

**Light Commissioners' Meeting
January 14, 2014**

Members present were: Dana Blais, Gregg Edwards, Chris Stewart

Employees present were: John Driscoll, Tom Berry

The meeting was called to order at 6:45 p.m. by Dana.

The agenda was approved on a motion by Chris, seconded by Gregg, 3-0 in favor.

The September 11, 2013 minutes were approved on a motion by Dana, seconded by Gregg, 2-0 in favor.

The October 8, 2013 minutes were approved on a motion by Dana, seconded by Chris, 2-0 in favor.

The November 12, 2013 minutes were approved on a motion by Dana, seconded by Gregg, 2-0 in favor.

The December 10, 2013 minutes were approved on a motion by Gregg, seconded by Chris, 2-0 in favor.

Old Business:

Gregg had suggested that rather than making an initial contribution to Templeton Light's newly established OPEB Trust of \$120K in 2014, that payments of \$20K, \$40K and \$60K be made in 2014, 2015 and 2016 respectively. He offered that this would ultimately put the same amount of money into the trust account but it would give the Board an opportunity to judge the fund's growth over time with increasing contributions. The Manager had stated that the Board was free to make any amount of initial contribution to the Templeton OPEB Trust, including \$0, as long as they understood that the lower the initial contribution, the longer full funding will take. On a motion by Gregg, seconded by Chris, 3-0 in favor the Board voted to transfer \$20K in funds from the Light Plant's MA Reserve Trust account to the Light Plant's OPEB Trust account. The Manager had noted that this would push the full funding to 27 years as opposed to 21 years with the \$120K.

The Superintendent had produced a new cost estimate from MHQ on the proposed Truck #21 vehicle replacement. A 2014 Ford F-150 with an extended cab would come in at \$28,206 and would be delivered in 8-10 weeks. On a motion by Gregg, seconded by Chris, 3-0 in favor the Board voted to purchase the new 2014 vehicle per the latest MHQ quote for \$28,206.

New Business:

The Manager had a discussion with the Board regarding ISONE's new Winter Reliability Program (WRP) that many electric power generators had signed up for, including MMWEC's 354 MW intermediate unit and its 170 MW peaking unit. This move by MMWEC would mean that Templeton Light had to purchase its project participant's pro-rata share of #2 fuel oil in order to meet anticipated generation obligations for January and February 2014. The Light Plant's share of #2 fuel oil would be about \$45,000 gallons (1,071 barrels) of #2 fuel oil for a cost of \$134,818. The Manager stated to the Board that this was not an optional payment, but rather part of a long-running PSA (power sales agreement) with MMWEC. The Manager stated that he would instruct MMWEC to withdraw the necessary \$134,818 from the Light Plant's MA Reserve Trust account to pay the fuel oil bill.

Another discussion was had on the December 2013 wind generation like had taken place in November 2013. This time Berkshire Wind was 302 MWH and Templeton Wind was 159 MWH for a total of 461 MWH of wind generation. Operating costs for Berkshire Wind were estimated at -\$0.0500 per KWH; Templeton Wind estimated at \$0.0422 per KWH. A WREC value of \$64.00 per MWH was assumed for Q4 2013 wind renewable energy credits.

The Manager and the Superintendent discussed damages with the Board to the light and water office building in the portion of the facility which connects the office to the garage. Heat pipes had frozen over the past weekend with the frigid temperatures in Baldwinville in the ceilings and walls in the area stairwell and down in the foyer by the back door. The Light Plant had received an estimate to perform the necessary repair to the drywall and drop ceiling but it had not included the spray-in foam insulation recommended by Dana. With this portion likely pushing the cost estimate over \$5K the repairs would probably be better off if done in the spring as a rate job. Further, Dana expressed the need for a contractor who was bonded and possessed all of the necessary insurances to perform indoor structural work to code.

With the PILOT discussion only two months away, the Manager thought it appropriate to have a discussion about 2013 light revenues and sales versus those of 2012. He distributed copies of a report demonstrating these differences. Sales of KWH were **down** by 259,000 KWH or by 0.44%. Sales revenue was **down** by \$282,000 or by 3.42%. Similarly miscellaneous revenue was **down** \$79,000 or by 18%. The Manager also noted that 2013 Power Supply costs overall were **up** from 2012 by \$176,000 or by 3.01%. The Board would again meet in March 2013 to discuss the Light Plant's year-end cash position and the Manager reminded them that any PILOT should only come from above-

the-line revenues, a.k.a. surplus funds. At this time it appeared that the Light Plant would net out close to \$0 for 2013, but he would know more from the staff accountant in advance of this March meeting.

Light vendor warrants that were prepared on December 30, 2013 by the Light Plant were supposed to have been available as vendor checks from the Town to be mailed out on January 3, 2014. The Manager explained to the Board that the January 3, 2014 deadline was not met by the Town due to a single selectmen's office employee being absent that week. Ordinarily this would have moved the deadline a week ahead to January 10, 2014, and this would have been the case had it not been for the selectmen's office employee being absent for two weeks instead of just one. To make matters worse, when this selectmen's office employee returned to work, the vendor checks processed were errantly date for January 20th rather than the 17th. This pushed the date vendors were to receive their checks from the 6th to the 20th, a full two weeks. Some notable vendors on this particular light vendor warrant would have their payment unnecessarily delayed:

VISA Business Card(s)	\$233.92, \$430.75
Comcast	\$103.52
EarthLink Business	\$40.88, \$373.16
Worcester County Retirement System	\$62,712.22
Total:	\$63,894.45

Of these the Manager was most unnerved by the apparently missed Worcester County Retirement System. However a loss of cable TV access would have financial consequences for the wind turbine, and a loss of telephone access would create chaos for the light and water office as well as the water stations. The Manager stated to the Board that he had already made a payment to both cable and phone with the company credit card to play it safe. Because of this issue of not processing light vendor warrants when one of the selectmen's office staff is absent, he has sent an e-mail to the selectmen, accountant, treasurer and administrative assistant requesting a remedy to the problem. Instead of a solution the Manager received a response e-mail from the town accountant stating that he (the Manager) was arrogant.

There being no other Open Session business to discuss, on a motion by Chris, seconded by Gregg, 3-0 in favor the Light Commissioners' Meeting adjourned at 7:45 p.m.

Respectfully Submitted,

John M. Driscoll
General Manager

