

Middleton Electric Light Commission  
Meeting Minutes  
December 14, 2022

The following individuals were in attendance:

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

Acting Chairman Clinch called the meeting to order at 5:01PM.

***Approval of Agenda:***

**Tim Houten motioned to approve the agenda as written. Jim Kelley seconded the motion. Motioned carried 4-0.**

***Approval of Minutes:***

**Motion:**

**Tim Houten motioned to approve the minutes of November 16, 2022, as written. Jim Kelley seconded the motion. Motion carried 4-0.**

***Financials:***

Power supply was up in October but came down from the annual average. November is anticipated to be similar, and December will be back up. Investment income is up. Operationally, our October net income is up about \$200K without the investment income. November will also be profitable, but December is questionable. The spot market will still be very expensive, but we should end up positive for the year.

***Power Supply Update:***

Mr. Cloutier had reported that we were ready to sign a contract with BP for the heat rate. However, they were not ready to execute the contract at that time and when they came back with a quote it was significantly higher. We are still waiting to execute the contract. In the meantime, we have contacted ENE and we are going to hedge for next year by the end of 2022. Mr. Cloutier will be looking for 2023 first quarter block pricing as well as the remaining 2023 quarters and 2024. Then he will look at heat rate contracts for the last three quarters of 2023 and 2024. So, it is unsure whether we will be doing block pricing or heat rate for this period. Heat rate is up in the air right now. We should start getting prices next week, but it will be expensive. They are still predicting there will not be a need for rolling or controlled blackouts unless it gets extremely cold. With that in mind, we are being proactive and working on a plan as to how this would be carried out. Should it happen, we will have up to twenty-one days' notice. Mr. Cloutier does not believe it will happen.

There is a potential to get back into Seabrook for 50 megawatts with the ENE group. There are two wind projects already built, one to be built and a couple of hydro projects that we are deciding on. Mr. Cloutier is interested in the two wind projects already built. Miller Hydro was at 89% for us and we do not typically see it that high. The Spruce Mountain wind project was not renewed but will run until 2025.

People are now running space heaters as oil prices are going up. We need to educate people about the fact that these heaters are extremely energy consuming and expensive to run. We are now at \$0.15-\$0.155 per KWH.

Mr. Cloutier will update the Commissioners as he signs contracts. He is hoping that by taking off January, February and March, which are the most expensive, that we will be able to get the heat rate down.

***Manager's Report:***

The quotes for the 30, 50 KVA transformers, which Mr. Cloutier thought would be about \$10K each, came in at \$22K each with a 202-week lead time. We are going to get a bigger order and go out to bid again. According to a report from the

Department of Energy, the lead time is the result of factories closing due to the lack of staff. They are also having a problem with core steel which goes into electric vehicles as well. They are hoping that electric will eventually replace all fossil fuels. Any new developments could have a problem with inventory shortage.

TJ and Jeremy gave their notices today. They are going to work for Reading Electric Light. They said they will make a higher hourly wage, will get a higher percentage paid on their health insurance and guaranteed eight hours overtime. Mr. Cloutier will be meeting with Chuck, Bernie and Kenny to discuss new hires. Kenny has offered to stay on to help before his retirement.

Verizon reached out to us to do surveys on all the poles here that they have in their custody. During the zoom call with four Verizon employees, Mr. Cloutier and Manole, Mr. Cloutier stated we would like to buy the poles. One of the Verizon employees stated that there may be a possibility they would sell them to us. He said they would have to go through their legal and accounting departments. They said they did not want the sale to hold up the survey. Mr. Cloutier stated that if they put braces on the poles, they would be worth more to Verizon and less to MELD. So, they are going to go ahead with the survey. They then will get back to us and let us know how many poles need braces and where they are located.

Next meeting: January 18, 2023

Jim Kelley motioned to adjourn at 6:00PM. Jim Carbone seconded motion. Motion carried 4-0.

Respectfully submitted,

James Carbone

Clerk