

**Light Commissioners' Meeting
September 10, 2013**

Members present were: Dana Blais, Gregg Edwards

Employees present were: John Driscoll, Tom Berry

The meeting was called to order at 6:30 p.m. by Dana.

The agenda was approved on a motion by Chris, seconded by Gregg, 2-0 in favor.

Old Business:

The Manager updated the Board on the status of the electric rate study that was begun in April 2013. He stated that the first cost-of-service model run had resulted in a 4.83% rate increase to be achieved by allocating increases by class according to each corresponding class's cost of service to provide. This first run was based on a 3.00% rate of return based on the Light Plant's net worth of \$13,268,629. The Manager then mentioned that the second cost-of-service model run now showed a 1.86% rate increase (improvement) to be achieved in the same fashion. He stated that the more 2012 electrical figures that he had been able to produce for Bruce Leymaster, the less any looming increase seemed to be likely. He anticipated completion in October 2013 for rate changes to be made effective in January 2014.

The Manager had distributed to the Board some copies of MMWEC's OPEB Trust documents related to establishing the trust and some of their investment philosophies and strategies. As an example he stated that an up-front investment of \$120K from the Light Plant accompanied with a \$13K annual trust payment would yield total funding of the Light Plant's unfunded other post-employment benefits, assuming an average 7% return on investment. The Manager planned on a future discussion and a board vote to establish the trust with some initial investment after all involved had had time to digest some of MMWEC's trust information.

The Manager also distributed copies of the new proposed Light Plant General Terms & Conditions that had been worked on by Rubin & Rudman. He noted that the most significant change to the existing terms and conditions would be an increase in the customer deposits for electrically and non-electrically heated homes and rental properties from \$500/\$200 to \$700/\$300. On a motion by Gregg, seconded by Dana, 2-

0 in favor the Board voted to accept the new Light Plant General Terms & Conditions as re-drafted before them by the Manager with assistance from Rubin & Rudman.

New Business:

The Manager had spoken with Bill Clabaug of the N.R.H.S. and he had asked if the Manager would ask the Board to consider a \$5K donation towards a \$10K all-inclusive energy audit that they wanted to have the DOER conduct for the N.R.H.S. facilities. The Board did not object to this proposal but wanted some more background information on this audit, like a cost estimate and scope of the audit. The Manager stated that he would speak with Bill Clabaug to obtain more of the project details.

The Manager told the Board about the 2013 Senior Luncheon that was held at the Baldwinville American Legion on September the 4th. R.F. Gouley Safety had come to do a presentation on electrical awareness and safety for those senior citizens in attendance (about 40) while they had pizza and soda. The Manager attended and spoke briefly on his background and the Light Plant's recent events surrounding the summer's heat wave. A total of 24 door prizes were given to some attendees via a raffle; this was the first senior luncheon to be coordinated with the town's new Council on Aging Director, Bethany Loveless.

The Manager and Superintendent informed the Board about the status of the substation batteries being almost 25 years old. The best data showed an installation date sometime in 1989 for the existing battery rack and charging station. The Manager and Superintendent were planning to replace them in 2014's capital budget at a cost of around \$20K. The batteries operate all of the 125 VDC relay equipment in the substation's control room and provide the necessary pick-up and/or drop-out voltages required to activate said relays.

The Board was informed of some electricity theft that had occurred a few weeks back at the residence of a licensed electrician. The Manager was concerned that some of the customers being shut off for non-payment seemed to be getting bolder about electrical tampering and a few had place their residence's electrical meters back in service unbeknownst to the Light Plant. He said that he was concerned about repeat incidents like these in the future given the large number of residential customers who are now routinely shut off for non-payment after the winter is over. The Manager stated that one of the main drawbacks to automated residential meter reading is that the meter technician rarely if ever has to journey to the house meter now unless there is a bad or a missing meter read by the remote. The two electricity theft offenders of August had paid \$100 fines for tampering pursuant to the Light Plant's terms and conditions along with any other costs associated with making multiple trips to their respective residences to disconnect and reconnect electric service.

At this time [7:15 p.m.] a roll call vote was taken in the Open Session for the Light Board to enter into Executive Session to discuss a competitively sensitive issue that shall address proprietary information associated with a potential solar generation project in town which could potentially lead to a purchased power agreement for the Light Plant. The Light Commission believed that if they were to discuss details of this project in the Open Session that it could adversely affect the Light Plant's ability to effectively negotiate a purchased power agreement.

Gregg – "aye"

Dana – "aye"

Dana announced at this time that the Light Commission WOULD NOT be re-convening in Open Session following the Executive Session.

There being no other Open Session business to discuss, on a motion by Gregg, seconded by Dana, 2-0 in favor the Light Commissioners' Meeting adjourned at 8:30 p.m.

Respectfully Submitted,

John M. Driscoll
General Manager