT  
31 Bare Cove Park Drive  
Hingham, MA 02043-1585  
(781) 749-0134 FAX (781) 749-1396  
[www.hmlp.com](http://www.hmlp.com)

General Manager  
Thomas Morahan  
tmorahan@hmlp.com

Laura M. Burns, Chairman  
Michael Reive, Vice-Chair  
Tyler Herrald, Secretary

**REGULAR MEETING  
HINGHAM MUNICIPAL LIGHT BOARD  
January 30, 2024**

**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, January 30, 2024, 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  
Jeff Jones: Line Division Supervisor  
Joan Griffin, Business Manager  
Ellen McElroy, Customer Service  
Brianna Bennett, Sustainability Coordinator

**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 2 of the Act of 2023 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.

### **Solar Credit - Board:**

Mr. Reive met with HMLP staff to explore billing options for solar customers, specifically regarding the accumulation and utilization of kilowatt hours (kWh) instead of receiving monetary credits for excess kWh produced. Ms. Griffin contacted Cogsdale, HMLP's billing provider, to inquire about the feasibility of accumulating kilowatt hours from solar customers. If HMLP decides to go to a true net metering system, then solar customers would have the ability to carry forward any excess or deficit kWh to the following month instead of receiving monetary credits. However, HMLP presently operates on a net billing system, not true net metering, necessitating potential adjustments to the billing system to make this possible. Ms. Griffin is collaborating with Cogsdale to explore solutions within our current billing system or the possibility of meter reprogramming should the Board decide to transition to net metering.

Ms. Burns' proposal regarding solar credits aims to determine HMLP's avoided costs when purchasing electricity from solar customers. She recently met with Mr. Morahan to explore integrating this concept into HMLP's Billing System. However, it became apparent that reimbursing for the PCA (Power Cost Adjustment) is more complex than initially anticipated, recognizing the intricate nature of rate design, she acknowledged the necessity of consultants to navigate such complexities. She realizes that she may lack the necessary tools to accomplish what she wants, to effectively give fair and accurate credit that reimburses solar customers for HMLP's avoided costs. In the absence of time-of-use rates, Ms. Burns believes that both customers and HMLP miss out on potential savings and peak cost reductions. Consequently, she believes Mr. Reive's simpler approach holds significant appeal.

Ms. Burns mentioned again that a kWh is not a kWh; however, HMLP bills as if it is. She said HMLP's current billing fits with the rate design now, but this is not the rate design that the Board wants in the future. Ms. Burns said the Board has decided to leave the EV credit as is and proposed to leave the solar credit system as is and begin discussing options for financing new meters to get HMLP to a Time of Use (TOU) rate system which will allow everyone to save when they move their usage to off-peak. She asked for the other Board members' opinions.

Mr. Reive believes that his recommendation is in the best interest of all ratepayers, whether they are solar or non-solar. He strongly believes that transitioning to full TOU metering will lead to cost savings for consumers across the board. Therefore, he advocates moving towards TOU metering as soon as possible and suggested reevaluating the current solar credit system to encourage greater adoption of solar energy within the town. He supports adjusting the solar credit to a per-kilowatt basis, incentivizing the generation and utilization of solar energy, with the stipulation that unused kilowatt hours must be consumed within a year to prevent loss.

Mr. Herral expressed his support for adopting the solar rates proposed in the latest rate study conducted by Utility Financial Services (UFS). He admitted that the optimal scenario for the entire town would involve implementing new meters and TOU rates, enabling everyone to reap savings. However, as this infrastructure isn't currently available, he proposed to devise a plan and timeline for its eventual implementation. In the interim, he believes it's prudent to opt for the simplest solution, which involves accepting the UFS solar rate recommendation. This approach avoids the

complexities associated with implementing new policies, software, and billing systems. At present, the potential benefits of adopting such complex measures don't seem substantial enough to warrant the effort. Therefore, he suggested the Board shift focus from the solar rate discussion to other pressing matters. Mr. Herrald has indicated his intention to motion for the acceptance of the UFS recommendation for the three or five-year average (7.1-7.7 cents per kWh) for the solar credit.

Mr. Reive mentioned that HMLP just completed a full rate study to include future planning for a new transmission line. The rate study consultants have indicated that net metering favors solar customers. However, Mr. Reives counters their study results with his proposal of a "use it (kWh) or lose it (kWh) scenario" where you would net out the kWh at the end of the heating season or beginning of the solar production season. Mr. Reive's new motion is an alternative to Mr. Herrald's earlier motion. Mr. Reive said the new motion is an alternative to adopt the kWh net metering system to be computed through Cogsdale where the kWh hours would accumulate on a net metering basis and expire once a year, if not used by the solar customer. Those expired kWh hours would be credited to the HMLP system.

Mr. Herrald said to adopt Mr. Reive's plan, HMLP would need to upgrade the infrastructure to support the kilowatt hour net metering plan. Mr. Reive explained that, based on his understanding, Cogsdale had updated their billing system to facilitate net metering. Ms. Griffin clarified that HMLP currently lacks net metering capabilities within our existing net billing system. She emphasized that transitioning to net metering would require reprogramming all meters, as pointed out by Mr. Girardi, which would be a time-consuming and labor-intensive process.

