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John M. Driscoll, *General Manager*

Light Commissioners' Meeting April 12, 2017

Commissioners present: Chairman Dana Blais
Clerk Gregg Edwards
Member Chris Stewart

Employees present: General Manager John Driscoll
Superintendent Tom Berry
Business Manager Jennifer Belliveau

The meeting was called to order at 6:18 p.m. by Dana.

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

The minutes of March 8, 2017 were approved on a motion from Chris, seconded by Dana, 2-0 in favor.

Old Business:

The Manager handed out to the Board Cash Flows for the AMI System from David Scott. This handout includes the payback years for the AMI System. Eaton's system would have a payback time 1 year greater than Landis & Gyr. A few positives on the two companies we have narrowed it down to. Eaton has been around for a long time, they have bought out Cooper and Cannon, with S&P \$20B rating. L&G estimated value of \$2B with their owner being Toshiba. Toshiba being a large company but is divesting most of their nuclear companies, L&G is one of them. When L&G were out here they could not answer any of these questions regarding this. John and Dana both had concerns for not to get mixed up with another bankruptcy company as we did with the Wind Turbine. L&G could be bought by Sensus, which would not be good for Templeton Light.

On Friday, April 14, 2017 Dave, Tom and John will be having a phone meeting with Eaton, they certainly can cater to our company size. Norwood is 99% complete with their conversion with Eaton on the AMI system. John, Tom & Dave will be taking a trip to Norwood to see their system. L&G landed a larger company, Peabody Municipal Light Plant.

Eaton would provide onsite training, which is a big plus. L&G suggests all training be at their site, this would not good for a small office like ours. The 3,200 Itron single-phase meters

would all have 200A switches w/ load-limiting and load-cycling capability. Also, many of our 400 or so Elster polyphase meters would be able to have retrofits installed in lieu of total replacement.

Gregg commented regarding the long term contract, wondering for us who would look over the Terms and Conditions for all the hardware & software for the AMI System. The Manager said that Steve Doucette would handle this. Eaton's contract had an annual rate of \$17,400 per year and the Manager comment that Dave suggested we ask them about this number because it does seem high. Also, the contract should have a 3% cap (close to CPI) on increases yearly (or lower) and a 20-year support agreement term. Tom also suggested we ask both companies if the AMI System took less than a year to implement, how much this amount gets decreased by. By looking back at the last upgrade on meters, this project may only take 6-7 months to incorporate into our system. Hopefully this will be answered on Friday. As we get closer to accepting an AMI company, the Manager will discuss how we will pay for this project.

The Manager stated there is no change on the LED streetlight grant status.

The Manager discussed the Battery Storage trailer, along with a 3 page hand out to the Board. The batteries will hold 3 megawatts of energy for 3 hours. The Manager printed out the charging cost increase because MMWEC said it would be lower at \$0.15 average \$0.54 cents a kilowatt hour to operate we will make \$1.14. The 3 handouts illustrated 50%, 67% and 75% funding by TMLP with the associated costs. The two items that could benefit TMLWP, the first being our load reduction to shave our peak load, two would be load increase with the extra generation we can kick on. This is a \$2M project, which we could fund by securing \$1M of our own capital and letting the state pay the rest with the grant. The Manager did reach out to the Planning Board regarding this project with a few questions, one having to do with the necessity of permitting on land that the TMLWP already owned...

The Manager mentioned the FY2018 Pilot to the Town. One of the items at the March 8 meeting was a \$10K dump body on a 1975 vehicle, but the truck is beyond repair. The new Highway Superintendent, Alan Mayo came to John to discuss a 1984 plow/sand truck that is in better condition. Alan would like to convert this vehicle for this purpose. He just wanted to make sure it was OK to use the \$10K for the 1984 truck as opposed to the 1975 truck. Chris and Dana were both OK and no supplementary vote was needed, just a transfer of use. Both the Board and the Manager were very pleased that we have more communication with that town department now.

The Manager informed the Board about health insurance premium increases for FY18. There are two possible increases coming for FY18; the first is a 13.3% increase with no changes; the second is an 11.7% increase with the doctor visits increasing to \$20 from \$15, and ER visits increasing to \$100 from \$50. The Interim Town Administrator had stated that with the 11.7% increase the employees would break even after 2 ER visits. The Board of Selectman is supposed to address this at an upcoming meeting.

