

Minutes of June 15, 2011

Joint Meeting of the Ashburnham Municipal Light Plant Board and the Ashburnham Board of Selectmen

Present Commissioners: Richard Ahlin, Mark Carlisle and Kevin Lashua

Present Selectmen: Ed Vitone, Ron Reed & Gregory Fagan

Stan Herriott, Manager

Others present: Caitlyn Kelleher, Mr. & Mrs. Leach, their son and their attorney, Christopher Senie. During the public comments Mr. & Mrs. Leach asked if they could address the Board about the wind project that is being considered on Blood Hill. Commissioner Ahlin stated that he would have preferred it if they had requested to be placed on the agenda as the meeting was not scheduled to discuss the proposed wind project. However, Commissioner Ahlin did allow them to speak. Manager Herriott gave a brief history on how Mr. Leach became aware of the project. Mr. Leach's attorney then spoke about the process of the wind turbine siting and requested to be involved in the process, as well as being notified of any other process with regard to permitting or discussions about going forward with the project. The Boards agreed that it would be appropriate to post the meeting rules and they would be followed throughout the permitting process. Attorney Senie's concern was that noise maybe emitted from such a project. Mr. Leach stated he felt the turbines would tower above their farm and would disturb the serenity of their property. There was a short discussion with regard to their concerns and the family thanked the combined Boards for allowing them to express their concerns and left the meeting.

Chairman Ahlin then directed the meeting to the first agenda item which was to open with the discussion of the PILOT payment made to the Town by the Light Department. Manager Herriott began by saying that the Light Department was offering a way to quantify the PILOT payment

rather than just setting a number of \$40,000.00 which has had no real basis. The proposal was to base the payment on the KWH's sold times a rate of .002. If agreed the Light Department would pay slightly more than the combination of the \$40,000.00 voted PILOT and the amounts assessed by the Town for additional services. Selectman Ed Vitone stated that the town had in fact put some thought into the charges assigned to the Light Department and felt that they were a fair representation of the additional duties of the staff associated with the work day. Through some further discussion between the combined Boards they felt the Light Department had a fair offer. Selectman Ed Vitone framed the issue for a vote and the vote was unanimous. It was agreed that Manager Herriott and Town Administrator Doug Briggs would work out the details.

Chairman Ahlin moved the discussion to the second issue on the agenda which was the assessment of property taxes on renewable energy projects. Manager Herriott handed out documents showing the projected cost of power throughout the year 2015. The cost was in the vicinity of 5.5 to 6.5 cents per KWH. Manager Herriott went on to say that if the Town persists with their idea of using the full value model for taxes the renewable project would not be built. Manager Herriott used an example of a 2 MW system as a 10 million dollar project taxed at full value and would be \$171,500.00 annually. When based on the projected output of 2,500,000 KWH would result in adding 6 cents per KWH just to cover the tax bill. ($171,500.00/2,500,000=6.9$ cents Per Kwh). The tax alone would price the project out of the market. The Commissioners and the Selectmen had several possible scenarios which would result in the fair treatment of a PILOT payment. Both the Selectmen and the Commissioners were in agreement that a compromise could be reached. This would allow the projects to go forward and provide some revenue for the Town and an economical benefit to the ratepayers. However, there was not a firm outcome to these discussions, but a general agreement to work to find a solution. Doug Briggs arrived at the meeting and Selectman Ed Vitone gave him an overview of what had transpired during the discussions. At that point the Selectmen and Doug Briggs left the meeting.

Manager expenses were approved for \$146.24

Manager Herriott asked the Commissioners to sign the 2.5% payroll increase for Light Department Employees that was agreed to 2 years ago. The Commissioners signed the change of status requests.

Manager Herriott gave a brief update about the removal of the Verizon wires in the downtown area.

A motion was made to adjourn by Commissioner Carlisle and seconded by Commissioner Lashua. The vote was unanimous. The meeting was closed at 9:00 P.M.

Respectfully submitted

Mark Carlisle

Secretary