Ms. Burns expressed her reservations about endorsing Mr. Reive's proposal. She referenced the recent rate study conducted by USF and criticized their approach to the solar credit, describing it as "opaque" saying USF did not show their work. According to Ms. Burns, USF provided a spreadsheet outlining the development of the solar credit but failed to provide the "cliff notes". This prompted her to conduct her own investigation into the various components of the bill. She aimed to determine the avoided costs incurred by HMLP, which would warrant fair reimbursement to solar sellers. She concluded that to come to the right answer regarding the solar credit, it is probably too complicated to implement the rate, especially on a short-term basis until HMLP can move to a TOU rate structure. Ms. Burns referenced the difficulty of accurately identifying the costs avoided by HMLP when buying solar energy from residents-, particularly discerning which ones constitute avoided costs and which ones do not. She proposed accelerating the move to a TOU rate system where, in the case of solar customers, HMLP would be able to implement a more accurate reimbursement.

Mr. Herrald agrees that HMLP may not be adequately compensating solar customers and expressed strong support for all-source distributed generation within the Hingham footprint to benefit the entire community. However, he has reservations about certain aspects of Mr. Reive's plan and suggested there be modifications. He favors the approach to consider avoided costs to determine the solar

credit. However, Mr. Herrald could only be in favor of Mr. Reive's plan until such a time as we move away from the one rate all hours of the year. As we start this plan and then move away from it to the TOU rates it gives solar customers a virtual battery and that is a subsidy that he can't agree with. He emphasizes the need for a sunset provision to reassess the rate structure when transitioning from the current system, as he views pure net metering as overly favorable to solar customers. Despite the absence of a perfect solution, Mr. Herrald believes it is possible to someday adjust rates to better support renewable energy resources and distributed generation.

Ms. Burns said that Mr. Herrald's move was to adopt the proposal of the UFS rate study consultants on the solar credit. Ms. Burns said she would vote for that and stated that she will leave the door open for more examination of Mr. Reive's solar rate credit proposal. Mr. Herrald asked Ms. Griffin what was the USF's proposed solar credit rate. Griffin said the rate is around seven (7) cents and HMLP currently credits at 10 cents. Ms. Burns said that number is a "huge drop" and is not in favor of it and would prefer leaving the system the way it is until we make a change to the rate. Ms. Burns proposed to leave the solar credit rate as is for the moment and continue to workshop Mr. Reive's proposal and bring it back for further discussion. All in favor, Mr. Reive was in favor of that and Mr. Herrald seconded that.

#### Demand Response:

Mr. Morahan had anticipated receiving an update from Energy New England (ENE) but has yet to receive one. He had a discussion with Net-Peeker, a company utilized by MMWEC for an individual demand response program, but deemed it too costly. In the event that a program with ENE does not materialize, the plan is to proceed with MMWEC. As a result, MMWEC will be invited to present their program to the group.

#### Financing options for ratepayers:

Mr. Reive would like to look into creative solutions to provide financing options to residential customers and compare it to what Investor Owned Utilities offer. He believes there is potential for someone on limited income to finance 0% for additional equipment, heat pumps, solar, for their homes. He believes their savings would pay for the purchase over time.

#### TOU Rates / AMI Metering – Michael Reive:

Mr. Reive emphasized the benefits of implementing time-of-use metering for HMLP, asserting that it aligns with the goal of lowering rates sustainably for all ratepayers. He highlighted the technological advancements in software such as Sense, which offers homeowners valuable insights through an app at minimal installation costs. He urged Mr. Morahan to gather cost proposals from meter companies to migrate the entire HMLP grid to time-of-use metering, citing the long-term benefits outweighing the costs.

Mr. Morahan explains the process of acquiring cost estimates for the metering system upgrade, emphasizing the need for a decision before proceeding with requests for proposals (RFPs). He stresses the significant investment required. It would cost about 4.5 million dollars to upgrade the metering system, and that would not include labor to install the meters.

Mr. Reive advocates for incorporating Sense technology into the metering system, highlighting its benefits, including improved home safety and insightful data analysis. He underscores the cost-effectiveness of Sense and its compatibility with smart meters. Mr. Girardi points out that some meters already have built-in platforms that provide similar data to Sense, eliminating the need for additional hardware. He emphasizes that all meters have the capability to report data and provide real-time information. In response, Mr. Reive stresses the unique capabilities of Sense, including machine learning and algorithms for detailed appliance usage analysis. He highlights the program's ability to offer personalized tips and advice for efficient home management.

Mr. Girardi reiterated that most meters now have platforms built in, so you don't actually need a Sense meter within the home. You can get the same data through web portals where you can see live data. Mr. Girardi said that all meters have the capability of reporting as he has done a lot of research on them and they all give you the portal and live voltage currents. Mr. Reive said that Sense gives you machine learning and algorithms to determine which appliances you're using and how much power they're using and it does that through looking at and measuring at thousands of times per second what is going on in your home as you switch on and off different devices. It compares that data with thousands of other homes to track your electrical usage and it also gives you statistics and tips and advice on how to better manage your home.

Ms. Burns said the Board seems to be in a consensus to move towards a time of use structure and the discussion on how we would finance that.

Mr. Reive motions to adjourn, and Mr. Herrald seconded it. The motion was passed, and the meeting concluded.

**Roll Call Vote:**

**Mr. Herrald: Aye**

**Mr. Reive: Aye**

**Ms. Burns: Aye**