

Middleton Electric Light Commission
Meeting Minutes
December 19, 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. Chuck Clinch seconded motion. Motion carried 5-0.

Approval of Minutes:

Motion:

Tim Houten motioned to approve the October 17, 2018 and November 14, 2018 minutes as written. Jim Kelley seconded the motion. Motion carried 5-0.

Financials:

October was not a good month, but November was better. October's interest income showed a loss of \$343,654.06. We have a lot of fixed income in bonds. When the value of the bonds goes down, the interest rate goes up. About 2/3 of our portfolio is fixed. The bond loss is the current monthly value but when the bonds mature, we will get the full value. Our cash position year over year is up \$1.2 mil. Operations net income is up \$270K for the year over 2017.

Power went up slightly this month. Seabrook was closed in October. Millstone was also down a little more than expected. We bought a lot of power from Shell at \$0.035 per KWH. The total monthly cost per KWH was \$0.115. We signed a PPA for wind power and we are working on another for hydro power. Municipals are fighting to save our autonomy which is the reason we are looking into new green projects.

Rail Trail Alliance Letter:

Mr. Cloutier has not responded as he wanted to discuss the letter with the Commissioners first. We will want to meet with the alliance committee. We want to make sure any liability is not

the responsibility of MELD, but that of the Town department responsible for the rail trail. We would have to get them to maintain the trail land and brush. MELD would maintain the electric wires. MELD totally purchased the trail with our funds, so we should not be responsible to maintain the land for the trail. We will invite them to our January meeting. In the meantime, we should research how other municipal electric departments handle this. First and foremost, it must be a ROW for MELD.

Battery Storage:

Mr. Cloutier is working through the specifics of the agreement. It is still on track for June 1st. It will be 3 megawatts and 6.6 megawatt hours. Next big step will be the pilot with the Town for the property tax which will be borne by MELD as a pass through from the contractor. A site contractor will be hired by the developer.

Manager's Report:

Cheryl has a list of abatements for the Commissioners' approval. List was passed around for Commissioners' perusal.

Mr. Cloutier purchased 5,100 megawatt hours for next year. This will fill our portfolio to about 84%. We got it at a price of \$49.00 a megawatt hour with Dynegey. They posted a \$100K surety bond. A PPA was also signed for a project called Granite Wind, a wind farm in New Hampshire. It is 33, 3 megawatt turbines and has been in production since 2012. Our piece of the project is about 1/2%, 500 KW. That will represent about 1 ½% of our portfolio. We will get all of the recs out of it. It will range from just under \$0.07 and go up to just under \$0.10. Another project which a PPA will be signed by end of year is a couple of hydro facilities with ponding capabilities. It will be a 5-year contract representing 3 ½% of our portfolio. We will get all the environmental benefits. This will help expand our non-carbon emitting projects.

DC Conference:

APPA Conference, February 25th to the 27th. Mr. Cloutier and Mr. Houten will attend. They will be meeting with NEPPA and various legislators.

Middleton Drives Electric:

A mass mailing will be sent to all MELD customers regarding electric cars. This will educate consumers on when to charge in non-peak hours and direct them to our website. There are currently 19 electric cars in Middleton. We are also looking into a charging program where owners would sign a contract as when to charge in non-peak hours. Metering is becoming advanced to charge for different rates at certain times. Signs are being made to post around Town. The rebate program is still set to begin in January.

Manager's Review:

Mr. Cloutier's review is due in January. Commissioners acknowledged the projects Mr. Cloutier has successfully completed. Some of these projects include the solar field, the Danvers ROW, the new work vehicles, the mapping of the Town's electric poles, the battery project, a new working conditions contract and the rail trail. It was also brought up that there has been no

complaints or negative feedback since Mr. Cloutier was hired as manager. There is also obvious team work within the department under Mr. Cloutier's leadership.

Motion:

Mr. Kelley made a motion to increase Mr. Cloutier's salary 3% and his 457B match 2% effective January 25, 2019. Mr. Carbone seconded motion. Motion carried 5-0.

Abatements/Write-offs:

Motion:

Mr. Houten made a motion to write-off collections presented by Cheryl. Mr. Clinch seconded the motion. Motion carried 5-0.

Next meeting: January 23, 2019

Mr. Kelley made a motion to adjourn at 6:12PM. Mr. Houten seconded the motion. Motion carried 5-0.

Respectfully submitted,

James Carbone
Clerk