

Middleton Electric Light Commission
Meeting Minutes
October 17, 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 5:06PM.

Approval of Agenda:

Motion:

Tim Houten motioned to approve agenda as written. Jim Kelley seconded motion. Motion carried 5-0

Approval of Minutes:

Tim Houten motioned to approve the minutes of September 19, 2018 as written. Jim Carbone seconded motion. Motion carried 3-0.

Financial PPA:

Power supply cost continues to go down. August showed a cost of \$0.085 per KWH and we started the year at \$0.119 per KWH. Starting in June we are saving \$30K a month in capacity payments. Mr. Cloutier expects this trend to continue. We are getting good power from the solar field. August showed 760,111 KWHs. The weeds have been cut. The KWHs will continue to go down as the days get shorter.

Balance sheet shows the investments are doing okay. They have started to bounce back. Our operating cash is steady and continues to slowly grow.

Income statement shows a net income of \$435,480.91 for August and a YTD net income of \$266,143.55. August was the first month the income showed a profit.

Variance report showing a lot of information. For August we did better although we are still down for the year. Interest income is off \$700K but power supply is up \$281K from 2017. This was because of high capacity costs and very expensive spot market pricing. Outside services is up due to the mapping project. The project is pretty much done. There will be training scheduled when Kenny gets back from Florida.

Electric Vehicle and Appliance Rebate Program forms are being worked on and should be live January 1st. Rebate will come back as a credit on the customer bill. We are going to offer \$1K for up to three heat pumps and mini splits, \$250 on hybrid water heaters, \$50 for dehumidifiers and \$25 for a programable or smart thermostat. We can expand the program in the future. Equipment must have a SER rating or an Energy Star rating. ENE will have a hotline for questions. They are working on the web-site development for the electric vehicles. ENE is also working with dealers to show what they have available and an ambassador program to give out information or let someone drive a vehicle. It will also educate buyers when to charge at off peak times. DOER will be looking at municipal department spending on these conservation projects in 2019. A certain percentage of money is required to be spent. We should start to plan a spot for a charging station.

Manager's Report:

Purchase order has been cut for the new bucket truck. Delivery will be in 300 – 330 days. The cost is \$238,883.00 and maybe a little higher if we decide on purchasing an extended warranty.

The crew in Florida left to come home today. They were in Tallahassee with one bucket truck, one pickup truck and two one-reel trailers. One of the trailers is missing and Mr. Cloutier will work out a reimbursement. Fortunately, it was an old, homemade trailer.

Battery storage will be two forty-foot containers sitting on concrete piers. There will be two 1.5 megawatt transformers and a smaller 45 kva transformer that may be pole mounted. There is room on the site between our pole line and the fence. The permitting process is done. We will start paying a monthly fee but will realize savings over ten years of \$2.5 mil to \$3.2 mil depending on how many peaks we make. These savings continue through year twenty for real savings. Our outlay will be \$320K annually unless the tax credit is reduced. If it is, our cost will go up approximately \$20K. If we wanted to lower our monthly payments, we could prepay part of the lease. We will also save money as MELD is going to do the work setting the poles, pulling the wire and hanging the transformers. This will save MELD \$100K plus the money we bill for the work. They now want a letter of intent by the end of the week.

Motion:

Mr. Houten made a motion to allow Mr. Cloutier to enter into agreement with company for twenty years. Mr. Kelley seconded the motion. Motion carried 5-0.

Next meeting: November 14, 2018

Mr. Houten made a motion to adjourn at 6:25PM. Mr. Kelley seconded the motion. Motion carried 5-0.

Respectfully submitted,

James Carbone
Clerk