

Middleton Electric Light Commission
Meeting Minutes
May 24, 2018

The following individuals were in attendance:

Frank Twiss, Chairman
Chuck Clinch
Tim Houten
Jim Kelley
Jim Carbone
Michael Cloutier, Manager

Chairman Twiss called the meeting to order at 5:05PM.

Approval of Agenda:

Motion:

Tim Houten motioned to approve agenda as written. Chuck Clinch seconded motion. Motion carried 4-0

Approval of Minutes:

Tim Houten motioned to approve the minutes of April 25, 2018 as written. Jim Kelley seconded motion. Motion carried 3-0.

Financial PPA:

Power is up over 2017. Capacity charges are higher. Capacity runs from June 1st to May 31st, so we are now coming out of the highest period into a lower period. We are going from about \$11.00 down to about \$9.40. The cold weather in January through April was also a reason for the high cost. We will start saving money next month. At this point last year, we spent \$837K and this year we spent \$1.67mil. We did buy 50% more KWH at almost double the cost. Our cost in 2017 was \$0.37 per KWH and this year it is \$0.51 per KWH. That was offset a little by Seabrook as last year were at \$0.081 and this year at \$0.038. We are paying on average \$0.112 in 2018 and in 2017 it was \$0.098. Mr. Cloutier expects this to come down.

Income statement shows the cash is down \$400K from 2017 but we need to consider that this was before we took out the money for the ROW. Last year we made \$243K in interest compared to a loss of \$352K this year. This is the reason our net income is down. Purchased power was up \$314K from 2017. We are negative in net income with \$350K coming from interest income. The 2018 budget for interest is \$200K. Meter reading account is up \$2K and Mr. Cloutier will look into this. Also, the Maintenance of Street Lights is up because of the changing out of fixtures. Salaries are down \$55K because we were still paying Mark Kelly vacation pay this time last year.

The street lights are done. We just need to clean up the billing with the Town.

Regarding the power supply, we are looking into expanding our profile into wind with a wind farm in the western part of the State. Pricing is more favorable than Maine. It would represent about 3% of our portfolio. We are continuing to look at green energy where it is a right fit for us. We may also have an opportunity for hydro.

Manager's Report:

The line crews have been quite busy lately. Two weeks ago, we had two crews assist New Hampshire Electric Co-Op with a wind storm. The crews were there for the weekend. The crew replaced the MIT recloser this week. They are wrapping up the interconnection on the solar field. They also worked at the jail this past weekend to provide temporary power. They had to remove and replace a switch. The crew went back this morning to get training on the switch.

We are looked at some municipal leases for David's 13-year-old truck. The municipal lease has you buying the truck at the end of the lease and expensing it overtime. This lease to own would not work for what we want so Mr. Cloutier is going to buy a truck. If we do find an electric vehicle in the future the new truck could replace Bernie's truck. They are specing out a truck for about \$33K.

Mr. Cloutier got prices for the mapping system. Data collections and set-up will be \$66K plus \$21K for the software licensing and a \$4K annual fee to host the server and software maintenance. Mr. Cloutier and Kenny saw the system in Georgetown and feel it is a good system. They must start from scratch because we do not have any maps for reference. The crews will be able to access maps in the field or office. Mr. Cloutier hopes to have it kicked off later this year.

Solar panels are all up and ready to be turned on. They are getting commissioned tomorrow. They are looking to get the transformers energized next week. They will sit energized for a day or two before they bring the inverters online. The witness test is tentatively scheduled for May 31st or June 1st. The last thing is the curtailment system to make sure they don't back feed on that circuit through the transformer which would cause a reverse delay to trip open. Sign-ups for the solar subscription are going slow. Brian Carter went around Town to talk to businesses about sign-up and that helped. Today we crossed the threshold of being fully subscribed. The solar should be up and running in the next few weeks.

We will not be moving on the generator. Nothing is concrete as far as proposals. With the solar panels and the new jail switch, depending when the peak happens, we should be able to curtail a similar amount as the generator would do and all for free.

Mr. Cloutier will be speaking with Brian Berkeley from Merrimack College about an intern program. It would include engineering as well as administrative. Mr. Cloutier feels there is plenty for an intern to do. It is very busy, and a second set of eyes would be beneficial for a small amount of money.

NEPPA meeting in Falmouth, August 19th through the 22nd.

Lakeland, Florida still owes MELD \$2K for fuel charges.

NEPPA is getting a mutual aid coordinator.

Motion:

Mr. Houten made a motion to open contract negotiations regarding proposed changes to condition of employment and rate increases. Mr. Kelley seconded the motion. Motion carried 4-0.

Roll call vote to go into Executive Session and then return to regular meeting. Mr. Kelley, Chairman Twiss, Mr. Houten and Mr. Carbone all voted yes. Mr. Clinch recused himself and left the meeting room.

Return to regular meeting at 6:27PM.

After Executive Session was completed Chuck and Bernie were asked to come into the meeting. Chairman Twiss told them the Commissioners had looked at all the changes including the coffee break, funeral leave, vacation leave, clothing allowance, off hour standby, vehicle mileage reimbursement and salary increase. He told them the Commissioners are very appreciative for what they do daily. We appreciate that their requests were reasonable and realize that some of the requests had not been updated in years. He let them know that the 3% raise for each of the next three years was approved but they should realize that in the future that we will need to look at the health of the department to make sure it stays strong. They were also informed that all the other requests were approved.

Previous motion in Executive Session was made to accept proposed changes as written. Motion carried 4-0.

Mr. Clinch returned to meeting.

We will skip #6 on agenda and go into Executive Session at 6:35PM.

Roll call vote was called to go back into Executive Session for Manager's Review. Mr. Kelley, Mr. Clinch, Chairman Twiss, Mr. Houten and Mr. Carbone all agreed.

Next meeting June 14, 2018.

Respectfully submitted,

James Carbone, Clerk