The Manager presented the Board with 3 pages of the DPU report. Page 9 was from the financial report and the adjusting journal entries (AJE) for 2016 audit from Goulet, Salvadio & Associates, PC. Page 10 of the DPU report had the current assets increased \$116,725 due to the "amounts recoverable in the future". And Page 11 had a decrease of (\$300,000) under

Miscellaneous Operating Reserves. All of this resulted in Page 12 reflecting a net income of \$755,357. The \$300K was withdrawn from Working Capital on January 4, 2016 with a recommendation from their office to pay back bills to MMWEC. The Manager itemized these numbers because they did not agree with our ending financials for 2016. The Manager has requested a meeting with Jim Goulet who will be coming on April 25. Gregg Edwards did suggest that it may be time to look at other accounting firms. Looking at the AJE for year end, it may be that the \$300K withdrawal was applied to the incorrect account. With the numbers they provided the net income does not come close to the \$228K approximate net income estimate that the Manager had given the Board in March.

The Manager discussed the property at 11 ¾ Elm Street. TMLWP would like to survey the property through Whitman & Bingham. John called and left a message, we have not heard back from them at this time. Dana suggested contacting Chris Pera from Gardner, MA.

The Manager informed the Board that the TMLWP Clerk position has been filled. John and Jennifer had interviewed 4 applicants out of 23 received for this position. Lindsay Kodys will start with TMLWP in late April.

New Business:

The Manager and Superintendent discussed the Depot Road recloser. There was a car accident in the last snow storm on April 1. A car hit the pole and the wires had come down onto the car. When Joe Parker arrived he went to open the recloser, a 3 phase device. Only 1 phase turned off and the wires on the car were still live. Joe handled this situation very well according to the Superintendent, as this could potentially have had a very bad outcome. This was the third time that this recloser had failed to open all three (3) phases upon a fault condition. The Manager has reported to this to Wesco, the T&B distributor. We had already taken down a Joslyn HV recloser from this same location after it had operated improperly, and this newer T&B recloser was allegedly a better product. When we had gone out to bid we were hoping that Cooper would have submitted a bid, but they had not. According to the Manager and the Superintendent, neither the ABB nor the Cooper comparable reclosers had problems such as this. JCF Construction, LLC on Depot Road had not had any power until Monday, April 4 due to the accident.

The Manager will be submitting a statement and a letter requesting our money back on this product from Wesco, the theory being that the distributor will be easier to work with on this than the manufacturer. If they did not refund us, the Manager would let other light departments know about the potential danger in keeping these units in the air. Prior to our having bought the T&B reclosers, the Manager had consulted with both Taunton and Wellesley, who had them in service for a year without incident.

There were five (5) handouts that the Manager had prepared for the Board that did not require any specific discussion:

- February 2017 Power Supply
- March 2017 Wind Generation

- March 2017 KWH Sales and Revenues
- April 2017 Residential Electric Rates
- Q1 2017 TMLP Electric Rate Comparisons

The Manager commented that the wind generation for March was incredible with 312 MWH generated from Templeton Wind, the highest output month we have seen since its COD. With this generation combined with Berkshire Wind and Hancock Wind the TMLWP had 14% wind for March 2017.

Other Business:

The Manager discussed the proposed load limiters for those customers protected from shutoff via physician's note. One customer (Matthew Currier, 110 Michael's Ln) notified the Massachusetts Department of Public Utilities (MA DPU) regarding these service limiters being installed at his house meter, allowing only 15 amps. The MA DPU had called us in October 2016 to complain but there were no regulations governing electric service limiting. The Manager had waited 5 months with no response from them and we are now out of the electric/gas moratorium. We had 4 customers that we had planned use of these devices on. The Manager had since sent letters to them customers on April 6, 2017 again to let them know that limiter installation would be starting in May 2017. The MA DPU finally called and requested a meeting with the Manager, TMLWP Counsel, MA DPU Counsel and Electrical Engineers. This meeting was to take place on Thursday, April 20. This device will not allow the use of air conditioning, ovens, clothes dryers and other high-draw non-essential appliances. The limiter will shut off the power to their homes and they would have to reset it via an exterior pushbutton located atop the device (outside). We had tried to bring a number of these electric customers (15) to court for non-payment, but this was actually shown to be a waste of time and resources; the MGL and the CMR both limit light departments' abilities to recover electric revenues.

There being no other Open Session business to discuss, on a motion by Chris, seconded by Dana, 3-0 in favor the Light Commissioners' Meeting adjourned at 7:35 p.m.

Respectfully Submitted,



John M. Driscoll
General Manager